



Czech Telecommunication Office

June 2020

Telegraphically

Establishment of the 5G Alliance

The alliance is established at the Ministry of Industry and Trade and its goal is to support the development and implementation of 5G networks and services in the Czech Republic. It will focus on close cooperation between the state administration and various market players – from the business sector, over cities and municipalities, to academics and representatives of consumers. The alliance's steering committee will begin its work in the second half of June 2020.

Vodafone network outage

On 28 May, Vodafone informed CTU about the breach of security and integrity of its network. The reason for the interruption of data and subsequently also voice services provision was overloading of the HLR platform. The network operation was handled up to the maximum capacity of the HLR, other calls could not be connected. The failure was rectified, and full network operation was restored on the same day after less than 3 hours.

First meeting with the sector

On 2 June, a meeting with representatives of the electronic communications sector was held at CTU with the participation of top management of the National Cyber and Information Security Agency (NÚKIB). The topic was cyber security; among other things, the issue of the EU Toolbox and legislation in the field of cyber security was discussed. CTU intends to hold such meetings on a regular basis; the next meeting is scheduled for 8 July with the participation of government commissioner Dzurilla.

CTU has launched a new consultation on the conditions of the 5G auction

Comments from the previous public consultation made CTU to change some of the basic principles of the conditions of the auction and to launch a new public consultation.

On 16 March of this year, CTU launched a public consultation on draft conditions for the auction of frequencies in the bands of 700 MHz and 3440-3600 MHz. Due to the epidemiological situation related to Covid-19, CTU subsequently extended the deadline for submitting comments until 4 May 2020.

The received comments showed that there were several important players in the market with potential interest in entering the market as a new infrastructure player. Similarly, the received comments were in favour of the new player being able to acquire frequencies also in the 700 MHz band, allowing for the construction of base stations with a wider range, and therefore suitable for building nationwide coverage.

CTU decided to accept the comments in this way and, in view of the manifested interest of important entities, to reserve one block with the size of 2x10 MHz in the 700 MHz band for new players.

Based on the received comments, CTU proceeded with other related changes in the conditions of the planned auction. Specifically, in the case of so-called national roaming, the conditions for obtaining the right to the use of national roaming have been tightened so that it is provided only to eligible applicants with a significant share of their own infrastructure. Such an applicant must first cover at least 10 % of the population with its own network and build at least 500 own (outdoor) base stations. In order to maintain the right to provide national roaming, it must cover 30 % of the population (which means covering all cities with more than 50,000 inhabitants) by 30 June 2025 at the latest and build at least 1,000 own (outdoor) base stations.

There has also been a change in the designation of the incumbent operator which will be obliged to provide national roaming to eligible applicants. This obligation will be primarily associated with the acquisition of one auction block of 2x10 MHz in the 700 MHz band (block A3), for which the starting price is reduced (due to the accumulation of the commitment to complete covering white spots and the PPDR commitment). However, if this particular block is not acquired by any of the incumbent operators, all incumbent operators that acquire other frequencies in the 700 MHz band in the auction will be obliged to provide national roaming.

Other changes concern the reservation of spectrum in the 3.5 GHz frequency band for utilization within Industry 4.0. The previous conditions reckoned to reserve 40 MHz in this band, which were not to be auctioned but to be allocated in the form of individual authorisations to specific industrial applicants who would utilize them for their own needs (not for the provision of publicly available services). In the new conditions, a different principle of spectrum utilization in this frequency band for industrial purposes is proposed. The subject of the auction is now all frequencies in the band of 3.5 GHz or, more precisely, 3400 to 3600 MHz, i.e., 200 MHz. However, in the case of two 20 MHz blocks, their acquisition is associated with the commitment to lease frequencies to industrial applicants for their local use (i.e., only within industrial grounds), up to the range of frequencies that the holder(s) of these blocks will hold in the entire 3400–3800 MHz band.

The above modifications to the draft conditions of the auction are considered so important by CTU that the mere acceptance of specific comments and the adjustment of the original conditions of the auction, on which the original public consultation was held, is no longer sufficient. Therefore, CTU launched a new public consultation on the amended version of the draft conditions of the auction on 4 June 2020, with a deadline for comments within one month of publication.

