



Table 16 - Mobile termination rates – Glide paths

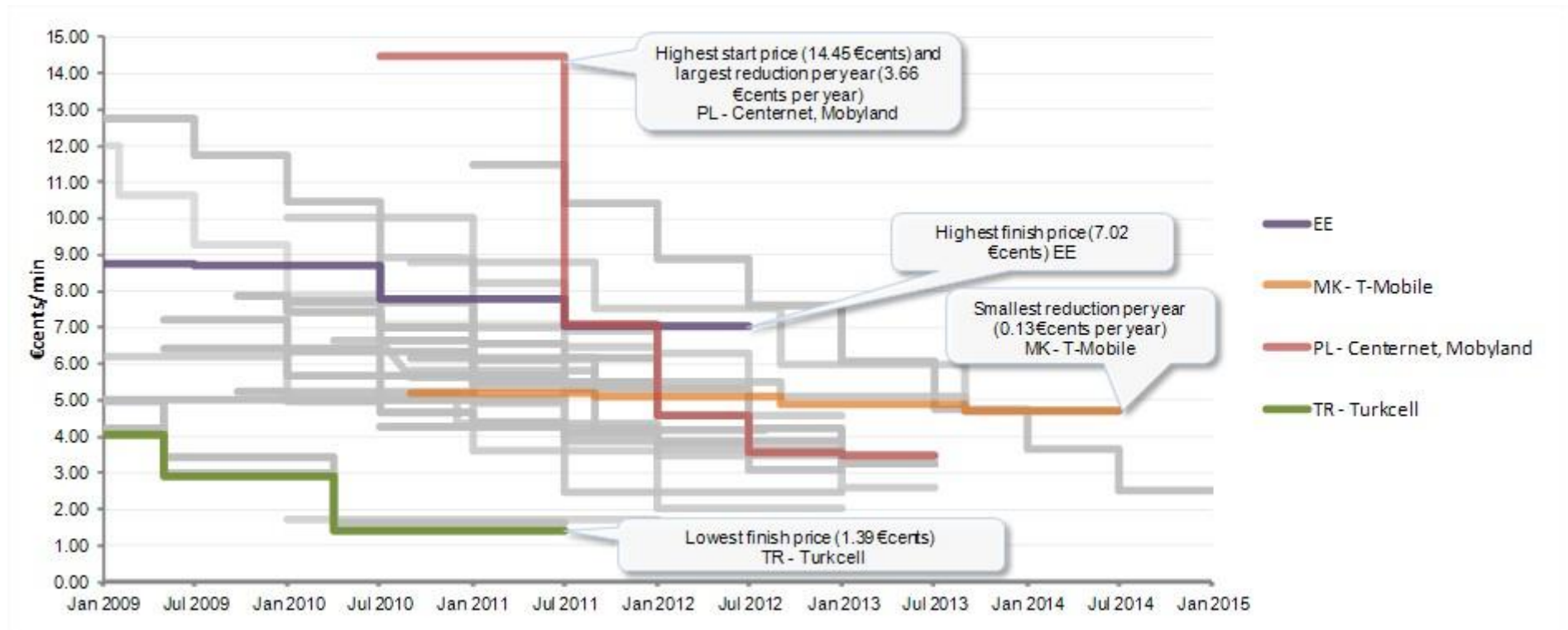
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The European Commission's 2009 [recommendation](#) on fixed and mobile termination rates says that, by end-2012, NRAs should set symmetric termination rates based on the costs incurred by an efficient operator. Such costs should be calculated using a bottom-up 'pure' LRIC model based on current costs ([Telecom Tracker 16](#)). Commission recommendations are not binding but NRAs are expected to take "the utmost account" of them.

The Commission is pushing for very significant cuts in MTRs, which it says could fall to 1.5 – 3.0 €cents per minute by end-2012 (compared with an EU average of 5.46 €cents per minute in October 2010, according to the first Digital Agenda Scoreboard, [electronic communications market indicators](#), page 13).

Figure 1 – Glide paths for MTR reductions set by NRAs (Source: CI research)



The table below shows the official glide path adopted or proposed by NRAs following the analysis of the wholesale market for voice call termination rates on mobile networks (market 7/2007). Non-euro currencies are quoted against the euro (base currency) using the latest quarterly average published by the European Central Bank (see Annex 2).

