

# Monthly monitoring report No. 6/2012 of the Czech Telecommunication Office June 2013

## *Executive summary*

During June 2013 the CTU prepared [Settlement of comments](#) received within the framework of public consultation of draft terms for tender procedure for frequencies in the bands of 800 MHz, 1,800 MHz and 2,600 MHz. On June 21, 2013 the CTU organized a seminar for the presentation of findings of consultation and settlement of comments with concerned subjects which sent their comments. Principal conclusions of the settlement of the consultation are recapitulated in Chapter 12.

On June 13, 2013 the public consultation was terminated concerning the draft Measure of General Nature - the analysis of market No. A/3/XX.2013-YY, market No. 3 – Call termination on individual public telephone networks provided at a fixed location.

The CTU further prepared and published settlement of comments ([ART 4](#) and [ART 5](#)) received within the framework of public consultation to the draft Measure of General Nature No. A/4/XX.2013-YY, market No. 4 – Wholesale (physical) network infrastructure access (including shared or fully unbundled access) at a fixed location and to the draft Measure of General Nature - the Analysis of the market No. A/5/XX.2013-YY, market No. 5 – Wholesale broadband access in the networks of electronic communications. Also on July 1, 2013 the public consultation was completed concerning the draft Measure of General Nature - the Analysis of the market No. A/7/XX.2013-YY, market No. 7 – Voice call termination on individual mobile telephone networks (more information concerning the issues of market analyses can be found in Chapter 3).

On June 25, 2013 the CTU published in the discussion place the Call for application of comments to the draft Measure of General Nature No. [OOP/4/XX.2013-Y](#), which amends the Measure of General Nature No. [OOP/4/03.2006-3](#), stipulating the methodology of purposeful breakdown of costs and revenues and their assignment and determines the structure of reported information, as amended by the Measure of General Nature No. [OOP/4/02.2008-1](#), No. [OOP/4/12.2011-19](#) and No. [OOP/4/11.2012-15](#) (more information concerning the issues of market analyses can be found in Chapter 3).

On July 1, 2012 the Regulation of the European Parliament and the Council (EU) No. 531/2012 from June 13, 2012 on Roaming in public mobile communication networks in the Union (hereinafter „Regulation“) became effective. This Regulation, inter alia, determines maximum wholesale and retail prices of regulated voice, data and SMS services. Starting from July 1, 2012 the maximum wholesale and retail prices stipulated in the Regulation are further changed from July 1, 2013 (more information can be found in Chapter 3 - Roaming services).

In the Theme of the month of this monitoring report the CTU brings forward the information on the development of mobile virtual operators in the Czech Republic.

## **1. Current situation in the market**

### **Telefónica**

Starting from June 1, 2013 the company Telefónica offers under the name of Call CZ the new range of tariffs for calls from fixed lines, specifically there are the tariffs Call CZ 50, Call CZ 80, Call CZ 200 and Call CZ 500. The tariff Call CZ 50 offers, for the basic price of CZK 430/month, 50 free minutes for calls to all networks. After free minutes are consumed the price for one minute of call to all networks is CZK 2. If a customer employs the O<sub>2</sub> voice service of the company Telefónica simultaneously with the service O<sub>2</sub> Internet connection on the same telephone number, he/she will pay in this tariff privileged basic price of CZK 99 /month.

Tariff Call CZ 80 offers, for the basic price of CZK 520/month (and/or the privileged basic price of CZK 120/month to the service of O<sub>2</sub> Internet connection), 80 free minutes for calls to all networks. After free minutes are consumed the price for one minute of call to all networks in the Czech Republic is CZK 1.50. The tariff Call CZ 200 offers for the basic price of CZK 560 per month (and/or the privileged basic price of CZK 190/month) 200 free minutes of calls to all networks in the Czech Republic. After free minutes are consumed the price for one minute of call to networks is CZK 1.20. The tariff Call CZ 500 offers for the basic price of CZK 700/month (and/or for the privileged basic price of CZK 450/month) 500 free minutes for calls to all networks in the Czech Republic. After free minutes are consumed the price for one minute of call to all networks is CZK 0.90. Calls to fixed lines to neighbouring countries using the tariff range of Call CZ costs the price of CZK 3.99/min., and, for example, calls to fixed lines to the United Kingdom or the USA costs CZK 4.48/min in this tariff range.

Besides the tariff range Call CZ also the tariffs O<sub>2</sub> Call 300, O<sub>2</sub> Standard and O<sub>2</sub> Mini employed for housing purposes, tariffs O<sub>2</sub> Trend and O<sub>2</sub> Business intended for business purposes and tariffs VoIP O<sub>2</sub> Trend and VoIP O<sub>2</sub> Business used in VoIP lines remained in force. The company Telefónica reduced privileged basic price of the tariff O<sub>2</sub> Mini from CZK 81/month to CZK 62/month (decrease of CZK 19 per month) and with the tariff O<sub>2</sub> Standard the Telefónica reduced privileged basic price from CZK 100/month to CZK 76/month (decrease of 24 CZK per month). For tariffs offered before June 1, 2013 the prices from the price-list valid on May 31, 2013 remain in force. If the terms of additional or other services are modified both in current price-list and in the price-list valid on May 31, 2013, the current price-list will be applied for additional or other services.

### **Vodafone**

In June 2013 the company Vodafone launched in Karlovy Vary the test operation of the network LTE (Long Term Evolution). The company installed this technology on 20 base stations in the centre and surroundings of the city. Now the network LTE covers approximately 44,000 inhabitants. According to the statement of the company Vodafone the LTE network should be put in commercial operation during this summer. The network employs the frequency in the band of 1,800 MHz.

From June 20, 2013 until December 31, 2013 the Vodafone offers limited edition of pre-paid SIM cards for CZK 200 with activated package permitting 30 free minutes of calls monthly to the Vodafone network for the time of five months. Beyond the framework of free minutes customer calls for CZK 3/min. to the Vodafone network, to remaining networks in the Czech Republic customer calls for CZK 7.50 /min. and for one SMS customer will pay CZK 2.40. The privilege of free minutes is automatically renewed on the first day of calendar month. Customer may purchase this offer on the web pages of Vodafone eShop or in selected stores.

From June 19, 2013 until August 31, 2013 customers of the company Vodafone may buy SIM card for CZK 100 using payment method of recharging credit and activated monthly package of 250 SMS within the framework of which customer will pay CZK 0.40 for each SMS to all networks in the Czech Republic. Beyond these SMS's customer will pay CZK 0.81/SMS to all networks in the Czech Republic. Within the framework of SIM card customer can call to all networks for CZK 6.50/min.

## **UPC**

Until the end of June 2013 the company UPC prolonged special offers earmarked for new customers. There are price privileges for services of digital television Klasik, Komfort and Mini, which apply for on-line orders, including the commitment to employ the service for the period of 12 months. With the service Klasik, customers, for the period of first six months of using the service, will pay the price of CZK 156/month instead of standard CZK 263.31 /month and for the period of six months they may receive free of charge one of the theme packages Sport, Relax or Darwin. The above mentioned discounts are valid for the period of first six months of using the service. Within the framework of the tariff Klasik more than 40 Czech and Slovak programs can be used including 11 HD programs. With the service Komfort customers will pay, within the framework of this special offer, for the period of six months, CZK 375/month instead of standard price of CZK 578.49/month and during this period they can watch more than 80 programs including 21 HD programs. Customers, who, within the framework of this special offer, ordered on-line service of digital television Mini, will permanently pay for this service monthly price of CZK 154 instead of standard price of CZK 221.64/month and will be able to watch, within the framework of this service, 25 Czech programs (instead of 20 programs offered in May 2013) including 7 HD programs (instead of 6 HD programs offered in May 2013). The price for the connection of this service is CZK 100.

## **New offers of mobile virtual operators**

### **GoMobil**

On June 1, 2013 the new virtual mobile operator GoMobil of the company TERMS a.s. entered the market, which offers its services by means of services of MVNE (Mobile Virtual Network Enabler) of the company GTS. GoMobil offers to its customers the tariff without monthly flat fee under the name of START and the tariffs with monthly flat fee of CZK 100 and CZK 200. More detailed information concerning individual tariffs brings forward the Table No. 1. Virtual mobile operator GoMobil allows utilization of roaming calls to four zones<sup>1</sup>. To these tariffs customer can also purchase Internet in mobile, what is described in detail in the Table No. 2. Only within the framework of voice tariff 200 customer receives 100 MB of free data.

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<sup>1</sup> Detailed information can be found in the price-list of [GoMobil](#).

Table No. 1: Terms of voice tariffs START, 100 and 200 – GoMobil

Tariff	START	100	200
Monthly flat fee	CZK 0.00	CZK 100.00	CZK 200.00
Free minutes to all networks in the CR	0	60	100
Free data (in MB)/monthly	0	0	100
Tariffication	60+1	60+1	60+1
Calls within the framework of network	CZK 0.90	CZK 0.70	CZK 0.60
Calls to other networks in the CR	CZK 1.90	CZK 1.70	CZK 1.50
SMS within the framework of network	CZK 1.00	CZK 0.70	CZK 0.60
SMS to other networks in the CR	CZK 1.50	CZK 1.50	CZK 1.30
SMS abroad	CZK 4.00	CZK 4.00	CZK 4.00

Table No. 2: Monthly prices of data packages with voice tariff START, 100 and 200 – GoMobil

Data package to voice tariff	50 MB	100 MB	200 MB	500 MB	1 GB
Start	50 CZK	75 CZK	150 CZK	250 CZK	450 CZK
100	40 CZK	75 CZK	150 CZK	250 CZK	450 CZK
200		Free of charge	75 CZK	150 CZK	300 CZK

## Ha-loo

Starting from June 1, 2013 the company ha-vel internet s.r.o. offers its mobile services under the trademark of ha-loo to its customers through the services of MVNE of the company GTS. Virtual operator ha-loo offers pre-paid services of mobile call within the framework of networks in the Czech Republic for monthly price of CZK 45 corresponding to SIM card operation. For a call to „network“ of ha-loo customer will pay CZK 1 per one minute of call, for call to remaining mobile networks in the Czech Republic customer will pay CZK 2/min. For one SMS to „network“ of ha-loo customer will pay CZK 1 and to all networks within the framework of the Czech Republic customer will pay CZK 1.30/SMS. For calls to international networks customer will pay CZK 3/SMS. Within the framework of SIM card customer can employ roaming to four zones<sup>2</sup> and international mobile calls to seven zones<sup>3</sup>. For each minute of incoming call from other mobile networks customer is added credit of CZK 0.05/min. Within the framework of services of ha-loo mobile charging per seconds is applied (1+1). Data package is valid always in the month in which it was ordered. The following month after this one-off payment customer is charged lower monthly price within the framework of repeated data package. Detailed information are shown in the Table No. 3.

