



Czech Telecommunication Office

July 2019

Telegraphically on communications

Czech Post in need of further savings and streamlining

In the upcoming six years, the Czech Post plans to reduce the number of jobs by 7,000 from the existing 30,000. The purpose is to streamline the processes. The changes fall also upon post offices; 600 self-service contact places are planned to be set up, giving the customers option to deal with their postal and financial inquiries without being physically attended by personnel.

Sentence for theft of T-Mobile customers' data

A suspended sentence and a fine of CZK 108,000 and 189,000 were imposed by court on two former T-Mobile employees for theft of data of its customers. Both men gained over CZK 1 million for selling out the data. The Office for Personal Data Protection has previously fined T-Mobile with a penalty of CZK 3.6 million for insufficient data protection.

Skylink partially blocked rewinding of broadcast

The satellite operator Skylink blocked on its Internet platform rewinding of TV shows on Nova group channels. It allows rewinding the broadcast backwards, however, when rewinding forward the viewer can return only to the last watched point. Therefore, the subscribers lose the option to skip advertisements.

CTU initiated a public consultation on conditions of the auction of frequencies for 5G networks

On 26 June CTU initiated [public consultation](#) on draft conditions of a tender for granting of rights to use radio frequencies to provide electronic communications networks in the 700 MHz and 3400–3600 MHz frequency bands. The 60 pages long document is available for public consultation for 30 days according to the Electronic Communications Act. The document will be discussed with the Office for the Protection of Competition and the European Commission after settlement of comments. The tender is planned to be announced in autumn.

The electronic auction should be held in January 2020 so that the block allocations of radio frequencies were granted by April 2020 and the operators could start using the auctioned frequency blocks for provision of networks from mid-2020, when frequencies in 700 MHz band will be released from television broadcasting DVB-T.

Conditions of the auction follow the previously published [principles](#), which were repeatedly presented during last year for comments in order to ensure maximum transparency of the preparation of the tender. In order to fulfil one of the main goals of the auction, which is increased competition on the

electronic communications market, a block allocation of 2x10 MHz is reserved to new operators in the 700 MHz frequency band. In case of a low interest of the incumbent operators, the new operators will have the option to compete for additional 5 MHz. Only if none of the new applicants shows interest in this auction block in the first auction round, it will be offered to all auction participants. At the same time, CTU will determine a higher spectral limit in the 3.5 GHz band for new operators than is determined for the incumbent operators.

Any of the incumbent operators who will participate in the auction of the 700 MHz frequency band, will bear the commitment to provide national roaming. This commitment will be valid for 6 years and will allow the potential new operator, under further conditions, to offer their services via competitor's networks. One of the conditions for national roaming is that the new operator has to provide a coverage of at least 20 % of the population of the Czech Republic with own network.

At the same time, CTU confirmed validity of the commitment to provide a wholesale offer also for frequencies within the 700 MHz band in order to promote competition.

Conditions of the auction further determine development criteria ensuring, that the frequencies will be used effectively. As a priority the operators will have to provide coverage to municipalities without available high-speed Internet which are marked as white spots. Within 3 years from granting of the block allocation they will have to provide coverage of 95 % of the population of these municipalities. By January 2025 100 % of trunk segments of railway and motorway corridors must be covered and also 95 % of the territory of municipalities with population over 50,000, and subsequently within 10 years the operators have to ensure coverage of 99 % of the population and 90 % of the territory of each district of the Czech Republic.

Only companies who are mutually economically independent on each other can participate in the auction. This condition must be fulfilled by block allocation holders for the entire validity of the block allocation, i.e. until mid-2036 for 700 MHz band, or until mid-2032 for 3.5 GHz band.

The minimum price for each auction block was set based on the analysis of attained prices in relevant European countries. In total the revenue of all auction block should not be lower than CZK 6.3 bn.

Electronic Data Collection: New form published in EDC system

At the beginning of July, CTU published a mid-term form ART191 – Services provided in electronic communications (*ART191 – Služby poskytované v elektronických komunikacích*), which is available for undertakings in electronic communications in the [Electronic Data Collection system](#) (EDC). This form helps CTU to collect inter alia data for analysis of relevant markets, international reporting and state statistical service. Template of this form can be found at CTU's [website](#). It can be filled out and submitted only via EDC in Internet browser. Deadline for completion and submission is by 31 August 2019.

