# Monthly monitoring report No. 5/2012 of the Czech Telecommunication Office May 2012

#### Executive summary

On May 11 the consultation of the draft conditions of the auction of frequencies for mobile networks of the new generation was terminated. The CTU received comments from twenty nine subjects, both from citizens and civic initiatives, MPs, professional associations, mobile operators acting on the Czech market, operators of television broadcasting and other business subjects. The CTU dealt with all comments received and, after it concludes the consultation with the Ministry of Industry and Trade, it will publish it.

In connection with the preparation of implementing legal regulations concerning the Amendment of the Act on Postal services under preparation, the CTU organized in May two workshops, one devoted to the announcement of business activity in the field of postal services and determination of availability of basic services and the second one to the methodology of calculation of net costs of provider of Universal service in the postal sector. (more information can be found in the Article 14).

On May 11 the CTU launched <u>public consultation of draft decision</u> on the imposition of the obligation to provide, within the Universal service, a partial service of the access of handicapped persons to publicly available telephone service, to the information service of telephone numbers and subscriber directories, equal to the access employed by other end users, particularly by means of specially equipped telecommunication end facilities, pursuant to § 38 Para. 2 Letter f) of the Act on Electronic communications. The deadline for submission of comments was determined at one month from publication.

On May 14 the CTU announced the beginning of implementation of the analysis of the relevant market no. 8 – The Access and Origination of Call (Origination) in public mobile telephone networks. It is the intention of the CTU to complete the analysis so that it can be submitted to the European Commission for notification before the end of this year.

On May 23 the CTU organized the working meeting with representatives of professional associations (The Asotiation of operators of mobile networks, ICT Unie o.s., Česká asociace elektronických komunikací o.s.) concerning potential application of provision of § 35 Para. 2 of the Act on Electronic Communications, consequently about the right of the CTU to impose on entrepreneur, providing public communication network or providing publicly available service of electronic communications, the obligation to inform users, free of charge, about the access to specific services, including the price, by means of automatic announcement immediately before provision of such service and before they start to use specific services.

The Government of the Czech Republic, on its session held on May 23, discussed and noted another continuous information of the CTU on current situation in the administration of selected parts of radio spectrum, focused at support of provision of services of high-speed access within the framework of which the CTU also informed the Government about the progress of preparation of promulgation of tender procedure (Auction) for free frequencies in the bands of 800, 1800 and 2600 MHz. On the basis of proposal of the CTU to create the mechanism for the support of deployment of access networks of the new generation (NGA), simultaneously, the Government in its Resolution imposed the task on the Minister of Industry and Trade to prepare, in collaboration with the Chairman of the CTU's

Council, the draft programme supporting projects focused at deployment of these NGA networks and submit it to the Government for discussion before the end of January 2013.

#### 1. Current situation in the market

In May 2012 companies Telefónica and T-Mobile published their operational and financial records for the first quarter of 2012. Total consolidated business yields of the company **Telefónica** in the first quarter of 2012 decreased, on a year on year basis, by 3,2 % to CZK 12,451,000. Business yields in the segment of fixed lines decreased in the first quarter of 2012 on a year on year basis by 6.2 % to CZK 5,292,000 and business yields of mobile segment in the Czech Republic decreased on a year on year basis by 5.0 % to CZK 6,101,000. OIBDA margin, modified for the purposes of estimate, (it does not include the fee for utilization of brand and procedural fees, i.e. CZK 274,000,000 in the first quarter of 2012) reached 40.5 % despite a year on year decrease. Consolidated investments (without the acquisition of parts of enterprises) were smaller by 13.7 % on a year on year basis. Company continued to invest in the increase of capacity and the quality of its 3G networks, including transmission networks. Besides, the company Telefónica continued in further expansion of coverage by 3G networks including so far uncovered regions on the basis of contract with the company T-Mobile. At the end of March 2012, 3G network was available already in 1724 towns in the Czech Republic, what represents almost 74 % of population. Company T-Mobile states that the total revenues for the first three months of the year fell on a year on year basis to almost CZK 6,400,000,000, indicator EBITDA reached approximately CZK 3,100,000,000, EBITDA margin fell to 48.4 %.

In its non-audited consolidated results **the Telefónica** stated that in the first quarter the number of its customers of mobile services increased by 2.3 %, therefore, the total number of its customers at the end of March reached 4,900,000. On the contrary, the company **T-Mobile** informed that on year-on-year comparison the total number of its customers employing mobile services slightly decreased to less than 5,400,000 (year-on-year decrease of 1.7 %). The total average monthly rate of leaving of customers (so-called churn) reached in the first quarter with the company Telefónica 1.87 % and with the company T-Mobile 1.2 %. Both companies coincidentally stated that more and more customers employ flat-rate tariff programmes and that not only mobile data operation increases but both companies noted also increase of voice operation by approximately 8 %. According to the statement of the company T-Mobile, the volume of mobile data transferred almost doubled on a year-on-year basis.

Company **Telefónica** further stated that the number of customers having the services of access to the Internet network by means of the xDSL increased, on a year-on-year basis, by 6.6 % to 883,000, and almost one fifth of them employed high-speed VDSL feeder points. With voice services the total number of fixed lines decreased to 1,556,000 by March 31, 2012. By the end of the first quarter of 2012 the number of customers of the service O2 TELEVISION reached the level of 138,100.

#### Services of fixed networks

In May the company **Telefónica** informed that starting from June 1, 2012 it is not possible to newly activate superstructure packages for local and long-distance calls Volno and Volno Plus to the tariffs O2 Trend and O2 Business, earmarked for corporate customers. For CZK 96/month the superstructure package Volno offers price benefits for local and long-distance calls realised during off-peak periods and the superstructure package Volno Plus offers for CZK 168/month, besides price benefits for local and long-distance calls realised during off-peak periods, extra 60 free minutes for calls during peak periods.

Subscribers, who use services of digital television O2 TELEVISION with the tariff O2 TELEVISION Start with the company Telefónica, will have, until September 30, 2012, programs of NOVA HD, ČT HD and ČT4 HD available within their tariffs.

Within the framework of short-term marketing campaign O2 Internet Bundle, customers of the company Telefónica will be able to use, until June 30, 2012, a special offer. If they newly establish the service of digital television O2 TELEVISION with the tariff O2 Flexi on the same feeder point together with the commitment to employ the services for the period of 12 months and the service O2 Internet connection with the tariff Internet Optimal, they will receive bonuses in the form of price benefit. For the period of 12 months, starting from the day of establishment of the services, they will pay for the utilization of the tariff O2 TELEVISION Flexi (including two compulsory packages) the price of CZK 250 for a billing period, and they will pay for the lease of set-top-box CZK 1 for the period of duration of the commitment. The offer can be used by customers where establishment of services is technically feasible.

Subscribers, who use the services of digital television O2 TELEVISION with the company Telefónica, could buy, within the framework of special offer Voucher 3 for the price of CZK 150, within the period from May 14-31, 2012, by means of television menu in the section Videotéka O2 TELEVISION, sub-section HD/"HD 3 for the price of 2", the voucher, which could have be used for ordering of up to 3 films from category HD. Voucher could be applied by means of choice in the section Videotéka O2 TELEVISION when ordering a film. If a subscriber has ordered a film outside the voucher's mode, he/she paid a standard price for it.

Customers, who, until May 31, 2012, ordered with the company **UPC** on-line service of digital cable television Klasik with packages of programs Sport, Relax or Darwin, received, for the period of four months a discount from monthly price for this service. For the given period they can use the service for the price of CZK 190,- Kč/month instead of standard price of CZK 380/month. The company UPC offered price benefits also to customers who ordered on-line service of digital television Komfort before May 31, 2012. Customers received this service for a special price of CZK 275/month instead of standard price of CZK 550/month for the period of four months. This offer is valid for only such new customers who concluded the contract with the commitment for 12 months.

The company UPC prolongated special offer for new customers, who ordered, before May 31, the telephone service UPC Telefon tariff "Basic". For the period of 12 months new customers thus received monthly flat fee for the amount of CZK 1. Price installation was CZK 0 in case of self-installation and the price of connection was CZK 99.

Until the end of May 2012 the company **Telefónica** prolongated special offer which started on April 1, 2012 concerning the service Internet Optimal for its existing customers (natural and juristic persons). All customers, who did not use the offer in the form of reduced price for the service O2 Internet connection and had no commitment concluded for the utilization of this service, could conclude commitment for the utilization of the service Internet Optimal using toll-free O2 line for the period of 12 months in exchange for reduced monthly price at the amount of CZK 600 for the period of duration of commitment (12 months).

The company Telefónica further prepared the offer for all customers, who, in the period from May 2 until May 9, 2012 or from May 16 until May 17, 2012, newly established the service O2 Internet connection in the brand shop O2 Experience Centre in OC Chodov, Roztylská ul. 2321/19 in Prague. These customers received, in case that they simultaneously established also additional service "Strážce internetu" (Internet watchman) to the newly established service O2 Internet connection, the opportunity to pay for its utilization the price of CZK 1 for accounting period for the period of 12 months from the establishment of this additional service. After expiration of privileged period, customers will pay for the utilization of additional service "Strážce internetu" the price of CZK 58.80 incl. VAT for accounting period.

The company Telefónica prolongated special offer for new customers (natural and juristic persons) until May 31, 2012 in selected brand shops in Beroun, Benešov, Děčín, Havlíčkův Brod, Cheb, Kladno, Kolín, Kutná Hora, Liberec, Litomyšl, Louny, Nymburk, Pelhřimov, Poděbrady, Olomouc, Písek, Plzeň, Přerov, Příbram, Rychnov nad Kněžnou, Sokolov, Svitavy, Ostrava, Teplice, Uherské Hradiště, Ústí nad Orlicí, Zlín, Žatec. In these shops new customers could establish service Internet Optimal with the commitment for 12 months for CZK 400/month or Internet Aktiv with the commitment for 12 months for the price of CZK 500/month. Starting from the 13<sup>th</sup> month standard price will be resumed, i.e. CZK 750/month for the Internet Optimal and CZK 850/month for the Internet Aktiv.

At the beginning of May the company Telefónica introduced special offer for business customers. Customers, who established the service O2 Internet connection with the tariff Internet Optimal with the commitment for 12 months or who bought this service with the tariff Internet Aktiv and the same length of commitment and fixed IP address, had the price of the tariff Internet Optimal for the period of 12 months from the establishment of the service at the amount of CZK 500/month. The price for utilization of the tariff Internet Aktiv was CZK 600/month for the duration of commitment. For the established fixed IP address customer is charged the price at the amount of CZK 1.20/month for the period of 12 months from the establishment of fixed IP address. Starting from the 13<sup>th</sup> month customer is charged standard price at the amount of CZK 118.80 for accounting period. This special offer is valid until the end of June 2012.

