

Monthly monitoring report No. 7/2012 of the Czech Telecommunication Office July 2013

Executive summary

The Government of the Czech Republic appointed Mgr. Ondřej Filip, MBA, the Member of the Council of the CTU with effect from July 15, 2013. The term of the Member of the Council of the CTU lasts five years.

On July 10, 2013 the CTU sent for notification to the European Commission the draft analysis of the relevant market No. 2 – Call origination on the public telephone network provided at a fixed location.

CTU settled comments which arrived within the framework of public consultation of the draft Measure of General Nature - the Analysis of the market No. [A/3/XX.2013-YY](#), market No. 3 – Call termination on individual public telephone networks provided at a fixed location. The CTU published [the Table of settlement of comments](#) including communication on the result of public consultation on its internet pages on July 1, 2013. On the basis of comments submitted the CTU modified draft analysis of relevant market No. 3, which was sent to the ÚOHS to express its opinion on July 11, 2013 after it was discussed in the Council.

On July 1, 2013 the public consultation of the draft Measure of General Nature was completed - Analysis of the market No. [A/7/XX.2013-YY](#), market No. 7 – Voice call termination on individual public mobile telephone networks. The CTU published [the Table of settlement of comments](#) including communication on the result of public consultation on its internet pages on July 25, 2013. On the basis of comments submitted the CTU modified draft analysis of relevant market No. 7, which was sent to the ÚOHS to express its opinion on July 30, 2013 after it was discussed in the Council (more information concerning the policy of the CTU in the field of analyses of markets is in Chapter No. 3).

On July 24, 2013 the Act No. 212/2013 Coll. was published in the Volume 86 of the Collection of Laws, 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 and the Act No. 214/2013 Coll., which amends the Act No. 127/2005 Coll., on Electronic communications and amendments of some other acts (the Act on Electronic communications), as later amended. This Act resolves some material and legislative and technical changes of the Act on Postal services (more information can be found in Chapter 9).

On July 24, 2013 the CTU has launched [mapping of infrastructure](#) for provision of high-speed Internet access in the Czech Republic. Results of mapping will serve both as basis for the preparation of the program of support of projects focused on building access networks of new generation, which the CTU implements together with the Ministry of Industry and Trade on the basis of the Government Resolution No. 370 dated May 23, 2012.

On July 31, 2013 the CTU published [Call for application of comments](#) concerning the draft of [General rules and recommendations for management of data traffic utilization](#). When drafting the General rules the CTU placed great emphasis particularly on sufficient transparency towards end users of services (more information can be found in Chapter 2).

On its meeting held on July 3, 2013 the Government discussed the document submitted by the CTU informing about critical situation concerning decisions of subscriber disputes. By its Resolution No. 528 the Government endorsed the set of measures, which will allow the CTU

to reinforce personnel of workplaces handling the mentioned tasks. At the same time the Government approved preparatory steps, which will eventually lead to statutory regulation of selected measures governing the process of relevant procedures.

In the theme of the month of this monitoring report the CTU provides information on assessment of subscriber complaints for the period of the Second Quarter of 2013.

1. Current market situation

Telefónica

The company Telefónica prolonged until July 15, 2013 its special offer O₂ Internet Bundle with automatic prolongation and the commitment of continuous use of the service for the period of 12 months. Customers, who, within the framework of this special offer, established with the company Telefónica, on the same connecting line, the new service of digital television O₂ TV with the tariff O₂ Flexi and the service O₂ Internet connection with the tariff Internet Optimal+ or Internet Aktiv+, or who established the new service digital television O₂ TV with the tariff O₂ TV Flexi to the existing O₂ Internet connection with the tariff Internet Optimal+ (Internet Optimal) or Internet Aktiv+ (Internet Aktiv), received the bonuses in the form of price benefits. During validity of this offer customers will pay for the utilization of the tariff O₂ TV Flexi and the tariff Internet Optimal+ (Internet Optimal) the price of CZK 656/monthly (instead of CZK 707/monthly in case of utilization of the tariff Internet Optimal+, or instead of CZK 959/monthly in case of utilization of the tariff Internet Optimal). In case of Internet Aktiv+ (Internet Aktiv) customers will pay the price of CZK 757 /monthly (instead of 808 CZK/monthly in case of utilization of the tariff Internet Aktiv+, or instead of CZK 1,060/monthly in case of utilization of the tariff Internet Aktiv). For the lease of set-top-box customers will pay the price of CZK 49/monthly (instead of standard price of CZK150 /monthly). After privileged period expires commitment will be automatically prolonged with both services for the same period (automatic prolongation). Customer has the right to refuse this automatic prolongation any time and the tariff will then be changed to corresponding tariff without any commitment. Within the framework of the tariff O₂ TV Flexi customer may, for the period of duration of special offer, order one of program packages Dokumenty, Sport, Děti, Styl, Hudba, Seriály and Filmy. Part of the tariff O₂ TV Flexi will always be also the package Styl. Subscriber may use these privileges under condition that he/she has not used the service of digital television O₂ TV for the period of at least three months before the application of demand for establishment of the service.

Customers, who use services of digital television O₂ TV with the tariff O₂ TV Start of the company Telefónica, will have available, until August 31, 2013, within the framework of extended short-term marketing campaign, programs NOVA HD, ČT4 HD and ČT HD.

Results of the company Telefónica for the first half of 2013

The company Telefónica announced unaudited consolidated financial results for January - June 2013 including also the results of the company Telefónica Slovakia and other subsidiary companies. The total number of customers of mobile services increased, on a year-on-year basis, by 2.3 % to 5,100,000 (in the first half of 2013 their number increased by 113,000). It was, in particular, increase of customers of contractual services (95,000 new customers). Also the segment of customers of pre-paid services registered a year-on-year increase by 3 % in the first half of 2013. Share of customers with smart telephones increased to 30.4 %, what represents a year-on-year increase by 7.5 per cent point. Almost one third of customers came over to new, so-called FREE tariffs.

