



Czech Telecommunication Office

May 2020

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## Telegraphically

### CTU has received comments on the 5G auction

In a public consultation on the proposal to announce an auction for frequencies in the 700 MHz and 3440–3600 MHz bands, CTU received [comments](#) from a total of 28 entities. Due to the state of emergency, the deadline for submitting comments was 4 May. CTU will now assess all the comments received and evaluate their impact on a possible modification of the proposed conditions of the tender.

### 20 offers to create a comparison tool

CTU has received offers to create a tool for comparing prices and quality of electronic communications services from 20 applicants. The primary goal of this tool, which is scheduled to be launched in early 2021, is to make it easier for users to compare quality and to select the cheapest electronic communications service based on individual consumption.

### Data consumption of T-Mobile users in quarantine

T-Mobile [published](#) interesting figures related to network traffic during the state of emergency. For example, the data shows that the record week in terms of data consumption was the week from 23 March to 29 March, and the record day was 21 March, when customers transferred 1,612 TB in the operator's network. The average monthly consumption was 15 GB per person.

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## CTU celebrated its 15th birthday

**The current Czech Telecommunication Office was established on 1 May 2005, as the national regulator for electronic communications and postal services. This happened on the basis of the then newly effective Act No. 127/2005 Coll., on electronic communications, which granted CTU the status of the “central administrative office for the performance of state administration in matters stipulated by this Act, including market regulation and laying down conditions for business in the field of electronic communications and postal services”.**

However, the history of the Office is much longer, having begun at the very beginning of 1993. At that time, the Czech Telecommunication Office was first established not as an independent office, but as the 6th section of the Ministry of Economy. This was the case until the end of October 1996, when the Office was moved into the organizational structure of the Ministry of Transport and Communications, where it remained until mid-2000. For the whole period the Czech Telecommunication Office, as the section of the respective Ministry, was headed by its Chief Operating Officer.

Another change took place in 2000, when CTU, having ceased to be a section of the Ministry, became an independent office. Specifically, on 1 July 2000, based on Act No. 151/2000 Coll., on telecommunications, CTU was established as the “administrative and regulatory authority in matters

of telecommunications and postal services”. The Office was headed by Chairman and, unlike its current form, it had no Council.

The Telecommunications Act was in force until 2005; it was replaced by Act No. 127/2005 Coll., on electronic communications, on 1 May 2005. The Act transposed the EU regulatory framework for electronic communications into the legislation of the Czech Republic, as a new EU Member State. In addition to the rules for market regulation, the name of this market was changed, among other things: telecommunications became electronic communications.

It was based on the new “Electronic Communications” Act (Act No. 127/2005 Coll.) that the Czech Telecommunication Office was established 15 years ago in its current form. As a result, the Office with a 27-year history could celebrate its 15th birthday this year.

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## Market analyses

Market No. 1 – wholesale call termination services in individual public telephone networks provided at a fixed location, and market No. 2 – wholesale voice call termination services in individual mobile networks

On 22 April, in accordance with Act No. 127/2005 Coll., on electronic communications, CTU published in [Chapter 4/2020](#) of the Telecommunications Bulletin, by Measures of General Nature, Market Analysis [No. A/1/04.2020-3](#), market No. 1 – wholesale call termination services in individual public telephone networks provided at a fixed location, and Market Analysis [No. A/2/04.2020-4](#), market No. 2 – wholesale voice call termination services in individual mobile networks. The Measures of General Nature came into force on the fifteenth day from the date of their publication in the Telecommunications Journal.

Based on the results of the analyses of these relevant markets, it was found that they are not effectively competitive and that there are companies with significant market power operating in them. Therefore, CTU initiated administrative proceedings on the determination of companies with significant market power on which it will subsequently impose remedies by means of a decision, including an obligation related to price regulation.

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## Change of price caps for consumers for calls and SMS to abroad

On 15 May 2020, there was a slight decrease in the maximum prices of international calls and SMS to the countries of the European Economic Area, which are regulated by amended Regulation (EU) 2015/2120 of the European Parliament and of the Council. The decrease in prices reflects the strengthening of the Czech crown against the euro in the first quarter of 2020 compared to the same period last year by 1.29 %. From that date, the operators concerned may not charge more than CZK 4.815 excl. VAT (EUR 0.19) per minute for calls from the Czech Republic to the EU countries, Liechtenstein, Norway and Iceland, and an amount higher than CZK 1.521 excl. VAT (EUR 0.06) for sending one SMS.