Table No. 3: Prices for data packages – ha-loo

Package	Price of the package
Package data 50 MB - one-off	45 CZK
Package data 100 MB - one-off	85 CZK
Package data 200 MB - one-off	160 CZK
Package data 50 MB - repeated	40 CZK
Package data 100 MB - repeated	75 CZK
Package data 200 MB - repeated	140 CZK

<sup>2</sup> Price-list of services – roaming calls [ha-loo](#).

<sup>3</sup> Price-list of services – international calls [ha-loo](#).

## Tesco Mobile

During June 2013 the mobile virtual operator Tesco Mobile came with the change of its price-list within the framework of which customers may receive double credit in each recharge of SIM card. Minimum amount of the credit is CZK 200. The condition for obtaining this privilege is membership in the Clubcard of the chain store Tesco. Bonus credit is valid for 30 days and is drawn as the first in line, and then customer draws standard credit. The offer of double credit free of charge is valid until the end of 2013.

## 2. The Theme of the month – development of offers of services of mobile virtual operators in the Czech Republic

During last months an important, however unexpected considering the past years, shift on the market of mobile services is taking place in the Czech Republic towards the entry of mobile virtual operators (MVNO) on the Czech market. The CTU further recapitulates the development of several last months, including brief description of individual forms of MVNO.

In its classification of providers of services of mobile networks the CTU employs the methodology of the European Commission (Commission) determined for the Digital Agenda Scoreboard (formerly Implementation report). The Commission uses division of providers of mobile services to MNO (Mobile Network Operator), MVNO (Mobile Virtual Network Operator), SP (Service Provider) and Simple Reseller. However, practical life shows that this division is incomplete and very often it is difficult to include provider of mobile services in a specific category. Binding definition of notions relating to individual forms of providers of services of mobile networks are stipulated neither by recommendations nor by standards. The documents dealing with this issue mostly state definition of a notion for the purposes of specific study or document.

The CTU incorporated general description of providers of mobile services and individual forms of MVNO in [Monthly monitoring report No. 1/2012](#), and therefore it will focus its attention on the description of specific forms of MVNO applied on the Czech mobile market including services provided by these forms. The CTU reminds that all subjects providing mobile services on the Czech market in the position of MVNO were developed on commercial basis, nevertheless, according to the CTU's opinion, success of these commercial negotiations was sponsored by the activity of the CTU in the area of considered regulation of wholesale mobile market.

The first commercial contract for provision of mobile services was concluded between the company Ringier Axel Springer CZ a.s. (hereinafter „Ringier Axel Springer“) and the Telefónica on October 30, 2012. On the basis of this contract, customers of the company Telefónica can, starting from November 7, 2012, use mobile services under the trademark of BLESKmobil. Persons interested in these services may purchase its pre-paid cards in six thousand newsagent stores throughout the Czech Republic. Under the trademark of BLESKmobil the company Telefónica offers to its customers pre-paid services with prices of calls of CZK 2.50 per minute to all networks in the Czech Republic, SMS for CZK 1.50, internet for calendar day for CZK 20 (FUP 50 MB) and internet for a month for CZK 100 (FUP 100 MB), calls to the EU countries for CZK 10 per minute, calls from the EU countries for CZK 8.60 per minute and SMS for CZK 2.60 (O2 Eurotariff). Therefore, the BLESKmobil entered the market with the offer of pre-paid card having conspicuously lower price per minute of call than customers using pre-paid cards of existing mobile operators could have got before its entry in the market.

The CTU does not consider this (and some other similar commercial cases) a full-fledged form of MVNO. It is a model of the so-called „branded reseller“, a brand reseller (here rather commercial channel having a special commercial brand), who sells services of mobile

operator. Such a subject has no direct legal relation with its customers as it is clear from general commercial terms of the trademark BLESKmobil, but only resales services of mobile network operator. It is a direct relationship with end customers which is considered a principal character of MVNO (and, of course, MNO). Branded reseller is not a provider of services of electronic communications, services are provided by mobile network operator. Therefore, the company Ringier Axel Springer is not an entrepreneurs in electronic communications pursuant to § 8 of the Act on Electronic communications.

Considering the absence of binding definition of the notion of MVNO, this notion is often interpreted rather freely and also the so-called branded resellers are often included among MVNO. For example, in Slovakia there are currently 3 branded resellers which are considered MVNO, namely FunFón, SWAN Mobile and Tesco Mobile. Customers, using mobile services under the trademarks of FunFón, SWAN Mobile and Tesco Mobile, have, according to general commercial terms, concluded a contract with only one mobile network operator.<sup>4</sup>

The same form of co-operation as is the case of trademark BLESKmobil was used by the company T-Mobile and the company MAFRA a.s., which jointly introduced the trademark MOBIL.CZ in the Czech market. Starting from May 13, 2013 they offer to their customers pre-paid card for CZK 200 where call costs CZK 2.50 for a minute and SMS CZK 1.50 to all networks in the Czech Republic. Within the framework of this tariff customer can also have mobile Internet having FUP with 200 MB data for one month if credit is each time recharged with the minimum amount of CZK 200. The SIM card MOBIL.CZ disposes of an active service calling abroad charged according to roaming prices of the company T-Mobile. There are really many similarities between trademarks of BLESKmobil and MOBIL.CZ – starting from similar commercial model to same prices of call and SMS. As in the case of trade mark BLESKmobil customer concludes a contract with mobile operator, in the case of MOBIL.CZ with the company T-Mobile.<sup>5</sup> The fact that companies Telefónica and T-Mobile concluded their first contracts for the provision of mobile services with media groups, is nothing unusual in the European context.

The first commercial cooperation negotiated in provision of mobile services on the basis of full-fledged MVNO became the contract between the company GTS Czech s.r.o. (hereinafter „GTS“) and T-Mobile. The company GTS presented its offer of mobile communication services on May 14, 2013. Principal aim for the introduction of mobile offer of the company GTS to the market in the position of established telecommunication operator providing voice, data, hosting, internet and ICT services was enlargement of its existing portfolio of services. The company GTS provides mobile service either as MVNO in the form of the so-called „enhanced service provider“, however, its important role rests mainly in the fact that it acts also as the so-called MVNE which enables further provision of offer to other smaller virtual operators. Through the company GTS (in the position of MVNE) already six companies began provision of mobile services, and namely MAXPROGRES mobile, s.r.o., ha-vel internet s.r.o. under the trademark ha-loo, TERMS a.s., BEI Multimedia Interactive s.r.o. under the trademark Relax Mobil, CANISTEC s.r.o. under the trademark Voocall and Air Telecom under the trademark U:FON (see furthers). In the position of MVNO the company GTS orientates itself, for the time being, only on corporate segment of the market and provides mobile services only within the framework of post-paid tariffs.

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<sup>4</sup> In case of trade marks SWAN Mobile and Tesco Mobile customers conclude contract with the company Telefónica Slovakia, s.r.o. (see [http://swanmobile.sk/files/vseobecne\\_podmienky.pdf](http://swanmobile.sk/files/vseobecne_podmienky.pdf) and <http://www.tescomobile.sk/download/cms/files/vseobecne-podmienky.pdf>) and In case of trade mark FunFón with the company Orange Slovensko, a.s. (see [http://www.funfon.sk/files/file/2012/Nove%20podmienky/2vzp\\_pausaly.pdf](http://www.funfon.sk/files/file/2012/Nove%20podmienky/2vzp_pausaly.pdf)).

<sup>5</sup> See <http://www.mobil.cz/obchodni-podminky.aspx>.



As a reminder of theoretical aspect of the matter the CTU brings forward that MVNE (Mobile Virtual Network Enabler) is characterized by the fact that it has no allocation of frequencies for mobile network or mobile infrastructure or any direct relations with end users. It acts as an intermediary between mobile network operator and MVNO which have no network of their own. Typical MVNE provides customer service, charging, operational and technical information for users and adjustment of end devices. MVNE does not perform marketing and sale to end customers; this is the role of wholesale customer of MVNE. Therefore, MVNE thus permits easy rise of virtual mobile operators, which are not forced to negotiate lease of capacity and access in the network with operators of mobile networks, to conclude interconnection contract with other operators nor to build their own operational and clearing systems.

From May 29, 2013 Tesco Mobile, a joint venture of the company Telefónica and Tesco Stores ČR a.s., in which both companies hold the same shares, is active on the mobile market. Tesco Mobile offers in the Czech Republic only pre-paid services within the framework of basic offers under the name of Tesco Mobile TARIFF where calls within the framework of Tesco Mobile cost CZK 1.50 per minute and calls outside Tesco Mobile CZK 2.90 per minute. SMS to all networks within the framework of the Czech Republic costs CZK 1.50 and MMS to all networks CZK 5. Integral parts of the tariff are international calls, SMS's and MMS's to countries within the framework of three zones. Additional service for owners of the customer card Clubcard of the chain store Tesco Stores ČR a.s. is the package for one month, which includes unlimited calls and SMS's within the framework of Tesco Mobile, 120 free minutes and 60 SMS's outside Tesco Mobile for CZK 300 per month. Subscriber having pre-paid card has simultaneously pre-set the service Tesco Mobile Roaming. Within the framework of SIM card also additional service of mobile Internet is pre-set.

Tesco cooperates with the company Telefónica within the framework of the service Tesco Mobile on three European markets – In Great Britain, Ireland and in Slovakia. In Great Britain it serves more than 3,000,000 customers. In Hungary, Tesco Mobile operates as a joint venture of the company Tesco and Vodafone and in South Korea the partner of the company is local operator KT.

From May 30, 2013 the company MAXPROGRES mobile, s.r.o. hereinafter „MAXPROGRES mobile“) offers, as another MVNO, through the services of MVNE company GTS, mobile services under the trademark 99mobile (as the CTU mentioned hereabove). The company MAXPROGRES mobile is subsidiary company of MAXPROGRES, s.r.o., which is the nationwide telecommunication operator providing comprehensive portfolio of telecommunication services as voice and data services, hosting and ICT services. 99mobile offers four voice tariffs under the names of "Poslouchám", "Občas si brnknu", "Mluvím a Volám více". Within the framework of tariff "Poslouchám" for CZK 49 per month customer may receive 10 free minutes to all networks in the Czech Republic. Above the framework of free units customer calls for CZK 1.49 per minute and sends one SMS for CZK 1.49. In the tariff "Občas si brnknu" subscriber receives for CZK 149 monthly 100 free minutes to all networks in the Czech Republic. In the tariff "Mluvím" customer receives 200 free minutes to all networks in the Czech Republic for monthly price of CZK 249. For CZK 399 monthly in the tariff "Volám více" subscriber will receive 400 free minutes to all networks in the Czech Republic. 99mobile also offers in all its tariffs data packages under the name of DATA 100 for monthly price of CZK 79 with FUP 100 MB, packages DATA 200 for CZK 129 monthly with FUP of 200 MB and the package DATA 500 for CZK 199 monthly with the FUP of 500 MB. Within the framework of SIM card subscriber can use roaming calls and international calls to four zones.