The number of users of services of high-speed internet xDSL increased, on a year-on-year basis, by 3.1 % to 921,000. According to the statement of the company Telefónica the

increase of the number of customers employing VDSL technology (more than 74 % of the total number of residential customers who are within the reach of this technology) continues to help to slow down the rate of decline of average yield for one customer and to maintain low rate of outgoing customers. Total number of active fixed lines decreased, on a year-on-year basis, by 6.6 % and, at the end of June 2013, it reached 1,439,000.

In the first half of 2013 consolidated operating income decreased, on a year-on-year basis, by 5 % to CZK 23,905,000,000 (by 2.4 %, excluding the impact of decrease of mobile termination price). Fully comparable OIBDA decreased, on a year-on-year basis, by 6.9 %, whereas fully comparable OIBDA margin reached the level of 39.7 % (consolidated operating income in 2013 decreased, on a year-on-year basis, by 4.1 %). In the first half of 2013 the OIBDA, modified for the purposes of estimate (without licence and management fees), reached the level of CZK 9,141,000,000. In the first half of 2013 the amount of operating income OIBDA, including licence and management fees, reached CZK 8,615,000,000. Consolidated level of free cash flow increased, on a year-on-year basis, by 7.8 %.

T-Mobile

On July 1, 2013 the company T-Mobile launched trial operation of high-speed data network LTE in Prague 4 and in Mladá Boleslav, the testing of which should last until the end of August 2013 at the minimum. Although, according to the statement of the company T-Mobile, it is a trial operation, customer, by connecting to the T-Mobile network, will receive the same service as in the case of normal public operation. During trial operation the data transferred within the framework of LTE network are not added to the FUP limit, which is a part of T-Mobile tariffs containing data services (for example the tariff "S námi"), or pre-paid T-Mobile card with activated mobile Internet. The request asking for connection to the LTE network can be done by means of SMS, through on-line service "Můj T-Mobile" or in brand shop of operator. The goal of the company T-Mobile is to extend gradually 4G network during this year. The speed of downloading in the LTE network of the company T-Mobile can reach the values of up to 100 Mbit/s, what is approximately 2.5 times more as compared with maximum speed of 42 Mbit/s of existing 3G network. In the LTE network the data upload speed is increased to the values of up to 37.5 Mbit/s (in existing 3G network maximum speed of 5.76 Mbit/s can be reached only).

Starting from July 28, 2013 the company T-Mobile offers another two new tariffs "S námi bez hranic" and "S námi bez hranic+". Besides unlimited calls and SMS's to all networks, customer will receive 3 GB free data, free minutes and SMS abroad, and/or free units for roaming services (calls, SMS and data). More detailed information can be found in the Table No. 1.

Table No. 1 : Survey of new unlimited tariffs of the company T-Mobile¹

T-Mobile	Tariffs	The price of monthly tariff		Calls and SMS's to all networks	MMS to all networks	Calls abroad / roaming	SMS abroad / in roaming	Free data
		with commitment	without commitment					
	S námi bez hranic	CZK 999	CZK 1 149	unlimited ³⁾	CZK 4.90	300 minutes ²⁾	ne	3 GB
	S námi bez hranic+	CZK 1 499	CZK 1 649	unlimited	CZK 4.90	300 minutes ²⁾ /300 ³⁾ + 300 ⁴⁾ minutes	300 ⁵⁾ / 300 ⁶⁾	3 GB/300 MB ⁷⁾

Vodafone

Starting from July 4, 2013 until August 31, 2013 the company Vodafone offers to its customers, using single charge of pre-paid card with all the trimmings at the minimum amount of CZK 400 (instead of original CZK 600), the bonus in the form of free call, sending of SMS messages within the network of Vodafone and connection to the Internet (it is limited by FUP limit of 60 MB/14 days) for the period of 14 days (the tariff "Připojení na týden").

UPC

The company UPC prolonged until the end of July 2013 its special offer earmarked for new customers. There are price benefits of services of digital television Klasik, Komfort and Mini, which apply to on-line orders accompanied by the commitment to use this service for the period of 12 months. For the period of the first six months of utilization of the service Klasik, customers will pay the price of CZK 156/monthly instead of standard CZK 263.31/monthly and they can receive, free of charge, one of theme packages Sport, Relax or Darwin. These discounts apply for the period of the first six months of utilization of the service. Within the framework of this tariff more than 40 Czech and Slovak programs can be used including 11 HD programs. Within the framework of the service Komfort and this prolonged special offer customers will pay, for the period of six months, CZK 375/monthly instead of standard price of CZK 578.49/monthly and during this period they can use more than 80 programs including 21 HD programs. Customers, who, within the framework of this special offer have 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 and within the

¹ ¹⁾ Maximum length of call is 10,000 minutes/month, then the connection is charged with the rate of CZK 2.90/minute. Maximum number of SMS's is 10 000 SMS/ month, subsequently one SMS is charged with the rate of CZK 2.90 /SMS.

²⁾ Free minutes within the framework of tariffs (S námi bez hranic and S námi bez hranic +) can be drawn in international calls to countries in the third zone. Calls are charged pursuant to the tariffication 60+1. After free minutes are consumed the calls abroad are charged with the rate of CZK 22.99/min.

3rd zone : Andorra, Belgium, Bulgaria, Denmark, Estonia, Faroe Islands, Finland, France, French Guyana, Gibraltar, Guadeloupe, Croatia, Ireland, Iceland, Italy, Cyprus, Lichtenstein, Lithuania, Latvia, Luxemburg, Hungary, Malta, Martinique, Monaco, Netherlands, Norway, Portugal, Réunion, Romania, Greece, San Marino, Slovenia, Spain, Sweden, Switzerland, Vatican, Great Britain

³⁾ Free minutes for outgoing calls to roaming tariff T-Mobile Roaming for the States of zone 1.

