



Plenary Meeting 38 México

10-12 December, Mexico City

hosted by



Border Roaming in Europe

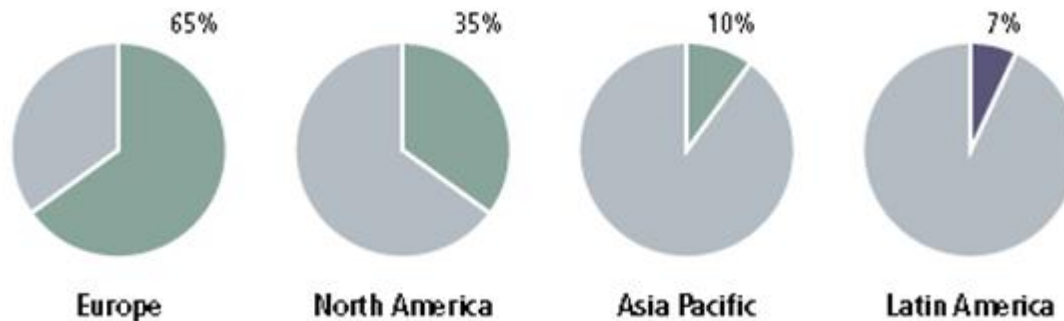
Laszlo Toth
Policy Director, GSMA Europe

10 December 2012
Mexico



Roaming – why is it high on regulatory agenda in EU?

- Roaming use is significant
- Political context – “EU project”: tangible benefits to EU citizens
- Single Market - EU legal framework



Ratio of international trips to population %, 2011 *

EU Roaming III

- New roaming rules entered into force on 1 July 2012 in EU without transposition into national law.
 - Extend regulation in time to 2022
 - Price regulation (retail and wholesale) continued following downward glide paths and caps extended to retail data
 - Structural measures introduced
 - mandatory wholesale roaming access
 - separate sale of roaming services
 - Transparency & safeguard measures extended
 - Review mid-2016

Price caps to calls with a destination inside the EU

- Price caps for Eurotariff would remain in place until structural measures are fully implemented and effective

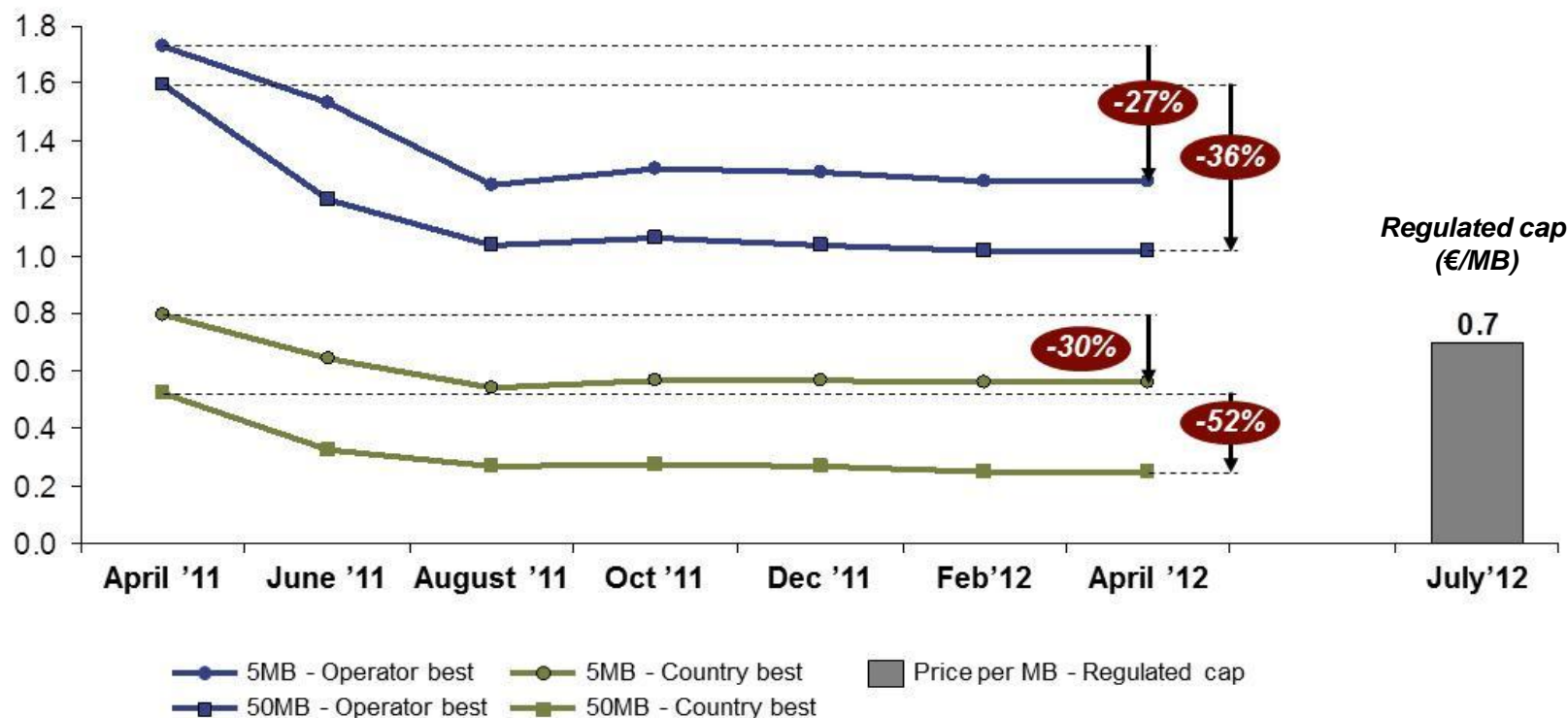
Price Caps		2007	2008	2009	2010	2011	2012	2013	2014
Wholesale voice		€0.30/min	€0.28/min	€0.26/min	€0.22/min	€0.18/min	€0.14/min	€0.10/min	€0.05/min
Retail voice	Voice calls made	€0.49/min	€0.46/min	€0.43/min	€0.39/min	€0.35/min	€0.29/min	€0.24/min	€0.19/min
	Voice calls received	€0.24/min	€0.22/min	€0.19/min	€0.15/min	€0.11/min	€0.08/min	€0.07/min	€0.05/min
Wholesale SMS		N/A	N/A	€0.04/SMS	€0.04/SMS	€0.04/SMS	€0.03/SMS	€0.02/SMS	€0.02/SMS
Retail SMS		N/A	N/A	€0.11/SMS	€0.11/SMS	€0.11/SMS	€0.09/SMS	€0.08/SMS	€0.06/SMS
Wholesale data		N/A	N/A	€1.00/MB	€0.80/MB	€0.50/MB	€0.25/MB	€0.15/MB	€0.05/MB
Retail data		N/A	N/A	N/A	N/A	N/A	€0.70/MB	€0.45/MB	€0.20/MB