From June 1, 2013 the second MVNO launched provision of mobile services through GTS, namely the company TERMS a.s. (hereinafter „TERMS“), which presented its trademark GoMobil. The company TERMS is also well-established telecommunication

operator providing voice services, service of data transfer and service of access to the Internet network. Besides telecommunication services it offers also another services from other fields which are, for example, automation, telecommunication technology and energetics. Within the framework of mobile services GoMobil offers three voice tariffs under the names of START, 100 and 200. Within the framework of the tariff START, which has no monthly fee, customer has no free units available and pays CZK 1.90 per minute of call to all networks in the Czech Republic and CZK 1.50 for one SMS sent. Within the framework of the tariff 100 for 100 CZK, monthly customer will receive 60 free minutes to all networks in the Czech Republic and then he/she pays CZK 1.70 per minute of call to all networks in the Czech Republic and CZK 1.50 for one sent SMS. Within the framework of the tariff 200 customer will receive 100 free minutes to all networks in the Czech Republic for CZK 200 monthly and the package with 100 MB of data and then he/she pays CZK 1.50 per minute of call to all networks in the Czech Republic and CZK 1.30 for one sent SMS. Prices for calls and SMS's in the „network“ of GoMobil are, within the framework of all three offered tariffs, as compared with other networks, benefited. Customer receives free data only in the tariff 200, however, he/she can purchase package data to any tariff with FUP 50 MB of 1 GB for a month, whose price is defined by the amount of data limit and selected tariff. Within the framework of SIM card subscriber can employ roaming calls and international calls to four zones.

Another MVNO, which entered the Czech mobile market is the company ha-vel internet s.r.o. It extended its existing trademark ha-loo with mobile call, which customers may employ from June 17. Within the framework of pre-paid card customers of ha-loo call for CZK 1 for 1 minute within the framework of own fixed and mobile „network“, the same price has also SMS sent within the framework of own „network“. For SMS to all other networks in the Czech Republic customers will pay CZK 1.30. Calls to other mobile and fixed networks in the Czech Republic cost CZK 2 for a minute. In using service of ha-loo mobil it is necessary to count with CZK 45 of monthly fee for the management of SIM card. The company ha-vel internet s.r.o., as the only MVNO on the Czech market offers tariffication by seconds starting with the first minute. For recharging credit of their pre-paid cards customers may use, inter alia, Sazka terminals or payment kiosks of the company Europay.

It is obvious that the situation on the mobile market in the Czech Republic begins to change. Already another subjects announced that they prepare their entry in the form of MVNO. They are, in particular, the following companies : SMART Comp. a. s. (trademark NETBOX Mobil), Planet A, a.s. (trademark AIM Mobil)<sup>6</sup>, IPEX, a.s. (trademark MOBIL21)<sup>7</sup>; – these providers will provide service MVNO through the company GTS; Quadruple a.s. (trademark Q-CZ)<sup>8</sup>, DH Telecom a.s.<sup>9</sup>, CENTROPOL TELECOM, s.r.o.<sup>10</sup> – these providers will provide the MVNO services through the company Vodafone; PODA a.s.<sup>11</sup> – this provider will provide MVNO service through the company T-Mobile Zefcom Czech, s.r.o. (trademark Hellomobile)<sup>12</sup>, miniTEL s.r.o. (trademark Odorik.cz)<sup>13</sup> and others.

<sup>6</sup> See <http://www.netbox.cz/site/cz/tiskove-zpravy.html?id=53>.

<sup>7</sup> See <http://www.ipex.cz/aktuality/partnerska-sit-mobil21-startuje-desitky-virtualnich-operatoru.html>.

<sup>8</sup> See <http://www.quadruple.cz/aktuality/spusteni-noveho-mvo.html>.

<sup>9</sup> See <http://www.vodafone.cz/o-vodafone/o-spolecnosti/pro-media/tiskove-zpravy/detail/dalsim-plnohodnotnym-virtualnim-operatorem-v-siti/>.

<sup>10</sup> See <http://www.centropol.cz/spolecnost/aktuality/page/centropol-telecom-na-cesky-trh-prichazi-prvni-plnohodnotny-virtualni-operator-i-pro-domacnosti>.

<sup>11</sup> See <http://www.poda.cz/>.

<sup>12</sup> See <http://www.hellomobile.cz/zmobile/extmvNo.jsp?uuu=4873048>.

<sup>13</sup> See <http://forum.odorik.cz/viewtopic.php?f=14&t=1256&sid=eab629a9e13b8d74641f0b16b5b2496c>.



### **3. Regulatory measures**

#### **Markets´ analyses**

##### **Market No. 2 – Call origination on the public telephone network provided at a fixed location**

On June 24, 2013 the CTU received, within the framework of public consultation and pursuant to § 130 of the Act on Electronic communications, the standpoint of the Office for protection of economic competition (ÚOHS) concerning the draft Measure of General Nature - Analysis of the market No. A/2/XX.2013-Y, market No. 2 – Call origination on the public telephone network provided at a fixed location. In its standpoint the ÚOHS applied some suggestions for potential adaptation of material definition of the market, taking into account assessment of reasons for potential customer segmentation. The ÚOHS further reminded its comments to the document „The Approach of the CTU in price assessment of retail offers of vertically integrated operator“. The CTU will now take into account all comments of the ÚOHS in prepared version of the final draft analysis of the market No. 2, which it will submit to the European Commission for its standpoint.

##### **Market No. 3 – Call termination on individual public telephone networks at a fixed location**

On June 13, 2013 the public consultation ended concerning the draft Measure of General Nature - Analysis of the market No. A/3/XX.2013-YY, market No. 3 – Call termination on individual public telephone networks at a fixed location [Comments](#) to the draft analysis of relevant market No. 3 were applied by four subjects. On July 2, 2013 the CTU published [settlement of these comments](#). On the basis of applied comments the CTU prepared modified version of draft analysis of the market No. 3, which it will submit to the ÚOHS after discussion of the CTU´s Council.

##### **Markets No. 4 and 5 – Comments to the draft analyses**

The CTU performed settlement of comments ([ART 4](#) and [ART 5](#)) received within the framework of public consultation concerning the draft Measure of General Nature No. A/4/XX.2013-YY, market No. 4 – Wholesale (physical) network infrastructure access (including shared or fully unbundled access) at a fixed location and the draft Measure of General Nature - Analysis of the market No. A/5/XX.2013-YY, market No. 5 – Wholesale broadband access in networks of electronic communications. The CTU published the tables of settlement of comments including communication on the result of public consultation on its internet pages on June 24, 2013. After the incorporation of accepted comments the CTU will prepare another version of drafts of both analyses for the purposes of their discussion with the ÚOHS.

##### **Market No. 7 – Voice call termination on individual public mobile telephone networks**

On July 1, 2013 public consultation ended concerning draft Measure of General Nature - Analysis of the market No. A/7/XX.2013-YY, market No. 7 – Voice call termination on individual public mobile telephone networks. [Comments](#) to the draft analysis of relevant market No. 7 were applied by five subjects. The CTU will publish settlement of these comments within the statutory deadline before the end of July.

##### **Proposal for determination of the value of WACC for the NGA network**

On June 25, 2013 the CTU published on the discussion place the call asking for application of comments concerning the draft Measure of General Nature No.

[OOP/4/XX.2013-Y](#), which amends the Measure of General Nature No. [OOP/4/03.2006-3](#), which stipulates the methodology of purposeful breakdown of costs and revenues and their assignment and determines the structure of reported information, as amended by the Measure of General Nature No. [OOP/4/02.2008-1](#), No. [OOP/4/12.2011-19](#) and No. [OOP/4/11.2012-15](#). In this draft Measure of General Nature the CTU stipulates the per cent value of return on capital employed of WACC for determined enterprise providing access on access networks of new generation (NGA) and modifies extent and structure of operational and technical data required pursuant to Article 4 (it replaces Annexes No. 2 and 3).

### Another decrease of prices for roaming services

The Regulation of the European Parliament and the Council (EU) No. 531/2012 from June 13, 2012 on Roaming in public mobile communication networks in the Union (hereinafter „Regulation“) determines, inter alia, maximum wholesale and retail prices of regulated voice, data and SMS services. Roaming provider is bound to provide retail roaming services having price ceilings stipulated in Articles. 8, 10 and 13 of the Regulation within the framework of voice, data and SMS of Eurotariff, if customer deliberately has not chosen special roaming tariff or tariff package from offer of provider of roaming. Therefore, regulated retail prices did not apply to all provided roaming tariffs or packages.

Maximum wholesale and retail prices stipulated in the Regulation, which became effective on July 1, 2012, were further changed from July 1, 2013. In the following Table No. 4 maximum average wholesale prices for charged unit are specified in Euros for individual services, valid from July 1, 2013, recalculated in national currency (CZK) using [reference rate of exchange](#) published in the Official Journal of the European Union promulgated on May 1, 2013 at the amount of 25,799 CZK/EUR.

Starting from July 1, 2013 the average wholesale price for mediation of regulated roaming call shall not exceed price limit of 0.10 euro/min. (2.58 CZK/min.). Provider of roaming can apply tariffication 30+1 for outgoing wholesale roaming calls. Average wholesale price for mediation of regulated roaming SMS shall not exceed 0.02 euro/SMS (0.52 CZK/SMS). Average wholesale price for provision of data services shall not exceed 0.15 euro/MB (3.87 CZK/MB) of data transferred.

Table No. 4: Price limits for wholesale roaming services valid from July 1, 2012 and further reduced from July 1, 2013

	Wholesale roaming services					
	Outgoing calls		SMS		data	
	in €/min	in CZK/min	in €/SMS	in CZK/SMS	in €/MB	in CZK/MB
Regulated price from July 1, 2012	0.14	3.48	0.03	0.75	0.25	6.22
Regulated price from July 1, 2013	0.10	2.58	0.02	0.52	0.15	3.87

Note.: Prices are specified without VAT.

