Statement by the Spokesperson on the Interim Joint Ceasefire Agreement reached in the Philippines

On 5 April the Government of the Republic of the Philippines and the National Democratic Front of the Philippines reached an Agreement on an Interim Joint Ceasefire which is to be effective until a permanent ceasefire agreement is forged as part of a Comprehensive Agreement on End of Hostilities and Disposition of Forces.

This Interim Agreement demonstrates the power of political processes to resolve conflict. It is an encouraging step towards generating goodwill and trust in the peace negotiations, to encourage the forging of a more stable and comprehensive Joint Ceasefire Agreement and to provide an enabling environment for an early signing of a comprehensive Agreement on Social and Economic Reforms. If asked, the European Union stands ready to support the implementation of the agreement.

North Korea: EU expands sanctions against the Democratic People's Republic of Korea (DPRK)

On 6 April 2017, the Council adopted **additional restrictive measures** against the Democratic People's Republic of Korea (DPRK). These measures complement and reinforce the sanctions regime imposed by United Nations Security Council (UNSC) resolutions.

The EU decided to expand the prohibition on investments in the DPRK to new sectors, namely the conventional arms-related industry, metallurgy and metalworking, and aerospace. The Council also agreed to prohibit the provision of certain services to persons or entities in the DPRK, namely computer services and services linked to mining and manufacturing in the chemical, mining and refining industry.

The Council took these additional restrictive measures considering that the actions of the DPRK violate multiple UNSC resolutions and constitute a grave threat to international peace and security in the region and beyond. The EU calls again on the DPRK to **re-engage in a credible and meaningful dialogue** with the international community, to **cease its provocations**, and to **abandon**

all nuclear weapons and existing nuclear programmes as well as other weapons of mass destruction and ballistic missile programmes in a complete, verifiable and irreversible manner.

The Council also decided to **add four persons** to the list of persons targeted by the **EU's restrictive measures** for being responsible for supporting or promoting the DPRK's nuclear-related, ballistic missile-related or other weapons of mass destruction-related programmes. This brings the total number of persons subject to travel restrictions and asset freeze to 41. Seven entities are also subject to an asset freeze.

The legal acts are published in the Official Journal of 7 April 2017. They were adopted by written procedure.

Daily News 06 / 04 / 2017

Juncker Plan now set to trigger more than EUR 183 billion in investments across all 28 Member States

Following this week's meeting of the European Investment Bank's Board of Directors, the <u>Juncker Plan</u> is now expected to trigger more than EUR 183 billion in investments. This comes under two years after the Juncker Commission launched the European Fund for Strategic Investments (EFSI) at the heart of the Plan and represents well over half of the EUR 315 billion target of total investments mobilised that was originally earmarked. The operations approved under the EFSI represent a total financing volume of just under EUR 34 billion and are located in all 28 Member States. The EIB has now approved 206 EFSI-backed infrastructure projects worth over EUR 25 billion. The European Investment Fund (EIF) has approved 271 SME financing agreements, with total financing under the EFSI of almost EUR 9 billion. Over 425,000 SMEs and Midcaps are expected to benefit from these agreements. President **Juncker** has made it clear that the <u>proposal to extend and reinforce the EFSI</u> (the so-called "EFSI 2.0") is among the Commission's top legislative priorities and looks forward to continuing to work closely with colegislators to ensure its swift adoption. The European Council has already welcomed an agreement by EU Finance Ministers to give their backing to the proposal and called for the extension to be adopted by the co-legislators. (For more information: Annika Breidthardt - Tel.: +32 229 56153; Enda McNamara - Tel.: +32 229 64976)

Reconfirmed commitment at the Brussels Conference Supporting the Future of Syria and the Region

Yesterday the European Union, Germany, Kuwait, Norway, Qatar, the United Kingdom and the United Nations co-chaired the <u>Brussels Conference Supporting</u>

