

Paper on:
Comparison and Critical Comparison of Charges for
Roaming (cost based, value based or arbitrary prices)

Final Presentation
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Telefon Bill in
amount of €
25.000,00!


Fellow citizen from lower Austria after
coming back from vacation in Turkey



Research questions

1. How roaming prices are being formatted?
2. What pricing strategy is being pursued?





Roaming – Ability to Use a Mobile Phone Service in a Visited Network

- Geographical:
 - International
 - National
- Call/Connection
 - Active
 - Passive

Market Structure

Supply and Demand Conditions

- Supply
 - Wholesale
 - Retail
- Demand
 - Wholesale
 - Retail

Composition of Roaming Costs

- Mobile origination (MO)
- Mobile/Fixed termination (MT/FT)
- International Transit (IT)
- Roaming specific costs (RSC)

Table 1 Cost estimates of key network functions in international roaming

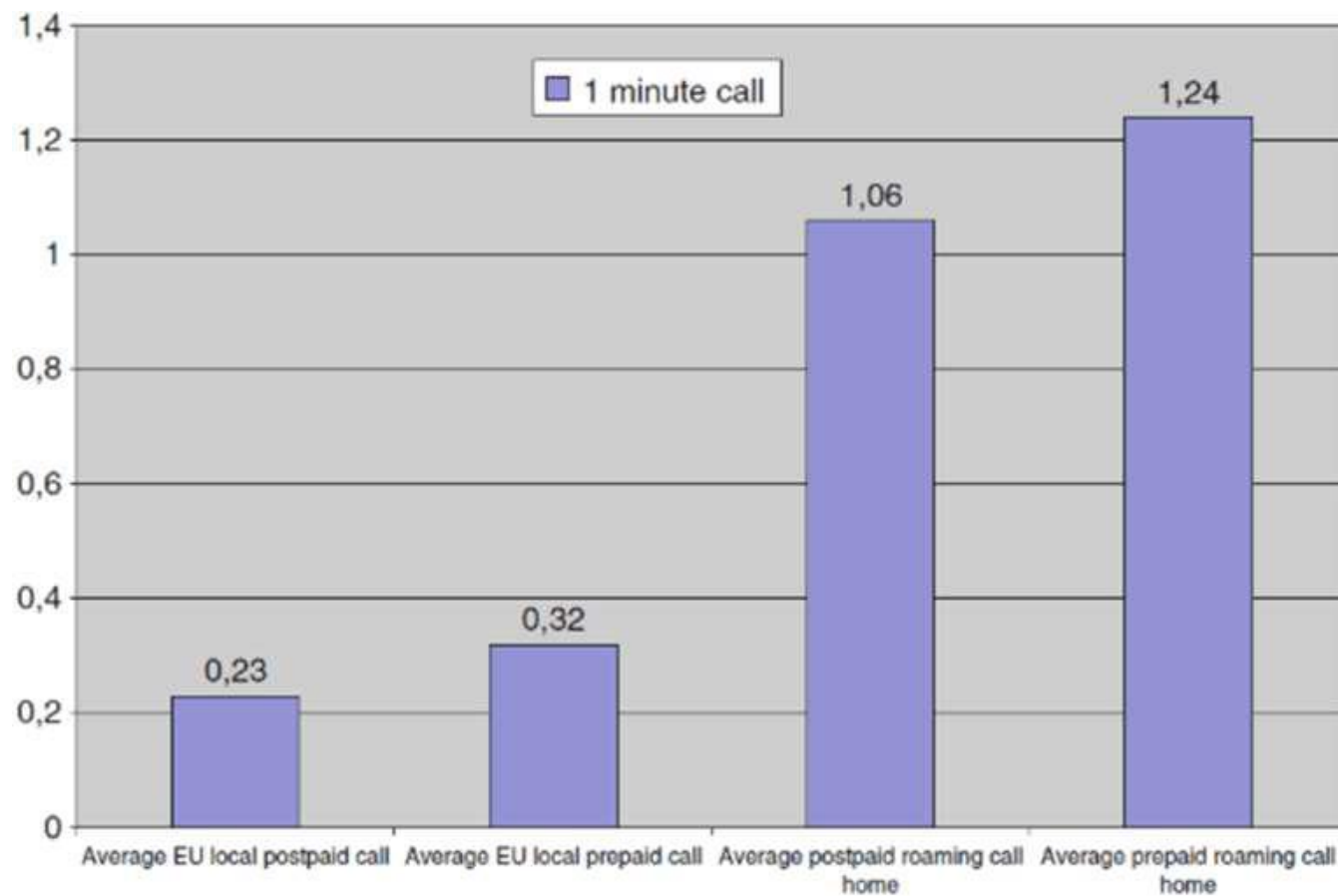
	/min
Mobile origination/termination	0.114
Fixed termination	0.0125
International transit	0.02
Roaming specific costs	0.02

