

Press release

BEREC presents analysis on Roaming Regulation to European Parliament

August 30, Today BEREC, the Body of European Regulators for Electronic Communications, presented its analysis on the proposals of the European Commission for a revised roaming regulation to the European Parliament. The current regulation, governing the tariffs for international roaming within the EU, expires in June 2012. Following a consultation in February this year, the European Commission recently published a draft revised Regulation for the period beyond June 2012. BEREC's analysis follows up on its report on roaming of December 2010 and its response to the Commission consultation.

BEREC shares much of the analysis of the Commission. BEREC considers that, over the last five years, roaming regulation has brought considerable benefits to consumers. Like the Commission, BEREC expects that for the next few years market forces will not be strong enough to ensure reasonable terms for consumers for international roaming services. Therefore wholesale and retail price regulation will still be needed for some time. BEREC agrees with the Commission that in parallel, a structural solution should be found to remedy these market failures and remove the need for retail price regulation in the longer term.

However, BEREC believes strongly that retail price regulation can only be removed when it is evident that market forces are sufficient to deliver reasonable prices.

The European regulators are convinced that a satisfactory structural solution has not yet been identified. While the 'dual-IMSI solution' which is discussed extensively in the Commission's Impact Assessment has some attractions, BEREC is cautious about the extent of the benefits which can realistically be expected. BEREC's own competition analysis suggests that there is a risk that the proposed measure will deliver little incremental benefit for the mass market, insufficient to justify the considerable time, effort and cost necessary to implement the proposal. BEREC is looking for a less complex solution, which will deliver benefits to all consumer segments, quickly and without undue expenditure of time and resources on implementation. BEREC urges that a decision will be taken on the implementation of a specific structural solution only when it is clear that such a solution is available which commands the support of a critical mass of the market players. BEREC notes that the Commission's parallel proposals to reduce wholesale prices and introduce a general right of wholesale access for roaming purposes, can already be expected to deliver material competition benefits in the medium term.

Also, BEREC believes strongly that the current effective bill shock measures introduced in 2010 should be extended to be applicable outside of Europe. Consumers should be protected from high data roaming costs when they travel outside the EU.

Today, Chris Fonteijn, Chairman of BEREC, said to the European Parliament: "The Commission has put forward a constructive proposal. For both the Commission and BEREC it is of paramount importance that the interests of frequent roamers as well as less frequent roamers are protected. In that sense BEREC intends to strengthen the Commission's proposals. We are committed to developing a structural solution that enhances competition in the international roaming market, together with the Commission, and the industry."

BEREC's analysis of the Commission's proposal is published on <http://berec.europa.eu>.

Note for the editor:

For more information please contact:

Harriët Garvelink, press officer, e-mail pers@opta.nl, Tel. +3170 315 9223

Website <http://berec.europa.eu>