Czech Telecommunication Office

May 2021

Telegraphically

The comparison tool is now able to compare services at a fixed location

On 3 May 2021, CTU updated the comparison tool for prices and quality of electronic communications services to include the option to compare the prices of services at a fixed location – internet at a fixed location, calls at a fixed location, and television. So far, the tool has allowed comparison of the prices and parameters of mobile calls, SMS and mobile internet services. The comparison tool is therefore already fully operational, currently in pilot mode.

Information brochure for internet speed measurements

At the end of April, CTU published a brochure entitled "Internet Speed, its Measurement and Complaints". It contains a detailed overview for all consumers who want to check whether the speed of their internet connection reaches the level to which the provider has committed in the contract. The published brochure also includes a procedure for making a complaint with the provider and, as the case may be, objections against the settlement of the complaint by CTU, including submission templates.

Resuming the exams for professional competence

CTU announces that the exams for professional competence to operate radio transmitting equipment of the maritime mobile service and the aeronautical mobile service have been resumed. The dates and times will be announced on this page and invited clients will receive an e-mail invitation to participate in the exam. Please be reminded that an administrative fee of CZK 600 is charged for submitting an application for the exam and issuing the certificate.

Inspections of other postal service operators also revealed deficiencies

CTU currently registers 25 active operators of postal services (e.g. Zásilkovna s.r.o., MESSENGER a. s., DHL Express Czech Republic s.r.o., Direct Parcel Distribution CZ s.r.o. - DPD, and others). Not only the Czech Post is therefore subject to regulation by CTU. In early 2021, CTU focused on inspections of these postal operators, different from the Czech Post which is inspected separately. Mistakes were found by fifteen of them. During the inspections, a total of 8 entities reported the suspension or termination of business activities in the area of postal services provision.

The inspection focused on whether their postal terms meet the requirements of the <u>Postal Services</u> <u>Act</u> and whether they are published in a way that allows remote access. The inspection also sought to

find out whether each of the inspected postal service operators labels the postal item so that it is clear from the label with which operator the postal item was posted. In addition, the inspections focused on compliance with the obligations under the <u>Consumer Protection Act</u> – an obligation to inform the consumer about the entity with subject-matter jurisdiction for out-of-court settlement of disputes, an obligation to issue a written confirmation of receipt of the complaint, and compliance with a 30-day time limit for settling the complaint.

The most frequently discovered deficiencies were missing particulars of postal terms and conditions, most of which concerned information on the method of settling disputes about the subject matter of the postal contract, the inclusion of information on the method of claiming defects in the postal service provided, including the information on where and within what time period a complaint can be raised and the time limit for its settlement, in the postal terms and conditions and in the description of the provided postal services. Administrative proceedings will be conducted with postal service operators where deficiencies have been identified during the inspection.

In roaming like at home: What to watch out for and how long the principle will still apply

At the end of June 2022, the regulation of roaming by the European Union, which also makes it possible to use the "roam like at home" principle abroad in the EU and some other countries, i.e. calling, texting and using data at prices and under conditions like at home, will expire. However, customers - travelers do not have to worry; the European Commission has proposed extending the regulation by ten years, until 2032, and the approval process is already in full swing. On the occasion of this good news, it is worth to note a few important principles so that service users do not get an unpleasant surprise in the form of an expensive bill when they return from vacation.

Roaming x international calls

In general, roaming is any use of mobile services abroad. You use regulated roaming with the "RLAH" principle when, as the holder of a number belonging to a Member State, you visit an EU country and call from the visited network to another number of the Member State, or you receive calls in this way. This is, for example, when you are on holiday in an EU country and call home, to a local number or to another Member State.

An international call is a call used by customers in their home network who call any foreign number. It is also regulated, but with a different principle, namely the principle of maximum price. For Czech customers calling to EU countries (+ Norway, Liechtenstein and Iceland), the maximum price is CZK 5.98 including VAT per minute from 15 May 2021.

Where does it work?

The "RLAH" principle applies in all EU countries (beware of Switzerland, which is located in the heart of Europe but is not a member of the Union). Operators also still offer it as a benefit in Great Britain, but this can change at any time. When traveling to Great Britain, it is therefore necessary to find out information about billing from your operator before the trip. Operators also apply the "roam like at home" principle in Iceland, Liechtenstein and Norway.

