



Commission for
Communications Regulation

Information Notice

Implementation of EU Roaming Regulation by Irish Mobile Companies

4th Wave of Irish and EU aggregated roaming data

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1 Background

The Roaming Regulation was proposed in 2006 by the European Commission following concerns expressed by National Regulatory Authorities (NRAs), through the European Regulators Group (ERG), that the 2002 Regulatory Framework prevented regulators from adequately addressing the issue of high roaming charges. The Roaming Regulation came into effect on 29 June 2007 - (EC) No 717/2007 roaming on public mobile telephone networks within the Community¹. In addition, the Minister for Communications, Energy and Natural Resources made Regulations in December 2007 designating ComReg as the National Regulatory Authority for the purpose of the Regulations S.I. 792 of 2007².

The Regulation placed a price cap on wholesale and retail voice calls made while roaming in the European Union. It also put in place a number of transparency measures helping to ensure that consumers are better informed regarding mobile roaming prices. The Regulation requires mobile operators to give free personalised information on retail roaming charges when roaming in the EU. This includes an SMS text to be automatically sent to an individual's mobile phone with basic price information when roaming. Service providers are also required to provide a freephone number where detailed price information may be obtained.

The collection of data for monitoring purposes by National Regulatory Authorities (NRAs) is a requirement of the Roaming Regulation; ERG coordinates the actions of individual NRAs and publishes its report on a six monthly basis. ERG's fourth report on International roaming was published on 22 July 2009³; the report provides an overview of implementation in all EU member states.

This is ComReg's fourth report on Irish and EU aggregated data for the period 1 October 2008 to 31 March 2009. It also includes data from previous data collection periods to assist comparisons.

¹ http://eur-lex.europa.eu/LexUriServ/site/en/oj/2007/l_171/l_17120070629en00320040.pdf

² <http://www.attorneygeneral.ie/esi/2007/B25821.pdf>

³ http://erg.eu.int/doc/publications/2009/erg_09_31_international_roaming_report_090722.pdf

In September 2008, the European Commission published a proposal to review the functioning of the Regulation including the extension of the Regulation in scope and duration. On June 18 2009, the EU Council and the European Parliament formally adopted the new roaming rules. The amending Roaming Regulation (EC) 544 of 2009 was published in the EU Official Journal on 29 June 2009⁴. On 30 June, ERG published the updated guidelines on the Roaming Regulation⁵ to take account of the new requirements. Section 3, below, provides an overview of the requirements of the amending Regulation.

⁴ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:167:0012:0023:EN:PDF>

⁵ [http://www.irg.eu/streaming/ERG%20\(09\)%2024%20final%20Roaming%20Regulation%20ERG%20Guidelines.pdf?contentId=546244&field=ATTACHED_FILE](http://www.irg.eu/streaming/ERG%20(09)%2024%20final%20Roaming%20Regulation%20ERG%20Guidelines.pdf?contentId=546244&field=ATTACHED_FILE)

2 Analysis of Irish Data for Reporting Period

This report analyses Irish roaming data for the period 1 October 2008 to 31 March 2009. The price caps in effect during the reporting period are outlined below.

Effective Date	30 August 2008 – 30 June 2009
Wholesale Rate VAT Excl	0.28 cent
Retail Rate for calls made	0.46 cent VAT Excl. 0.56 cent VAT Incl.
Retail Rate for calls received	0.22 cent VAT Excl. 0.27 cent VAT Incl.

2.1 Key Points

ComReg notes following key points regarding the data for the reporting period:

- Irish retail roaming prices for calls made and received continue to indicate compliance with the regulatory price ceiling.
- Ireland's 'Eurotariff' price for calls made and received and the price for the rest of the world (calls made while outside the EU/EEA) was lower than the average prices charged in EU/EEA countries over the reported period.
- The retail price for sending a text message remained below the EU/EEA average in the reported period. However, these prices are still considerably above the price incurred for sending a text message at home.
- While Ireland's retail non-group data prices tended to be above the EU/EEA average over the reported periods, prices decreased in Q4 2008 and Q1 2009. (Note non-group traffic means traffic between entities that are not within the same group).

