



Schweizerische Eidgenossenschaft
Confédération suisse
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Swiss Confederation

Federal Office of Communications
Telecom Services and Post

Roaming situation in Switzerland

Biel, the 5th of November 2019

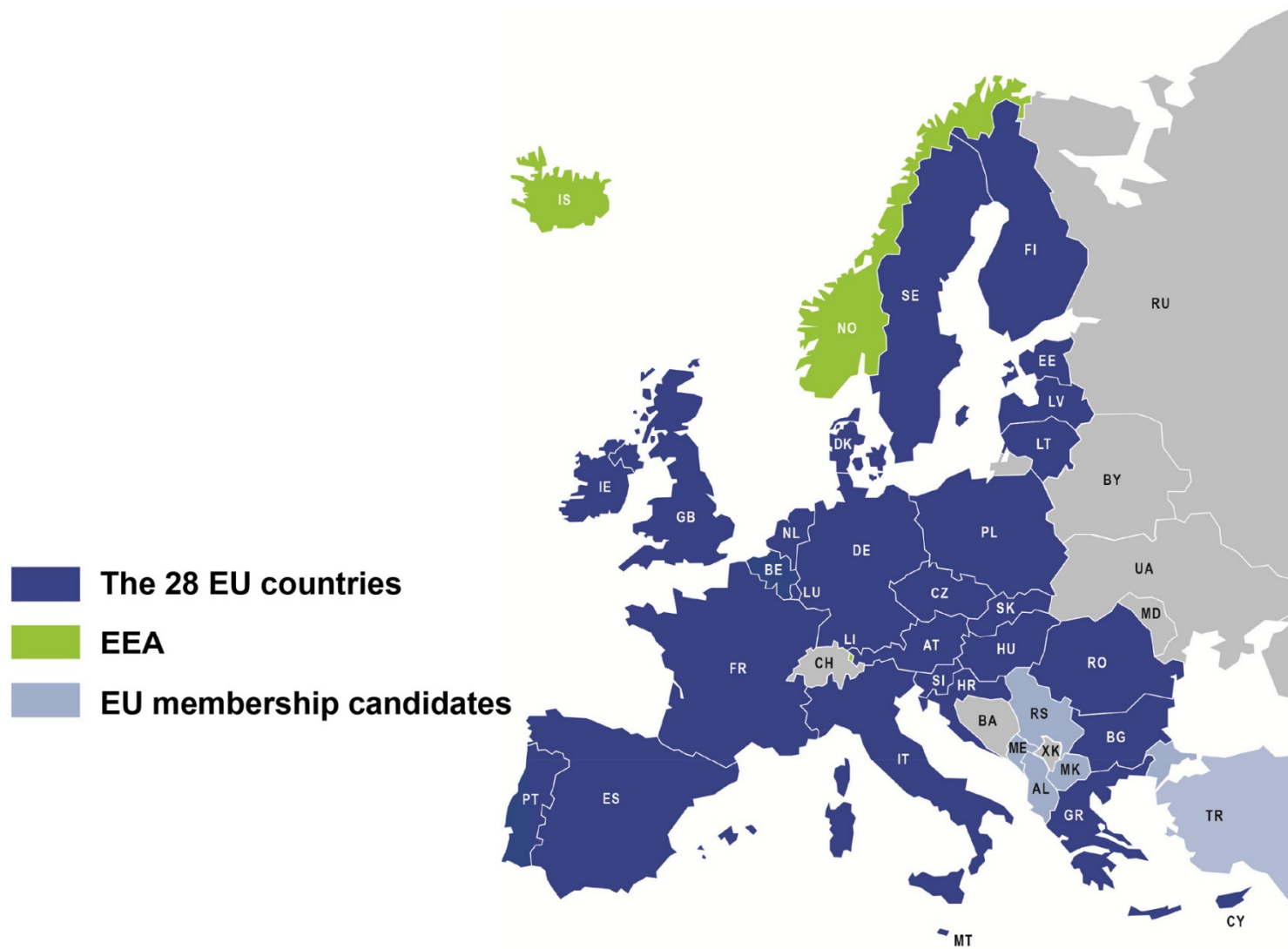


Overview

- What's the situation of Switzerland?
- What have the operators done?
- What have we done?
- Where do we want to go?



