



Mr Jurgen Mensching
Director Information, Communication & Multimedia
Competition DG
European Commission
200 Rue de la Loi
1047 Brussels

London, 20th January 2002

Dear Mr. Mensching,

Thank you for your letter of 13 December 2002 (Ref: D 006136). We appreciate the Commission's recognition of the positive steps being taken by GSM Europe (the European interest group of the GSM Association) to ensure the continued delivery of a first class service to mobile telecommunications consumers. To this end, and as you mention in your letter, we anticipate that the Code of Conduct for Information on International Roaming Retail prices will further increase transparency in the market.

The Commission has previously indicated two principal concerns regarding potential collusion in the retail market for mobile roaming, namely the lack of price transparency for customers and the lack of price competition (Working Paper on the Initial Findings of the Sector Enquiry into Mobile Roaming Charges, 13 December 2002). It is interesting to note how much the market has developed in the two years since the publication of the Commission's initial review. As indicated, the issue of price transparency is being clearly addressed. Furthermore, we continue to see increasing and significant competition in retail roaming tariffs, as well as greater transparency in pricing as evidenced by the emergence of new and varying pricing packages being offered throughout Europe. Clearly, the mobile telecommunications market is still evolving and continuing to undergo rapid transformation. However, the significant changes in a mere two-year span reflect the continuing maturing and the increasingly competitive nature of the market. We firmly believe that any concerns regarding a lack of competition in the market will be laid to rest as the market matures further and the natural competitive process ensures the best deal for consumers.

Once again, we welcome the continued and positive dialogue that has developed with the services of DG Competition. Should you or your colleagues seek to discuss any issue relating to the mobile sector, we would be delighted help.

Yours sincerely,

Ms. Kaisu Karvala
Chair, GSM Europe

Mr. Rob Conway
CEO, GSM Association

Cc: Mario Monti, Commissioner for Competition