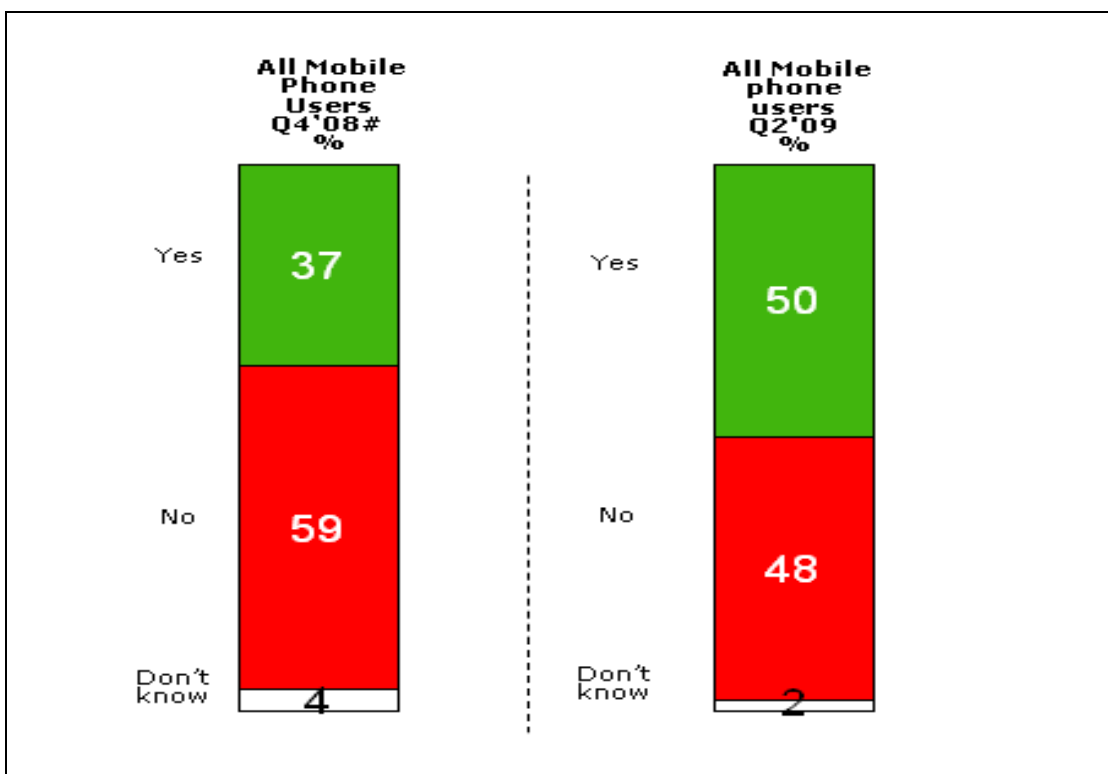
- Volumes of retail data traffic grew strongly over the reported periods. By Q1 2009, volumes were almost 6 times greater than Q4 2007 levels.
- Ireland's aggregate wholesale price per megabit of data among non-group companies continued to be higher than the EU/EEA average, although prices had decreased when compared with Q3 2008.
- Due to the effect of billing unitisation (per minute, per second billing), Ireland's billed prices for retail 'Eurotariff' calls made were approximately 40% higher than actual usage would suggest. This was above the EU/EEA average of approximately 25%. In contrast, the surcharge for Irish retail 'Eurotariff' prices for calls received was lower than the EU/EEA average (approximately 7% compared to over 17% EU/EEA average) and closer to actual usage charges. This is a reflection of per second billing for calls received by a number of Irish operators.

2.2 Consumer Awareness

ComReg's Residential ICT Services Survey Q2 2009⁶, conducted by Millward Brown Lansdowne, asked consumers if they were aware that the charges for making and receiving voice calls while roaming in the EU are capped. The result indicates that half of all mobile phone users claim to be aware of the voice price cap in the EU. This is up from 37% at the end of 2008, reflected in the chart below.

⁶ <http://www.comreg.ie/fileupload/publications/ComReg0960.pdf>

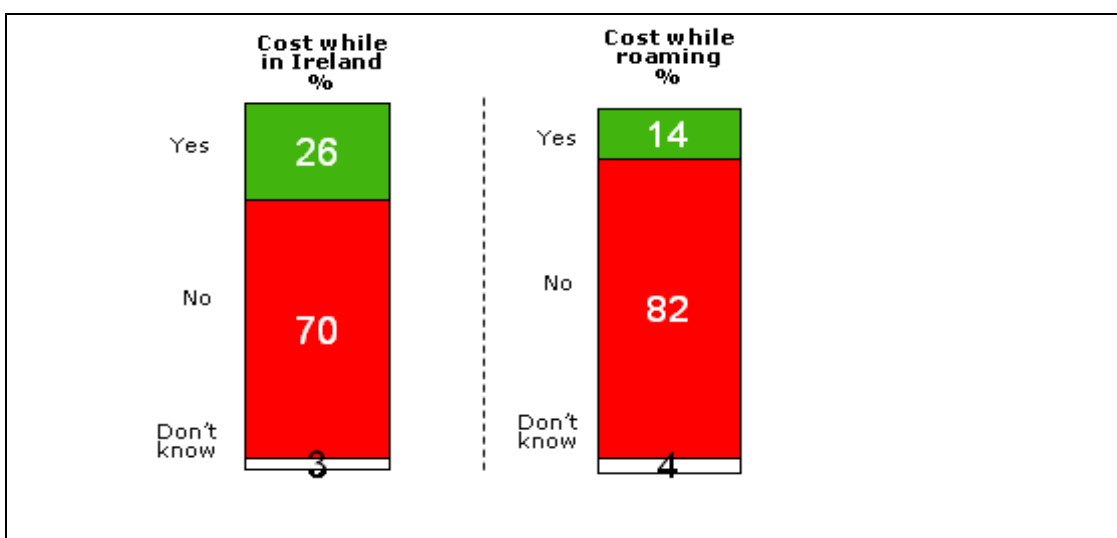
Q. Are you aware that the charge for making and receiving a voice call while roaming in the EU are capped?



However, the survey also indicates a very low awareness among consumers of charges for using the internet from a mobile phone both at home and while roaming.

