

Brussels, 30 June 2008

The EU Roaming Regulation – One Year On

One Year of Lower Mobile Charges Abroad. More Price Cuts for Voice Calls to Follow on 30 August. Will Industry Voluntarily Reduce SMS and Data Roaming Charges?

Today is the anniversary of the EU Roaming Regulation, which entered into force on 30 June 2007. Since then, the introduction of the Eurotariff has led to savings of up to 60% for consumers using their mobile phone to make and receive calls abroad within the EU (roaming). They will benefit from further reductions by 30 August as prices will be capped at €0.46 for making calls and €0.22 for receiving calls for the coming year. The European Commission is now assessing whether there have been satisfactory developments in the prices of data roaming (including SMS and MMS) before deciding on whether the Regulation needs to be extended to also cover these services. A deadline set by Commissioner Reding in February to the mobile industry for voluntary reductions of roaming prices for text messages and mobile data services expires today, close of business.

"The idea that consumers should pay more for a roaming call than a domestic call goes against the basic single market principles of the EU. This is why one year ago, exactly on today's date, we took action for the millions of EU citizens who were faced with unjustifiably high charges for making and receiving mobile phone calls while travelling within the Single Market," said Viviane Reding, the EU's Telecoms Commissioner. "A year on, I am pleased to report that talk is today substantially cheaper thanks to the EU Roaming Regulation, the Eurotariff being the standard price offer for roaming in the EU. This has been achieved thanks to the strong political support from the European Parliament and the effective co-operation between the European Commission and the European Regulators Group throughout the year."

The EU Roaming Regulation has been in force since 30 June 2007. The European Commission proposed this Regulation because the high prices for roaming calls at both wholesale and retail levels were not justified by the underlying costs of providing the service while national regulatory authorities were not able to act in view of the cross-border nature of the service ([IP/06/386](#)).

The EU Roaming Regulation required that mobile operators offer a new Eurotariff by 30 July 2007 ([IP/07/870](#)) and switch their customers to the Eurotariff one month after they had chosen to move to it, or if they had not done so, no later than 30 September 2007. A Eurotariff means that roaming charges per minute should not exceed 49 eurocents for making calls and 24 eurocents for receiving calls when abroad (excluding VAT). According to the EU Roaming Regulation, the Eurotariff will be further reduced in summer 2008 and summer 2009. It applies in the 27 EU Member States and EEA countries and will expire on 30 June 2010, unless the European Parliament and the Council of Ministers decide to extend it.

The EU Roaming Regulation has the following elements:

- **Wholesale rates:** The prices that operators charge each other were capped at a maximum €0.30 per minute. On 30 August, these caps will be reduced to €0.28 followed by a further decrease next year to €0.26.
- **Retail rates:** Roaming prices for consumers were capped at a maximum charge of €0.49 for making calls and €0.24 for receiving calls. Although the caps had to enter into force on 30 September 2007 at the latest, many operators decided to offer these tariffs to their customers even earlier ([IP/07/1247](#)). Roaming prices will be reduced to €0.46 for making calls and to €0.22 for receiving calls. Further reductions are envisaged next year which will bring prices down to €0.43 and €0.19 respectively.
- **Transparency:** The EU Roaming Regulation also introduced the requirement for operators to inform customers of prices free of charge by SMS when they enter a different Member State.

The Commission is currently assessing the effect of the EU Roaming Regulation on market developments, competition and on consumers. On the basis of this assessment, the Commission will decide whether the Regulation should be extended in time and scope to cover other mobile phone services such as SMS, MMS and other data services. On 7 May 2008, the Commission launched a public consultation on this question ([IP/08/718](#)) which comes to an end on Wednesday, 2 July. A study on Data Roaming Services carried out by Connect2Roam for the Commission was published last Friday ([IP/08/1048](#)), showing that in many cases, high roaming prices and lack of transparency are a source of anxiety for data roaming customers and are preventing mobile data services from taking off. In the meantime, the Commission is also expecting the publication of ERG figures on the implementation of the EU Roaming Regulation for the last quarter of 2007 and the first quarter of 2008. These will be the basis of the Commission's decision-making process.

To avoid the need to propose regulation, Commissioner Reding in February called on mobile operators to voluntarily bring down prices for SMS and data services by 1 July ([SPEECH/08/70](#)). Earlier this month, she followed up this action by writing to the CEOs of all mobile operators in the EU asking them to provide her by close of business today with information on the development of their roaming prices per SMS and per 1 MB of mobile data services.

Background:

Further information on roaming:

<http://ec.europa.eu/roaming/>

The EU Roaming Regulation which entered into force on 30 June can be found:

http://ec.europa.eu/information_society/activities/roaming/roaming_regulation/index_en.htm

The public consultation on the Roaming Regulation closing on 2 July can be found:

http://ec.europa.eu/information_society/activities/roaming/roaming_regulation/consultation_may08/index_en.htm

The first ERG report on the functioning of the regulation is available at:

http://www.erg.eu.int/doc/publications/erg_07_85_intl_roaming_rep.pdf