Czech Telecommunication Office

October 2020

Telegraphically

Telecommunications Academy

With the new school year, CTU once again launched another year of a successful project called the Telecommunications Academy, which helps seniors especially in orientation in telecommunications and postal services. It is now possible to register for lectures via the website which was Launched for the public from 1 October. Both senior centres and members of the public can register through online forms.

Limited operation at CTU

Given the crisis measures adopted by the Government of the Czech Republic, all CTU offices have limited operation towards public. All offices accept electronic submissions and postal items without any limitation. Urgent matters can be handled during limited working hours on Mondays and Wednesdays from 8 a.m. to 1 p.m. Please consult <u>CTU website</u> for further details.

The 5G auction continues

As of 30 September, a total of 7 applicants <u>submitted an application</u> to the auction of frequencies for 5G networks. In order to ensure that the tender runs properly, in accordance with Chapter 9.6 of the <u>Announcement to Tender</u>, CTU only published the total number of applicants after the opening of the received envelopes with applications. Information on the individual applicants will be published by CTU together with information on the end and results of the electronic auction phase.

Tariffication or the method of charging telephone calls

Neither the price for telephone calls nor the method of their charging is regulated. It therefore depends purely on the business decision of the provider how much it will charge and in what way.

In practice, consumers may encounter different call charging: for full minutes, i.e. the agreed price is charged for each initiated minute of the call or, currently most often for post-paid tariffs, when "unlimited" calls or a certain number of "free" minutes can be used for a fixed monthly price. However, there are a number of possible other ways of charging, such as per-second charging, which seems to be the fairest way (regrettably, minimally used by providers), 60+1 charging – i.e. charging for the first minute of the call (even if the call takes less time) and after the first minute charging per second, or

charging for shorter, or on the contrary, for longer periods of time (e.g. per 30 seconds to 2 minutes). Theoretically, telephone calls could be charged even for individual calls.

Tariffication can thus significantly affect the final price of the call. For example, a call lasting 1.5 minutes with a minute price of CZK 3 per minute with the 60+1 tariff will cost CZK 4.50, but with the 60+60 tariff, it will cost CZK 6. With the price of CZK 90 per minute, the differences will be even greater: with the 60+1 tariff, the call will cost CZK 135, and with the 60+60 tariff, it will cost as much as CZK 180.

Information on price or, as the case may be, the method of determining the price and the method of obtaining current information on all valid prices of services must be agreed in the contract.

In relation the method of charging (tariffication), the definition of a telephone call as such is also essential. A call means any connection established over the telephone network. After terminating the connection, the telephone call ends, and each new call is charged as a new call. For example, if the service provider uses per-minute charging for calls and the customer makes five calls within one minute (although) to the same telephone number, the price will be charged for 5 minutes (for each call initiated or each connection established), not for the one minute during which the calls were actually made.

Therefore, CTU recommends that consumers always become acquainted in detail with the price and method of charging for telephone calls.

Market analyses and regulation

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 No. 2, the CTU Council issued a decision at its meeting on 1 September 2020 (for <u>market No. 1</u> and <u>market No. 2</u>) on the designation of an undertaking with significant market power for 25 companies operating in relevant market No. 1 and 4 companies operating in relevant market No. 2. It also issued a decision to cancel the designation of an undertaking with significant market power for one company operating in relevant market No. 1.

EC's statement on the notified proposals of CEN 1 and 2

On 8 October 2020, CTU received a statement from the European Commission on the proposed measures in relevant markets No. 1 and No. 2, where CTU intends to impose remedies on undertakings with significant market power and obligations related to price regulation. The European Commission did not make any comments on the proposed measures related to price regulation and other proposed remedies in both relevant markets. CTU will then take the necessary administrative steps leading to the issuance of decisions (REM and CEN), which will impose these obligations on undertakings with significant market power.

Calls to the so-called colour lines: What does the so-called service with expressed price mean?

Telephone calls can be costly if you are not careful. Therefore, CTU recommends that consumers always become acquainted in detail with the price and method of charging for telephone calls. Especially if they intend to participate in a TV competition by telephone!

The price of a regular telephone call can differ significantly from the price of a call to the so-called colour lines. Consumers should pay particular attention to the yellow and rainbow categories. Starting with the number 9, these lines are the so-called services with expressed price — which means that it is possible to find out from the given telephone number how much the minute of a telephone call will cost. The prices for this category are significantly higher than for other colour lines or regular calls, so consumers should be careful and calculate the price of the call in advance. They should also take into account the fact that for each individual call, even the shortest one, a minute rate is charged based on the tariffication method (for this category most often 60+60, i.e. as full minutes for each minute, even if only initiated) or, as the case may be, the full price for the connection is charged.

CTU recommends that consumers always become acquainted in detail with the price and method of charging telephone calls, as well as with the conditions of participation in a TV competition, including the probability of winning a prize. CTU has drawn attention to the risks associated with participation in TV competitions and their usual pitfalls in one of the earlier monitoring reports.