The level of maximum retail prices for roaming services are specified in the Table No. 5. Retail prices are recalculated in national currency (in CZK) using average rate of exchange at the amount of 25,725 CZK/EUR of three reference rates of exchange published in the Official Journal of the European Union promulgated on :

- [March 1, 2013](#) (25.637 CZK/EUR),
- [April 3, 2013](#) (25.74 CZK/EUR),
- [May 1, 2013](#) (25.799 CZK/EUR).

Starting from July 1, 2013 retail price for outgoing call shall not exceed price limit of 0.24 euro/min. (7.47 CZK/min. incl. VAT) stipulated by regulation and for incoming call the price shall not exceed the price limit of 0.07 euro/min. (2.18 CZK/min. incl. VAT). Provider of roaming must charge its customers incoming calls by seconds (1+1). With outgoing calls it is possible to use tariffication with initial charging period not surpassing 30 seconds, then after seconds (30+1). Retail price for one sent SMS shall not exceed price limit of 0.08 euro/SMS (i.e. 2.49 CZK/SMS incl. VAT). Starting from July 1, 2013, within the framework of data eurotariff, retail price for downloaded data shall not exceed 0.45 euro/MB (i.e. 14.01 CZK/MB incl. VAT). Provider of roaming charges to its customers relevant data eurotariff in the tariffication by kB. Service of MMS message is charged for units consumed and the maximum price for one sent MMS message is equal to maximum price for 1 MB of downloaded data.

Table No. 5: Price limit for retail roaming services valid from July 1, 2012, further reduced from July 1, 2013

	Retail roaming services									
	outgoing calls		incoming calls		SMS		data		MMS	
	in €/min	in CZK/min	in €/min	in CZK/min	in €/SMS	in CZK/SMS	in €/MB	in CZK/MB	in €/pc	v CZK/pc
Regulated price from July 1, 2012	0.29	8.71	0.08	2.40	0.09	2.70	0.70	21.03	0.70	21.03
Regulated price from July 1, 2013	0.24	7.47	0.07	2.18	0.08	2.49	0.45	14.01	0.45	14.01

Note.: Prices in CZK are specified incl. VAT.

### Development of price limits from the beginning of regulation

From the beginning of regulation of roaming services by the authorities of the European Union, starting with the Regulation of the European Parliament and the Council (EC) No. 717/2007 dated June 27, 2007 on Roaming in public mobile telephone networks in the Communities, relatively significant decrease of price ceilings took place, both on retail and wholesale levels.

According to the plan, the last decrease of price ceilings pursuant to the valid Regulation should take place from July 1, 2014. Pursuant to the Regulation, legal effectiveness of these price ceilings is determined on June 30, 2017. Validity of wholesale price ceilings for voice, data and SMS services, which in the last step will be decreased on July 1, 2014, is determined by the Regulation on June 30, 2022. If the Commission, on the basis of review of functioning of the Regulation performed in 2016 finds that sufficient economic competition exists at the wholesale level, maximum wholesale price ceilings might be removed earlier. On the contrary, if the Commission at the retail level finds that economic competition has not sufficiently developed, effectiveness of maximum retail prices might be extended.

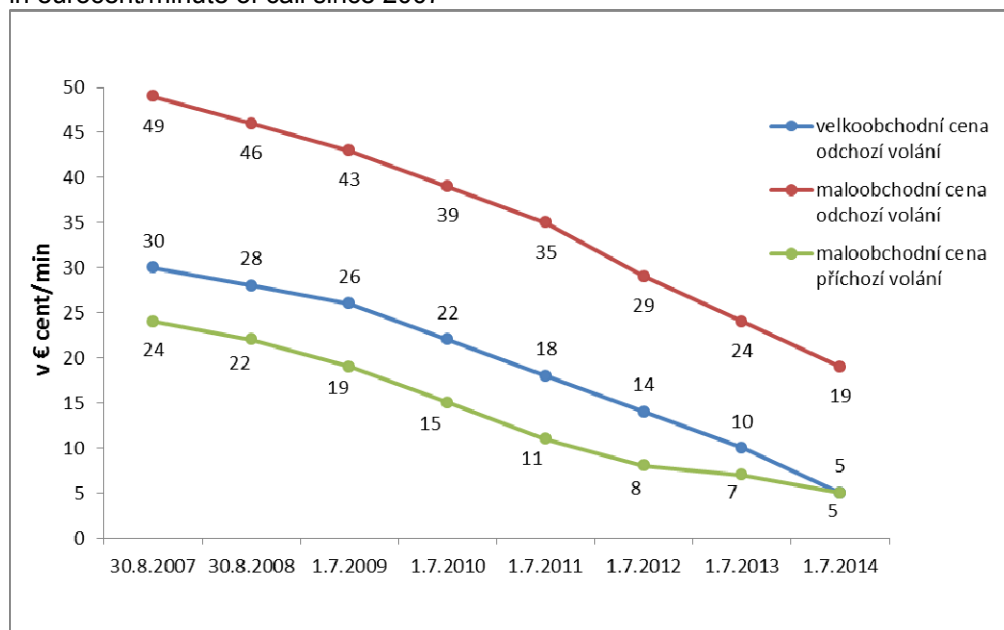
The Graph No. 1 brings forward wholesale price limits within the framework of EU/EHP for outgoing calls in eurocent/minute of call and retail price limits for outgoing and incoming calls in eurocent/minute of call and their gradual reduction from the beginning of regulation (i.e. from August 30, 2007) until July 1, 2014. At the wholesale level, prices for outgoing calls were decreased by 67 % from the beginning of regulation until July 1, 2013. Retail price ceilings of outgoing calls were decreased by 51 % and incoming calls by 71 % during the same regulatory period.

Graph No. 2 displays price development of the service of roaming SMS message within the framework of EU/EHP in eurocent/SMS since the introduction of regulation (i.e. from July 1, 2009) until July 1, 2014. Since the introduction of regulation wholesale prices of

SMS message until July 1, 2013 were decreased by 50 %. Since the introduction of price regulation prices of retail SMS services until July 1, 2013 were decreased by 27 %.

Graph No. 3 displays price development for roaming data service within the framework of EU/EHP in eurocent/MB. During the regulatory period from July 1, 2009 until July 1, 2013 wholesale prices for data services were decreased by 85 % and prices for data services at the retail level were decreased by 35 % from the introduction of regulation (i.e. from July, 1 2012) until July 1, 2013.

Graph No. 1: Development of regulated maximum prices for roaming calls in EU/EHP in eurocent/minute of call since 2007



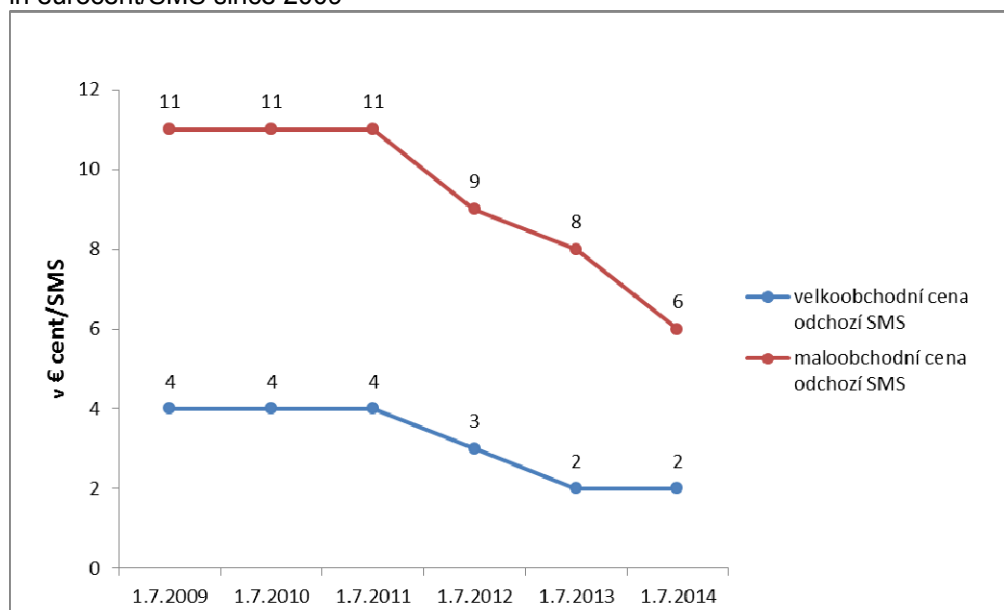
Translation to the Graph No. 1:

velkoobchodní cena-odchozí volání - wholesale price - outgoing call

maloobchodní cena-odchozí volání - retail price - outgoing call

maloobchodní cena-příchozí volání - retail price - incoming call

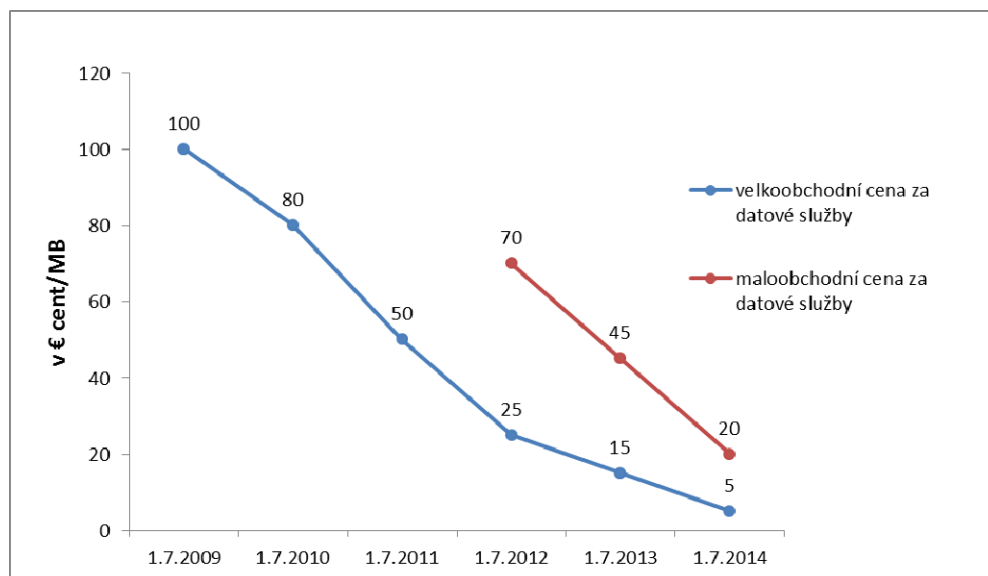
Graph No. 2: Development of regulated maximum prices for roaming SMS service in EU/EHP in eurocent/SMS since 2009