The maximum prices for calling and sending SMS to those countries are converted annually from the price caps set in euro based on the average of the reference exchange rates published by the European Central Bank in the Official Journal of the European Union on 15 January, 15 February and 15 March of that year.

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## Operators charge a new credit refund fee

In connection with the amendment to the Electronic Communications Act, consumers may request a refund of unused credit for prepaid services when changing service providers from 1 April 2020; this service may be charged under the law if this is set forth in the contract, and the amount of the charge must correspond to actual costs which the service provider being left has demonstrably incurred in returning the balance. The amount of fees charged will be verified by CTU.

Below are the amounts of the newly introduced credit refund fees for the three largest service providers:

Provider	Fee amount in CZK
O2	199
T-Mobile	118.98
Vodafone	149

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## Legislative changes

On 15 April, Act No. [164/2020 Coll.](#), amending the Postal Services Act and the Consumer Protection Act, was published in Chapter 60 of the Collection of Laws. This is an adaptation regulation to Regulation (EU) [2018/644](#) of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services, forming part of the e-commerce package, which as part of the Digital Single Market Strategy for Europe seeks to ensure a more efficient, more credible and more affordable e-commerce.

Given that the obligations under Regulation 2018/644 apply not only to postal service providers, but also to all parcel delivery service providers, including those using alternative business models, such as models drawing on the collaborative economy and e-commerce platforms, if they provide at least one of the links in the postal delivery chain (clearance, sorting or distribution), the Postal Services Act has been amended accordingly. In addition, the Act redefines the competence of CTU, which fulfils the function of the national regulator under Regulation 2018/644 and therefore, in addition to providing information on these services (the scope of this information and the time limits for its submission being laid down by the Regulation), is entitled to impose, collect and enforce fines for breaches of the obligations laid down by this Regulation.

Furthermore, it was necessary to extend the existing supervisory powers of the Czech Trade Inspection Authority in order to inspect, in accordance with Art. 7 of Regulation 2018/644, whether the business conditions of traders concluding with consumers a purchase contract including cross-border parcel delivery contain, in the pre-contractual phase, the disclosure of information on what cross-border delivery options are offered for a given purchase contract, information on delivery charges paid by consumers and, where applicable, information on complaint handling procedures.

This Act came into effect on the day of its publication, i.e. on 15 April 2020.

## Checked by CTU in April...

... adherence to terms and conditions of General Authorization No. VO-R/12/12.2019-10 for the use of radio frequencies and operation of equipment for broadband data transmission in the 2.4 GHz to 71 GHz bands.

CTU carried out a total of 18 inspections. Defects were found in 14 cases, especially the effect of harmful interference to stations of priority radiocommunications services (meteorological radars), which were resolved by a call to eliminate the identified deficiencies and which will subsequently be addressed in administrative proceedings.

... the use of radio frequencies without authorization.

CTU carried out a total of 2 inspections focused on the use of frequencies without authorization. In both cases, the use of frequencies without individual authorization was detected; the cases were referred for resolution in administrative proceedings.

... sources of interference with the operation of electronic communications equipment and networks, the provision of electronic communications services or the operation of radiocommunications services.

In April, CTU closed a total of 107 investigations, of which 65 cases of interference with television reception (of which 49 cases of interference with DVB-T2 reception), 15 cases of interference with GSM, UMTS and LTE public mobile communications networks, 14 cases of interference with a meteorological radar, 7 cases of interference with radio and satellite reception, 2 cases of interference with an amateur service, and 1 case of interference with a mobile and fixed service device, 1 case of interference with a short-range device, 1 case of interference with an RR link and 1 case of interference with a scientific device. In 4 cases of interference with public mobile communication networks, the source of interference was an active element of television reception, in one case a GSM repeater. In one case, an LTE base station was identified as the source of interference with DTT (DVB-T and DVB-T2) reception. The investigation of 49 complaints about poor DVB-T2 reception revealed that in 29 cases the defect was in the viewer's device, in 12 cases the interference stopped or had a sporadic occurrence, and in 3 cases the causes were outside the transmitting and receiving parties (shading, reflections from terrain obstacles).

