

# **Roaming Charges**



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### **International Roaming**



- Roaming is where a subscriber of one mobile operator's service travels outside that service area and obtains connectivity and service from another operator.
  - Roaming can take place within a country or between countries, as long as it involves a customer of one operator being connected to the mobile network of another operator.
  - Conceptually, roaming is similar to a call forwarding arrangement. Callers use the customer's usual mobile phone number. The home network hands the call over to the host network, which passes the call to the customer's mobile phone.
  - Roaming charges are generally much higher than home area use charges. Often operators charge a monthly fee to permit roaming use, plus usage charges.

## Regulatory Responses to International Roaming Prices



- Regulators are concerned about the prices that their nation's users pay when they are roaming elsewhere.
  - They don't have jurisdiction over rates elsewhere
  - Visitors to one's own country don't vote in that country
- Is there hope for reduced international roaming charges?
  - Look at traffic flows between countries and operators
  - Multinational operators
  - Elimination of roaming charges in countries where mobile licenses were regional, not national

### **Eurotariff roaming charges**



- Eurotariff maximum per minute roaming charge in Euros (without VAT):
- Eurotariff maximum price
- Summer 2007
  - Mobile calls made abroad 49 cents
  - Mobile calls received abroad 24 cents
- Summer 2008
  - Mobile calls made abroad 46 cents
  - Mobile calls received abroad 22 cents
- Summer 2009
  - Mobile calls made abroad 43 cents
  - Mobile calls received abroad 19 cents

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