During May the company **UPC** ceased to offer to its customers tariffs with the speed of 10 Mbit/s and 25 Mbit/s. On the contrary, it introduced the new tariff with the speed of 30 Mbit/s together with existing tariffs and the speed of 60 Mbit/s and 120 Mbit/s. During May the company UPC offered to all these tariffs, i.e. UPC Fiber Power 30, UPC Fiber Power 60, UPC Fiber Power 120, a special offer. The company UPC offered the service with the speed of 30 Mbit/s for the first four months for CZK 250/month instead of standard price of CZK 499/month without provision of modem. It was possible to have the service with the speed of 60 Mbit/s for the first 4 months for the price of CZK 550/month instead of standard price of CZK 599/month without provision of modem. It was possible to have the service with the speed of 120 Mbit/s for the first 4 months also for CZK 650/month instead of standard price of CZK 799/month without provision of modem. This campaign lasted until May 31 2012.

The company UPC came with a special offer, valid until June 30, 2012, also for corporate customers. If a contract was concluded for 12 months or 24 months it was possible to have the services of Internet Fiber Business 110 for the first 3 months for CZK 1.20/month, then for standard price of CZK 1,199/month. The company UPC also offered the service Fiber Business 60 with the commitment for 12 months for CZK 599/month and with the commitment for 24 months for CZK 503/month instead of standard price of CZK 719/month. The service Fiber Business 80 was also offered with the commitment for 12 months for CZK 839/month and with the commitment for 24 months for CZK 719/month instead of standard price of CZK 959/month.

#### Services of mobile networks

Mobile operator **Vodafone** informed about the new roaming offer "Roaming for a day" for its customers who use "Tariffy na míru". In 41 European countries customers can use free units from their home tariffs. Within the framework of roaming services customers can use free minutues, SMS and volume of data services for one-time price of CZK 99 for a day. Roaming for a day can be activated from May 28, 2012.

The price of CZK 99 for a day is not charged until the services are really used, specifically when call starts, call is received, data operation starts or SMS is sent. Therefore reception of SMS message does not activate the service and is free of charge. Offer is not valid for 24 hours but always until the next midnight only. Incoming calls are free of charge. After free units from home tariff are exhausted, customers will have same prices as with the

basic "Tariff na míru", therefore CZK 6.50/min and CZK 1.50/SMS. Service can be activated before departure abroad or from abroad free of charge by means of mobile self-service or the line of Care for customers abroad.

Mobile operator **Telefónica** offers packages of free minutes and SMS messages to its tariffs for privileged prices. The packages are offered from May 2, 2012 and can be already activated. In the meantime, they are offered until December 31, 2012. If a subscriber, simultaneously with request for establishment of package, gives the operator consent with utilization of his/her email address for marketing purposes, he/she receives package discount of 50% for the period of two years.

Packages of free minutes are provided starting from 20 free minutes up to 900 free minutes. Package of 20 minutes can thus be obtained for CZK 80 what represents CZK 4/minute. If email address is provided simultaneously using 50 % discount, free minutes can be obtained for CZK 2. With the increasing volume of free minutes in the package the price per minute decreases. For example, the operator offers 150 minutes for CZK 400 what means CZK 2.70 per minute, if 50 % discount is employed it is CZK 1.35/minute.

Packages of free minutes and SMS packages can be chosen in any NEON tariff, including the variant Basic or the tariff O2 [:kůl:] with the commitment for the period of 2 or 3 years.

In the month of May the company **MobilKom** provided special offer to the service "Připojuji se k internetu často" (I often connect to the Internet). It is a mobile access to the Internet for a flat fee price. The special price is CZK 290 as compared to the standard price of CZK 390.

Starting from May 28, 2012 the company MobilKom newly offers the tariff "Volání za korunu" (Calling for one Crown) included in the new price list. Within the framework of this tariff customers can call in the network U:fon, outside own network in fixed and mobile networks for monthly price of CZK 200 and CZK 1/minute and further they can dispose of 100 minutes of calls to all networks in the Czech Republic and calls to selected countries within the framework of fixed networks. With the tariff "Volání za korunu" the first minute is charged regardless of duration of call and thereafter every 30 seconds are charged.

#### New technologies and services

The company XPAL Power from California introduced in the market the mobile telephone SpareOne, which is ready for use with original battery for the period of 15 years. Its functionality is limited to making calls only. Other functions, normal with other mobiles, are not available here, even sending SMS, or data services are not available. Power supply of the telephone is realised by one battery Energizer Ultimate Lithium. The telephone is intended, in particular, to serve as a reserve for unpredictable power cuts of electric current, for expeditions in extreme conditions or as a part of equipment of rescue packages for crisis situations. The telephone can be purchased on the Czech market for approximately CZK 1,400.

During tests of technology LTE Advanced, Swedish mobile operators Tele2 and Telenor reached the speed of 290 Mbit/s in transmission of data. The result was attained in the network Net4Mobility, what is the name of joint venture of both companies, established for the purposes of sharing their infrastructures. The technology itself was supplied by Huawei. LTE Advanced – 4G technology, using the principle of Carrier Aggregation for clustering of frequency bands, was tested for the network Net4Mobility in the band of 2,600 MHz. In the next version of LTE Advanced it can be expected that the speed of up to 1 Gbit/s will be attained. However, commercial deployment of the technology of LTE Advanced depends particularly on technological maturity of instrumentation of supplies and demand of users for these high-speed services.

# The Theme of the month – Information concerning complaints of subscribes and/or users of services of electronic communications during the First Quarter of 2012

Within the framework of its competency the CTU deals with complaints and questions of subscribers, and/or users of services of electronic communications, the nature of which is obvious from the Table no. 2.

The CTU monitors, registers and evaluates complaints of subscribers, and/or users of services of electronic communications since 2007, and in the middle of 2007 more detailed division of registration of these complaints was introduced focused on monitoring of complaints concerning provision of partial services within the framework of the Universal service, which were imposed on entrepreneurs by the CTU as the obligation.

Another change in division of complaints occurred from January 1, 2012 in connection with endorsement of the Act no. 468/2011 Coll., amending the Act no. 127/2005 Coll., on Electronic Communications and some other Acts (inter alia the Act no. 634/1992 Coll., on the Protection of Consumer), and by which the CTU, within the meaning of provisions of § 23 Para. 15 of the Act no. 634/1992 Coll., on the Protection of Consumer, was entrusted with the supervision over protection of consumer in the field of services of electronic communications, specifically for the inspection of observance of honesty of services provided, resolution of unfair commercial practices, aggressive commercial practices, observance of prohibition of discrimination of consumer, inspection of observance of information and other obligations in provision of services of electronic communications. On the basis of the said delegation also questions of consumers were included in the sursvey of complaints.

Complaints can be divided in groups according to several aspects. The first one is method of settlement according to which complaints can be placed in the following three categories :

- Complaint is resolved by the CTU within the framework of its competencies stipulated by the Act no. 127/2005 Coll., on Electronic Communications and the Act no. 634/1992 Coll., on the Protection of Consumer. The CTU informs complaining subscriber/user how he/she should procede pursuant to the Act on Electronic Communications towards provider of services (for example about the right to apply warranty claim with provider of services), or that the complaint serves as a stimuli for further investigation pursuant to the Act on Electronic Communications or the Act on the Protection of Consumer, and/or it serves as a stimuli for the performance of State control or promulgation of call, pursuant to § 114 of the Act on Electronic Communications, demanding removal of insufficiencies discovered.
- CTU cannot resolve a given complaint, is incompetent to decide in a given case within the framework of its competencies. In this case it informs a complainant which authority is competent to resolve relevant complaint, and/or it it informs a complainant that it delegates the complaint to competent body (for example, cases of misleading advertisement, unsolicited communication, non-ethic acquisition of customers, protection of personal data etc.).
- CTU finds complaint unfounded, because no violation of obligations, stipulated by the Act on Electronic Communications, the Act on Protection of Consumer, implementing regulations to these Acts, and/or decisions of the CTU, took place, and informs a complainant about it.

During the First Quarter of 2012 the CTU registered altogether 575 complaints of subscribers/users. Out of these complaints 375 were resolved by the CTU with the help of procedure stipulated by the Act on Electronic Communications (i.e. 65.2 % of the total number), 45 complaints the CTU was incompetent to resolve and these complaints were delegated to the competent authority (i.e. 7.8 % of the total number) and 155 complaints were unfounded (i.e. 27 % of the total number).

As compared with the total number of complaints for the Fourth Quarter of 2011 it can be stated that in the First Quarter of 2012 the number of complaints increased by 42 complaints (i.e. by 7.3 %). If we compare the First Quarter of 2011 with the First Quarter of 2012 we must state that the total number of complaints increased by 172 complaints (i.e. by 29.9 %). This increase of the number of complaints can be credited to the account of already mentioned extension of the agenda monitored with the consumer issues, on the one hand, and continuously increasing trend of the number of complaints, in particular on the services of electronic communications, on the other hand. With the exception of complaints concerning disagreement with charging of price of services provided, which, as a rule, are represented mostly, the number of complaints increased also as far as the quality of services of electronic communications is concerned. In this sense, subscribers/consumers complained mostly on insufficient coverage by the signal of mobile networks, determination of the so-called "FUP" limit of transferred data and the speed of connection to the Internet network. Also the number of complaints increased concerning the process of conclusion of subscriber contracts, where particularly subscribers employing remote communication means for negotiations with the provider of services, are not fully aware of all consequencies of acts they perform using this form.

Another aspect concerning distribution of complaints in groups is material contents of complaints. According to the subject of complaints, most of them concern charging of price for services. In the First Quarter there were 209 complaints, what made 36.3 % from the total number. These cases are decided in the administrative proceedings pursuant to § 129 of the Act on Electronic Communications (subscriber disputes). In comparison with the Fourth Quarter 2011 the total number of complaints on services of electronic communications increased lin the First Quarter of 2012 by 9 complaints (i.e. by 4.3 %).

Another circuit of complaints involved television broadcasting. In the First Quarter of 2012 the number of complaints concerning reception of television signal decreased by 37 complaints as compared to the Fourth Quarter of 2011, when 46 complaints were filed (i.e. decrease by 80.4 %). It can be concluded that such a significant decrease of the number of complaints took place in connection with the announcement of operator of television transmitters about envisaged measures which should improve the quality of reception of television signal, particularly as far as the region of Železná Ruda is concerned, because major part of complaints for the previous period came from this very region. Concerning reception of television broadcasting the CTU in the First Quarter of 2012 resolved rather questions of subscribers and not their complaints (see the Table no. 2).

As far as the issues of portability of telephone number are concerned, the period monitored witnessed decrease of the number of complaints addressed to the service of number portation in mobile network, and namely to 19 complaints (i.e. decrease by 9.5 %) against the Fourth Quarter of 2011 when 21 complaints were filed. Development of the number of complaints concerning portability of telephone number demonstrates certain decrease, both as far as the number of complaints proper is concerned, and as far as the number of numbers ported is concerned. This trend was also confirmed by ongoing State inspection with providers of services of electronic communications concerning portability of telephone numbers.

