

Czech Telecommunication Office

August 2023

Telegraphically

A new video on spoofing

Are you being called from a number that looks like the number from your bank? Spoofing is a current trend in the illegal practices of scammers who try to get as much personal information as possible from the recipient of a call. <u>A new video</u> produced by the <u>Telecommunication Academy</u> warns and shows what to watch out for on these calls. What are the data protection principles, how to behave if you receive such a call?

NetTest now available for iOS

The Czech Telecommunication Office has launched a version of the NetTest measurement tool for mobile devices running the iOS operating system. You can download it in App Store <u>here</u>. CTU is thus building on an already developed app for mobile devices with the Android operating system, which, according to Google, has been installed by over 15,000 users. The app makes it possible to perform routine and recurring internet speed measurements.

Digital services coordinator

CTU <u>was entrusted</u> with the role of national coordinator of digital services. The government has approved a concept that will help ensure uniform oversight of new European regulations. CTU already has powers and responsibilities in the area of certain digital services, but in the future its scope of powers and responsibilities will be further expanded to include supervision of the Digital Services Act, part of the Data Governance Act and the Data Act.

Launch of the tender for DAB+. The auction will take place in 4 phases

On 1st August 2023, the Czech Telecommunication Office ("CTU") <u>launched</u> a tender for granting of the rights to use frequencies for digital broadcasting DAB+ in the 174–230 MHz band (so called III. band). Applicants may submit applications for the block allocations by 31 August 2023; a financial guarantee is required by the same deadline. This will be followed by an evaluation of the applications received in terms of compliance with the formalities, subsequent training of successful applicants and a test auction to verify their readiness for the auction. The auction itself will take place in October.

This band is designated for terrestrial digital radio broadcasting including mobile multimedia applications and the number of rights to use the radio frequencies is limited.

The subject of the Tender covers exclusively the frequencies for commercial broadcasting, not frequencies designated for public service broadcasting. Currently, only one block allocation has been granted for public service multiplex, and several temporary individual authorisations.

DEVELOPMENT OF BROADCASTING SERVICES

Therefore, the band is almost unutilised, and it is possible to grant the rights to its use, thus allowing the utilisation of relevant radio frequencies by other users. The utilisation of these frequencies has a significant impact on further development of broadcasting services and will create conditions not only to extend the offer of broadcasting programmes, but also for the provision of other mobile multimedia applications. The offered frequencies will provide additional space for broadcasters.

2 NATIONWIDE NETWORKS, 27 REGIONAL NETWORKS

In accordance with the requirements under the Electronic Communications Act, the aim of the Tender is to grant the applicants with radio frequencies to provide two nationwide and 27 regional transmission electronic communications networks for the provision of terrestrial digital radio broadcasting and mobile multimedia applications service and to create conditions for further development of new digital services. The conditions for the utilisation of the given radio frequencies were set to ensure maximum availability of these new services and, at the same time, to make them practicable for the future block allocation holders.

Another aim of this Tender is to support the market competition related to operators of the transmission networks for terrestrial digital radio broadcasting by ensuring plurality of operators of the nationwide and regional electronic communications networks for digital radio broadcasting. This will also allow to improve the competition among broadcasters which will have the possibility to transmit content through newly deployed digital multiplexes operated by broadcasting networks operators.

THE AUCTION WILL HAVE 4 PHASES

Within the Tender preparation, the Office worked out the draft principles and conditions, organised several workshops and based on these, prepared the Tender conditions, conducted public consultation and implemented comments thereof into the final shape of the Tender.

The auction results are the only criterion for assessing the submitted applications for the Tender. The auction is organised by combinatorial clock auction, in four auction phases in which the auction blocks will be distributed gradually among the auction participants. The winning combination of offers provided by the auction participants is the one with the highest total value. It will be designated individually for each auction phase. The auction blocks suitable for nationwide networks will be the subject of the first phase, auction block for networks covering several regions will be the subject of the second phase, and auction blocks allowing to cover only individual regions will be the subject of the third phase. In the fourth phase, auction blocks not allocated to any participants of the previous phases will be offered without any limiting conditions. Participation in particular phases is limited on the basis of defined spectral limit so that also smaller players are allowed to enter the market and, at the same time, all block allocations across the Czech Republic are maximally utilised.

