Body of European Regulators for Electronic Communications
BEREC

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SMS Benchmark snapshot (as of January 2011)

INTRODUCTION

While the tariffs for wholesale termination of voice on mobile networks have been being published since 2004, in the MTR Snapshot, this is the first SMS Benchmark snapshot report, following the decision taken by the Board of Regulators of BEREC in its Bruges Plenary of December 2010.

ASSUMPTIONS

By comparison with voice MTR, SMS TR are easier to understand and to compare:

- Most countries do not differentiate between peak time, off-peak time and weekend hours. According to the responses received, there is no exception in Europe.

- SMS TR are applicable to each *off net SMS* that is well delivered, so there is no assumption regarding set-up charges or average call durations. Slovenia and Latvia are the only countries that apply a “Bill & Keep” system for SMS. The scope of the benchmark is confined to national termination prices.

- In some countries, different rates depending on the total number of SMS sent are applied. For those countries, the rates corresponding to the biggest volumes (i.e. lowest rates) are selected to make European comparisons.

- Average SMS TR per country are obtained through pondering the SMS tariff of each operator by its market share, measured in terms of subscribers[‡].

[‡] The figures used in the report stem from the MTR benchmark as of July 2011

-Two European averages based on the answers received are calculated, as it is also done for voice MTR benchmark: a simple average and a weighted average, pondering each country's average with the share of the country's subscribers (Total subscribers per country / Total European subscribers). In the case of the European weighted average, only the countries that reported the number of subscribers are taken into account.

- In the case of Switzerland, SMS TR are not wholesale interconnection prices but rather the result of an SMS-Interworking agreement among operators. P2P-SMS-Traffic is assumed symmetric. Therefore, there is a kind of 'Bill & Keep' system established between Swiss MNOs.

- Regarding the number of subscribers, it must be taken into account that different methods to evaluate it are used among European countries (especially in the case of pre-paid consumers).

- For non-Euro countries, the following annual exchange rates for 2010 were used[§]:

Countries	Euro
Bulgaria	1,96
Croatia	7,29
Czech Republic	25,28
Denmark	7,45
Hungary	275,48
Iceland	161,89
Latvia	0,71
Lithuania	3,45
Norway	8,00
Poland	3,99
Romania	4,21
Sweden	9,54
Switzerland	1,38
United Kingdom	0,86
Turkey	2,00
Former Yugoslav Republic of Macedonia	61,51

[§] European Central Bank website:
http://sdw.ecb.europa.eu/browseSelection.do?DATASET=0&FREQ=A&node=2018794

2.2. Results of the Benchmark

2.2.1 SMS TR per country as of January 2011

Country	SMS TR per country
Austria**	0,0409
Belgium	0,0496
Bulgaria	confidential data
Croatia	confidential data
Cyprus	0,0171
Czech Republic	confidential data
Denmark	0,0269
Estonia	0,0511
Finland	0,0547
Former Yugoslav Republic of Macedonia	0,0325
France	0,0203
Germany	N/A
Greece	0,0300
Hungary	0,0508
Iceland	0,0238
Ireland	0,0314
Italy	0,0331
Latvia	0,0423
Lithuania	0,0145
Luxembourg	N/A

** The figures for SMS TR in Austria are not based on actual rates but calculated on the basis of average revenue per SMS.

Malta	0,0168
Netherlands	N/A
Norway	0,0437
Poland	0,0200
Portugal	0,0350
Romania	0,0227
Slovak Republic	0,0370
Slovenia	Bill & Keep for SMS
Spain	0,0616
Sweden	N/A
Switzerland	0,0652
Turkey	0,0087
United Kingdom	0,0171
Simple average	**0,0352**
Weighted average	**0,0298**

SMS TR per country – January 2011