In the newly monitored consumer agenda the CTU immediately registered the number of complaints, particularly concerning misleading and unfair commercial practices of providers of services of electronic communications. Consumers mostly complaint on incomplete and/or misleading information concerning prices and conditions of special (and/or retention) offers. This Monthly monitoring report is devoted in more detail to the issues of protection of consumer in its Chapter 8 – Consumer issues.

The number of complaints on services provided within the framework of the Universal service is minimum on a long-term basis, during the First Quarter of 2012 the CTU did not register, similarly to the preceding quarter, no complaint on services provided within the framework of the Universal service.

The last viewpoint, according to which complaints are distributed, is the division according to provider of services, against activity of which the complaint is applied. The survey of the number of complaints against activities of selected providers of services can be found in the Table no. 1, where only complaints against activities of biggest providers of services of electronic communications are registered, considering their prevailing share both in the number of subscribers/users of services, and the number of complaints.

Table no. 1

	Company	The number of complaints	The number of complaints compared to the number of subscribers/users of company involved <sup>1)</sup> (%)	The number of complaints compared to the total number of complaints (%)
1.	LIVE TELECOM	10	0,363	1,7
2.	MobilKom	18	0,147	3,1
3.	Vodafone CZ	97	0,015	16,9
4.	T-Mobile CZ	172	0,016	29,9
5.	Telefónica CZ	222	0,017	38,6
6.	UPC CZ	39	0,034	6,8

<sup>1)</sup> The number of all subscribers/users on December 31, 2011.

Development of the number of complaints as compared to the number of subscribers/customers of individual companies is more or less stable.

Because of steadily increasing number of complaints the CTU began to register in the First Quarter of 2012 also the number of queries concerning individual circuits monitored. These queries are thematically divided in similar way as complaints (see the Table no. 2). For the First Quarter of 2012 altogether 1097 queries were registered, what is by 522 queries more than the complaints received during the same period. Besides queries aimed at the issues of conditions for doing business in electronic communications and promulgation of certifications pursuant to the provisions of § 26 of the Act on Electronic Communications, majority of those queries contained consumer questions. Most often these questions related to provision of services of electronic communications, and like with complaints they represented in the greatest number queries concerning charging of price of services provided and conclusion of subscriber contracts. Consumers also raised questions dealing with

conditions of number portability and reception of television signal. From the point of view of the Act for Protection of Consumer, these queries dealt with, for example, the possibility to give notice of subscriber contract, misleading presentation of prices (with and without VAT) or already mentioned commercial and/or retention offers.

Development of total number of complaints for the First Quarter of 2012 is given in the Table no. 2 and illustrated in the graph no. 1. Development of number of complaints for the First Quarter of 2012, concerning the services of electronic communications on a year-on-year comparison, from the period of the First Quarter of 2011 to the First Quarter of 2012, is given in the graph no. 2. The number of complaints compared to identical periods of previous years is given in the graph no. 3. The graph no. 4 gives illustration of the number of complaints compared to the number of subscribers of relevant companies (in ‰) from the First Quarter of 2011 to the First Quarter of 2012.

#### Table no. 2

Český telekomunikační úřad

#### Stížnosti a dotazy účastníků / uživatelů<sup>1)</sup> za I. čtvrtletí 2012

Г			Stížnosti				_ ^	
1				isob vyříz	tení	ē	Vyřízeno ve prospěch ičastníka / uživatele <sup>11)</sup>	učastníka / uživatele <sup>11)</sup> Celkem <sup>12)</sup>
1	500000 ATT			rtnutí info		Stížnosti celkem <sup>10)</sup>	pros živ at	Celkem <sup>12)</sup>
1	Předmět	Dotazy	# 6 €	<u> </u>	lsous T	콩	0 ve a/u	훓
1			d de se	Nedošlo k porušení zákona <sup>9)</sup>	oří sluš Úřadu	nosti	ízen tník	త
1			Postup podle zákona <sup>9)</sup>	Po G	Nepříslušnost Úřadu	Stížr	Vyň účas	
-	а	b	c	d	_ e	f	g	h
1.	Služby elektronických komunikací	256	311	102	14	427	581	683
	nezřízení služby elektronických komunikací	8	2	1	0	3	10	11
	kvalita služby elektronických komunikací účastnické smlouvy	58 65	21 90	45 25	2	68 117	81	126 182
	nesposkytování služby elektronických komunikací v souladu se smlouvou	22	20	4	0	24	157 42	46
	aktivace nevyžádané služby elektronických komunikací	8	4	2	0	6	12	14
	nesouhlas s vyúčtováním	95	174	25	10	209	279	304
3.	Radiokomunikační služby Přenositelnost telefonního čísla v mobilní síti	7 28	13	5 6	0	5 19	7 41	12 47
	Přenositelnost telefonního čísla v pevné síti	1	0	1	0	1	1	2
	Nezřízení nebo přeložení telefonní stanice	1	0	Ö	ō	Ö	1	1
	Služba zákaznické podpory poskytovatele služeb elektronických komunikací	0	1	0	0	1	1	1
	Způsob získávání zákazníků ze strany poskytovatelů a dealerů	38	5	4	0	9	1	1 47
	Příjem TV signálu v souvislosti s digitalizací vysílání Klamavá reklama	2	0	1	0	1	43	3
_	Ochrana spotřebitele <sup>2)</sup>	27	28	12	9	49	64	76
	dodržování poctivosti poskytování služeb (§ 3 ZOS)	2	2	0	0	2	4	4
l	nekalé obchodní praktiky <sup>3)</sup> (§ 4 ZOS)	9	8	3	1	12	18	21
1	klamavé obchodní praktiky (§ 5 ZOS) agresivní obchodní praktiky (§ 5a ZOS)	9	14	7	6	27 5	29 11	36 11
	zákaz diskriminace spotřebitele (§ 6 ZOS)	0	0	0	Ô	ŏ	0	0
1	informační povinnosti (§ 9 až 10 a § 11 až 13 ZOS)	1	1	2	0	3	2	4
<u></u>	další povinnosti při poskytování služeb elektronických komunikací (§ 15 až 16 a § 19 ZOS)	0	0	0	0	0	0	0
111.	Univerzální služba	0	0	0	0	0	0	0
1	přístup zdravotně postižených osob k veřejně dostupné telefonní službě <sup>4)</sup> veřejné telefonní automaty <sup>5)</sup>	0	0	0	0	0	0	0
	přístup a možnost využívání služeb osobami s nízkými příjmy <sup>6)</sup>	Ö	0	Ö	ō	Ö	0	0
12.	Ostatní <sup>7)</sup>	737	16	24	22	62	775	799
ı	telefonní seznamy	1	0	0	0	0	1	1
1	informační služba o telefonních číslech účastníků postupné splácení ceny za zřízení připojení k veřejné telefonní síti	2	1	0	0	0	3	3
1	bezplatné selektivní zamezení odchozích volání pro účastníka	0	0	0	0	0	0	0
	bezplatné položkové vyúčtování ceny pro spotřebitele	0	0	1	0	1	0	1
	služby třetích stran <sup>8)</sup>	14	3	4	9	16	26	30
	obtěžující a nevyžádaná volání marketingová volání	18 4	5	8	0	5 8	23	23 12
	komunikační síťě, ochranná pásma a využívání cizích nemovitostí	35	1	3	3	7	39	42
	podnikání v elektronických komunikacích	393	0	0	0	Ö	393	393
	zkouška odborné způsobilosti (§ 26 ZEK)	212	0	0	0	0	212	212
	neuznání reklamace mobilního telefonu Nokia	0	0	0	1	1	1	1
	nevrácení kreditu v souvislosti s deaktivací SIM karty zkoušky OFM	0 4	0	0	1 0	0	1 4	4
	vysokofrekvenční záření a vliv na lidské zdraví	1	0	0	0	0	1	1
l	novela ZEK	1	0	0	0	0	1	1
l	správa kmitočtového spektra obecně	1	0	0	0	0	1	1
ı	informace k evidenci podnikatelů zneužití OP	6 5	0	0	0	0	6 5	6 5
l	číslovací plán	1	0	0	0	Ö	1	1
l	RWE a Eon	1	0	0	0	0	1	1
l	informace z webu - zneužití osobních údajů	0	1	0	1	2	2	2
l	dotaz na normy pro měření mobilů dotaz na postup při šetření rušení	1	0	0	0	0	1	1
l	dotaz na rušení ze zahraničí	1	0	0	0	ő	1	1
l	dotazy související se zlomyslným voláním na tísňové linky (HZS, PČR)	2	0	0	1	1	3	3
ı	televizní poplatky	1	0	0	0	0	11	1
1	správní řízení dotaz na postup při šetření rušení	4	1	1	0	2	2	3
1	dotaz na rušení ze zahraničí	1	1	1	0	2	2	3
1	pokrytí území signálem 3G	1	0	0	1	1	2	2
1	dotaz na připojení k internetu	1	0	1	0	1	1	2
1	škodlivé vyzařování elektromagnetického pole akustické rušení	1	0	0	0	0	1	1
1	stavba antény	2	0	0	0	0	2	2
1	dluhy, registr dlužníků	2	0	0	0	0	2	2
1	dotaz ke zlepšení signálu GSM	0	1	0	0	1	1	1
1	dotaz k porušení telekomunikačního tajemství informace o ceně pomocí hlásky	0	0	0	1 0	1	0	1
1	změna účastnictví	0	0	1	0	1	0	1
1	retenční cenové nabídky	0	0	2	0	2	0	2
1	přerušení poskytování veřejně dostupné služby elektron. komunikací	1	1	0	0	1	2	2
1	nezajištění nepřetržitého přístupu k národ linkám tísňového volání	1	1	0	0	1	2	2
1	převedení tel. čísla na dalšího účastníka bez souhlasu účastníka původního činnost ČTÚ	1	0	- 1 - 0	0	0	0	1
1	schvalování všeobecných podmínek operátorů	1	0		0	0	1	1
1	poskytování služby elektronických komunikací	1	0	0	0	0	1	1
1	nevyžádané aplikace v mobilních telefonech obecný dotaz na správní delikty a přestupky dle ZEK	0 1	0	0	1 0	1	1	1
1	obecný dotaz na správní delikty a přestupky dle ZEK porušení závazných pravidel dodávek elektřiny	0	0	0	1	0	1	1
1	změna všeobecných podmínek poskytovatele připojení k síti Internet	1	0	0	0	0	1	1
1	reklamace telefonního přístroje	0	0	0	1	1	1	1
1	ochrana osobních dat v neveřejné síti elektronických komunikací	0	0	0	1	1	1	1
1	výzvy k ochraně spotřebitelů cena za volání	2	0	0	0	0	2	1
1	nevyžádané volání na telefonní číslo	1	0	0	0	0	1	1
1	smazání inzerátů	1	0	0	0	0	1	1
1	telefonní číslo s větším počtem číslic	1	0	0	0	0	1	1
1	SMS zprávy s výzvou k zaplacení dluhu dovolání se do hlasové schránky	1	0	0	0	0	1	1
1	nemožnost odhlášení z databáze pro marketingové účely	2	0	0	0	0	2	2
	dálkové ovládání mobilního telefonu	1	0	0	0	0	1	1
	CELKEM	1097	375	155	45	575	1517	1672
		.037	0,0	.55		0,0	.017	.0,2