CZK 10 000 PER 100 000 INHABITANTS

The development criteria were set with regard to the developing new platform.

The nationwide networks are expected to cover 50% of the population and motorways within 18 months and 80% of the population and motorways in the next 12 months. Regional broadcasting shall cover 40% of the population of the relevant region within 24 months and 70% of the population of the region in the following 24 months.

The minimum price of individual block allocations was counted according to a price coefficient set as CZK 10 000 per each whole 100 000 of inhabitants living within the area to which the auction blocks are designated.

Market analyses and universal service

Market No. 1 - wholesale local access provided at a fixed location, and Market No. 3b - wholesale central access provided at a fixed location for mass-market products

CTU prepared and, after approval by the CTU Council on 18 July 2023, issued via measures of general nature a market analysis <u>No. A/1/07.2023-2</u>, Market No. 1 - wholesale local access provided at a fixed location, and market analysis <u>No. A/3b/07.2023-3</u>, Market No. 3b - wholesale central access provided at a fixed location for mass-market products. On the basis of analysis of relevant market No. 1, CTU designates CETIN as an undertaking with significant market power in the 33 territorial units concerned and will impose regulatory obligations on it. In the remaining territorial units of relevant market No. 1, CETIN designation as an undertaking with significant market power will be removed and this part of the market will be deregulated.

The analysis of relevant market No. 3b has found that the relevant market in question is an effectively competitive market, as no undertaking with significant market power is active on this market on the basis of the analysis carried out or, more precisely, the market in question no longer meets the three criteria test and the application of ex-ante regulation on the analysed market No. 3b is not possible. For this reason, in accordance with Section 51(11) of the Act, CTU will withdraw the designation of CETIN as an undertaking with significant market power in market No. 3b, thereby deregulating this market. The Office published the measures of general nature in question on 26 July 2023 in <u>volume 3/2023</u> of the Telecommunication Bulletin.

Measure of general nature designating the relevant markets in the field of electronic communications (Measure of General Nature No. 1)

CTU prepared and, after approval by the CTU Council on 25 July 2023, issued Measure of General Nature No. OOP/1/07.2023-5 amending Measure of General Nature No. OOP/1/05.2021-5 designating relevant markets in the electronic communications sector, including criteria for assessing significant market power.

The Measure withdraws market No.3 - Wholesale access to mobile service from the list of relevant markets susceptible for ex-ante regulation, following the <u>European Commission decision</u> of 24 March 2023 in case No. CZ/2022/2421. In the decision, the European Commission found that, according to its assessment, the relevant market does not meet the three criteria test and is therefore not susceptible for ex-ante regulation. The subject Measure of General Nature was published by CTU on 26 July 2023 in <u>Volume 3/2023</u> of the Telecommunication Bulletin.

UNIVERSAL SERVICE

Request for compensation for the loss on the provision of special prices

On 24 July 2023, O2 submitted a request to CTU for reimbursement of the loss resulting from the provision of special prices of the publicly available telephone service to persons with disabilities for the year 2022 in the amount of CZK 51,898,511.49. CTU subsequently initiated administrative proceedings with O2 to verify the amount contained in the submitted request. After the final decision has been issued, the verified loss will be covered by the state budget through CTU.

Checked by CTU in July...

...compliance with the conditions of General Authorisation No. <u>VO-R/12/11.2021-11</u> for the use of radio frequencies and for the operation of equipment for broadband data transmission in the 2.4 GHz - 71 GHz band

CTU completed 12 inspections in July. Defects were identified in 9 cases, consisting mainly in harmful interference with radiocommunication service stations on a primary basis and use of indoor frequencies outside a building, which were resolved by a call to rectify the identified deficiencies and which will subsequently be addressed in administrative proceedings.