⁴⁾ Free minutes for incoming calls to roaming tariff T-Mobile Roaming for the States of zone 1.

⁵⁾ Free SMS abroad from all zones. After free units are consumed the SMS's abroad are charged with the rate of CZK 5.05/SMS.

⁶⁾ Free SMS of roaming tariff T-Mobile Roaming in countries of zone 1.

⁷⁾ Free data of roaming tariff T-Mobile Roaming in countries of zone 1.

zone 1: Europe – the EU and EEA: Belgium, Bulgaria, Denmark, Estonia, Finland, France, Croatia, Ireland, Iceland, Italy, Cyprus, Lichtenstein, Lithuania, Latvia, Luxemburg, Hungary, Malta, Germany, Netherlands, Norway, Poland, Portugal, Austria, Romania, Greece, Slovakia, Slovenia, Spain, Sweden, Great Britain and Åland Islands, Azores, French Guyana, Gibraltar, Guadeloupe, Canary Islands, Madeira, Martinique and Réunion

framework of this service they could watch more than 20 Czech programs including 7 HD programs. Price for connecting the service is CZK 100.

For the month of July 2013 the company UPC modified its offer of services of Internet connection for households. As compared with the previous period special offer of the variant Fiber Power 30 was changed. Until the end of July 2013 special offer for UPC Fiber Power 30 will be in force in the form of double speed of Internet (60 Mbit/s) for the first three months for the price of CZK 312/monthly. From the fourth month the speed will drop to standard level of 30 Mbit/s. Granting of discount means binding commitment to use the service for the period of 12 months. Starting from the 13th month after the termination of this offer, customer will pay standard price of CZK 520.30/monthly. Existing special offers of remaining variants Fiber Power 60 and Fiber Power 120 remained in force also in July 2013. In case of the variant Fiber Power 60 customer will pay CZK 525/monthly for the period of six months and in case of the variant Fiber Power 120 he/she will pay CZK 625 /monthly. Starting from the seventh month the price will increase to normal level of CZK 624.15/monthly, and/or CZK 832.88/monthly.

Current situation in the market of mobile virtual operators

Relax Mobil

In the second half of June 2013 the new virtual operator (MVNO) of the company BEI MULTIMEDIA INTERACTIVE s.r.o. entered the market of mobile services under the trade mark of Relax Mobil. The operator Relax Mobil offers to its customers, by means of the company GTS (MVNE), the service Super tariff 1.50 where customer will pay CZK 1.50 for one minute of call and one SMS message within the framework of the Czech Republic. Customer will pay CZK 0.50/MB for data downloaded. Precondition for the utilization of the service is monthly fee at the amount of CZK 49.90. Tariff calls are charged with the tariffication 60+1. Virtual mobile operator permits to its customers to call abroad to four zones² and to nine zones abroad in total (from 0 to 8).²

99mobile

From the end of June 2013 the company komutel s.r.o. offers mobile services under the trade mark komutel together with its partner, mobile virtual operator 99mobile. On the same principle also the company telco consulting s.r.o. runs its services under the trade mark COOL CLUB and the company MITRANET.CZ, s.r.o. under the trade mark MITRANET.CZ. These partners of virtual operator 99mobile take over directly its offer of voice services. Their offers differ in packages of voice and data services within the framework of the Czech Republic.

Mobile virtual operator komutel offers service of call and SMS within the range from CZK 30/monthly to CZK 240/monthly. The tariffs "SemTam" and "Hoodně" the rate per one minute of call and one S within the framework of 99mobile is CZK 0.50. The rate per one minute of call and one SMS to other mobile and fixed networks is CZK 1.50. For the cheapest tariff "JenTak" customer will pay for one minute of call and one SMS to 99mobile CZK 1. Data services can be bought in the form of package of voice tariffs for monthly flat fee within the range from CZK 80 to CZK 200 with free data within the range from 100 MB to 500 MB. Operator komutel also offers combination of voice and data services within the framework of tariff, the conditions of which are brought forward in the Table No. 2. More detailed information on mobile services offered can be found on pages of the company.³

Mobile virtual operator MITRANET.CZ offers voice tariffs from CZK 49/monthly to CZK 399/month. With the tariff "Volám více" for CZK 399/month customer may call beyond the framework of free minutes (400 minutes to all networks) to 99mobile for CZK 0.49/minute

² More detailed information in the price-list of [Relax Mobil](#)

³ More detailed information concerning tariffs can be found on pages of the company [komutel s.r.o.](#)

and to other mobile or fixed networks within the framework of the Czech Republic for CZK 1.49/minute. In the tariff "Poslouchám" for CZK 49/month one minute of call costs CZK 1.49 (beyond the framework of 10 free minutes to all networks) to all mobile or fixed networks within the framework of the Czech Republic. Data services of the company MITRANET.CZ offers in the form of package of voice tariffs from CZK 79/month to CZK 199 /month with free data from 100 MB to 500 MB. With the company MITRANET.CZ customer may buy the tariff in combination of voice and data services the conditions of which are illustrated in the Table No. 2. More detailed information can be found on pages of the company in comprehensive price list of services.⁴

The company telco consulting s.r.o. offers, under its trade mark COOL CLUB, the tariffs for call and SMS from CZK 49/month to CZK 399/month. For the most expensive tariff Cool 4 for CZK 399/month customer will pay (beyond the framework of 400 free minutes to all networks) CZK 0.49 for one minute of call and one SMS to 99mobile. To other mobile or fixed networks within the framework of the Czech Republic customer will pay CZK 1.49 for one minute of call and one SMS. For the tariff Cool 1 for CZK 49/month customer will pay (beyond the framework of 10 free minutes to all networks) CZK 1.49 for one minute of call and one SMS to all networks (also to 99mobile). Data services can be bought in the form of package to voice tariffs. Monthly flat fee is within the range from CZK 79 to 199 CZK and the span for data downloading from 100 MB to 500 MB. More detailed information can be found in the price list of the company.⁵

Starting from July 1, 2013 mobile virtual operator 99mobile extended its offer with the tariff "Občas si brnknu + DATA 200+". The terms of this tariff are illustrated in Table No. 2.