Country	Glide path for reductions in MTRs					
BG	In its final decision of March 2009 (Telecom Flash 13/2009), CRC decided to introduce immediate symmetry between the wholesale tariffs from fixed to mobile and from mobile to mobile networks, and approved a glide path for the reduction of rates until July 1, 2010.					
			April 1, 2009	July 1, 2009	Jan. 1, 2010	July 1, 2010
	Mobiltel, Cosmo Bulgaria Mobile and BTC (Vivacom)	Peak	BGN 0.25 (12.76 €cents)	BGN 0.23 (11.73 €cents)	BGN 0.205 (10.46 €cents)	BGN 0.13 (6.63 €cents)
		Off-peak	BGN 0.19 (9.69 €cents)	BGN 0.17 (8.67 €cents)	BGN 0.15 (7.65 €cents)	BGN 0.11 (5.61 €cents)
HR	HAKOM intends to regulate the MTRs of SMP operators subject to cost orientation. However, until a cost model is implemented, HAKOM will apply the benchmarking methodology. Cost oriented MTRs are expected to be introduced in 2011. HAKOM decision from Dec 22, 2010 specified price control obligations on M 7/2007 for 2011:					
		Jan. 1, 2010	Jan. 1, 2011	July 1, 2011	Jan. 1, 2012	Jan. 1, 2013
	T-Mobile and VIPnet MTR/minute	HRK 0.56 (7.72 €cents)	HRK 0.396 (5.37 €cents)	HRK 0.396 (5.37 €cents)	Undecided	Undecided
	Tele2 MTR/minute	HRK 0.728 (10.04 €cents)	HRK 0.515 (6.99 €cents)	HRK 0.475 (6.45 €cents)	Undecided	Undecided
	Tele2 maximum allowed asymmetry (x% above T-Mobile and VIPnet)	30%	30%	20%	10%	0%
On June 15, 2011 HAKOM rejected Tele2's request to modify the glide path by extending 30% asymmetry until end of 2011. The termination of international incoming traffic to mobile networks is excluded from the MTR glide path by HAKOM's resolution of March 31, 2010. All mobile operators apply HRK 0.90/min (12.41 €cents/minute) as the basic termination rate for incoming international traffic.						
CY	MTRs of CYTA must be cost oriented based on LRIC (top down, current costs). MTRs for MTN must be equal to the MTRs of CYTA, plus an additional percentage mark-up following a three-year glide path:					
		Jan. 2010	Jan. 2011	Jan. 2012 (to Dec. 2012)		
	CYTA	1.709	1.71	Undecided		
	MTN: % mark-up of MTN's MTRs compared with CYTA's	35%	25%	13%		
CZ	CTU adopted a new glide path for mobile termination rates (MTRs) on April 22, 2010 (CEE Telecom Update June 2010):					

Country	Glide path for reductions in MTRs							
		until Jan. 31, 2009	Feb. 1, 2009	July 1, 2009	Jan. 1, 2010	July 1, 2010	Jan. 1, 2011	July 1, 2011
	Maximum MTR/minute	CZK 2.99 (11.99 €cents)	CZK 2.65 (10.63 €cents)	CZK 2.31 (9.27 €cents)	CZK 1.96 (7.86 €cents)	CZK 1.66 (6.66 €cents)	CZK 1.37 (5.50 €cents)	CZK 1.08 (4.33 €cents)
	<p>MTR of new entrant MNO MobilKom is not regulated (CEE Telecom Update Dec. 2009).</p> <p>According to CTU, MobilKom concluded commercial agreements with the three other MNOs based on symmetrical MTRs.</p>							
EE	<p>In its 2nd round analysis (March 2009) ECA set a ceiling of EEK 1.36/min (8.69 €cents) for the max. average MTR for all SMP operators for the period July 1, 2009 – June 30, 2010. ECA used a benchmark against the average MTR of the countries covered by the European Regulators Group (ERG) 'MTR snapshot'. In addition, the NRA designated Bravocom as having SMP. ECA revises the price ceiling annually (Telecom Flash 33/2009).</p> <p>On April 16, 2010 ECA set the rate of EEK 1.22/min (7.80 €cents) for the period July 1, 2010 to June 30, 2011.</p> <p>On April 19, 2011 ECA set the rate of 7.02 €cents for the period July 1, 2011 to June 30, 2012.</p> <p>Price control in the form of a glide path:</p>							