#### Překlad Tabulky č. 2:

#### Table no. 2

The Czech Telecommunication Office

#### Complaints and guerries of subscribers/users<sup>1</sup> for the First Quarter of 2012

Předmět = subject stížnosti = complaints dotazy = querries způsob vyřízení = method of settlement poskytnutí informací = provision of information postup podle zákona = procedure pursuant to the Law nedošlo k porušení zákona = the Law not violated nepříslušnost Úřadu = non-competency of the Office stížnosti celkem = complaints in total vyřízeno ve prospěch účastníka/uživatele = settled in favour of subscriber/user celkem = in total

#### 1. Services of electronic communications

non-delivery of service of electronic communications quality of service of electronic communications

subscriber contracts

non-delivery of service of electronic communications in harmony with the contract activation of non-solicited service of electronic communications disagreement with the contract

- 2. Radiocommunication services
- 3. Portability of telephone number in mobile network
- 4. Portability of telephone number in fixed network
- 5. Non-establishment or transfer of telephone station
- 6. Service of customer support of provider of services of electronic communications
- 7. The way of acquisition of customers from the part of providers and dealers
- 8. The reception of TV signal in connection with digitalisation
- 9. Misleading advertisement
- 10. Protection of consumer

Observance of honesty in provision of services (§ 3 of the AEC)

unfair commercial practices (§ 4 of the AEC)

misleading commercial practices (§ 5 of the AEC)

aggressive commercial practices (§ 5a of the AEC)

ban on discrimination of consumer (§ 6 of the AEC)

obligations of information (§ 9-10 and § 11-13 of the AEC)

another obligations in provision of services of electronic communications (§ 15-16 and § 19 of the AEC)

#### 11. Universal service

the access of handicapped persons to publicly available telephone service publicly available telephones

access and possibility to use services for persons with low incomes

#### 12. Others

telephone directories

information service on telephone numbers of subscribers

gradual repayment of the price for establishment of connection to public telephone network

free of charge selective prevention of outcoming calls for the subscriber

free of charge itemized price charging for the consumer

services of third parties

harrassing and non-solicited calls

marketing calls

communication networks, protection bands and utilization of other subjects' real estates

entrepreneurship in electronic communications

test of professional qualification

denial of warranty claim of mobile telephone Nokia

denial to return the credit in connection with de-activation of SIM card

OFM tests

high-frequency radiation and its influence on human health

amendment of the AEC

administration of frequency spectrum in general

information concerning registration of entrepreneurs

misuse of OP

numbering plan

RWE and Eon

information concerning web - misuse of personal data

querry concerning standards for measurement of mobile phones

querry concerning procedure of investigation of jamming

querry concerning jamming from abroad

querries concerning malicious calls to emergency lines (HZS, PČR)

television fees

administrative proceedings

querry concerning procedure of investigation of jamming

querry concerning jamming from abroad

coverage of territoty by the 3G signal

querry concerning connection to the Internet

harmful radiation of electromagnetic field

acoustic jamming

deployment of antenna

debts, the Registrar of debtors

querry concerning improvement of GSM signal

querry concerning violation of telecommunication secrecy

information on the price with the help of sound

change of subscribers

reference price offers

interruption of provision of publicly available service of electronic communications

failure to provide uninterrupted access to national lines of emergency calls

transfer of telephone number to another subscriber without consent of original subscriber

CTU's activities

endorsement of general conditions of operators

provision of service of electronic communications

non-solicited application in mobile phones

general querry concerning administrative misdemeanors and offenses pursuant to the AEC

violation of obligatory rules regulating supply of electricity

change of general conditions of provider of Internet connection

warranty claim of telephone device

protection of personal data in non-public network of electronic communications

calls to protect consumers

price of call

non-solicited call to telephone number

deletion of advertisement

telephone number with bigger number of digits

SMS messages inviting to pay the debt getting through to the voice box impossibility to check out from database for marketing purposes remote control of mobile phone

IN TOTAL

#### **TABLE NARRATIVE:**

- 1) They are not the complaints pursuant to § 175 of the Act no. 500/2004 Coll., the Administrative Order, as amended by the Act no. 413/2005 Coll. They are not the objections against the settlement of warranty claim concerning publicly available service of electronic communications, nor any other subscribers's disputes resolved in the administrative proceedings. Complaints and querries are registered in the phase of settlement.
- 2) Pursuant to the Act no. 634/1992 Coll., on the Protection of Consumer, as later amended.
- 3) There are commercial practices in harmony with provisions of § 4 of the Act on the Protection of Consumer, according to which commercial practice is unfair if actions of entrepreneur towards consumer is in contradiction to requirements of professional care and is capable to influence his/her decisions so that he/she may take a decision which he/she would never made. Unfair commercial practices are, in particular, misleading and aggressive commercial practices.
- 4) The decision no. 44 813/2009-610/IVII. vyř. dated June 23, 2009, on Imposition of the obligation to provide, within the framework of the Universal service, the partial service the access of handicapped persons to publicly available telephone service, which is equivalent to the access employed by other end users, particularly by means of specially equipped telecommunication end devices, pursuant to § 38 Para. 2 Letter f) of the Act of Electronic communications.
- 5) The decision no. 466/2006-610/II.. vyř. dated March 13, 2006, as amended by the decision no. 20 583/2008-610/IX., vyř. ref.no. 63 465/2009-610/IX. and ref.no. 100 041/2010-610/VI. vyř., by which the obligation was imposed to provide, within the framework of the Universal service, the partial service services of public telephones.
- 6) The decision ref.no. ČTÚ-43 632/2011-610/VI. vyř., dated June 7, concerning the imposition of the obligation within the framework of the Universal service, to allow persons having special social needs, pursuant to § 38 Para. 4 of the Act of Electronic communications and in harmony with § 44 and § 45 of this Act, the choice of prices or price plans different from price plans provided under normal commercial conditions, so that these persons have the access and could utilise partial services and publicly available telephone service.
- 7) It is a different type of complaint mentioned, cannot be included into points 1 to 10.
- 8) It is a provider of services of electronic communications.
- 9) It is the Act on Electronic communications and in case a complaint or querry deals with protection of consumer then it is the Act on Protection of Consumer.
- 10) It includes complaints procedure pursuant to the Act on Electronic communications (column c) complaints the Act on Electronic communications was not violated (column d) and complaints non-competency of the Office (column e).

- 11) It includes complaints (column b) procedure pursuant to the Act on Electronic Communications (column c) and complaints non-competency of the Office (column e).
- 12) It includes querries (column b), complaints procedure pursuant to the Act on Electronic Communications (column c), complaints the Act on Electronic communications was not violated (column d) and complaints non-competency of the Office (column e).

**ZEK** – the Act on Electronic communications and amendments of some related Laws (the Act on Electronic communications), as amended by subsequent Laws.

**ZOS** - the Act no. 634/1992 Coll., on the Protection of Consumer, as later amended.

### The Graph no. 1 Complaints for the first quarter of 2012

- 1. Services of electronic communications
- 2. Radiocommunication services
- 3. Portability of telephone number in the mobile network
- 4. Portability of telephone number in the fixed network
- 5. Non-establishment or displacement of telephone station
- 6. The service of customers's support of the provider of services of electronic communications
- 7. The way of acquisition of customers from the part of providers and dealers
- 8. The reception of TV signal in connection with digitalisation of broadcasting
- 9. Deceitful advertisement
- 10. Protection of consumer
- 11. Universal service
- 12. Others

#### The Graph no. 2

### Complaints on services of electronic communications from the first quarter of 2011 until the first quarter of 2012

Non-establishment of service of electronic communications

Quality of service of electronic communications

Subscriber contracts

non-delivery of service of electronic communications in harmony with the contract activation of non-solicited service of electronic communications disagreement with the contract

### The Graph no. 3 Complaints for the first quarters of 2009, 2010, 2011, 2012

- 1) Services of electronic communications
- 2) Radiocommunication services
- 3) Portability of telephone number in the mobile network
- 4) Portability of telephone number in the fixed network
- 5) Non-establishment or displacement of telephone station
- 6) The service of customers's support of the provider of services of electronic communications
- 7) The way of acquisition of customers from the part of providers and dealers
- 8) The reception of TV signal in connection with digitalisation of broadcasting
- 9) Deceitful advertisement
- 10) Protection of consumer

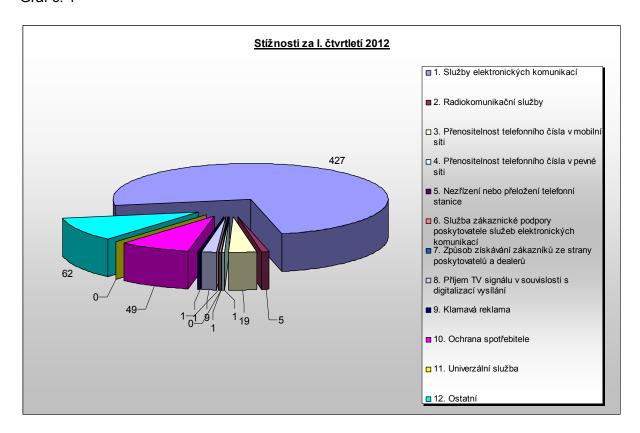
11) Universal service

12) Others

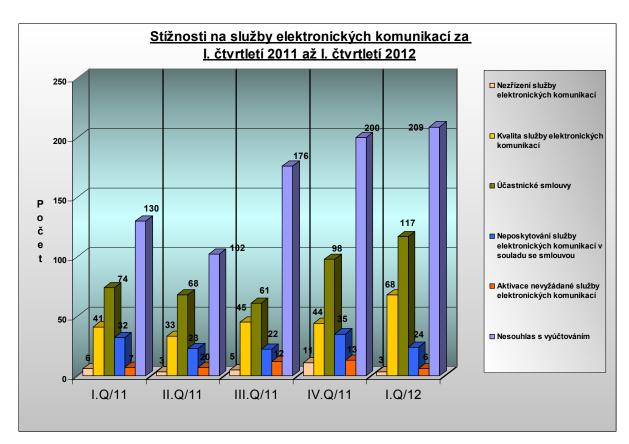
#### The Graph no.4

The representation of the number of complaints in relation to the number of subscribers of given companies (in %) from the first quarter of 2011 until the first quarter of 2012