Table No. 2: Terms and prices to tariffs (call + SMS + DATA)

Terms of tariffs	99mobile	komutel	MITRANET.CZ
Monthly flat fee	CZK 249	CZK 160	CZK 199
Free minutes	100	60	60
Free data (MB)	200	100	200
Call per minute and SMS in 99mobile	CZK 0.49	CZK 0.50	CZK 0.49
Call per minute and SMS to other networks in the Czech Republic	CZK 1.49	CZK 1.50	CZK 1.49

Voocall

Starting from July 1, 2013 the company CANISTEC s.r.o.) offers mobile services under the trade mark voocall as MVNO through the mediator GTS (MVNE. Virtual mobile operator offers mobile services through classical GSM/3G network or (VoIP) technology through mobile „callback“⁶. This technology gives customer the option to choose mobile telephone VoIP service for all SIM cards without connection to the Internet. More detailed division of tariffs offered, including the terms, is illustrated in the Table No. 3. Virtual mobile operator allows to its customers to call from abroad to four zones⁷ and also abroad.⁸

⁴ More detailed information concerning tariffs can be found on pages of the company MITRANET.CZ.

⁵ More detailed information are in the price list of [COOL CLUB](http://COOL_CLUB).

⁶ The service mobile „callback“ allows customer to call on the principle of calling back. It means that customer at first receives virtual number from operator to which customer must call and hang up. After that customer receives call from exchange which switches the call to called number and thus the call is realised.

⁷ More detailed information on pages voocall – [volání ze zahraničí](#).

⁸ More detailed information on pages voocall – [volání do zahraničí](#).

Table No. 3: Terms of voice tariffs of "Mobilní Pohoda" (without or with the internet), "Mobilní Rodinka" (without or with the internet)⁹

Tariff	Monthly price (in CZK)	Free minutes to own network	Free data in MB	Call (in CZK/min)			SMS (in CZK/SMS)		DATA (CZK/MB)	MMS (CZK/MMS)	Tarification
				own network	other mobile network	fixed network	own network	other mobile network			
Mobilní Pohoda	39			0.59	1.69 ¹⁾ /1.10 ²⁾	1.69 ³⁾ /1.14 ⁴⁾	0.59	1.25		3.19	1+1
Mobilní Rodinka	89	100		0.59	1.69 ¹⁾ /1.10 ²⁾	1.69 ³⁾ /1.14 ⁴⁾	0.59	1.25		3.19	1+1
Mobilní Pohoda s internetem	189		200	0.59	1.69 ¹⁾ /1.10 ²⁾	1.69 ³⁾ /1.14 ⁴⁾	0.59	1.25	0.85	3.19	1+1
Mobilní Rodinka s internetem	229	100	200	0.59	1.69 ¹⁾ /1.10 ²⁾	1.69 ³⁾ /1.14 ⁴⁾	0.59	1.25	0.85	3.19	1+1

Air Telecom

During the month of July 2013 the company Air Telecom extended its offer of services with the tariff "Internet set" for credit of CZK 1,000, for which customer will pay CZK 1,490 in one payment. Integral part of the set is USB modem and credit of CZK 1,000. This service is limited by daily FUP limit of 1 GB. Customer has the option to choose billing per hours at the amount of CZK 9.90/hour or per days at the amount of CZK 29/day. Maximum download speed is 3.1 Mbit/s. Terms of the tariff are illustrated in the Table No. 4.

Table No. 4: Terms of the tariff Internet set to the credit CZK 1,000

Internet set for credit CZK 1,000	data to the offer of services
amount of credit	CZK1,000
modem	included in the price of set
billing	CZK 9.90/hour or CZK 29 /day
maximum speed	3.1 Mbit/s
FUP limit	1 GB/day
the price of set	CZK 1,490

Source : [Air Telecom](#)

Starting from July 18, 2013 virtual mobile operator Air Telecom offers, through GSM network, voice AIR tariffs (Junior, Mini, Relax, Max, Max plus and Unlimited). More detailed information concerning individual tariffs are specified in the Table No. 5. Customer may also choose the variant without commitment with monthly flat fee higher by CZK 100. Calls within these tariffs are charged per minutes (60+60). Customer may call from abroad to four zones¹⁰ and abroad also to four zones¹⁰.

⁹ 1) From mobile to mobile within the framework of GSM/3G network.

2) Through the service mobile „callback“ within the framework of VoIP call (CZK 0.55 for calling back“ + CZK 0.55).

3) Calling from mobile to fixed within the framework of GSM/3G network.

4) Through the service mobile „callback“ within the framework of VoIP call CZK (0.55 for "calling back“ + CZK 0.59).

„network“ – numbers of operator voocall

¹⁰ More detailed information in the price-list of [Air Telecom](#).

Table No. 5: Terms of voice AIR tariffs¹¹

Tariff	AIR Junior	AIR Mini	AIR Relax	AIR Max	AIR Max plus	AIR Unlimited
Monthly flat fee without commitment	CZK 249	CZK 269	CZK 369	CZK 499	CZK 599	CZK 849
Monthly flat fee with commitment (24 months)	CZK 149	CZK 169	CZK 269	CZK 399	CZK 499	CZK 749
Free minutes	70 ¹⁾ minutes	100 ²⁾ minutes	200 ²⁾ minutes	300 ¹⁾ minutes	350 ¹⁾ minutes	neomezeně ³⁾
Free minutes and SMS to the AIR network		100 minutes 100 SMS	100 minutes 100 SMS			
Free SMS to all networks	10 SMS					
Free data	50 MB			100 MB	200 MB	1 GB
Calls to all networks in the Czech Republic/min.	CZK 1.50	CZK 1.50	CZK 1.50	CZK 1.50	CZK 1.50	CZK 0.00
SMS to all networks/SMS	CZK 1.50	CZK 1.50	CZK 1.50	CZK 1.50	CZK 1.50	CZK 1.01
MMS to all networks/MMS	CZK 4.00	CZK 4.00	CZK 4.00	CZK 4.00	CZK 4.00	CZK 4.00

