

**New Zealand's Ministry of Business, Innovation & Employment**

**Australia's Department of Broadband, Communications and the Digital  
Economy**

# **Trans-Tasman Roaming**

## **Draft Report**

**Submission by:**

**Australian Mobile Telecommunications Association**

**And Communications Alliance**

**28 September 2012**

## Introduction

Communications Alliance is the primary telecommunications industry body in Australia. Its membership is drawn from a wide cross-section of the communications industry, including carriers, carriage and internet service providers, content providers, equipment vendors, IT companies, consultants and business groups. Its vision is to provide a unified voice for the telecommunications industry and to lead it into the next generation of converging networks, technologies and services. The prime mission of Communications Alliance is to promote the growth of the Australian communications industry and the protection of consumer interests by fostering the highest standards of business ethics and behaviour through industry self-governance. For more details about Communications Alliance, see <http://www.commsalliance.com.au>.

The Australian Mobile Telecommunications Association (AMTA) is the peak industry body representing Australia's mobile telecommunications industry. Its mission is to promote an environmentally, socially and economically responsible, successful and sustainable mobile telecommunications industry in Australia, with members including the mobile Carriage Service Providers (CSPs), handset manufacturers, network equipment suppliers, retail outlets and other suppliers to the industry. For more details about AMTA, see [www.amta.org.au](http://www.amta.org.au).

AMTA and Communications Alliance (the Associations) welcome the opportunity to provide comment on the Trans-Tasman Draft Report (the Report) made by New Zealand's Ministry of Business, Innovation and Employment and Australia's Department of Broadband, Communications and the Digital Economy (the Departments). The following comments attempt to place the Report into the broader context of developments in the Trans-Tasman roaming market, both commercial and technical. Our comments also discuss measures implemented or being implemented by industry to address consumer awareness levels. All comments made below are from an Australian industry perspective.

## Background – Consumer Awareness Initiatives

The Associations recognise that international mobile roaming (IMR), including Trans-Tasman roaming, has posed challenges for consumers, regulators and industry in terms of the level of consumer awareness around roaming arrangements and pricing.

The Associations believe that any failure in the retail market is not a matter of lack of competition but rather due to poor levels of consumer information in the market. The issue of consumer awareness of IMR has been and continues to be addressed by industry through several measures:

- the Telecommunications Consumer Protection (TCP) Code;
- Mobile Network Operators' (MNOs) independent initiatives around consumer awareness of IMR and innovative retail market offerings; and
- the ACMA's development and implementation of an industry standard within 12 months.

The Associations firmly believe that a robust co-regulatory framework in the form of the newly revised Telecommunications Consumer Protection (TCP Code), the development of an industry standard, as well as steps taken independently by mobile network operators (MNOs) to address consumer awareness concerns, means that the issue of consumer awareness is being resolved. The Associations believe that there is no need for further regulatory intervention in the market. In fact, the Associations suggest that contemplating further intervention in the market at this point in time would be premature on the part of both the Australian and New Zealand (NZ) Governments.

The TCP Code was registered by the Australian Communications and Media Authority (ACMA) on 1 Sept 2012. The Associations believe that the TCP Code goes a long way towards achieving the outcomes that both the Minister and industry members would like to see. (See appendix A for an outline of relevant TCP Code measures.)

Chris Chapman, Chair of the ACMA has indicated that the ACMA will take enforcement of the TCP Code seriously.

*“The ACMA will take a far more robust approach to ensure the industry's compliance with the new Code and we have resourced up in this space.’ ‘We will conduct more audits and investigations dealing with key areas of consumer detriment and expect substantial changes in industry practices,’ Mr Chapman said.”<sup>1</sup>*

Further, the new TCP Code created a Compliance Framework which includes the establishment of a new compliance monitoring body, Communications Compliance.