Different Scenario Cost Calculation

Table II Roaming costs per scenario (€ per minute)

<i>Scenario</i>	<i>Mobile termination</i>	
0	2*MT	0.20
1a	2*MT + RSC	0.22
1b	2*MT + RSC + 2*IT	0.26
1c	2*MT + 2*RSC + 2*IT	0.28
2a	2*MT + RSC	0.22
2b	2*MT + RSC + IT	0.24
2c	2*MT + 2*RSC + 2*IT	0.28
3a	2*MT + RSC + IT	0.24
3b	2*MT + RSC + 2*IT	0.26
3c	2*MT + RSC + IT	0.24
4	IT + RSC	0.04

EU Average Prices for Local and Roaming Calls (2006)



Source: CEC 2006a

EU Roaming
Regulations were
imposed in 4 Steps
during the time
period 2007-2017

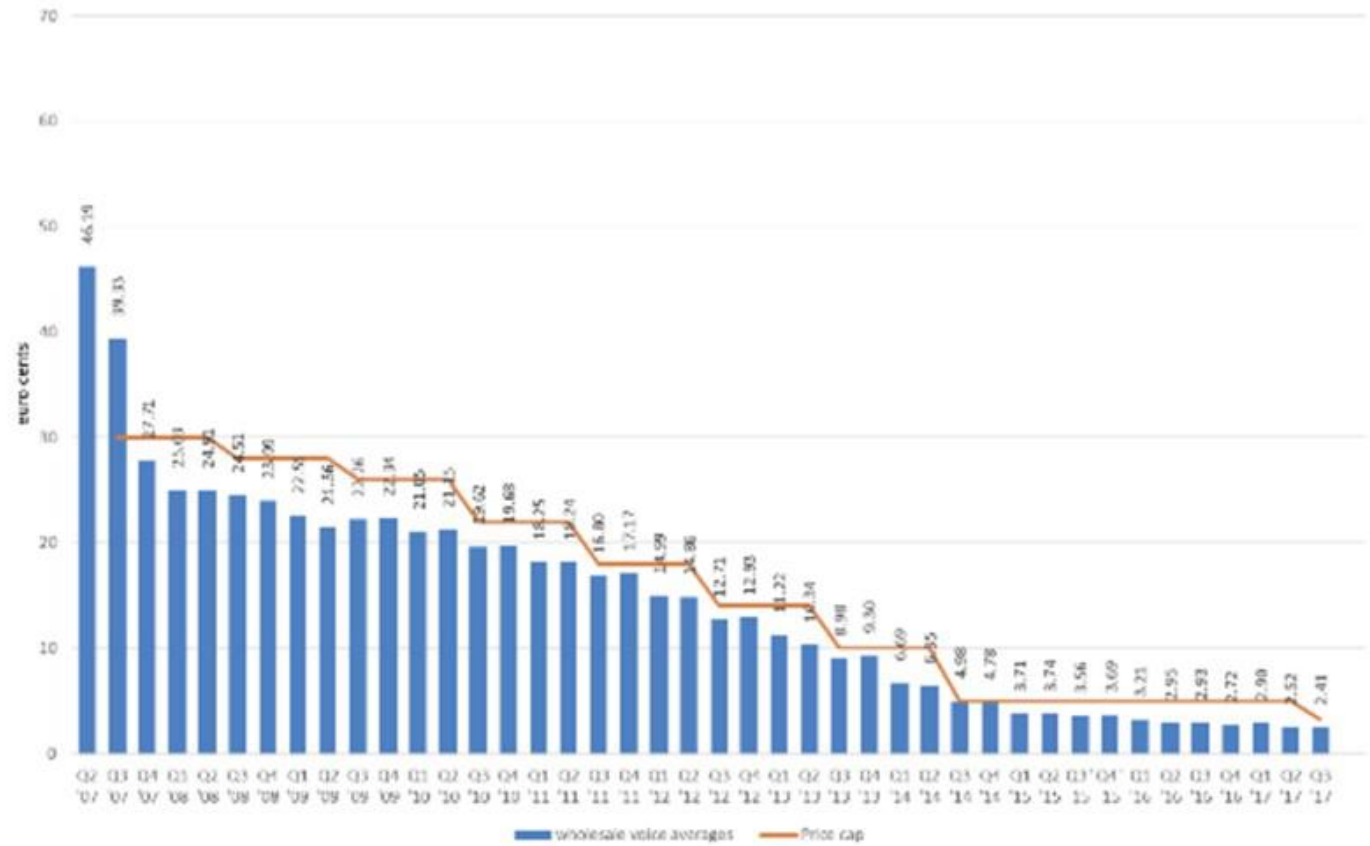
The First Step - 2007
Regulation

The Third Step - (the
2012 Regulation)

The Second Step - the
2009 amended
Regulation

The Step four (the 2012
amended Regulation)

Result:



Questions

- What happens in the EU after June 2032?
- Can we expect to have roam like at home worldwide?