Q. Are you aware of the cost of accessing the internet on your mobile phone in Ireland?

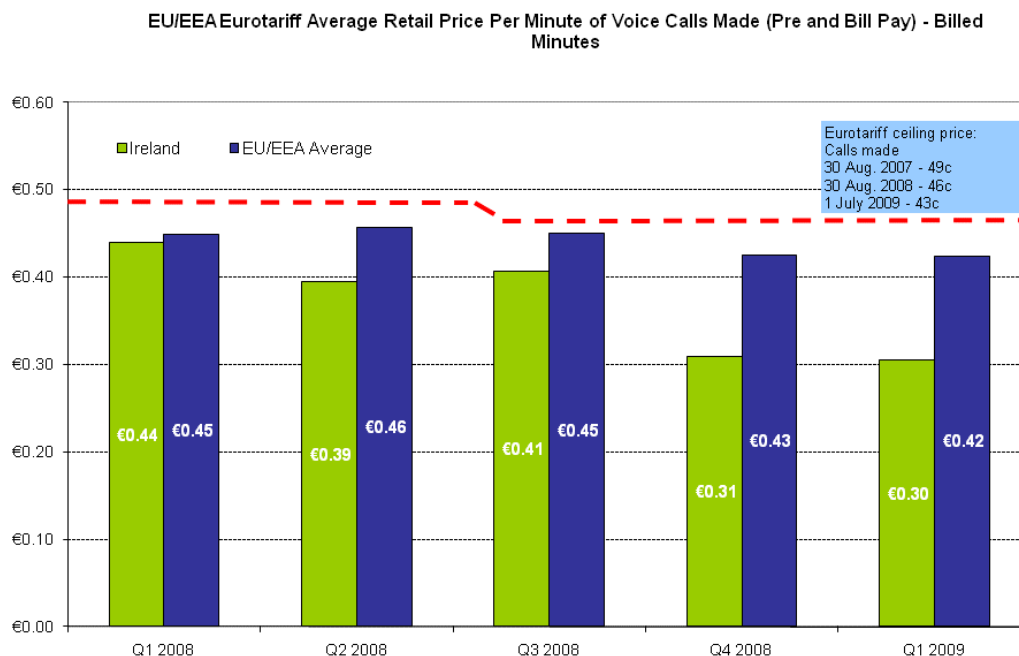
Q. Are you aware of the cost of accessing the internet on your mobile phone while roaming abroad?



2.3 Detailed Irish Data Analysis

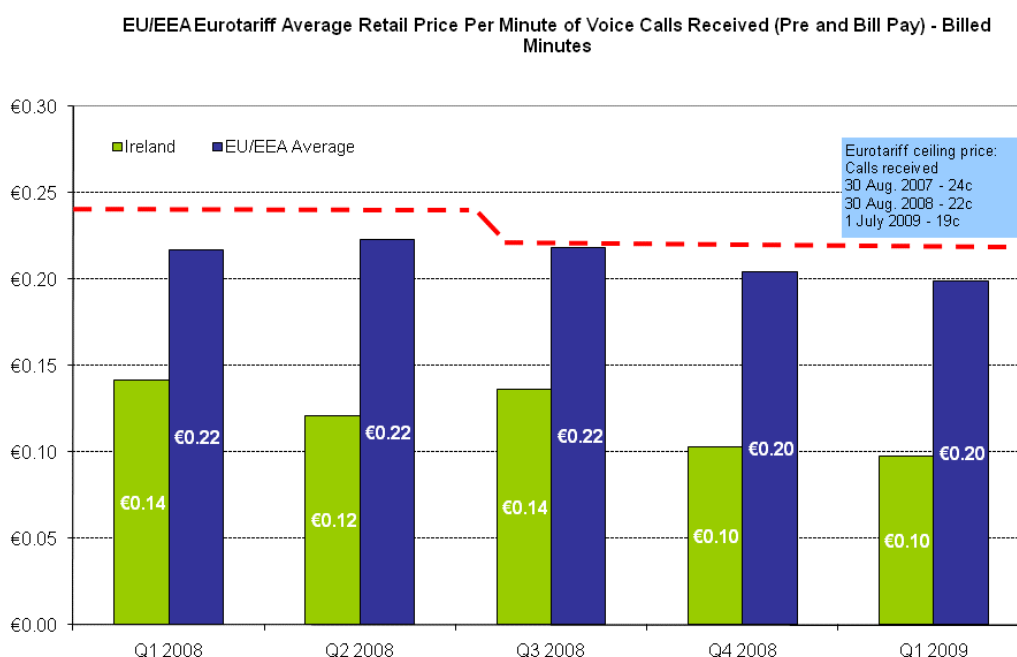
The graphs below provide further detail and commentary on the data for the reported period.

Figure 1



In Q4 2008 and Q1 2009 Ireland's "Eurotariff" for calls made remained below the regulated tariff. In addition, these prices also remained below the EU/EEA average.