Translation to the Graph No. 2 :

velkoobchodní cena-odchozí SMS - wholesale price - outgoing SMS  
 maloobchodní cena-odchozí SMS - retail price - outgoing SMS

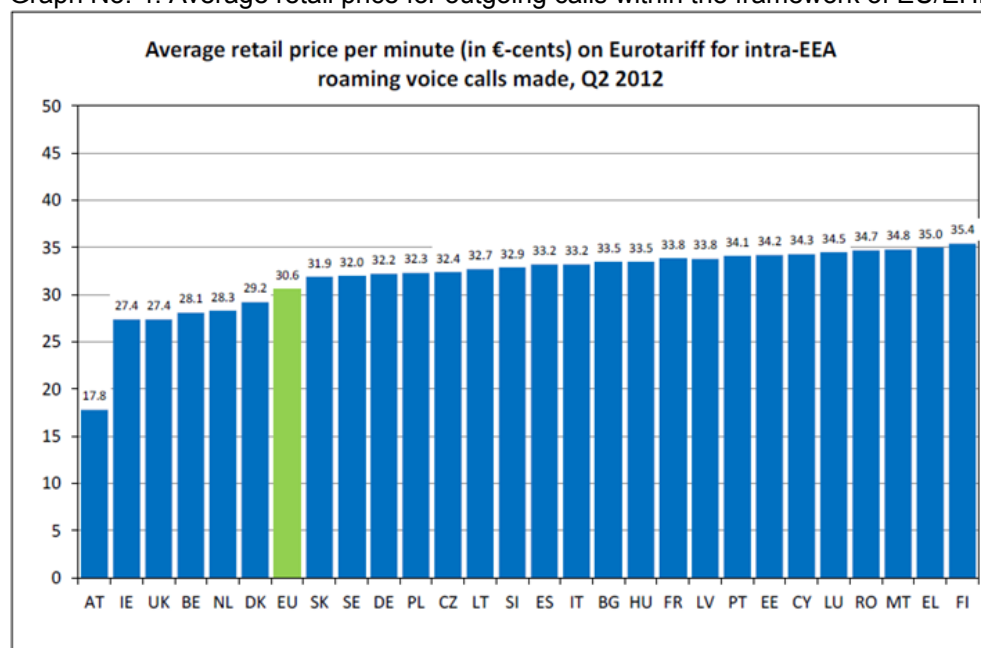
Graph No. 3: Development of regulated maximum prices for roaming data services in EU/EHP in eurocent/SMS since 2009



Translation to the Graph No. 3 :

velkoobchodní cena za datové služby - wholesale price for data services  
 maloobchodní cena za datové služby - retail price for data services

Graph No. 4: Average retail price for outgoing calls within the framework of EU/EHP in Q2 2012



Sourcer: European Commission, Digital Agenda Scoreboard 2013

Graph No. 4 compares average retail prices of outgoing roaming calls among individual Member States of EU/EES during the second quarter of 2012. Retail price ceilings during the monitored period were determined at 35 eurocent/minute of call. Average retail price within the framework of the EU was 30.6 eurocent. As compared with other countries the Czech Republic is above the average of the EU by 1.8 eurocent (approximately 46 hellers/minute of outgoing roaming call).

#### **4. Disputes pursuant to § 127 of the Act on Electronic Communications**

##### **Proceedings initiated in June 2013**

In June 2013 no proceedings were commenced in case of disputes pursuant to § 127 of the Electronic Communications Act.

##### **Proceedings terminated as legally effective or returned to new hearing in June 2013**

In June 2013 no proceedings were terminated as legally effective or returned to new hearing pursuant to § 127 of the Electronic Communications Act.

#### **5. Inspection activities**

Inspection activities in the field of provision of services and securing networks of electronic communications and in the field of postal services.

##### **Services of electronic communications:**

During the month of June the CTU performed the following inspection activities :

Performance of communication activities without authorization - in the period monitored the CTU performed five inspections focused on verification of conditions necessary for the performance of communication activities on the part of controlled subjects. In two cases the Office discovered breach of notification obligation and opened administrative proceeding with subjects concerned.

Inspection of observance of conditions of individual authorization for utilization of radio frequencies.

CTU performed 94 inspections of observance of conditions of individual authorization for utilization of radio frequencies concerning mostly observance of stipulated terms by operators of UHF FM transmitters. It promulgated 15 calls demanding elimination of deficiencies mainly due to overrun of allowed modulation output and non-observance of transmitting location.

Inspection of observance of conditions of general authorization No. VO-R/12/09.2010- the CTU performed 28 inspections focused on observance of conditions for utilisation of radio frequencies and operation of facilities for broadband data transmission in the bands from 2.4 GHz to 66 GHz. The CTU performed 28 inspections. The breach of conditions was discovered in 23 cases, which will be resolved with the help of the call demanding elimination of deficiencies and administrative proceedings will be opened in these cases. Deficiencies rest particularly in employing frequencies in the bands from 5,150 MHz to 5,350 MHz outside the building.

Inspection of utilisation of radio frequencies without authorization - the CTU performed 21 inspections focused on subjects without valid individual authorization. In 19 cases it discovered utilisation of frequencies without authorization. In Uhřetíněves the CTU focused unlicensed radio transmitter on the frequency 999 kHz. Administrative proceedings will be opened in this case.



Identification of sources of jamming - the CTU performed altogether 71 inspections focused on cases of jamming of the operation of electronic communication facilities and networks, provision of services of electronic communications or operation of radiocommunication services. In nine cases it promulgated calls demanding elimination of jamming. As sources of jamming were most often discovered WiFi routers and radiating active television antennas. In two cases as source of jamming was discovered fluorescent lighting. On the Václav Havel Airport in Prague the CTU examined suspected jamming of the UMTS network, however, in this case it was most likely not jamming but momentary overload of the base station of provider of services which subsequently ceased.

Collaboration of the CTU with Česká obchodní inspekce (the Czech Trade Inspection) - in checking the sellers of telecommunication terminal and radio equipment within the framework of cooperation of the CTU with the Czech Trade Inspection in Ústí nad Labem, Rožany, Děčín district and in Žandov in Česká Lípa district, was discovered the sale of models of radio controlled models of cars, working in the band of 49 MHz and models of helicopters working in the band of 72 MHz. These radio facilities cannot be operated in the Czech Republic without individual authorization for the utilization of radio frequencies. The CTU together with the Czech Trade Inspection also discovered sale of wireless doorbells working in the bands of 300 - 330 MHz reserved in the Czech Republic for the Ministry of Defence. Deficiencies discovered are resolved by the ČOI within its competence.

## The Survey of inspection activities in performance of State control of electronic communications for the month of June 2013

Přehled kontrolní činnosti při výkonu státní kontroly elektronických komunikací za měsíc červen 2013

Druh činnosti	Počet osvědčení nebo kontrol		Počet výzev k odstranění nedostatků	Počet zaháj. SR	Počet vyd. rozh. *)	Rozhodnuto ve prospěch		Uložené pokuty	
	Celkově	Z toho				účastníka	poskytovatele	počet	výše v Kč
1. Počet vydaných osvědčení o oznámení podnikání (§14 ZEK)	27								
2. Počet změn osvědčení o oznámení podnikání (§14 ZEK)	22								
3. Výkon komunikační činnosti bez osvědčení	5			2	3			3	107000
4. Dodržování podmínek všeobecných oprávnění	40		23	6	20			19	149000
a) k zajišťování veřejných komunikačních sítí a přiřazených prostředků		0	0	0	8			7	42000
b) k poskytování služeb elektronických komunikací		2	0	0	0			0	0
c) k využívání rádiových kmitočtů a provozování přístrojů (rádiových zařízení)		38	23	6	12			12	107000
5. Kontrola rádiových kmitočtů	186		14	3	5			5	47000
a) využívání rádiových kmitočtů bez oprávnění k jejich využívání		21		3	4			4	32000
b) dodržování podmínek individuálního oprávnění k využívání rádiových kmitočtů		94	14	0	0			0	0
c) Zjišťování zdrojů rušení provozu elektronických komunikačních zařízení a sítí, poskytování služeb elektronických komunikací nebo provozování radiokomunikačních služeb	71		0	0	1			1	15000
6. Kontrola čísel pro účely správy čísel (počet kontrolních volání)	46		0	0	0			0	0
a) využívání čísel bez oprávnění k jejich využívání		0		0	0			0	0
b) využívání čísel v rozporu s oprávněním k jejich využívání		0	0	0	0			0	0
7. Rozhodování účastnických sporů	0			14878	3492	311	2243		
a) o námítce proti vyřízení reklamace na poskytnutou službu		0		3	0	0	0		
b) o námítce proti vyřízení reklamace vyúčtování cen za služby		0		31	24	17	3		
ba) přístupu ke službám s vyjádřenou cenou (datové i hlasové)		0		0	0	0	0		
baa) přístupu k datovým službám s vyjádřenou cenou poskytovaným na síti Internet nebo na jiných datových sítích (Dialer)		0		0	0	0	0		
c) o zaplacení ceny za služby (peněžité plnění)		0		14841	3467	293	2240		
d) ostatní		0		3	1	1	0		
8. Neposkytnutí informací podle § 115 ZEK				1	1			1	50000
9. Ostatní	33		1	38	45			42	401000
CELKEM	305		38	14928	3566	311	2243	70	754000

\*) Celkový počet vydaných rozhodnutí zahrnuje i případy ukončení správního řízení usnesením, tj. případy úmrtí účastníka, zániku firmy, přerušení řízení ze zákona (konkurz), nepřítušnosti rozhodovat apod.

Translation:

Druh činnosti = kind of activity

počet osvědčení nebo kontrol = the number of certifications or inspections

celkově = in total z toho = of which

počet výzev k odstranění nedostatků = the number of notices to eliminate deficiencies

počet zahájených administrativních řízení = the number of administrative proceedings commenced

počet vydaných rozhodnutí\* = the number of decisions promulgated

rozhodnuto ve prospěch = decided in favour

účastníka = participant poskytovatele = provider

uložené pokuty = fines imposed počet = number výše v Kč = amount in CZK

1. The number of certifications notifying business activities issued (§ 14 of AEC)
2. The number of changes of certifications notifying business activities (§ 14 of AEC)
3. Performance of communication activities without certification
4. Observance of conditions of general authorisations
  - a) for the operation of public communication networks and associated facilities
  - b) for provision of services of electronic communications
  - c) for utilization of radio frequencies and operation of instruments (radio equipment)
5. Inspection of radio frequencies
  - a) utilization of radio frequencies without authorisation for their utilization
  - b) Observance of conditions of individual authorisation for utilization of radio frequencies
  - c) locating sources of interference of operation of electronic communication facilities and networks, provision of services of electronic communication or operation of radiocommunication services
6. Inspection of numbers for the purposes of management of numbers (number of inspection calls)
  - a) utilization of numbers without authorisation for their utilization
  - b) utilization of numbers violating authorisation for their utilization
7. Resolution of subscribers' disputes
  - a) on objection against the settlement of reclamation of service provided
  - b) on objection against the settlement of reclamation of charging of services
    - ba) on access to data services with specific price (data and voice)
    - baa) on access to data services with specific price provided on the Internet network or on other data networks (Dialer)
  - c) on reimbursement of price for services (monetary performance)
  - d) others
8. Withholding of information pursuant to § 115 of AEC
9. Others

## IN TOTAL

\* the total number of decisions promulgated includes also cases of termination of administrative proceedings in the form of resolution, i.e. cases of death of subscriber, extinction of a company, interruption of proceedings ex lege (bankruptcy), incompetency to decide etc.