Checked by CTU in September ...

 \dots compliance with the conditions of General Authorization No. <u>VO-R/12/12.2019-10</u> for the use of radio frequencies and operation of devices for broadband data transmission in the 2.4 GHz to 71 GHz bands

CTU performed a total of 24 inspections. Defects were found in 18 cases, especially the effect of harmful interference with stations of priority radiocommunications services (meteorological radars) and the use of indoor frequencies outside the building, which were addressed by a call to eliminate the identified deficiencies and will subsequently be addressed in administrative proceedings.

... use of radio frequencies without authorization

CTU performed a total of 11 inspections focussed on the use of frequencies without authorization. The use of frequencies without individual authorization was found in five cases; the cases were handed over to be addressed 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 September, CTU closed a total of 100 investigations, of which 74 cases of interference with television reception (of which 71 cases of interference with DVB-T2 reception), six cases of interference with LTE and GSM public mobile communications networks, seven cases of interference with a meteorological radar, three cases of interference with satellite and radio reception and ten cases of interference with various devices (PCO panel receiver, an amateur service device, PPS convertor, a Wi-Fi station, a short-

range device, etc.). The investigation of complaints about poor TV reception revealed a defect in the viewer's equipment in 46 cases, in six cases it was the effect of shading, reflections or reception in an uncovered area; in nine cases the interference stopped or had a sporadic occurrence. Twelve complaints about interference were withdrawn by their submitters during the investigation of the interference. In one case, it was interference with TV reception by a transmitter from abroad. This is a collision of signals from the Jeseníky-Praděd and Kalisz-Mikstat transmitters, working on the 26th TV channel, which occurs in the area of the Jeseníky salient.

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

As of 30 September 2020, 234 base stations were in trial operation, and 16,990 stations were in permanent operation. No LTE base station was identified in September as a source of interference with TV reception in any case. Defects in television viewers' reception devices were a source of interference with mobile networks in three cases.

... cooperation of CTU with the Czech Trade Inspection Authority

No defects were found during the inspection focusing on compliance with <u>VO-R/10/12.2019-9</u> for the use of radio frequencies and for the operation of short-range devices on the premises of a dealer in Hustopeče. The inspection focusing on compliance with <u>VO-R/12/12.2019-10</u> for the use of radio frequencies and for the operation of broadband data transmission equipment (keyboard and computer mouse) on the premises of a dealer in Brno did not reveal any defects either.

5,033 – the number of **decisions issued** in September concerning the matter, of which 5,024 decisions concerned a dispute over monetary performance (payment of the price for services).

4,056 — the number of **administrative proceedings initiated** in September concerning subscriber disputes between a person carrying out communications activity and a subscriber. These are disputes over pecuniary performance and objections to the settlement of complaints.

The amendment to the law has also brought changes for natural persons acting as entrepreneurs

CTU has informed several times about the changes brought to consumers by the amendment to the <u>Electronic Communications Act</u>, which came into effect on 1 April 2020. However, the change in legislation also affects natural persons acting as entrepreneurs.

The most important provisions of the amendment to the Electronic Communications Act, which came into effect on 1 April 2020, have been presented and analysed in detail by CTU in the past, e.g. in Monitoring Report 12/2019, and alternatively in Monitoring Report 05/2020. Another change, at first sight relatively inconspicuous, contained in Section 63 Paragraph 13 of that Act, is ultimately very important for those end users who are not consumers but are natural persons acting as entrepreneurs. It brings a significant extension of their legal protection in several respects.

Specifically, it is, for example, the right to withdraw from a contract concluded outside the usual business premises or when using means of distance communication, pursuant to <u>Section 63 Paragraph</u> 9 of the Act. So far, only consumers had the right to withdraw from such a contract concluded within

14 days; from the beginning of April of this year, natural persons acting as entrepreneurs can also exercise this right.

Although the provision of <u>Section 63 Paragraph 9</u> of the Act, pursuant to which the period for withdrawal of a consumer from a contract or its amendment concluded remotely commences on the day following the day of submission of information on the content of the contract or its amendment, speaks exclusively about consumers, this rule has now been extended to include natural persons acting as entrepreneurs, thanks to the provision of <u>Section 63 Paragraph 13</u> of the Act.

Another of the fundamental changes is the fact that, pursuant to Section 63 Paragraph 1 Point p of the Act, even this group of customers has the right to terminate a fixed-term contract without penalty. The exception where a penalty may be required, as with consumers, is a case where the contract expires within 3 months of its conclusion. The penalty (contractual fine) may not exceed one twentieth of the sum of the monthly lump sums remaining until the end of the agreed duration of the contract, or one twentieth of the sum of the minimum agreed monthly performances remaining until the end of the agreed duration of the contract, the payment amount being calculated from the amount paid during the contract period, and if a discount is provided compared to the list price, it is not possible to determine the payment amount from the list price.

In addition, it applies that natural persons acting as entrepreneurs are now also subject to the provision of <u>Section 63 Paragraph 7</u> of the Act, which regulates the maximum length of a fixed-term contract, i.e. the duration of their contractual relationship may not exceed 24 months if the contract is concluded for the first time.