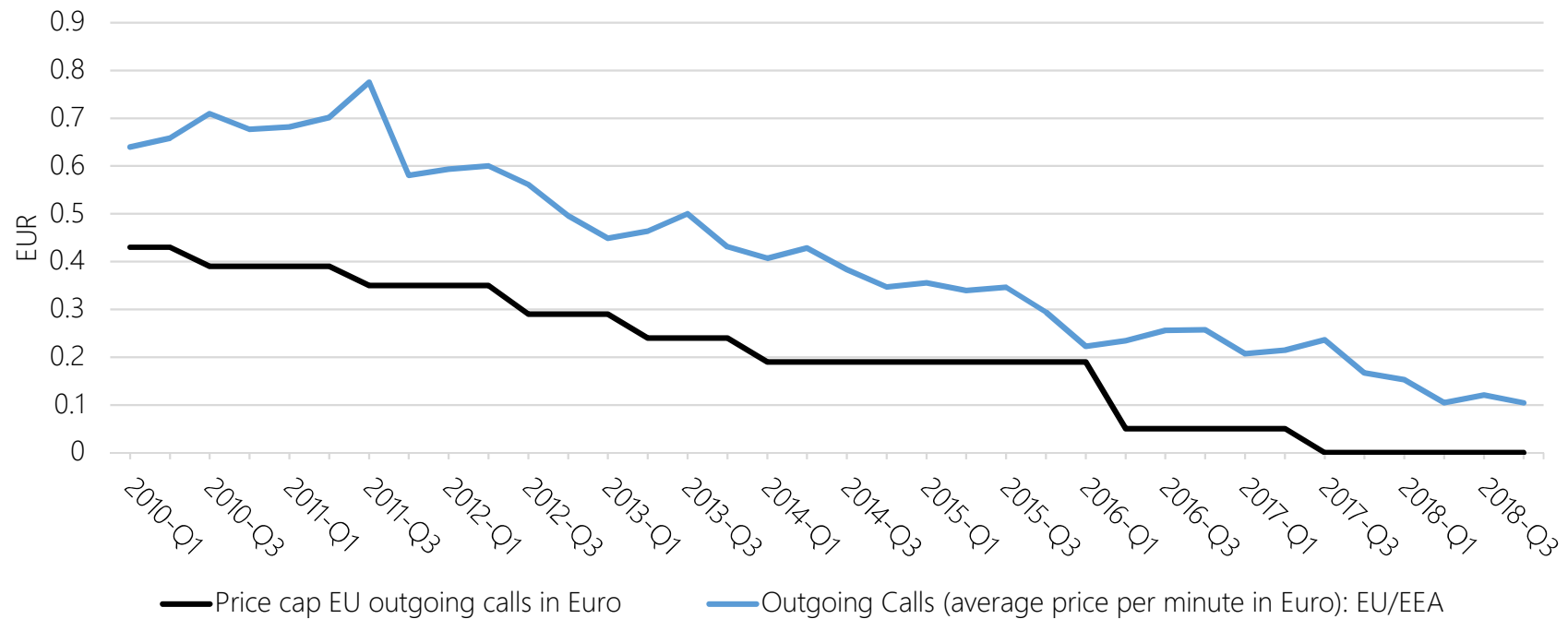
The case of Switzerland





Consumers are unhappy

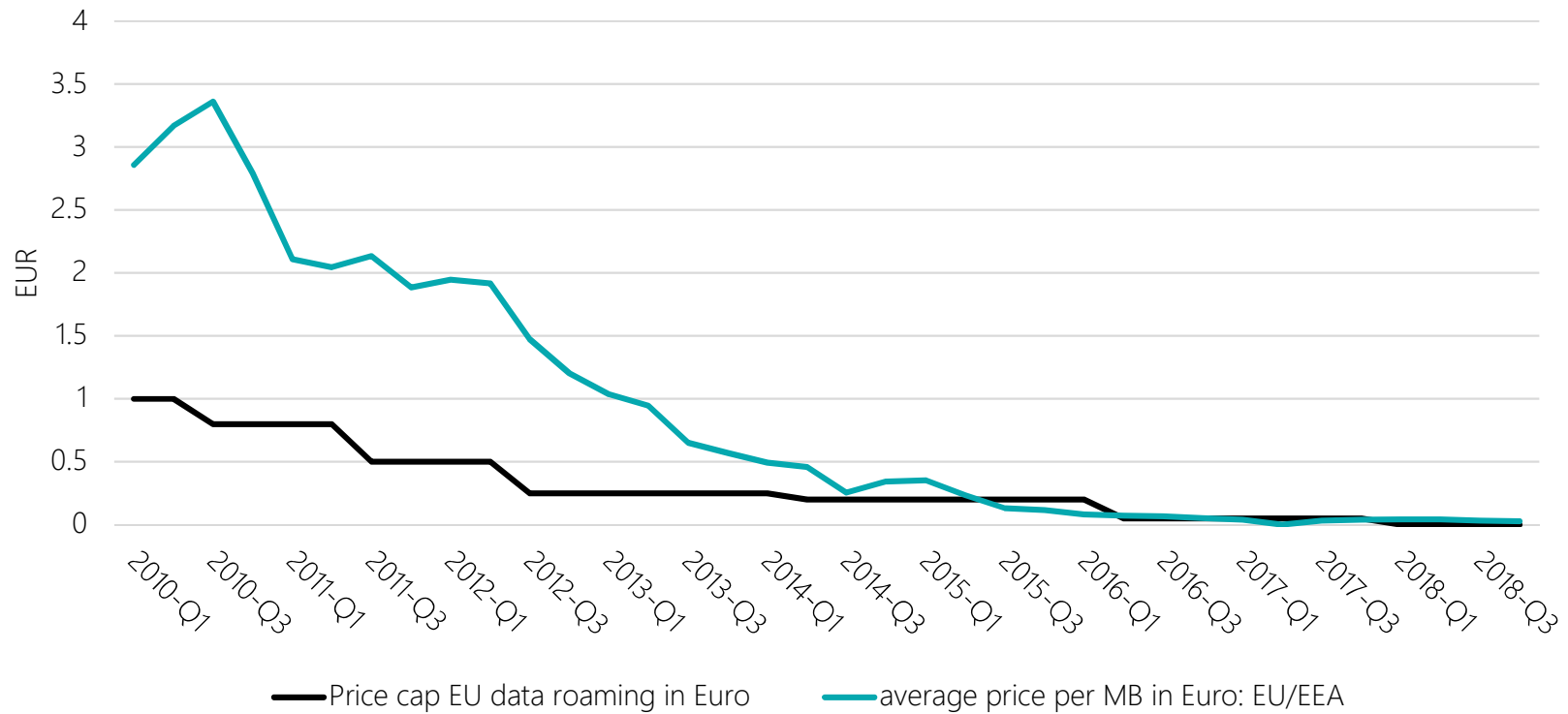
- Swiss retail prices are substantially higher than in Europe. The price level has fallen consistently to the EU price cap but sticks significantly above.





Consumers are (un)happy

- Only data price level has fallen and stays on EU level





Consumers are unhappy

- Swiss conciliation body Ombudscom has more requests and complaints concerning roaming since prices in Europe (near to) zero

	2014	2015	2016	2017	2018
Number of requests and complaints	76	83	175	251	235
		+110%	+43%		



Political Pressure

- Since 2011 there are at least 7 parliamentary initiatives and interpellations from parliament members that concerned the roaming issue.
- In short they all asked why the price level is higher than in Europe, why Switzerland has no regulation (as in Europe) and why there are no price limits for roaming services
- BAKOM replied:
 - No legal basis for any intervention,
 - no easy access to EU regulation and
 - unilateral regulation ist not effective



Unilateral Retail Price Regulation?

