



Czech Telecommunication Office

December 2019

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## Telegraphically on communications

### CTU will make the 60 GHz frequency band available

The CTU Council decided to issue a part of the radio spectrum utilisation plan No. PV-P/3 for the 52.6–59 GHz frequency band and No. PV-P/23 for the 59–106 GHz frequency band and, at the same time, decided to issue General Authorisation No. VO-R/12/12.2019-10. This will allow, from mid-January, to use the 60 GHz frequency band also for outdoor installations. To prevent mutual interference, a registration portal will be launched to record connections in this frequency band.

### The list of relevant markets was expanded

The CTU Council decided to issue a Measure of General Nature No. OOP1/12.2019-11, adding a new wholesale market for access to mobile services to the list of relevant markets for ex-ante regulation in electronic communications.

### End of misinformation about 5G networks harmful effects

CTU actively helps combating false information about the alleged harmfulness of the 5<sup>th</sup> generation networks. CTU created an e-mail address ([5Ghoax@ctu.cz](mailto:5Ghoax@ctu.cz)) for public to send examples of chain e-mails on this topic which will be published and debunked.

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## Czech Post increases prices and introduces a two-speed delivery service

**Starting from January 2020, Czech Post (Česká pošta) will raise certain basic postal services prices. The price for domestic registered letters in all weight categories and all domestic insured letters will rise by CZK 3.00. Money orders, including C.O.D., will be also more expensive. The price for money orders D with faster payment and remitted amount up to CZK 1,000 will increase by CZK 14.00; the price of all other money orders will increase by CZK 3.00.**

Starting from 1 February, Czech Post will introduce a “two-speed” delivery of letters. Senders will be able to choose whether the letter should be delivered the next business day after posting – this will cost CZK 7.00 more than the current service, or whether it will be delivered in “economy” mode D+N at the current price.

For example, a standard letter weighing up to 50 g with CZK 26.00 stamp or with an “A” stamp and visibly marked “D+1” will be delivered in priority mode the next business day, whereas letters with a “B” stamp or with a stamp for the current price of CZK 19.00 will be delivered in economy mode (typically within the second business day of posting).

## An amendment will reduce contractual penalties and make it easier to change an operator...

**Act No. 311/2019 Coll. which amends Act No. 127/2005 Coll., on electronic communications and on amendment of certain related acts (the Electronic Communications Act), was published on 28 November in Part 133 of the Collection of Laws. The legislative changes introduced by the aforesaid Act can be divided into several areas.**

First of all, the rights and obligations ensuring telephone number portability pursuant to Section 34 of the Electronic Communications Act are regulated. The existing option, i.e. a service provider can charge a subscriber for telephone number porting, is cancelled (Section 55(3) in conjunction with Section 57(4) of the Electronic Communications Act); telephone number porting is now free of charge for the subscriber directly under the law.

In addition, the so-called one stop shop is introduced. It is essentially a possibility for a subscriber to turn directly to a new (so-called receiving) provider, who will handle everything needed, including the necessary and often complicated paperwork and communication with the existing (so-called abandoned) electronic communications service provider.

In this context, the deadline for contract termination when switching between service providers is reduced from the original 10 days to 2 or 3 business days.

Furthermore, a so-called subscriber's verification code for telephone number porting was introduced directly into the act. This code is now a mandatory part of a contract for provision of electronic communications services (Section 63(1)(o) of the Electronic Communications Act). Therefore, the subscriber will know this code immediately after the contract is concluded and will not have to ask for it or have to obtain it in a complicated way when they want to port their number to a new service provider.

As the subscriber verification code for telephone number porting has not yet been a mandatory part of the basic contractual arrangements, electronic communications services providers have to add it to the contracts concluded with their customers until 1 April 2020. This addition shall be made in a standard manner as in other cases where a unilateral amendment is made to a concluded contract. The operator is therefore obliged to inform its customers about the change.

It should be noted, however, that if a unilateral contract change has been triggered by a legislative change, as it is in this case, the subscriber does not have the right to terminate the contract without penalty (Section 63(6) of the Electronic Communications Act).

To correctly set the technical and organizational conditions for the implementation of the telephone numbers portability, CTU shall modify the existing implementing regulation accordingly (OOP/10/10.2012-12).

