

Czech Telecommunication Office

March 2020

Telegraphically on communications

The CTU Council is complete again

On 9 March, Mr. Marek Ebert was appointed a new member of the CTU Council by the government. Mr Ebert, a long-standing Director of CTU's Regulation Section, will assume his duties as of 1 April. He has been working at CTU since 1993, when CTU was still a part of the former Ministry of Economy.

UPC is becoming Vodafone

As of 1 April, the merger between UPC Česká republika, s.r.o. and Vodafone Czech Republic a.s. will be complete. All UPC customers will automatically become customers of Vodafone. The change of terms and conditions will occur on the same day.

Risk of exposure to 5G transmitters' EMF of public

The Ministry of Industry and Trade published a document prepared by the National Reference Laboratory for Non-Ionising Electromagnetic Fields and Radiation as a reaction to growing fears and questions regarding health protection from the electromagnetic field (non-ionising radiation) of 5G networks.

CTU launched a public consultation on new condition of 5G auction

CTU has presented the draft conditions to experts already at the beginning of March. On Monday, 16 March, CTU published a <u>full draft</u> conditions and launched a <u>public consultation</u>.

The forthcoming auction will concern frequencies in the range of 2 x 30 MHz in the 700 MHz band which were released by the transition of a digital television broadcasting to the new and more effective DVB-T2 standard. These frequencies allow transmission with greater reach and are suitable for building area-wide coverage. Another part of auction are frequencies in the range of 2 x 160 MHz in the 3.5 GHz band (i.e., 3440–3600 MHz) which on one hand allow only transmission with shorter reach, but on the other hand dispose of greater capacity and are suitable for covering areas with higher concentration of mobile service users as well as for provision of services at a fixed location.

Supposedly, both frequency categories will be used for mobile networks deployment based on the new 5G standard.

The auction goal is to attract new providers to the Czech market who could compete with the current ones and decrease prices and improve availability of mobile services, mainly in terms of data.

Simultaneously, the new auction conditions are designed not to be dissuasive for such applicants, but to be rather encouraging.

A significant encouraging factor for new providers is the right to so-called national roaming. This means, the new provider may temporarily use the already deployed mobile networks of the current operators for regulated prices to provide own service. The new provider will therefore be able to provide area-wide mobile services when he has not built a coverage by own network or the users do not dispose mobile terminal equipment which support his technology (e.g., 5G).

The new auction conditions provide that the national roaming right will be granted, until mid-2029, to the new providers, who acquire frequencies in the 700 MHz band as well as to those, who acquire frequencies in the 3.5 GHz band. This right will be also granted to the providers, who have already acquired frequencies in the 3.7 GHz band (i.e., 3600–3800 MHz) in previous auction.

Another encouraging factor is that also the applicants who wish to provide only wholesale services can participate in the auction of frequencies in the 700 MHz band, which are suitable for area-wide coverage. Other providers shall then be able to use these wholesale services for provision of own services to end customers (i.e., on the retail market) regardless of whether they hold any frequencies or not.

Last but not least, another encouraging factor, especially for the so-called virtual operators, is the obligation to provide a so-called reference wholesale offer. The providers who will acquire frequencies in the 700 MHz band will have to publish such offer for full-MVNOs (virtual operators with own infrastructure) as well as for light-MVNOs (virtual operators without own infrastructure).

The frequencies in the range of 2 x 40 MHz in the 3.5 GHz band (from the total of 2 x 200 MHz which is available in this band) will not be subject of the auction. Based on the German model, these frequencies will remain reserved for the Industry 4.0 (e.g., for production management in the industry areas) and CTU will grant them as individual authorisations to specific applicants in the industry, who will use these frequencies for own purposes (not for provision of publicly available services).

New deadlines for porting numbers

The amendment to the Electronic Communications Act, which will enter into force on 1 April, made porting numbers when changing provider of fixed and mobile services much easier and faster.

The amendment introduces so-called one-stop-shop: the user who wishes to port their number no longer has to contact the current service provider, since all necessary steps will be taken care of by the new provider. The new provider must inform the abandoned provider on receiving the applicants request **in one working day**. Together, they will undertake all necessary steps so that the contract is terminated, and the service activated by the new provider on time – **not later than two working days** after the receiving provider informed the abandoned one.

On April 1, the amended Measure of General Nature No. 10, which regulates conditions for implementing number portability and principles for number portability billing between undertakings, will also enter into force.

The total deadline for porting a telephone number depends on the moment when the applicant interested in porting contacts the new chosen provider. From this moment, the deadline of one working day begins for the receiving provider to inform the abandoned one. In the next two working days all necessary steps required for porting a number must be done. The contract with the abandoned

provider is terminated on the next working day, the services provided by this provider will be deactivated and the services provided by the receiving provider will be activated.

Shall the next day after the two working days deadline fall on weekend or holiday, the service provided by the abandoned provider will be active until the next working day when the ported number is activated by the receiving provider.

