

Czech Telecommunication Office **June 2024**

Telegraphically

DIGIMEDIA conference

Marek Ebert, Chairman of the CTU Council, took part in a discussion on the future of terrestrial TV broadcasting at the conference. He confirmed that the WRC has maintained the conditions for DTT envisaged beyond 2030, nevertheless the decision to operate commercial DTT networks also rests with private operators. Director of the Frequency Spectrum Management Department Jiří Duchač took part in the panel entitled "Digital networks for radios have been given away, the fight for customers begins" and evaluated, among other things, the auction of frequencies for DAB.

Meeting with Slovak colleagues

At the meeting with representatives of the Slovak regulator, we provided our colleagues with more detailed information, e.g. about the renewal of block allocations in the 900 and 1800 MHz bands, the selection procedure for a new postal licence holder, anti-spoofing measure and the subsidy call on repeaters and permeable windows to improve the signal in trains. We learned, for example, about the experience of providing state aid in the release of the 700 MHz band or in the construction of optic fibre networks.

Conclusions of P2B inspections

On 22 May, as part of the workshop on the implementation of EU Regulation 2019/1150 (P2B Regulation), CTU presented its findings from the completed inspections. 9 entities were inspected and in 7 cases violations were found. The first final and enforceable fine was also imposed. The most common errors were the failure to disclose contract terms and conditions, main ranking parameters and information on access to data.

Ranking search results and offers according to P2B Regulation

The internet is now the main source for finding information, shopping and discovering new services. This is related to the huge number of products that are offered to us on various websites such as online marketplaces or online search engines. But who and how decides which products users will see on the first page and which will go to the bottom of the long list?

Automated systems and algorithms for ranking results play a role in this. How these algorithms work is also crucial for undertakings who offer their products through various online intermediation services.

P2B REGULATION

Until recently, undertakings have relied on general strategies and estimates in an attempt to achieve better ranking of their products offered through intermediation services. The specific parameters

taken into account by the ranking algorithms were shrouded in mystery. However, with the arrival of the P2B Regulation the situation began to change. The Regulation requires providers of intermediation services to disclose in their terms and conditions the main parameters they take into account for ranking results, including an explanation of the relative importance of these parameters. This information must be easily accessible in the terms and conditions. For more information, visit our Guide.

WHAT PARAMETERS USUALLY DETERMINE RANKING?

Online search engines use complex algorithms to evaluate and rank content on the basis of the relevance. These algorithms take into account various factors, including the match of keywords on the web page with those entered by the user, but also the popularity of the website, the quality of the content and much more.

However, other services such as online marketplaces and application stores also use results ranking to offer users what is the most interesting out of a large number of items. The specific parameters vary in practice according to the type of service. They include, for example, relevance, price, brand, consumer ratings, popularity, amount of remuneration, etc. However, temporary events such as seasonal sales can also be the main parameter. In order to better understand the mechanism, the European Commission has published Guidelines for providers containing practical advice on the application of the P2B ranking rules, including examples of the main parameters.

HOW TO MOVE UP IN THE RANKING?

The process of optimising a website to rank better in search engines is called Search Engine Optimization (SEO). SEO strategies include using keywords, creating quality content, improving user experience or building links from other trusted websites. A similar approach to optimisation is used also in contexts other than search engines. For example, for the application store, the strategy will focus on an attractive application icon and getting positive reviews from users.

PAID PLACEMENT

Some providers of intermediation services such as online marketplaces offer a paid placement option, allowing sellers to highlight their products among the results. This can be used by the retailer, for example, when launching a new product that would otherwise initially be easily overlooked if the ranking algorithm gives priority to products with a high number of sales or user reviews. These offers are often marked as sponsored and placed at the top of the product list and in other prominent positions.

CURATED RECOMMENDATIONS

In application stores, users may also come across various curated lists and recommendations that offer interesting or quality applications. The way an application developer achieves such visibility is not by paying for it, but rather as a result of their application having a unique design, innovative ideas or perhaps an interesting story behind the application.

CONCLUSION...