		July 1, 2006	July 1, 2007	July 1, 2008	July 1, 2009	July 1, 2010	July 1, 2011	
	EMT, Elisa, Tele2 and Bravocom (from July 1, 2009)	13.10 €cents (EEK 2.05)	10.61 €cents (EEK 1.66)	8.75 €cents (EEK 1.37)	8.69 €cents (EEK 1.36)	7.80 €cents (EEK 1.22)	7.02 €cents	
HU	<p>In its second round analysis (Dec. 2006) NHH (now: NMHH) adopted glide paths to reach symmetric MTRs by Jan. 1, 2009.</p> <p>The final decision on third round analysis (Dec. 2008) added another two steps of reduction on Jan. 1, 2010 and Dec. 1, 2010.</p> <p>The final decision on fourth round analysis (Aug. 2011) added another two steps of reduction on Jan. 1, 2012 and Jan. 1, 2013.</p>							
		Jan. 1, 2009	Jan. 1, 2010	Dec. 1, 2010	Jan. 1, 2012	Jan. 1, 2013		
	Magyar Telekom (T-Mobile) Telenor (formerly Pannon) Vodafone	HUF 16.84 (6.32 €cents)	HUF 14.13 (5.31 €cents)	HUF 11.86 (4.45 €cents)	HUF 9.46 (3.55 €cents)	HUF 7.06 (2.65 €cents)		
	<p>In each set of decisions, the target price was calculated using a bottom-up LRIC model and estimates the costs of a hypothetical efficient operator terminating one third of the total traffic in Hungary. In the last round, the target price was calculated by a new pure BU-LRIC model, but it will not be reached before the beginning of 2014. The exact value will be decided in the next round analysis of M7/2007.</p>							
LV	<p>On Jan. 10, 2010, PUC introduced a glide path for Tele2, LMT and BITE Latvija, under the second round of market analysis (decision effective as of April 1, 2010). By Jan. 1, 2012 the operators should reduce rates to LVL 0.026 (3.67 €cents/minute). The fourth mobile operator, Telecom Baltija (Triatel), is expected to reduce its rates on a voluntary basis to achieve symmetry with the other three. If it does not do so within a reasonable timeframe, the regulator proposes to extend the obligation to Telecom Baltija. At present, Telekom Baltija applies rates of LVL 0.062 (8.74 €cents).</p> <p>The glide path for Tele2, LMT and BITE Latvija is as follows:</p>							

Country	Glide path for reductions in MTRs					
	MNOs	April 1, 2010	Aug. 1, 2010	Jan. 1, 2011	July 1, 2011	Jan. 1, 2012
	Tele2, LMT and BITE Latvija	LVL 0.047 (6.63 €cents)	LVL 0.040 (5.64 €cents)	LVL 0.035 (4.94 €cents)	LVL 0.030 (4.23 €cents)	LVL 0.026 (3.67 €cents)
LT	MTRs at peak and off-peak hours should be reduced at the beginning of 2010, 2011 and 2012 respectively to reach the MTR set according to the BU-LRAIC calculation in 2012. In addition, as from Dec.31, 2012 at the latest, RRT will set MTRs at the level of the cost of an efficient operator, based on a cost model in line with the Commission recommendation.					
	MNOs		MTRs (in €cents/min)			
			Jan. 1, 2010	Jan. 1, 2011	Jan. 1, 2012	
	Bite Lietuva, Omnitel, Tele2	Peak	LTL 0.1804 (5.22 €cents)	LTL 0.1251 (3.62 €cents)	LTL 0.0699 (2.02 €cents)	
		Off-peak	LTL 0.0902 (2.61 €cents)	LTL 0.0626 (1.81 €cents)	LTL 0.0350 (1.01 €cents)	
MK	Cost orientation based on bottom-up LRIC methodology . On July 30, 2010 AEC set individual glide paths for T-Mobile , One and VIP until Sep. 2013.					