The Minister for Broadband, Communications and the Digital Economy has also recently empowered the ACMA to make service provider rules in relation to consumer awareness issues including:

- Clearer pricing information in advertisements;

---

<sup>1</sup> [ACMA Media Release 61/2012](#) 31 Aug 2012

- Improved information about plans;
- Increased transparency about billing and expenditure arrangements; and
- Improved complaints handling.<sup>2</sup>

This will allow the ACMA to act quickly to enforce compliance with TCP Code measures if there is any failure on the part of industry to implement and comply with the Code.

The Associations support the Minister for Broadband, Communications and the Digital Economy in his efforts to raise consumer awareness around IMR and note that industry members will be participating in the ACMA's consultations about the development of an industry standard. The Associations see potential merit in augmenting both the TCP Code and current industry practice and support standardised consumer awareness initiatives.

The Associations also recognise that MNOs have already implemented measures that both comply with the revised TCP Code and in several instances, go beyond the requirements of the Code. And innovative retail market offers have been launched since the market investigation commenced.

Finally, the Associations believe that these steps being taken by industry in co-operation with the regulator will prove to be sufficient in addressing consumer awareness issues and therefore any failure of the Trans-Tasman retail roaming markets. The TCP Code, the industry standard and recent industry initiatives should therefore be allowed time to take effect before the market is analysed further and before any further regulatory intervention in the market should reasonably be considered by the Australian and NZ Governments.

---

<sup>2</sup> Minister Conroy [media release](#) – “New powers for the ACMA to strengthen telecommunications consumer protection” 5 September 2012

## Comments on the draft Report

The Associations recognise that IMR has posed challenges for consumers and industry and that a general lack of consumer awareness around IMR has led to problems such as bill shock. Industry is committed to addressing the issue of consumer awareness of IMR, generally, as well as in relation to Trans-Tasman roaming.

The Associations note that in July 2012 there were 996 000 short-term visitors to Australia from NZ and 913 000 Australians visited NZ on a short-term basis.<sup>3</sup> The numbers of travellers between Australia and NZ needs to be understood in the context of an Australian market of 29.28 million mobile services (voice and data) and 24.49 million mobile (handset) services in 2011.<sup>4</sup>

Also, the Associations note that in the Trans-Tasman market it is a geographic impossibility for a consumer to inadvertently find themselves roaming across the Tasman, as can be the case in other markets such as Europe. While building and maintaining consumer awareness of how IMR works and how it is charged can be a challenge for industry, it needs to be recognised that Australian and NZ travellers are much more likely than Europeans to be aware of their roaming status as they cannot cross the border inadvertently. Higher awareness of roaming status will also likely translate into a higher consumer awareness of the available choices for roaming plans or alternative services as well as management of any of these services. This is an important distinction between the Trans-Tasman and European markets.

The Associations note that mobile handsets and other handheld devices are currently undergoing a phase of rapid technological evolution at a global level. Innovation and intense competition in mobile device development means that it may be premature to regulate for the implementation of network solutions for consumer awareness issues that may soon be better solved via software and application development without any market intervention.

For example, many smartphones currently available already provide consumers with the capability to control roaming features e.g. enable/disable data roaming from the handset without having to contact the network provider. This trend of delivering more consumer controls to the mobile handset is likely to continue, driven both by technology development and consumer demand.

Similarly, Long Term Evolution (LTE) as the next generation of mobile services will have an impact on mobile services, including roaming services. The Associations note that both Australia and NZ have adopted the Asia-Pacific band-plan for 700 MHz spectrum which is intended for use by LTE services and that this will mean that LTE handsets will be compatible for use in both countries.

---

<sup>3</sup> [ABS 3401.0](#) Overseas Arrivals and Departures July 2012

<sup>4</sup> ACMA Communications Report 2010-11 [Key Indicators](#)

## Market Definition

The market definition is an important component of any market analysis as it identifies the relevant area of competition, and can influence a finding of either effective or limited competition in the market. In any market definition it is essential to identify any relevant demand and supply substitutes.