Using the right to port a telephone number is also related to addition of a new subsection 9 to Section 34 of the Electronic Communications Act. The abandoned service provider has to newly refund, at the request of the consumer using a prepaid service, the remaining balance of the subscription (credit). The refund may be subject to a fee, but only if it is specified in the contract for provision of electronic communications services. The fee must correspond to the actual costs demonstrably incurred by the abandoned service provider in returning the balance.

Another significant change introduced by the Act is another decrease in the amount of payment (contractual penalty) in case of the fixed-term contract early termination. According to the new wording of Section 63(1)(p) of the Electronic Communications Act, such payment may only be required of the consumer if the contract expires within three months of its conclusion and shall not exceed one twentieth of the monthly fixed fees sum remaining until the end of the agreed contract term or one twentieth of the minimum agreed monthly payments remaining until the end of the agreed contract term. The amount to be paid, shall be calculated from the amount paid during the term of the contract, and if a discount is provided on the list price, the amount cannot be determined from the list price.

It is worth to mention, that in addition to this payment, the provider may require reimbursement of costs related to the terminal telecommunications device provided to the subscriber under discounted terms or, as the case may be, reimbursement of the costs of building an access point where such reimbursements constitute a separate legal claim. This, however, is the current situation where nothing has changed now.

The new rules will also apply to subscriber contracts concluded before the effective date of the amendment, i.e., before 1 April 2020.

Another change to the benefit of customers is addition of a new provision, Section 66a, to the Electronic Communications Act. This provision requires CTU to publish, in a manner allowing remote access, a free independent comparison tool that allows comparisons and assessments of different publicly available electronic communications services in terms of price and quality. Businesses providing publicly available electronic communications services are obliged to submit the necessary information to this comparison tool. The scope, form and mode of submission of the information shall be determined by CTU in an implementing regulation (Decree). CTU is obliged to provide the comparison tool by 1 January 2021.

Another change introduced by the amending Act is modification of penalties (Section 118 of the Electronic Communications Act) for breach of the above obligations and also introduction of new penalties for breaches of the obligations laid down in Regulation (EU) 2015/2120.

Act No. 311/2019 Coll. as a whole (except for a few provisions) shall take effect on 1 April 2020.

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## Market analyses: Wholesale market for access to mobile services

On 14 November 2019, CTU closed public consultation on the proposal of a new version of the Measure of General Nature laying down relevant markets in the electronic communications sector, including evaluation criteria for significant market power. Subsequently, a table showing comments settlement was published at the [website](#). On 22 November, CTU sent the Measure of General Nature to the Office for the Protection of Competition (ÚOHS). In a letter from 16 December, the Chairman of ÚOHS acknowledged the conclusions leading to the establishment of a new relevant market. At the same time, he pointed out the need to take into account the results of the expected frequency auction, the time relevance of the data documenting the market situation, including the development of offers on the market in question. CTU will take the ÚOHS statement into account in the subsequent analysis of the newly defined relevant market. It was established as relevant market No. 5 by CTU Council's decision on 18 December to issue the Measure of General Nature No. OOP/1/12.2019-11.

## Checked by CTU in November...

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

Out of 19 inspections performed, CTU discovered 13 defects. This included in particular use of indoor frequencies outside a building. CTU requested remedy of the deficiencies and subsequently initiated administrative proceedings.

...use of radio frequencies without authorization.

CTU carried out 13 inspections focusing on the use of frequencies without authorization. In seven cases, CTU discovered operation on frequencies without or after expiration of individual authorization. Administrative proceedings have been initiated.

...adherence to terms and conditions of an individual authorization to use frequencies.

CTU carried out one inspection focusing on the adherence to terms and conditions of an individual authorization to use frequencies. The inspection revealed non-compliance with parameters of the individual authorization.

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

In November, CTU completed 89 investigations, of which 59 cases involved interference with television signal (out of which 13 cases involved interference with DVB-T2), 12 cases involved interference with UMTS and LTE public mobile communication networks, three cases involved interference with broadcasting and satellite signal reception, one case involved interference with the base station of the integrated rescue system, three cases involved interference with amateur service devices, and five cases involved interference with short-range devices. There were four cases of interference with public mobile communication networks where the source of interference was an active element of television signal reception. In one case, BTS LTE in the 800 MHz frequency band (see the next section) was identified as the source of interference with terrestrial television broadcasting (DVB-T and DVB-T2). The investigation of 13 complaints on bad reception of DVB-T2 revealed in 10 cases a defect on the viewer's equipment.