The ranking of products in the offers of online intermediation services has a major impact on consumer decision-making and thus on the commercial success of vendors who offer their products through these services. Automated ranking systems and algorithms play a key role in what users see in the first places, but until recently, details of these algorithms and ranking methods used by online

intermediation services were rarely communicated to business users of these services. However, the P2B Regulation increases transparency and allows undertakings to present their products in a way to achieve the best possible ranking and to increase their visibility to potential customers.

Complaints about violations of the DSA

One of the new benefits for users of online intermediation services under the DSA is the right to submit a complaint with the Digital Services Coordinator about possible breaches of the obligations under the DSA, e.g. due to a provider's restriction of services, failure to deal with reports of illegal content, use of a misleading online interface or lack of protection for juveniles. Any recipient of a service or any body defending the rights of recipients of services may submit a complaint.

The complaint must include a narrative of the relevant facts and should be supported by concrete evidence, such as screenshots, links to specific websites or copies of any relevant communications with the provider. The complainant should also provide their contact details. Submissions can be made to the Office's data mailbox, by e-mail to podatelna@ctu.cz or by using the contact form.

The Office will examine the complaint within 30 days and, if it finds it justified, it will initiate an inspection of the provider or directly administrative offence proceedings (note: Until the DSA adaptation act comes into effect, CTU cannot conduct inspections and impose sanctions, but we analyse all complaints received). If the complaint is evaluated as justified but concerns a provider established in another EU Member State, typically Ireland, it will be referred to the digital services coordinator of the relevant country.

Checked by CTU in May...

…compliance with the conditions of General Authorisation No. VO-R/12/11.2021-11 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 7 inspections in May, during which deficiencies were found in 6 cases, mainly in the use of indoor frequencies outside a building. Cases in which breaches of the conditions of the general authorisation have been found will be dealt with in administrative proceedings after prior call to remedy the deficiencies found.

… the use of radio frequencies without authorisation

Based on radio monitoring, CTU carried out a total of 21 inspections focused on the use of frequencies without authorisation (including frequencies for the use of which an individual authorisation cannot be issued). In 19 cases, the use of frequencies without authorisation was detected, mainly by the operation of land mobile service stations and broadband data transmission devices (RLAN). The cases were referred to 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 May, CTU closed 10 cases of interference to GSM, LTE and 5G public mobile communication networks, two cases of interference to a meteorological radar, one case of interference to an IRS base station, 6 cases of interference to RLAN equipment, 2 cases of interference to a radio relay link and other 3 cases of interference to various equipment (a PCO receiver, short-range devices and a wireless

local information system). 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 May, CTU closed a total of 54 cases of TV signal reception interference. The investigation of complaints about poor TV signal reception revealed that in 27 cases the defect was in the viewer's equipment (most often a technical fault of the receiving antenna or lead-in). In 9 cases the interference stopped or did not manifest itself during the investigation, and in 8 cases the complainant cancelled the interference complaint during the investigation. In 2 cases, the reception problem was caused by poor signal quality at the reception location. In 8 cases, a source of interference was detected, and in all 8 cases the source of interference was identified as a base station of a mobile operator, see below.

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

As of 31 May 2024, 383 base stations were in pilot operation, and 17,532 stations were in permanent operation. In May, an LTE base station was identified as a source of TV signal interference in one case.

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

As of 31 May 2024, 1,973 base stations were in pilot operation, and 9,165 stations were in permanent operation. In May, a 5G/LTE base station was identified as a source of TV signal reception interference in 8 cases. In all cases, the mobile network operators eliminated the interference at their own cost based on CTU's decision. In May, CTU sent a letter via data mailbox to 4 municipalities in whose region the pilot operation of 5G base stations was launched, with information on how to proceed in the case of TV signal reception interference.

1,472 - the number of decisions issued in May on the matter, of which 1,466 decisions concerned a dispute over pecuniary consideration (payment of the price for services).

2,365 – the number of administrative proceedings initiated in May concerning subscriber disputes between the person carrying out the communication activity and the subscriber. These are the disputes over pecuniary consideration and objections to a claim settlement about the billing of the price or the provided publicly available electronic communications service.