The Report defines four relevant markets:

- Wholesale market in which Australian VNs sell services to NZ HNs;
- Retail market in which NZ HNs and MVNOs, and potentially Australian VNs, sell services to NZ customers roaming in Australia;
- Wholesale market in which NZ VNs sell services to Australian HNs; and
- Retail market in which Australian HNs and MVNOs, and potentially NZ VNs, sell services to Australian customers roaming in NZ.

The Associations believe that this definition of four relevant markets is too narrow and submit that fundamentally the relevant markets should be defined as the markets for communications while travelling abroad in New Zealand (for Australian consumers) and Australia (for New Zealand consumers). A broader definition is particularly important in the context of mobile services, due to the dynamic nature of the market and evolution in technology (e.g. the introduction of smart-phones and related applications), which has increased the ability for customers to access competitive alternatives.

The Associations suggest that a broader definition of the relevant markets would allow for proper consideration, review and weighting of the full range of consumer options for staying in communication while travelling across the Tasman to form part of the analysis. This would include alternative services, often used by consumers as substitutes for roaming, such as the purchase of prepaid mobile services in the destination country, VOIP services, wi-fi and others to be properly considered in the market investigation.

To support this, the Associations note that the MED survey, which we understand was conducted on NZ roaming customers in early 2011<sup>5</sup> and is quoted in the Draft Report, shows that the use of local SIM, internet and local premises are close substitutes to international roaming services. The MED survey result shows that for voice, a 10% increase in price would result in:

- a) 71% of individuals would use roaming less and 46% of individuals would use an alternative;
- b) 53% of SMEs would encourage less use and 28% of SMEs would encourage use of an alternative;
- c) 40% of large companies would encourage less use and 24% of large companies would encourage use of an alternative; and
- d) 60% of total respondents (including individuals, SMEs and large companies) would use roaming less or would encourage less use and 36% of total respondents would encourage use of an alternative.

---

<sup>5</sup> <http://computerworld.co.nz/news.nsf/news/anonymous-mobile-survey-excludes-carriers>

Similarly, a 10% increase in the price of data (handsets) would result in:

- (a) 65% of individuals would use roaming less and 50% of individuals would use an alternative;
- (b) 53% of SMEs would encourage less use and 36% of SMEs would encourage use of an alternative;
- (c) 51% of large companies would encourage less use and 34% of large companies would encourage use of an alternative; and
- (d) 55% of total respondents (including individuals, SMEs and large companies) would use roaming less or would encourage less use and 39% of total respondents would encourage use of an alternative.

For data (laptops), a 10% increase in price would result in:

- (a) 64% of individuals would use roaming less and 50% of individuals would use an alternative;
- (b) 52% of SMEs would encourage less use and 30.7% of SMEs would encourage use of an alternative;
- (c) 51% of large companies would encourage less use and 36% of large companies would encourage use of an alternative; and
- (d) 53% of total respondents (including individuals, SMEs and large companies) would use roaming less or would encourage less use and 36% of total respondents would encourage use of an alternative.

This is demonstrable evidence that these alternative products satisfy the SSNIP test. That is, the 10% increase in the price of roaming service would result in a significant number of customers switching to alternative services such as the use of internet, local SIM, hotel internet and local dongle. For example, for voice, 36% of total respondents would switch or encourage switching to an alternative. Similarly for data (handsets) and data (laptops), more than 35% of total respondents would switch or encourage switching to an alternative.

Further, wholesale and retail markets for IMR cannot realistically be isolated from the general market for mobile services. A consequence of the narrow market definition is that the Departments have (inappropriately) focussed their analysis in the Report on size and evolution of the wholesale and retail roaming margins in both countries in reaching conclusions about this market. A focus on wholesale margins ignores the complex nature of the market and the role that reciprocity plays in any wholesale agreements. A focus on the retail roaming margins ignores that mobile services are marketed to consumers in both countries as a package of services that includes roaming. In Australia, the mobile services market is highly competitive and there is a highly efficient mobile number portability system in place. The Associations note that in New Zealand, with three MNOs operating similar networks since 2009, there is a higher level of competition than ever before, and mobile number portability has been available there since 2007.