### Postal services :

Within the framework of its inspection activities the CTU in June completed control of availability of branch offices of the Česká pošta in selected regions focused on verification of availability of branch offices. The CTU examined altogether 642 branch offices of the Česká pošta and specifically it examined determination of business hours. The CTU now evaluates results of examination. If violation of determined obligations is discovered, it will employ knowledge of control in administrative procedure concerning violation of the Act on Postal services and its implementing regulations.

## Czech Telecommunication Office

### The Survey of inspection activities in performance of State control of postal services for the month of June 2013

Český telekomunikační úřad

Průběh činnosti při výkonu státní kontroly poštovních služeb a účastnických sporů za měsíc červen 2013

Druh činnosti	Počet osvědčení nebo kontrol		Počet opatření v zájmu řádného poskytování služeb podle § 6 odst. 4 a § 37 ZPS	Počet SR z předcházejícího měsíce	Počet zahájených SR	Počet vydaných rozhodnutí	Rozhodnuto ve prospěch			Uložené pokuty		Počet SR přecházejících do dalšího měsíce
	celkově	z toho					účastníka	poskytovatele	Ostatní	počet	výše v Kč	
1. 1 Počet vydaných osvědčení o oznámení podnikání	1											
2. 2 Počet změn osvědčení o oznámení podnikání	0											
3. 3 Výkon poštovní činnosti bez osvědčení	0			0	0	0				0	0	0
4. 4 Dodržování podmínek Zákona o poštovních službách (dále jen "ZPS") a dalších předpisů	0		0	1	1	0				0	0	2
5. 5 Dodržování poštovních podmínek podle § 6 ZPS	0	0	0	1	0	0				0	0	1
6. 6 Dodržování podmínek kvalitativních požadavků podle vyhlášky č. 464/2012	0	0	0	0	1	0				0	0	1
7. 7 Rozhodování o námitkách proti vyřízení reklamace podle § 6a ZPS	0			4	1	0	0	0	0			5
8. 8 Rozhodování o sporech podle § 37 odst. 3 písm. a) ZPS	0			0	0	0	0	0	0			0
9. 9 Neposkytnutí informací podle § 32 a) ZPS				0	0	0				0	0	0
10. 10 Ostatní	0			0	0	0				0	0	0
11.	0			0	0	0				0	0	0
12.	0			0	0	0				0	0	0
13.	0			0	0	0				0	0	0
14.	0			0	0	0				0	0	0
15.	0			0	0	0				0	0	0
16.	0			0	0	0				0	0	0
17.	0			0	0	0				0	0	0
18.	0			0	0	0				0	0	0
19.	0			0	0	0				0	0	0
CELKEM	1			5	2	0	0	0	0	0	0	7

### Translation:

druh činnosti = kind of activity

počet osvědčení nebo kontrol = the number of certifications or inspections

celkově = in total z toho = of which

počet opatření v zájmu řádného poskytování služeb podle § 6, odst. 4 a § 37 ZPS = the number of measures in order to attain proper provision of services pursuant to § 6, Para. 4 and § 37 of the Act on Postal services

počet správních řízení z předcházejícího měsíce = the number of administrative proceedings from the previous month

počet zahájených řízení = the number of proceedings commenced

počet vydaných rozhodnutí = the number of decisions promulgated

rozhodnuto ve prospěch = decided in favour

účastníka = participant poskytovatele = provider

ostatní - others

uložené pokuty = fines imposed počet = number výše v Kč = amount in CZK

počet správních řízení přecházejících do dalšího měsíce = the number of administrative proceedings moving to the next month

1. The number of certifications notifying business activities issued

2. The number of changes of certifications notifying business activities
3. Performance of postal activities without certification
4. 4 Observance of conditions of the Act on Postal services (APS) and other regulations
  - 5 Observance of conditions pursuant to § 6 of the APS
  - 6 Observance of conditions of qualitative requirements pursuant to the Decree No. 464/2012
5. Decisions on objections against the settlement of reclamation pursuant to § 6a of the APS
6. Decisions on disputes pursuant to § 37, Para 3, Letter a) of the APS
7. Withholding of information pursuant to § 32a) of the APS
8. Others

IN TOTAL

## **6. Other regulators, inspection authorities, courts**

### **Deregulation of the market No. 2 in Finland**

Finnish regulator (FICORA) decided to deregulate the market of origin of wholesale call in public telephone network in fixed location (market No. 2). According to the regulator there is no market failure on the follow-up retail market of call in fixed location, which would justify regulation ex ante in the market No. 2. Principal reason is the substitution of fixed and mobile call on the retail level.

The European Commission had no comments to the proposal of Finnish regulator which announced its decision in April 2013.

In practice deregulation of the market No. 2 will have no major impact on the market of voice telephone services in Finland. Selection and pre-selection of operator (CS/CPS) is generally not used and market of origin of wholesale call is already subject to relatively lighter regulation.

## **7. Consumer issues**

### **Subscriber disputes – disputes concerning financial performance and objections against the settlement of complaint**

During the month of May the CTU initiated 14,878 administrative proceedings concerning subscriber disputes between a person performing communication activities, on the one hand, and a subscriber, on the other hand, concerning financial performance and proposals for commencement of procedure dealing with objections against the settlement of complaint concerning price settlement or provision of publicly available service of electronic communications, which the CTU decides pursuant to § 129 of the Act on Electronic Communications. The CTU promulgated 3,492 decisions in re, of which 3,467 were decisions dealing with financial performance (payment of price for services).

## Protection of consumer

Given that the issues of subscriber contracts are permanent subject of complaints of subscribers on services of providers of services of electronic communications, the CTU currently prepares for this year, after the analysis of contractual terms of three mobile operators realised in the last year, inspection of contractual terms of other providers of services. Therefore, it singled out approximately 20 nationwide and 12 regional providers of services of electronic communications the contractual terms of which it will examine.

The analysis, the beginning of which is planned for July and termination in September, will be focused on two basic circuits. In the first one the CTU will examine if contractual terms of providers meet all prerequisites stipulated by the Act on Electronic communications, in the second one if these contractual terms do not include provisions, which could be in contradiction to the Act on Electronic communications, and/or the Act on the Protection of consumer.

Simultaneously the CTU will examine also contractual terms of the so-called „virtual“ operators, which already offer their services on the mobile market of the Czech Republic.

## 8. Legislative changes

On June 20, 2013 the Senate of the Parliament of the Czech Republic on its 11<sup>th</sup> meeting discussed and endorsed the draft Act, which amends the Act No. 29/2000 Coll., on Postal services and amendments of some other Acts (the Act on Postal services), as later amended (Senate print [No. 99](#)). Pursuant to the endorsed wording of the Act, this Act will become effective on the first day of the third calendar month following the day of its promulgation. However, so far it was not submitted to the President of the Czech Republic for signature.

On June 20, 2013 the Senate of the Parliament of the Czech Republic on its 11<sup>th</sup> meeting discussed and endorsed the draft Act, which amends the Act No. 127/2005 Coll., on Electronic communications and amendments of some other related Acts (the Act on Electronic communications), as amended by subsequent regulations (Senate print [No. 101](#)). Pursuant to the endorsed wording of the Act this Act will become effective on the fifteenth day of its declaration. However, so far it was not submitted to the President of the Czech Republic for signature.

During June 2013 no legal regulations were published in the Collection of Laws having principal impact on the fields of postal services.

## 9. European Union

During the month of June the works continued of expert working group for network neutrality NN EWG (Net Neutrality Expert Working Group), which is active within the framework of the Association BEREC.

Within the framework of the project of „BEREC Opinion on the EC Recommendation“ the working group, at the request of the European Commission, prepared the document summarizing already published ideas of the Association BEREC in order to provide documents for prepared Recommendation of the Commission focused on the issues of application of requirements for transparency of information provided to subscribers of services of access to the Internet network and support of options of subscribers to change provider of service. The document was submitted to the Commission at the end of May 2013.

The working group also continues in solution of the following two projects:

- project „QoS Monitoring“, which is focused on developing of device, intended for domestic regulatory bodies, which will be focused on methods of monitoring quality of provided services in order to attain corresponding inspection of quality of provision of these services.

Currently, the first working draft of this document is prepared. Public consultation of the document is envisaged for the fourth quarter of this year,

- the project „ECODEM (Demand-side forces)”, focused on monitoring and assessment of influence of demands of subscribers on observance of principles of network neutrality by individual providers of services of access to the Internet network and verification of assumptions that competition environment on the market can help to solve problems with provision of unlimited services of access to the Internet network (consequently the principle of network neutrality) and ensure thus particularly the possibility of choice and transition among individual providers of services. The working group launched solution of this project in May 2013. Completion of the project is envisaged in 2014.

On June 3, 2013 the 55<sup>th</sup> Meeting of the COCOM took place in Brussels. Principal item of the agenda was the discussion to the draft Recommendation of the European Commission on the obligation of non-discrimination and cost methodologies. Member states may still continue to send their viewpoints.

On June 4, 2013 the meeting of Contact network for the Group of European regulators of postal services (ERGP) took place in Brussels in the headquarters of the BIPT (Belgian regulator of postal services and telecommunications). Contact network in collaboration with working groups prepared documents for plenary meeting of the ERGP.

On June 6 – 7, 2013 the 15<sup>th</sup> plenary meeting of IRG and BEREC took place in Athens. As the Chairman for 2014 in all three positions, i.e. for the IRG, for the Council of regulators of BEREC – Board of Regulators, for the Management committee of the BEREC – was elected Mr Göran Marby, Director general of Swedish regulatory office PTS. The subject of discussion of the Council of regulators was the Standpoint of the BEREC to the draft Recommendation of the European Commission on non-discrimination and cost methodologies. The Standpoint of the BEREC was endorsed in March, however, in the present time there is no consensus between the standpoint of BEREC and the draft of the European Commission. These issues are also solved at the level of COCOM. Management committee approved Annual report on activities of Administrative director of the Office of BEREC for 2012 and the Annual report on activities of BEREC Office for 2012.