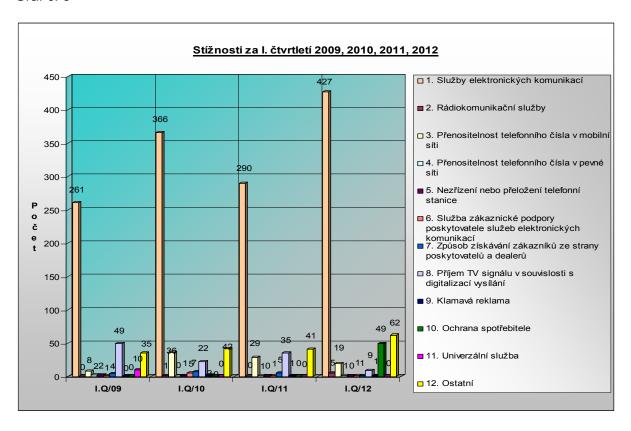
Graf č. 1



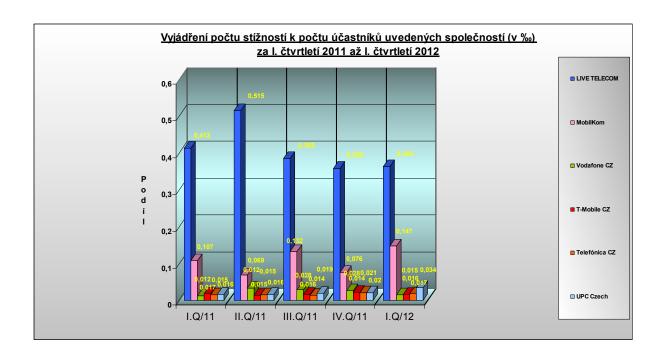
Graf č. 2



Graf č. 3



Graf č. 4



#### 2. Regulatory Measures

#### Market analyses

In May the CTU sent for the notification to the European Commission drafts of three documents. The first one was the draft analysis of the relevant market no. 5 – Wholesale broadband access in networks of electronic communications. Another two drafts were the Decision on Price changing the amount of maximum prices for services provided on the relevant market no. 7 – Termination of voice calls (Termination) in individual public mobile telephone networks and Decision on Price of services provided on the relevant market no. 4 – Wholesale (physical) access to the infrastructure of networks (including shared or full local loop unbundling) in fixed location. The CTU has not yet received the final standpoint from the Commission.

#### LRIC's project

Within the framework of the Project "the Implementation of the Recommendation of the Commission of European Communities no. 2009/396/EC, dated May 7, 2009, on the Regulation of rates for termination of calls in fixed and mobile networks within the EU in the regulation Český telekomunikační úřad", by the registration CZ.1.04./4.1.00/48.00020, which is financed from ESF, OP LZZ, the main target of which was effectiveness of regulation and transparency of the CTU's activities by means of creation of methodologies of price calculation on the basis of long-term incremental costs (LRIC), the CTU has started works on new activites: creation of broadband cost model, methodology of determination of risk premium for investments in the new generation networks and methodology of keeping separated accounts of costs and revenues with the geographic segmentation of market. In the tender procedure the company Grant Thornton Advisory s.r.o., which offered the lowest price was the winner and on May 11, 2012 the relevant contract was signed with this company. The works started in all three parts.

#### Price calculator

The CTU received another two requests for accreditation of price calculator: the company BezObchodnika.cz s.r.o. asked for accreditation of price calculator "srovnavatel.cz" and "srovnavatelka.cz" and Civic association of consumers TEST, published of the magazine for consumers dTest, asked for accreditation of price calculator of mobile tariffs run on the Internet page dtest.cz/tarify.

### Obligation to inform the users free of charge on the amount of price of call for services the price of which is announced by automatic sound

On May 23, 2012 the CTU organized working meeting with representatives of professional associations (The Association of operators of mobile networks, ICT Unie o.s., Česká asociace elektronických komunikací o.s.), focused on potential application of provisions of § 35 Para. 2 of the Act on Eelectronic Communications, the right of the CTU to impose on entrepreneur, providing public communication network or providing publicly available service of electronic communications, the obligation to inform users accessing specific services with expressed price, free of charge, about the price of call by automatic sound immediately before provision of such service.

In the meeting representatives of associations indicated some technical problems which could occur in connection with introduction of such obligation, particularly during voting and calls of users to interactive television programmes.

At the end the meeting representatives of associations promised that before June 15, 2012 they will send to the CTU their standpoints and will state arguments for and against the imposition of obligation to inform users free of charge by automatic sound about the amount of price in accessing the services with indicated price. During the working meeting envisaged for June 20, 2012 further procedure will then be discussed with representatives of associations.

## 3. Disputes pursuant to § 127 of the Act on Electronic Communications

#### **Proceedings commenced in May 2012**

In May 2012 no proceedings were commenced in case of disputes pursuant to § 127 of the Electronic Communications Act.

### Proceedings terminated as legally effective or returned to new hearing in May 2012

File number	Plaintiff	Defendant	Case
I. degree CTU- 3 258/2012- 606 II. degree CTU- 32 980/2012- 603	RTA VÝCHODNÍ ČECHY, s.r.	České Radiokomunikace, a.s.	The dispute concerning conclusion of contract pursuant to § 72a et ail. of the Act on Electronic Communications and proposal for promulgation of preliminary measure pursuant to § 61 of the Administrative Order (remonstrance against the decision on dismissal for promulgation of preliminary measure has been denied and the decision has been confirmed).

CTU 94 545/2011- 606	Dial Telecom, a.s.	Telefónica Czech Republic, a.s.	The dispute concerning conclusion of Addendum no. 39 to the Contract on interconnection (because of withdrawal of the proposal for commencement of administrative, the administrative procedure was cancelled).
----------------------------	-----------------------	------------------------------------	---

#### 4. Universal service (US)

#### Provision of services within the framework of the US

On May 11, 2012 the CTU launched <u>public consultation of the draft Decision</u> concerning imposition of the obligation to provide within the framework of Universal service partial service of access of handicapped persons to publicly available telephone service, to the information service on telephone numbers and subscriber directories equivalent to the access employed by other end users, particularly by means of specially equipped telecommunication terminal facilities pursuant to § 38 Para. 2 Letter f) of the Act on Electronic Communications of the company Telefónica. The deadline for submission of comments was stipulated at 1 month from publication, in harmony with the Act on Electronic Communications.

#### Financing of the US

On May 28, 2012 CTU transferred to the company Telefónica funds of contributors to the account of the Universal service for the year 2001, and namely, of the company V VOICE a.s. in liquidation, TELECOM 21, spol. s r.o. in liquidation and KIWI, s.r.o. in liquidation. The companies mentioned became extinct and were deleted from the Commercial Register, therefore settlement of their contributions was realised from the State budget.

#### 5. Inspection activities

Inspection activities in the field of provision of services and support of networks of electronic communications

During the month of May the CTU performed the following inspection activities :

- inspection of observance of obligations of entrepreneurs to notify performance of communication activity which represents doing business in the field of electronic communications. In the previous period business activity without notification was discovered in Chomutov, Litvínov and Klášterec nad Ohří. In subsequently opened proceedings fines were imposed by administrative decision on subscribers in the total amount of CZ 145,000.
- inspection of utilisation of radio frequencies without authorization. In the preceding period unauthorized utilization of frequency in the band of 3.5 GHz was discovered in Most. In subsequently opened proceeding fine was imposed on subscriber in the amount of CZ 3,000. In Moravia 12 cases of utilisation of frequencies outside the band stipulated by general authorization no. 12 by Wi-Fi

facilities were discovered. Administrative proceedings will be opened with their operators concerning utilisation of frequencies without authorization.

- inspection of observance of conditions of individual authorization for utilization of radio frequencies of aerial mobile service. In Hodkovice nad Mohelkou 3 cases of operation of broadcasting radio facilities, different from facilities specified in the authorization, were discovered, in Ústí nad Labem a case of attending radio facilities without certificate of professional qualification was discovered. Deficiencies discovered will be resolved with the help of the call demanding elimination of deficiencies and resolved in the proceeding dealing with imposition of fine.
- inspection of observance of conditions of general authorization no. VO-R/12/09.2010-12 concerning utilisation of radio frequencies and operation of facilities for broadband data transmission in the bands from 2,4 GHz to 66 GHz. The breach of conditions of this authorization, particularly the operation on indoor frequencies, is repeatedly discovered throughout the Czech Republic. Out of 17 inspections breach of conditions of general authorization was discovered in 48 cases. Deficiencies discovered will be resolved with the help of the call demanding elimination of deficiencies pursuant to § 114 of the Act on Electronic Communications and administrative proceedings will be opened in this case.
- measurements of coverage of municipalities by the signal of digital television. In May, in the teritorial regions of Zlín, Jeseník, Trutnov and Plzeň measurements of coverage of 8 municipalities were performed pursuant to the Decree no. 163/2008 Coll. during which the coverage of these locations by the local digital television signal was verified. Results established will serve for the assessment of the need of potential repeaters to help to cover these regions by the digital signal.
- collaboration of the CTU with Česká obchodní inspekce (the Czech Trade Inspection) in checking the sellers of telecommunication terminal and radio equipment. Within the framework of this inspection activity, the sale of models of radio controlled models of cars, working in the bands of 30, 35 a 49 MHz, was discovered in Most and Rumburk. These radio facilities cannot be operated in the Czech Republic without individual authorization for the utilization of radio frequencies. In the band of 35 MHz only the models of aeroplanes can be operated pursuant to the relevant general authorization.
- identification of sources of jamming of the operation of electronic communication facilities and networks, provision of services of electronic communications or operation of radiocommunication services. Concerning jamming of radio and DVB-T reception altogether 13 physical inspections were performed on place itself, some of them repeatedly. In majority of cases there were deficiencies on the side of recipient. Besides jamming of television and radio reception 17 reports were recieved announcing jamming of services of GSM, UMTS and CDMA provided by individual operators. Jamming of these services is caused particularly by radiation of active television antennas and broadband amplifiers. Deficiencies discovered were resolved with the help of calls demanding elimination of deficiencies pursuant to § 114 of the Act on Electronic Communications.
- inspection of radio frequencies monitoring of radio spectrum. On the basis of suspicion that the broadcasting, the validity of which, based on the individual authorization, has expired while the operation continued afterwards, monitoring/inspection of utilization of radio spectrum by transportation medical service HORI, s.r.o. in Vrbno pod Pradědem was performed. The inspection has not discovered any radio operation on frequencies 74.725 MHz and 74.575 MHz. Further

the operation of the Jesenická nemocnice spol. s r.o. having its seat at Jeseník was checked, and during monitoring operation of broadcasting radio facilities on the frequency 74.725 MHz without valid individual authorization was discovered, thereby violating § 17 Para. 1 of the Act on Electronic Communications. Administrative proceedings will be opened with controlled subject.