The Associations also suggest that considering mobile telephony roaming as possibly separate to mobile broadband (or data only) roaming could prove worthwhile. One of the benefits of mobile telephony roaming (as opposed to alternatives such as purchasing a prepaid service at the destination) is that the consumer retains their mobile number and contacts are able to stay in communication without even being aware that the mobile user is

roaming. This is a considerable convenience, which for some consumers justifies paying a premium.

However, with mobile broadband (or data only services), the person's "phone" number becomes invisible and irrelevant. This potentially means that a consumer who relies on a mobile broadband service for roaming will be even more likely to consider switching to another provider or purchasing another mobile broadband service for use in the destination country.

Further, mobile broadband, by its nature, lends itself to being priced differently to voice as the price is set by megabytes consumed so there is merit in considering this service separately to mobile telephony services in the analysis due to the different ways the services are priced and marketed to consumers.

Industry experience has shown that while some consumers value the convenience of mobile telephony roaming and understand that this convenience is set at a premium price, full consumer awareness of how such premium pricing will be applied can be problematic. Industry recognises that mobile roaming consumers need to know how much they are being charged, for what services and when.

The last 12 months have seen industry implement substantial measures to address the issue of consumer awareness with more information available on supplier websites as well as detailed cost information being sent to the customer at relevant points in the customer relationship, such as when they arrive in a destination country.

### **Retail market failure**

The Associations note that the market investigation shows that within the defined wholesale and retail markets, prices and margins have decreased since 2009.

While the Report maintains that the decrease in prices and margins is a result of market investigation, the Associations suggest that this is more likely a coincidence rather than a correlation. The decrease could also be evidence of competitive market forces and/or the availability of substitute retail services such as prepaid mobile services that can be purchased in the visited country or VOIP services.

Regarding the relevant markets, there are now three MNOs in each country, indicating a healthy level of competition.

As stated above, both countries have competitive domestic mobile services markets with mobile number portability systems and it is unrealistic to separate retail mobile roaming services from the general retail mobile services market. While unbundling is a costly experiment currently being undertaken in Europe, the results of this experiment are as yet unknown and any consumer benefits are unproven.

The Associations believe that there has been an identified market failure of low levels of consumer awareness and consumer information in the market. The issue of consumer awareness has been addressed in part by the development of the TCP Code as well as MNO initiatives to improve consumer awareness and to offer more targeted mobile roaming services. As the Code is implemented and as an industry standard is developed, consumer awareness levels are only expected to improve over time.



The Associations believe that any further market intervention before the TCP Code and other industry measures are implemented and the market has had time to respond in a measurable way would therefore be premature and unwarranted.

## **The seven options**

The Associations note that the seven options put forward in the Report vary in their degree of market intervention and that overall industry prefers a light-handed approach to any regulation or market intervention.

Importantly, any intervention must aim to address the identified market failure and be proportionate to the size of the problem. To this end, the Associations repeat that the identified market failure is a lack of consumer information, preventing sufficient competitive pressure to be placed upon operators. In addition, the size of the Trans-Tasman roaming problem differs significantly from that seen across Europe. Data shows that around 70% of all European travel is intra-Europe travel.<sup>6</sup> This compares to a Trans-Tasman market where just 20% of Australian arrivals are New Zealanders.<sup>7</sup>

The options have been evaluated below from an Australian perspective.

In Section 4, the Report discusses the need for co-ordination between the two countries but also suggests that some of the options could be viable on a unilateral basis.

The Associations suggest that an integrated and co-ordinated approach would be preferable to unilateral actions but that the process for defining such an integrated and co-ordinated approach has not been clearly outlined in the Report. Further, adopting a consistent approach across both countries may lead to additional complexities due to different regulatory frameworks in each country.

