



NATIONAL REGULATION VS TRANSNATIONAL PLAYERS AND MARKETS

The case of international mobile
roaming

Verena Weber, OECD

* The views expressed here are my own and may not reflect those of the OECD or its member countries.



International mobile roaming (IMR)

- IMR: service allowing customers from one operator to obtain services from another foreign operator in a foreign country using the same device and phone number
- Transnational players
- Transnational agreements between mobile network operators (MNOs)





Why is the OECD and its Council interested in IMR?

- In 2012: Positive developments in mobile markets, but prices for IMR remained very high
- Uncompetitive markets at the wholesale level
- Consequences:
 - Bill shock
 - Welfare loss
- Adoption of the Recommendation on International Mobile Roaming by the OECD Council in 2012





The 2012 OECD Council Recommendation

- Promoting transparent information on roaming services
- Promoting awareness of roaming prices and substitutes
- Facilitating transnational networks and alliances
- Transparency of inter-operator tariffs
- Facilitating access to wholesale mobile services on local terms and conditions
- Wholesale price regulation
- Retail price regulation
- Assessment of costs and benefits



Continued transformation of the IMR market

Three main factors:

- Technological developments
- Operators' commercial responses to increasing demand
- Regulation

Overall: Decline in prices across the OECD



Technological developments

Apple SIM



Virtual SIM



WiFi



Interfone sticker





Commercial responses by operators: Roam-like-at-home offers

- Customers pay domestic prices when travelling abroad with no additional charges
- Europe: Offers to many European countries
- North America: RLAH offers from and to Mexico, US, Canada
- Colombia/Japan: RLAH offers to the US



Regulation and international agreements (I)

- Regulatory measures promoting competition
 - e.g. elimination of foreign investment barriers
- Regulatory measures focused on IMR
 - Most high-profile regulatory changes: European Union





Regulation and international agreements (II)

- Bilateral and regional agreements
 - Israel, Chile, Argentina
- Free trade agreements
 - Trans-Pacific Partnership Agreement (TPP)
 - Australia and Singapore
- Introduction of automatic caps
 - Canada





Further reading

- OECD (2012), **Recommendation of the Council on International Mobile Roaming Services**
- OECD (2013), "**International Mobile Roaming Agreements**", *OECD Digital Economy Papers*, No. 223, <http://dx.doi.org/10.1787/5k4559fzbn5l-en>
- OECD (2016), "**Developments in International Mobile Roaming**", *OECD Digital Economy Papers*, No. 249, <http://dx.doi.org/10.1787/5jmolsq78vmx-en>



THANK YOU!

verena.weber@oecd.org

@WeberVere