

The logo for the European Regulatory Group (ERG) is displayed in orange, bold, uppercase letters. It is positioned on the left side of a horizontal banner that features a stylized globe and a blue-to-white gradient background with horizontal lines.

**Voice, text and data roaming  
in the EU**  
*Fair and predictable prices for all*

**Dániel Pataki**  
ERG Chair 2008

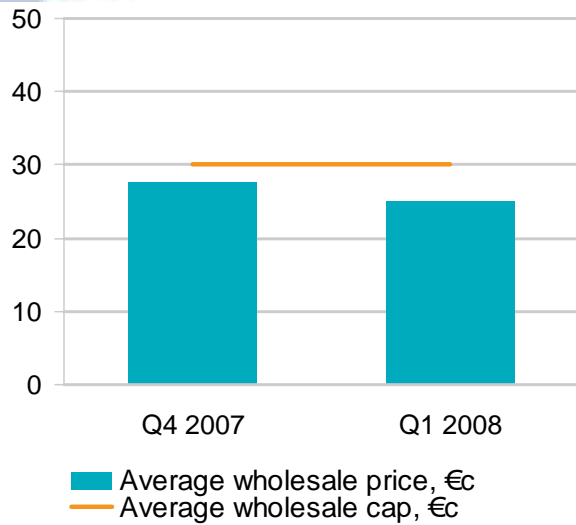
Brussels, 15th July 2008

## WHAT IS THE ERG

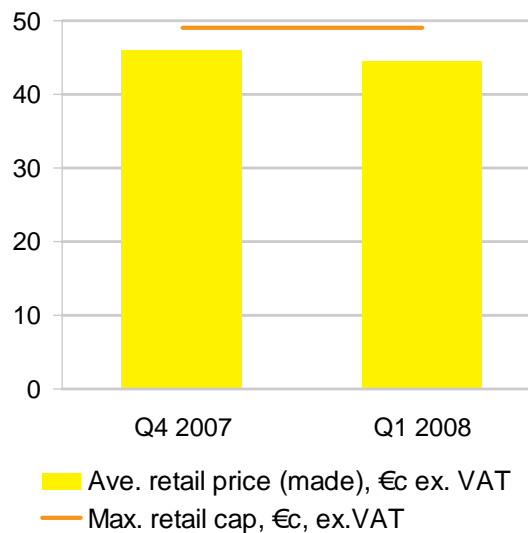
- ❑ The ERG is comprised of National Regulatory Authorities from 34 European countries: 27 EU Member States and EFTA Members and EU Candidate Countries as “observers”
  
- ❑ ERG objectives are:
  - to advise and assist the Commission in developing the Internal Market;
  - to ensure the consistent application of the European regulatory framework
  
- ❑ ERG enables cooperation amongst NRAs, share of experiences on implementing the framework and on responding to market and technological developments
  
- ❑ All documents of ERG are published on <http://erg.ec.europa.eu>

**European Regulators Group: the biggest network of regulatory authorities**

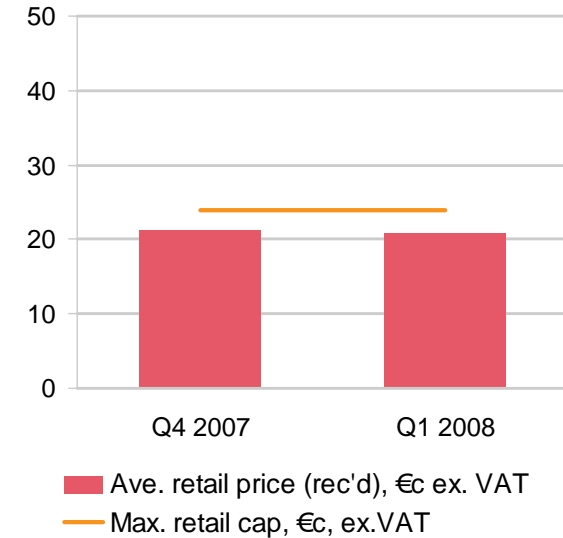
## VOICE ROAMING: STILL NEED MORE COMPETITION