### **Option 1 – Maintain a watching brief**

The Associations strongly prefer option 1 as outlined in the Report. Option 1 provides for an approach based on the principles of regulatory forbearance. Such an approach is more flexible and allows time for the market to respond to current transparency initiatives being implemented by industry.

As stated above, the Associations believe that the identified market failure at the retail level can be attributed to low levels of consumer transparency around IMR. And the issue of consumer awareness and transparency is being addressed by industry through measures such as the implementation of the TCP Code. These recently introduced measures should be allowed sufficient time to impact upon the behaviour of consumers and industry. Any further regulatory intervention in the short term may prove to be unnecessary.

Option 1 would allow time for the implementation of the TCP Code and its effects to be properly evaluated, along with the assessment of the effect of an industry standard and other consumer awareness measures already being implemented by industry. It would also mean

---

<sup>6</sup> Hussain & Gori, 2007, Statistics in Focus, Eurostat, Economy and Finance 23/2009.

<sup>7</sup> ABS, Overseas Arrivals and Departures, Australia, cat.3401.0, Table 4: Short-term Movement, Visitor Arrivals - Selected Countries of Residence: Seasonally adjusted

Government refrains from market intervention during a time of rapid technological evolution and product innovation as well as the transition to next generation mobile services.

As noted earlier, mobile handsets and other handheld devices are currently undergoing a phase of rapid technological evolution. The Associations believe that high levels of innovation and competition in mobile device development means that it is premature to regulate for the implementation of network solutions for consumer awareness issues that may soon be better solved via software and application development without requiring any further market intervention.

The noted trend of providing more controls at the handset, as opposed to on the network, means that many consumers already have greater capability to manage roaming functions via their mobile handsets. This trend is expected to continue and combined with increased consumer awareness measures and the implementation of the TCP Code should lead to declining reports of bill shock associated with roaming.

The rapid adoption of smartphones is also notable in the market with 12 million Australian consumers already using smartphones and analysts predicting 20 million smartphones will be in use by Australian consumers by 2016.<sup>8</sup> Smartphones enable consumers to use the increasing number of wi-fi networks available in Australia and New Zealand to access data or over-the-top solutions such as VOIP.<sup>9</sup> This means these alternative or substitute services are now more readily available than ever and their competitive pressure should not be discounted, but rather closely evaluated over time.

Similarly the transition to LTE over the next several years will also have an impact on mobile services, including roaming services that cannot as yet be evaluated.

#### **Option 6 – Monitor and reporting requirements**

The Associations believe that option 6 could prove to be a workable option provided that any reporting measures were not unduly onerous and were relevant. The Associations suggest that any record keeping rules introduced under option 6 should have a defined time period and not consist of an ongoing requirement. This would allow evaluations of the effectiveness of option 6 to be made at the end of the set time period.

While options 1 and 6 are preferred by industry as they are more light-handed options in terms of market intervention, the other options all involve fairly significant levels of market intervention that the Associations do not believe to be necessary or prudent.

#### **Options 2 and 3 – Unbundling and provision of local access services**

Options 2 and 3 would each require more heavy-handed regulatory intervention in the market and both options are therefore less preferred by industry.

The Associations do not believe that unbundling is a feasible option at this point in time due to the technical constraints involved. Unbundling in an Australian context would most likely rely on a temporary number portability solution which would be prohibitively expensive to implement.

---

<sup>8</sup> Telsyte [Smartphone Market Study 2012](#) (14 June 2012)

<sup>9</sup> For example, Wellington City Council in 2011 has provided access to a free wi-fi network in the CBD. See <http://cbdfree.co.nz/>

It is likely that a temporary number portability solution would cost tens of millions of dollars to implement in Australia. Factors driving the cost would be:

- Required IT changes to the existing mobile number portability system;
- Revision of the mobile number portability code and IT specifications, including IT testing and deployment of new IT systems; and
- Implementation of new operational procedures and industry training.