the Future of Syria and the Region. The Conference brought together over 70 countries, international organisations and civil society, that collectively committed to continued engagement and support for Syria and the region. High Representative/Vice President Federica Mogherini said "The international community is committed — today recommits — to working together to support a peaceful future for Syria and all Syrians in a sovereign, independent, unitary and territorially integral country where all Syrians will be able to live in peace and security. We committed to work for a sustainable inclusive peace while addressing the urgent humanitarian needs inside Syria and supporting the work for neighbouring countries in hosting over five million refugees". The Conference concluded with Commissioner Stylianides <u>announcing</u> the global commitment of €5.6 billion for 2017, of which €3.7 billion is from the EU and Member States, including €1.275 billion from the European Commission for both humanitarian and resilience support, which reconfirmed the commitment made in London. The European Commission pledged an additional €560 million for 2018 for inside Syria, Jordan and Lebanon, thus maintaining the level of its engagement. The co-chairs, supported by all participants, adopted a <u>Joint Declaration</u>, including specific annexes on supporting the resilience of host countries and refugees in the context of the Syrian crisis for <u>Jordan</u> and for <u>Lebanon</u> and of the pledging made. It reflects the breadth of the continued international community's engagement for Syria for the coming years. This includes both significant political and financial support and will be accompanied by continued coordinated and collective efforts for securing a peaceful future for Syrians and stability in the region. The Conference, with its thematic sessions on humanitarian and resilience support to Syrians and hosting communities in neighbouring countries, as well as meeting with civil society representatives has demonstrated that reaching a political solution to the Syria crisis and meeting needs of the most affected by the crisis is a priority for the European Union and the international community at large. The Conference reconfirmed political impetus, as well as international and regional support and engagement for Syrians today and in the future. Footage of both <u>Day One</u> and <u>Day Two</u> of the Conference <u>here</u>. Main results available here. For more information on the Conference, visit the website. For more information on EU response to the Syria crisis, see here. (For more information: Nabila Massrali - Tel.: + 32 229-69218; Maja Kocijancic - Tel.: +32 229 86570; Carlos Martin Ruiz de Gordejuela — Tel.: +32 229 65322 ; Lauranne Devillé - Tel.: +32 229-80833; Alceo Smerilli- Tel.: + 32 229 64887; Daniel Puglisi - Tel.:+32 229 69140)

End of roaming charges: European Parliament approves wholesale roaming prices

Today the European Parliament voted on how to regulate wholesale roaming markets, formally approving the <u>agreement</u> on wholesale capsreached between the European Parliament, the Council and the Commission at the beginning of the year. Welcoming the vote, Andrus **Ansip**, Vice-President for the Digital Single Market said: "As of 15 June 2017 people will be able to switch on mobile services, especially data, without fear of high bills while travelling in the EU. This is a great achievement for all of us. Notwithstanding the

final OK from Member States, this agreement on wholesale roaming prices will be the final step to end roaming charges for all travellers in the EU. After nearly ten years, the EU is now putting a definitive end to the roaming anxiety that has plagued Europe since the beginning of the mobile era. Exorbitant roaming prices were an anomaly in a continent where people move freely between countries." The Vice-President's full statement is available here. The political agreement was the final step to make roam like at home work as of 15 June 2017, as foreseen in the Telecom Single Market (TSM) Regulation. It means that when travelling in the EU, consumers will be able to call, send SMS or surf on their mobile at the same price they pay at home. More details on end of roaming charges are available in the frequently asked questions for consumers as well as in the detailed MEMO and factsheets. (For more information: Johannes Bahrke – Tel.: +32 229 58615; Inga Höglund – Tel.: +32 229 50698)

Commission imposes anti-dumping duties on hot-rolled flat steel from China

The Commission decided today to impose definitive anti-dumping duties on imports of hot-rolled flat steel products from China. The Commission's investigation confirmed that these products had been sold in Europe at heavily dumped prices. The new antidumping duties range between 18.1% and 35.9%, and are higher than the provisional measures already in place since October. These measures will shield the EU steel producers from the damaging effects of Chinese dumping during an initial period of five years. Hot-rolled flat steel is commonly used for the production of steel tubes to be used in construction, and for shipbuilding, gas containers, cars, pressure vessels, and energy pipelines. The EU currently has an unprecedented number of trade defence measures in place targeting unfair exports of steel products from third countries, with a total of 41 anti-dumping and anti-subsidy measures, 18 of which on products originating from China. The Commission has been using the available toolbox of trade defence instruments to the full extent possible, while seeking the approval of Member States and the European Parliament for its proposals to make these instruments better suited to the current reality of international trade. In addition to that, the EU is tackling the root causes of overcapacity in the global steel industry through active involvement in the Global Forum on Steel Excess Capacity launched last December and through bilateral dialogue with the relevant partners. More information is available in today's **EU official journal**. (For more information: Daniel Rosario - Tel.: + 32 229 56185; Axel Fougner - Tel.: +32 229 57276)

Antitrust: Commission publishes report on online hotel booking

The European Commission and ten national competition authorities today published a report on competition in the online hotel booking sector. The report presents the results of a coordinated monitoring exercise carried out by the Belgian, Czech, French, German, Hungarian, Irish, Italian, Dutch, Swedish and UK national competition authorities and the European Commission during 2016. The purpose of the exercise was to assess the effects of the antitrust enforcement measures adopted in recent years in this sector, which

have led to changes to the so-called 'wide parity clauses' used by online travel agents in their contracts with hotels. These clauses force hotels to give the online travel agent the lowest room prices and best room availability relative to all other sales channels. On the other hand, 'narrow parity clauses' allow hotels to offer lower room prices and better room availability on other online travel agents and offline sales channels, but still prevent hotels from publishing lower room prices on their own websites. The monitoring exercise covered various aspects of the way hotels market and sell their rooms, focusing on room price and room availability differentiation by hotels between sales channels and online travel agent commission rates. The participating authorities sent questionnaires to a sample of 16,000 hotels in the ten Member States, 20 online travel agents, 11 metasearch websites and 19 large hotel chains. The results of the exercise suggest that measures applied to the parity clauses, namely (a) allowing large online travel agents to use narrow parity clauses, and (b) prohibiting online travel agents from using them altogether, have generally improved conditions for competition and led to more choice for consumers. Based on the results, the European Competition Network (comprising the national competition authorities of all EU Member States and the European Commission) has agreed to keep the online hotel booking sector under review and to reassess the competitive situation in due course. This will allow the sector more time to make full use of the measures that have already been taken. New enforcement actions or market investigations in the online hotel booking sector will be closely coordinated within the European Competition Network. The report is available at <u>DG COMP's webpage</u>. (For more information: Ricardo Cardoso - Tel.: +32 229 80100; Maria Tsoni - Tel.: +32 229 90526)