These deadlines also apply if the contract is terminated and only after then the customer requests porting their number. If the contract concluded with the abandoned provider is terminated prior to expiration of the deadlines, the service provision may be interrupted. This can typically happen if the user demands porting of a number only in a notice period (e.g., one day before the contract ends).

Checked by CTU in February...

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

Out of 14 inspections performed, CTU discovered 10 defects. This mainly involved the use of indoor frequencies outside the building. CTU requested remedy of the deficiencies and subsequently initiated administrative proceedings.

... use of radio frequencies without an authorisation.

CTU carried out 15 inspections focused on the use of frequencies without an authorisation. In 10 cases, CTU discovered operation on frequencies without or after expiration of the individual authorisation. Administrative proceedings have been initiated.

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

CTU carried out one inspection which discovered non-compliance with individual authorisation parameters.

... 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 February, CTU completed 119 investigations, namely 74 cases of interference with television reception (50 cases involved interference with DVB-T2 reception), 18 cases of interference with GSM, UMTS and LTE public mobile communications networks, 16 cases of interference with a meteorological radar, five cases of interference with broadcasting and satellite signal reception, three cases of interference with mobile and fixed service equipment and three cases of interference with short-range devices. In nine cases of interference with public mobile communications networks, the source of interference was an active element of television reception. In one case, the LTE base station was identified as a source of interference with DVB-T and DVB-T2 reception. In 24 cases, the investigation of complaints about poor DVB-T2 reception identified a defect in the viewers' equipment, in 13 cases the interference ceased, or was sporadic and in three cases the source of interference was caused outside transmitting and receiving side (shading, rebounce caused by off-road barriers).

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

As of 29 February, 177 base stations were in pilot operation, and 16,771 stations were in permanent operation. In February, CTU received 74 reports of interference and completed investigation of 74 cases of interference with television reception; the BTS LTE in the 800 MHz band was a source of interference with digital terrestrial television reception (DVB-T and DVB-T2) in one case. In 38 cases, CTU discovered defects of the viewers' reception equipment, in 20 cases the interference ceased or

was sporadic. In seven cases the problem was caused by shading or rebounce. Eight reports of interference were cancelled by the reporters during the investigation process.

...postal services.

As of 1 March, the Czech Post received from the state budget the second part of net costs representing an unfair financial burden for 2013 and 2014 in the total amount of CZK 300 million. According to the Act No. 29/2000 Coll., on postal services, the total net cost recovery for these years is set to CZK 800 million; the first part in the amount of CZK 500 million was paid to the Czech Post in September 2019.

Monitoring compliance with conditions of open Internet access

In its activities, CTU also monitors compliance with the conditions of Regulation (EU) 2015/2120 laying down rules for open Internet access binding upon the electronic communications service providers.

As a supervisory authority, CTU frequently deals with situation when smaller providers do not comply with requirements laid down in the Regulation and do not include all requirements of quality of service (QoS) parameters in their contracts.

This breach of obligations then means that consumers cannot verify whether the electronic communications service is provided to them in accordance with the concluded contract because without explicit list of the QoS parameters it is difficult to verify whether these parameters were actually reached or not.

This was also a case of one consumer who complained on an insufficient quality of the provided Internet access service (IAS). CTU conducted an inspection during which it found out that the service provider did not include all information regarding IAS parameters, which are required by the Regulation, into the contract. In the contract, the provider only generally defined possible measures which may affect the quality of IAS provided, without specifically defining the impact of such envisaged measures on the consumed service, let it be interruption or slowing down of specific services. Also, specific information on the impact of particular QoS parameters on the IAS provision were absent (i.e., how limiting the speed of service or data volume influence use of services, applications or content). The subscriber contract also lacked other parameters required by the Regulation such as minimum, normally available, maximum and advertised speeds of the provided service, including a clear definition of significant deviations from the advertised speed and end users' rights according to Article 3(1) of the Regulation.

CTU concluded that absence of these provisions is a breach of the Regulation as well as the Electronic Communications Act and decided to impose a fine for the committed offence.

We therefore recommend the consumers to notify CTU should they find out their contract does not include all obligatory provisions. CTU will then inspect the case and if it finds a breach of conditions, it will fine the provider and request a remedy of the deficiencies.

Radio spectrum management

DVB-T / DVB-T2 digital broadcasting

In accordance with the timeframe defined in the Government Decree No. 199/2018 Coll., on Technical plan for transitions of terrestrial digital television broadcasting from DVB-T standard to DVB-T2 standard, the transmitters of area-wide DVB-T networks (network 1–4) and transition DVB-T2

networks (PS11–13) were switched off in Jihočeský, Karlovarský, Královéhradecký, Plzeňský, Liberecký and Ústecký region. Simultaneously, the broadcasting of final DVB-T2 networks (networks 21–24) was launched in these regions. In February, operators of these broadcasting DVB-T2 networks significantly increased their coverage by DVB-T2 television signal. Detailed information about coverage are available at https://digi.ctu.cz/dtv/.

T-DAB digital radio broadcasting

In February, the operation of the following transmitters of multiplex RTI was launched: Jáchymov 2 (channel 9C) and Příbram hvězdárna (channel 5A).

