

# What is roaming and why is it important to consumers?

Roaming charges are the extra charge that telecom operators charge consumers when they use their mobile phones abroad. In the EU, these prices have been capped since 2007.

Mobile phones and frequent cross-border travel have become common for many Europeans. But prices for calling, texting or accessing Internet data by phone when abroad were prohibitively high.

BEUC has already achieved a lot in terms of keeping roaming charges under control, but the issue is not yet resolved. Our objective is to put an end to all roaming charges for voice, SMS and data services within the EU, while protecting competitively priced domestic telecommunication services. The <u>abolition of roaming charges</u> will allow millions of consumers to use their mobile phones abroad as if they were at home.

# What should consumers know about the new roaming Regulation adopted in 2015?



As of 30 April 2016, consumers will pay 5c/minute, 2c/SMS and 5c/MB on top of their domestic tariffs. That is the same as current wholesale prices (i.e. what operators charge each other for using their network).

The European Commission will initiate a legislative reform of the wholesale market. If this is completed by 15 June 2017, consumers will be able pay the same price for their calls, SMS and data as at home ('Roam Like at Home') while travelling within the EU. However, if this wholesale reform is delayed, the abolition of roaming charges will be delayed too.

# But does this mean that roaming charges will be abolished?

Not really. Mobile providers are still allowed to make charges in some circumstances. They can:

Set 'fair use' limits. Mobile providers can limit the use of 'free' roaming to what is considered "periodic travel". For example, providers might limit their consumer's ability to enjoy 'Roam Like at Home' tariffs to only a few weeks per year.

Request an exemption from the abolition rules. Providers can apply to be exempt from the abolition rule and charge roaming fees if they believe that they cannot recover the actual and projected costs of providing the roaming service without a surcharge. They can request a 12-month exemption from their National Regulation Authority (NRA).

Offer consumers a Plan B that does not comply with the abolition rule. Providers will be able to offer roaming tariffs that do not comply with the abolition rule, as long as consumers are reminded that they will lose this advantage by signing up to this alternative tariff. The default tariff, however, must be the 'Roam Like at Home' tariff and consumers may switch from/to the alternative offer free of charge. This means that while roaming providers must put all their customers on the default 'Roam Like at Home' tariff, many might mislead consumers into accepting alternative, complex offers where they end up paying for roaming, just like today.





#### What other consumer rights does the Roaming Regulation contain?

- When mobile contracts include roaming services, providers must provide information on any specific tariff plan(s) as well as any restrictions imposed on the 'Roam Like at Home' tariff.
- When entering a new country, roaming customers have the right to receive an SMS free of charge with all necessary information, including on 'fair use' limits and all applicable tariffs.
- A notification must be sent to the customer when any threshold or 'fair use'-limit has been reached, indicating any applicable surcharges.
- Consumers must be able to monitor their usage free of charge, and be able to set financial limits on charges.

# Is the deal good enough?

Not nearly good enough. The deal provides for a significant decrease in retail tariffs in the spring of 2016, but fails to be ambitious enough to put an end to all roaming charges for European consumers.

One of the major issues with the agreed plan is that the abolition of retail roaming prices by 2017 depends on reform of the wholesale market being completed. This is a mammoth task to accomplish.

Once the wholesale market review has been completed, too many built-in exceptions will allow providers to introduce additional charges for consumers.