	MNOs	Sep. 1, 2010	Sep. 1, 2011	Sep. 1, 2012	Sep. 1, 2013	
	T-Mobile	MKD 3.2 (5.2 €cents)	MKD 3.1 (5.1 €cents)	MKD 3.0 (4.9 €cents)	MKD 2.9 (4.7 €cents)	
	One	MKD 3.6 (5.8 €cents)	MKD 3.4 (5.5 €cents)	MKD 3.1 (5.1 €cents)	MKD 2.9 (4.7 €cents)	
	VIP	MKD 5.4 (8.8 €cents)	MKD 4.6 (7.5 €cents)	MKD 3.7 (6.0 €cents)	MKD 2.9 (4.7 €cents)	
MT	MCA's decision on interconnection pricing strategy of May 17, 2010 states that MTRs will be based on a benchmark of the average of the EU-27 regulated MTRs (calculated excluding Malta and MTRs in the upper quartile, i.e. the highest 25%). MCA's decision of Aug. 6, 2010, which set a symmetric MTR of 6.17 €cents, stated that MCA will benchmark MTRs using the BEREC MTR snapshot report until MCA implements a LRIC model by end 2012. MCA will shift to a benchmark based on 'pure' LRIC MTRs once 25% of member states have introduced them. MCA's decision of Aug. 30, 2011, which set a symmetric MRT of 4.18 €cents stated that if 25% of member states do not report rates based on pure LRIC, MCA may consult on an updated interim mechanism to calculate MTRs.					
			Sep. 1, 2011 until Aug. 31, 2012 or earlier if required			
		Vodafone, GO Mobile, Melita Mobile	4.18 €cents			
PL	Current status: All four established mobile operators have made a commitment to invest in certain white spots where no 2G network is available and to guarantee 80% coverage of the population with 3G. As a result, UKE has granted them a higher glide path for their mobile termination rates (MTRs) (CEE Telecom Update August 2011).					

Country	Glide path for reductions in MTRs																																																																																																																																																	
<p>UKE adopted final decisions in the analysis of M7/2007 for new entrant MNOs CenterNet and Mobyland and for MVNO Cyfrowy Polsat. UKE did not yet adopt a decision for Sferia or Aero2.</p> <p>Regulation of MTRs:</p> <ul style="list-style-type: none"> Symmetric MTRs will be imposed, based on a pure BU-LRIC cost model from Jan. 1, 2013 for PTK Centertel, Polkomtel, PTC and P4. The 'pure' BU-LRIC rate is still to be determined. New entrant MNOs Centernet, Mobyland, Sferia and Aero2 are allowed to apply asymmetric MTRs for the first four years of their activity. UKE allows an average asymmetry over four years corresponding to the total benefit of asymmetry P4 has enjoyed from its market entry on March 17, 2007 and Jan. 1, 2013. MVNOs are no longer permitted to charge higher MTRs than their host network since July 1, 2011. 	<table border="1"> <thead> <tr> <th colspan="2">MTR per minute</th> <th>July 1, 2010</th> <th>Jan. 1, 2011</th> <th>July 1, 2011</th> <th>Jan. 1, 2012</th> <th>July 1, 2012</th> <th>Jan. 1, 2013</th> <th>July 1, 2013</th> <th>Jan. 1, 2014</th> <th>July 1, 2014</th> <th>Jan. 1, 2015</th> </tr> </thead> <tbody> <tr> <td rowspan="2">PTC, PTK Centertel Polkomtel</td> <td>PLN</td> <td>0.1677</td> <td>0.1677</td> <td>0.1520</td> <td>0.1520</td> <td>0.1223</td> <td rowspan="2">LRIC</td> <td rowspan="2">LRIC</td> <td rowspan="2">LRIC</td> <td rowspan="2">LRIC</td> <td rowspan="2">LRIC</td> </tr> <tr> <td>€cent</td> <td>4.24</td> <td>4.24</td> <td>3.84</td> <td>3.84</td> <td>3.09</td> </tr> <tr> <td