**Czech Telecommunication Office** 

November 2018

## Telegraphically on communications

## CTU publishes report on the development of the electronic communications market

<u>The report</u> focuses on the development from the year 2012 to the year 2017. It ensues from the report, for example, that the average retail price for one minute of voice call during this period fell to less than half and that 72 % of subscribers access the Internet via data fixed rate. The documents to accompany individual graphs in the report are <u>published</u> in open data format in Czech language.

### Offering our support to Remembrance Day

CTU decided to offer its support to a collection organised for Remembrance Day. Poppies were available for sale in the CTU headquarters in Prague. Proceeds from sales of poppies, which were previously used to decorate the graves of the persons who died in the war, will help to record the stories of soldiers from the Second World War.

#### BEREC introduces its work programme for next year

The Stakeholder Forum of the BEREC, Body of European regulators, was held on 17<sup>th</sup> October to discuss the organisation's priorities for the next year. One element involved is the BEREC Regulation, which comes into force at the turn of the year and brings a whole range of new tasks to BEREC.

# Decision-making practice: The presumption of honesty applies when considering claims and complaints

If an addressee or sender lodges a complaint regarding a damaged consignment, they need not always prove that the consignment was damaged during postal carriage and not before it was presented for posting or after it was delivered. The reason for this is the presumption of honesty, laid down in Section 7 of the Civil Code, according to which it is considered that whoever has acted in a certain way has acted honestly and in good faith. This is the outcome of a final and conclusive decision on objections to the settlement of a complaint against faults in the postal service lodged by the sender of a package containing a monitor.

Although the consignment was sent as "fragile", the screen of the monitor was cracked. Česká pošta (Czech Post) rejected the complaint on account of the fact that the consignment had not been sufficiently packed, such packaging having to be adequate to the nature and weight of the items inside the package, the manner and length of transporting the postal consignment and the way in which the postal consignment is handled during postal carriage.

It also claimed in administrative proceedings that the sender had not proven that the content of the consignment was not damaged before it was sent and that, in the case at issue, only the person that exercised rights from defective performance and, as the case may be, the right to compensation for

damage beforehand with the Czech Post (either the sender or the addressee) may be the applicant in appeal proceedings.

During the proceedings, CTU first dealt with the objection of insufficient locus standi to lodge an appeal against the handling of the complaint with reference to the provisions of Section 6a(1) of the Postal Services Act, and the article of basic postal terms and conditions: "should the operator fail to accommodate or fail to handle a claim against defects to provided postal services, the sender or the addressee has the right to bring proceedings regarding an objection to the handling of the claim to CTU...". The right to compensation for damage passes to the addressee once the consignment has been delivered. Paragraph 45(1) of the basic postal terms and conditions lays down that the sender may only assign its right to compensation for damage in writing and only to the addressee and the addressee may only assign its right to compensation for damage in writing and only to the sender. In the case at issue, the addressee assigned its right to compensation for damage to the sender in a letter, in which both sides expressed their agreement to assignment of the right with their signatures. It is sufficient for the valid assignment of the right to compensation for damage when this provably occurs in the course of administrative proceedings.

The sender subsequently provided photographic documentation proving the condition of the monitor before it was sent and after it was damaged. Even without this, however, its objection would have been successful. This stems from the presumption that the sender and the addressee acted honestly. Otherwise it would be assumed that either the sender or the addressee had committed an offence or even the crime of fraud (depending on the size of damages). They would have necessarily had to decide to send or claim the relevant consignment in the knowledge that the content of the consignment was probably damaged and that they would enrich themselves at the expense of another by misleading it or suppressing significant facts from it. There were no facts in the file, however, which would testify to any dishonest action on the part of the two subjects; it cannot be presumed that either the addressee or the sender committed such reprehensible action: there are no serious grounds for doing so.

CTU stated that the packaging of the relevant consignment is adequate for its postal transport. The monitor was wrapped in Mirelon film and set into a polystyrene filler of between 1.5 and 5 cm in thickness, then placed in an original cardboard box sealed with adhesive tape. CTU accommodated the application in appeal proceedings and imposed on Czech Post the obligation to pay compensation equalling the specified price of the consignment of CZK 3,770.

## Payments for a universal service

On 8 November CTU issued a decision on coverage of the loss from the provision of special prices for 2017 amounting to CZK 74,720,929.50. O2 submitted an application for the coverage of the loss on 30 July 2018. CTU examined whether the calculation submitted corresponds to Government Regulation No. 109/2008 Coll., as amended<sup>1</sup>, and whether the loss was incurred only as a result of providing discounts to disabled persons, as defined in the Electronic Communications Act. O2 remedied the shortcomings ascertained in a corrected calculation.