On June 13, 2013 the 31<sup>st</sup> meeting of the Group for radio spectrum policy of the European Commission (RSPG) took place in Brussels, where problems of frequency policy were discussed, focused on, in particular, on the issues of spectrum sharing on the principle of LSA conception (Licence Share Access), preparation of the EU for the World's radiocommunication conference (WRC-15), development of wireless broadband communications, issues of frequency management under conditions of acceptable interference (interference management) and future utilization of the 700 MHz band. Discussion was further focused on the needs of radio spectrum for another EU sectors, i.e. European targets which do not belong to services of electronic communications but significantly influence utilization of scientific services, security communications, transportation systems including navigation, intelligent distribution networks etc. The meeting endorsed the Standpoint to strategic challenges in Europe, increasing demands on radio spectrum for broadband communications (BB) and the draft Standpoint to the conception of spectrum sharing LSA. In terms of future trends, it is clear that end users can expect from mobile networks provision of services comparable with the services provided at a fixed networks. Temporary trend is the preference of data transmission by means of WiFi networks as compared to cellular networks. Increase in traffic show four-to sixfold difference. Important role in more efficient utilization of spectrum, increase of capacity and coverage may belong to building of small cells (microcells, picocells, femtocells). With the help of utilization of new technologies and communications at a short distance greater number of users can be satisfied with the same volume of radio spectrum used. Also the issues of reallocation of the 700 MHz band for applications of mobile service was discussed. Such a



step would mean another 30 % decrease of the UHF band for radio service and thus reduction by another two layers (to these layers which have been reduced in reallocation of the 800 MHz band) as compared to the plan approved by the Regional radiocommunication conference in Geneva in 2006. In terms of coordination process it was stated that solution is to apply the same mode as in the reallocation of the 800 MHz band, i.e. bilateral consultation and multilateral negotiations within the framework of regional coordinating groups, as was, for example, successful NEDDIP (North East Digital Dividend Group), where also the Czech Republic was represented.

European Commission published [comments to public consultation](#), which took place from October 16, 2012 until January 8, 2013. The aim of this consultation was the update of existing list of relevant wholesale and retail telecommunication markets which, pursuant to the EU rules for telecommunications, are subject to the so-called „procedure pursuant to Article 7“. On the basis of results of the consultation the Commission then, after the consultation with the Association of European regulatory bodies in the field of electronic communications (BEREC) and the Communication Committee (advisory committee composed of representatives of Member States), intends to approve revised Recommendation. It is the second review of Recommendation of the Commission on relevant markets. The first Recommendation of the Commission comes from the year 2003 ([2003/311/ES](#)) and in 2007 it underwent review ([2007/879/ES](#)). The Recommendation now includes one retail and six wholesale markets: The access to the fixed telephone network, origin of call in fixed telephone network, termination of call in individual fixed telephone networks, wholesale access to subscriber's local loop, wholesale broadband access, wholesale end segment of leased circuits and termination of voice call in individual mobile networks.

On June 26, 2013 the European Commission published [study](#), according to which European consumers, employing high-speed Internet, do not download data with speed which they have paid for. Speed of fixed broadband connection to the Internet, which consumers dispose of, attains on average only 74 % of advertised speed which they have paid for.

To the principal findings of the study belong :

- Cable connection offers the most reliable download speed : European average of 74 % conceals significant differences in output of different technologies. Services on the basis of xDSL reached only 63,3 % of advertised download speed whereas with cable connection it was 91,4 % and with the technology it was FTTx 84.4 %.
- In absolute terms the average download speed during peak hours across all countries and technologies reached 19.47 Mbps. The highest speed was reached by the service FTTx, and namely 41.02 Mbps. Cable services reached the speed of 33.10 Mbps, whereas the service xDSL with average speed of 7.2 Mbps remained far behind.
- the speed of data uploading is near advertised upload speed. Average speed of data uploading was 6.20 Mbps across the Europe, what represents 88 % of advertised speed. By far the fastest were services FTTx with 19.8 Mbps. It is because the whole range of services of the FTTx provide upload speed which is close to download speed. Cable services and xDSL services reached achieved more modest results : 3.8 Mbps and 0.69 Mbps.

The study will continue until the end of 2014 and plans the next two annual measurements.

### ***New rules for united European market***

On June 17, 2013 the Commissioner Neelie Kroese presented in Brussels the vision of the European Commission of „Single telecommunication market for growth and employment in Europe“.

The Commissioner stated that the EU faces a huge problem, which is non-existence of networks of high-speed internet. Only two percent of households in the European Union have the access to the connection faster than 100 Mbit/s. Average speeds of mobile internet in the European Union are half the values of the USA. Vast majority of devices (88 %) employing 4G connection can be found in the USA, Japan and South Korea. In the European Union it is only six percent.

According to Kroese this trend is unacceptable. Operators are unable to use economies of scale and face various barriers. They are unable to invest in broadband which the European Union needs for its development. Companies, wishing to work in different states of the European Union, cannot fully and simply use the network across the Union. The Commissioner understands as fundamental limitation of economic growth also the fact that it is expensive and complicated for companies to receive the offer of telecommunication services, regardless of borders of Member States.

Ms Kroese therefore proposes fast solution which will minimize the barriers, which limit the market. To the basic proposals for future telecommunication single market belongs „Europasport“ for operators, which would facilitate cross-border provision of services in the European Union. She also intends to attain greater coordination of regulatory policy across the European Union, starting from spectrum management to the protection of consumer. The aim of integrated joint telecommunication market is also non-existence of roaming inside the European Union.

The Commission now works on the first draft of its vision of single market in telecommunications and wants to present it in September this year.

The joint meeting of the General Directory DG CONNECT and the Association of European regulatory bodies in the field of electronic communications (BEREC), dealing with the issues of „Single telecommunication market for growth and employment in Europe“, held on June 24, 2013 in Brussels, was also devoted to this topic“. The agenda of the meeting included problems of free enterprise in electronic communications, harmonization of frequency spectrum and protection of consumer.

### ***Report on the progress in the field of digital agenda for 2013***

On June 12, 2013 the European [Commission](#) published [Comparative overview of the European Union – Report on the progress in the field of digital agenda 2013](#). Principal findings, contained in the Comparative overview of the Digital agenda of the European Commission, include:

Progress in the field of internet:

- Basic broadband connection is now practically everywhere in Europe – better efficiency of satellite applications, which have no fixed broadband connection, ensures coverage of 4,5 % of the population. The Commission currently focuses itself on better utilization of broadband connection with the help of satellite applications in cases where this solution can bridge the remaining gaps.
- Currently half of the population have the access to the fast broadband connection – 54 % of the EU citizens dispose of broadband connection with speeds higher than 30 Mbps.
- The internet will increasingly be accessed through mobile devices – 36 % of the EU citizens connect to the internet through notebook or other mobile device (access through mobile telephone increased from 7 % in 2008 to 27 % in 2012). The coverage by the fourth generation of mobile telephones (LTE) has tripled in one year to 26%.

Problematic areas:

- Ultrafast broadband connections (speed higher than 100 Mbps) only 2 % of households have pre-paid, what is very far from the EU goal for 2020 at the level of 50 %.
- 50 % of the EU citizens have zero or poor computer skills– as well as in the past year the volume or the level of user knowledge of information and communication technologies (IKT) did not improve. 40 % of companies are confronted with problems in hiring experts for information technologies or in their efforts connected with this recruitment and existing number of free working positions for specialists in the field of information and communication technologies should increase to 900,000 before 2015. To fill this gap on the market the measure of recently launched [Great coalition for digital working positions](#) will be focused on.

Other findings:

- Internet tries a growing number of people – share of the EU citizens who never used the internet continues to steadily decline (by two per cent points to 22 %). However, roughly 100,000,000 of the EU citizens never connected to the internet and as principal obstacles they mentioned high costs, lack of interest or missing skills.
- 70 % of the population uses the Internet regularly at least once a week, what is the increase, as compared to 67 % in the last year; 54 % of handicapped persons regularly use, whereas in the last year it was 51 %.
- Prices for roaming in 2012 fell by almost five eurocents, particularly after July 1, 2012, when Regulation on roaming became effective.
- The electronic trade (e-Commerce) permanently grows, however, not at the cross-border level – 45 % of people use internet to buy goods and services, what means a slight increase as compared to the previous year (43 %); in the cross-border purchases very few inhabitants are engaged.
- Most enterprises and citizens come into contact with electronic public administration (e-Government) – electronic public administration is employed by 87 % enterprises and during the last year also the share of citizens using services of e-Government increased to 44 % (in both cases it was the increase by three per cent points).
- Despite budgetary limitations research expenses slightly increased. Public investments in research and development in the field of IKT increased by 1.8 %, or by 122,000,000 to 6,900,000,000 euros; the share of private sector in investments in research and development also increased, however, increase at the level of 2.7 % could not compensate decrease from the last year.

During the years 2012 and 2013 the following drafts were submitted to attain the goals of Digital agenda :

- [Revised instruction of the EU concerning utilization of rules of State support in relation to fast introduction of broadband networks](#).
- On February 7, 2013 the Commission accepted the strategy of computer security under the name of „[Open, safe and reliable cyberspace](#)“ and, simultaneously, it accepted [the draft directive on security of networks and information](#).
- On March 4, 2013 the Commission launched Great Coalition for digital working positions.

On March 26, 2013 the Commission accepted the draft of [Regulation for decrease of costs of engineering works](#).

