

EU unveils major telecom reforms, end to roaming charges

September 11 2013, by Bryan Mcmanus



European Commission President Jose Manuel Barroso delivers his State of the Union speech, on September 11, 2013, at the European Parliament in Strasbourg, northeastern of France.

The European Commission adopted controversial telecom sector reforms Wednesday which it said would create a 'fully connected' Europe and include an end to hugely unpopular mobile phone roaming charges.

Commission president Jose Manuel Barroso told the European Parliament it was vital there be a real 'single market' in telecoms to ensure the EU is not left behind.

"This proposal will lower prices for consumers, Europe will be more and more digital ... and give new opportunities to consumers," Barroso said.

"Isn't it a paradox that we have an internal market for goods but when it comes to digital we still have 28 national markets," he said.

Reform of the [telecoms industry](#) to break down national barriers is "key for competitiveness and employment (and) lays foundations for prosperity for years to come," he added.

The headline proposal is to end roaming charges—the extra paid by customers who use their mobile phones or portable devices while abroad—for [incoming calls](#) from July 2014.

Companies should offer 'roam like at home' packages to cover the full EU or allow customers to subscribe to separate [roaming service](#) providers without changing their original SIM card, a Commission statement said.

EU Digital Agenda Commissioner Nellie Kroes has cut [roaming charges](#) and aims to end them completely but operators say they are crucial for profits and so help fund the huge investments which Brussels wants.

In order to create a single telecoms market, the EU's executive arm envisaged a one-stop regulator to clear companies to operate in all 28 member states, replacing separate national approvals.

International call premiums will be banned, with the price of an intra-EU, fixed-line call capped at the cost of a long-distance connection in

the country where it originates.

For mobile intra-EU calls, the charge must not exceed 0.19 cents per minute, the Commission said.

Companies will be able to set tariffs so as to recoup "objectively justified" investment costs "but arbitrary profits from intra-EU calls would disappear."

The Commission also backed 'net neutrality'—the principle that the Internet should be an open system—with companies barred from deals, for example on higher data transmission speeds, which could in practice restrict access by their rivals.

Companies can offer specialist, higher cost services such as video-on-demand or high-definition medical imaging but they must not hinder access to the network to the disadvantage of others.

Connectivity will be improved by better coordination of access to frequencies, controlled by governments, so as to better develop next generation 4G services.

4G operates five times faster than the current 3G network and allows users to download large e-mail attachments quickly, watch live television without buffering, make high-quality video calls and play live games on the go.

It is seen as the next essential step in the telecommunications revolution and Kroes has repeatedly lambasted EU countries for lagging behind.

Among other proposals, the Commission wants to see improved customer rights across the EU and increased certainty for investors.

The plans have proved controversial and last-minute wrangling over the details delayed the announcement to late Wednesday.

An EU source said the delay was largely due to the complexity of the issues involved in an "ambitious package."

The package now goes to Parliament and EU leaders for approval.

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