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

In July, CTU closed 7 cases of interference to 5G, LTE and GSM public mobile communication networks, 3 cases of interference to satellite reception, 3 cases of interference to meteorological radar, and one case of interference to amateur service. The other three interference investigations involved short-range devices and mobile and fixed service base stations. In cases where the interference was confirmed and the source of the interference was traced, the operators of the interference sources were ordered to eliminate them.

... sources of interference with TV signal reception

In July, CTU closed a total of 100 cases of TV signal reception interference. The investigation of complaints about poor TV reception revealed that in 56 cases the defect was in the viewer's equipment (most often a technical fault of the receiving antenna or lead-in), in 8 cases the interference stopped or occurred sporadically, in 9 cases the complainant cancelled the interference complaint during the investigation. In 10 cases, the reception problem was caused by poor signal quality at the reception location. In 17 cases, a source of interference was detected, and in 17 cases the source of interference was identified as a base station of a mobile operator, see below.

... the use of radio frequencies without authorisation

Based on radio monitoring, CTU carried out a total of 7 inspections focused on the use of frequencies without authorisation (including frequencies for the use of which an individual authorisation cannot be issued). In 6 cases, the use of frequencies without authorisation was detected, mainly by the operation of broadband data transmission devices (RLAN). The cases were referred to administrative proceedings.

... compliance with the conditions of an individual authorization for the use of radio frequencies

7 inspections were carried out and in three cases violations of the terms and conditions of the individual authorisation were found. The operators of the equipment were issued notices to remedy the deficiencies and the cases were referred to administrative proceedings.

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

As of 31 July 2023, 288 base stations were in pilot operation, and 17,177 stations were in permanent operation. In July, an LTE base station was not identified as a source of TV signal interference.

... pilot operation of 5G/LTE base stations in the 700 MHz band

As of 31 July 2023, 1,581 base stations were in pilot operation, and 5,156 stations were in permanent operation. In July, a 5G/LTE base station was identified as a source of TV signal interference in 17 cases. In all cases, the mobile network operators eliminated the interference at their own cost based on a CTU's decision. In July, CTU sent a letter via data mailbox to 68 municipalities in whose region the pilot operation of 5G base stations was launched, <u>with information</u> on how to proceed in the caseof TV signal reception interference.

1,467 - the number of decisions issued in July on the matter, of which 1,460 decisions concerned a dispute over payment (payment of the price for services).

941 – the number of administrative proceedings initiated in July concerning subscriber disputes between the person carrying out the communication activity and the subscriber. These are the disputes over payments and objections to a claim settlement about the billing of the price or the provided publicly available electronic communications service.

CTU may now penalize failure to include the verification code (OKU) in the contract

On 1 July 2023, an amendment to the Electronic Communications Act came into effect, allowing the Czech Telecommunication Office to penalize the failure to include a subscriber verification code in a contract for the provision of electronic communications services. Providers are not only obliged to include this key information in the contract, but they can also now be fined up to CZK 15 million for failing to include it. OKU refers to both the code for porting a telephone number and the code for changing internet access service provider.

On 1 July 2023, an amendment to the Electronic Communications Act implemented by Act <u>No. 202/2023 Coll.</u> came into effect, which newly regulates the conditions for using the financial contribution for the provision of electronic communications services to persons with special social needs. CTU has reported in detail on the changes introduced by this amendment in the area in question in <u>Monitoring Report No. 7/2023</u>.

For contracts concluded after 1 April 2020, the OKU code is a mandatory part of the contract concluded between the subscriber and the provider. If you entered into the contract earlier, you can find the code on an addendum to the contract, or the provider may have sent it to you in another way (e.g. by SMS or email), which is also the case with prepaid cards. In addition to the above, some providers also make the OKU code available via self-service.

Although providers are therefore obliged to include this individualized information in the contract, a breach of this obligation has not yet been classified as an administrative offence by law.

On the basis of the aforementioned amendment, the violation of the above-described legal obligation can be penalized, and a fine of up to CZK 15,000,000 or up to 5% of the net turnover of the offender for the last completed financial period, whichever is higher, can be imposed for this administrative offence.