... pilot operation of LTE base stations in the 800 MHz band.

As of 30 April, 248 base stations were in pilot operation, and 16,786 stations were in permanent operation. In April, 75 reports of interference were received and the investigation of 65 cases of interference with TV reception was closed; BTS LTE in the 800 MHz band was identified as a source of interference with DTT (DVB-T and DVB-T2) reception in 1 case. Defects in the television viewers' reception devices were found in 36 cases; in 13 cases the interference stopped or had a sporadic occurrence. In 4 cases, it was the effect of shading or reflections. 11 interference reports were cancelled by their submitters during investigation of the interference.

... the universal service.

On 20 May 2020, CTU Council issued a decision to impose an obligation on O2 Czech Republic to allow persons with special social needs in accordance with Sections 44 and 45 to select prices or price plans that differ from price plans provided under normal business conditions to ensure that these persons have access to and could use the partial services and publicly available telephone service pursuant to Section 38(3) of the Electronic Communications Act. No comments were made in the preceding public consultation.

Furthermore, a [public consultation](#) was commenced on 24 April 2020 on the intention not to impose a partial service within the universal service—the services of public payphones or other similar technical means enabling access to the publicly available telephone service pursuant to Section 38(2)(e) of the Electronic Communications Act.

... postal services.

As of 2 April 2020, TAU impex s.r.o. terminated its business activities in the field of postal services. The current list of all notified operators is available via the [search database](#) on the CTU website.

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## Radio spectrum management

### Review of the operation of the 60 GHz Portal and the obligation to state MAC addresses and serial numbers

In the [press release](#) of 3 January 2020 containing information on the opening of the 60 GHz band, CTU published its intention to evaluate the number of interference cases after three months of operation of the registration Portal and, if necessary, to evaluate the scope and effectiveness of the information collected, based on the conclusion. The evaluation was carried out based on findings from the operation of the Portal and the reactions of the addressed band users and was submitted to CTU Council on 12 May 2020. The result is the decision to leave the current regime unchanged, to reflect the findings in improving the properties of the Portal and in the newly prepared systems, with the intention to subsequently re-evaluate the operation. The text of the evaluation is published on CTU website in the Publications section, [General Authorization No. VO-R/12/12.2019-10](#).

### General authorizations

CTU conducted a [public consultation](#) on proposals of General Authorization No. VO-R/16/xx.2020-y for utilisation of radio frequencies and for the operation of equipment operated jointly on predetermined frequencies in the 27 MHz to 450 MHz bands. The reason for the update is mainly the extension of free frequencies and the possibility to operate temporary stations for the transmission of differential signals of global navigation satellite systems. The consultation was ended on 11 May.

CTU conducted a [public consultation](#) on proposals of General Authorizations No. VO-R/14/xx.2020-y for the use of radio frequencies and for the operation of equipment in the 10 GHz frequency band. The reason for the update is mainly to also enable the use of new 56 MHz channels. The current operation of stations with 14 MHz and 28 MHz channels is maintained. The consultation lasted until 18 May.

### DVB-T/DVB-T2 digital broadcasting

On 20 May, CTU Council adopted Measures of General Nature, a part of the radio spectrum utilisation plan No. PV-P/10/05.2020-5 (for the 470–960 MHz frequency band). In doing so, the Council created the conditions for the continuation of local and regional broadcasting in those cases where this will be possible, taking into account the frequency needs in connection with the completion of the transition of nationwide broadcasting networks to the DVB-T2 standard.

### T-DAB digital radio broadcasting

On 14 April, the operation of the BRNO BARVICOVA digital radio transmitter (channel 8A) of the TELEKO DAB multiplex was launched. Operation in band III replaces the operation of the transmitter in the L band.

## The abolition of penalties for termination of contracts also applies to natural persons engaged in business, but not to companies

**In connection with the amendment to the Electronic Communications Act, which came into force on 1 April 2020, CTU recorded an increased number of inquiries from the customers concerned about the issue of charge in the event of early termination of a contract for a definite period.**

The most common type of inquiry was about what subscription contracts the new legislation applies to. The answer is that, under [Section 63\(13\)](#) of Act No. 127/2005 Coll., on electronic communications, the changes in legislation now concern both consumers and natural persons engaged in business.