On 29 October, CTU issued a decision on net costs for the year 2017 amounting to CZK 34,066,380.04 and determined that net costs are an unacceptable burden on the provider of the universal service, O2. These net costs arose in 2017 in connection with the provision of partial services of the universal

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<sup>&</sup>lt;sup>1</sup> Government Regulation No. 109/2008 Coll. on the terms and conditions of providing special prices for a publicly-available telephone service, as amended by Government Regulation No. 354/2012 Coll. and Government Regulation No. 119/2014 Coll.

service, meaning public payphone services (in municipalities with up to 999 inhabitants and at selected places in municipalities having up to 4,999 inhabitants) and the sale of specially-equipped telecommunication terminal equipment. O2 submitted an application for payment on 31<sup>st</sup> July. CTU verified the calculation submitted based on the documents which were part of the application and the documents which were additionally requested. The net costs of the sale of specially-equipped telecommunication terminal equipment exceeded the limit laid down by CTU and were therefore included at the limit value. Net costs were paid from the state budget via CTU.

## In October CTU checked ...

... compliance with 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 devices for broadband data transmission in the  $2.4~\mathrm{GHz}-66~\mathrm{GHz}$  bands.

CTU ascertained defects in 14 out of 15 cases, mainly in the use of indoor frequencies outside a building. CTU called for the rectification of the shortcomings identified and subsequently initiated administrative proceedings.

#### ... the use of radio frequencies without authorisation

CTU conducted 16 inspections focusing on the use of frequencies without authorisation. In ten cases CTU ascertained operation on frequencies without individual authorisation; CTU is dealing with the cases in administrative proceedings.

... compliance with the terms and conditions of individual authorisation to use frequencies

CTU undertook three inspections of compliance with the terms and conditions of individual authorisation to use frequencies. It identified misconduct in one case.

... 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

In total CTU carried out 115 investigations and detected 77 cases of interference to television reception (including STA), 25 cases of interference to GSM and LTE public mobile communication networks, two cases of interference to radio and satellite reception and three cases of interference to a SRD station, as well as air navigation and the central receiver of a central security desk. In four cases, the source of interference to DVB-T and DVB-T2 was found to be a base station in the 800 MHz band (see next section), while interference to public mobile networks was caused in three cases by a GSM repeater and in four cases by an active TV antenna.

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

326 base stations were in trial operation and 16,068 stations were in permanent operation as at 31 October 2018. CTU received 71 reports of interference and completed the investigation of 77 cases of DVB-T interference in October; LTE base stations in the 800 MHz band were identified as the source of DVB-T interference in four cases. In 49 cases there were faults to the television viewers' receiving equipment, in 16 cases no interference was found and in seven cases the DVB-T signal was too weak.

## Porting of numbers within ten days

CTU recorded significant increase in the number of complaints regarding the portability of telephone numbers when carrying out its assessment of complaints for the third quarter of the year. Considering the character of the complaints specified, CTU states that the right of the subscriber/consumer to retain his/her telephone number irrespective of the undertaking which provides the service comes directly from the Electronic Communications Act, specifically Section 34 of that Act.

Each electronic communication service provider, whether a network operator or a so-called virtual operator, is obliged to ensure that its subscribers have the opportunity to retain their existing telephone number and transfer it to a different service provider. The provisions which regulate the terms and conditions of porting a telephone number are a significant part of each subscriber contract, including a contract between a "virtual operator" and its customers. CTU recommends that any subscriber wishing to exercise this right first familiarise him/herself with the specific terms and conditions laid down in the existing contract on the provision of electronic communication services and proceed accordingly, which is particularly important in cases in which the subscriber is not satisfied with the number portability service and plans to make a complaint about it.

Compliance with the legal obligation to ensure the portability of numbers is currently being checked by CTU over selected virtual operators, who must ensure the porting of a number under the same conditions and within the same time limits as any network operator. This inspection is concentrating on, among other, whether the maximum period of notice of 10 days is being respected when an application is made to terminate a contract on the grounds of porting a number to a different electronic communication service provider. Although the inspection has yet to be completed, we can say even now that all the undertakings checked have the conditions for porting a number in place in their contracts.

CTU will provide more detailed information about the results of the inspection campaign once this has been completed in a future monitoring report.