Efficiency

- Not efficient because only margins can be influenced, not wholesale price
- Roaming data margins already small
- A lot of regulation for a small effect

Problem of a two-sided market:

- The bigger the better
- An operator with more clients gets better conditions
- Asymmetric regulation towards the incumbent



The Operators Reaction

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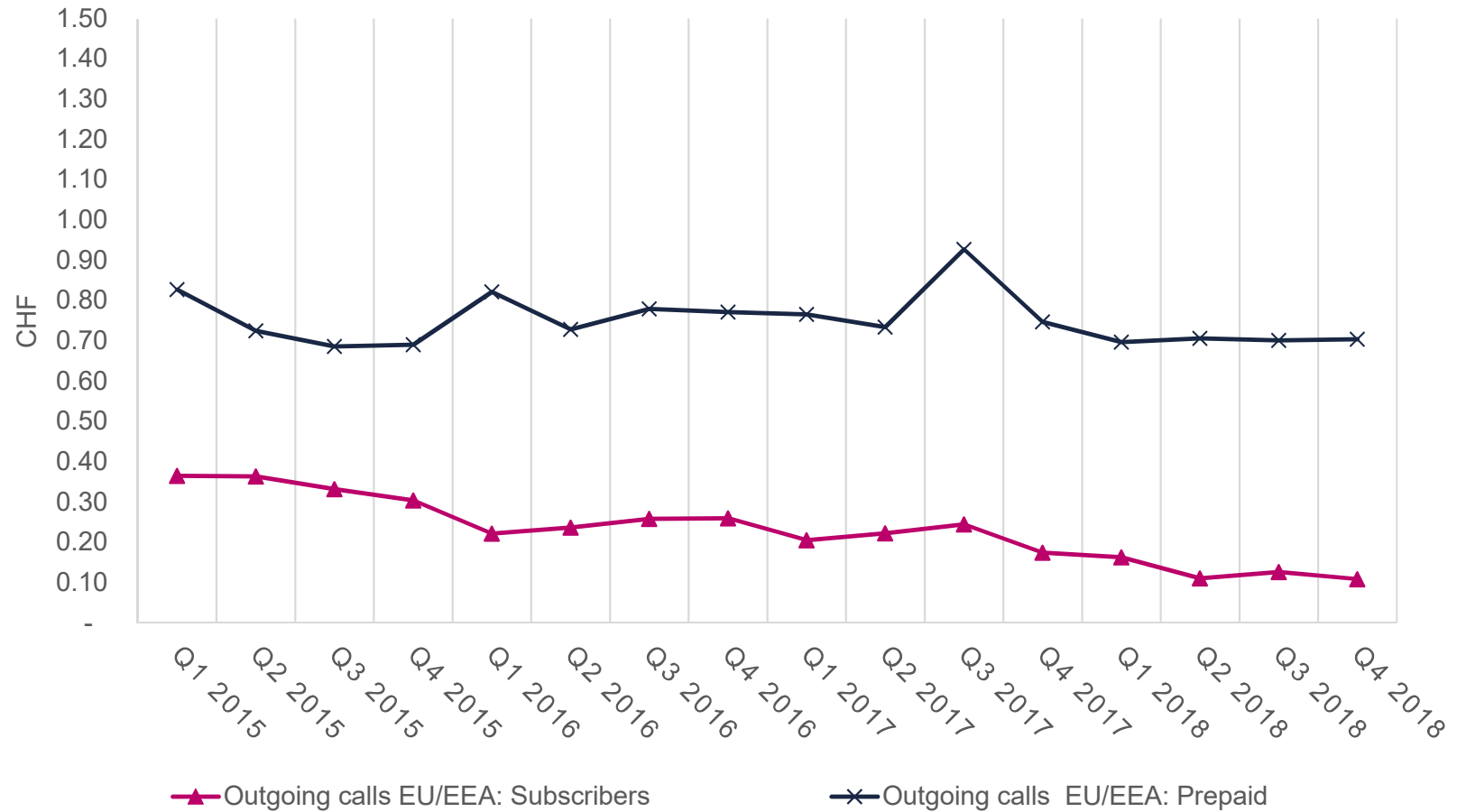
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The Operators Reaction