Concentrations: la Commission autorise l'acquisition du contrôle conjoint de trois sociétés françaises par le Groupe Crédit Mutuel et BNP Paribas

La Commission européenne a approuvé, en vertu du règlement européen sur les concentrations, l'acquisition du contrôle conjoint de trois sociétés françaises, Fivory SA, Fivory SAS et RMW, par le Groupe Crédit Mutuel et BNP Paribas, aussi françaises. Fivory SA, Fivory SAS et RMW fournissent des services de portefeuille mobile électronique en France. Le Groupe Crédit Mutuel est un fournisseur de services bancaires et financiers, principalement en France. BNP Paribas fournit ces mêmes services dans le monde entier. La Commission a conclu que l'opération envisagée ne soulèverait aucun problème de concurrence compte tenu des faibles parts de marché cumulées des trois sociétés et de leur chiffre d'affaires actuellement négligeable. La transaction a été examinée dans le cadre de la procédure simplifiée du contrôle des concentrations. De plus amples informations sont disponibles sur le site internet concurrence la Commission, dans le registre public des affaires, sous le numéro d'affaire M.8389. (Pour plus d'informations: Ricardo Cardoso — Tel.: +32 229 80100; Maria Tsoni — Tel.: +32 229 90526)

Mergers: Commission clears acquisition of Keepmoat Regeneration Holdings by ENGIE

The European Commission has approved under the EU Merger Regulation the

acquisition of Keepmoat Regeneration Holdings Limited ("KRHL") by ENGIE Services Holding UK Limited ("ESHUL"), both of the United Kingdom. KRHL provides integrated affordable housing development and community regeneration services in the United Kingdom. ESHUL is one of the business divisions of the ENGIE group which is active in the provision of facilities management including energy services, designing and implementing solutions. The Commission concluded that the proposed acquisition would not raise competition concerns, because of the limited overlaps between the companies' activities. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.8412. (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)

Preparation of the Eurogroup and informal ECOFIN meetings, Valletta 7-8 April 2017

Vice-President Dombrovskis and Commissioner Moscovici will represent the European Commission on 7-8 April at the Eurogroup and informal ECOFIN Council meetings in Valletta. At tomorrow's Eurogroup, Ministers will take stock of progress in the second review of the stability support programme for Greece. The Chairs of the European Central Bank's (ECB) Supervisory Board and the Single Resolution Board (SRB) will update Ministers on the implementation of their tasks. As part of the thematic discussions on jobs and growth, the Eurogroup will hold a second round of discussions on investment in the euro area. As usual, the Eurogroup will also take stock of exchange rate developments over the past months in view of upcoming international meetings. Finally, the European Commission and the ECB will orally debrief Ministers on the main findings of the second post-programme surveillance mission to Cyprus carried out between 27-31 March. Commissioner Moscovici will participate in the press conference following the Eurogroup meeting. On Friday, EU Ministers will exchange views during a working lunch on the future of the Economic and Monetary Union (EMU). In the afternoon, the Commission along with EU Ministers and Central Bank Governors will explore how to tackle nonperforming loans in the European banking sector. On Saturday, Ministers will discuss how to encourage further private investment in North Africa and beyond, given the importance of these neighbouring regions to the EU. In the final working session on Saturday, the ECOFIN will look at ways to improve tax certainty in order to boost EU's attractiveness for businesses and investors. Vice-President **Dombrovskis** will participate in the two press conferences following the ECOFIN sessions on 7 and 8 April. (For more information: Annika Breidthardt - Tel.: +32 229 56153; Vanessa Mock - Tel.: +32 229 64976; Corentin Cassiers — Tel.: +32 229 53208; Letizia Lupini — Tel.: +32 229 51958)

Commission welcomes adoption of new EU rules on medical devices

The European Commission welcomes the coming into law of two new Regulations on medical devices which will ensure better protection of public health and patient safety. The new Regulations on medical and in-vitro diagnostic medical devices were proposed by the Commission in 2012 and adopted yesterday by wide majority votes in the European Parliament. Elżbieta **Bieńkowska**,

Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, said: "I'm extremely happy that our push for stricter controls of medical devices on the EU market will now become a reality. Whether for medical devices, cars or other products, we must ensure stronger supervision in the interest of our citizens. We should not wait for another scandal to strengthen European oversight over Member States' market surveillance activities." To ensure that all medical devices — from heart valves to sticking plasters to artificial hips — are safe and perform well, the new rules will improve market surveillance and traceability. The rules will also provide more transparency and legal certainty for producers, manufacturers and importers and help to strengthen international competitiveness and innovation in this strategic sector. As the legislative procedure is now closed, the new rules will now start to apply 3 years after publication of the Regulation for medical devices and 5 years after publication or in vitro diagnostic medical devices. A press release, MEMO and factsheet are available online. (For more information: Ricardo Cardoso - Tel.: +32 2 298 01 00; Mirna Talko - Tel.: +32 229 87278; Maud Noyon - Tel.: +32 229 80379)

Report shows evidence of blue economy achievements and potential in the EU

Less than five years since the adoption of the EU's Blue Growth Strategy, the development of the EU's blue economy is tangible. 50% of tidal energy and about 60% of wave energy developers are located in the EU. Medical science has at least 15 novel compounds obtained from the sea to treat, among others, cancer and Alzheimer's disease. Sea-floor maps developed are being used to forecast storms and save lives. The production value of seafood farmed in the EU is up 40% in the past decade and the cruise industries are also on the rise. Commissioner for Environment, Maritime Affairs and Fisheries, Karmenu **Vella** said: "If sustainably managed, the oceans offer great potential for new jobs and growth in the EU and beyond. This report shows how the EU and its Member States are removing obstacles to the growth of this promising sector while safeguarding the highest environmental standards." The Report on the Blue Growth Strategy — Towards more sustainable growth and jobs in the blue economy takes stock of developments in the blue economy, lists the achievements of the EU's Blue Growth Strategy and identifies remaining obstacles. It will inform the Ministerial Declaration on Blue Growth to be adopted at the Informal Ministerial Conference on Blue Growth in Malta on 20 April. More information here. (For more information: Enrico Brivio - Tel.: +32 229 56172; Iris Petsa - Tel.: + 32 229 93321)

New psychoactive substances: Commission proposes to submit acryloylfentanyl to control measures across the EU

Today, the European Commission has proposed to subject the new psychoactive substance acryloylfentanyl to control measures across the European Union. According to the risk assessment report provided by the <u>European Monitoring Centre for Drugs and Drug Addiction</u> (<u>EMCDDA</u>), acryloylfentanyl is a synthetic and potent opioid which may be easily abused and could lead to

dependence. The substance is sold as a "research chemical", typically as powder and ready-to-use nasal sprays, and can cause severe harm to health. So far, 47 deaths associated with acryloylfentanyl have been reported by 3 Member States, in addition to more than 20 acute intoxications. Commissioner for Migration, Home Affairs and Citizenship Dimitris Avramopoulos said: "The number, type and availability of harmful new drugs are constantly evolving and their spread across Europe cannot be effectively addressed by Member States on their own. Our proposal to make sure one more new substance undergoes adequate control measures across the EU is part of our efforts to put in place the right safeguards and support Member States in their fight against the rise of these very dangerous substances." The Commission's proposal will now be discussed by the Member States in the Council, which, in consultation with the European Parliament, will decide whether to adopt the measures. (For more information:Natasha Bertaud — Tel.: +32 229 67456; Tove Ernst — Tel.: +32 229 86764; Katarzyna Kolanko — Tel.: +32 229 63444)

Agriculture: the Commission approves new geographical indication from Romania

The Commission has approved today the addition of a new product from Romania to the quality register of Protected Geographical Indication (PGI). The 'Novac afumat din Tara Bârsei' is a smoked fish fillet obtained from the bighead carp species. The bighead carp is reared for three years in fish farms located in the central-eastern municipalities of Romania: Dumbrăvița, Feldioara, Hălchiu, Bod and Hărman. In this mountainous region, the water running in the rivers is clear and provides an optimal habitat for the bighead carp. To create the product, salting and hot smoking techniques from the ancient times are applied. Most of the production stages are still carried-out by hand and therefore require experience and know-how of local people. As a final product the smoked fish fillet is characterized by a low fat content and a golden skin. The new denomination will be added to the list of 1,390 products already protected. More information: webpage on quality products and DOOR database of protected products. (For more information: Daniel Rosario — Tel.: +32 229 56185; Clémence Robin — Tel: +32 229 52509)

Mergers: Commission clears acquisition of five European infrastructure companies by 3i, APG and ATP.