What to watch out for?

For example, in border areas near the border between a Member State and a non-Member State. The phone connects to the strongest network, and it may not be your home network. Before each call or use of data, it is necessary to make sure that we are connected to the network of a Member State. Also pay attention to water and air space - even if we are in the territory of a particular state, it may happen that the communication will be charged according to some international price list. And finally, as we informed in the Monitoring Report of June 2019, the RLAH principle must not be overused and abused. The operator should theoretically have the right to intervene and charge additional fees, for example, if for a certain period the services are used more abroad than in the home country. Therefore, for long-term study or business stays or for holidays lasting significantly longer than the standard, it is advisable to acquire a local telephone number.

CHANGE IN PRICE CAPS FOR CONSUMERS FOR CALLS AND SMS TO OTHER COUNTRIES

From 15 May 2021 there was a slight increase in the maximum prices of international calls and SMS to the countries of the European Economic Area, which are regulated by the amended Regulation (EU) 2015/2120 of the European Parliament and of the Council. The increase in prices reflects the weakening of the Czech crown against the euro in the first quarter of 2021 compared to the same period last year by 2.72%. From that date, the operators concerned must not charge a price higher than CZK 4.946 excluding VAT (EUR 0.19) per minute for calls from the Czech Republic to the countries of the European Union, Liechtenstein, Norway and Iceland.), i.e. CZK 5.985 including VAT, and a price higher than CZK 1.562 excluding VAT (EUR 0.06), i.e. CZK 1.89 including VAT, for sending one SMS. The maximum prices for calls and SMS sent to those countries are converted each year on 15 May from the price caps set in euro according to the average of the reference exchange rates published on 15 January, 15 February and 15 March of the given year by the European Central Bank in Official Journal of the European Union.

Can I terminate a contract via data mailbox?

The conditions under which a service used can be terminated must be stated in the contractual documents. All three largest operators accept written notice of termination, and in some cases it is possible to terminate the contract at a branch or by phone, depending on the service or tariff. In Monitoring Report 11/2019 containing an article addressing this topic, CTU emphasized that the most demonstrable way of delivering the notice of termination is written submission of the termination notice with a proof that it was sent to the relevant address, so that in case of any doubt it is possible to reliably prove that the document was effectively delivered to the provider.

Nowadays, the delivery of documents via data mailboxes is generally becoming more widespread. Although this means of communication is not usually explicitly mentioned in the contract terms of selected providers, CTU is of the opinion that termination notices submitted in this manner should also be accepted by the providers, provided, of course, that the subscribers meet the associated requirements.

Therefore, if the subscribers wish to send a termination notice via a data message, it is first necessary to verify whether their provider permits the receipt of so-called postal data messages, i.e. messages from private entities.

Changes to the contract terms and tariffs CALLS TO EU COUNTRIES

In compliance with Regulation (EU) 2015/2120 of the European Parliament and of the Council, setting, among other things, retail prices for regulated communications within the Union, Czech operators adjusted the price of calls and SMS services to EEA countries as of 15 May 2021. There has been a slight increase in the maximum prices for international calls and SMS to EEA countries. See the article on the previous page for more details.

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O2 issued new price lists for <u>basic</u> and <u>prepaid</u> services with effect from 1 May 2021. In the price lists, the EU zone is expanded to include Great Britain and Gibraltar for international calls. Therefore, the consumer can again use international calls and SMS from the Czech Republic to foreign subscriber numbers of Great Britain and Gibraltar under the same conditions as international calls and SMS to the EU.

Workshops

19 May	Workshop on changing the internet access service provider
26 May	Workshop on the new ESD (Electronic Data Collection) system
26 May – 27 May	IIC/BEREC Telecommunications & Media Forum 2021
2 June	Workshop on the change of network plans

Workshop on the change of network plans

On 2 June 2021, from 1 pm, a workshop for experts will be held at the CTU premises in order to present changes in Measure of General Nature No. <u>SP/2/05.2011-7</u> issuing the network plan of transmission parameters of public telephone networks and in Measure of General Nature No. <u>SP/3/05.2011-8</u>, issuing the network plan of signalling of public communication networks, as amended. Changes to network plans result from the ongoing transposition of Directive <u>2018/1972</u> establishing the European Electronic Communications Code, as well as from the current technological development.