New Legislation

Art. 12a^{bis} Itinérance internationale

- 1 Le Conseil fédéral peut édicter des réglementations pour empêcher des prix de détail excessifs et prendre des mesures pour encourager la concurrence dans le domaine de l'itinérance internationale. Il peut en particulier:
 - a. édicter des prescriptions sur les modalités de la facturation;
 - b. obliger les fournisseurs de services de télécommunication mobiles à donner à leurs clients la possibilité de recourir à l'étranger à des prestations d'itinérance de fournisseurs tiers;
 - c. fixer des prix plafonds sur la base d'accords internationaux
 - d. obliger les fournisseurs de services de télécommunication mobiles à proposer des offres groupées incluant des prestations d'itinérance ou des options permettant de recourir à des prestations d'itinérance à des prix fixes ou à des prix réduits par rapport au tarif normal.

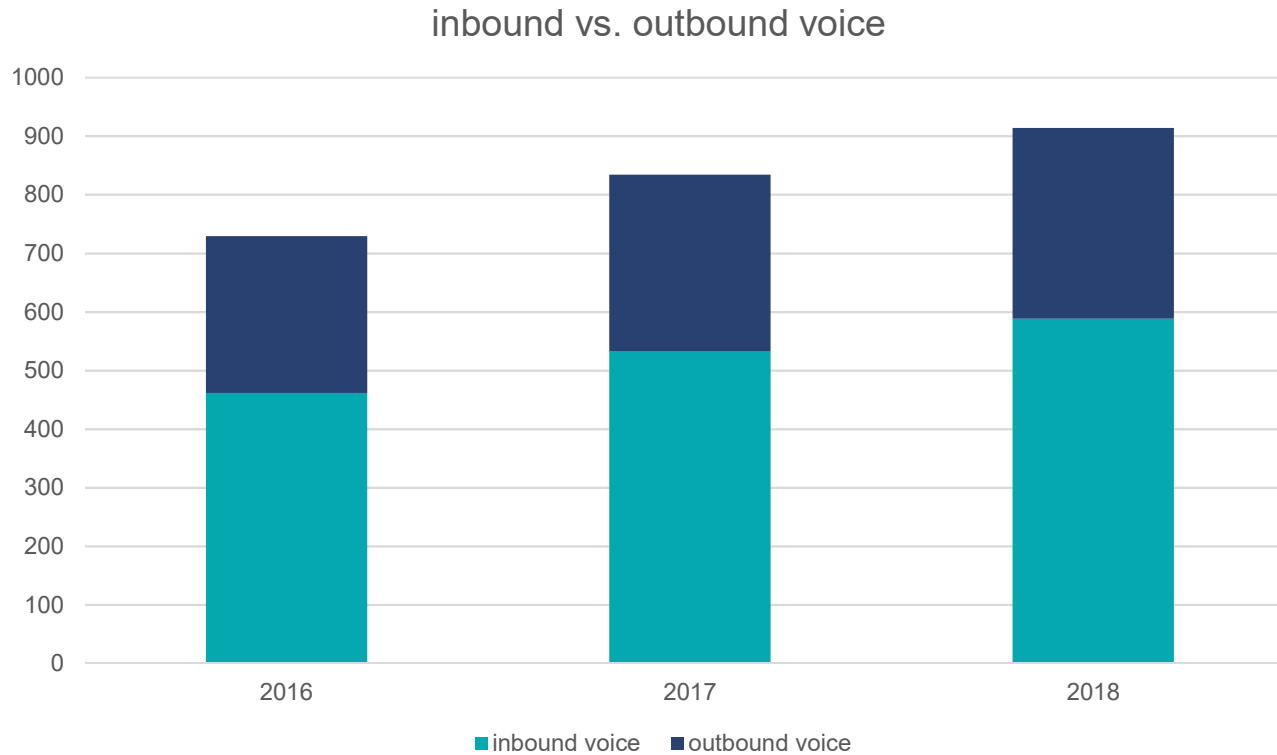


New Legislation

- **Enforces per second / per kilobyte billing**
- **Prohibits MNO to block e.g. LBO**
- **Forces MNO to offer optional tariffs to all clients**
- **Allows NRA to fix retail prices in the case of an international agreement**