**Average wholesale prices and cap  
Q4 07 – Q1 08**



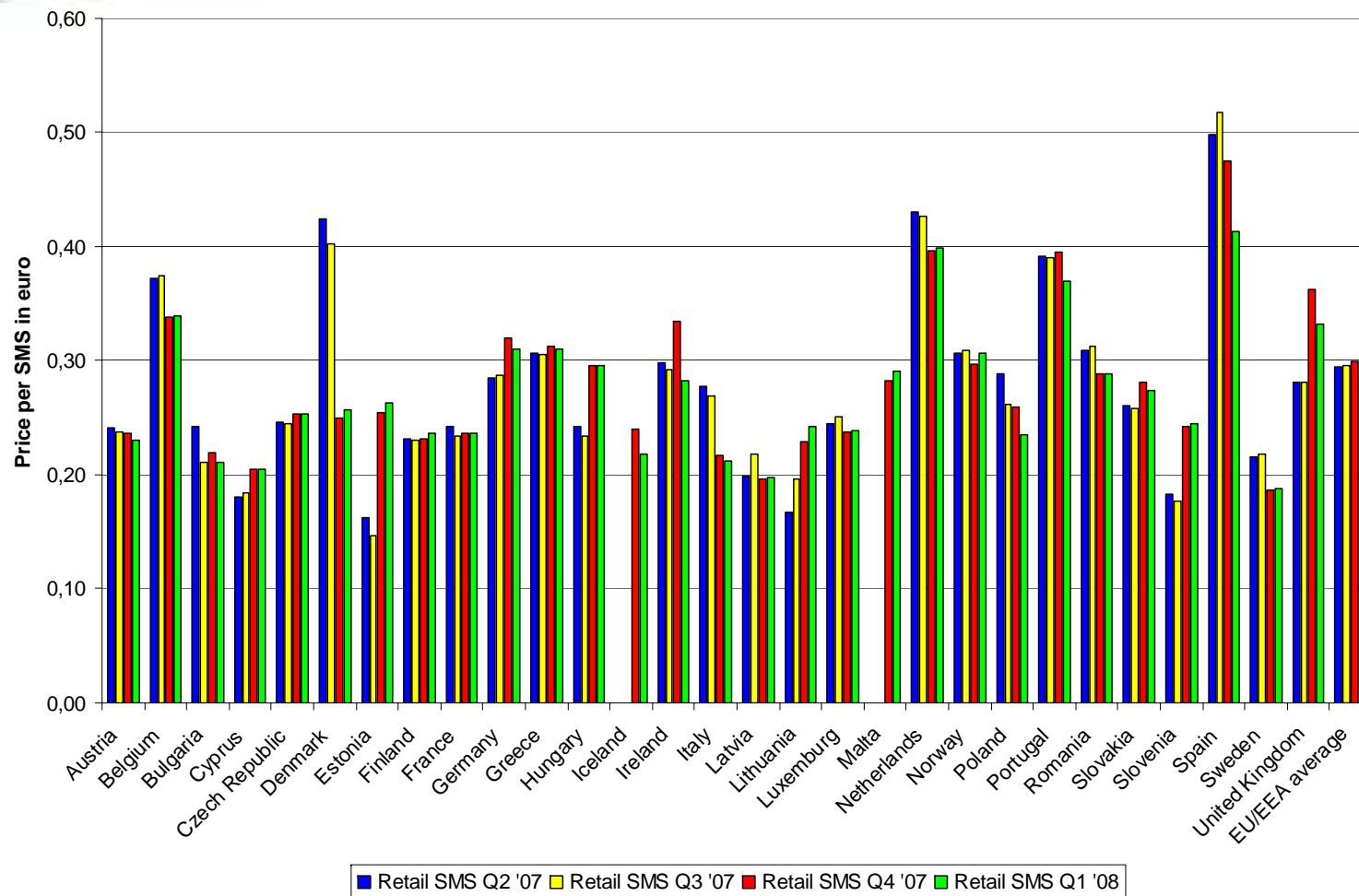
**Average retail prices and cap (calls made)  
Q4 07 – Q1 08**