rowspan="2">P4</td> <td>PLN</td> <td>0.3522</td> <td>0.3253</td> <td>0.2721</td> <td>0.2478</td> <td>0.1798</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> </tr> <tr> <td>€cent</td> <td>8.89</td> <td>8.22</td> <td>6.87</td> <td>6.87</td> <td>4.54</td> </tr> <tr> <td colspan="12">New entrant operators</td> </tr> <tr> <td rowspan="2">Cyfrowy Polsat (MVNO on Polkomtel since March 2011)</td> <td>PLN</td> <td>0.3522</td> <td>0.3253</td> <td>0.1520</td> <td>0.1520</td> <td>0.1223</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> </tr> <tr> <td>€cent</td> <td>8.89</td> <td>8.22</td> <td>3.84</td> <td>3.84</td> <td>3.09</td> </tr> <tr> <td rowspan="2">CenterNet Mobyland</td> <td>PLN</td> <td>0.5700</td> <td>0.5700</td> <td>0.2800</td> <td>0.1800</td> <td>0.1400</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> </tr> <tr> <td>€cent</td> <td>14.40</td> <td>14.40</td> <td>7.07</td> <td>4.55</td> <td>3.54</td> </tr> <tr> <td rowspan="2">Sferia*</td> <td>PLN</td> <td>0.2800</td> <td>0.2800</td> <td>0.2800</td> <td>0.1800</td> <td>0.1400</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> <td rowspan="2">SYMM</td> </tr> <tr> <td>€cent</td> <td>7.07</td> <td>7.07</td> <td>7.07</td> <td>4.55</td> <td>3.55</td> </tr> <tr> <td rowspan="2">Aero2*</td> <td>PLN</td> <td rowspan="2">Not yet active</td> <td>0.4530</td> <td>0.4106</td> <td>0.3500</td> <td>0.3000</td> <td>0.2400</td> <td>0.1880</td> <td>0.1450</td> <td>0.1000</td> <td rowspan="2">SYMM</td> </tr> <tr> <td>€cent</td> <td>11.44</td> <td>10.37</td> <td>8.84</td> <td>7.58</td> <td>6.06</td> <td>4.75</td> <td>3.66</td> <td>2.53</td> </tr> </tbody> </table>											MTR per minute		July 1, 2010	Jan. 1, 2011	July 1, 2011	Jan. 1, 2012	July 1, 2012	Jan. 1, 2013	July 1, 2013	Jan. 1, 2014	July 1, 2014	Jan. 1, 2015	PTC, PTK Centertel Polkomtel	PLN	0.1677	0.1677	0.1520	0.1520	0.1223	LRIC	LRIC	LRIC	LRIC	LRIC	€cent	4.24	4.24	3.84	3.84	3.09	P4	PLN	0.3522	0.3253	0.2721	0.2478	0.1798	SYMM	SYMM	SYMM	SYMM	SYMM	€cent	8.89	8.22	6.87	6.87	4.54	New entrant operators												Cyfrowy Polsat (MVNO on Polkomtel since March 2011)	PLN	0.3522	0.3253	0.1520	0.1520	0.1223	SYMM	SYMM	SYMM	SYMM	SYMM	€cent	8.89	8.22	3.84	3.84	3.09	CenterNet Mobyland	PLN	0.5700	0.5700	0.2800	0.1800	0.1400	SYMM	SYMM	SYMM	SYMM	SYMM	€cent	14.40	14.40	7.07	4.55	3.54	Sferia*	PLN	0.2800	0.2800	0.2800	0.1800	0.1400	SYMM	SYMM	SYMM	SYMM	SYMM	€cent	7.07	7.07	7.07	4.55	3.55	Aero2*	PLN	Not yet active	0.4530	0.4106	0.3500	0.3000	0.2400	0.1880	0.1450	0.1000	SYMM	€cent	11.44	10.37	8.84	7.58	6.06	4.75	3.66	2.53
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RO	<p>A glide path for MTR reductions was imposed on Cosmote (GSM 1800) and Telemobil (CDMA 450 and UMTS), leading to symmetric rates with Orange and Vodafone (whose rates were confirmed at 5.03 €cents/min, in accordance with ANCOM 2006 decision) on July 1, 2010. A different glide path was established for RCS&RDS, maintaining asymmetrical rates beyond July 2010.</p> <p>ANCOM proposed further reductions on Aug. 4, 2011. A symmetric MTR of 4.24 €cents for all MNOs would apply from January 1, 2012. A second reduction to 3.46 €cents would be implemented on July 1, 2012 (CEE Telecom Update Aug. 2011).</p>																																																																																																																																																	