- inspection of utilization of numbers and observance of conditions of the decision on the authorization for utilization of numbers. During the month of May 2012, 5 inspection calls were performed concerning utilization of numbers and observance of conditions of the decision on the authorization for utilization of numbers. All calls related to investigation of complaints. Three numbers were tested in the presence of ČOI's employees from the regional workplace in Ostrava, who thus became familiar with possibilities of testing within the framework of collaboration with the CTU. The collaboration was very positively evaluated, because ČOI's employees will employ the results aquired from the testing workplace for administrative proceedings for the protection of consumers.
- if State inspection which investigated the company TRAVEL TELEKOMMUNIKATION, s.r.o. observes the conditions for publication of information and requisites of the contract on provision of mobile services pursuant to the Act on Electronic Communications and provides portability of telephone numbers. It was discovered that so far this company offers the services only by means of its business agent in the Ukraine. Contracts concluded do not meet the criteria stipulated by the Act on Electronic Communications and portability of numbers is not secured, because this company so far has not entered the reference database of numbers ported. Results of this inspection will be further used for other proceedings held with the company mentioned.
- State inspection of observance conditions for portation of numbers with the company T-Mobile Czech Republic a.s. and Vodafone Czech Republic a.s. During the inspection observance of processes connected with portation of numbers was controlled as they are stipulated by the Measure of general nature no. OOP/10/07.2005-3, stipulating technical and organisational conditions for the implementation of portability of telephone numbers and principles for charging the price among entrepreneurs in connection with portability of numbers, as later amended. The inspection was performed on the basis of complaints of subscriber received and random selection of numbers. Currently, evaluation of materials acquired takes place.

#### Přehled kontrolní činnosti při výkonu státní kontroly elektronických komunikací za měsíc květen 2012

	Druh činnosti		Počet osvědčení nebo kontrol		20 14404		Rozhodnuto ve prospěch		Uložené pokuty	
			Z toho	Počet výzev k odstranění nedostatků	Počet zaháj. SŘ	Počet vyd. rozh.*)	účastníka	poskytov atele	počet	výše v Kč
1.	Počet vydaných osvědčení o oznámení podnikání (§14 ZEK)	19								
2.	Počet změn osvědčení o oznámení podnikání (§14 ZEK)	1037								
3.	Výkon komunikační činnosti bez osvědčení	0			0	4			4	205000
4.	Dodržování podmínek všeobecných oprávnění	58		18	4	7			7	86000
	a) k zajišťování veřejných komunikačních sítí a přířazených prostředků		1	0	0	0			0	0
	b) k poskytování služeb elektronických komunikací		1	0	-1	1			1	2000
	c) k využívání rádiových kmitočtů a provozování přistrojů (rádiových zařízení)		56	18	3	6		2	6	84000
5.	Kontrola rádiových kmitočtů	186		15	5	5			5	183000
	a) využívání rádiových kmitočtů bez oprávnění k jejich využívání		15		5	5			5	183000
	b) dodržování podmínek individuálního oprávnění k využívání rádiových kmitočtů		75	8	0	0			0	0
	c) Zjišťování zdrojů rušení provozu elektronických komunikačních zařízení a sítí, poskytování služeb elektronických komunikací nebo provozování radiokomunikačních služeb	96	0	7	0	0			0	0
6.	Kontrola čísel pro účely správy čísel (počet kontrolních volání)	52		0	0	0			0	0
ı	a) využívání čísel bez oprávnění k jejich využívání		0		0	0			0	0
	b) využívání čísel v rozporu s oprávněním k jejich využívání	9	0	0	0	0			0	0
7.	Rozhodování účastnických sporů	0			11365	7081	219	5523		, S
	a) o námitce proti vyřízení reklamace na poskytnutou službu		0		8	2	0	1		
ı	b) o námitce proti vyřízení reklamace vyúčtování cen za služby		0		35	37	11	14		100
	ba) přístupu ke službám s vyjádřenou cenou (datové i hlasové)		0		5	0	0	0		
	baa) přístupu k datovým službám s vyjádřenou cenou poskytovaným na síti Internet nebo na jiných datových sítích (Dialer)		0		0	0	0	0		20
	c) o zaplacení ceny za služby (peněžité plnění)		0		11314	7034	208	5507		
	d) ostatní	÷.	0		8	8	0	1		
8.	Neposkytnutí informací podle § 115 ZEK				1	1			1	10000
9.	Ostatní	36		8	52	44			43	2699500
	CELKEM	332		41	11427	7142	219	5523	60	3183500

<sup>\*)</sup> Celkový počet vydaných rozhodnutí zahmuje i připady ukončení správního řízení usnesením, tj. připady úmrtí účastníka, zániku firmy, přerušení řízení ze zákona (konkurz), neuříslušnosti rozhodovat apod.

<u>Překlad tabulky : Přehled kontrolní činnosti při výkonu státní kontroly elektronických communications za měsíc květen 2012</u>

### The Survey of inspection activities in perfomance of State control of electronic communications for the month of April 2012

Druh činnosti = kind of activity
počet osvědčení nebo kontrol = the number of certifications or inspections
celkově = in total z toho = of which
počet výzev k odstranění nedostatků = the number of notices to eliminate deficiencies
počet zahájených správních řízení = the number of administrative proceedings commenced
počet vydaných rozhodnutí\* = the number of decisions promulgated
rozhodnuto ve prospěch = decided in favour
účastníka = participant poskytovatele = provider
uložené pokuty = fines imposed počet = number výše v Kč = amount in CZK

- 1. The number of certifications notifying business activities issued (§ 14 of AEC)
- 2. The number of changes of certifications notifying business activities (§ 14 of AEC)
- 3. Performance of communication activities without certification
- 4. Observance of conditions of general authorisations
  - a) for the operation of public communication networks and associated facilities
  - b) for provision of services of electronic communications

c) for utilization of radio frequencies and operation of instruments (radio equipment)

#### 5. Inspection of radio frequencies

- a) utilization of radio frequencies without authorisation for their utilization
- b) Observance of conditions of individual authorisation for utilization of radio frequencies
- locating sources of interference of operation of electronic communication facilities and networks, provision of services of electronic communication or operation of radiocommunication services

### 6. Inspection of numbers for the purposes of management of numbers (number of inspection calls)

- a) utilization of numbers without authorisation for their utilization
- b) utilization of numbers violating authorisation for their utilization

#### 7. Resolution of subscribers' disputes

- a) on objection against the settlement of reclamation of service provided
- b) on objection against the settlement of reclamation of charging of services
- ba) on access to data services with specific price (data and voice)
- baa) on access to data services with specific price provided on the Internet network or on other data networks (Dialer)
- c) on reimbursement of price for services (monetary performance)
- d) others

#### 8. Withholding of information pursuant to § 115 of AEC

#### 9. Others

#### IN TOTAL

\* the total number of decisions promulgated includes also cases of termination of administrative proceedings in the form of resolution, i.e. cases of death of subscriber, extinction of a company, interruption of proceedings ex lege (bankruptcy), incompetency to decide etc.

Within the framework of the CTU's activities in the field of revision of decisions promulgated in the first degree of administrative proceedings, the result of two of implemented administrative appeals are the final decisions, by which the CTU imposed the fine at the amounts from CZK 10,000 to CZK 30,000 for administrative offense pursuant to § 118 Para. 1 Letter o) of the Act on Electronic Communications, in the wording effective until December 31, 2011, perpetrated by two juristic persons (business companies), because they did not submit requested information, data and other documents by means of electronic data collection requested by the CTU pursuant to § 115 of the Act on Electronic Communications.

#### 6. Other regulators, inspection authorities, courts

#### AGCOM's Decision

Italian regulator AGCOM published three tři decisions for Telecom Italia concerning reference wholesale offers in fixed network. It determined the maximum price in the market

no. 4 (market 4/2007) (LLU), including monthly payments, then maximum prices in the market no. 5 (market 5/2007) and maximum price in the market no. 6 (market 6/2007) for terminal segments of leased circuits and cost orientation (additional services).

#### CMT reduced the price for wholesale services of broadband access (market 5/2007)

Spanish regulator CMT decided on temporary reduction of monthly payments for existing regulated wholesale broadband access (WBA) services of up to 30 Mbit/s (ADSL GigADSL and IP) approximately by 14 %. Price of WBA Telefónica must be cost oriented. Currently these prices are based on the methodology of top-down multi-standard employing historical and current costs and long-term average incremental costs (LRAIC +). However, the CMT works on the bottom-up LRIC model for the calculation of cost-oriented price for active part of WBA services.

#### CMT promulgated the decision on mobile termination price (market 7/2007)

After the notification of the Commission the CMT promulgated its final decision in the third round of analysis of the wholesale market for mobile call termination, including mobile termination prices (MTR) glide path, which will reach symmetric bottom-up pure LRIC (BU-LRIC) by July 1, 2013. The European Commission, earlier in its framework notification, raised its comments concerning reduction of the MTR. Reduction of the MTR will proceed gradually so that symmetry is attained by January 1, 2013. CMT explained that the first reduction is already in place since April 16, 2012 and the change of gradual reduction of price has forced operators to change their budgets in the middle of budgetary year. The CMT stated that the glide path should provide operators with a stable framework serving them to plan their budgets and modify their retail prices with sufficient advance. The impact of higher MTR of the operator Xfera before July 1, 2013 in the market will be very limited because of reduced asymmetry in combination with its low market share (5 %). This limited effect is outweighed by positive impact of asymmetry on commercial capabilities of Xfera a thus on competitive situation in the mobile market as a whole.

#### CMT proposed deregulation of the market of mobile origination (market 15/2003)

Until July 19, 2012 the CMT will consult the proposal on deregulation of the market of access and origination in mobile network – cancellation of existing obligations of access for reasonable price for Telefónica Móviles, Vodafone and Orange, which were labelled as enterprises with significant market power (SMP) with common domination in the last analysis in 2006. Spain is one of few countries with such regulated market. Another countries are Cyprus, Malta, Norway and Slovenia. According to the CMT the market exhibits higher dynamics than in 2006, partially due to the entry of the fourth television operator Xfera and 23 virtual operators, of which 5 are fully-fledged MVNO offering converged services. Nevertheless, problems with competition still exist – Xfera and MVNO have a very low market share as compared with Telefónica Móviles, Vodafone and Orange. CMT is afraid that existing SMP operators could cancel now imposed access, but according to CMT, this market does not comply with the first criterium from the three criteria test for the regulation ex ante. The main reason is that decision on refarming was promulgated, imposing on companies Telefónica Móviles, Vodafone and Orange the obligation to offer wholesale services to operators with smaller frequency allocations.

