

#### **Czech Telecommunication Office**

February 2019

# Telegraphically on communications

#### The European Commission addresses cybersecurity in 5G networks

The European Commission considers a new regulation of the critical infrastructure. The measure should prevent companies in the EU from using elements, which are provided by a country or a company suspected of using any equipment for espionage or sabotage, in newly built telecommunication networks.

#### Czech Post logo misused in a fictive contest for a mobile phone

Czech Post <u>warned</u> against a fake contest for a mobile phone which has allegedly misused their logo. The fictive contest is displayed in the form of an advertisement on social media and entices the users with a prize in the form of a mobile phone.

# The Ministry of Industry and Trade announced second call for subsidies for high-speed Internet

The Ministry of Industry and Trade will allocate at least a billion CZK for a new call for subsidies on high-speed Internet coverage. Applications can be filed from 8 May. In case of higher demand, the designated amount can be even higher.

### Changes to the contract terms

#### **SAZKAmobil**

Based on a new price list effective from 1 March, the virtual operator SAZKAmobil will maintain slowed-down data even after having used up the FUP. This will replace the price list according to which the operator wanted to suspend the provision of data services after reaching the data limit and/or after the expiration of the data package. The statements of this operator in the media incorrectly suggested that they were forced to take this originally planned step by the threat of penalties by CTU.

According to the net neutrality rules, an operator must not approach its data traffic in a discriminatory way, i.e., slow down one application (service) while providing another under different conditions.

In accordance with the new price list, the operator is going back to the original principle where, after having used up the FUP, the speed of all data will be reduced to 32 kb/s while complying with the net neutrality conditions.

#### One Mobile

Virtual operator One Mobile, whose assets are subject to bankruptcy, no longer actively offers its services on the Internet. The insolvency trustee of the company, upon agreement with CTU, removed from the website a presentation which might give visitors a wrong impression that the operator is still in business. The next step will be announcement of the termination of business activities.

#### T-Mobile

Effective from 6 February, T-Mobile modified the terms and regulations for the "Twist Internet na rok" (Twist Internet for a year) plan and the "Twist Internet na měsíc" (Twist Internet for a month) plan. It newly does not include the section which, in violation of the principles of net neutrality, linked the provision of the service to the listed mobile terminals (mobile phones, PDA/MDA etc.).

#### Skylink

Skylink again increases the service charge in the Czech Republic and changes the prices of the Smart programme package. It is implied by the new price list which is valid from 1 March. The operator also announced the commencement of broadcasting of its own programme named Skylink 7. The new programme is broadcast in six-hour blocks.

## Checked by CTU in January...

...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.

Out of 16 inspections performed, CTU discovered 14 defects. These included in particular use of indoor frequencies outside of buildings. CTU requested to remedy the deficiencies and subsequently commenced administrative proceedings.

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

CTU carried out 13 inspections focusing on the use of frequencies without authorization. In nine cases, CTU discovered operation on frequencies without an individual authorization or with an expired one. administrative proceedings have been initiated in these cases.

...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 91 investigations, out of which 57 cases involved interference with television signal (out of which 6 cases involved interference with DVB-T2), 21 cases involved interference with public mobile communication networks GSM and LTE, four cases involved interference with radio signal, two involved interference with short-range devices, and three cases involved interference with meteorological radars. In seven cases an 800 MHz base station (see the following bullet) was identified as the source of interference with DVB-T, public mobile networks were jammed in six cases by the radiation of an active TV antenna, and in three cases by the radiation of GSM repeaters. The causes of an inadequate signal of DVB-T2 were always different than interference by LTE.

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

As of 31 January 2019, 455 LTE base stations were in pilot operation and 16,227 LTE base stations were in permanent operation. 97 reports of interference with the DVB-T signal were received by CTU in January, and investigations of 56 cases of interference with the DVB-T signal were terminated; LTE base stations in the 800 MHz band were found to be the source of interference with DVB-T in seven cases. Defects of the viewers' reception equipment were discovered in 34 cases, no interference was found in 11 cases, and four cases involved insufficient DVB-T TV signal.

