

**INTUG**

Global roaming Brussels, 30/11 1/12/00  
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# **GSM roaming survey problems + remedies**

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<http://www.INTUG.net/>

# INTUG about us

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- members
  - national associations
  - corporations
  - individuals
- influencing policy
- 25 years old
- working with ITU, WTO, OECD, EU and APEC

# INTUG contents

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# INTUG introduction

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- dissatisfaction/anger about roaming charges
- senior executives telling staff not to use mobiles when abroad
- absence of competition
- absence of regulation
- stirrings of political awareness

# INTUG european parliament

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the high roaming prices and the higher prices for calls from the fixed network to the mobile network than from the mobile network to the fixed and than calls from the mobile network to the mobile network are clear examples of market imperfections; the Commission should consider possible ways of lowering those prices to acceptable and transparent levels;

Report on the Commission communication to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions entitled: 'Towards a new framework for Electronic Communications infrastructure and associated services – The 1999 Communications review' (COM(1999) 539 – C5-0141/2000 – 2000/2085(COS)). A5-0145/2000

# INTUG customer demand

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- one supplier
- one bill - consistent management data
- one account manager
- no more roaming
- integration with VPNs
- completion of internal market

# INTUG EVUA RfI

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- European VPN Users Association
- ca 75 companies spending more than 10M Euros per annum
- request for pan-european services
- 2 billions per annum
- ca. 750,000 handsets
- only smaller players responded (e.g, Mint-tele.com, RSL.com and GTS Group)

# INTUG technicalities

- automatic selection of foreign operator
- re-selection of operator if signal is lost
- tromboning when caller diverts to voicemail



# INTUG agreements

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- GSM Memorandum of Understanding
- Standard Terms for International Roaming Agreements (STIRA)
- Inter Operator Tariff (IOT)
- Transfer Accounting Protocol 3 (TAP3)
- facilitated by brokers  
(e.g., Comfone, Mach and Roameo)

# INTUG roaming prices

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- incredibly complex
- difficult to find information
- information is qualified
  - foreign operators change prices
  - exchange rates fluctuate
- prices are very high
  - high national tariff
  - IOT plus 15 to 25 per cent

# INTUG Proximus

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The version of the brochure that you can download here, was published in November 1999. The prices quoted in the brochure are merely given as information and depend on the foreign networks as well as on the current exchange rates. Belgacom Mobile N.V./S.A. can in no way be held accountable for any changes or discrepancies. Belgacom Mobile N.V./S.A. can not guarantee the availability of services offered abroad. Foreign operators may decide to change them without prior notice.

July 2000 - <http://www.proximus.be/>

# INTUG model call of 2 min 15 sec

- call set-up charge (if any)
- call charge per minute at peak time
- times when peak charges apply
- unit of time used for charges

# INTUG operators

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- Austria
  - Max.mobile
  - Mobilkom
- Belgium
  - Mobistar
  - Proximus
- Denmark
  - Sonofon
  - TeleDanmark
- Germany
  - Mannesmann
  - T-Mobil
- Greece
  - Panafon
  - TeleSTET
- Finland
  - Radiolinja
  - Sonera
- France
  - Itineris
  - SFR
- Ireland
  - Eircell
  - Esat Digifone
- Italy
  - Omnitel
  - TIM
- Netherlands
  - KPN Mobiel
  - Libertel
- Norway
  - Netcom
  - Telenor
- Portugal
  - Telecel
  - TMN
- Spain
  - Airtel
  - Telefonica
- Sweden
  - Comviq
  - Telia Mobile
- United Kingdom
  - BT Cellnet
  - Vodafone

# INTUG from Ireland to Denmark

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	Eircell	Esat digifone
Sonofon	2.14 (1.85)	2.21 (2.11)
TeleDenmark	2.14 (2.05)	2.21 (2.12)
Non-roaming	1.25 (1.74)	1.24 (1.57)

# INTUG from Denmark to Ireland

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	Sonofon	TeleDenmark
Eircell	1.95 (2.80)	1.36 (2.90)
Esat digifone	1.02 (2.20)	0.87 (1.96)
Non-roaming	n/a (1.42)	0.93 (1.37)