On the contrary, the obligation of a wholesale offer intended for all types of virtual operators, from the so-called full MVNOs with their own infrastructure up to the so-called light MVNOs with minimum own infrastructure, remained unchanged. All holders of frequency allocations in the 700 MHz band will continue to be obliged to publish a wholesale offer, also for the light MVNO model.

Relevant Market Analyses

Market No. 1 – wholesale call termination services in individual public telephone networks provided at a fixed location, and market No. 2 – wholesale voice call termination services in individual mobile networks

Based on the results of the analyses of relevant markets No. 1 and 2 – Measures of General Nature No. A/1/04.2020-3 and A/2/04.2020-4 (see [Telecommunication Bulletin](#) 4/2020), the CTU Council

initiated administrative proceedings concerning the determination of an undertaking with significant market power with twenty-five companies operating on relevant market No. 1, four companies operating on relevant market No. 2, and administrative proceedings concerning the revocation of the determination of an undertaking with significant market power with one company operating on relevant market No. 1. In this matter, CTU published on 22 May 2020 calls (for [Market No. 1](#) and [Market No. 2](#)) to submit comments on the draft decisions in question. Comments on the above draft decisions may be submitted as part of the public consultation within one month of their publication at CTU's discussion site. In this case, the period expired on 22 June 2020. The CTU Council also initiated administrative proceedings with the undertakings proposed for determination as undertakings with significant market power concerning imposition of the corresponding remedies. Subsequently, on 3 and 4 June 2020, CTU published at the [discussion site](#) the calls to submit comments on the draft decisions on imposition of the obligations and the pricing decision, by which it intends to impose on the concerned undertakings the obligation of access, non-discrimination and transparency, as well as the obligation to charge maximum regulated call termination rates. It also intends to impose the obligation to keep separate records of costs and revenues on selected entities. Comments can also be submitted within one month.

Network plan for signalling

On 2 June, the CTU Council approved the Measure of General Nature No. SP/3/06.2020-8 by which it adjusted the conditions for a potential deployment of the functionality of the so-called AML (Advanced Mobile Location) in the network plan for the signalling of public communications networks for more precise location of emergency callers from mobile devices with Android and iOS operating systems.

This legislation was prepared on the basis of a discussion on the needs of operators of emergency call centres and entrepreneurs in the field of electronic communications. It newly implements the possibility of setting up a connection to the emergency line via the so-called Emergency Call Setup, i.e., setting up a call to the emergency line using the functionality of the mobile device's operating system and analysis of the dialled number. If the mobile device recognizes that the user has entered an emergency number, it identifies and sets up a connection to the called emergency number using a special prioritized channel.

The measure, the preparation of which was consulted by CTU with the concerned entities, was published on 3 June in the [Telecommunication Bulletin 6/2020](#) and takes effect on the fifteenth day from the date of its publication, i.e., on 18 June 2020.

Changes to contract terms and conditions

In accordance with [Regulation \(EU\) 2015/2120](#) of the European Parliament and of the Council fixing, inter alia, retail prices for regulated communication within the Union, Czech operators adjusted as of 15 May 2020 the price of the call services to EU countries. There was a slight decrease in the maximum prices of international calls and SMS to European Union countries.

Universal service

Public payphones

In its [Monitoring Report No. 5/2020](#), CTU published information on the launch of the public consultation of its [intention](#) not to impose, within the universal service, the partial service of public

payphones or other similar technical equipment allowing access to the publicly available telephone service pursuant to Section 38(2)(e) of the Electronic Communications Act. CTU prepared the intention on the basis of a detailed assessment of the market situation and after conducting a review. CTU assessed there, whether the reasons for imposing the obligation to provide the services of public payphones or other similar technical equipment allowing access to the publicly available telephone service, in accordance with Section 39(3) of the Electronic Communications Act persist. The published intention summarizes only the main reasons arising from the review.

In accordance with Section 130(1) of the Electronic Communications Act, this public consultation was terminated on 25 May 2020. One entity submitted a comment as part the public consultation. The [comment](#) was published on CTU's website.

CTU settled this comment, and in accordance with Section 130(7) of the Electronic Communications Act it will publish the settlement and the results of the public consultation on an Electronic notice board within the statutory deadline.