As the costs involved with this option are so high, it would seem disproportionate to any consumer benefit that would be achieved in a Trans-Tasman environment. While the EU has implemented aspects of this intervention, the Associations note that EU roaming revenue was worth almost €5 billion in 2009 (equivalent to \$8.9 billion).<sup>10</sup> This is far in excess of the value of the Trans-Tasman roaming market. In addition to the contribution of roaming to total market transactions, the extent of intra-EU tourism far outweighs the level of Trans-Tasman tourism. For example, in 2007 over 70% of total European income from travel services was derived from intra-EU travel.<sup>11</sup> This is in contrast to the extent of Trans-Tasman travel where New Zealand residents represented around 20% of short term visitors to Australia in both 2011 and 2012.<sup>12</sup> Adoption of any EU-style roaming market intervention would clearly be a disproportionate regulatory response to the identified problem.

Further, adopting a consumer perspective, any unbundling solution would need to be less complicated than existing options for it to be worthwhile, especially considering the cost of implementation. If unbundling means that a consumer has to establish a second relationship with another provider or possibly change SIM card to benefit, then these consumer inconveniences must be weighed against the overall benefit in terms of anticipated lower prices.

With regard to the possible provision of local mobile access services, there are several potential complications for consumers that need to be understood and evaluated against the proposed consumer benefit.

For example, it is likely that the full array of mobile services (e.g. some email services) will not be supported due to complexities and costs involved in making them available. The steps required to activate the service appear to be more complicated and time-consuming than a simple SIM swap; a constraint that the Departments themselves appear to argue is prohibitive in the Report.

Also, consumer safeguards such as the TCP Code will not likely be enforceable in NZ and the NZ regulatory framework will not be applicable in Australia, without legislative changes on both sides of the Tasman.

---

<sup>10</sup> Hussain & Gori, 2007, Statistics in Focus, Eurostat, Economy and Finance 23/2009. Using average EUR/AUD exchange rate for 2009 of 1.7738.

<sup>11</sup> Ibid.

<sup>12</sup> ABS, Overseas Arrivals and Departures, Australia, cat.3401.0, Table 4: Short-term Movement, Visitor Arrivals - Selected Countries of Residence: Seasonally adjusted.

There are also implications for billing systems, fraud prevention, credit management and privacy issues that would need to be resolved before option 3 could be properly implemented with adequate consumer protections and industry fraud prevention measures in place.

The Associations suggest that substitute services, such as prepaid services which can be purchased in the visited country, or the widespread availability of wi-fi (particularly in NZ) and VOIP, or mobile broadband roaming (data only) actually achieve a similar consumer outcome as either option 2 or 3, with less consumer inconvenience and industry cost involved.

#### **Options 4 and 5 – Price caps and wholesale terms of access**

The Associations do not believe that the imposition of price caps or wholesale terms of access is justified by the results of the market investigation and that the imposition of price caps would seem to be treating the symptoms rather than the cause of any market failure.

Price caps are generally applied in instances of monopoly markets and it therefore seems an unusual option to explore in this case where competition between several MNOs clearly exists.

Retail price controls necessarily impose a structure on the setting of prices and can therefore hamper a supplier's ability to offer more flexible, competitive and innovative offers. Recent innovative market offerings by some suppliers in the Australian market would be hampered by such retail price controls. These innovative options currently available include:

- Roaming call costs being deducted from a plan's included value;
- The ability to purchase a set amount of data (for roaming in NZ) for a fixed cost; and
- Flat-rates for roaming services across several countries in a region.

As has been noted earlier, the transition to LTE will likely mean that pricing models will evolve and it would be premature to regulate via price caps in such a rapidly changing market.

The Associations also note that MNOs in Australia and NZ, set margins on a whole of service approach, rather than on separate components of the mobile service, such as roaming. Imposing price caps on one component of the mobile service would therefore be artificial as it would not take into account the price (and associated margin) of the whole mobile service being provided. The fact that some roaming plans now allow for included value to be used for roaming calls is illustrative of the fact that the roaming component cannot be realistically separated from the entire mobile service offering.

