

Electronic communications: regulatory framework for networks and services, reductions on mobile roaming charges across the Community

2006/0133(COD) - 23/05/2007 - Text adopted by Parliament, 1st reading/single reading

The European Parliament passed by a show of hands a resolution drafted by Paul RÜBIG (EPP-ED, AT) amending the proposed regulation on roaming on public mobile networks within the Community and amending Directive 2002/21/EC on a common regulatory framework for electronic communications networks and services. Parliament had agreed on a series of compromise amendments with Council. The main amendments were as follows:

- the Regulation's intention is **to preserve both incentives for innovation and consumer choice**. A new clause states that the Regulation also lays down rules aimed at increasing price transparency and improving the provision of information on charges to users of Community-wide roaming services;
- Parliament introduced a definition of "**Eurotariff**", meaning any tariff not exceeding the maximum charge which a home provider may levy for the provision of regulated roaming calls;
- Parliament set a ceiling on **wholesale charges** billed between operators, namely EUR 0.30 cents/minute in 2007, EUR 0.28 in 2008 and EUR 0.26 eurocents in 2009;
- the average wholesale charge will be calculated by dividing the total wholesale roaming revenue received by the total number of wholesale roaming minutes sold for the provision of wholesale roaming calls within the Community by the relevant operator over the relevant period. The operator of the visited network is permitted to make a distinction between peak and off-peak charges;
- on **retail charges**, Parliament specified that the retail charge (excluding VAT) of a Eurotariff may vary for any roaming call but shall not exceed EUR 0.49 per minute for any call made or EUR 0.24 per minute for any call received. The price ceiling for calls made shall automatically be reduced to EUR 0.46 and EUR 0.43, and for calls received to EUR 0.22 and EUR 0.19 in 2008 and 2009 respectively;
- to recall, the Industry Committee preferred initially to have consumers opt into the system after being informed about the new rates by their operators. Parliament provided that all existing roaming customers must be given the opportunity, within one month following the entry into force of the Regulation, **to opt deliberately for the tariff above or any other roaming tariff**, and must make their choice known to their home provider within a period of two months. The requested tariff must be activated no later than one month after receipt by the home provider of the customer's request. Roaming customers who within that period of two months have not made their choice shall automatically be provided with a Eurotariff as set out above;
- however, roaming customers who, before the entry into force of the Regulation, had already made a deliberate choice of a specific roaming tariff or package, other than the roaming tariff on which they would be placed in the absence of such choice, and who fail to express a choice pursuant to this paragraph shall remain on their previously chosen tariff or package;
- all roaming customers may request, at any point after the process set out above has expired, to **switch to or from a Eurotariff** within one working day of the receipt of the request. Any switch must be made free of charge and shall not entail conditions or restrictions pertaining to other elements of the subscription.

The home provider may delay the switch until the previous roaming tariff has been effective for a minimum specified period, which may not exceed three months.

- Parliament made several additions and amendments to the clause on **transparency of retail charges**. To alert a roaming customer to the fact that he will be subject to roaming charges when making or receiving a call, each home provider shall provide the customer, automatically, without undue delay and free of charge, when he enters another Member State, with **personalised basic pricing information** on the roaming charges (including VAT) that apply to the making and receipt of calls by that customer in the visited Member State by means of a Message Service. The personalised basic pricing information will include the maximum prices the customer may be subject to under his tariff scheme for making calls within the visited country and back home, as well as for calls received. A customer who has given notice that he does not require the automatic Message Service will have the right at any time and free of charge to require the home provider to provide the service again. Home providers shall offer blind or partially-sighted customers the information described in this paragraph automatically, by voice call, free of charge, if they so request. In addition, the customer shall have the right to request and receive, free of charge, more detailed personalised pricing information on the applicable roaming charges of voice calls, SMS, MMS and other data communication services, by means of a mobile voice call or by SMS. Such request shall be to a free of charge number designated for this purpose by the home provider. Home providers shall provide all users with full information on applicable roaming charges, in particular on the Eurotariff, when subscriptions are taken out. Home providers shall take the necessary steps to secure awareness by all their roaming customers of the availability of the Eurotariff. Within one month of entry into force of the Regulation, they must communicate to all roaming customers the conditions relating to the Eurotariff in a clear and unbiased manner. They shall send a reminder at reasonable intervals thereafter to all customers who have opted for another tariff;

- **national regulatory authorities** shall, in preparation for the review provided for in the Regulation, monitor developments in wholesale and retail charges for the provision to roaming customers of voice and data communications services, including SMS and MMS, including in the outermost region. The authorities shall also be alert to the particular case of involuntary roaming in cross-border regions of neighbouring Member States and monitor whether traffic steering techniques are used to the disadvantage of customers. They shall communicate the results of such monitoring to the Commission, including separate information on corporate, post-paid and pre-paid customers, every six months;

- the Commission must **review the functioning of the Regulation** and report to the European Parliament and the Council no later than eighteen months after the date of its entry into force. The Commission must evaluate in particular, whether the objectives of the Regulation have been achieved. In its report the Commission shall **review developments in wholesale and retail charges** for the provision to roaming customers of voice and data communication services, including SMS and MMS, and shall, if appropriate, include recommendations regarding the need to regulate these services. In its report, the Commission shall assess whether, in the light of developments in the market and with regard to both competition and consumer protection, there is need to extend the duration of this Regulation beyond the period set out in or to amend it, taking into account the developments in charges for mobile voice and data communication services at national level and the effects of the Regulation on the competitive situation of smaller, independent or newly started operators. If the Commission finds that there is such a need, it shall submit a proposal to the Parliament and the Council;

- the Regulation will apply for three years after its entry into force.