The European Commission has approved under the EU Merger Regulation the acquisition of joint control over a portfolio of five European infrastructure companies ('target companies') by the 3i Group plc (3i) of the UK, APG Asset Management N.V. (APG) of the Netherlands and Arbejdsmarkedets Tillægspension (ATP) of Denmark. The target companies include: i) Belfast City Airport Limited, airport in the UK; ii) ESP Utilities Group Limited, owner and operator of gas and electricity networks in the UK; iii) Herambiente S.p.A., a company providing waste treatment facilities in Italy; iv) Concesiones de Intercambiadores de Transporte S.L., a company operating two bus terminals in Spain and v) Autovias de Peaje en Sombra S.L., a company operating two shadow toll road concessions also in Spain. 3i is an international investor and

investment management business, specialising in core investments markets in Europe and North America. APG is the asset management business unit of APG Group, a collective pension scheme provider. ATP is one of Europe's largest pension providers and Denmark's largest lifelong pension plan. The Commission concluded that the proposed acquisition would not raise competition concerns given the transaction's limited impact on the market structure. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.8293. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Maria Tsoni — Tel.: +32 229 90526)

EUROSTAT: Les coûts horaires de la main-d'œuvre compris en 2016 entre 4,4 € et 42,0 € selon les États membres

En 2016, les coûts horaires de la main-d'œuvre dans l'ensemble de l'économie (hors agriculture et administration publique) ont été estimés en moyenne à $25,4\mathbb{C}$ dans l'Union européenne (UE) et à $29,8\mathbb{C}$ dans la zone euro. Toutefois, ces moyennes masquent des écarts importants entre États membres de l'UE, les coûts horaires de la main-d'œuvre les plus faibles ayant été enregistrés en Bulgarie $(4,4\mathbb{C})$, en Roumanie $(5,5\mathbb{C})$, en Lituanie $(7,3\mathbb{C})$, en Lettonie $(7,5\mathbb{C})$, en Hongrie $(8,3\mathbb{C})$ ainsi qu'en Pologne $(8,6\mathbb{C})$, et les plus élevés au Danemark $(42,0\mathbb{C})$, en Belgique $(39,2\mathbb{C})$, en Suède $(38,0\mathbb{C})$, au Luxembourg $(36,6\mathbb{C})$ et en France $(35,6\mathbb{C})$. Un communiqué de presse est disponible \underline{ici} . (Pour plus d'informations: Christian Wigand— \underline{Tel} : $\underline{+32}$ 229 62253; Sara Soumillion — \underline{Tel} : $\underline{+32}$ 229 67094)

ANNOUNCEMENTS

European Commission hands awards to 28 Europe's best young translators in the 10th annual translation contest 'Juvenes Translatores'

European Commissioner for Budget and Human Resources, Günther H. Oettinger, awards a trophy and a diploma to the 28 winners of the European Commission's annual translation contest 'Juvenes Translatores' today. The 28 secondary school students, one from each Member State, won in a competition with over 3 240 participants from 728 schools across the continent. They all translated a one-page text on the subjects of languages and translation. The participants could choose from any of the 552 possible combinations between any two of the EU's 24 official languages. This year, students used 152 language combinations, including translating from Greek into Latvian and from Bulgarian into Portuguese. All winners chose to translate into their strongest language or mother tongue, as the official translators in EU Institutions do. The translations were checked by the Commission's in-house translators. 'Juvenes Translatores' (Latin for 'young translators') is a competition to reward the best young translators in the EU. The Commission's Translation department has been organising the contest every year since 2007 to promote language learning in schools and give young people a taste of what it is like to be a translator. The award ceremony will be <u>live streamed</u> and the names of the winners are available online. (For more information: Alexander Winterstein: Tel.: +32 229 93265; Maria Sarantopoulou — Tel.: +32

Commissioner Navracsics opens University-Business Forum in Brussels

This morning, Commissioner for Education, Culture, Youth and Sport, Tibor Navracsics, opened the 7th University-Business Forum in Brussels. He was joined by Mr Evarist Bartolo, Minister of Education and Employment of Malta. Bringing together representatives of academia and business as well as policy-makers from across the EU and beyond, the Forum provides a platform for discussion on a number of topics pertinent to higher education and the world of work. Commissioner Navracsics said: "Business and higher education need to cooperate to help young people acquire the skills and competences that will be the basis of our future economic growth and competitiveness. The University-Business Forum helps break down barriers between those two worlds by promoting the sharing of good practice, driving innovation and inspiring action. "This year's event, which concludes tomorrow, focuses on the extent to which qualifications meet the skills employers need, the role of higher education in regional development and its importance for innovation, topics closely related to the Commission's upcoming modernisation agenda for higher education. (For more information: Johannes Bahrke - Tel. +32 229 58615: Joseph Waldstein - Tel. +32 229 56184)

Upcoming events of the European Commission (ex-Top News)

Statement by Vice-President for the Digital Single Market Andrus Ansip on the European Parliament's vote on wholesale roaming prices

"As of 15 June 2017 people will be able to switch on mobile services, especially data, without fear of high bills while travelling in the EU.

I welcome today's positive vote of the European Parliament on wholesale roaming prices, following the agreement reached between the European Parliament, the Council and the Commission at the beginning of the year.

This is a great achievement for all of us. Notwithstanding the final OK from Member States, this agreement on wholesale roaming prices will be the final step to end roaming charges for all travellers in the EU.

After nearly ten years, the EU is now putting a definitive end to the roaming anxiety that has plagued Europe since the beginning of the mobile era.