Regional television networks

In February, the following transmission channels changed in the RS 7: Ústí nad Labem, Krušnohorská from 21 k to 50 k, Jablonec nad Nisou CES from 21 k to 50 k, Trutnov Rozhledna from 21 k to 50 k, Jáchymov Klínovec from 38 k to 36 k, České Budějovice from 42 k to 53 k, Plzeň Vodárna from 38 k to 24 k, Benešov Kozmice from 23 k to 53 k.

Legislative changes: Fees for frequencies

On 28 February, the Government Decree No. 56/2020 Coll., on setting the amount and the calculation process of fees for use of radio frequencies and numbers, was published in the Collection of Law, Vol. 24.

This Government Decree reduces the percentage amount used for calculating the fee for use of radio frequencies for experimental purposes 10 times (i.e., from 10% to 1% of "common" costs). Simultaneously, the Decree aims to support the possibility to use higher parts of the radio spectrum, mainly for preparation of 5G networks deployment, thus the individual coefficients, used for calculating the fees for use of radio frequencies for land mobile service by area-wide radio networks and other radio networks of land mobile service (incl. regional and local radio networks and other radio networks), are amended.

This Government Decree enters into force on 1 April 2020.

Relevant Market Analyses

Market No. 1 – Wholesale call termination on individual public telephone networks provided at a fixed location and Market No. 2 – Wholesale voice call termination on individual mobile networks

The Office for Protection of Competition (ÚOHS) did not make any comments to the analyses of relevant markets No. 1 and 2. Therefore, on its meeting on 18 February, the CTU Council approved the text of these analysis which were then send to the European Commission.

Market No. 5 – Wholesale access to mobile services

In the <u>communication</u> of 4 February 2020, CTU announced that it launches an analysis of a new relevant market no. 5 – wholesale access to mobile services. It is in frame of the 5th round of relevant market analyses.

Telecommunication Regulation in the EU

Official Journal

On 6 February, the <u>Commission Implementing Decision (EU) 2020/167</u>, on the harmonised standards for radio equipment drafted in support of Directive 2014/53/EU on the harmonisation of the laws of the Member States relating to the making available on the market of radio equipment, was published in the Official Journal.

European Commission

On 11 February, which is also the 112 Day, the Commission published the 2019 Report on the implementation of the European emergency number 112. Based on the data submitted by Member States, the Commission analysis the volume of emergency calls made to 112, the answering time, an equivalent access for disabled users, as well as the availability and accuracy of the caller's location. In the Czech Republic, for example, 38% of emergency called were made to 112 and 97% of these calls were made via a mobile telephone. The report is available on the Commission website.

EU Single Digital Market

The 11 February was also the <u>Safer Internet Day</u>. This day is dedicated to a more responsible use of online services, digital technologies and mobile devices, mainly by children and teenagers. The coordinator for the Czech Republic is the National Centre for Safer Internet.

On 19 February, the European Commission published three key documents which should serve as a base for future EU digital policies. The documents are:

- <u>Digital Strategy</u> called *Shaping the Europe's Digital Future*;
- Data Strategy; and
- White Paper to Artificial Intelligence.

The Commission also published additional documents which relates to data sharing and regulation of AI. It also created a dedicated website which is constantly updated with new information and relevant documents.

The Commission also launched a public consultation on the <u>Data Strategy</u> and the <u>White Paper to Al</u>. Both public consultations are open until 31 May.

BEREC

On 5 and 6 March, the <u>42nd BEREC plenary meeting</u> took place in Belgrade. The meeting approved four guidelines pursuant to the European Electronic Communications Code:

- BoR (20) 42 BEREC Guidelines to assist NRAs on the consistent application of Geographical surveys of network deployments, Phase I, and Report on the outcome from the public consultation;
- BoR (20) 46 BEREC Guidelines on Common Approaches to the Identification of the Network Termination Point in different Network Topologies and Report on the outcome from the public consultation;
- BoR (20) 50 BEREC Guidelines on common criteria for the assessment of the ability to manage numbering resources by undertakings other than providers of electronic communications networks or services and of the risk of exhaustion of numbering resources if numbers are assigned to such undertakings and Report on the outcome from the public consultation; and

• <u>BoR (20) 53</u> BEREC Guidelines detailing Quality of Service Parameters and Report on the outcome from the public consultation.

Other documents were approved for publication:

- BoR (20) 31 International Roaming BEREC Benchmark Data Report April 2019 September 2019 with an annex for Western Balkans;
- <u>BoR (20) 33</u> Feasibility study on development of coverage information for 5G deployments and Report on the outcome from the public consultation; and
- <u>BoR (20) 51</u> BEREC response to EC Consultation Questions on the Procedural Recommendation for Internal Market Procedures under the European Electronic Communications Code.

And three documents were approved for <u>public consultation</u>:

- BoR (20) 34 Updated BEREC Guidelines on Intra-EU communications;
- BoR (20) 43 BEREC Strategy 2021-2025; and
- BoR (20) 47 Draft BEREC Guidelines on very high capacity networks.