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

As of 30 November 2019, 193 LTE base stations were in pilot operation and 16,598 LTE base stations were in permanent operation. In November, CTU received 51 reports of interference and completed investigation of 59 cases of interference with television signal; BTS LTE in the 800 MHz frequency band was identified as the source of interference with the signal of terrestrial digital television broadcasting (DVB-T and DVB-T2) in one case which represents 2% closed cases of interference with television signal reception. In 41 cases, CTU discovered defects of the viewers' reception equipment. In five cases the cause of the reception failure was a problem with electromagnetic compatibility of the equipment subject to interference.

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

A joint inspection of a consumer supplies vendor in Znojmo, which focused on the sale and distribution of radio transmission devices according to VO-R/10/01.2019-1 (wireless doorbell), did not reveal any defects. An inspection of compliance of an electronics vendor in Ostrava with VO-R/10/01.2019-1 produced the same result.

## Universal service

### Public payphones

On 26 November, CTU launched a review of the reasons serving as a basis for imposition of the obligation to provide within the universal service a sub-service - services of public payphones or other similar technical means of accessing a publicly available telephone service pursuant to Section 38(2)(e) of the Electronic Communications Act.

### Special prices

On 17 December, the CTU Council agreed to launch a tender for provider of special prices under universal service. The purpose is to select providers who will be able to ensure access for selected groups of disabled citizens allowing them to use publicly available telephone service at discounted prices.

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## Radio Spectrum Management

**Due to transition from terrestrial digital television broadcasting to DVB-T2 standard, the following network 1 (network provider Česká televize) frequency channels in DVB-T standard were turned off on 27 November at 23:59:**

- Channel 29, MUX1: Příbram – Březnové hory; Příbram – Praha hill,
- Channel 32, MUX1: Jince,
- Channel 53, MUX1: Praha-Žižkov; Praha-Cukrák; Beroun; Chocerady.

The turned off network 1 DVB-T blocks were replaced by DVB-T2 blocks:

- Channel 26, MUX1: Praha-Žižkov; Praha-Cukrák; Beroun,
- Channel 29, MUX1: Jince,
- Channel 33, MUX1: Příbram – Březnové hory,
- Channel 37, MUX1: Chocerady; Příbram – Praha hill

On 26 November, a new T-DAB transmitter Klatovy – Doubrava 2 (MUX RTI) was launched.

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## Telecommunication Regulation in the EU

### Official Journal

On 6 November, a [Commission Notice](#) on the calculation of the cost of capital (WACC) for legacy infrastructure was published. It concerns a methodology in the context of relevant market analyses where WACC is used to apply price regulation on undertakings with significant market power.

### European Parliament

[The new European Commission](#) was elected by roll call vote at the European Parliament plenary session on 27 November with 461 votes in favour, 157 against and 89 abstentions. The newly elected European Commission will have 27 members without a UK representative. The President of the European Commission is Ursula von der Leyen. The five-year term started on 1 December. A list of new Commissioners is available at the [Commission's](#) website.

## European Commission

On 29 November, the European Commission published its first comprehensive [roaming report](#), pointing to an increase in the use of mobile data when traveling within the European Union since the abolition of roaming surcharges in June 2017. The use of roaming mobile data has increased tenfold compared to the year before the Roam-Like-At-Home rule, and peaked in the holiday period. In summer 2018, it was 12 times higher than in the time before the introduction of this regulation. Over the same period, the volume of phone calls was almost three times higher.

## Security of 5G networks

The European Union Agency for Cyber Security (ENISA) has issued a detailed [report](#) mapping the security threats to 5G networks (5G Threat Landscape). The report defines the main benefits of 5G networks, assesses the security threats affecting them, and attempts to identify the motives of threat agents. The report is part of the suite of papers based on the Commission [Recommendation](#) on cybersecurity of 5G networks of March 2019. The next step will be to design a set of measures to prevent these threats and reduce their impact on 5G networks across the EU. The so-called toolbox should be published by the end of this year.