Amendments to contractual terms and conditions

Vodafone

Vodafone published new [Price list](#) of tariffs and services effective from 1 July 2019. It significantly changed its offer of tariffs both for private use and for entrepreneurs. The “Unlimited with Fixed Internet” (*Neomezený s pevným internet*) tariff without limited mobile data in the Czech Republic can

be activated only for 2 to 6 SIM cards provided the customer has simultaneously activated fixed Internet with the provider. The highest advertised speed of mobile connection is 5 Mbit/s. To use data abroad in the Zone 1, a data limit, in the extent of number of activated SIM cards, is applied.

Regulation

Mobile service market

On 14 July, CTU published its framework position on comments received in public consultation on preliminary analysis of wholesale mobile service market. The framework position is based on assessment of the received comments, which will be used to finalize the analysis proposal.

Following working meetings in May and June 2019 with representatives of the European Commission and after approval of the Council of CTU, CTU sent a proposal of the Three criteria test for mobile services market as formal notification to the Commission. The deadline to receive an opinion from the Commission is 22 July; CTU will take further actions based on the received opinion.

Checked by CTU in June ...

... adherence to terms and conditions of General Authorisation No. VO-R/ 12/09.2010-12 for using radio frequencies and operating broadband data transmission devices in the 2.4 GHz–66 GHz bands.

CTU ascertained deficiencies by 24 of the 30 inspections conducted, mainly in the use of indoor frequencies outside a building. CTU requested remedy of the deficiencies and subsequently initiated administrative procedure.

... use of radio frequencies without an authorisation.

CTU conducted eight inspections focusing on the use of frequencies without an authorisation. In seven cases CTU discovered the use of frequencies without or after the expiration of individual authorisation. Administrative proceedings have been initiated.

... observance of terms and conditions of an individual authorisation to use radio frequencies.

CTU undertook two inspections of observance of terms and conditions of an individual authorisation to use radio frequencies and did not find any faults.

... sources of interference of the electronic communications equipment and networks traffic, the provision of electronic communications services or the operation of radio communications services.

CTU completed 115 investigations in June, 68 cases of which concerned interference of television signal reception (13 of these cases involving interference of DVB-T2 reception), 19 cases of interference of GSM, UMTS and LTE public mobile communications networks, 12 cases of interference of radio and satellite reception, two cases of interference of amateur service device, and seven cases of interference of short-range devices. In three cases the source of interference of public mobile networks was mostly caused by an active TV signal reception component. In two cases the source of interference of DVB-T was found to be BTS LTE in the 800 MHz band (see next section). Inspection of 13 complaints on bad reception of DVB-T2 unveiled in 11 cases defect on viewers device, in one case an influence of distant reception. In the last case no interference was found.

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

263 base stations were in pilot operation and 16,398 stations were in permanent operation as of 30 June 2019. CTU received 73 reports of interference in June and completed the investigation of 68 cases of DVB-T interference; BTS LTE in the 800 MHz band was identified as the source of DVB-T interference

in two cases, meaning 2.9 % closed cases of interference of television reception. In 50 cases the faults to the reception were caused by TV equipment of the viewers, in 11 cases no interference was found.

... cooperation between CTU and Czech Trade Inspection Authority (Česká obchodní inspekce).

A joint inspection by CTU and Czech Trade Inspection Authority at the market Hatě in Chvalkovice (aimed at sale and distribution of radio equipment transmitters) found sale of radio operated models operating in 13 MHz–40MHz band with two dealers. Violation of a condition following the general authorisation No. VO-R/15/08.2005-27 was found for all seven inspected models.

... postal services

In June, CTU issued two new certifications on notice of business in postal services. New authorized providers of postal services are “poslu.to s.r.o.” and “Liechtensteinische Post Aktiengesellschaft”.