Exorbitant roaming prices were an anomaly in a continent where people move freely between countries. With the end of roaming charges for travellers, we will achieve a much more vibrant Digital Single Market. At last, people will be able to stop turning off their data or phones when they cross an EU border and this will have an immediate positive impact on the lives of Europeans."

For more information:

Vice-President Ansip's speech ahead of the vote at the European Parliament

Frequently Asked Questions on Roam Like at Home

<u>Updated MEMO and factsheets</u>

End of roaming charges for travellers in the EU in 2017

1. Roaming in the EU

How does roaming work in the EU?

When you travel to a foreign country and phone, text or surf online with your mobile phone or device using your home country's SIM card, you are roaming. Your mobile phone operator and an operator in the country where you are travelling, work together to keep you connected, so you can make and receive mobile phone calls, write text messages, surf the internet and download content.

When you roam while being abroad, your operator in your home country pays the operator in the foreign country for the use of their networks. The price paid between operators is called the wholesale roaming price. These wholesale prices represent a cost to the home country operator and therefore impact on consumers' final bills. This is why the Commission has worked to limit wholesale roaming prices in the EU, in parallel to its work to directly limit the prices paid by the consumer (retail roaming prices).

What are the different domestic prices for mobile services across the EU?

Consumer prices in the EU reflect different national consumption patterns, regulatory and market characteristics, including significant differences in costs of running networks. For example, consumers in Latvia spent in 2014 on average €3.70 a month and Irish consumers an average of €23.80 per month for using their mobile phones.

Europeans have different travel habits across the EU, and there are also

different network costs in visited countries. A <u>recent European Commission</u> <u>study</u> also shows that consumer retail offers vary between Member States. For example, in 2016 the cheapest monthly deals offering 1GB of data, 600 minutes of calls and 225 SMS ranged from €60 in Hungary to €8 in Estonia (excl. VAT and any smartphone subsidy).

2. EU action against roaming charges

Since 2007, the European Commission has successfully worked to reduce the consumer price of roaming. This has changed the habits of many Europeans who previously used to switch their mobile phones off while travelling. In 2013, the European Commission proposed legislation to end roaming charges for people periodically travelling in the EU. In October 2015, the European Parliament and the Council agreed that this should be in place as of 15 June 2017 (see details).

The agreement also foresaw a transition period and a new important decrease in prices at the end of April 2016. Already since then, when travelling in the EU, users could feel significant decreases in prices, as they have to pay only a small amount on top of their domestic prices: up to $\{0.05\ \text{per minute}\ \text{of call made},\ \{0.02\ \text{per SMS sent},\ \text{and}\ \{0.05\ \text{per MB of data}\ (\text{excl. VAT}).$

As of 15 June 2017, you will be able to use your mobile device when travelling in the EU, paying the same prices as at home, i.e. to roam like at home, subject to operators' fair use policies. For instance, if you pay for a monthly package of minutes, SMS and data in your country, any voice call, SMS and data session you make while travelling abroad in the EU will be deducted from that volume as if you were at home, with no extra charges. This means the end of roaming charges as travellers have experienced them so far.

What have been the different decreases in roaming prices?

- Since 2007, the EU has achieved retail price reductions across calls of **92**%[1]
- Since 2009, the EU has achieved retail price reductions across SMS of **92**%[2]
- Data roaming is now up to **96**% **cheaper** compared to 2012 when the first EU retail price cap became applicable on data roaming[3]
- Between 2008 and 2015, the volume of data roaming has been multiplied by more than 100.

Regulated Roaming tariffs 2007 — 2016 (€ excl. VAT)

	Voicecall made	Voicecall received	SMS	Data	Data
				Wholesale MB	Retail MB
2007	0,49	0,24			
2008	0,46	0,22			
2009	0,43	0,19	0,11	1,00	
2010	0,39	0,15	0,11	0,80	

2011	0,35	0,11	0,11	0,50	
2012	0,29	0,08	0,09	0,25	0,70
2013	0,24	0,07	0,08	0,15	0,45
2014	0,19	0,05	0,06	0,05	0,20
2015	0,19	0,05	0,06	0,05	0,20
2016	domestic price + up to 0,05	0,0114	<pre>domestic price + up to 0,02</pre>	0,05	<pre>domestic price + up to 0,05</pre>

What measures are needed to end roaming charges?

When agreeing the *roam like at home* mechanism, the European Parliament and the Council asked the Commission to develop a number of supporting measures to make this work in practice:

- A legislative proposal, by 15 June 2016, to reform the wholesale roaming market, the maximum prices which operators charge each other for the use of their networks by roaming customers. Following the proposal made by the Commission, the European Parliament and Member States reached an agreement on 31 January 2017 to set the subsequent wholesale roaming caps:
 - €0.032 per min of voice call, as of 15 June 2017
 - €0.01 per SMS, as of 15 June 2017
 - A step by step reduction over 5 years for data caps decreasing from €7.7/GB (on 15 June 2017) to €6/GB (01/01/2018), €4.5/GB (01/01/2019), €3.5/GB (01/01/2020), €3/GB (01/01/2021) and €2.5/GB (01/01/2022)
- Rules on 'fair use' measures that operators can take to prevent abusive or anomalous usage of the system, such as systematic resale of low-price SIM cards for permanent use in other countries. Such fair use policies are necessary to avoid negative effects on consumers on domestic markets. The Commission's 'fair use policy' clarifies consumer rights while introducing safeguards to ensure that the most competitive domestic offers remain attractive.
- An exceptional and temporary derogation system for operators to be used only if authorised by the national regulator, under strict circumstances when the end of roaming charges in a specific market could lead to domestic price increases for the customers of the operator.

