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The Consumer Voice in Europe

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Mr Carlos Romero Duplá Director of Digital Transformation

Mr Carlos Ortis Brú Counsellor

Permanent Representation of Spain to the FU

By email

28 September 2023

Subject: Urgent need to end intra-EU communications surcharges on the Gigabit Infrastructure Act (GIA)

Dear Mr Romero Duplá, Dear Mr Ortis Brú,

We are writing on behalf of BEUC – The European Consumer Organisation in relation to the Gigabit Infrastructure Act (GIA) and in particular on intra-EU communications.

BEUC urges Member States to introduce provisions in the GIA proposal to urgently avoid the expiry of the EU's intra-EU communications rules in May 2024 and put an end to intra-EU call surcharges.

From a consumer perspective, since the end of roaming charges, the surcharges on intra-EU communications (calls, SMS and data usage) remain the **last standing obstacle to complete the EU single market for telecoms**.

The end of roaming charges is one of the EU's greatest success stories for consumers. Yet communicating across EU borders from your home country remains **expensive** when compared to domestic prices, with prices varying significantly among EU member states. Despite the existing price caps, consumers still pay more for calling another EU country compared to making a domestic call, which is:

- **Confusing,** as consumers do not always fully understand that international communications are not covered by the Roaming Regulation.
- Disproportionate, because the actual costs for telecom providers to send a call to another EU country do no longer substantially differ from placing a phone call through the domestic network.
- **Unjustified,** in the context of a Single Market which has ended roaming charges, and where the deployment of 4G/5G connectivity infrastructure will increase the efficiency of network infrastructure and reduce costs overall.

This is corroborated by data from the Body of European Regulators of Electronic Communications (BEREC)'s.¹ Despite the price caps introduced in 2019, large price variations between EU countries remain.² Tariffs vary significantly depending on consumers' home country or their telecom operator. For instance, the same international call may cost per minute twenty times more in Bulgaria than in Slovakia.³

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¹ BEREC Opinion on the Review of the Intra-EU Communications Regulation, https://www.berec.europa.eu/en/document-categories/berec/opinions/berec-opinion-on-the-review-of-the-intra-eu-communications-regulation

² Ibid, page 16, 17.

³ Ibid, page 13.

At the same time, there is **no justification for keeping the same price caps introduced in 2019**. BEREC data shows that the average prices for intra-EU calls and texts has consistently fallen since the caps were introduced in 2019 and are currently situated well below the respective price caps of 0.19 EUR/minute and 0.06 EUR/SMS. This is confirmed by telecom operators, who agree that the average price continues to steadily decline by approximately 12-15% per year.⁴ Therefore, the logical conclusion is that the current caps are too high, and surcharges should not be allowed in view of their steady decline.

In order to achieve a true single market for telecommunications services, national and intra-EU communications should not be differentiated. We are in a somewhat absurd situation that consumers can enjoy paying the same as back home when they are travelling, but not when they are at home and calling somebody abroad in the EU. **Consumers need a coherent single market without contradictions**. The example of Roam-like-at-Home proves that an ambitious regulatory intervention to eliminate surcharges for intra-EU communications stands to **benefit consumers and businesses** alike, unlocking an untapped source of consumption and revenue.

As the current rules are set to expire in May 2024, we call on Member States to use the opportunity of the Gigabit Infrastructure Act to not only reduce the current price caps, but to abolish retail surcharges on Intra-EU communications. **We welcome the timely initiative of the European Parliament** ahead of the EU elections to amend Regulation (EU) 2015/2120 via a new article (article 16a) of the GIA proposal and urge the Council to follow suit. We trust that Member States will be receptive to this call to deliver tangible benefits for consumers.

We would very much appreciate the opportunity to further discuss the importance of abolishing intra-EU communications surcharges in the internal market over a **meeting**, at your earliest convenience.

Please note that we have also sent this letter to the Telecoms Attachés of the other Permanent Representations to the EU.

For more information, we attach our latest BEUC position paper on the review of intra-EU communications rules, <u>also available online</u>.

We thank you in advance for your time and remain at your disposal.

Yours sincerely,

Maryant Fernández Senior Digital Policy Officer Cláudio Teixeira Legal Officer

⁴ https://www.ectaportal.com/images/Press Releases/260923 Joint Statement on GIA FINAL.pdf