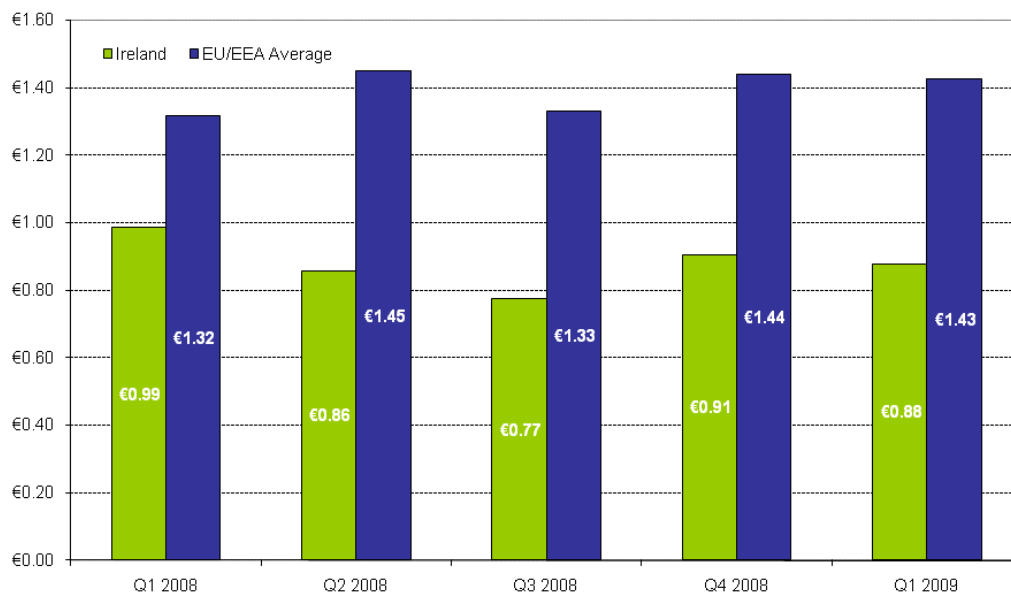
Figure 2



Ireland's "Eurotariff" for calls received are substantially below the regulated tariff and the EU/EEA price, falling to 10 cents per minute in Q4 2008 and Q1 2009. This is likely to be, in part, a reflection of per second billing by a number of operators for these calls.

Figure 3

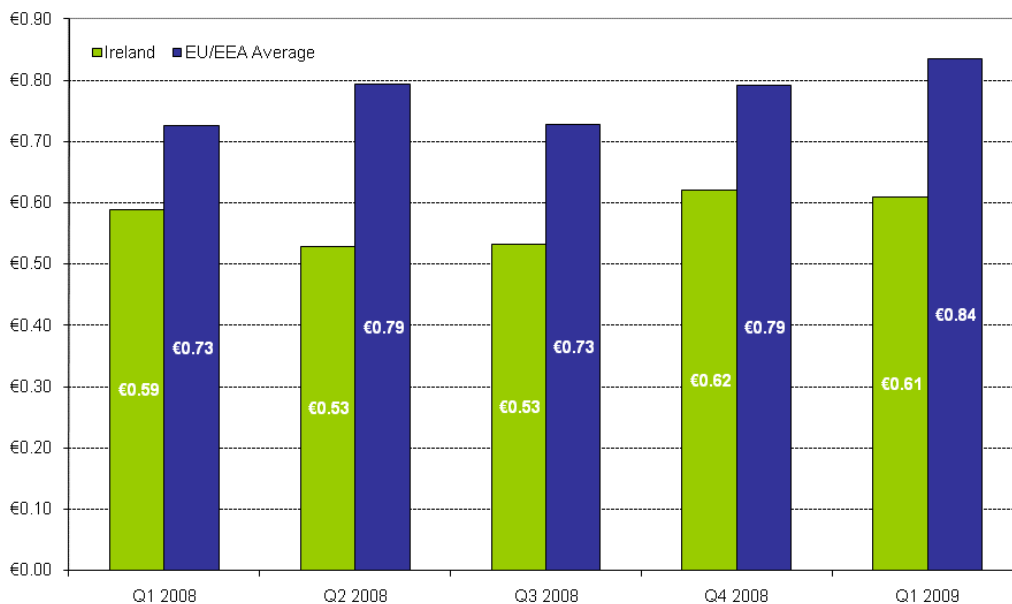
Rest of World Average Retail Price Per Minute of Voice Calls Made (Pre and Bill Pay) - Billed Minutes



Ireland's average price for making calls outside the EU/EEA is cheaper than the EU/EEA average. Prices have, however, showed an increase in Q4 2008 and Q1 2009 compared to Q3 2008.

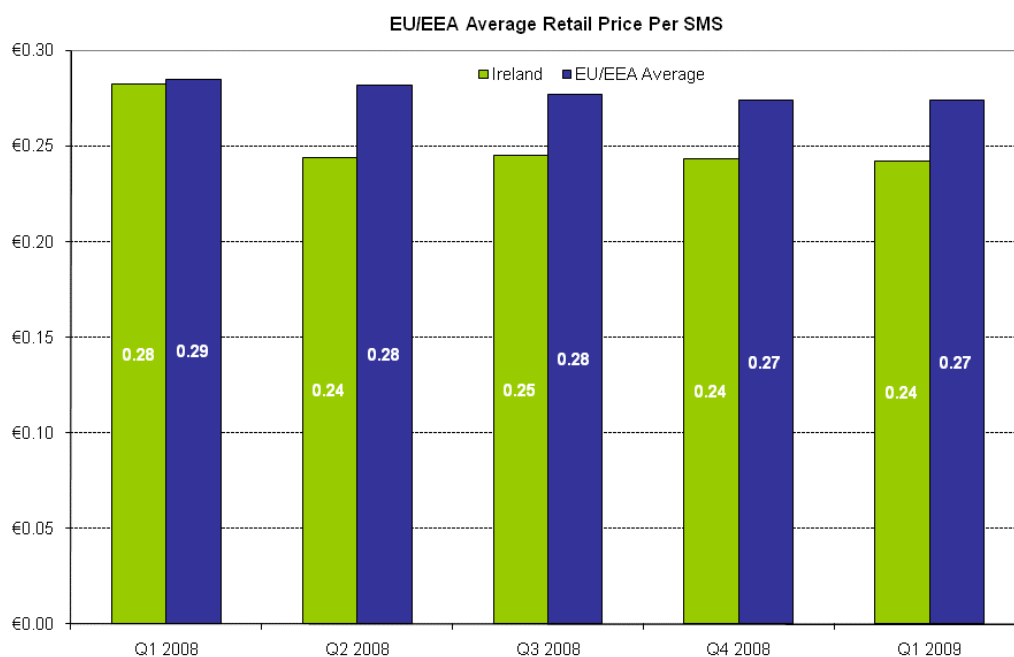
Figure 4

Rest of World Average Retail Price Per Minute of Voice Calls Received (Pre and Bill Pay) - Billed Minutes