3. The end of roaming charges for all Europeans travelling in the EU

How will the end of roaming charges work?

Mobile operators have to offer their roaming services at domestic prices to consumers who **either normally reside in or have stable links to the Member State of the operator**, while those customers are periodically travelling in the EU. If necessary, operators can ask their customers to provide proof of residence or of such stable links to the Member State in question. Roaming providers may apply fair, reasonable and proportionate control mechanisms

based on objective indicators to detect the risks of abusive or anomalous use of *roam like at home* beyond periodic travelling.

Who will be covered?

The draft rules will enable all European travellers using a SIM card, that allows roaming from a Member State in which they reside or with which they have 'stable links' to, use their mobile device in any other EU country, just as they would at home.

Examples of 'stable links' include cross-border commuters and posted workers, Erasmus+ programme beneficiaries such as students, apprentices or volunteers.

Europeans will pay domestic prices when they call, text or go online from their mobile devices and will have full access to other parts of their mobile subscription (e.g. monthly data package).

Do I need to register to Roam Like at Home?

No formal registration is required to benefit from the *roam like at home* mechanism. From 15 June 2017, it should be included by default in all customers' mobile contracts on which operators offer roaming. Operators may ask consumers to provide proof that their **home (residence)** is in the Member State of the mobile operator (in case they do not already dispose of such information for billing purposes).

The consumer may also prove **stable links** entailing frequent and substantial presence on the territory of the Member State of the mobile operator, like an employment relationship or following recurring courses at University.

How will personal data be protected?

The roaming fair use rules explicitly require the roaming providers to comply with the relevant data protection rules. The Commission has consulted the European Data Protection Supervisor and has taken his comments into account. Operators can only use the information they already gather for billing purposes to check to what extent customers are using mobile and data services abroad compared to their consumption at home.

Will Europeans still be able to buy different SIM cards in different Member States?

Yes. EU citizens can continue to buy any other SIM card in any EU Member State and surf and call at local tariffs or roam with that card. However they might not be able to benefit from roam like at home if they are not resident in the country where they bought the card or if they do not have stable links entailing frequent and substantial presence in this country.

What will be the role of the national regulatory authorities?

As under existing roaming rules, national regulatory authorities will monitor and check if mobile operators comply with the new rules, and take action if that is not the case.

Are there any regulatory safeguards?

The safeguards against abuse are based on clear principles and include indicators and tools which are reasonable, non-discriminatory, transparent, and respect privacy. In order to detect potential abuses, the roaming provider may perform checks of the usage patterns of customers both in their own Member State and in other Member States (control mechanism). This will be based on the information which operators already use to bill their customers.

Identifying abusive or anomalous traffic patterns should be based on the following clear and transparent **indicators**:

- A pair of indicators to be observed over a period of at least four months, establishing whether the customer has a) prevailing roaming consumption over domestic consumption AND b) prevailing presence in other Member States of the EU over domestic presence (log-on to the roaming provider's network);
- Long inactivity of a given SIM card associated with use mostly, if not exclusively, while roaming;
- Subscription and sequential use of multiple SIM cards by the same customer while roaming;

Fair use policies have to be notified by the roaming provider to the national regulatory authority and be spelled out in detail in contracts.

- Fighting commercial abuses. Abuses could be related to the mass purchase and resale of SIM cards for permanent use outside the country of the operator issuing them. In such cases, the operator will be allowed to take immediate and proportionate measures while informing the national regulator (e.g. suspension of service on the basis of breach of contractual conditions). The operator has to simultaneously notify the national regulatory authority about the evidence of the systematic abuse and the measures taken. This enables the national regulatory authority to monitor the application of that measure in accordance with the established requirements and to react if necessary.
- Individual abuse by customers. Roam like at home is designed for travellers. Operators can check usage patterns to avoid abuse based on the above-mentioned indicators. In order to determine that the user might be abusively or anomalously using roam like at home, the operator would have to show the abuse over a period of time of at least four months. If a customer spends more than two months abroad out of four months, and if the customer has consumed more abroad than at home over this time, operators may send an alert to that customer. Once the alert is received, the customer will have two weeks to clarify the situation. If the user continues to remain abroad, operators will be able to apply small surcharges (equivalent to wholesale roaming caps, agreed on 31 January 2017).

In case of disagreement, complaints procedures must be put in place by the operator. If the dispute persists, the customer may complain to the national regulatory authority who will settle the case.

