

#### **Czech telecommunication office**

June 2017

## **Telegraphically on communications**

## CTU published an overview of decisions reviewed by the court

On its <u>website</u>, CTU published all its decisions of public-law nature which have been subject to court review. The overview shows that 19 decisions on an administrative offence were contested by a legal action pursuant to the Electronic Communications Act. In 10 cases, the legal action was dismissed or rejected, in four cases it was allowed, and five proceedings are pending.

## Auction of frequencies in 3.7GHz band started

On June 13, the auction phase of the competitive bidding procedure for allocation of frequencies in the 3.7GHz band started. Out of seven bidders who signed up for the auction, six met the conditions.

#### End of the expensive roaming in the EU

Roaming is changing radically from mid of June. People making phone calls in roaming from countries in the European Union and Norway, Iceland and Liechtenstein will be able to use data services, send text messages (SMS) and make phone calls to their home country or to other Member States at the same price as in the home network (according to the *roaming like at home* principle). In the same way, they can receive inbound phone calls for free. All these benefits will be provided under the condition that they will not abuse them.

On the other hand, international phone calls where the SIM card is registered in a Czech network and the number called belongs to an operator abroad, no matter where the number is located at the moment, is not subject to the regulation. Operators may charge prices according to the valid price list at their discretion for these international phone calls.

The regulation does not apply to roaming from non-EU countries (i.e., situation where a Czech SIM card is located in an operator's network outside the EU). Also, these prices are charged by the operators according to their own decision.

Please keep in mind that the quantity of data which you may use within the European roaming can differ from the volume which is available to you in the Czech Republic. The operator is obliged to inform customers before the limit is used up abroad within roaming.

# Decision history: Complete puncturing of a package cannot be foreseen by the sender

Up to twenty times the price of the postal service, the provider of a postal service is responsible for the damage caused by damage or reduction of the contents of a registered item. The provider can only be exculpated if it proves that the damage resulted from inadequate packaging of the item. The Czech Telecommunication Office decided in the administrative proceedings on objection in the case of rejected complaint about damage of an antique bakelite toy car sent in a registered item. However, the recipient refused to receive it due to damaged packaging, and the item was returned to the sender with a note "delivered damaged".

In the complaint, the sender claimed the compensation in the amount of CZK 680. Czech Post stated, that used outer packaging (soft, paper herb tea box wrapped in a wrapping paper) and the inner packaging (several layers of plastic film) are not resistant to crashes and pressure according to their characteristics, and thus cannot be considered suitable and firm packaging to protect postal items in transport. The post also objected that the complaint was submitted late and that due to the late submission of the complaint the claimant is not entitled to claim his rights (including claim to compensation). In addition, the Czech Post also objected that there is no evidence of puncturing consignment throughout during the transport. Photo documentation was taken with a certain time delay and the extent of damage of the consignment could be changed after it was delivered to the sender.

The evidence revealed that the complaint was submitted on time as the post office manager confirmed the acceptance of the complaint on the back side of the postal receipt the next day after delivery. The postal terms specify a period of two business days. The Czech Post itself made the photo documentation of the damaged consignment (during submission of the complaint). If the postal terms allow to claim damage of registered postal item later than at the delivery of the item (with a delay of up to 2 business days), it is not possible to accept the argument that the photos do not prove the damage at the time of delivery of the item. This kind of defense is even more absurd given the fact that Czech Post itself is the author of these postal terms, therefore also the provision in which Czech post takes on the risk of possible changes in conditions of the consignment in the period between the delivery to the claim.

The photo documentation revealed that the postal item was punctured throughout. Therefore, the content of the postal item had to be damaged by penetration of a narrow sharp object capable of overcoming the outer and the inner packaging. Such described manner of handling the postal item during postal transport is definitely not handling against which the sender is obliged to secure the item and its contents. The outer and inner packaging must be sufficiently strong to resist potential contact (friction, pressure, impact) with other postal items, must be adequate to the nature and weight of the postal item, and resistant to sorting, if any, using mechanical equipment.

The cause of the damage of the content of the postal item was the puncturing thereof during the transport by a sharp metal object, i.e., as a result of defective provision of the postal service for which Czech Post is liable. According to the decision of CTU, Czech Post must therefore pay the sender twenty times the postage paid at the time, i.e., CZK 680.

