

Response to “Consultation on a review of the functioning of the Roaming Regulation” (Regulation (EC) No 544/2009)

Swedish Telecommunications Business Users Group (Näringslivets telekomförening, NTK) gives this response on the consultation. NTK is also affiliated to INTUG and support INTUG of their representations on roaming.

There are a lot of questions connected to the consultation. NTK prefer to give an answer not referred to specific questions. Instead we focus on the problems with the roaming conditions and our view to solve the problems.

Problem one – the megabyte model for international data communication

The price model accepted from EU meaning pay per megabyte is a restraint using the mobile network for data communication. The international price model, accepted by EU commission, was a common domestic model the first one or two years in many countries. The model gave no possibility for the customer to predict the actual price for the service and most of the operators gave up this model because of no acceptance from users. Most operators then introduced domestic a flat rate based model combined with a maximum volume per week or month and sometimes with some speed restrictions. This model became a success. The customer could predict the price and the operator could communicate a model accepted by the customers.

The EU commission acceptances of the megabyte model give no possibilities developing the mobile data communication market.

Problem two – the roaming market as a market

Roaming is a technical term to invite or accept a visit from a guest in a local mobile access network. Nothing says that a price model for international roaming can be constructed based on e.g. costs. It is even hard to construct such a model based on national conditions. Actually the price skill between domestic mobile data services (including domestic roaming) and international mobile data services shows how absurd it is (see below).

Problem three – the price skill between domestic and international mobile data

NTK has made an examination to realize the actual price skill. We found that a normal Swedish domestic mobile data subscription cost per megabyte 0.10 SEK (approx. 0.01 EUR). This is based on the facts that Swedish customers pay 99 SEK (approx.10 EUR) per month and per gigabyte. Using the mobile data services in an EU country costs approx. 25 000 % more or 25 SEK (approx. 2.5 EUR). In other countries it is even worse. This means; reading a newspaper first page in Sweden costs about 0.03 EUR. Reading the same newspaper first page in an EU country costs about 7.5 EUR

Mobile data – price comparison:

Mobil data	EU-country	Thailand	USA	Switzerland	Sweden	Price skill
per MB	25-32.50 SEK	120-173.98 SEK	69.07-124 SEK	32.50-154.96 SEK	0.10 SEK	25 000%-174 000%

NTK suggestions to solve the three problems

1. Cancel the EU acceptance of the megabyte model.
2. Force the operators (both those that have the customer relation (home operator) and those that have the guest network) to use the domestic dominant price model in each guest country. That means that the megabyte model will be scrapped.

3. Force the guest network operator to accept roaming to the same price as the regulated domestic price.
4. Work by international organizations (trade organizations, UN etc.) to find a total international model based in free trade commitments.
5. Start an investigation to find out how operator organizations (e.g. GSMA) work without conflict with EU and international competitive laws and regulations.



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