#### Support of broadband in Great Britain

The British Government announced that during the years 2013/2014 it will release another € 60,000,000 for the support of high-speed broadband (from 80 Mbit/s upwards) for 27 smaller towns. Self-governments must contribute with corresponding amount from local budgets.

#### 7. Asociations

# Representative of the ICT Unie made the speech at the Conference dedicated to the theme "Online criminality – prevention and legislation" in the Senate of the Parliament of the Czech Republic

The National centre for safer Internet, in co-operation with the Constitutional - Legislative Committee of the Senate, organized on May 29, 2012 the Conference in the Senate of the Parliament of the Czech Republic. On behalf of the ICT Une Ing. Václav Mach, the Member of the Board of the ICT Unie and the Director for external relations of the company Microsoft, made the speech at the Conference in which he emphasized benefits of individual projects of non-profit organizations which, on the long-term basis, are supported by various companies acting in the field of information and communication technologies. Also representatives of children, who presented their vision of safety issues connected with safer utilization of the Internet, had the opportunity to express their ideas of solution. The discussion was focused primarily on civil rights of young people and prevention in the field of risks of behaviour online. Special attention was given to the theme of intergeneration dialogue not only about the issues of Internet safety.

#### The Conference "Safety of cyberspace"

On May 29, 2012 in the Top hotel in Prague, the Publishing house "Sdělovací technika" organized the Conference "Safety of cyberspace". In its introductory presentation called "Threats for the Czech ICT", the President of the ICT Unie Svatoslav Novák, emphasized current indispensability of information and communication technologiies and, inter alia, he mentioned also individual types of aggressors threatening cyberspace including their motivations. Pursuant to Svatoslav Novák, the Czech ICT, however, must challenge another threats. In particular, it is, for example, neglected communication and computer infrastructure in the State's property, outflow of top experts abroad or insufficient legislation. On the contrary, the positive role may play placement of data and development of ICT centers on the territory of the Czech Republic, functional system of investment incentives, acceptance of the concept of shared services for the State administration or intelligent strategy of development of ICT industry the Czech Republic as national priority.

#### 8. Consumer issues

### Subscriber disputes – disputes concerning financial performance and objections against the settlement of complaint

During the month of May the CTU commenced 11,365 administrative proceedings concerning subscriber disputes between a person performing communication activities, on the one hand, and a participant, on the other hand, concerning financial performance, and proposals for commencement of procedure concerning objections against the settlement of complaint against price settlement or provision of publicly available service of electronic communications, which the CTU decides pursuant to § 129 of the Act on Electronic Communications. 7,081 decisions in re were promulgated, of which 7,034 were decisions concerning pecuniary performance (payment of price for services).

#### Protection of consumer

Consumers/users of services of electronic communications appeal regularly to the CTU with questions and requests for help. During the month of May altogether 166 querries of consumers were dealt with. Mostly the consumers are interested in the issues concerning procedure in the situation where they disagree with billing for services provided what made 21 % of all querries. Outside the problems concerning disagreement with billing for services, consumers most often requested answer to contract relations with operators (altogether

20 % of querries). In particular, consumers were interested in the issues of possibility to give notice of contracts with commitment. Often querries relate to the method of conclusion of contracts with the help of other than written form and legal validity of contracts thus concluded. From the point of view of contract relations and their changes from the part of operator, most specific querries and also complaints in the month of May were addressed to the operator UPC, which changed terms of contract and within the framework of this change not only quality of services was changed but, simultaneously, the price for the lease of terminal facilities (modem and/or set-top box) was increased. Considering the fact that the relevant change related to already concluded subscriber contracts, the CTU, on the basis of these querries, launched investigation in this matter with the aim to discover if this change of contract conditions and already concluded contract relations was performed in harmony with the Act on Electronic Communications, and, in particular, if provisions of § 63 Para. 6 of the above Act were observed.

Another numerous group of querries related to the issues of marketing and molesting calls and ways with the help of which consumers may efficiently resist those practices. In this direction the CTU particularly warn consumers/subscribers of services of electronic communications to be cautious when they agree with marketing which very often is a part of electronic orders, cautious with registration in various internet competitions and likewise. If the CTU discovers that by these activities the Act on Electronic Communications has been violated, it always launches administrative proceedings in relevant case. If cases of unsolicited marketing communications are concerned, these cases are delegated to the Office for the Protection of personal data which is the office in charge of their material solution.

#### 9. Legislative changes

On May 7, 2012 the Act no. 142/2012 Coll., on the Amendment of some Acts in connection with the introduction of basic registers, was published in the Volume 52 of the Collection of Laws. With this Act (Part twenty four) the Act on Electronic Communications and Amendment of some other related Acts (the Act on Electronic Communications), as later amended, is put in harmony with legal arrangement concerning basic registers, and namely with the Part dealing with the origin of authorization for doing business in electronic communications (§ 13 a 14 of the Act on Electronic Communications) and in the Part authorizing the CTU to use the data and information from basic registers (§ 134 et ail. of the Act on Electronic Communications). This Act becomes effective on July 1, 2012.

On May 30, 2012 the Act no. 167/2012 Coll., amending the Act no. 499/2004 Coll., on Archives and documentary service and the amendment of some Acts as later amended, the Act no. 227/2000 Coll., on Electronic signature and the amendment of some Acts (the Act on Electronic signature) as later amended, and other related Acts, were published in the Volume 60 of the Collection of Laws. With this Act (Part twenty five) the Act on Electronic Communications and Amendment of some other related Acts (the Act on Electronic Communications), as later amended, is put in harmony with legal arrangement concerning given area, and namely with the Parts dealing with the issues regulating utilization of "guaranteed", newly "recognized" electronic signature in electronic communication (§ 25, § 33 and § 75 of the Act on Electronic Communications). This Act becomes effective on July 1, 2012.

On May 30, 2012 the Government's Decree no. 175/2012 Coll., on the Determination of the amount and method of calculation of fees for utilization of radio frequencies and numbers, as later amended, was published in Volume 62 of the Collection of Laws. In

connection with the Amendment of the Act on Electronic Communications, performed by the Act no. 468/2011 Coll., this Decree regulates :

- the amount of some fees for utilization of radio frequencies (fixed service) and numbers (the fee for abbreviated telephone number, the fee for access codes to nonpublic communication networks),
- 2. the fees for the utilization of radio frequencies for experimental purposes are newly determined (see § 19b of the Act on Electronic Communications),
- 3. because the Act on Electronic Communications has been amended, the fees for short-term authorization, which now are stipulated directly by the Act on Electronic Communications (§ 25 odst. 5), are cancelled.

This Government's Decree becomes effective on June 1, 2012, with the exception of the Part regulating the fees for utilization of radio frequencies and numbers pursuant to the above ad 1 (art.l, points 3, 5, and 6), which becomes effective on January 1, 2013.

During May 2012 no legal regulations were published in the Collection of Laws which might have principal impact on the field of postal services.

#### 10. European Union

On May 2, 2012 the European Commission presented the plan for safe utilization of digital skills and tools which the Internet offers to children. The children in the EU have different possibilities of access to the Internet and different levels of protection on-line because of different domestic accesses. The European Commission proposes a number of measures which will be implemented with the help of different means, including self-regulation of the branch, which should lead to flexible and quick solution of these issues. Principal meaning for this process will have collaboration within the framework of platforms such as is coalition for beter Internet for children, which was established in December 2011. These measures have four principal targets:

- support of production of creative and educational contents on the Internet for children and creation of platforms allowing the access to appropriate contents respecting the age,
- increase of awareness and reinforcement of education of security on the Internet at all EU schools serving to digital and media literacy and responsibility of children themselves on the Internet,
- creation of safe environment for children, when parents and children have disponible
  tools inevitable for their protection on the Internet for example, easily available
  mechanisms allowing reporting of nuisable contents or dangerous behaviour on the
  Internet, transparent standard adjustment of protection of privacy corresponding to
  age or easy parents' control and fight against materals permitting misuse of children
  on the Internet, based on research and utilization of results of inovative technical
  solutions in police investigation.

In February 2011 the Commission submitted the EU agenda aimed at the reinforcement of rights of child by the introduction of principles <u>The Charter of basic rights of the EU</u>. The first review of the coalition's activity will take place this Summer.

On May 10, 2012 the European Parliament endorsed the new rules agreed among MEPs and national governments, which will allow clients to buy roaming services from other than domestic operators. New rules should also open the market to new subscribers, reinforcing thus competition and reducing prices. The Draft Regulation regulating this matter,

will become effective on July 1, 2012 and will replace the Regulation no. 717/2007, the validity of which terminates on June 30, 2012.

- The new Regulation reduces both wholesale and retail prices for voice calls, prices of data services and will make sending of text messages cheaper.
- Starting from July 1, 2012, citizens, whose bill will be approaching fees at the amount
  of EUR 50 for a month (without VAT) will receive warning message if a foreign
  network is compatible with this service.
- Starting from July 1, 2014, customers will be able to buy separately domestic and roaming services from two different operators and to retain one telephone number at the same time. Customers will not pay for the change of providers and the operator in their home country will have to inform them about this right.

Moreover, starting from July 1, 2012 the operators of virtual mobile networks, i.e. such who do not have their own networks, will have the access to networks of other operators for wholesale prices for the purposes of provision of roaming services.

#### Retail ceilings (charged to customers) without VAT

	Current	July 1, 2012	July 1, 2013	July 1, 2014
Data (for megabyte)		70 eurocents	45 eurocents	20 eurocents
Outcoming calls (for a minute)	35 eurocents	29 eurocents	24 eurocents	19 eurocents
Incoming calls (for a minute)	11 eurocents	8 eurocents	7 eurocents	5 eurocents
SMS (for 1 SMS)	11 eurocents	9 eurocents	8 eurocents	6 eurocents

Wholesale ceilings (charged among operators) without VAT

_	Current	July 1, 2012	July 1, 2013	July 1, 2014
Data (for megabyte)	50 eurocents	25 eurocents	15 eurocents	5 eurocents
Calls (for a minute)	18 eurocents	14 eurocents	10 eurocents	5 eurocents
SMS (for 1 SMS)	4 eurocents	3 eurocents	2 eurocents	2 eurocents

The Council of Ministers will approve the new Regulation in June 2012 and it will become effective on July 1, 2012 and will have direct legal effect in all EU Member States. The European Commission will review operation of these rules before June 30, 2016.