Workshop on the modernized ESD (Electronic Data Collection) system

On 26 May 2021, from 1 pm, a workshop for experts will take place at the CTU premises on the modernized Electronic Data Collection (ESD) system which will be launched by CTU in June 2021 and which will replace the existing ESD system. The workshop will present major changes and newly introduced tools related to the regular data collection through the ESD system.

Workshop on changing the internet access service provider

On 19 May 2021 from 1 pm, a workshop for experts was held at the CTU premises in order to prepare a decree containing technical and organizational conditions for implementation of a change in the

internet access services provider. The workshop follows up on a meeting on the same topic that took place on 13 January 2021.

Checked by CTU in April...

...compliance with the conditions of General Authorization No. <u>VO-R/12/03.2021-3</u> for the use of radio frequencies and operation of equipment for broadband data transmission in the 2.4 GHz to 71 GHz frequency bands

CTU carried out a total of 11 inspections. Defects were identified in 9 cases, consisting in harmful interference with priority radiocommunications service stations (meteorological radars) and use of indoor frequencies outside a building, which were resolved by a call to rectify the identified deficiencies and which will subsequently be addressed in administrative proceedings.

... compliance with the conditions of General Authorization No. VO-R/24/05.2019-4 for the operation of equipment of infrastructure for transmitting radio signals inside tunnels, buildings and trains

CTU carried out a total of 3 inspections. Defects - operation of equipment without the consent of mobile network operators - were found in all cases; they were resolved by a call to rectify the identified deficiencies and will subsequently 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 April, CTU completed a total of 112 investigations, of which there were 81 cases of interference with television reception, 15 cases of interference with GSM and LTE public mobile communications networks (in 6 cases the source of interference was the active element of TV reception), 7 cases of interference with a meteorological radar, 2 cases of interference with radio and satellite signal, and 7 cases of interference with various systems (integrated rescue system station, mobile service receiver, short-range devices, CB radio station, etc.). The investigation of complaints about poor TV reception revealed that in 52 cases the defect was in the viewer's equipment, in 3 cases it was due to the effect of shading, reflections or reception of signal in a non-covered area, in 17 cases the interference stopped or occurred sporadically. Seven interference reports were cancelled by their submitters during investigation of the interference. In one case, a fault in the television cable distribution system was found, and in one case there was no interference (it was noise nuisance).

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

As of 30 April 2021, 153 base stations were in pilot operation, and 16,802 stations were in permanent operation. In April, an LTE base station was not identified as a source of TV signal interference in any case.

4,470 - the number of decisions issued in April on the matter, of which 4,455 decisions concerned a dispute over payment (payment of the price for services).

3,028 – the number of administrative proceedings initiated in April concerning subscriber disputes between the person carrying out the communication activity and the subscriber. These are the disputes over payments and objections to the settlement of a complaint about the billing of the price or the provided publicly available electronic communication service.

Economic regulation and market analyses

Change to single European termination rates

On 22 April 2021, the European Commission, in accordance with Article 75 of the European Electronic Communications Code and in consultation with BEREC, issued a <u>Delegated Regulation</u>, setting the so-called Union-wide mobile voice termination rate and Union-wide fixed voice termination rate (MTR and FTR). The Regulation will come into effect on 1 July 2021.

From 2024, all operators operating in EU Member States will be obliged to apply a single (Union-wide) maximum rate for mobile voice termination in the amount of 0.2 eurocents per minute. Until then, rates will be gradually reduced. From 1 July 2021 to 31 December 2021, operators will be able to charge a maximum amount of 0.7 eurocents per minute for mobile voice termination. From 1 July 2021, Czech operators can charge a maximum amount of CZK 0.1831 excluding VAT per minute; a maximum amount of 0.55 eurocents per minute (approximately 14 hellers) in 2022; and a maximum amount of EUR 0.4 eurocents per minute (approximately 10 hellers) in 2023. The exact amount of prices will be calculated on the basis of set exchange rates.