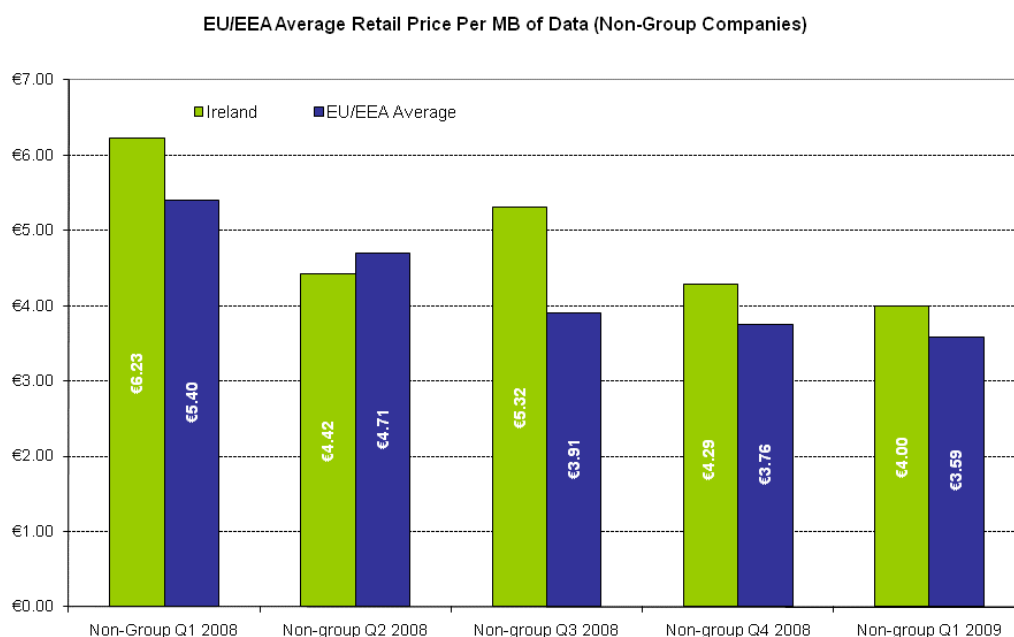
As with calls made, the average price for receiving a call while outside of the EU/EEA is cheaper than the EU/EEA average, although prices were higher in Q4 2008 and Q1 2009 than previous periods.

Figure 5



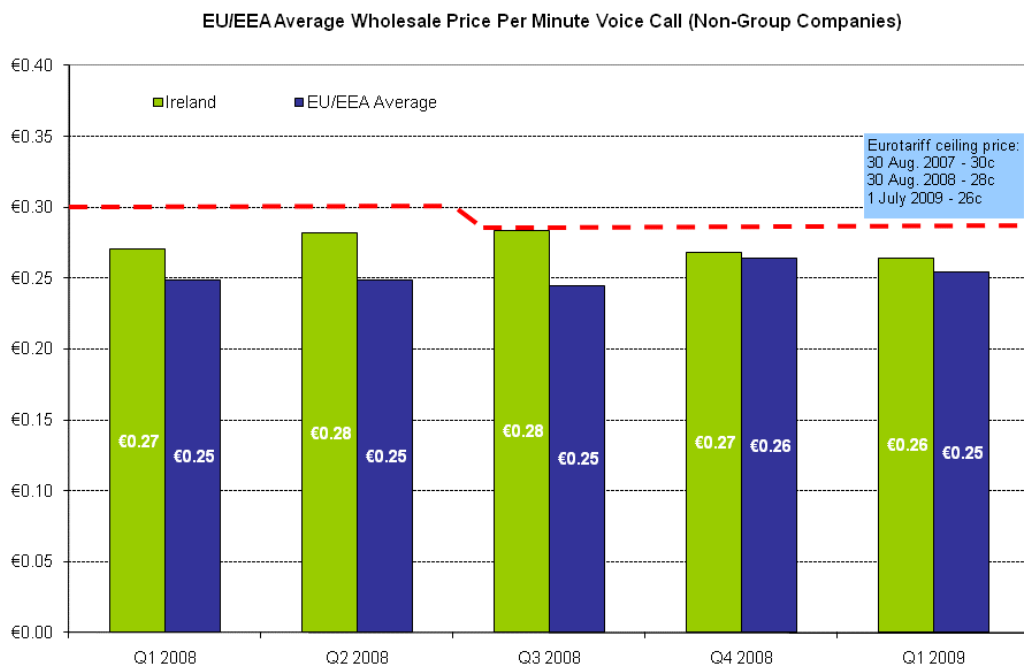
Ireland's average price for sending a text message has been relatively constant over the last four quarters and remained below the EU/EEA average in each period detailed above. The average price to send an SMS in Ireland is approximately 0.08 cent.