## Post increases the cost of international letters again

Czech Post, as a provider of the basic postal services, <u>announced</u> to CTU within the statutory period that it plans to increase the price of some postal services in the category of basic postal services, effective from 1 July. The price will increase by CZK 5 for ordinary letters, registered letters and insured items of all categories and weight levels if sent abroad (to all destinations) and if sent by users of payment machines or upon payment of the prices using the Kredit. Czech Post increases its basic services within its obligation to provide these services at cost-oriented prices. Czech Post's unit costs of providing the basic postal services are increasing due to the long-term decline in demand for these services.

## Auction in the 3.7GHz band started

Applications were submitted by seven applicants. However, after evaluation of the applications, one of the applicants was excluded from the auction due to failure to meet the set conditions.

Therefore, six applicants can take part in the auction: Vodafone Czech Republic a.s., T-Mobile Czech Republic a.s., PODA a.s., Suntel Net s.r.o., O2 Czech Republic a.s., and Nordic Telecom 5G a.s.

These applicants subsequently received the training for auction participants, and since 13 June they have been competing in the auction phase of the competitive bidding procedure.

The subject of the bidding procedure is 5 frequency blocks, each of 40 MHz. New applicants can acquire frequency allocations of up to 80 MHz while the spectrum limit of 40 MHz applies to the existing operators. The total starting price was determined, based on an analysis of the prices achieved for similar frequency blocks in other European countries, as CZK 145 million.

## Checked by CTU in May...

... performance of communication activities without authorization.

CTU carried out four inspections in order to check the compliance with the conditions for the performance of communication activities by the entities inspected. No violations of the reporting obligation have been discovered.

...compliance with the conditions of general authorization No. VO-R/12/09.2010-12 to use radio frequencies and operate facilities for broadband data transmission in the bands from 2.4 GHz to 66 GHz.

CTU carried out 26 inspections. In 21 cases it discovered deficiencies, requested remedy in these cases and started administrative proceedings.

#### ... use of radio frequencies without authorization.

CTU carried out 17 inspections of entities whose individual authorization has expired and also use of frequencies outside of permitted frequency bands. 11 RLAN devices used frequencies outside of the bands defined by the general authorization VO-R/12 and the individual authorization of two stations of terrestrial mobile service has expired. The Office processes the deficiencies within administrative proceedings.

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

CTU has completed 264 investigations, of which 209 cases involved interference with television signal (including community television antenna), 22 cases involved interference with public mobile communication networks (GSM, UMTS, LTE), and five cases involved interference with a meteorological radar. The discovered source of interference with DVB-T was BTS LTE in the 800 MHz band in 109 cases (see the following paragraph); in the case of the meteorological radar it was five RLAN devices operated on the radar frequencies. Public mobile networks were interfered with in three cases by an active TV antenna, and in two cases by a GSM repeater.

en.	Number of changes to certificates of notification of operating a business (Section 14 of the The operation of communication activity without a certificate           Adherence to the terms and conditions of general authorisations         a) in relation to providing public communication networks and associated facilities           b) in relation to providing electronic communication services         c) in relation to the use of radio frequencies and the operation of devices (radio equipment)           Inspection of radio frequencies         Dispection of radio frequencies	certific	ber of ates or ctions	- Number of calls to rectify shortcomings	Number of administrative proceedings commenced	Number of decisions awarded*)	Decided in the favour of		Penalties imposed	
	Type of activity	Total	Of which				the subscriber	the provider	Number	Size in CZK
1.	Number of awarded certificates of notification of operating a business (Section 14 of the ZEK)	15		j.					ĵ.	1
2.	Number of changes to certificates of notification of operating a business (Section 14 of the ZEK)	33	-							
3.	The operation of communication activity without a certificate	4		(	0	1			1	100000
4.	Adherence to the terms and conditions of general authorisations	37	6	22	15	13			13	286000
	a) in relation to providing public communication networks and associated facitities		1	1	0	0			0	0
	b) in relation to providing electronic communication services		0	0	0	0			0	0
	c) in relation to the use of radio frequencies and the operation of devices (radio equipment)		36	21	15	13			13	286000
5.	Inspection of radio frequencies	282		1	2	3			3	31000
	a) the use of radio frequencies without authorisation		17	0	0	0			0	0
	b) adherence to the conditions of an individual licence for the use of radio frequencies	8	1	1	0	0	36		0	0
	<ul> <li>c) identifying sources of interference to the operation of electronic communication equipment and networks, the provision of electronic communication services or the operation of radio-communication services</li> </ul>	264		0	2	3			3	31000
6.	Inspection of numbers for the purposes of number administration (number of inspection calls)	0		0	1	0			0	0
	a) the use of numbers without authorisation		0	0	1	0			0	0
	b) the use of numbers in conflict with authorisation	s	0	0	0	0	( )		0	0
7.	Subscriber disputes resolution	0			3612	4839	3498	369		
	a) of opposition to the processing of complaints concerned to the provided services		0	1	0	1	0	1	Ĵ	
	b) of opposition to the processing of complaints concerned to the billing for services		0		13	12	4	4		
1	ba) access to services with expressed price (data and voice)		0	ĵ.	0	0	0	0	Î	j.
	baa) access to data services with expressed price provided on Internet or other data networks		0		0	0	0	0		
	c) on the payment of the price for services (monetary performance)		0	l.	3599	4821	3494	361	ĵ,	j.
	d) other		0		0	5	0	3		
8.	Failure to provide information according to Section 115 of the ZEK				3	3			2	10000
9.	Other	237	8	5	42	20			19	2088500
	TOTAL	608		28	3675	4879	3498	369	38	2515500