Finally, the Associations note the European experience with price caps shows that outcomes can be ambiguous with prices tending to cluster around the caps, and the Report notes that "the level of competition hoped for does not appear to have eventuated" in Europe.<sup>13</sup>

#### **Option 7 – Empower the regulators**

Option 7 seems to incorporate options 2-6 as possibilities and therefore is difficult to evaluate on its own. While option 6 is more light-handed in its approach options 2-5 all involve fairly heavy-handed market interventions.

---

<sup>13</sup> p 71 the Draft Report

The Associations believe that the regulators would seem to already have the requisite power to choose from options 2-6 and so the need for option 7 is unclear.

Further, the Associations note that the ACMA has recently been empowered by the Minister to make service provider rules regarding:

- Clearer pricing information in advertisements;
- Improved information about plans;
- Increased transparency about billing and expenditure arrangements; and
- Improved complaints handling.<sup>14</sup>

The TCP Code has also been registered and will be enforced by the ACMA and ACCC. Moreover, the Minister has directed the ACMA to develop an industry standard for consumer awareness issues around IMR.

It would therefore seem that the regulators are also already empowered to make regulatory interventions in the IMR market, however industry does not agree that such intervention as outlined in options 2-6 is either justified or necessary.

Rather, the Associations would prefer to see the regulators step back and allow the TCP Code and other industry measures to be implemented and current retail market offerings to be given time to have an effect on the market before further intervention is considered. The Associations believe it would be imprudent to intervene further in the market at this point in time, before consumer awareness measures have been given time to have an impact on the market and during a time of rapid technological developments and evolution.

The Associations therefore recommend that the Australian and NZ Governments choose option 1 as the preferred approach.

---

<sup>14</sup> Minister Conroy [media release](#) – “New powers for the ACMA to strengthen telecommunications consumer protection” 5 September 2012

## Appendix A:

### In summary, the TCP Code includes the following measures

#### General warning about IMR costs:

Clause 4.1.2 (a) (iii) B. mandates that Carriage Service Providers (CSP) must include a warning about IMR costs in their Critical Information Summaries (CIS). This information must be under a specific sub-heading within the CIS.

Re the CIS the following points are relevant to highlight the ease of locating the information, the push-nature of the CIS and the timing of information provision:

- The CIS itself is a fairly standardised document (limited in length) so that consumers can expect to find the same kind of information under the same headings independent of CSP and offer.
- Importantly, the CIS must be given prior to sale for postpaid offers (with some opt-out provisions for solicited over-the-phone sales), must be available in CSP stores (e.g. can be printed by sales staff) and must be available on a CSP's website. It must also be linked to in a CSP's online ads for an offer.
- The CIS must be available for all offers (prepaid and postpaid) free of charge.

#### More detailed IMR information:

Clause 4.1.3 (i) specifies that CSPs must give the following information on their website in a prominent and/or easily navigable and/or searchable position and free of charge upon request:

- Is IMR an opt-in or opt-out feature?
- The basic charges to send SMS, make and receive standard calls and for data usage for different countries.
- Importantly, the information must highlight that voice, SMS and data mobile roaming may be more expensive
- The information must include that both making and receiving calls may attract a charge.

#### Delay of billing information for IMR: 6.51 (a), (b) and 6.5.2 (i)

- The ability to opt-out of roaming is considered a Spend Management Tool (SMT) under the TCP Code.
- SMT must be described comprehensively in a readily accessible position on a CSP's website.
- In this description the approximate delay of unbilled usage information must be given and it must be stated what kind of usage this delay applies to (e.g. IMR).
- The usage notifications which are now being phased in for national usage must include a warning (with the 100% notification) that IMR usage is not included. This warning must also be included in the above SMT descriptions.

In addition, industry is in the process of developing a consumer brochure (to be made available by CSPs) outlining the most important CSP obligations which include the provision of information on IMR.