- Retail caps remain at defined levels from 1 July 2014 until 30 June 2017
 - Wholesale caps remain at defined levels from 1 July 2014 until 30 June 2022
 - MMS are charged at a per unit basis. Charges are capped at one MB of regulated retail data roaming
- All operators must offer a retail Euro-tariff. They can offer any other deals they want as long as the euro tariff is available.



Evolution of data roaming prices in EU

Average Data roaming tariff prices for selected baskets⁽¹⁾
(April 2011 – April 2012)



(1) Selected usage cases shown

Source: GSMA data roaming price basket index, International Roaming BEREC Benchmark Data Report April'11 –April'12

Confidential

Mandatory wholesale roaming access

- From 1 July 2012 MNOs to meet all reasonable requests for wholesale roaming access
- From 1 January 2013 MNOs to publish a reference offer, taking into account BEREC guidelines.
- Operators to provide a draft contract for access within one month from the initial receipt of the request. The wholesale roaming access shall be granted within three months.
- Regulated wholesale charges apply, but MNOs may charge fair and reasonable prices for additional service
- BEREC published its final guidelines on 27 September
- BARG is developing a Unilateral Roaming Agreement - to be finalised by 12 Dec



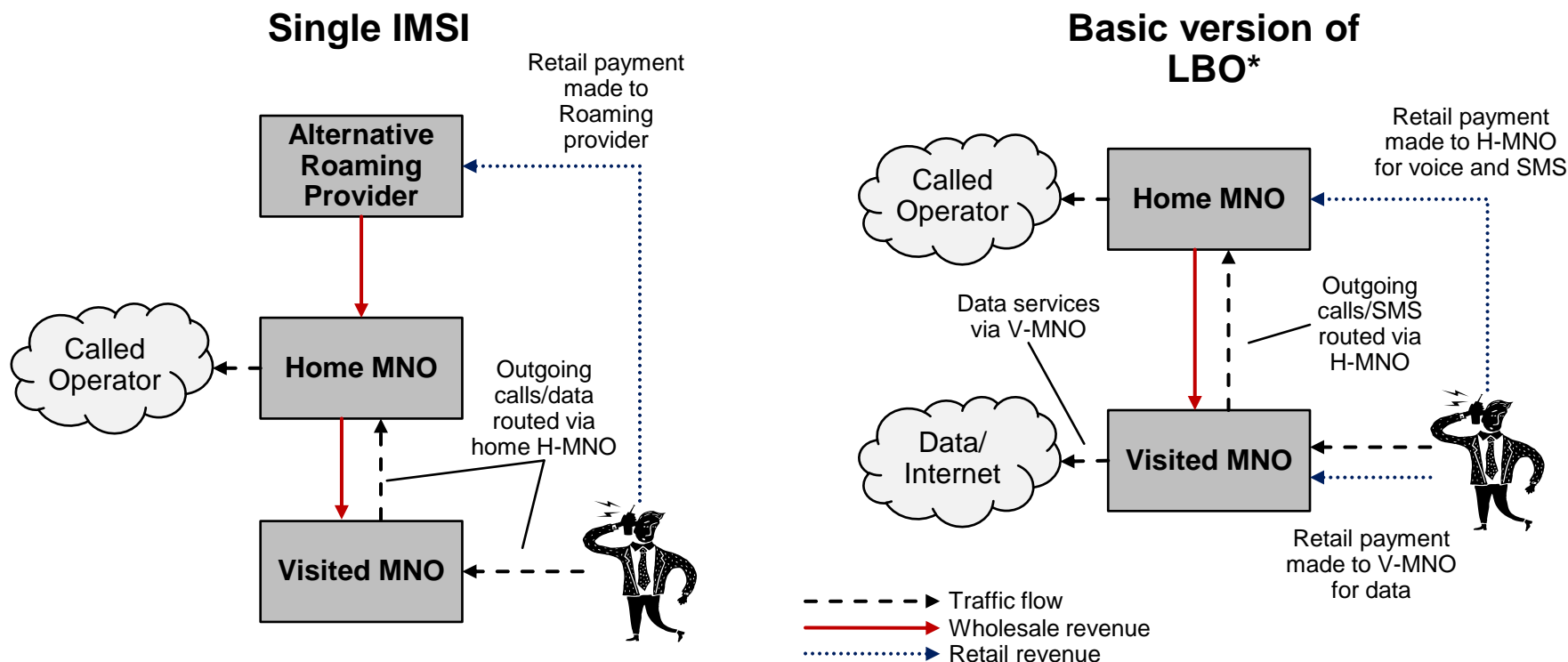
Decoupling is complex and implementing guidelines are still being developed

- As from 1 July 2014 MNOs should enable separate sale of roaming services to their customers
- European Commission to adopt (binding) implementing guidelines by end of 2012 taking into account input from Member States and BEREC
 - Single IMSI combined with the basic version of the LBO will be provisioned
 - Time for switching: 1 working day for Single IMSI (according to Regulation maximum 3 days), instantaneously for LBO
- The guidelines stay at rather general level and will not cover all the details necessary for effective implementation
- The Commission asks BEREC to provide further explanatory details (by mid-2013) and
- established an Industry Forum for coordination within industry (open to all stakeholders: MNOs, MVNOs, ETSI, 3GPP, etc)
- The GSMA established a dedicated working group (under PSMC) to provide input into Commission's Industry Forum



Decoupling solutions

Illustration of traffic and revenue flows



*“Basic version” of LBO: customer manually provisions device (possibly via an application) to use Universal APN for LBO service. User will also have to manually revert to normal APN when returning home.