### **New technologies – Technological innovations in the band of 1,452–1,492 MHz**

Within the framework of the 34<sup>th</sup> Meeting of the ECC, companies Ericsson and Orange France presented operation of mobile technology SDL in the band of 1,452–1,492 MHz, allowing strengthening of data flows towards users of mobile networks. Prospects of

utilization of SDL are confirmed by current knowledge about imbalance of data flow. Relation of transferred data uplink/downlink attains as much as 1:10. During show of practical operation static displays and dynamic display of functionality of technology were performed in moving vehicle. At trial operation of the SDL technology participates the company Ericsson (manufacturer of technology), Qualcomm (manufacturer and supplier of chipset) and the company Orange France, as holder of license of technical testing in this band. From the technical point of view testing is performed on frequencies 2.1 GHz and 1.4 GHz using WDCMA technology in the modulation scheme 64QAM. Principally, spectrum 2 x 5 MHz is used in the band of 2.1 GHz and 5 MHz for SDL in the band of 1.4 GHz, using the principle of „3 carriers“. Within the framework of the presentation video was chosen as the basis of transmission and the load of base station was as follows : six calling persons employing voice interactive communication and 10 subscribers employing only downlink (data towards user). The advantage of the solution of networks with SDL rests in the fact that all service of the network (signalling) is carried out in another band than downloading of data on the principle of SDL. Combined utilization of basic network and SDL helped to reach as much as three times the volume of downloaded data as compared to the situation where only transmission capacity of basic network is used. From the point of view of the size of the cell, around 1.5 km of usable radius is expected, optimum is approximately 800 metres. From the point of view of construction of terminal it is advantageous that for SDL no duplexer is necessary, because SDL does not include transfer of data towards base station. Within the framework of service of the network, standard control of integrity is performed and with the loss of ability of the SDL there is no loss of connection, only the volume of downloaded data is reduced.

## **10. ITU and other international organisations**

### **Meeting of the ITU Council**

On June 11 - 21, 2013 the meeting of the ITU Council, the governing body of ITU during the period between Plenipotentiary Conferences held in four-years' cycles, took place.

The Secretary General of the ITU, in his State of the Union message, provided summary information, the meeting of the Council discussed implementation of the operational plan and economic results of the ITU in 2012, confirmed results of the audit, approved write-offs of bad debts; changes in membership. It adopted financial plan for the period of 2014–2015 which covers expenditures of key actions held in this period with the proviso that part of the measure is utilization of reserve fund for ensuring the preparation and holding of the World's radiocommunication conference WRC-15 and creation of the fund which will serve for elimination of obligations of personal character.

On the basis of positive effect of free access, particularly to the Radiocommunication Regulations the meeting of the Council also decided about extension of on-line access to other documents and publications, adopted adjustments of terms concerning disbursement of costs in announcing satellite networks and adjustments of internal accounting rules. It decided about projection of Recommendation from the report of independent advisory committee for management (IMAC), discussed reports of working groups of the Council, established the group for preparation of draft strategic plan of the Union. It decided about the main theme of the International day of telecommunications and the ICT in 2014, about commencement of preparations for actions held at the occasion of the 150<sup>th</sup> Anniversary of the creation of the ITU.

It dealt with the preparation of the Conference of Governmental Plenipotentiaries (KVZ-14), which will be held in Pusan in 2014 at the invitation of Korean Government and the World's conference for development of telecommunications (WTDC) and assessment meeting concerning discharge of conclusions of the World's Summit on information society (WSIS+10) which will be held in 2014 in Egypt.

Still relevant is the issue of the ITU's policy in the field of the Internet. Although the internet has a public nature, discussions concerning its public role are held in the working group of the Council (established on the basis of resolution from 2010), which does not allow participation of all interested parties. The intention to hold informal forum, which would precede meeting of the working group of the Council (CWG on public policy issues) and where, at the personal invitation of Secretary General, also subjects, which are not representatives of Governments of Member countries would have access, was sponsored particularly by developed countries. The issues would be discussed in full extent of interested parties (multistakeholder principle) in harmony with conclusions to which arrived the WTPF (World Telecommunication Policy Forum) held in Geneva in May 2013.

### **34<sup>th</sup> meeting of the CEPT ECC**

On June 18 - 21, 2013 the 34<sup>th</sup> meeting of the Committee for electronic communications (ECC), organization of European telecommunication and postal administrations (CEPT) took place in Toulouse, France. The meeting, inter alia, adopted the Decision of the ECC(13)02 concerning cancellation of the Decision of the ECC (03)02 regulating the band 1,452–1,492 MHz and granted thus priority of utilization by terrestrial radiocommunication services for the region of Europe. Then the meeting endorsed to the public consultation updated Decision ERC(98)22 concerning DECT systems and adopted the wording of reports CEPT No. 45 on ultrabroadband technology UWB, No. 47 on rights of use in bands from 400 MHz to 6 GHz, No. 49 on technical conditions of utilization of the band 3.4–3.8 GHz (for public consultation) and internal report on current progress of works concerning the mandate for draft utilization of unpaired band 2 GHz. The meeting discussed the issues of the band 1,452–1,92 MHz for SDL applications (Supplemental Downlink) including functional presentation of the application. Further the program dealt with establishment of the new project team for „Emergency services“ and feasibility study of the creation of new European database of numbers (within the framework of activities of working group for numbering WG NaN). Serious part of the discussion were the issues of potential extension of operation of local radio networks RLAN in the whole band of 5 GHz (5,150–5,925 MHz). According to information of representative of the European Commission the EC mandate is currently prepared for negotiations in order to determine terms for extension of operation of RLAN systems in the whole 5 GHz band. Draft of the mandate will be discussed on the next RSC meeting on July 9 - 10, 2013 in Brussels.

The European communication office in Copenhagen published on its web pages (<http://www.cept.org/ecc/tools-and-services/ecc-public-consultation>) for public consultation draft documents of the ECC relative to the band 3.5 GHz:

- a) ECC Report 203: Least Restrictive Technical Conditions suitable for Mobile/Fixed Communication Networks (MFCN), including IMT in the frequency bands 3,400-3,600 MHz and 3,600-3,800 MHz;
- b) CEPT Report 49: Report from CEPT to the European Commission in response to the Mandate “Technical conditions regarding spectrum harmonisation for terrestrial wireless systems in the 3400-3800 MHz frequency band”.

## **11. Digitalization of the RTV**

On June 24, 2013 broadcasting radio frequency DVB-T of the transmitter Trutnov – station Černá Hora in the broadcasting network 2 was retuned from channel 61 to radio channel 38. The reason for retuning was the need to release frequency band 790–862 MHz for mobile broadband applications.

Currently, there is therefore no DVB-T transmitter on the territory of the Czech Republic in operation which would employ radio channel over 60 (frequency band 790–862 MHz). The whole band of digital dividend 1 is therefore fully released for utilization by new services.

During June individual licenses were also promulgated for utilization of radio frequencies for DVB-T transmitters Broumov Bylnice 36 (broadcasting network 1), Pardubice Slatiňany 48 (broadcasting network 4), Praha Butovice 21 (regional network 6), Brno Barvičova 47 (regional network 7), Most Široký vrch 56 (regional network 9) and Praha Olšanská 54 (regional network 13).

On June 30, 2013 the operation of DVB-T transmitter Ostrava Lanová, radio channel 38, was launched in the regional network 7.

## **12. Radio spectrum management**

### **Auction of frequencies**

On June 24, 2013 the CTU published [settlement of comments](#) to the draft terms of tender procedure for the grant of rights to use radio frequencies to provide public communication network in bands of 800 MHz, 1,800 MHz and 2,600 MHz. On June 21, 2013 the CTU organized also working seminary on which it informed all subjects concerned, which submitted their comments, with results of the settlement. In the seminary representatives of the CTU and advisory companies (Grant Thornton Advisory and AK Pierstone) gave the information on starting points on the basis of which the CTU approached the settlement of public consultation and simultaneously informed about further progress in preparation of the Auction.

How the CTU informed also in its press release, comments to the terms of Auction were submitted by 17 subjects in total. The settlement of comments of the CTU were based on declared goals of the Auction, and namely, support of economic competition, development of new services of mobile high-speed broadband and ensuring effective use of allocated frequencies.

On the basis of careful consideration of all relevant information, and given the stated objectives of tender procedure, the CTU finally decided to refuse the drafts demanding cancellation of two blocks with the size of 2x10 MHz in the band of 800 MHz for new entrants in the market, and similarly it refused limitation of existing operators to compete on complete block with the size of 2x 15,8 MHz in the band of 1,800 MHz. On the contrary, it accepted comments concerning proposed spectrum limit for offers in the band of 800 MHz and reduced it so as to support creation of at least three 4G networks. In order to increase motivation of new entrants in the entry in the market, the CTU also left unchanged in the draft the option of utilization of services of national roaming in 2G and 3G networks of existing operators. The CTU also upheld number of partial procedural and technical comments.

## **13. Postal services**

During the month of June the CTU promulgated one certification confirming business license in the field of postal services. Current list of registered operators providing postal services or foreign postal service can be found in [search database](#).

On June 18, 2013 media published news that, starting from August 1, 2013, the Česká pošta will increase prices of some basic postal services. The Česká pošta informed the CTU about its intention to rise prices of some basic services on January 29, 2013. The CTU states that submitted draft contained different prices than those currently presented and also earlier date of effectiveness.

The Office examined the draft for amendment of prices and in its standpoint dated April 2, 2013 proposed to the Česká pošta to overwork the draft so as to respect cost orientation of prices pursuant to provisions of § 33 Para. 5 of the Act No. 29/2000 on Postal services as later amended. The CTU also proposed to the Česká pošta to accede to the



price increase strictly on the basis of results of separate records of costs and revenues for 2012 following the annual accounts.

Since January 29, 2013 so far the CTU has not received any further information on the change of prices of the Česká pošta. Therefore the CTU currently investigates if the Česká pošta has not violated provisions of § 33 Para. 9 of the Act on Postal services in connection with the obligation to announce the CTU any change in prices of basic services at least 90 days before the day on which it intends to make this change.

Existing prices and proposed prices of postal services which the Česká pošta should apply from August 1, 2013 are specified in the following Table No. 6.

Table No. 6: Proposed new prices of postal services on August 1, 2013 as compared with existing prices.

<b>Ordinary writing</b>	<b>existing price (one pc)</b>	<b>proposed price from August 1, 2013 (one pc)</b>
Writing to 50 g - standard	10 CZK	13 CZK
Writing to 100 g	14 CZK	17 CZK
Writing to 500 g	18 CZK	21 CZK
Writing to 1,000 g	24 CZK	27 CZK
<b>Recommended writing</b>		
Recommended writing to 50 g - standard	26 CZK	29 CZK
Recommended writing to 100 g	34 CZK	37 CZK
Recommended writing to 500 g	37 CZK	40 CZK
Recommended writing to 1,000 g	43 CZK	46 CZK
Recommended writing to 2,000 g	49 CZK	52 CZK
<b>Valuable writing</b>		
Valuable writing to 50 g - standard	32 CZK	34 CZK
Valuable writing to 100 g	36 CZK	38 CZK
Valuable writing to 500 g	39 CZK	41 CZK
Valuable writing to 1,000 g	45 CZK	47 CZK
Valuable writing to 2,000 g	51 CZK	53 CZK

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Discussed by the CTU Council on July 10, 2013