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

Inspections of the vendors of telecommunication terminal and radio equipment within the cooperation between CTU and the Czech Trade Inspection Authority in Most revealed the sale of models of radio-controlled models of cars working in the 27 MHz bands (outside of the frequencies specified in general authorization No. VO-R/10/11.2016-13). Such radio equipment cannot be operated in the Czech Republic without an individual authorization to use radio frequencies. In addition, in Frýdlant the inspectors discovered the sale of wireless doorbells operating in bands from 315 MHz to 316 MHz reserved in the Czech Republic for the Ministry of Defense. The deficiencies discovered are already being solved by the Czech Trade Inspection Authority within the scope of its powers.

# To renew a contract, the consumer must always provide the operator with a new consent

The Electronic Communications Act protects customers who signed a contract for a definite period with a telecommunication provider. The operator is obliged to inform the consumer about the upcoming expiration of the contract along with the renewal options, in a same way they receive a billing statement. The operator must provide this information no sooner than three months and no later than one month before the expiry of the contract. If the subscriber does not explicitly grant their consent to the renewal of the contract for a definite period, the contract will change into a contract for an indefinite period.

CTU has received requests and complaints about the practices of Vodafone which applies the abovementioned provision of the Act in a manner that it informs the consumer within the defined time limit about the upcoming expiration of the commitment, but if the consumer granted their consent to the renewal at the time of signing of the contract, the company does not require a new consent. CTU is therefore being contacted by a number of customers who feel affected by this approach because they did not know about the extension of the contract and do not agree with it.

Following the explanatory note for the amendment of the Act which introduced the operator's information obligation, CTU holds and applies a legal opinion that the lawmaker intended to adjust the process of automatic prolongation of the contract so that the consumer's consent to renew the contract had to be obtained by the provider immediately before the prolongation. Vodafone's practices are therefore clearly in contradiction with the meaning and purpose of the amendment.

CTU therefore informs Vodafone customers who were notified by the company in the period after 2 September 2017 that their commitment is about to expire, but were not asked to give their consent to the renewal of the contract, that their contract was changed from a contract for a definite period to a contract for an indefinite period, by law. If they decide to terminate the contract, they may do so within the standard termination notice period without having to pay a penalty for an early termination of the contract. Should Vodafone still charge the consumers, who terminate the contract in such

manner, with a penalty for early termination of the contract, CTU recommends raising a complaint with the company about this billing statement and, should the complaint be dismissed, filing an objection with CTU to the processing of the complaint. In the case of such objections, CTU will hold the above-mentioned legal opinion.

# Legislative changes: Order to retain data

Act No. 287/2018 Coll. amending Act No. 40/2009 Coll., the Criminal Code, as amended, with other Acts, was promulgated on 13 December 2018 in part 143 of the Collection of Laws.

Act No. 287/2018 Coll. implements in the legal order of the Czech Republic, among other things, Articles 16 and 29 of the Convention of the Council of Europe on Cybercrime in the part pertaining to retention of data. In order to ensure the relevant obligations, Section 7b of the Criminal Code newly regulates the institute of "Order to retain data". It is supposed to prevent a loss, destruction or alteration of data (stored in the computer system or on information media) important for criminal proceedings where it is possible to order an entity which keeps such data or has the data under its control to retain such data in an unchanged form for the period specified in the order and to adopt necessary measures to prevent disclosure of the information that data retention was ordered, and, as the case may be, to prevent access of other persons to such data. A similar obligation is also included in the new Section 65b of the International Judicial Cooperation Act. In relation to the regulation concerned, the Electronic Communications Act (part five of Act No. 287/2018 Coll.) is amended such that Section 97(3) of the Electronic Communications Act is amended. The newly amended wording of Section 97(3) ensures that the necessary data will be retained by the obliged entities, in addition to the current situations, also after the expiry of the statutory period of 6 months, also if the retention thereof has been ordered (Section 7b of the Criminal Code).

This Act came into effect on the first day of the second calendar month following the day of promulgation thereof, i.e., on 1 February 2019.