The rules will protect consumers from adverse consequences such as an increase in domestic prices:

• For pre- paid metered contracts: when a customer goes abroad, she/he can roam like at home up the amount of credit remaining on the pre-paid card. For data, the customer can use at least the volume that can be purchased by the remaining credit on the pre-paid card at the wholesale roaming data price cap.

In the Czech Republic, Zoran has a €20 pay and go (pre-paid) card for data, calls and texts. By the time he goes on holiday, Zoran has €13 (€10.74 excluding VAT[4]) credit remaining on his card. While being abroad, Zoran can enjoy a volume of data equivalent to the value of his credit. This means he gets the equivalent of €13 worth at the wholesale roaming data price cap. Based on the caps agreed by the European Parliament and Member States, this would give Zoran almost 1.4 GB of data roaming in as of 15 June 2017 and 1.8 GB of data roaming as of 1 January 2018.

• For the most competitive contracts that offer unlimited data or data at very low domestic prices, below the wholesale cap: when a customer goes abroad she/he will continue to enjoy the full allowance of calls and texts. For data, the customer will have at least twice the volume of data that can be purchased by the value of the customer's monthly contract at the wholesale roaming data price cap.

For example: with his €70 (€57.85 excl. VAT[5])per month contract, Tim living in the Netherlands gets unlimited calls, texts and data for his smartphone. While travelling abroad, he will have unlimited calls and text. For data, he will get twice the equivalent of €57.85 worth at the wholesale roaming data price cap. Based on the caps agreed by the European Parliament and Member States, this would give Tim over 15 GB of roam like at home data as of 15 June 2017 and 19.3 GB of roam-like-at-home data as of 1 January 2018.

An agreement on wholesale caps is the last step towards making *roam like at home* a tangible reality for consumers. Following this political agreement, the European Parliament and the Council will have to formally approve the text agreed between them and the Commission. The rules will become applicable in time for operators to provide *roam like at home* from 15 June 2017.

On 15 December the European Commission adopted the implementing rules (fair use policy and sustainability mechanism) to end roaming charges in the European Union in 2017. This followed intensive consultations with the European Parliament, Member States, stakeholders, consumer representatives, BEREC (Body of European Regulators in Electronic Communications) and operators the European Commission. The measure was voted on by Member State's representatives on 12 December 2016. This act entered into force 20 days after its publication in the Official Journal of the UE (17 December 2016).

The approved fair use policy makes sure that all European travellers will enjoy the *roam like at home* opportunity by paying the same price for mobile

calls, SMS or data whether they travel away from their 'home' (their country of residence or with which they have stable links). The measure further clarifies consumer rights and introduces safeguards to ensure the most competitive domestic offers remain attractive.

Will the end of roaming charges increase domestic prices?

Since EU Regulations have been introduced to reduce roaming charges, domestic mobile prices have been decreasing as well. This trend is likely to continue.

A transition period has been agreed in the latest Roaming Regulation (November 2015) to make the abolition of roaming charges sustainable throughout the EU without an increase in domestic prices. This transition period — starting from 30 April 2016 to 15 June 2017 — allows the necessary time to prepare the end of roaming charges.

The Implementing Act adopted by the Commission in December 2016 provides detailed rules on the **two safeguards** foreseen by the co-legislators in the latest Roaming Regulation to avoid distortions on domestic markets that could otherwise lead to price increases: (1) **fair use rules** to enable mobile operators to prevent, where necessary, abusive or anomalous use of roaming services, such as permanent roaming — this rules include specific measures related to **data** and **pre-paid cards**, cf. above, (2) an exceptional and temporary **derogation system** for operators to be used only if authorised by the national regulator, under strict circumstances when the end of roaming charges in a specific market could lead to domestic price increases for the customers of the operator. The text foresees that this derogation can only be authorised by the national regulator if the retail roaming losses of the operator would be equivalent to 3% or more of its mobile services margin.

In the Impact Assessment accompanying the proposal for the regulation of wholesale roaming markets on 15 June 2016, the Commission concluded that with the maximum wholesale charges proposed by the Commission at the time (4EUR cents/min, 8.5EUR/GB and 1EUR cent/SMS) the vast majority of mobile operators would not need to apply for this exceptional and temporary derogation system. The Commission considers that its conclusions at the time will be supported by the lower wholesale roaming caps agreed on 31 January 2017.

More information

General factsheet on the end of roaming charges

Detailed factsheet: How does it work?

[1] The average European Economic Area (EEA) retail roaming price for a voice call made was 0,61 EUR/minute in the third quarter of 2007 prior to the introduction of the first cap of 0,49 EUR/minute.

[2] The average EEA retail roaming price for an SMS was 0,25 EUR/SMS in the third quarter of 2009 prior to the introduction of the first cap of 0,11

EUR/SMS.

- [3] The average EEA retail roaming price for one MB of data was 1,20 EUR/minute in 2012 prior to the introduction of the first cap of 0,70 EUR/MB in 2012.
- [4] 21% VAT in the Czech Republic
- [5] 21% VAT in the Netherlands