StarTEL

In the middle of July 2013 the new mobile virtual operator started to offer its services under the trade mark of StarTEL; it is the company STARNET Telecommunication, s.r.o., which offers pre-paid SIM card with calls within the framework of the Czech Republic for CZK 0.49 /minute and calls to all fixed and mobile networks for CZK 1.49 /minute. For one SMS message to all networks within the framework of the Czech Republic customer will pay CZK 1.49. For the management of SIM card the operator charges monthly fee of CZK 29. Calls are charged per minutes (60+60). To the SIM card customer may buy data package and namely Internet in mobile 50 with free data of 50 MB (for CZK 39/month), Internet in mobile 100 with free data of 100 MB (for CZK 69/month) and Internet in mobile 200 with free data of 200 MB (for CZK 129/month). After free data are consumed the service of mobile Internet is suspended for the rest of billing period or until new re-charge of data package.

2. The Theme of the month – information on complaints of subscribers, and/or users of services of electronic communications and postal services for the Second Quarter of 2013

Within the framework of its competencies the CTU handles complaints and inquiries of subscribers and/or users of services of electronic communications, whose nature is evident from the Table No. 7. Starting from January 1, 2013 the CTU receives also complaints on postal services, evaluation of which can be found in Part No. 2 of this information.

Services of electronic communications

The CTU monitors, registers and evaluates complaints of subscribers and/or users of services of electronic communications since 2007 and in the middle of the same year more detailed division of registration of these complaints was introduced, focused on monitoring of complaints concerning provision of partial services within the framework of Universal service, which were imposed on entrepreneurs as obligation by decision of the CTU.

The next change in division of complaints came on January 1, 2012 in connection with the adoption of the Act No. 468/2011 Coll., which amends the Act No. 127/2005 Coll., on Electronic communications and on amendments of some related Acts (the Act on Electronic

¹¹ ¹⁾ free minutes to all networks.

²⁾ free minutes to other networks.

³⁾ Provider limits provision of all services in case customer has reached in a given billing period the limit of 4000 units to all networks.

communications), as amended by later regulations and some other Acts (inter alia, the Act No. 634/1992 Coll., on Protection of consumer, as amended by later regulations), and by which the CTU was made responsible for supervising protection of consumer in the field of services of electronic communications within the meaning of provisions of § 23 Para. 16, specifically to enforce fairness of services provided, solution of unfair trade practices, aggressive trade practices, observance of prohibition of discrimination of consumer, monitoring compliance of information and other obligations in providing services of electronic communications. On the basis of the above mentioned authorisation also queries and questions of consumers were included in the survey of complaints.

Complaints can be divided in groups according to several aspects. The first one is the method of settlement according to which complaints can be placed in the following three categories:

- Complaint is resolved by the CTU within the framework of its competencies stipulated in the Act on Electronic communications and in the Act on Protection of consumer. The CTU informs complaining subscriber/user how he/she should proceed towards provider of services pursuant to the Act on Electronic communications (for example about the right to claim his/her rights against provider of services), or that complaint is a stimulus for further investigation pursuant to the Act on Electronic communications or the Act on Protection of consumer, and/or that it is a stimulus for the performance of the State control or promulgation of call pursuant to § 114 of the Act on Electronic communications demanding elimination of defects discovered.
- the CTU cannot resolve complaint in question because it is incompetent to take decisions in given case within the framework of its competencies. In this case it informs complainant who is competent to given relevant complaint, and/or, that it delegates the complaint to competent administrative body (for example, cases of deceitful advertisement, unsolicited communications, non-ethical acquisition of customers, protection of personal data etc.).
- The CTU finds the complaint as unfounded and informs complainant about unfoundedness of complaint, because no obligations were violated stipulated by the Act on Electronic Communications, the Act on Protection of consumer, implementing regulations to these Acts, and/or decisions of the CTU.

During the Second Quarter of 2013 the CTU registered altogether 586 complaints of subscribers, and/or users of services of electronic communications. 370 complaints were resolved with the help of procedure pursuant to the Act on Electronic Communications (i.e. 63.1 % of the total number), the CTU were incompetent to resolve 94 complaints and delegated them to competent administrative body (i.e. 16 % of the total number) and 122 complaints were unfounded (i.e. 20.8 % of the total number) and the Act on Electronic communications was not violated.

As compared to the total number of complaints in the First Quarter of 2013 the number of complaints in the Second Quarter of 2013 was reduced by 165 complaints (i.e. by 22 %). When we compare the Second Quarter of 2012 with the Second Quarter of 2013 we can register decrease of the total number of complaints by 20 complaints (i.e. by 3 %). The decrease of number of complaints in this Quarter was caused, in particular, by the decrease of number of complaints against billing of services of electronic communications and particularly of complaints in the field of protection of consumer. In a year-on-year comparison the decrease was again caused, in particular, by lower number of complaints against billing of services, however, in all remaining groups of complaints monitored a slight increase was registered on a year-on-year basis. It will be not be before next periods which will show whether there is a new trend in the agenda of complaints concerning billing of services, probably related to the introduction of the so-called „unlimited“ tariffs, which by their character make billing of services simpler, or if it is only a certain seasonal deflection.

During the period evaluated also the number of complaints decreased, which the CTU is incompetent to resolve, also in this period complaints against services of third parties participated mostly on number of these complaints – particularly the so-called premium services (premium SMS, MMS and audiotex services).

Another aspect for division of complaints to groups is material subject of complaint.