The consumer cannot waive their rights under the law by a contract

We would like to reassure consumers that any contract entered into with an electronic communications service provider cannot be used by the customer to waive their rights under the law. If a consumer suspects that a provision in a contract with a service provider is trying to deprive the consumer of their legal rights, we recommend contacting CTU.

The problem that CTU encounters in its official practice is not only the failure to incorporate the relevant statutory rules into contractual terms and conditions or to actually comply with them in practice, but also attempts to exclude provisions protecting consumers.

Consumers are protected from such situations by the Civil Code, according to which arrangements that deviate to the detriment of the consumer from the provisions of the law established to protect the consumer are not taken into account. This applies even to situations where the consumer waives a special right granted by law.

According to the Civil Code, arrangements that create a significant imbalance of rights or obligations of the parties to the detriment of the consumer, contrary to the requirement of fairness, cannot be accepted.

If it is proven that an administrative offence has been committed, CTU will sanction such actions in accordance with the applicable laws and regulations. Even in the context of settlement of private law disputes between a subscriber and a provider, if CTU assesses the validity of such a contractual arrangement, it will always take into account the statutory provisions protecting consumers, which preclude the consumer from being deprived of their rights in this way.

Report on the fulfilment of the obligations of Česká pošta in 2023

The report on the fulfilment of the postal licence holder's obligations is issued annually by Czech Telecommunication Office as the supervisory authority for postal services. The report focuses exclusively on universal services, i.e. those postal services that are provided by Česká pošta as a postal licence holder on the basis of an obligation imposed by a decision of CTU and for which the postal licence holder receives compensation from the state in the form of reimbursement of net costs. The findings of the deficiencies, if any, are therefore only related to universal services and do not include fines issued imposed on Česká pošta for other administrative offences.

Radio spectrum management

MEASURES OF GENERAL NATURE

On 21 May, the CTU Council discussed the settlement of the comments from the public consultation and the opinions of the Office for the Protection of Competition (ÚOHS) and the Council for Radio and Television Broadcasting (RRTV) and approved the updated part No. PV-P/21/05.2024-2 for the 174-380 MHz frequency band of the Radio Spectrum Utilisation Plan. The main reason for the new release is to lay down the conditions for the use of the third TV band by digital radio broadcasting in accordance with the tender procedure for the broadcasting network operator. The Office expects the construction and development of national and regional broadcasting networks in line with the development criteria set out in the block allocations and a consequent increase in the number of DAB+ receivers among listeners. In the future, following an assessment of development, the Office will look at the options for construction of local and community transmitters as suggested in the public consultation.

On 29 May, the CTU Council approved an updated radio spectrum utilisation plan part No. PV-P/5/05.2024-3 for the frequency band 66—87,5 MHz which, based on the interest of municipalities in the use of wireless local information systems, sets new conditions for the utilisation of the 66-87.5 MHz frequency band by mobile services and thus expands the available spectrum not only for these systems.

CEPT makes progress in harmonisation of 4 GHz and 6 GHz

The 78th meeting of the CEPT ECC/PT1 Project Team for mobile services was held in Athens from 28 to 31 May 2024. The meeting focused on the harmonisation of the 4 GHz band for local mobile networks and the issue of protection of aeronautical radio altimeters. The ECC 358 report on conditions for local area networks in the 3.8-4.2 GHz band has been finalized for adoption by the ECC plenary. In addition, the team advanced the drafting of the widely followed ECC Report on Upper 6

GHz with technical compatibility studies and impact analyses of different IMT/6G and RLAN/Wi-Fi hybrid sharing scenarios. The team also began discussing a "6G roadmap" with some believing that the pioneering band should be the Upper 6 GHz.