Beyond the public consultation, CTU also discussed the issue with the Ombudsman. At its meeting on 18 June 2020, the CTU Council discussed the settlement of the comment and, based on the result of the review, agreed to no longer impose the obligation to provide the universal service of public payphones.

Special prices

Decision, ref. No. [ČTÚ-5 904/2020-610/VI. vyř.](#), which imposes an obligation upon O2 to allow people with special social needs, according to Sections 44 and 45, to select from prices or price plans, took effect on 27 May 2020. These plans differ from the price plans provided under normal commercial terms and conditions as follows – providing access and the possibility to utilize the partial services and a publicly available telephone service according to Section 38(3) of the Electronic Communications Act.

Radio spectrum management

General authorisations

On 27 May 2020, the CTU Council approved General Authorisation No. [VO-R/14/05.2020-7](#) for the use of radio frequencies and for the operation of devices in the 10 GHz frequency band. The reason for the update is mainly the need to enable the operation of equipment with the occupied bandwidth of 56 MHz, and thus to enable the transmission of faster data in the 10 GHz frequency band. The General Authorisation shall take effect on 1 July 2020.

On 27 May 2020, the CTU Council approved General Authorisation No. [VO-R/16/05.2020-6](#) for the use of radio frequencies and for the operation of equipment jointly operated on determined radio frequencies in the 27 MHz to 450 MHz bands. The reason for the update is mainly the extension of free frequencies and the possibility to operate temporary stations for the transmission of differential signals of global navigation satellite systems. The General Authorisation shall take effect on 1 July 2020.

Checked by CTU in May

... adherence to terms and conditions of General Authorisation No. VO-R/12/12.2019-10 for the use of radio frequencies and for the operation of equipment for broadband data transmission in the 2.4 GHz to 71 GHz bands.

CTU carried out a total of 16 inspections. Defects were found in 15 cases, in particular the influence of harmful interference to stations of priority radiocommunications services (meteorological radars) and use of indoor frequencies outdoor, which were resolved by a call to eliminate the identified deficiencies and which will subsequently be addressed in administrative proceedings.

... the use of radio frequencies without authorisation.

CTU carried out one inspection which revealed use of frequencies without individual authorisation. The case was referred for resolution 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 May, CTU closed a total of 121 investigations, of which were 87 cases of interference with television reception (of which 59 cases of interference with DVB-T2 reception), 24 cases of interference with GSM, UMTS and LTE public mobile communications networks, one case of interference with a meteorological radar, and nine cases of interference with various systems (satellite receiver, amateur service equipment, mobile and fixed service converter, DECT handset, etc.). In 9 cases of interference with public mobile communication networks the source of interference was an active element of television reception. In 21 cases, an LTE base station was identified as the source of interference with DTT (DVB-T and DVB-T2). It was mainly interference caused by two base stations put into pilot operation; the interference showed in the territory of two municipalities. The investigation of 59 complaints about poor DVB-T2 reception revealed that in 41 cases the defect was in the viewer's device, in 6 cases the interference stopped or had a sporadic occurrence, and in 3 cases the cause was reception of signal in a non-covered area.

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

As of 31 May, 259 base stations were in pilot operation, and 16,796 stations were in permanent operation. In May, 117 reports of interference were received and the investigation of 87 cases of interference with TV reception was closed; BTS LTE in the 800 MHz band was identified as a source of interference with DTT (DVB-T and DVB-T2) reception in 21 cases. Defects in the television viewers' reception devices were found in 46 cases; in 7 cases the interference stopped or had a sporadic occurrence. In 3 cases, it was due to reception of signal in a non-covered area and in one case due to interference with DVB-T2 signal by DVB-T signal on the same TV channel (a short-term phenomenon related to the transition to the new broadcasting standard). Six interference reports were cancelled by their submitters during investigation of the interference.

Legislative changes

On 12 May 2020, Act [No. 237/2020 Coll.](#), amending Act [No. 151/1997 Coll.](#), on Valuation of Property and on the Amendment to Certain Acts (Property Valuation Act), as amended, and other related Acts, was published in Volume 88 of the Collection of Laws.