Despite already mentioned quarterly and year-on-year decreases, majority of complaints are still aimed against billing of prices for services. There are 157 complaints what is 26.8 % of the total number. These complaints are resolved with the help of provision of legal advice to complainant, or these cases are decided in administrative procedure pursuant to § 129 of the Act on Electronic communications (subscriber disputes) as objections against settlement of complaint against the price of services provided. As compared with the Second Quarter of 2012 the decrease by 54 complaints (i.e. by 25.6 %) out of the total number of complaints against services of electronic communications was registered in the Second Quarter of 2013.

Another field to which majority of complaints is focused on, are subscriber contracts – altogether 145 complaints. Compared to reduced number of complaints against billing of services increase of the number complaints by 24.1 %. was registered in this category in contrast to preceding period. Number of complaints against subscriber contracts in this period increased on a year-on-year comparison by 22 %. Most complaints are against subscriber contracts of the company T-Mobile Czech Republic a.s. and Telefónica Czech Republic, a.s.

As far as the issues of telephone number portability are concerned, the number of complaints against the service of number portability in mobile network in the period monitored decreased, as compared with the First Quarter of this year, to 22 complaints (i.e. decrease by 55 %).

As far as complaints falling into the agenda of the Act on Protection of consumer are concerned, another relatively great decrease of number of complaints was registered by 65 complaints (therefore by 54.2 %). Complaints mainly concerned deceitful trade practices, most often during contracting negotiations.

Number of complaints against services provided within the framework of Universal service is minimum in the long term, in the Second Quarter of 2013 the CTU registered only three complaints against services provided within the framework of Universal service.

The last consideration according to which complaints can be divided is provider of services against whom complaint is applied. Table No. 6 presents only complaints against biggest providers of services of electronic communications, considering their prevailing share both in the number of subscribers, and/or users of services of electronic communications, and the number of complaints. In this Table also queries of subscribers concerning individual providers of services were taken into account. As in the previous period submissions were not taken into account against the company M7 Group S.A. (formerly M77 Group S.A.), which until now is not notified as an entrepreneur providing publicly available services of electronic communications in the Czech Republic. As compared to the previous period the number of complaints against this company decreased; there were altogether 37 submissions against this company, what is 2.2 % of the total number of complaints and queries received.

Table No. 6

	Company	Number of complaints and queries	Number of complaints and queries compared to the number of subscribers/users of company concerned ¹⁾ (‰)	Number of complaints and queries compared to the total number of complaints and queries (%)
1.	LIVE TELECOM	12	0.384	0.7
2.	Air Telecom	9	0.121	0.5
3.	Vodafone CZ	150	0.047	8.7
4.	T-Mobile CZ	178	0.038	10.4
5.	Telefónica CZ	340	0.047	19.8
6.	UPC CZ	41	0.037	2.4

¹⁾ Number of all subscribers/users on 31. 12. 2012.

The CTU began to register queries on services of electronic communications from January 1, 2012. These queries are thematically divided in the similar manner as complaints (see the Table No. 7). Therefore, during the Second Quarter of 2013 altogether 1,132 queries were registered, what is by 36 queries less than in the preceding quarter. Besides queries, which were focused on conditions of doing business in the field of electronic communications and promulgation of certifications pursuant to provisions of § 26 of the Act on Electronic communications (45.8 %), major part of these queries were consumer issues. As with complaints major part of queries were focused on the issues of billing of prices for services (12.7 %), subscriber contracts (8.7 %) and the issues of services of third parties – premium services (4.9 %) and the issues of number portability in mobile network (5.7 %).

Survey of total number of complaints and queries for the Second Quarter of 2013 is brought forward in Table No. 7 and illustrated in the graph No. 1. Development of the number of complaints on services of electronic communications in a year-on-year comparison from the period of the Second Quarter of 2012 to the Second Quarter of 2013 are brought forward in the graph No. 2. The number of complaints, as compared to the identical periods of previous years, is illustrated in the graph No. 3. The graph No. 4 illustrates the number of complaints compared to the number of subscribers of companies in question (in ‰) the Second Quarter of 2012 to the Second Quarter of 2013.

Final summary

Decrease of the number of complaints of subscribers, and/or users of services of electronic communications in the Second Quarter of 2013, can be considered as a result of decrease of prices and introduction of new tariffs by mobile operators during April 2013 and in turn this decrease caused the decrease of the number complaints against billing of prices of services of electronic communications and complaints against deceitful trade practices. On the basis of data of mobile operators themselves most subscribers, both users of flat fee services, and pre-paid services, employed the offer of new tariffs and concluded new contracts with operators for flat fee services or changed their existing contracts and took over the new commitment. From the point of view of protection of consumer the CTU expects that

this fact can be negatively reflected in the dissatisfaction of consumers in the next period and in increase of the number of complaints concerning problems connected to premature termination of contract if subscriber, for example, decides to employ services of another operator. The CTU drew attention of consumers to the problems of conclusion of contracts combined with commitments in its information published on its internet pages on April 22, 2013 entitled: [Na co si dát pozor při uzavírání contracts na dobu určitou](#). (*What to watch out for when entering into Contracts for a fixed period of time*). Consumers were informed and warned to focus their attention, in addition to the advantages of contract offered, also on information for how long period of time the contract is concluded, whether contract can be cancelled and under which conditions, and whether and how contract may be automatically prolonged and which consequences premature termination of contract may have for subscriber.

Within the framework of material division of complaints the CTU still registers significant share of complaints concerning subscriber contracts. In evaluated quarter further increase of this type of complaints was noted. From the material point of view this increase has been caused mainly by complaints on contracts concluded remotely by phone. The most common reason of this type of complaints is insufficient awareness of consumers about this mode of contracting. There still exists a group of subscribers/consumers who believe that contract cannot be lawfully concluded this way, because they did not sign anything and, according to their interpretation, only when they sign the contract the same will take its effect, what is, unfortunately, a mistake about which the CTU informed consumers on its internet pages already in preceding years, for example [here](#).