A follow-up meeting of the CEPT Working Group Frequency Management (WGFM) was held in Stockholm on 3-7 June 2024 to discuss a number of issues on the utilisation of the spectrum starting with drones in the 1.9 GHz frequency band, shortrange devices, including their communication with satellites, to compromise conditions for transport systems ITS in the 5.9 GHz frequency band, to CEPT Member States' cooperation on the elimination of interference to satellite navigation systems (GNSS), including Galileo. A significant part of the meeting was devoted to the discussion of the draft CEPT Report on conditions for local mobile networks in the 3.8-4.2 GHz band, which was commissioned by the European Commission with the intention of harmonising the 4 GHz band for low and medium radiated power stations and networks. The draft CEPT Report, together with the draft ECC Decision on the 4 GHz band, was referred to the ECC for approval for public consultation.

General authorisation against spoofing

ANTI-SPOOFING MEASURES

On 1 June 2024, the condition for inserting telephone numbers into the Calling Line Information (CLI) came into effect. This condition set out in the General Authorisation VO-S/2/04.2024-1 applies to undertakings providing a voice communication service. Simply put, only real telephone numbers that can be called back can now be entered into the CLI. Subsequently, a related key condition for blocking suspicious traffic at points of international interconnection will come into effect as of 1 July 2024 to prevent the connection of fraudulent calls using spoofing practices.

The Office will monitor the impact of the implementation of the new conditions in cooperation with the undertakings.

UNIVERSAL SERVICE: Request for compensation for the loss on the provision of special prices

On 21 March 2024, PODA a.s. submitted a request to CTU for compensation for the loss resulting from the provision of special prices for voice communication services and internet access services to persons with special social needs for the year 2023. Upon receipt of the application, administrative proceedings were initiated with PODA a.s., in which CTU verified the calculation of the presented loss and by decision No. ČTÚ-11 307/2024-611/IV. vyř. determined the loss in the amount of CZK 1,493,071,90. The decision became final on 11 June 2024 and CTU paid this amount to PODA a.s. from the state budget on 17 June 2024.

Legislative changes

CLARIFICATION OF THE SUBJECT MATTER JURISDICTION OF THE ADMINISTRATIVE AUTHORITIES DESIGNATED TO DEAL WITH ADMINISTRATIVE OFFENCES

On 21 May 2024, Act No. 124/2024 Coll. amending Act No. 634/1992 Coll., on consumer protection, as amended, was published in Part 124 of the Collection of Laws and international treaties.

This Act shall come into effect on the day following its promulgation, i.e. on 22 May 2024.

CTU RULES FOR CONDUCTING CONSULTATIONS ON THE DISCUSSION SITE

On 1 May 2024, the new Rules of the Czech Telecommunication Office for consultation at the discussion site issued pursuant to Section 130(8) of Act No. 127/2005 Coll., on electronic communications and amending certain related acts (the Electronic Communications Act), as amended by Act No. 374/2021 Coll., published under ref. No. ČTÚ-627/2024-606, came into effect, repealing the existing regulation on the conduct of consultations. Consultations initiated before this date are governed by the existing regulation, namely the rules issued under ref. No. ČTÚ-87 392/2013-606 on 13 November 2013.

Selected items from the agenda of the CTU Council meeting

CTU activity plan for the second half of 2024

The Council will be presented with an updated plan of CTU's activities for the 2nd half of the year, including tasks with deadlines, for approval.

Information on the activities of European institutions including BEREC and ERGP, EaPeReg and the EU Council

A summary of relevant legislation published in the Official Journal of the EU or under discussion in the EU institutions is presented. In addition, the Council will be informed about current initiatives of the Commission in all 3 sectors of interest to CTU - telecommunications, postal services, and digital services.

Information on the nationwide inspection focusing on compliance with the obligations to make the OKU code available in contracts concluded after 1 July 2023

On 1 July 2023, an amendment to the Electronic Communications Act came into effect, which established a penalty for failure to make the subscriber verification code (OKU) available in the contract terms and conditions of service providers. In 2024, CTU carried out a nationwide inspection focused on compliance with the obligation to make OKU available to customers.

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

Telecommunications regulation in the EU

European Commission

Until 30 June, the public consultation of the Commission is running on the White Paper "How to master Europe´s digital infrastructure needs?" As part of the preparation of the contribution on behalf of the Czech Republic, CTU together with the Ministry of Industry and Trade and with the participation of representatives of the sector organised a round table to discuss the scenarios that the European Commission presented in the White Paper.