Radio spectrum management

DVB-T Broadcasting

On 27 June broadcasting of program TV Noe HD was initiated in regional network 8, covering most of the large cities in the Czech Republic and their surroundings (map of coverage available at <https://digi.ctu.cz/dtv/>). Broadcasting will be spread via all transmitters of this network.

Net Neutrality: Lack of information on quality

In June, CTU published on its website [Report on Results of Monitoring of Compliance with Regulation \(EU\) 2015/2120 of the European Parliament and the Council of 25 November 2015, Laying Down Measures Concerning Open Internet Access, carried out between 1 May 2018 and 30 April 2019](#).

Over the reference period, CTU continued with intensive inspections of contractual terms and conditions of providers of Internet access service. The most serious deficiency, ascertained by CTU in terms of its impact on end-users, was lack of transparent information on quality of the provided Internet access service, whether in form of incomprehensible identification of its parameters or unclear definitions of terms.

Providers of electronic communications services also failed to comply with end-users right to use any terminal equipment for Internet access guaranteed by the Regulation. Possible restriction must be justified only by technical parameters of such equipment. Any other justification is considered a restriction of end-user's rights.

CTU recommend the end-users to pay attention to application of remedies in case their service does not reach the agreed potential and to file a complaint with their provider. For more information on other practices available to users, please, read the full [report](#).

Telecommunication regulation in the EU

EU legislation

On 12 June, the [Commission Decision](#) of 11 June 2019 setting up the Radio Spectrum Policy Group and repealing Decision 2002/622/EC was published in the Official Journal of the EU. The Decision was issued by the Commission according to new Union's regulatory framework for electronic communications from December 2018, conferring new tasks on the Group.

[Directive \(EU\) 2019/1024](#) of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information was published on 26 June. The Directive enters into force

20th day after publication in the Official Journal of the EU. Deadline for implementation of this Directive is by 17 July 2021.

The Presidency of the Council of the EU

On 1 July [Finland](#) took presidency of the Council of the EU and published its six-month [program](#). Motto of the Finnish presidency is “Sustainable Europe – Sustainable Future”. The main priorities of Finnish presidency are:

- To strengthen common values, the rule of law and to fight corruption;
- To make the EU more competitive and socially inclusive, to improve digitalisation and the functioning of the single market;
- To strengthen the EU’s position as a global leader in climate action;
- To protect the security of citizens comprehensively, further enhance EU-NATO cooperation and the cybersecurity.

European Commission

On 14 June the European Commission and the European External Action Service jointly published a [Report](#) on the implementation of the Action Plan Against Disinformation and on the most important experience gained from the European Parliament elections.

Up until now, the EU measures focused mainly on:

- Identification and counter disinformation, via the Strategic Communication Task Forces;
- Cooperation with online platforms to increase transparency of political communications and prevention of the manipulative use of their services;
- Promotion of media literacy and increase of more fact-based messages;
- Support of Member States’ efforts to secure the integrity of elections and strengthening the resilience of the Union’s democratic systems.

On 4 July, the European Commission published a total of [6 calls](#) for proposals funding projects within the 2019 CEF Telecom Work Programme. Proposals can be submitted for calls in the area of:

- Cybersecurity;
- eHealth;
- eProcurement;
- European e-Justice;
- European Platform for Digital Skills and Employment;
- Public Open Data.

BEREC

On 19 June was initiated a [public consultation](#) on the draft BEREC Guidelines on the minimum criteria for a reference offer. The public consultation will run from 19 of June to 19 July 2019.

Cybersecurity

On 27 June, the [European Cybersecurity Act](#) entered into force, setting the new mandate of ENISA, the EU Agency for Cybersecurity. The European framework establishes rules for EU-wide cybersecurity certification. ENISA, upon request from the Commission or the European Cybersecurity Certification Group (composed by Member States), will prepare the certification schemes that will then be adopted by the Commission through implementing acts.

Roaming

On 1 July the new [regional roaming agreement](#) between West Balkan states entered into force. Based on this agreement, citizens and businesses in Albania, Bosnia and Herzegovina, Kosovo, Montenegro, and Serbia will pay less while using their mobile phones when they are roaming within the region.