CTU can be contacted at any time should you have any questions or suggestions pointing to the possible commission of this administrative offence.

A selection of planned items on the agenda of the CTU Council meeting

Evaluation of application practice under Decree No. 58/2022 Coll. (number portability and internet services)

The Council will be presented with an evaluation of the suggestions received by the Office in relation to the application of Decree No. 58/2002 Coll., on conditions for number portability and the change of the Internet access service provider, and the steps it proposes to implement.

Preparation of a new radio spectrum management strategy

The Council will be briefed on the expected objectives of the newly prepared strategy and the main points of the proposal, which should take into account current spectrum management issues such as the future use of the UHF band, radio frequency sharing, the use of new technologies and other aspects.

Spoofing – basis for a workshop with the broader professional public

The Council will receive information on the progress of work leading to the identification of measures to prevent the negative effects of spoofing in the Czech Republic. A summary of the answers to the questions and suggestions received by the Office following the workshop of 26 June 2023 and a proposal for the way forward will be presented.

Market Development Report and Price Development Report

The Council will discuss market and price development reports focusing on key indicators of the electronic communications market for the year 2022. The reports will subsequently be published on CTU's website.

We will also inform you via press releases about the key materials discussed by the CTU Council.

Radio spectrum management

WILL AI BE USED IN RADIO SPECTRUM MANAGEMENT?

The U.S. Federal Communications Commission (FCC) adopted a <u>document</u> at its meeting of 3 August 2023 opening up activities in the U.S. to determine whether artificial intelligence (AI) can assist in the collection of spectrum utilisation data. Demand for its availability continues to grow, and AI can help the administration achieve greater efficiency in spectrum use by better understanding the complex processes involved in sharing spectrum between different users and services. Both when capturing large data sets and when analysing them.

General authorisation update for the purposes of the socalled hotspots

On 15 July, the CTU Council approved <u>General Authorisation No. VO-R/7/07.2023-4</u> for the use of radio frequencies and for the operation of citizen band radio stations in the 27 MHz band. The main reason for the update is to lay down the conditions for remotely controlled stations in idle mode in the 27 MHz band used for reception and subsequent real-time modulation transmission, the so-called hotspots.

Key changes

The version of the general authorisation of 18 July 2023 therefore introduces the following key changes compared to the previous version:

Channels 60, 66, 68, 69, 71 and 78 are now reserved for hotspots. Hotspots cannot be operated on other channels.

The conditions under which hotspots can transmit are defined (activation requirement, maximum session time, transmission near national borders, responsibility for hotspot operation).

Channels 18 and 23, originally recommended for hotspot operation, are now reserved for the so-called repeaters.

Upper-6 GHz and upcoming European position

IMT stands for public mobile networks, including 5G, and is always an important itemof WRCs (World Radiocommunication Conference). At a meeting in Riga (19-21 July), the CEPT working team on these mobile communications (IMT) developed a variant proposal for a common European position for the 6425-7125 MHz band, which will be submitted to the CEPT WRC-23 Preparatory Group in Dublin in September for approval. The draft position does not envisage Europe submitting a proposal to designate the Upper-6 GHz band for mobile telecommunications (called IMT identification) in that band, but instead articulates criteria for accepting such a proposal if Europe is approached with an IMT proposal from countries or regions outside the CEPT. These conditions include ensuring the protection of important priority services and maintaining the operation of scientific services such as passive satellite-based earth observation and radio astronomy. The draft position also calls for future wireless broadband traffic in Europe not to be restricted. If IMT is accepted, Europe will request that no work item be approved at WRC-23 to study conditions for IMT between 7.125 and 30 GHz to protect important European non-civilian systems. The conditions also include a proposal for a new priority allocation in the 4.2 GHz band for satellite-based seawater temperature measurement systems, for which the Upper-6 GHz band was previously designated, in order to preserve the operation of these sensors after their relocation. However, the European contribution at WRC 23 does not interfere with ongoing CEPT studies on the proposal of low power Wi-Fi conditions.