From the CTU's point of view, it was a useful meeting which confirmed our main theses on Pillar II of the White Paper, in particular our disagreement with the EC's view on the need to move away from promoting competition in order to support the emergence of large "pan-European" operators.

On 31 May, the Commission formally designated Temu as a Very Large Online Platform (VLOP) under the Digital Services Act (DSA). The Commission will be competent to supervise Temu's compliance with the DSA in cooperation with the Irish Digital Services Coordinator.

Official Journal of the EU

On 14 May, REGULATION (EU) 2024/1307 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 29 April 2024 amending Regulation (EU) 2021/1232 on a temporary derogation from certain provisions of Directive 2002/58/EC (ePrivacy) as regards the use of technologies by providers of number-independent interpersonal communications services for the processing of personal and other data for the purpose of combating online child sexual abuse, was published. This Regulation entered into force on the day following that of its publication in the Official Journal of the EU.

On 31 May, Commission Implementing Decision (EU) 2024/1467 of 27 May 2024 amending Commission Implementing Decision (EU) 2019/785 on the harmonisation of radio spectrum for equipment using ultra-wideband technology in the Union was published.

Cybersecurity

On 22 May, a Eurobarometer survey was published, showing that not only is the cyber skills shortage increasing, but that more cyber security specialists are needed in companies across the EU, as well as more employees who are aware of the need for cyber security.

BEREC

On 22 May 2024, delegates from BEREC, alongside other DMA High-Level Group members, adopted the public statement on Artificial Intelligence (AI). During the meeting, the European Commission presented recently approved law on Artificial Intelligence - the AI Act.

On 22 May, BEREC hosted an external workshop on the use of satellite technologies in mobile communications. The workshop was a follow-up to a previous discussion between BEREC and satellite technology undertakings in 2023. The workshop focused on a number of relevant issues, such as potential regulatory issues related to Non Terrestrial Networks (NTN) in the context of the extension of mobile/fixed communications networks.

The 59th Plenary Meeting of BEREC was held on 6 and 7 June. The following documents were adopted for publication:

BoR (24) 80 Report on the Study Visit to Brazil 2024

BoR (24) 82 Report on ICT sustainability for end-users: Empowering end-users through environmental transparency on digital products and Report on the outcome of the public consultation

BoR (24) 83 Summary of the BEREC external Workshop on ex-ante regulatory experience concerning commitments, wholesale-only undertakings and commercial agreements review

BoR (24) 85 Report on the general authorisation and related frameworks for international submarine connectivity and Report on the outcome of the public consultation

BoR (24) 102 WACC parameters Report 2024

BoR (24) 92 Annual Report for 2023

BoR (24) 97 BEREC Analysis: Monitoring of the Joint Statement agreed between Ukraine and EU Operators

BoR (24) 106 Decision No BoR/2024/04 of the BoR accepting the application of NRA for Electronic Communications and Information Technology of the Republic of Moldova (ANRCETI) to become Participant without voting rights

Other documents adopted for public consultation:

BoR (24) 93 Draft Report on the IP Interconnection ecosystem

BoR (24) 96 Draft Report on M2M and permanent roaming

BoR (24) 101 Draft Opinion on the national implementation and functioning of the general authorisation

Eastern Partnership

On 22 May, the plenary meeting of the Eastern Partnership Regulators' Network (EaPeReg) was held in Bucharest. Representatives of the EaPeReg leadership (Moldova, Romania), co-chairs of the 3 EaPeReg working groups and representatives of the EU4Digital programme presented the outcomes of their work in the first half of this year and planned future activities. The nomination of Azerbaijan for the position of the Chair and Latvia for the position of Vice-Chair of EaPeReg for 2025 took place at the meeting. The following day, a workshop on measures facilitating the deployment of electronic communications networks was held. Representatives of the CTU made presentations on the cost model developed by CTU and on the issue of dispute resolution under the BCRD.