Czech Telecommunication Office

July 2018

Telegraphically on communications

Report on the fulfilment of obligations of the postal licence holder

In <u>Postal Bulletin no. 8/2018</u> and on its website CTU published its Report on fulfilment of obligations imposed on the postal licence holder – Czech Post (Česká pošta, s.p.), for the year 2017.

Although, in 2017, the regulator noticed certain deficiencies in the provision of universal services, Czech Post did fulfil the obligations imposed by applicable laws and regulations.

5G tested by Vodafone

During the Karlovy Vary film festival Vodafone made a demonstration of a 5G mobile network. In the course of the experiment connection speeds reached up to 1.8 Gbps. The 5th generation networks will be ten times faster than the current LTE connection.

In September this year, a next test is planned by CTU in cooperation with Nokia at a conference in Prague.

CZK two-million fine for O2's PředplaDENka confirmed

The decision as regards a CZK 2 mil. fine for O2 for activating its PředplaDENka tariff without prior consent on the part of a subscriber is final. The remonstrance as lodged by O2 was not accepted. The operator used aggressive sales practices, since, in a pilot phase, it activated the service to selected users without prior ordering.

Decision-making practice: The right to review a claim expires with missed deadline

A proposal to launch an objection against the settlement of a complaint must be filed without undue delay, however, no later than within one month of the date on which the complaint settlement was received, or after the lapse of time for its settlement. A belated submission of a document instituting the proceedings on objections to the settlement of a complaint will be rejected by CTU. The administrative authority is bound to examine the issue of forfeiture of rights 'ex-officio'.

CTU has dealt with the objection to the settlement of complaint about the postal service provided related to a claim for damages amounting to CZK 2,000. Before filing the objection with Czech Post, the addressee lodged a claim in respect of the damage to the shipment, which contained the statue of Jesus made of polyresin. During transport, the body of the statue and its pedestal were damaged.

Czech Post refused the complaint as unfounded. When doing so, it referred to the terms of postal service which state the following: "The inner and outer packaging must be adequate to the nature and weight of the content, the method and length of shipping the consignment and the way in which the postal item will be handled in the course of the postal service, including any sorting using

mechanical devices. The packaging must be robust enough to protect effectively the content against eventual damage due to contact with other postal items (friction, pressure and impact). The content items of the consignment must be secured so that they cannot be damaged by friction, pressure and impact between them and the packaging or between each other."

In its written statement on the complaint Czech Post stated that the main cause of damage to the contents was insufficient consignment packaging. The contents, which was of very high weight (20 kg) might pressed on the packaging inside, which did not protect it in an adequate manner.

The consignee lodged its proposal to launch proceedings on the objection with CTU on the 37th day after being notified by post, about the outcome of the complaint. Thus, their proposal was submitted after expiry of the relevant deadline. In this case, due to the belated filing of the objection, CTU had to reject both the proposal and the claim for damages under Art. 6a (2) of the Postal Services Act. The decision is final.

Radio spectrum management

Auction for frequencies

On June 22, CTU organized a workshop on the <u>draft basic principles</u> of the competitive tendering for the frequencies in the 700 MHz band. In the workshop, representatives of the entities concerned, who expressed their comments, were informed about the objectives and proposed procedure of the upcoming auction. The Office assumes that in July 2018 it will publish its statement to the comments received.

Digital TV broadcasting

Electronic data collection

Newly published form on the ESD portal

Market Analyses

Preliminary analysis of the market for mobile backhaul

Following a public consultation, which took place at a <u>discussion site</u> during the period from 26 February to 26 March, the Office compiled the final version of a preliminary analysis of the mobile backhaul market. After examination and approval by the CTU Council on June 20, 2018, the <u>document</u> was published on the CTU website.

Mobile services market

On its website, CTU published the <u>final version of the document</u> of the three criteria test and, in relation to it, CTU is now in the process of elaborating an analysis of the relevant mobile services market in the Czech Republic. This process follows up on a prior consultation with professional public, the Office for the Protection of Competition of the Czech Republic and the European Commission, as regards the three criteria test.

For those who do not want to queue at the post office

If, for whatever reason, addressees do not want their post to be delivered to their address of residence or place of business, they may request, upon entering into agreement with Czech Post, the latter to provide them with a mail drop box. Consignments are then delivered to the drop box for the addressee or, eventually, for other persons who are entitled to use the drop box under the agreement. If a consignment cannot be delivered to a drop box due to its size or bulkiness, a note is inserted into the drop box informing of the need to pick up the consignment, which is stored at a specified post office.

The agreement between the addressee and Czech Post has a written form, because, according to postal terms and conditions, also registered mail can be delivered to the drop boxes (i.e. consignments requiring a confirmation of receipt). In such a case, the consignment is placed into the drop box. It is usually in the agreement that the addressee commits in writing to confirm promptly the receipt of the consignment to Czech Post; a specific form is placed into the drop box for such purposes. If the user of the drop box is dissatisfied with the quality of shipments delivery, he/she can lodge a complaint regarding the pertinent service as well as any other type of service. If the addressee wishes to discontinue delivery to the drop box, they are entitled, in accordance with the agreement, to withdraw from it, i.e. with immediate effect. It is necessary, however, to notify Czech Post of this fact in writing.

In May 2018, a check-up on the delivery services to the drop boxes took place at the post offices. It focused on cases that do not qualify for exceptions, under which consignments may not be delivered to the address of every natural and legal person, as specified in Art. 16 of Decree No. 464/2012 Coll., as amended.

The check-up revealed repeated shortcomings in terms of fulfilling the contractual obligations. CTU called on Czech Post to remove the deficiencies identified and it requested a written report on their removal, including the adoption of preventive measures on the part of Czech Post.

Operators' compliance with the rules of network neutrality

On its website, CTU has published its <u>Report on the results of monitoring compliance with Regulation</u> (EU) 2015/2120 (on network neutrality) for the period from 1 May 2017 to 30 April 2018. Among other things, it contains a description of the most common mistakes committed by providers.

For example, CTU found that in their contracts some providers restrict the rights of the end user to choose terminal equipment, mainly by making the acquisition (usually purchase) of terminal equipment offered by the provider a pre-condition for them to arranging Internet access services. Another way of restricting the rights of the end user to choose terminal equipment was the fact that from the terms and conditions the user may acquire the false impression that the above-mentioned

condition existed. Alternatively, providers require the granting of prior approval to the use of terminal equipment, which is not offered by them.

A number of providers, who were subject to the check, did not state the speeds as stipulated by the regulation at all, or they did so in an unclear or incomprehensible manner, especially with regard to the normally available and the minimum speeds. A number of contracts did not contain information on the limits when it comes to the access to the Internet, for example on limitations of HD video or on-line gaming. In this case, the providers do not mention the information in the contracts on the grounds that the Internet connection they provide is of such a high quality that they do not limit the access to it in any way.