

17th Plenary Meeting of the European Regulators Group

Vienna, 18 – 19 May 2006

CONCLUSIONS

Item 1) Opening of the meeting and adoption of the agenda

The agenda was adopted.

Item 2) Information from the Chairman and the Secretary on meetings and other activities

The Plenary noted recent meetings and activities conducted by Kip Meek as ERG Chair and Davide Gallino as ERG Secretariat.

Item 3) International Roaming EC Regulation

a. Discussion on the ERG Response to the European Commission's second phase public consultation on a proposal for a Regulation (EC) of the European Parliament and of the Council on mobile roaming services in the single market

The ERG response presents several points of divergence with the Commission, which were discussed at the meeting. The ERG warned that the Commission's proposal to link the retail cost of international roaming services to the Home Pricing Principle could have a negative material impact on many consumers, and also on industry. In particular, the threat of higher domestic and international tariffs, the introduction of monthly subscription rates for roaming or the withdrawal of roaming services altogether were pointed out as possible critical developments.

b. Commission's consultation on proposed regulation: next steps

The ERG confirmed its support for the Commission's objective to see the retail price of international roaming substantially reduced and proposed to work cooperatively with the Commission to this end, starting with the proposal made for the wholesale price and how to pass on to end users benefits deriving from solutions adopted at that level.

Item 4) Wholesale/Retail International Roaming (transparency/ market analysis)

a. Report on implementation and effectiveness on transparency issues

The Plenary noted progress by individual NRAs in implementing greater transparency of retail roaming prices. With regard to the proposed publication on their websites, 28 NRAs have published data on international roaming.

b. Report on status of market analysis for Market 17

The Plenary noted progress of individual NRAs on their reviews of the wholesale international roaming market. 19 NRAs have initiated market analysis; 7 have started consultation of proposed measures.

Item 5) Regulatory remedies

a. Updated ERG Common Position on Remedies for approval and publication

b. Explanatory Memorandum

The dedicated Project Team has completed its Update of the Remedies Common Position following the consultation which ended in January 2006. The Plenary adopted the Update for publication, accompanied by an Explanatory Memorandum showing how ERG has dealt with the comments it received.

The Update resulted in important additions but not in a substantial increase in the number of pages. Stakeholders were engaged substantially in the process. For the future, it was felt important to identify concrete examples of best practices and to further improve the document with regard to harmonisation and guidance.

Item 6) Framework Review

The Commission reported on the current stage of the Review and the next steps. It was noted that four documents would be published by the end of June following interservice consultation: a Communication presenting the main issues within the Review 2006, the detailed proposed changes, an impact assessment, and a draft revised recommendation on relevant markets.

Item 7) Collaboration between NRAs (Joe Tabone, MCA)

The ERG considered ways how NRAs can share their expertise in various markets or specific best-practices to work towards more harmonised outcomes and to foster cooperation. The Plenary agreed on the proposal, with a view to produce a progress report on each of the initiatives which are going to be experimented.

Item 8) IP interconnection and NGN PT

a. Update on ERG report on IP interconnection

The Plenary noted the report update, with a view to see the completed report at the next meeting.

Item 9) Regulatory accounting

a. Regulatory Accounting in practice - report for publication

The document describing the current state of implementation of regulatory accounting updates a similar document prepared last year. The Plenary approved the document for publication.

Item 10) Mobile WG

a. Mobile Termination Rates I/ERG snapshot for publication

The Plenary noted the six monthly update on the levels of mobile termination charges in Europe and approved its publication

b. Internal ERG-benchmark on wholesale SMS termination rates and volumes

The MMWG PT has proposed a new project to produce a benchmark of wholesale SMS charges and volumes. The information will be for internal use only. The project was agreed.

Item 11) Mobile Access PT

a. Update Report on competition in mobile access and competition effects

The Plenary noted the update of a work item in the 2006 ERG Work Programme which considers the outcome of the market reviews in the mobile access and call origination market. The PT has completed a description of the reviews. The issue is now to be referred to the SMP Working Group to consider the competition effects.

Item 12) Review of Work Programme 2006

- a. WG Deadlines and Matrix (schedule)
- b. Updated Project requirements documents (for approval)
- c. Commission request for an Opinion on the practicality of duct sharing

The Plenary noted the current state of progress of implementation of the 2006 Work Programme. In addition, the Plenary approved the Commission's proposal for an Opinion on duct sharing.

Item 13) Planning of Work Programme 2007

The process and timetable for the development of the 2007 Work Programme and identifying priority areas were discussed, with a view to consult publicly before approval of the WP.

Item 14) Information from the European Commission

The Commission reported on recent meetings and developments related to the Article 7 FD notifications.

The Commission also informed on the state of affairs in three on-going anti-trust cases in the telecoms sector. In the UK and German roaming cases, where the Commission's investigation is now at a very advanced stage, the defendant parties contest the market definition as proposed by the Commission (due to underdeveloped steering traffics the Commission defined one market per network until September 2003). The Commission is aiming at finalising the roaming cases as

soon as possible. As regards roaming the Commission is also presently continuing the investigation of the potential anti-competitive effects of the roaming alliances. Moreover, the Commission has recently sent a statement of objections to the Spanish incumbent Telefonica, alleging that Telefonica has abused its dominant position on different broadband markets in Spain by leaving an insufficient economic margin between its retail and wholesale prices in order for alternative operators to compete.

Item 15) Plenary seminar in October - planning

The Plenary agreed to hold a full day seminar as part of the next ERG Plenary meeting. The ERG Chair has proposed that the topic of the seminar will be 'Development of the ERG'. The issues to be discussed include harmonisation, mutual support and addressing certain organisational issues. Heads were asked to submit their ideas in relation to how the seminar is structured and organised.

Item 16) A.O.B.

The Conclusions and the following documents are published on the ERG website:

Remedies (Update)

http://erg.eu.int/doc/meeting/erg_06_33_remedies_common_position_june_06.pdf

Mobile termination rates

http://erg.eu.int/doc/meeting/erg_06_24_public_mtr_jan_2006.pdf

Accounting in practice

http://erg.eu.int/doc/meeting/erg_06_23_regulatory_accounting_in_practice.pdf

Press Release on ERG17

http://erg.eu.int/doc/meeting/erg_17_press_release_final.pdf

There will be a debriefing session (Bruxelles, 24 May 2006)

The next Plenary/seminar will be on 4-6 October 2006, Madeira.