

The graphic features the letters 'ERG' in a bold, orange, sans-serif font. The letters are set against a circular, glowing effect that resembles a lens flare or a bright light source. This circular element is positioned on the left side of a horizontal band. The band itself is composed of several layers: a top layer with a teal-to-blue gradient, a middle layer with a dark blue background and a thin yellow horizontal line, and a bottom layer with a white background and a series of horizontal grey lines that create a sense of motion or depth, fading out to the right.

ERG

Main outcomes of the 25th ERG Plenary

Daniel Pataki, ERG Chair
Brussels, 03 June 2008

The Vilnius Agenda at a glance

- International roaming: further regulatory actions proposed
- Termination rates: common work together with the Commission
- Geographical markets: ERG supports more targeted regulation
- NGN regulatory principles: ERG launches public consultation regarding regulation of new IP world
- Spectrum management: ERG-RSPG joint working group
- Remedies and benchmarking: next steps on monitoring of compliance of application of ERG Common Positions by NRAs
- Significant market power: Guidance Report on the application of the three criteria test

INTERNATIONAL ROAMING

ERG provides results of data collection and policy advise on different segments of international roaming

- **Data collection**
 - **Monitoring (incl. Eurotariff) for period October 2007 to March 2008**
 - **Preliminary data show clear evidence for further regulatory actions**
- **Policy recommendation**
 - **Voice: prices clustered just below the cap – no evidence of competition**
 - **SMS: prices several times the cost of provision – extension of regulation**
 - **Billing unit: Hidden surcharges resulting from the common practice of billing per minute are also alarming**
 - **Data roaming: the case is finely balanced (early stage of development of this market)**
 - **Billing shock: Transparency and customer empowerment required**
- **Documents expected in early July**

TERMINATION RATES

ERG works together with the Commission on TR. A common view was adopted and communicated to the Commission:

➤ **Model:**

- **ERG supports the application of cost-based modelling that is reflective of an efficient operator**
- **But there should be sufficient flexibility in the model and**
- **a best practice approach should be also considered**

➤ **Outcome (to make precise predictions is difficult):**

- **Past four years average MTRs have fallen by almost 40 per cent**
- **Differences in rates across Europe are also narrowing**
- **ERG committed to continue the decrease (reduction achieved in the past can be broadly replicated in the coming three years)**

GEOGRAPHICAL MARKETS

The draft of the ERG Common Position on geographic aspects of market analysis was approved for public consultation:

- **The way of elaboration:**
 - **Preliminary analysis with easily accessible data**
 - **Decide whether there is need for further analysis**
 - **Detailed analysis of competitive conditions**
 - **Aggregating areas with similar competitive conditions**
 - **Decide on remedies**
- **Possible implications of geographic differentiation:**
 - **Deregulation in areas where competition is efficient**
 - **Implementation of different remedies**

NGN REGULATORY PRINCIPLES

The Consultation document on Regulatory Principles of IP-Interconnection and NGN core was approved for public consultation:

- **Content of the report:**
 - **background and facts necessary to analyse the regulatory implications of developments towards NGN core**
 - **NGN network structure and topology**
 - **regulatory implications and challenges resulting from the expected developments towards NGNs**
- **Special questions to stakeholders are included in the document**

The logo for the European Regulatory Group (ERG) features the letters 'ERG' in a bold, orange, sans-serif font. The letters are set against a circular, metallic-looking background that resembles a globe or a satellite dish. The background is dark blue and green, with a grid pattern. A horizontal orange line runs across the top of the slide, passing behind the logo.

SPECTRUM MANAGEMENT

ERG-RSPG agreed to develop concrete roadmap for further cooperation. A joint working group was established:

- **Areas of common work including:**
 - **Market definition**
 - **Transitional issues**
 - **Use of spectrum to dominate markets**

- **Decision on joint working is also proposed at next RSPG plenary (tomorrow)**

REMEDIES AND BENCHMARKING

The next steps to live up to the ERG Statement on the Development of ERG (ERG (06) 51 – to put in place a monitoring system on the application of its Common Positions) were taken:

- **Monitoring of compliance of application of ERG Common Positions:**
 - **ERG timetable for Common Position monitoring exercises**
 - **Summary of monitoring exercises in NRAs on broadband markets**
- **Benchmarking activities:**
 - **Mobile Termination Rates Snapshot as of January 2008**
- **The Final Report on the Best Practices on Regulatory Regimes in Wholesale Unbundled Access and Bitstream Access has been approved for publication**

SIGNIFICANT MARKET POWER

A report on Guidance on the application of the three criteria test was approved for publication:

- **Handling of transitory period, as the Recommendation on relevant markets susceptible to ex-ante regulation changed**
- **Application of three criteria in order to determine whether a market is a candidate for ex-ante regulation**
- **Guidance on the application of the three criteria test**
 - **Indicators that may be of relevance for the purposes of applying the three criteria**
 - **Assessment in 5 scenarios**

SUMMARY OF APPROVED DOCUMENTS

Documents approved for publication:

- | | |
|---|-----------------|
| ➤ MTR Snapshot as of 1 Jan 2008 | ERG (08) 17 |
| ➤ ERG Timetable for CP monitoring exercises | ERG (08) 19 |
| ➤ Nat. monitoring exercise on broadband markets | ERG (08) 27 |
| ➤ ERG Report on best practices on regulatory regimes in wholesale unbundled access and bitstream access | ERG (07) 53 |
| ➤ Report on the consultation of the draft best practices report on WBA/WLA | ERG (07) 53b |
| ➤ ERG Report on guidance on the application of the three criteria test | ERG (08) 21 |
| ➤ Consultation document on IP-IC/NGN Core | ERG (08) 26rev1 |

All documents will be available on the ERG website at: <http://erg.ec.europa.eu>