Specifically, [Section 63\(1\)\(p\)](#) lays down that a penalty for early contract termination may only be required if the contract expires within three months from the date of conclusion, and may not exceed one twentieth of the sum of the monthly lump sums remaining until the end of the agreed duration of the contract (or one twentieth of the sum of the minimum agreed monthly performances remaining until the end of the agreed duration of the contract).

For corporate customers, the current legislation remains in force, i.e. in the event of early termination of a contract, providers continue to be entitled to demand a penalty from these customers up to one hundred per cent of the sum of lump sums remaining until the end of the agreed duration of the contract.

Furthermore, CTU points out that new [Section 63\(13\)](#) also applies to other provisions which only applied to consumers in the past, but now (as of 1 April 2020) they also apply to natural persons engaged in business. These are the following provisions:

- [Section 63\(7\)](#), under which the length of the first contract concluded with a consumer or a natural person engaged in business may not exceed 24 months;
- [Section 63\(9\)](#), which concerns the conclusion of contracts remotely or off premises usual for business (and addresses the provision of information to the consumer or natural person engaged in business, as well as the running of the period of time for possible withdrawal from such a contract);
- [Section 63\(10\)](#), which conditions the extension of a contract for a definite period with the consent of the consumer or, as the case may be, natural person engaged in business;
- [Section 63\(11\)](#), which regulates the possibilities of terminating a contract for a definite period by the consumer or natural person engaged in business.

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## Telecommunication Regulation in the EU

### Official Journal

Commission Implementing Decision (EU) [2020/553](#) of 21 April amending Implementing Decision (EU) 2020/167 as regards harmonised standards for certain international mobile telecommunications cellular networks equipment was published on 22 April. The decision comes into force on the day of its publication in the Official Journal of the EU.

[Resolution by the Euronest Parliamentary Assembly](#) on “Facilitating digitalisation to improve efficiency and stimulate economic growth in the EU and Eastern Partnership countries” was published on 24 April.

Commission [Implementing Decision](#) (EU) 2020/590 of 24 April amending Decision (EU) 2019/784 as regards an update of relevant technical conditions applicable to the 24.25–27.5 GHz frequency band was published on 30 April.

## European Commission

Based on [Commission Recommendation \(EU\) 2020/518](#) of 8 April and the [Communication from the Commission](#) published on 18 April, the Member States have developed a [toolbox](#) for the development of tracing and early warning applications to support the fight against Covid-19. The aim is to coordinate the development of these applications so that they meet all the requirements of EU rules, be it efficiency, security or data and privacy protection. The Member States work together within the eHealth Network, share their experience and evaluate the existing or emerging applications.

In connection with the coronavirus pandemic, the European Commission has started to [fight against disinformation](#). It has published several recommendations on its website on how to identify misinformation and which sources can be considered relevant, and provides examples of the most common myths, such as the connection of 5G networks and the spread of coronavirus. As this is a problem across the Internet, the European Commission is also working with digital platform operators to combat it.

On 3 April, the European Commission published the [results of a questionnaire](#) on the national high-speed connection plans and the achievement of targets in this area by 2020 and 2025. In total, 27 of the 28 Member States replied. The European Commission will use the findings during the planning of the next Multiannual Financial Framework, in particular to support the deployment of high-speed connectivity from the Connecting Europe Facility (CEF2).

In 2020, the European Commission will release up to EUR 31.4 million within the CEF2 programme. During February and March, it opened [7 calls](#) for proposals of grant-eligible projects. Until 12 May (Edit: after this monitoring report was published the deadline was extended until 25 June), it was possible to submit proposals for calls in the following areas:

- Automated translation
- Blockchain
- eDelivery
- European Platform for Digital Skills and Jobs
- Europeana
- Safer Internet
- eIdentification & eSignature

## Cybersecurity

On 15 April, the EU Agency for Cybersecurity (ENISA) published a [tool](#) for mapping the interdependence between basic service providers and digital service providers, using indicators according to various international security standards. The creation of this tool follows on from Article 3 of the [NIS Directive](#) and aims to clearly describe this interdependence and to offer an easier assessment of the risks of its impacts.

## BEREC

BEREC now regularly publishes a report on the state of networks in EU countries. Recent reports show that in most countries the situation is stabilising and the pressure on network capacity is declining. All reports are available on the [BEREC website](#).