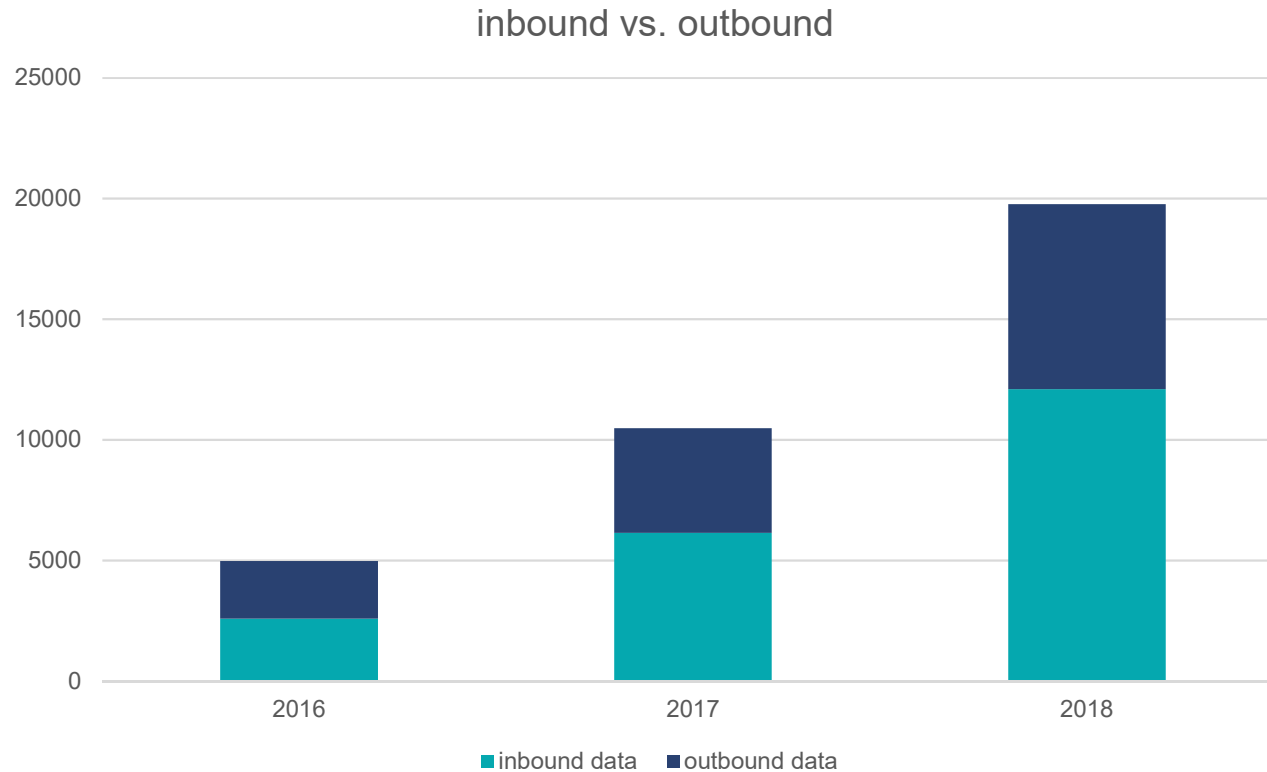
International Agreement



- Switzerland's roaming inbound voice volume is higher than the EU/EEA outbound volume



Benefits on both sides



- Switzerland's roaming inbound data volume is higher than the EU/EEA outbound volume



Summary and Conclusion

- Swiss MNO still profit from absent regulation
 - MNO lead their clients towards high price all-inclusive subscriptions
 - There is some public and political pressure
 - New law enforces per second / per kilobyte billing and retail price regulation in case of a international agreement
 - Unilateral retail price regulation is not intended
- **International agreement for roaming wholesale prices would be the best way to handle the roaming problem**