<sup>1</sup>) The total number of decisions awarded includes cases in which administrative proceedings are concluded with a resolution, i.e. cases of the death of the subscriber, the cessation of existence of the company, the discontinuation of proceedings by law (bankruptcy), not having the remit to decide etc.

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

As of 31 May 2017, 1,002 LTE base stations in the 800MHz frequency band were in test operation, and 13,216 LTE base stations were in permanent operation. 234 new reports of interference with the terrestrial digital television signal were received in May; the investigation of 209 cases was completed. The discovered source of interference with DVB-T was 109 base stations (BTS) LTE in the 800MHz frequency band, which represents 52.1% completed cases of interference with a television signal. Defects of the viewers' reception equipment were discovered in 74 cases, no interference was found in 19 cases, and six cases involved insufficient DVB-T TV signal.

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

During the process of checking of the vendors of telecommunication terminal and radio equipment within the cooperation between the Office and Česká obchodní inspekce (the Czech Trade Inspection Authority) in Šluknov the authorities discovered the sale of models of radio-controlled models of cars working in the 49 MHz bands. Such radio equipment cannot be operated in the Czech Republic. In addition, in Liberec and in Bohušovice nad Ohří the inspectors discovered the sale of wireless doorbells operating in bands from 248 MHz to 331 MHz reserved in the Czech Republic for the Ministry of Defense in the Czech Republic. The deficiencies discovered are resolved by the Czech Trade Inspection Authority within its scope of powers.

## Monitoring report – 06/2017

· ·			berof atesor dits	Number of measures in the interest of	2	Number of	Number of issued resolutions	Decided in favour of			Sanctions imposed		N 1 71
Type of activity		total	of which	proper provision of the services according to § 6, subsection 4 and § 37 of ZPS	Number of administrative proceedings from the previous month	initiated administrati ve proceeding s		subscriber	provider	Other	number	amount in CZK	Number of the administrative proceedings carried forward to the next month
1.	Number of issued certificates on business notification	0	ļ										
2.	Number of changes to certificates on business notification	0											
3.	Execution of the postal service without certificate	0	Į.		0	0	0				0	0	0
4.	Compliance with the conditions of the Postal services act ("ZPS") and other regulations	1		0	0	0	0				0	0	0
	Compliance with the postal conditions according to § 6 of ZPS		1	0	0	0	0				0	0	0
	Compliance with the conditions for quality requirements according to Decree No. 464/2012		0	0	0	0	0				0	0	0
5.	Decision about objections against settlement of the complaint according to § 6a of ZPS	0			75	33	29	5	18	6			79
6.	Settlement of the disputes according to § 37, subsection 3, paragraph a) of ZPS	0			0	0	0	0	0	0			0
7.	Failure to provide information according to § 32 a) of ZPS				0	0	0				0	0	0
8.	Other local inspection	0		0	11	0	1				1	3000	10
	Administrative procedure in the matter of a tort according to § 37a subsection 3 paragraph a)		0	0	5	0	0		65 60		0	0	5
	Administrative procedure in the matter of a tort according to § 37a subsection 2 paragraph f)		0	0	2	0	1				1	3000	1
	Administrative procedure in the matter of a tort according to § 37a subsection 1 paragraph a)		0	0	1	0	0				0	0	1
	Administrative procedure in the matter of a tort according to § 37a subsection 2 paragraph a)		0	0	1	0	0				0	0	1
	Administrative procedure in the matter of a tort according to § 37a subsection 2 paragraph e)		0	0	1	0	0		60 - 60		0	0	1
	Administrative procedure in the matter of a tort other		0	0	1	0	0	į			0	0	1
	TOTAL	1		0	86	33	30	5	18	6	1	3000	89