**Average retail prices and cap (calls received)  
Q4 07 – Q1 08**

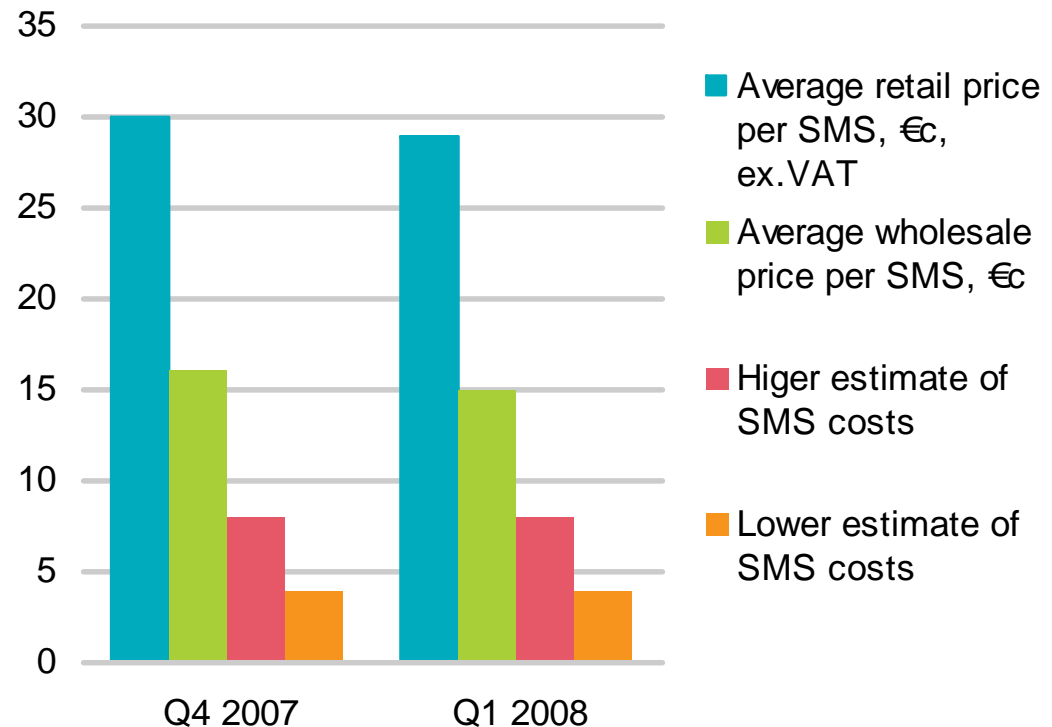
**ERG's recommendation: continuation of existing voice regulation, with the wholesale and retail caps adjusted on a downward glidepath to reflect cost reductions**