Among other things, the Act contains an amendment to the Act on acceleration of the construction of transport, water and energy infrastructure and the infrastructure of electronic communications (Act [No. 416/2009 Coll.](#)) – it adds the following rule to Section 3b(2) of the Act: if it is not possible to determine the price in the amount of the fair value of the piece of land or building, in such case the expert opinion shall determine the price in the amount of the ascertained price of the piece of land

or building. The expert opinion then contains a justification for the impossibility of determining the price in the amount of the fair value of the piece of land or building.

This Act takes effect on 1 January 2021.

On 12 May 2020, Act [No. 238/2020 Coll.](#), amending Act [No. 634/1992 Coll.](#), on consumer protection, as amended, and other related Acts, was published in Volume 88 of the Collection of Laws.

This Act mainly adapts the laws of the Czech Republic to Regulation (EU) [No. 2017/2394](#) of the European Parliament and of the Council on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) [No. 2006/2004](#), as amended by Regulation (EU) [No. 2018/302](#) which brings in particular an increased degree of harmonization, including rules for effective and efficient enforcement cooperation. The Ministry of Industry and Trade acts as the central liaison office for cross-border cooperation in the field of consumer protection. The central liaison office ensures the coordination of administrative authorities in the application of Regulation 2017/2394 and fulfils information obligations towards the European Commission. Within the scope of its powers and responsibilities (electronic communications and postal services), the Czech Telecommunication Office is an administrative body authorized to apply Regulation 2017/2394 within the meaning of its Article 3(1) for the following Directives:

- Directive [98/6/EC](#) of the European Parliament and of the Council of 16 February 1998 on consumer protection in the indication of the prices of products offered to consumers;
- Directive [2005/29/EC](#) of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No. 2006/2004 of the European Parliament and of the Council (Unfair Commercial Practices Directive);
- Directive [2011/83/EU](#) of the European Parliament and of the Council of 25 October 2011 on consumer rights, amending Council Directive 93/13/EEC and Directive 1999/44/EC of the European Parliament and of the Council and repealing Council Directive 85/577/EEC and Directive 97/7/EC of the European Parliament and of the Council;
- Directive [2013/11/EU](#) of the European Parliament and of the Council of 21 May 2013 on alternative dispute resolution for consumer disputes and amending Regulation (EC) No. 2006/2004 and Directive 2009/22/EC (Directive on consumer ADR).

This Act takes effect on 1 July 2020.

The consumer will not lose credit when porting the number

As we have informed in the previous [Monitoring Report](#), if a consumer decides to change the provider of electronic communications services, he/she will be refunded unused credit for prepaid services from 1 April. However, they must apply for it within 30 days from the termination of the contract, and in certain cases count on a fee.

The amendment of the Electronic Communications Act addresses, among other things, one of the most pressing consumer issues, namely the issue of a refund of the unused credit if a user of prepaid services wants to switch to another provider of electronic communications services. So far, the

refund of the remaining balance has not been legislatively regulated in any way, so it was entirely up to the individual operators how, and if at all, they will allow the refund of unused credit. In practice, this has often led to a situation where, after the termination of the contract, customers have not been allowed to continue to use the balance which they have lost without compensation.

With effect from 1 April 2020, consumers who change providers of electronic communications services can get a refund of the unused credit, however, it should be noted that the refund does not occur automatically when the phone number is ported to another provider. Consumers must request the refund from the provider being left, no later than 30 days from the date of termination of the contract. CTU also points out that the refund of unused credit may be subject to a fee, but only if it has been agreed in the contract terms and conditions.

As regards the amount of the said fee, the Electronic Communications Act did not set a single amount or limit the amount of this payment but defined the condition that the fee must correspond to the costs that providers have demonstrably incurred in connection with the refund of the unused credit.

CTU is currently investigating whether the level of the fees charged by some providers complies with the legislation, but all three largest operators [announced](#) after the start of our investigation that they waived the charging of the fee.

Workshop on ESD

A workshop for the professional public on changes in the regular data collection for the year 2020 through the Electronic Data Collection system (ESD) was held at the CTU headquarters on 10 June. The planned changes in the ART form– *Services provided in electronic communications* and the introduction of data collection on connection and distribution optical networks and their transmission points through a new form BH20 were presented during the workshop.