Transparency & safeguard measures

- All existing transparency and safeguard measures are retained....
 - Website: full information on applicable roaming charges
 - Free-of-charge number designated for additional information by voice call or SMS
 - Basic personalised information about the costs of roaming by SMS, email or a pop-up window on the computer
 - when customer entering another Member State
 - maximum charges (not the actual charges) the customer may be subject to
 - Cut-off facility for data roaming usage
 - €50 (excl. VAT) per month or a corresponding amount of transferred data
 - Notification when 80% of such amount has been used, and again when the limit has been reached
- ... extended to EU customers roaming outside the EU from 1 July 2012
- Transparency & Safeguard obligations – except for adequate information on charges both before and after the conclusion of a contract – do not apply to M2M services



Inadvertent roaming

- During the debate of the Regulation
 - one of the amendments from Parliament suggested separate border zone with a transitional tariff as broad as 10 kilometres on both sides of the borders

- According to the final Regulation
 - Roaming providers shall make available information to their customers on how to avoid inadvertent roaming in border regions
 - National regulatory authorities shall monitor and collect information on inadvertent roaming and take appropriate measures.

- Basic personalised information sent by SMS also provides a notification for the customer

Implementation timeline

- 1 July 2012 – Regulation entered into force; new caps, transparency measures for non-EU, wholesale roaming access obligation begins
- 27 September 2012 – BEREC guidelines on wholesale roaming access
- 31 December 2012 – Commission guidelines on decoupling, operators to publish reference offer for wholesale roaming access
- 1 July 2013 – lower price caps
- 1 July 2014 – lower price caps, implementation of decoupling
- 30 June 2016 – Review



Documents

Regulation was published in the Official Journal of EU on 30 June 2012:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:172:0010:0035:EN:PDF>

BEREC Guidelines on wholesale roaming access:

http://berec.europa.eu/eng/document_register/subject_matter/berec/regulatory_best_practices/guidelines/1015-berec-guidelines-on-the-application-of-article-3-of-the-roaming-regulation-wholesale-roaming-access