Figure 6



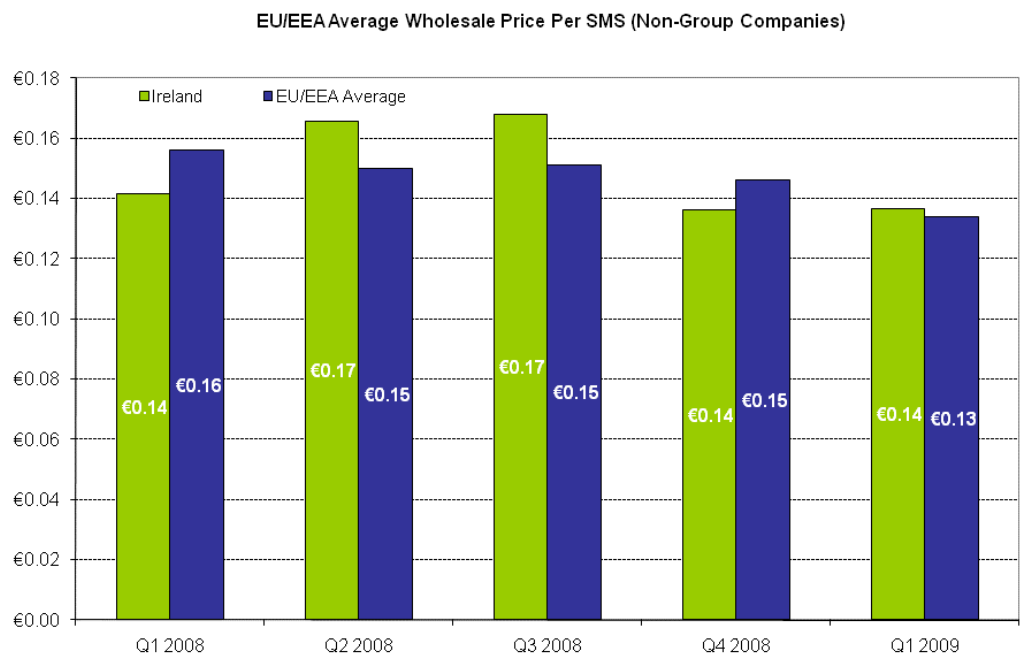
Ireland's retail price per MB of data has varied over the reported periods reflecting customer movements to bundled tariffs. Ireland's non-group prices have tended to be above the EU/EEA average. However, in the last two quarters Ireland's price has decreased slightly.
 Note: Non-group traffic means traffic between entities that are not within the same group where such entities are fully-owned or majority-owned by the group.

Figure 7



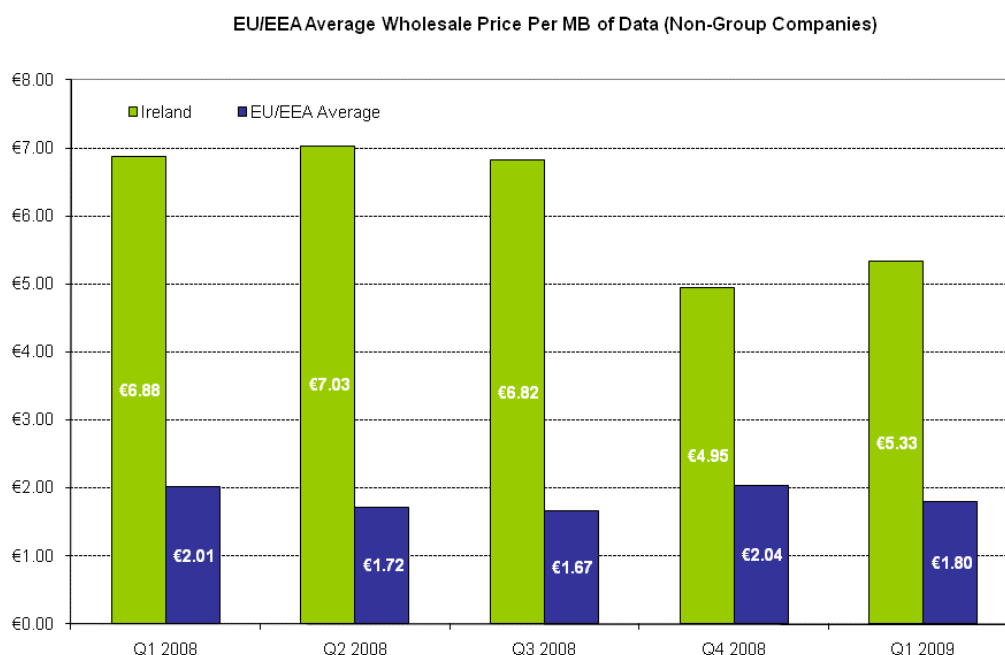
Ireland's wholesale price per call made has been above the EU/EEA average prices over the reported periods. This price fell slightly in Q4 2008 and Q1 2009.