European Commission - Radio Spectrum Committee (RSC) meeting

Important topics of the 83rd meeting of the RSC on 12 July 2023 included, among others, the possible application of the EC's competences in ensuring the interoperability of LTE networks in the EU (and thus roaming calls) after the phase out of 2G and 3G networks by setting a binding standard for VoLTE (Voice over LTE). Given the fact that the issue also affects a number of other areas, including

competition, further negotiations will continue. The first two EC meetings on this matter will take place in September this year. The urgency of the need for a solution is also related to the need to harmonise the prospective 3.8-4.2 GHz band for local area networks.

Telecommunications regulation in the EU

Official Journal of the EU

On 25 July, the <u>Commission Implementing Decision (EU) 2023/1534</u> of 24 July 2023 selecting the entities forming the initial network of European Digital Innovation Hubs in accordance with <u>Regulation</u> (EU) 2021/694 of the European Parliament and of the Council was published. This Decision shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.

European Commission

On 9 July, the Commission welcomed the twelve-month prolongation of the operators' agreement allowing displaced refugees from Ukraine to stay connected across borders. The Commission, together with the NCEC, the Ukrainian national regulatory authority, has facilitated the agreement between 23 European and seven Ukrainian operators to prolong the agreement, which was first <u>signed in April 2022</u>. This concerns in particular the price reductions that will apply when calls are connected across borders.

At the beginning of July, <u>BEREC published its analysis</u> on benefits of this agreement. The <u>latest</u> <u>data</u> demonstrates that the agreement has been efficient in allowing operators to provide affordable calls across borders. When it comes to inter-operator rates for cross-border calls, operators in the European Economic Area (EEA) that are part of the agreement are subject to significantly lower rates than those operators who have not signed it. The Commission urges all operators to join the agreement. An updated list of signatories can be found on our page "Joint Statement by EU and Ukrainian operators to help refugees from Ukraine stay connected.".

In parallel, the Commission has been preparing to integrate Ukraine into the EU Roaming area. In April 2023, the EU-Ukraine association committee adopted the Commission's proposal for Ukraine to join the EU Roaming rules. The next step is for Ukraine to fully align their legislation with that of the EU and then for the Council of the European Union to adopt the final decision.

UPU

Světová poštovní unie (UPU) vede až do 1. srpna 2023 <u>konzultace</u> o svých budoucích programových cílech na období 2026-2029 (tzv. Dubajská poštovní strategie), které budou schváleny na zasedání Kongresu UPU v Dubaji v roce 2025. Konzultace se mohou účastnit členské země UPU, členové poradního výboru UPU a širší okruh hráčů na poštovním trhu. Dubajská poštovní strategie navazuje na předchozí 4-letou tzv. <u>Abidžanskou poštovní strategii</u> na období 2022 – 2025, přijatou na 27. Kongresu v Abidjanu v roce 2021, která jako hlavní programové cíle stanovila: garanci volného pohybu poštovních zásilek v rámci jednotného celosvětového poštovního trhu; podporu přijetí spravedlivých společných norem a využívání technologií; zajištění spolupráce mezi hlavními hráči na poštovním trhu; posílení efektivní technologické spolupráce a zajištění měnících se zákaznických potřeb.

The Universal Postal Union (UPU) is holding until 1 August 2023 the <u>consultation</u> on its future programme goals for the period 2026 – 2029 (Dubai Postal Strategy), which will be approved at the 2025 UPU Congress in Dubai. The consultation is open to UPU member countries, members of the UPU

Advisory Committee and a wider range of players in the postal market. The Dubai Postal Strategy builds on the previous 4-year <u>Abidjan Postal Strategy</u> for the period 2022 – 2025 adopted by the 27th Congress in Abidjan in August 2021, which set as its main programmatic objectives: guaranteeing the free circulation of postal items over a single postal territory composed of interconnected networks; encouraging the adoption of fair common standards and the use of technology; ensuring cooperation and interaction among stakeholders on the postal market; promoting effective technical Cooperation and ensuring the satisfaction of customers' changing needs.