## ITU conference

The ITU World Radiocommunication Conference ([WRC-2019](#)) ended on 22 November. The four-week conference, attended by some 3,400 delegates from 165 member countries, resulted in signing of agreed amendments to the Radio Regulations, which are summarized in the [Final Acts](#). The changes reflect the introduction of advanced types of radio communications on land, sea, air and space. The conference's successes include identification of additional bands for International Mobile Telecommunications (IMT), harmonizing the radio spectrum in global and regional terms for 5G terrestrial systems, which are expected to significantly change high-speed connectivity and machine communications (M2M) deployment in both manufacturing and non-manufacturing sectors, for example for building the so-called smart cities, improving health care and increasing energy efficiency. The use of microwave bands for IMT meant that it was also necessary to find a radio spectrum sharing solution to protect passive scientific services such as satellite surveying and satellite meteorological services. The conference also set out conditions for the development of communication of non-geostationary satellite systems of high-speed Internet access and conditions for the use of frequencies by small short-life satellites (nanosatellites and picosatellites).

## BEREC

On 5 and 6 December, the 41<sup>st</sup> BEREC plenary took place in Malta. The meeting accepted two guidelines pursuant to the European Electronic Communications Code:

- [BoR \(19\) 238](#) BEREC Guidelines on the minimum criteria for a reference offer relating to obligations of transparency
- [BoR \(19\) 259](#) BEREC Guidelines for the notification template pursuant to article 12, paragraph 4 of Directive 2018/1972 of the European Parliament and of the Council

Other final documents that were accepted:

- [BoR \(19\) 234](#) Termination rates at European level
- [BoR \(19\) 235](#) 7th BEREC report on transparency and comparability of international roaming tariffs
- [BoR \(19\) 236](#) BEREC summary report on the outcomes of the internal workshop on the migration from legacy infrastructures to fibre-based networks
- [BoR \(19\) 239](#) Summary report on the internal workshop on ERT/margin squeeze tests applied by NRAs on 11 October 2019
- [BoR \(19\) 240](#) BEREC Report Regulatory Accounting in Practice 2019 (including WACC chapter)

- [BoR \(19\) 241](#) BEREC Summary report on the outcomes of internal workshop on the use of E.164 numbers in cross-border fraud and misuse
- [BoR \(19\) 242](#) Summary Report on the 7th BEREC Stakeholder Forum
- [BoR \(19\) 244](#) BEREC Preliminary report on the harmonised collection of data from both Authorised Undertakings and OTT operators
- [BoR \(19\) 245](#) Report on the impact of 5G on regulation and the role of regulation in enabling the 5G ecosystem
- [BoR \(19\) 246](#) Study on the determinants of investment in VHCN – a System Dynamics approach
- [BoR \(19\) 253](#) BEREC 2020 Work Programme

Two documents were approved for [public consultation](#):

- [BoR \(19\) 255](#) BEREC guidelines on how to assess the effectiveness of public warning systems transmitted by different means
- [BoR \(19\) 260](#) BEREC Report on Member States' best practices to support the defining of adequate broadband internet access service

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## CTU data served for the Map of Transmitters

**This year, the OSF organized the 7<sup>th</sup> annual Opening Data Together (Společně otevíráme data) competition. The jury evaluates applications based on open data. The Data in Everyday Life category was won by the [Map of Transmitters](#) application which uses data sets of the Czech Telecommunication Office.**

The application is a useful tool for general and professional public to estimate the coverage of an area by the signal from a defined transmitter. In addition, the application visualizes the occupation of DVB-T2 television channels by the individual multiplexes in different countries. It is therefore possible to compare in which countries are these channels more or less used. The website also has additional functions, for example to convert channels to specific frequencies or to convert various physical quantities used for radio operation.

The winning application in each category received a prize of CZK 30,000 for further development.

The Opening Data Together (Společně otevíráme data) competition helps to increase pressure from the outside to advance a systemic change in the Czech Republic. It aims to increase the number of citizens, citizens' initiatives, non-profit organizations and businesses actively using the state digital footprint to check proper functioning of the state and development of services for the public.