Figure 8



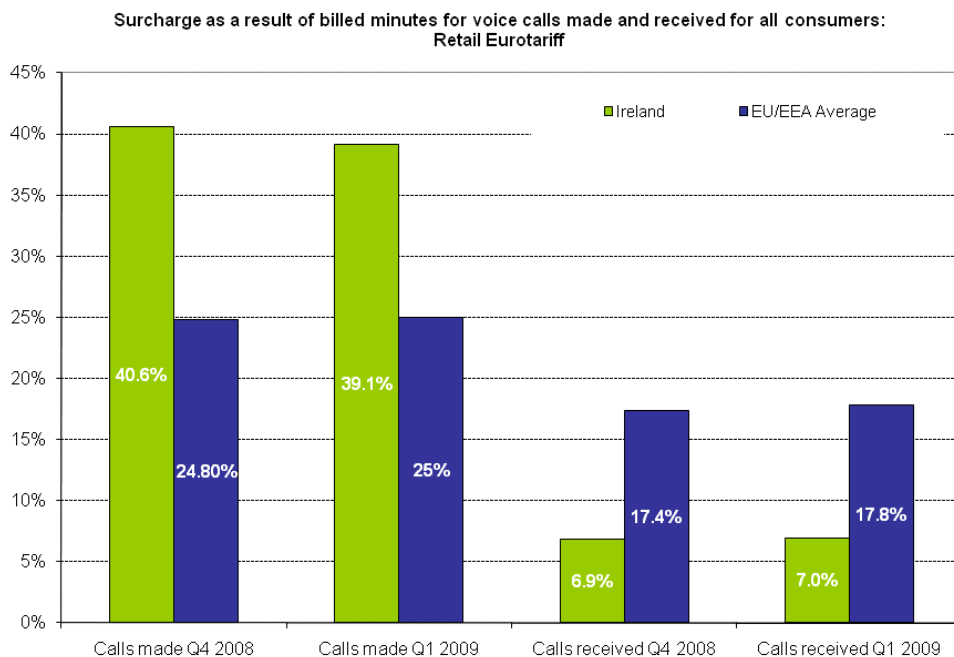
While the average price per SMS among non-group companies increased between Q2 2008 and Q3 2008, prices have fallen in the latest two quarters reported.

Figure 9



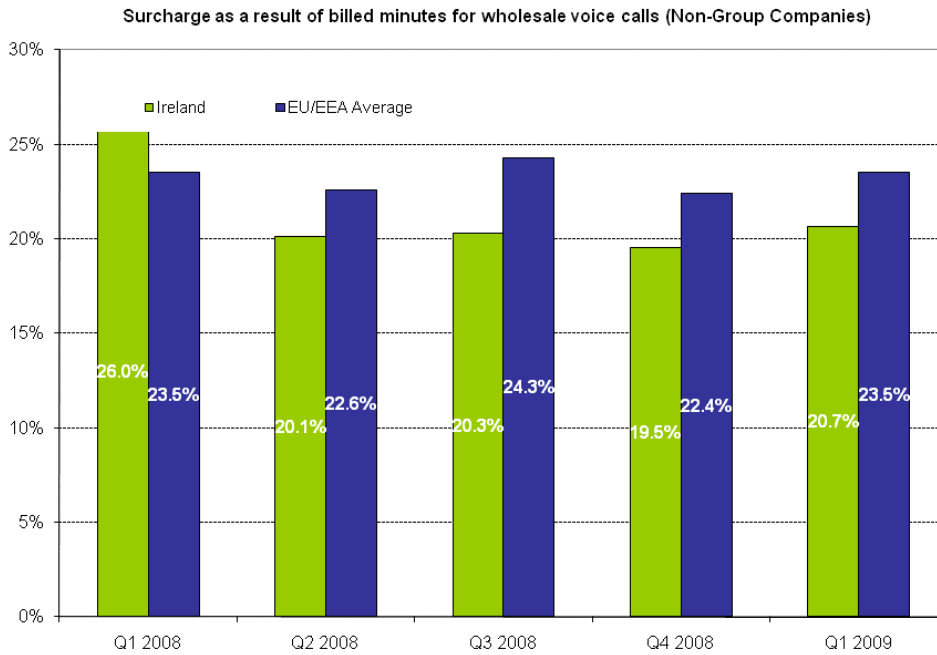
At a wholesale level, the average price per MB of data among Irish mobile operators is well above the EU/EEA average. However, prices in Q4 2008 and Q1 2009 are below those in previous quarters. Note: This is the rate that Irish mobile operators charge non-affiliates for providing roaming services in Ireland.

Figure 10



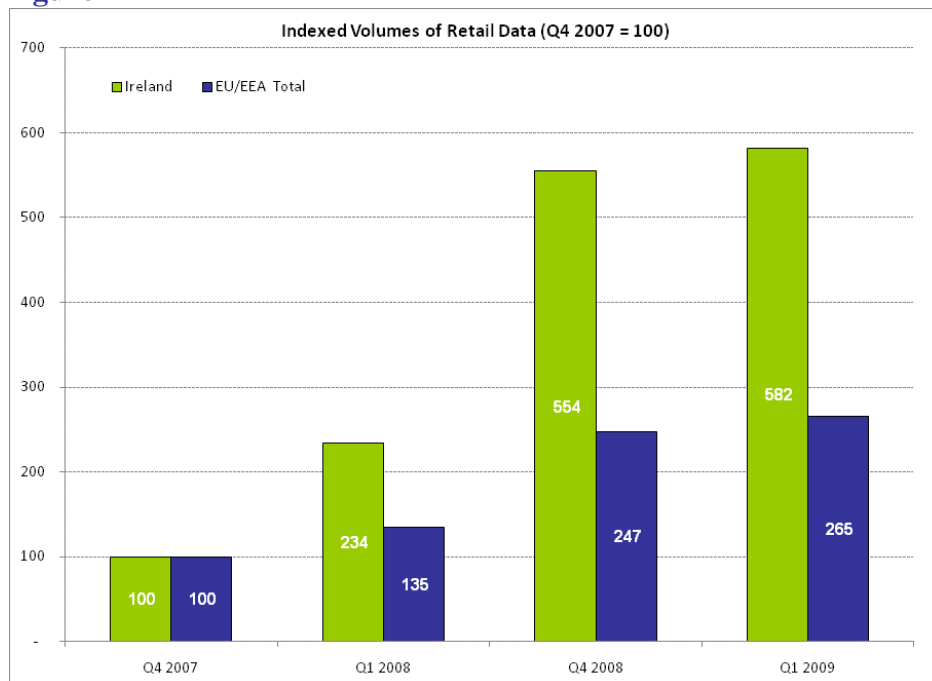
This chart shows the retail price percentage deviation arising from operator billing on a per minute basis as opposed to the price which would be incurred if billed on a per second basis (actual usage). While the Irish percentage deviation for calls made is above the EU/EEA average, billed prices for calls received are more in line with actual usage and below the EU/EEA average. This is a reflection of a number of operators billing on a per second basis for these calls.