## SMS: PRICES REMAIN TOO HIGH ...



## ... AND SEVERAL TIMES THE COST OF PROVISION

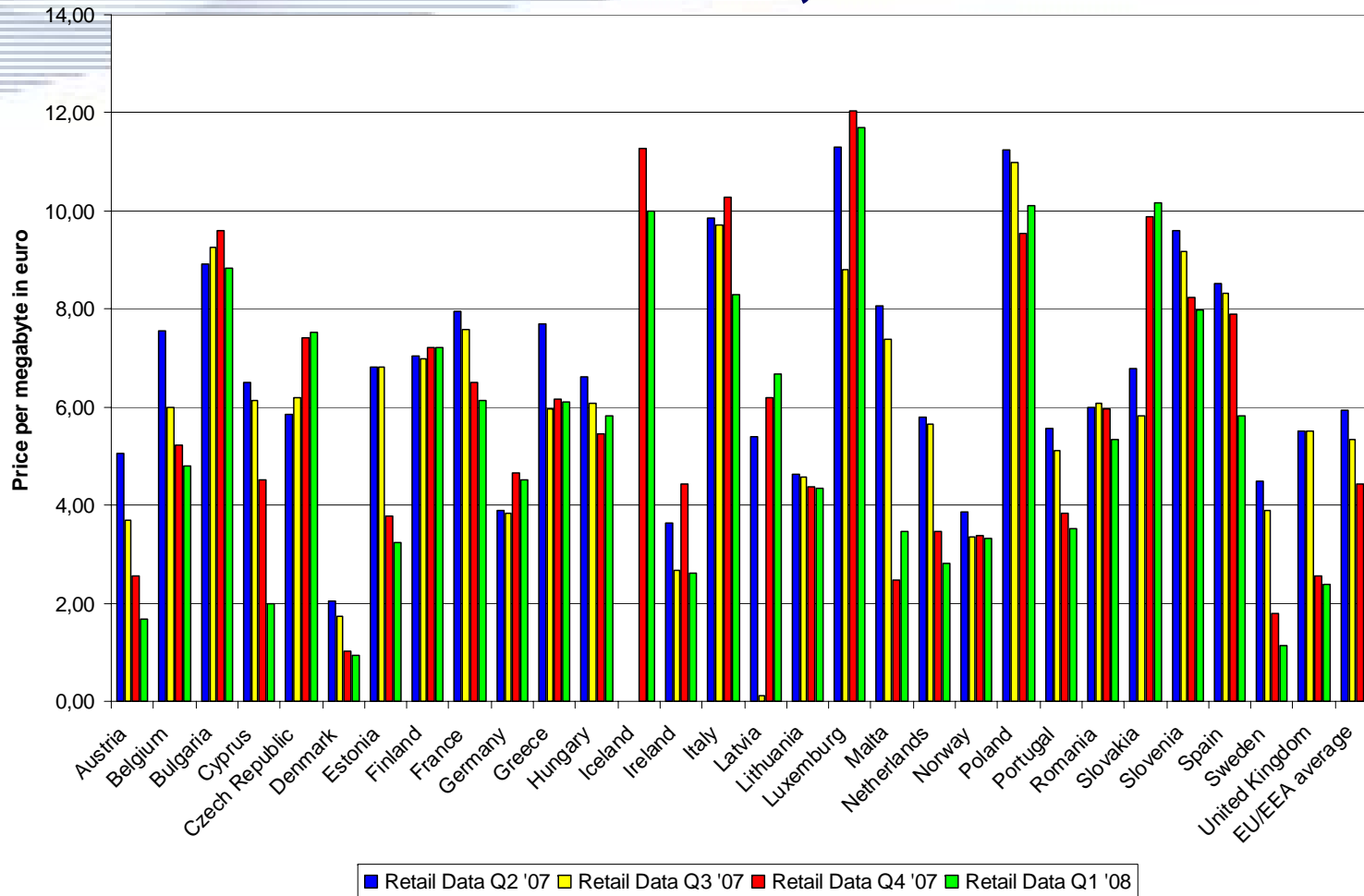
**Average wholesale and retail prices and estimated costs  
Q2 07 – Q1 08**



**ERG's recommendation: Regulation is justified both at retail and wholesale level.  
A price cap between €0.11 and €0.15 per SMS would be appropriate.**



## DATA: EXCESSIVE CHARGES, WIDE PRICE SPREAD



**ERG's recommendation: In terms of regulatory approach the case is finely balanced, we will have to continue to assess the need for additional regulation**

## **TRANSPARENCY AND CUSTOMER EMPOWERMENT TO AVOID “BILL SHOCK”**

- ❑ **Bills can be extremely high, sometimes not affordable**
  - Little understanding of tariffs
  - Domestic tariffs are often fixed price
  - What is 1 megabyte?
  
- ❑ **Some companies are introducing practical voluntary measures:**
  - Software showing consumption (in monetary units) in near-real time
  - Mandatory customer authorisation when exceeding billing thresholds
  
- ❑ **But such measures need to be universal**

**ERG’s recommendation: introduction of obligation on market players to introduce transparency measures to prevent bill-shock**

## **SUMMARY OF ERG RECOMMENDATIONS**

### **Voice Roaming**

- **Continue existing voice regulation**
- **Adjust wholesale and retail caps to reflect cost reductions**

### **SMS Roaming**

- **Regulate both at retail and wholesale level.**
- **Introduce price cap (between €0.11 and €0.15 per SMS would be appropriate).**

### **Data Roaming**

- **Keep need for regulation under review**
- **Introduce obligatory transparency measures**