Another indicated reason for the above mentioned complaints is the fact that during telephone conversation subscriber is familiar with different conditions than those included in the contract which he/she subsequently receives in contractual documentation or which are specified in his/her bill. When these complaints are checked, in majority of cases the so-called retention offers of operators are the reason. Retention offer is, in majority of cases, provided in the form of discount from price, which fact is not always comprehensively and clearly stated in the draft of contract. The CTU alerted mobile operators about this fact in its demands on modification of drafts of subscriber contracts. The CTU in this case requested that retention offer is provided to subscriber in a clear manner, both in amount and period of duration. In this respect the CTU recommended to operators to clearly declare this discount in contract including its parameters, as are, for example, its real amount and period of its validity or that this discount becomes a part of regular billing of services of electronic communications.

The Amendment of the Act on Electronic Communications, which became effective on August 8, 2013, should contribute to greater protection of consumers in concluding contracts using means of remote communication and outside regular facilities of entrepreneurs. The Amendment in its § 63 Para. 9 imposes new obligation on providers of services of electronic communications in concluding contracts using means of remote communication to provide subscriber, immediately after the conclusion of contracts or its change, with information within the extent of § 63 Para. 1, in electronic or written form. Deadline for subscriber to withdraw from the contract or its change, concluded outside regular facilities for doing business or using means of remote communication, starts to run on the day following the day the information was handed over. The above provisions create bigger time space for subscriber for detailed familiarization with content of contract and a possibility to withdraw from the contract thus concluded if he/she does not agree with its content.

Permanently significant share on the number of complaints of subscribers/users of services of electronic communications have complaints on premium services, despite the fact that, as

compared with the First Quarter, a decrease was registered. Complaints registered are investigated in co-operation with the APMS and in majority of cases are further delegated to the Czech Trade Inspection (ČOI), which is in these cases materially competent administrative body, because those are services of content. In this respect the CTU positively evaluates the steps of APMS which, on its internet pages publishes current information for consumers from the field of mobile services and recently launched in testing operation new internet pages <http://www.platmobilem.cz/>, where participants in services of electronic communications should find important information on the issues of payment services, their complaints or getting contacts to provider of services of content.

Within the framework of requirements of the CTU, asking for modification of draft contracts and contractual documents, operators were asked to allow participants in concluding contracts, to decide whether he/she really wants these services and intends to actively use them. Specific compliance with this demand can be met, for example, by active designation by participant of relevant box with additional service in the contract, whereby requested additional services will be chosen actively by participant.

Table No. 7

Český telekomunikační úřad

Stížnosti a dotazy účastníků / uživatelů¹⁾ za II. Q 2013

Předmět	Dotazy	Stížnosti				Stížnosti celkem ¹⁰⁾	Vyřizeno ve prospěch účastníka / uživatele ¹¹⁾	Celkem ¹²⁾
		Způsob vyřízení						
		Poskytnutí informací						
		Postup podle zákona ⁹⁾	Nedošlo k porušení zákona ⁹⁾	Nepříslušnost Úřadu				
a	b	c	d	e	f	g	h	
1. 1 Služby elektronických komunikací	296	259	76	20	355	575	651	
2 nezřízení služby elektronických komunikací	3	0	7	0	7	3	10	
3 kvalita služby elektronických komunikací	20	14	1	0	15	34	35	
4 účastnické smlouvy	98	103	31	11	145	212	243	
5 nes poskytování služby elektronických komunikací v souladu se smlouvou	21	10	7	2	19	33	40	
6 aktivace nevyžádané služby elektronických komunikací	10	2	7	3	12	15	22	
7 nesouhlas s vyúčtováním	144	130	23	4	157	278	301	
2. 8 Radiokomunikační služby	7	0	0	0	0	7	7	
3. 9 Přenositelnost telefonního čísla v mobilní síti	65	15	6	1	22	81	87	
4. 10 Přenositelnost telefonního čísla v pevné síti	13	4	1	0	5	17	18	
5. 11 Nezřízení nebo přeložení telefonní stanice	1	2	1	0	3	3	4	
6. 12 Služba zákaznické podpory poskytovatele služeb elektronických komunikací	1	0	0	0	0	1	1	
7. 13 Způsob získávání zákazníků ze strany poskytovatelů a dealerů	1	0	0	0	0	1	1	
8. 14 Příjem TV signálu v souvislosti s digitalizací vysílání	20	2	0	0	2	22	22	
9. 15 Klamavá reklama	0	0	0	2	2	2	2	
10. 16 Ochrana spotřebitele ²⁾	22	27	22	6	55	55	77	
17 dodržování poctivosti poskytování služeb (§ 3 ZOS)	0	1	1	0	2	1	2	
18 nekalé obchodní praktiky ³⁾ (§ 4 ZOS)	6	3	14	0	17	9	23	
19 klamavé obchodní praktiky (§ 5 ZOS)	15	18	5	6	29	39	44	
20 agresivní obchodní praktiky (§ 5a ZOS)	0	0	0	0	0	0	0	
21 zákaz diskriminace spotřebitele (§ 6 ZOS)	0	1	1	0	2	1	2	
22 informační povinnosti (§ 9 až 10 a § 11 až 13 ZOS)	1	4	0	0	4	5	5	
23 další povinnosti při poskytování služeb elektronických komunikací (§ 15 až 16 a § 19 ZOS)	0	0	1	0	1	0	1	
11. 24 Univerzální služba	1	1	2	0	3	2	4	
25 přístup zdravotně postižených osob k veřejně dostupné telefonní službě ⁴⁾	1	1	1	0	2	2	3	
26 veřejné telefonní automaty ⁵⁾	0	0	1	0	1	0	1	
27 přístup a možnost využívání služeb osobami s nízkými příjmy ⁶⁾	0	0	0	0	0	0	0	
12. 28 Ostatní ⁷⁾	705	60	14	65	139	830	844	
29 telefonní seznamy	0	1	0	1	2	2	2	
30 informační služba o telefonních číslech účastníků	1	0	0	0	0	1	1	
31 služby třetích stran - premium SMS	55	22	0	33	55	110	110	
32 služby třetích stran - audiotextové služby	13	1	1	5	7	19	20	
33 obtěžující a nevyžádaná volání	10	14	1	2	17	26	27	
34 nabízení marketingové reklamy v rozporu s § 96 ZEK	2	0	2	0	2	2	4	
35 komunikační sítě, ochranná pásma a využívání cizích nemovitostí	33	1	1	3	5	37	38	
36 podnikání v elektronických komunikacích	237	2	0	0	2	239	239	
37 zkouška odborné způsobilosti (§ 26 ZEK)	281	0	0	0	0	281	281	
38 pokrytí signálem TV a GSM	23	1	3	0	4	24	27	
39 ochrana osobních údajů	1	0	1	0	1	1	2	
40 různé	49	18	5	21	44	88	93	
CELKEM	1132	370	122	94	586	1596	1718	