From 2022, operators will be obliged to charge a single maximum rate for fixed voice termination in the amount of 0.07 eurocents per minute (approximately 2 hellers) throughout the European Union. Until then, from 1 July to 31 December 2021, domestic operators will be able to charge, according to the Regulation, a maximum rate for fixed voice termination in the amount of CZK 0.0264 (excluding VAT) per minute.

Proposal for a Measure of General Nature designating the relevant markets in the field of electronic communications

By a letter dated 15 April 2021, CTU received the opinion of the Office for the Protection of Competition on the draft Measure of General Nature No. OOP/1/05.2021-5, identifying relevant markets in the electronic communications sector, including criteria for assessing significant market power. In the letter, the President of the Office for the Protection of Competition stated that he had no comments on the submitted draft measure. Information on the list of relevant markets that are susceptible for ex ante regulation due to the proposed wording of the measure can be found in Monitoring Report 3/2021, "Market Analyses" section (page 9). Following the completion of the consultation process regarding the Measure of General Nature in question, CTU prepared a final version of the document, which was discussed and approved by the CTU Council on 5 May 2021. The Measure of General Nature identifying relevant markets in the electronic communications sector was subsequently issued on 6 May 2021 in volume 5/2021 of the Telecommunication Bulletin.

REDUCTION OF PRICES FOR CALL ORIGINATION TO 800-NUMBERED LINES WILL IMPROVE THE SITUATION OF CONTENT PROVIDERS

Lines that start with the number 800 (so-called green lines) are free of charge for customers - end users. However, they are not free for content service providers, who have to pay to operators considerable fees including not only call termination, but also call origination - the initiation of a call by a customer calling the 800 number. CTU conducted an investigation and concluded that it is

necessary that mobile operators reduce the wholesale prices for call origination to 800-numbered lines. The current level of wholesale origination prices makes it more difficult for other operators (in particular fixed operators) to create a competitive offer for content providers on these numbers and to compete with mobile operators, and consequently contributes to maintaining higher prices for providers. As a result of the CTU investigation, mobile network operators will reduce wholesale prices for call origination to 800-numbered lines from 1 July 2021.

Transposition amendment to the Electronic Communications Act

Implementation of the European Electronic Communications Code

On 12 May 2021, at the 103rd session of the Chamber of Deputies, the second reading of the draft of the so-called transposition amendment to the Electronic Communications Act (<u>printed document No. 1084</u>) took place. This amendment implements the so-called European Electronic Communications Code. In the second reading, amendments to the bill were proposed – <u>here</u>. In the subsequent procedure, they will be dealt with by the responsible Economic Committee.

Telecommunications regulation in the EU

Official Journal of the EU

On 22 April, <u>Commission delegated regulation (EU) 2021/654</u> was published in the Official Journal of the EU (see Change to single termination rates).

European Commission

On 21 April, European Commission published its proposals for new rules and measures on the use and development of artificial intelligence (AI) within the EU. Historically, the first <u>legal framework on AI</u> in connection with the revised <u>coordination plan</u> shall ensure the respect of fundamental rights and high level of security, and at the same time, they shall help fast deployment of AI, investments and innovations around EU.

BEREC

On 28 April 2021, BEREC organised a public online Workshop on Market Entry in the context of the Digital Markets Act. This workshop on market entry aimed to collect input from stakeholders' associations and some key potential challengers to digital gatekeepers on the issue of contestability.

On 30 March, BEREC published its <u>opinion</u> on the proposal of European Commission for amending the Roaming Regulation. BEREC has supported this proposal, especially it welcomes continuing of RLAH, which it considers to be an evident success and substantial contribution to further completing the single market.

On 19 May, BEREC has published its <u>opinion</u> on the proposal for a revised Directive on measures for a high common level of cybersecurity across the Union (EU) <u>2016/1148</u> (NIS 2). BEREC criticise the complete removal of the provisions on security and integrity of networks and services (Art. 40 and 41) from the EEC.

On 26 – 27 May, <u>IIC/BEREC Telecommunications & Media Forum 2021</u> is taking place. Main topics are: the steps need to strengthen digital skills in Europe, increase the resilience of electronic communications market and remove the digital divide among EU countries.