Question for written answer E-003140/2016 to the Commission Rule 130 Hannu Takkula (ALDE)

Subject: Pricing of network services in line with real connection speed of mobile broadband networks

Telecommunications infrastructure and services are crucial to the EU's competitiveness, the welfare of EU citizens and the security of all. The EU should take care to ensure that the pricing of such services strikes a balance between promises and reality.

Mobile broadband networks, particularly 4G networks, are sold by advertising their speed. The promised speed (up to 300 mb/s) and the real speed differ by a factor which may be in the hundreds, and vary according to the area and time of day. There are also differences between terminal devices, but these are not decisive.

The reality often only becomes apparent when the customer has already signed the contract and paid for the device and services. The seller is of course required to point out that speeds may vary, but if the actual network connection does not match up even slightly to the promised transmission speed or the connection is completely absent, the customer may justifiably feel he has been hoodwinked. There are few other devices or services where such glaring differences exist between the promise and the reality.

In electricity distribution the customer no longer has to pay for a non-existent service. During power cuts the power distribution company has to pay compensation in accordance with agreed criteria, which has led electricity companies to improve their security of supply. This same principle should also apply to telecoms companies.

In the USA, telecoms operators have been fined for failing to keep their promises to the customer. Establishing criteria in the EU too would promote European competitiveness, and such requirements would force companies to improve their efficiency, their products and their services.

What measures does the Commission propose to take to ensure that in future network companies charge their customers in line with the real connection speed of mobile broadband networks?