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	Orange and Vodafone (from Jan. 1, 2009)	5.03 €cents	5.03 €cents	5.03 €cents					
	Cosmote and Telemobil	6.4 €cents	5.67 €cents	5.03 €cents					
	RCS&RDS	7.21 €cents	6.4 €cents	5.67 €cents					
SK	<p>TUSR issued decisions on Aug. 31 and Sep. 29, 2009 designating Telefónica O2, Orange and T-Mobile as SMP operators and proposing cost orientation. All three operators appealed the decisions. On Jan. 14 and 15, 2010, the TUSR chairman issued second stage decisions following the appeal by the operators (T-Mobile, Orange, Telefónica O2) and set MTRs to be charged by the operators in the period from Feb. 1, 2010 until Jan. 31, 2011 as mentioned in the table below.</p> <p>On Oct. 23, 2009 TUSR adopted a decision on the cost methodology to be applied by any SMP operator.</p> <p>On Nov. 16, 2010 TUSR notified to the Commission draft measures for Orange, T-Mobile and Telefónica O2 Slovakia, proposing a symmetric rate for all operators of 5.51 €cents per minute for the period Feb. 1, 2011 until Jan. 31, 2012. The price is set based on benchmarking, using the average of the prices of MTRs in member states which apply a LRIC pricing methodology, taken from the BEREC MTR benchmark snapshot of July 1, 2010. In Dec. 2010, the Commission welcomed TUSR's plan to apply this benchmarking approach until TUSR could apply cost orientation based on the costs of an efficient operator. Furthermore, the Commission welcomes TUSR's intention to start developing the recommended bottom-up FL-LRIC model in 2011 with a view to applying it from 2012.</p>								
		Until Jan. 31, 2010	Feb. 1, 2010 – Jan. 31, 2011	Feb. 1, 2011 – Jan. 31, 2012					
	Orange and T-Mobile	8.3 €cents (between Orange and T-Mobile) 7.92 €cents (calls from TO2)	6.35 €cents	5.51 €cents (final decision adopted on May 30, 2011)					
	Telefónica 2	9.25 €cents	7.68 €cents						
SI	<p>Cost-orientation based on APEK's own pure bottom-up LRIC model (Mobitel, Si.mobil, Tušmobil and T-2)</p> <p>On Sep. 24, 2009 APEK set the following glide path for MTRs, allowing for 50% asymmetry on Mobitel's and Si.mobil's MTRs initially, reaching symmetry by 2013:</p>								
	€cent/minute	Sep. 24, 2009	Jan. 1, 2010	July 1, 2010	Jan. 1, 2011	July 1, 2011	Jan. 1, 2012	July 1, 2012	Jan. 1, 2013
	Mobitel (now TS)	5.23	4.95	4.66	4.38	4.09	3.81	3.52	3.24
	Si.mobil	5.23	4.95	4.66	4.38	4.09	3.81	3.52	3.24
	Tušmobil	7.85	7.42	6.99	6.13	5.32	4.57	3.88	3.24
	T-2	7.85	7.42	6.99	6.57	6.14	5.33	4.23	3.24
TR	<p>MTRs are determined by ICTA and have been progressively cut. The latest MTRs were determined through an ICTA decision of Feb. 10, 2010 No. 2010/DK-07/88 and entail an average 52% reduction over the rates announced in May 2009. The operators have incorporated the new rates into their RIOs, as required by the decision.</p>								
	MTR per peak minute		Before May 1, 2009	May 1, 2009 – Mar. 31, 2010	From April 1, 2010				
	Turkcell	€cents	4.03	2.90	1.39				

Country	Glide path for reductions in MTRs				
		<i>TRY</i>	<i>0.091</i>	<i>0.0655</i>	<i>0.0313</i>
	Vodafone	€cents	4.21	2.99	1.43
		<i>TRY</i>	<i>0.095</i>	<i>0.0675</i>	<i>0.0323</i>
	Avea	€cents	4.96	3.43	1.64
		<i>TRY</i>	<i>0.112</i>	<i>0.0775</i>	<i>0.0370</i>