# INTUG France to Belgium

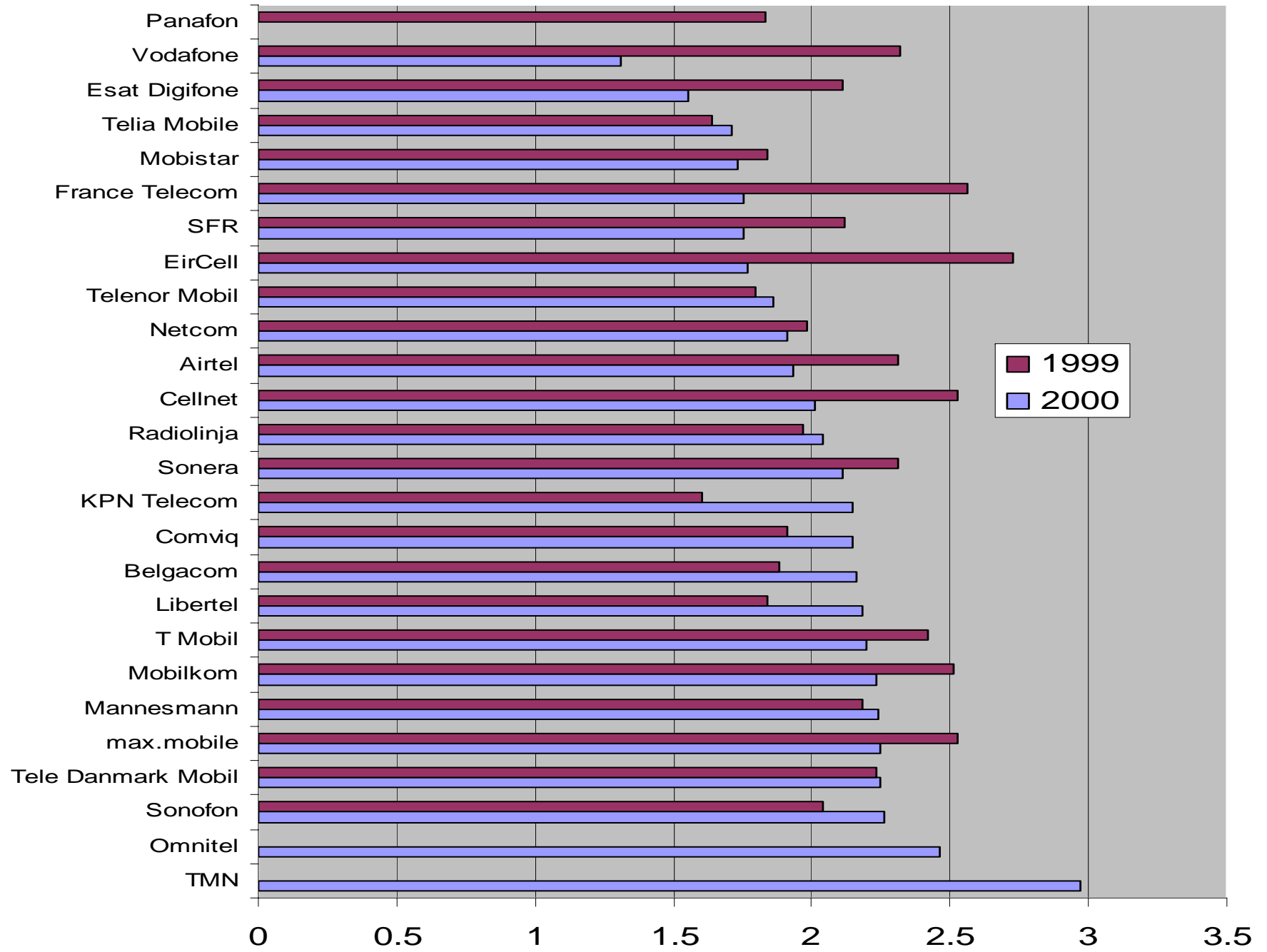
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	Buoygues	Itineris	SFR
Belgacom	1.40	-	2.72
Mobistar		2.18	2.18
KPN Orange	1.35		2.72
<b>non-roaming</b>	<b>0.72</b>	<b>1.19</b>	<b>1.01</b>

Fixed prices: Call-box 0.29-1.15,  
France Telecom 0.40 and Viatel 0.20  
March 2000

2'15" call





# INTUG regulatory solutions

- benchmark price €0.50/minute
- introduction of carrier selection
- introduction of MVNOs

# INTUG competition law

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- Articles 81, 82 and 86
- merger approvals
- investigations
- complex interworking of national authorities for:
  - competition
  - telecommunications
  - broadcasting

# INTUG many different markets

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- retail
- pre-paid
- pan-European business
- international calls
- roaming
- call termination
- hand-sets

# INTUG merger controls

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- Mannesmann and Orange
  - sale of stake in E-Plus
- Vodafone and Mannesmann
  - open network to third parties for 3 years
  - sale of Orange
- France Telecom and Orange
  - sale of KPN Orange
- Vizzavi (Vodafone/Vivendi/Canal+)
  - facility to change default URL

# INTUG investigation

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- picked up early results of the INTUG roaming study
- launched sectoral investigation July 1999
- issued questionnaires in January 2000
- results due by end of 2000

# INTUG 3G/UMTS issues

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- roaming gets much more complex
- wide of services
- no contract with service provider only with home operator
- risks of slamming
- location data and privacy issues

# INTUG conclusions

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- hideous complexity of tariffs
- failure in provision of accurate information
- massive over-charging
- absence of competition
- joint dominance
- strong argument for introduction of MVNOs



# INTUG recommendations (1)

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- European Parliament and Council:
  - should ensure that the Universal Service Directive requires provision of accurate and intelligible information on roaming prices.
  - provide the necessary legal certainty for Mobile Virtual Network Operators (MVNOs).

# INTUG recommendations (2)

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- Competition Directorate-General and national competition authorities should consider whether national markets for mobile telecommunications demonstrate joint dominance by the operators
- The Commission and the National Regulatory Authorities, should undertake an analysis of the market for pan-European roaming services to determine if it is effectively competitive and impose price controls

# INTUG recommendations (3)

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- The European Commission and in particular DG Consumer Protection and Health should consider whether the provision of information on prices charged to roaming users within the internal market complies with the relevant directives.
- GSM operators should consider whether it would be better for customers if they were to simplify their roaming tariffs into a scheme which it was possible for users to understand. For example, a flat charge or to provide real-time cost information to users.