## Radio spectrum management

#### General authorization

On 22 January the Council of CTU approved General Authorization No. VO-R/10/01.2019-1 to use radio frequencies and to operate short-range equipment, as a replacement of the General Authorization No. VO-R/10/12.2017-10. CTU issued a new General Authorization due to the implementation of a Decision of the European Commission and the updated version of the CEPT recommendation – it concerns addition of frequencies in frequency 870–876 and 915–921 MHz bands for unspecified short-range equipment, radio frequency identification devices (RFID), and short-range equipment in data networks.

#### Digital television broadcasting

The following DVB-T2 transmitters were launched in January:

#### Transition network 11 (Česká televize):

Channel 37 Chocerady

Channel 47 Ústí nad Labem

#### Transition network 12 (České Radiokomunikace):

Channel 27 Chocerady

#### Analog radio broadcasting

The broadcasting of ČRo Dvojka (102.1 MHz) and ČRo Plus (1053.8 MHz) from the Bruntál transmitter (0.1 kW) was launched in January.

### Czech Post increases prices

Czech Post increased the prices of selected postal services starting from 1 February. The prices of postal orders A (cash – bank account) and postal orders B (written and data) have increased by CZK 3 and the price of postal orders C and D (cash – cash) have increased by CZK 5. The price growth also applies to cash on delivery orders A and C.

After a year, the postage for international postal items increased again. For the most widely used service, regular letters with weight up to 50 g, the price grew by CZK 4 within Europe and overseas. The price increase applies also to all other weight categories. The prices of international registered letters and insured letters have also gone up.

In addition, the prices for users of payment machines, for payments using Kredit and for customers of the Hybrid Post are modified and unified. The dual pricing for customers of the Hybrid Post determined by the amount of the annual turnover was cancelled.

#### Unique method to determine a postage

Starting from March, the method of determination of the price for domestic and registered parcels will significantly change. Instead of the current weighing, postal items will be measured, and the price will be determined based on the maximum size ascertained. This method is unique and unprecedent. According to CTU findings, it is not used by any postal administration or postal service provider in Europe.

## Telecommunication regulation in the EU

#### Artificial intelligence

On 10 January, the <u>AI4EU</u> project for the support of development and use of artificial intelligence in Europe started in Barcelona. 79 leading research institutions, small and medium-sized businesses and large companies in 21 countries participate in the project to build a center for the sources of artificial intelligence (AI). The project should also provide support to potential users – to help them test and integrate AI solutions in their processes, products and services.

#### **Public consultation**

On 16 January the European Commission has started a <u>public consultation</u> to prepare an implementing decision which should define the specifications for small-area wireless access points. This requirement is based on the European Electronic Communications Code to facilitate the installation of these access points. The consultation takes place until April 10.

#### Open data

On 22 January, the representatives of the European Parliament, the EU Council and the Commission have reached an informal agreement on the revised Directive which will facilitate availability and further use of data originating from the public sector. In full compliance with the <u>General Data Protection Regulation</u>, the <u>Directive</u> (PSI) updates the framework of conditions under which the data from the public sector can be disclosed for further use. Special emphasis will be put primarily on high-value data sets such as statistics or geospace data, which have a great potential, and can accelerate creation of several value-added products and services. Now the agreement must be formally approved by the European Parliament and the EU Council. Subsequently the EU Member States will have 2 years to implement the new rules in their national legislation.

#### 5G networks

On 8 February, Commission Implementing Decision (EU) 2019/235 of 24 January 2019 amending the existing decision on harmonization of radio spectrum in the  $3.4-3.8 \, \mathrm{GHz}$  frequency band was published in the Official Journal of the EU. The Commission Implementing Decision updates the existing technical conditions such that the Member States could allow the use of this frequency band for 5G systems by 31 December 2020 in accordance with the European Electronic Communications Code.

#### Romania chairs the EU Council

In the first half of 2019, <u>Romania</u> presides at the EU Council. The area of innovation and digitization, including the intensification of the single digital market, is among their <u>priorities</u>. On the working level, the Romanian presidency focuses on continuing discussion about the proposed regulation on privacy and electronic communications (ePrivacy) and the proposed regulation establishing the Digital Europe programme for the period 2021-2027.

#### Postal services in the EU

On 29 January 2019 the European Commission organized a <u>workshop</u> in Brussels on development of the postal sector and presented the results of their study "Development of cross-border e-commerce through parcel delivery".