Electronic communications: roaming on public mobile telephone networks within the Community; regulatory framework for networks and services

2008/0187(COD) - 18/06/2009 - Final act

PURPOSE: to adopt new rules concerning roaming charges on public mobile telephone networks within the Community.

LEGISLATIVE ACT: Regulation (EC) No 544/2009 of the European Parliament and of the Council amending Regulation (EC) No 717/2007 on roaming on public mobile telephone networks within the Community and Directive 2002/21/EC on a common regulatory framework for electronic communications networks and services.

CONTENT: following an agreement reached at first reading with the European Parliament, the Council adopted a regulation amending <u>regulation (EC) No 717/200</u>7 on roaming on public mobile telephone networks within the Community.

The new regulation provides for an **extension of the regulation currently in force** which is due to expire in 2010, a further **reduction in charges** and an extension of **pricing limits** to cover SMS and data

services in addition to voice calls. The aim is to:

- ensure that users of public mobile communications networks when travelling within the Community do not pay excessive prices for Community-wide roaming services (i.e that prices are not unjustifiably higher than the price paid for making or receiving a call, sending and receiving an SMS message and transferring data in their country of origin);
- improve the transparency of retail prices for data roaming services;
- provide roaming customers with the tools they need to monitor and control their expenditure on these services.

This Regulation lays down rules on the charges that may be levied by mobile operators for the provision of Community-wide roaming services for voice calls and SMS messages originating and terminating within the Community and for packet switched data communication services used by roaming customers while roaming on a mobile communications network in another Member State. It applies both to charges levied between network operators at wholesale level and, where appropriate, to charges levied by home providers at retail level.

The main provisions of the Regulation are as follows:

Wholesale charge: the average wholesale charge shall apply between any pair of operators – already decreased to €0.28 and €0.26, on 30 August 2008 and on 1 July 2009 respectively and shall further decrease to:

- **€0.22**on 1 July 2010;
- **€0.18**on 1 July 2011.

With effect from 1 July 2009, the average wholesale charge that the operator of a visited network may levy from the operator of a roaming customer's home network, for the provision of a regulated roaming SMS message originating on that visited network, shall not exceed €0.04 per SMS message.

With effect from 1 July 2009, the average wholesale charge that the operator of a visited network may levy from the operator of a roaming customer's home network for the provision of regulated data roaming services by means of that visited network shall not exceed a safeguard limit of ≤ 1 on 1 July 2009, ≤ 0.80 on 1 July 2010 and ≤ 0.50 on 1 July 2011per megabyte of data transmitted.

Retail charge: the new Regulation intends to continue the reduction of the cost of roaming mobile charges. Currently, from ≤ 0.46 for calls made and ≤ 0.22 for calls received, the news ceilings will be as follows:

- from 1 July 2009 to €0.43 for calls made and to €0.19 for calls received;
- from 1 July 2010 respectively to €0.39 and €0.15
- and from 1 July 2011 to €0.35 and €0.11 (excluding VAT).

In addition, the new Regulation introduces that:

- with effect from 1 July 2009, the retail charge (excluding VAT) of a Euro-SMS tariff which a home provider may levy from its roaming customer for a regulated roaming SMS message sent by that roaming customer may vary for any roaming SMS message but shall not exceed €0.11;
- providers of regulated roaming calls at the retail level should therefore be required to bill their customers on a per second basis for all calls subject to a Eurotariff, subject only to the possibility to apply a minimum initial charging period of no more than 30 seconds for calls made.

Transparency of prices and control of expenditure: in order to avoid bill shocks for consumers, the regulation lays down new measures to improve the transparency of retail prices for data roaming services, and to provide roaming customers with the tools they need to monitor and control their expenditure on these services. To this end:

- home providers shall ensure that their roaming customers, both before and after the conclusion of a contract, are kept adequately informed of the charges which apply to their use of regulated data roaming services;
- the home provider shall make available one or more **maximum financial limits** for specified periods of use, provided that the customer is informed in advance of the corresponding volume amounts. One of these limits (the default financial limit) shall be close to, but not exceed, **EUR 50** of outstanding charges per monthly billing period (excluding VAT). In addition, the home provider may offer to its roaming customers other limits with different, that is, higher or lower, maximum monthly financial limits. By 1 July 2010, the default limit in the second and third subparagraphs shall be applicable to all customers who have not opted for another limit;
- each home provider shall also ensure that an appropriate **notification** is sent to the roaming customer's mobile telephone or other device, for example by an SMS message, an e-mail or a popup window on the computer, when the data roaming services have reached **80%** of the agreed financial or volume limit. When this financial or volume limit would otherwise be exceeded, a notification shall be sent to the roaming customer's mobile telephone or other device.

Review: the Commission shall review the functioning of this Regulation and, after a public consultation, shall report to the European Parliament and the Council no later than 30 June 2011.

ENTRY INTO FORCE: 02/07/2009. The measure will be time-limited, **expiring on 30 June 2012**.