

# Roaming regulation: the consumers' perspective

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ITRE – IMCO  
joint mini hearing

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## Roaming regulation: the consumers' perspective

### 1. Why lower tariffs are needed

#### Uncompetitive markets, overcharged consumers

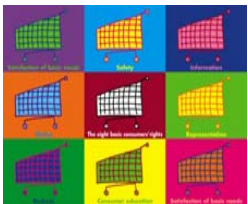
- Prices similar for operators from the same country and unconnected with real costs (200% to 400% mark up)
- Information on prices difficult to obtain

#### High prices impede market growth

- Consumers switch off their mobile phone when travelling (59% would use more with lower tariffs)



- Best way to stimulate European telecom sector is to increase volumes



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- A Belgian consumer in Italy calling Home

	TIM	Vodafone Omnitel	Wind
Base	3.86€	2.95€	4.31€
Mobistar	4.4€	4.4€	4.4€
Proximus	5€	5€	5€
Transatel	3.86€	2.95€	4.31€

Tariffs highest for Belgian operators with the biggest domestic market shares/higher negotiating power

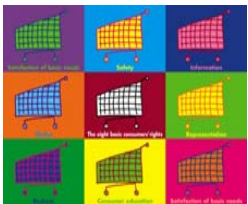


## Roaming regulation: the consumers' perspective

### 2. Averages versus absolute maximum retail caps

If an absolute maximum retail cap is used, operators will go bankrupt

- It all depends on the level of the caps! Roaming will not be free of charge
- Averages complicate things. NRAs will have to calculate them, leading to differences within the Union, delay, legal uncertainty and most importantly, confusion for consumers.
- With averages residential consumers might still pay a lot or more than they do now!



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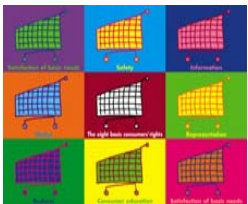
### 3. Roaming practicalities...

What about consumers being free to opt in for the 'safeguard option'?

⇒ because of information asymmetry, packages, BEUC favours an opt out of the safeguard option

What about a sunrise clause?

⇒ easily captured by industry, threatens consumers' benefits from the regulation



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### 4. Conclusion

Consumers need information:

- ⇒ Push system of information in real time
- ⇒ Comprehensive and clear, via SMS

Consumers need simplicity:

- ⇒ BEUC favours an absolute maximum retail cap

The market had ample time to react:

- ⇒ A sunrise clause only complicates the regulation