On May 10, 2012 the workshop was held in Brussels, dedicated to the introductory study for the inventary of spectrum prepared by the consorcium of companies led by the company WIK-Consult (to other companies belong Aegis, Plum and IDATE). The study in the stage of draft before elaboration of final report and recommendation to the European Commission was discussed in the form of workshop attended by 150 representatives of interested parties (stakeholders), including representatives of the European regulators invited. The principal expected target is to identify in Member States, in the bands from 400 MHz to 6 GHz, the segments where spectrum is insufficiently employed, and/or unemployed. The study included selection of data resources concerning utilization of

spectrum (information system EFIS and consultations), elaboration of methodology for evaluation and evaluation proper. Final results of the study will be submitted in June 2012.

From May  $16-18\ 2012$  in Ohrid, Macedonia was held the Second Annual AEC International Regulatory Conference on the regulation, organized by the Macedonian regulatory authority for electronic communication AEC. The goal of this Conference, to which representatives of European regulatory authorities and representatives of industry sector were invited, was to support public discussion on the issues concerning latest technological development in the branch of electronic information and communication technologies and, by means of exchange of opinion concerning time-proven procedures and experience, to find method of solution of potential problems.

From May 24 – 25, 2012 in Dubrovnik, the Meeting of the IRG General Assembly and the Association of the European regulatory authorities in the field of electronic communications (BEREC) was held. One of important themes was the presentation and subsequent discussion of regulators and the European Commission focused on the issues of network neutrality, specifically, concerning the issues of notification of QoS values discovered (quality of services), which NRA should determine pursuant to the Article 22.3 of the Directive on the Universal service. Afterwards the European Commission will submit the draft Recommendation pursuant to the Article 22.3 of the Directive on the Universal service. Another document discussed was draft report of BEREC on competitive elements concerning network neutrality. At the request of market participants, the BEREC commenced with evaluation of influence of management of operation on market conditions (innovations, competition, end user). Regarding the fact that regulatory framework has introduced the right of the NRA to determine minimum requirements on QoS to be subsequently imposed on ECNS providers pursuant to the Article 22.3 of the Directive on the Universal service, BEREC prepared and submitted another document "Quality of Service (QoS) Guidelines".

BEREC's Office submitted the information on fulfilment of Working plan for 2012 and conclusions from recent reviews of the Phase II. The report on reviews of notifications relates mostly to the review of corrective measures. The markets involved in all reviews are RT3, RT4, RT5, RT6 and RT7. There are thus the infrastructure markets, termination markets and predominantly the markets, which are regulated by some harmonisation recommendations of the European Commission. The discussion was also focused on the proposal of elements and specific sets of conditions, which should be taken into consideration as suitable indicators of competition in determining SMP according to the coinvestment scenario, namely in the next round of reviews of markets no. 4 and 5. Pursuant to the Article 28 of Recommendation on the NGA, not only numbers of operators, structure of networks and co-investment contracts should be taken in question, but also if co-investment is based on multiple fibres and if business partners have the same and cost-oriented access (competitive effects of NGA co-investments).

Documents on international roaming deals with roaming regulation from the viewpoint of implementation, because this regulation for the first time introduces contracts, which are not classic wholesale roaming contracts. There are, in particular:

- The right of any MNO and MVNO to conclude wholesale roaming agreement with any European networks according to their choice;
- The right of existing "light" MVNO and resalers to get wholesale roaming agreement on resale under regulated conditions;
- Award of the right of access to wholesale services necessary to the introduction of separated sale of roaming services (Art. 4 and 5).

MNO should publish reference offer in harmony with methodic instructions of the BEREC as per January 1, 2013, (BEREC's methodology should be published on October 1, 2012).

Considering the fact that the legislation has been created in a very general way, the BEREC methodology will play an important role in its implementation in practical life.

However, it can be expected that MNO (particularly important ones) will try to contest the most litining provisions.

There are, in particular:

- Regulated prices rules for determination of prices are specified only in a very general way in the Regulation;
- Time period of implementation with respect to regulations the deadlines are stipulated rigidly. However, from the point of view of implementation of obligations of access there is no rigid deadline stipulated;
- Limitation of obligation of access obligation of access is not absolute. MNO should be able to cancel access, for example, when bills are not paid. Further discussions can be, however, expected, focused on limitation of access to certain groups of applicants only.

BEREC is also involved in common positions of NRAs. Among them, for example, is the review of original common positions to the wholesale unbudled access, wholesale broadband access and wholesale leased circuits. BEREC took over these common positions from the ERG, whereby they became valid also in the present time. Validity of conclusions mentioned is reviewed with respect to the changing situation in the markets. Current material deals with the principle of non-discrimination, and the review of access and price issues will also be considered.

May 25 has been proclaimed the International day of missing children. At this occasion European Commissioners Viviane Reding and Neelie Kroes promulgated Declaration and the European Commission, in co-operation with Missing Children Europe, organized on May 30, 2012 the Conference "Missing Children: closing the gaps: 116000 hotlines and child abduction alert mechanisms" Concerning these issues also Eurobarometer in May 2012 promulgated the Report "Numbers assigned to harmonized" services with social value - 116". On February 15, 2007 the Commission endorsed the decision, in which it demanded that Member States in the whole European Union assign number 116 000 for the purposes of establishment of children's emergency line. Pursuant to reviewed telecommunication regulations endorsed in 2009 and, in particular, pursuant to Article 27a of the Directive on Universal service (Directive 2009/136/EC), Member States were obliged, not later than by May 25, 2011, "to take every possible actions to provide access of citizens to the service operating emergency line for notification of cases of missing children. This emergency line is accessible at the number 116 000." Pursuant to the same Directive, the Member States "must further ensure that citizens are appropriately informed about the existence and utilization of services within the framework of number extension 116, particularly by means of iniciatives specifically oriented at persons travelling among Member States."

#### 11. ITU and other international organisations

## European Conference of Postal and Telecommunication Administrations (CEPT) The Committee for the ITU's Affairs

On May 22-25, 2012 the Meeting of the Committee for the ITU's Affairs was held in Copenhagen. Its main target was provision of co-ordinated preparation of European administrations during the meetings of working groups of the ITU's Council: CWG WCIT for the preparation of the World's Telecommunication Conference WCIT-12 (June 12-15, 2012) and CWG STAB for the stabilization of basic documents of the ITU (June 20-22, 2012), discussion of positions to selected points of the program of negotiations of this year's Meeting of the ITU's Council ITU (July 4-13, 2012) and preparation of positions and common European proposals (ECP – European Common Proposal) on the World's Assembly dedicated to standardization of telecommunications WTSA-12 (November 20-

29, 2012) and the World's Telecommunication Conference WCIT-12 (December 3 – 14, 2012).

#### 12. Digitalisation of RTV

\_

#### 13. Radio spectrum management

#### Public consultation of the draft conditions of prepared Auction of frequencies

On May 11, 2012 the public consultation of the draft text of documentation of Promulgation of tender proceedings for the purposes of award of rights for the utilization of radio frequencies for the provision of public communication networks in the bands of 800 MHz, 1 800 MHz and 2 600 MHz. During the month of May comments which arrived within the framework of the consultation were evaluated and their settlement will be published as soon as the consultation with the Ministry of Industry and Trade is finished.

#### General authorization

On May 4, 2012 The Call for application of comments concerning the draft Measure of general nature was published, through which General authorization no. VO-R/14/XX.2012-Y for the utilization of radio frequencies and the operation of facilities within the range of 10 GHz was promulgated. The reason for the promulgation of this General authorization, which replace General the existing authorization no. VO-R/14/12.2006-38, is the fact that the CTU recently received from some operators and manufacturers of facilities of fixed connections of the type point to point in the band of 10 GHz stimuli and requests for implementation of the change of General authorization. These stimuli are based, in particular, on the worry of potential increase of cases of malicious jamming of existing fixed connections of the system FDD after possible deployment of technologies of the system TDD announced for the future. The purpose of the promulgation of new General authorization is therefore specification of existing conditions of utilization of frequency band (definition of station's output, provisions concerning procedure in case malicious jamming occurs, etc.).

#### The Plan for radio spectrum utilization

On May 2, 2012 the CTU's Council discussed proposal of the new edition of the part of the Plan for radio spectrum utilization no. PV-P/24/XX.2012-Y for frequency band of 4 200–5 925 MHz. The reason for the submission of proposal of the Plan of the part of the band mentioned is, in particular, projection of current conclusions of World's Telecommunication Conference WCIT-12 which in this band relates particularly to new allocations to aerial radiocommunication services. The deadline for presentation of comments concerning proposal of Measure of general nature in question terminated on June 8, 2012.

On May 9, 2012 the CTU's Council discussed proposal of the new edition of the part of the Plan for radio spectrum utilization no.. PV-P/7/XX.2012-Y for frequency band of 2 700–4 200 MHz. The reason for the submission of proposal of the Plan of the part of the band mentioned is, in particular, projection of current conclusions of reviews, if, in frequency segments of 3 459–3 480/3 559–3 580 MHz and 3 480–3 500/3 580–3 600 MHz the reasons still persist for limitation of the number of rights for utilization of radio frequencies, further gradual transition to harmonized perspective utilization of bands 3 400–3 800 MHz by applications employing frequency grid with channels multiplying 5 MHz. The purpose is to make possible further development of high-speed and perspectively ultra-high-speed networks for the access to the Internet. The deadline for sending comments

concerning the proposal of the Measure of general nature in question terminates on June 21, 2012.

#### 14. Postal services

In May the CTU, at the proposal of the Česká pošta, expressed its consent to the Amendment of Postal conditions which becomes effective on June 1, 2012. The Amendment related to postal conditions abroad and follows from legal regulations of the World's Postal Union and conditions under which foreign operators provide their collaboration to the Česká pošta.

In connection with the preparation of implementing regulations concerning the Amendment of the Act on Postal Services, the CTU organized on May 3, 2012 the workshop dedicated to the Methodology of calculation of net costs of the provider of the Universal service in the postal sector. In the workshop basic principles of the methodology of calculation of net costs were presented. In order to calculate net costs it is necessary to determine and evaluate, with the help of costs and yields, behaviour of provider of basic postal services in the situation where basic services were not imposed on this provider (alternative scenario). Subscribers received a survey of the access to the creation of alternative scenario in other European countries and simultaneously they were informed about the proposal of alternative scenario in the Czech Republic. Last but not least, the survey of intangible and market advantages, relevant for the Czech Republic, and options in determination of reasonable profit were presented. The subjects concerned had the opportunity to raise their comments which will be dealt with later.

The second workshop, focused at preparation of implementing legal regulations to the Amendment of the Act on Postal Services under preparation, were organized by the CTU on May 31, 2012. The workshop was dedicated thematically to the announcement of business in the field of postal services and determination of availability of basic services. In the first part of the workshop changes were presented ensuing from the Amendment of the Act on Postal Services and connected to envisaged transition of the agenda concerning the origin of authorization for doing business in this field to the CTU. In the second part of the workshop the issues were presented relating to determination of availability of basic services after the liberalization of the market of postal services is completed, particularly availability of service locations.

Discussed in the CTU Council on June 12, 2012