Figure 11



This chart is similar as figure 10 but reflects pricing disparities at a wholesale level. For Ireland, the surcharge was above the EU/EEA average in Q1 2008 but has fallen below the EU/EEA average since then.

Figure 12



The volume of retail data on Irish mobile networks has been growing substantially over the reported periods. By Q1 2009 data volumes had grown by almost 6 times the level of volumes in Q4 2007.

3 2009/2010 Amendments to Roaming Regulation

An overview of the amendments to the Roaming Regulation published in June 2009⁷ are detailed below. These amendments will reflect in the reported data for Q3 2009 onwards.

3.1 Voice Calls /'Eurotariff'

Wholesale maximum voice rate

This wholesale charge applies between any pair of operators and is calculated over a twelve month period.

Effective Date	1 July 2009	1 July 2010	1 July 2011
Wholesale rate voice calls	€0.26	€0.22	€0.18

Note: Prices shown are per minute subject to a possible minimum charge of 30 seconds; per second billing applies thereafter.

Retail maximum voice rate

Below are the maximum retail charges a mobile operator can apply to a roaming customer's account. These charges apply to all consumers who have not entered into another roaming agreement with their operator. A consumer may opt to switch to the 'Eurotariff' at any time and this request should be processed within one working day. However, a mobile operator can delay a switch until the previous roaming tariff has been effective for a specified period not exceeding three months. Currently Irish operators who offer other roaming agreements do not require a specified minimum period.

⁷ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:167:0012:0023:EN:PDF>

Effective Date	1 July 2009	1 July 2010	1 July 2011
Calls made VAT incl.	€0.52	€0.47	€0.43
Calls received VAT incl.	€0.23	€0.18	€0.13

Note: Prices shown are per minute subject to a possible minimum charge of 30 seconds for calls made only, per second billing applies thereafter. Per second billing applies to calls received.

3.2 EURO SMS

A Euro SMS tariff was introduced on 1 July 2009 at both wholesale and retail levels:

- SMS maximum wholesale charge - €0.04 cent ex VAT.
- SMS maximum retail charge - €0.11 ex VAT/0.13 Incl.VAT
- No later than 30 June 2009 mobile operators were required to inform their customers individually about the Euro SMS tariff.
- There is no charge to receive an SMS while roaming in the EU

3.3 Improved Transparency

As required by the 2007 Roaming Regulation basic personalised tariff information must be sent to an individual's mobile phone once they enter another EU member state. This message is to include pricing for voice calls made and received. As of 1 July 2009, the message must also include the following:

- Pricing for SMS
- Pricing for data roaming (to include MMS pricing)
- A freephone number to contact your mobile operator while roaming
- The European emergency services access number - 112

In addition, basic personalised tariff information must also be sent to consumers when they initiate a data roaming session.

3.4 Wholesale Data Cap

A wholesale data cap was introduced on 1 July 2009 of €1.00 per megabyte, reducing to €0.80 on 1 July 2010 and €0.50 on 1 July 2011.

3.5 Data Pricing Transparency/Financial or Volume limit

By 1 March 2010, mobile operators must provide a facility where consumers can opt, free of charge, for one or more financial or volume limits on data roaming usage (one financial limit must not exceed €50.00). This is intended to prevent 'bill shock' while data roaming. By 1 July 2010, the €50.00 limit will be the default limit for all consumers who have not opted for another limit. When a financial limit or volume limit is in place mobile operators must send a warning when a consumer has reached 80% of that limit. If the relevant agreed financial or volume limit is reached, the mobile operator must send another notification to the consumer indicating how they can continue to data roam.

3.6 Voicemail

From 1 July 2010, mobile operators cannot charge customers for the receipt of a voicemail message while roaming in the EU. Customers will still be charged for listening to a voicemail message at the same rate as calling Ireland.

4 Legal Basis and Methodology

Article 7 of the Roaming Regulation (EC) No 717/2007 requires NRAs to monitor developments in charges and to report to the European Commission every six months. Article 7(2) of the Regulation requires NRAs to make up-to-date information on the application of the Regulation publicly available. This Information Notice is published for this purpose.

As a Regulation of the European Parliament and the Council of the European Union, the requirements are directly applicable. In addition, the Minister for Communications, Energy and Natural Resources made regulations in December 2007 designating ComReg as the National Regulatory Authority for the purpose of the Regulation.