Providers are also obliged from April of this year (pursuant to Section 63 Paragraph 10 of the Act) to inform natural persons acting as entrepreneurs in the manner prescribed by the law no earlier than 3 months and no later than 1 month before the expiration of a fixed-term contract about the forthcoming termination of such a contract, including the provision of information on the possibilities of extending the contractual relationship. It also applies that if natural persons acting as entrepreneurs do not give their demonstrable consent to the extension of a fixed-term contract, the contract becomes a contract for an indefinite period of time.

Natural persons acting as entrepreneurs may now also apply the provision of <u>Section 63 Paragraph 11</u> of the Act, which guarantees them the right to terminate a subscriber fixed-term contract under the conditions laid down by the law for the termination of contracts for an indefinite period of time.

Telecommunications regulation in the EU

European Commission

On 21 September, Commission Recommendation (EU) 2020/1307 of 18 September 2020 on a common Union toolbox for reducing the cost of deploying very high capacity networks and ensuring timely and investment-friendly access to 5G radio spectrum, to foster connectivity in support of economic recovery from the COVID-19 crisis in the Union, was published. Member States are to jointly create a toolbox based on best practices in the individual countries. A schedule has also been set up for its use and for informing the European Commission.

On 10 September 2020, the European Commission published the proposal of <u>a regulation on a temporary derogation from certain provisions of Directive 2002/58/EC of the European Parliament and of the Council (ePrivacy) as regards the use of technologies by number-independent interpersonal communications service providers for the processing of personal and other data for the purpose of combatting child sexual abuse online. With the entry into effect of the new Electronic Communications</u>

Code from 21 December 2020, certain communications services provided via the Internet will be added to the scope of the current ePrivacy Directive. However, this Directive does not contain a legal basis allowing the operators of these communications services to carry out activities (to process content and traffic data) in order to protect children online. The Temporary Derogation Regulation is therefore a way to enable these communications service providers to carry out their current activities to detect sexual abuse of children online, including the removal of such harmful content. The EC also asked for feedback on this proposal.

Cybersecurity

October is the <u>European Cybersecurity Month</u>. As every year, the EU will run an enlightenment campaign to raise awareness of cybersecurity threats, promote the importance of cybersecurity among citizens and organizations, and provide guidance on how to ensure it.

EU Member States and the European Union Agency for Cybersecurity (ENISA) conducted a <u>test</u> on 29 September in order to verify their ability to cooperate in the event of cyberattacks. This is one of the key steps towards the completion of relevant operating procedures in case such incidents occur, aimed primarily at sharing information and responding jointly to attacks. The test, organized by the Netherlands, follows on from <u>Commission Recommendation 2017/1584</u> on coordinated response to large-scale cybersecurity incidents and crises. In addition, the Cyber Crisis Liaison Organisation Network (<u>CycloNe</u>) has also been launched, focusing on cooperation between Member States in case of cyber-attacks.

BEREC

On 8 September BEREC published its <u>input</u> to the European Commission's public consultation concerning legislation on rules for providing digital services (Digital Services Act, DSA)

The <u>44rd BEREC Plenary meeting</u> took place on 1 and 2 October 2020. BEREC Board of Regulators elected <u>BEREC management</u> for the next period. Annemarie Sipkes (ACM, NL) was elected as BEREC Chair for 2022.

The following documents were approved for publication:

- <u>BoR(20)155</u> Updated BEREC Guidelines on Intra-EU Communications and Report on the Results of Public Consultation
- BoR(20)156 1st Intra-EU Communications Benchmark Report
- BoR(20)157 25th BEREC International Roaming Benchmark Data Report
- BoR(20)158 Summary Report of Expert Workshop with OECD on QoS and QoE of Communication Networks and Services
- <u>BoR(20)165</u> Draft BEREC Guidelines on Very High Capacity Networks (VHCN) and Report on the Results of Public Consultation
- BoR(20)166 Draft BEREC Report on the implementation of Regulation (EU) 2015/2120 and BEREC Open Internet Guidelines
- <u>BoR(20)169</u> Draft BEREC input to the Revision of the Commission's Access Recommendations

Other documents approved for public consultation:

- BoR(20) 163 Draft BEREC Workprogramme 2021
- BoR(20) 168 Draft BEREC Guidelines to assist NRAs on the consistent application of geographical surveys of network deployments, Phase II

EU Calendar

13.7. – 9.11.	<u>public consultation</u> on the Postal Services Directive
16.7. – 7.10.	<u>public consultation</u> on the Revision of the Commission's Access Recommendations
8.9. – 5.1.21	<u>public consultation</u> on State Aid Rules for Broadband Infrastructure Deployment
30.9. – 27.11.	<u>Have your say initiative</u> to the Proposal for a Draft Regulation on a Temporary Derogation from Directive 2002/58/EC for the Purpose of Combatting Child Sexual Abuse Online