ČTÚ

CZECH TELECOMMUNICATION OFFICE

PRESS RELEASE

CTU launched the public consultation on conditions of the Tender for 5G networks frequencies

Prague, 16 March 2020 – Czech Telecommunication Office (CTU) launched today a public consultation on <u>draft conditions</u> to the prepared Tender for frequencies in the 700 MHz and 3,5 GHz bands. Comments to the draft can be submitted within the public consultation pursuant to the Electronic Communications Act until 16 April 2020.

The consulted conditions of the Tender, which will have the form of an auction, respect the requirements of the Government Resolution No. 84 of 27 January 2020. CTU rearranged the conditions with regard to deeper enhancement of the support to competition on all market levels and of the development of the 5G networks in accordance to the government 5G Strategy.

CTU made concessions from a direct reservation of one block (size of 2 x 10 MHz) in the 700MHz band for new applicants, so that a individual participant of the Tender can acquire the maximum of 2 x 10 Mhz. The spectral limit in 3,5 GHz band was set on 60 MHz for the incumbent operators and on 100 MHz for other operators. The given limits can be increased in case of insufficient demand.

The frequency segment of 3400 – 3440 MHz was now removed from the subject of the Tender and will be designated for the needs of solutions aiming to support the Industry 4.0. CTU established more detailed conditions for the utilisation of this frequency segment separately, beside the conditions of the Tender.

CTU further extended the obligation of national roaming to the benefit of the new operators. The block allocation holders in 700 MHz frequency band, who are the incumbent operators, will be obliged to provide national roaming not only to the benefit of the new operator with acquired frequencies in the 700 MHz band, but also to the benefit of all new operators, who are or will be radio frequency holders in the whole 3440-3800 MHz frequency band. Conditions for reaching the minimal own coverage of the population and its further increase are established for applicants for the utilisation of national roaming.

The conditions of the Tender further establish a wholesale offer obligation for block allocation holders in the 700 MHz frequency band, incl. obligation to publish a reference offer for so-called full and light mobile virtual network operators (MVNO), the PPDR obligations, the obligation of re-farming for the whole 3440 – 3800 MHz frequency band, and the development criteria, which ensure that the frequencies will be managed effectively. At the same time, the conditions include an obligation to cover so-called white spots, i.e. municipalities where the 4G networks are currently not available, and also large cities, railway and motorway corridors, and the nationwide coverage of the Czech Republic with the 5G networks in defined terms and in accordance to the government 5G Strategy.

The minimal (starting) auction price for individual auction blocks has been determined based on the benchmark analysis of the prices obtained in relevant European countries.

CTU assumes to launch the Tender during June of this year.

Press Unit
Czech Telecommunication Office