Telecommunication Regulation in the EU

Official Journal

[Commission Implementing Decision \(EU\) 2020/636](#) of 8 May 2020 amending Decision 2008/477/EC as regards an update of relevant technical conditions applicable to the 2500–2690 MHz frequency band was published on 12 May 2020. This Decision obliges Member States to report to the Commission by 30 April 2021 on the implementation of this Decision.

[Council Decision \(CFSP\) 2020/651](#) of 14 May 2020 amending Decision (CFSP) 2019/797 concerning restrictive measures against cyber-attacks threatening the Union or its Member States was published on 15 May 2020.

[Commission Implementing Decision \(EU\) 2020/667](#) of 6 May 2020 amending Decision 2012/688/EU as regards an update of relevant technical conditions applicable to the frequency bands 1920–1980 MHz and 2110–2170 MHz was published on 19 May 2020.

European Commission

The fourth call of the [WiFi4EU](#) initiative was open on 3–4 June. The WiFi4EU initiative supports the introduction of free Wi-Fi for citizens and visitors in public spaces such as parks, squares, public buildings, libraries, health centres or museums across Europe. Thanks to this initiative, municipalities have the opportunity to apply for a voucher worth EUR 15,000 to finance the installation of a Wi-Fi

network. Wireless network equipment must be located in public areas of the municipality, which are not yet equipped with free Wi-Fi. The Commission will distribute 947 vouchers with a total value of EUR 14.2 million.

On 25 May, we commemorated the second year that [General Data Protection Regulation \(GDPR\)](#) entered into force. On this occasion, a [joint statement](#) was issued by Věra Jourová, Commissioner for Values and Transparency, and Didier Reynders, Commissioner for Justice. In the statement they highlighted in particular the need for increased data protection during the coronavirus pandemic and called on Member States to increase resources for the authorities responsible for monitoring compliance with the Regulation.

The European Commission announced a [public consultation](#) on "Upload of software on radio equipment". The purpose is to gather input for an initiative related to the upload of certain software to specific categories of equipment regulated by the [RED](#) – Directive 2014/53/EU of the European Parliament and of the Council of 16 April 2014 on the harmonisation of the laws of the Member States relating to the making available on the market of radio equipment and repealing Directive 1999/5/EC. The consultation was launched on 25 May 2020 and lasts until 14 September 2020.

Until 14 June it was possible to submit contributions to the public consultation on the [White Paper of Artificial Intelligence](#) announced by the European Commission on 19 February 2020.

On 2 June, the European Commission announced a [public consultation](#) on Digital Services Act. The aim of the consultation is to gather information on experience with digital platforms, eCommerce as a basis for the future regulation.

BEREC

The 43rd [BEREC Plenary meeting](#) took place on 11 and 12 June 2020. The following documents were approved for publication:

- [BoR \(20\) 96](#) BEREC Annual Reports for 2019
- [BoR \(20\) 97](#) BEREC Report on termination rates at the European level
- [BoR \(20\) 99](#) BEREC Report on Member States' best practices to support the defining of adequate broadband Internet Access Service (IAS)
- [BoR \(20\) 108](#) BEREC Strategy and Report on the outcome of the public consultation
- [BoR \(20\) 112](#) BEREC Guidelines on the Implementation of the Open Internet Regulation
- [BoR \(20\) 115](#) BEREC Guidelines on how to assess the effectiveness of public warning systems transmitted by different means
- [BoR \(20\) 116](#) BEREC Report on WACC parameters

Other documents approved for [public consultation](#) were:

- [BoR \(20\) 106](#) Draft BEREC Guidelines on the Criteria for a Consistent Application of Article 61(3) EECC
- [BoR \(20\) 110](#) Draft BEREC Report on the impact of 5G on regulation and the role of regulation in enabling the 5G ecosystem
- [BoR \(20\) 113](#) Draft BEREC Guidelines to foster the consistent application of the criteria for assessing co-investments in new very high capacity network elements (Article 76 EECC)

BEREC organized an [online meeting](#) on 23 June 2020 to a BEREC Guidelines on the Criteria for a Consistent Application of Article 61(3) EECC. The responsible working group's co-Chairs invited all those interested to discuss the published draft. The aim was to make clear some problematic issues and to make the preparation of consultation comments easier.