

Brussels, 28 March 2012

Digital Agenda: EU reaches preliminary deal on future-proof roaming solution for mobile phone users

Great news today for anyone who's been stung by high charges when they've tried to use their mobile phone or tablet abroad: members of the European Parliament and representatives of the Council and the European Commission have reached a preliminary deal on new EU Roaming rules, following the European Commission's proposal of last year (see [IP/11/835](#)). These rules will lead to a structural and durable solution to the high cost of using mobile phones and other smart devices whilst travelling in the EU. The European Parliament is expected to approve this agreement in May 2012 and the Council in June, paving the way for the new rules to enter into force on 1st July 2012.

The rules will create more competition in the roaming market. In the meantime they impose new safeguard limits on consumer prices, including a new price cap for data roaming, which will progressively bring prices down from current high levels until the benefits of competition have fully kicked in.

Neelie Kroes, European Commission Vice President for the Digital Agenda, said: *"Consumers are fed up with being ripped off by high roaming charges. The new roaming deal gives us a long-term structural solution, with lower prices, more choice and a new smart approach for data and Internet browsing. The benefits will be felt in time for the summer break - and by summer 2014, people can shop around for the best deal."*

Competition will deliver cheaper roaming

From 1 July 2014, customers will have the option to shop around for the best deal and sign up for a separate mobile contract for roaming, which may be different from their domestic mobile provider, whilst keeping the same phone number. Each time the customer crosses a border, his or her phone will switch to the network of the roaming provider which they have chosen, without any further action on their part. Customers will also have the option to directly select a local mobile network for data roaming in the country they are visiting (more details below).

As from 1st July 2012, virtual mobile operators and resellers, who do not have their own networks will immediately have the right to access other operators' networks at regulated wholesale prices in order to provide roaming services (together with national services) to their customers. This will already create more competition between operators, and so increase the incentives for them to offer customers more attractive roaming prices and services.

This is the first time the European Union has tackled the high cost of roaming at its root, by introducing pro-competitive structural change into the heart of the market.

Data roaming: choose your network before or while you roam

Competitive data roaming offers will also be opened up by the new EU Roaming rules by introducing new ways of using your smartphone, netbook or tablet while travelling abroad. From July 2014, mobile operators in visited countries will have the possibility to directly offer data roaming services on their own networks to travellers, which consumers can select either in advance or on the spot. Mobile network operators in visited countries will have an incentive to offer such services at rates close to national prices, on the basis of their own low national network costs. As people's mobile data use intensifies, and they want to use their devices anywhere, any time, many travellers are likely to find this WiFi-like option very attractive.

Until then... cheaper roaming through price caps

Until competition has driven retail prices down, the EU's Roaming rules will progressively lower current retail price caps on voice and texting (SMS) services and introduce a new retail price cap for mobile data services. These caps will operate as a safeguard for consumers until 30 June 2017.

Under the new rules, which will enter into force on 1st July 2012, consumers will pay no more than:

- 29 cents per minute to make a call,
- 8 cents per minute to receive a call,
- 9 cents to send a text message
- 70 cents per Megabyte (MB) to download data or browse the Internet whilst travelling abroad (charged per Kilobyte used).

These regulated price caps will progressively go down so that by 1 July 2014, roaming consumers will be paying no more than 19 cents per minute to make a call, a maximum 5 cents per minute to receive a call, maximum 6 cents to send a text message and maximum 20 cents per Megabyte (MB) to download data or browse the Internet whilst travelling abroad (charged per Kilobyte used).

These new price levels have been based on new data about the industry cost of providing roaming services, provided by BEREC, the body of European telecoms regulators, in February of this year. The wholesale caps are based on an estimate of the basic cost of provision, while the safeguard retail caps are set at a level which should make investment in alternative roaming services and entry of new players attractive – which is key to develop effective, durable competition on this market in the interests of consumers.

Bill shock: better information when travelling outside the EU

Under the new rules, consumers will also receive information about roaming charges when they travel to countries outside the EU, which will help them to more easily avoid "bill shocks" when using their smart device abroad. The new rules will provide for the extension of the alert system currently in place within the EU. As from 1st July 2012, people travelling outside the EU will get a warning text message, email or pop-up window when they are nearing €50 of data downloads, or their pre-agreed level. Consumers will have to confirm they are happy to go over this level in order to continue their data roaming.

For more information

See [MEMO/11/485](#)

European Commission's [roaming website](#)

[Digital Agenda website](#)

Neelie Kroes' [website](#)

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Annex

Current and new retail price caps (excluding VAT)

	Current	1 July 2012	1 July 2013	1 July 2014
Data (per MB)	None	70 cents	45 cents	20 cents
Voice-calls made (per minute)	35 cents	29 cents	24 cents	19 cents
Voice-calls received (per minute)	11 cents	8 cents	7 cents	5 cents
SMS (per SMS)	11 cents	9 cents	8 cents	6 cents

Current and new wholesale price caps (on prices operators charge each other):

	Current	1 July 2012	1 July 2013	1 July 2014
Data (per MB)	50 cents	25 cents	15 cents	5 cents
Voice (per minute)	18 cents	14 cents	10 cents	5 cents
SMS (per SMS)	4 cents	3 cents	2 cents	2 cents

The proposed retail caps serve as a mere safety-net for consumers, while the Commission expects that the proposed competition-enhancing **structural measures will deliver innovative pan-European offers and cheaper prices, significantly below the safeguard caps**