Translation of the Table No. 7:

Table No. 7

The Czech Telecommunication Office

Complaints and quarries of subscribers/users¹ for the Second Quarter of 2013

Předmět = subject stížnosti = complaints dotazy = queries
způsob vyřízení = method of settlement
poskytnutí information = provision of information
postup podle zákona = procedure pursuant to the Law
nedošlo k porušení zákona = the Law not violated
nepříslušnost Úřadu = non-competency of the Office
stížnosti celkem = complaints in total
vyřízeno ve prospěch účastníka/uživatele = settled in favour of subscriber/user
celkem = in total

1. 1. Services of electronic communications

2. non-delivery of service of electronic communications
3. quality of service of electronic communications
4. subscriber contracts
5. non-delivery of service of electronic communications in harmony with the contract
6. activation of non-solicited service of electronic communications
7. disagreement with billing

2. 8. Radiocommunication services

3. 9. Portability of telephone number in mobile network

4. 10. Portability of telephone number in fixed network

5. 11. Non-establishment or transfer of telephone station

6.12. Service of customer support of provider of services of electronic communications

7.13. The way of acquisition of customers from the part of providers and dealers

8.14. The reception of TV signal in connection with digitalisation of broadcasting

9.15. Misleading advertisement

10.16. Protection of consumer

17. Observance of honesty in provision of services (§ 3 of the AEC)
18. unfair commercial practices (§ 4 of the AEC)
19. misleading commercial practices (§ 5 of the AEC)
20. aggressive commercial practices (§ 5a of the AEC)
21. ban on discrimination of consumer (§ 6 of the AEC)
22. obligations of information (§ 9-10 and § 11-13 of the AEC)
23. another obligations in provision of services of electronic communications (§ 15-16 and § 19 of the AEC)

11. 24. Universal service

25. the access of handicapped persons to publicly available telephone service⁴⁾
26. publicly available telephones⁵⁾
27. access and possibility to use services for persons with low incomes⁶⁾

12. 28. Others

29. telephone directories
30. information service on telephone numbers of subscribers
31. services of third parties - premium SMS
32. services of third parties - audiotex services
33. harrassing and non-solicited calls
34. offering marketing advertisement in conflict with § 96 of the AEC

- 35. communication networks, protection zones and utilization of foreign property
- 36. entrepreneurship in electronic communications
- 37. test of professional qualification (§ 26 of the AEC)
- 38. coverage of territory by the TV and GSM signals
- 39. protection of personal data
- 40. various

IN TOTAL

Legenda – TABLE NARRATIVE :

1) They are not the complaints pursuant to § 175 of the Act No. 500/2004 Coll., the Administrative Order, as amended by the Act No. 413/2005 Coll. They are not the objections against the settlement of warranty claim concerning publicly available service of electronic communications, nor any other subscribers's disputes resolved in the administrative proceedings. Complaints and queries are registered in the phase of settlement.

2) Pursuant to the Act No. 634/1992 Coll., on the Protection of Consumer, as later amended.

3) There are commercial practices in harmony with provisions of § 4 of the Act on the Protection of Consumer, according to which commercial practice is unfair if actions of entrepreneur towards consumer is in contradiction to requirements of professional care and is capable to influence his/her decisions so that he/she may take a decision which he/she would never made. Unfair commercial practices are, in particular, misleading and aggressive commercial practices.

4) The decision No. 44 813/2009-610/IVII. vyř. dated June 23, 2009, on Imposition of the obligation to provide, within the framework of the Universal service, the partial service – the access of handicapped persons to publicly available telephone service, which is equivalent to the access employed by other end users, particularly by means of specially equipped telecommunication end devices, pursuant to § 38 Para. 2 Letter f) of the Act of Electronic Communications.

5) The decision No. 466/2006-610/II.. vyř. dated March 13, 2006, as amended by the decision No. 20 583/2008-610/IX., vyř. ref. No. 63 465/2009-610/IX. and ref. No. 100 041/2010-610/VI. vyř., by which the obligation was imposed to provide, within the framework of the Universal service, the partial service – services of public telephones.

6) The decision ref. No. ČTÚ-43 632/2011-610/VI. vyř., dated June 7, 2011, concerning the imposition of the obligation within the framework of the Universal service, to allow persons having special social needs, pursuant to § 38 Para. 4 of the Act of Electronic communications and in harmony with § 44 and § 45 of this Act, the choice of prices or price plans different from price plans provided under normal commercial conditions, so that these persons have the access and could utilise partial services and publicly available telephone service.

7) It is a different type of complaint mentioned, cannot be included into points 1 to 10.

8) It is a provider of services of electronic communications and/or provider of content .

9) It is the Act on Electronic communications and in case a complaint or query deals with protection of consumer then it is the Act on Protection of Consumer.

10) It includes complaints – procedure pursuant to the Act on Electronic communications (column c) – complaints - the Act on Electronic communications was not violated (column d) and complaints - non-competency of the Office (column e).

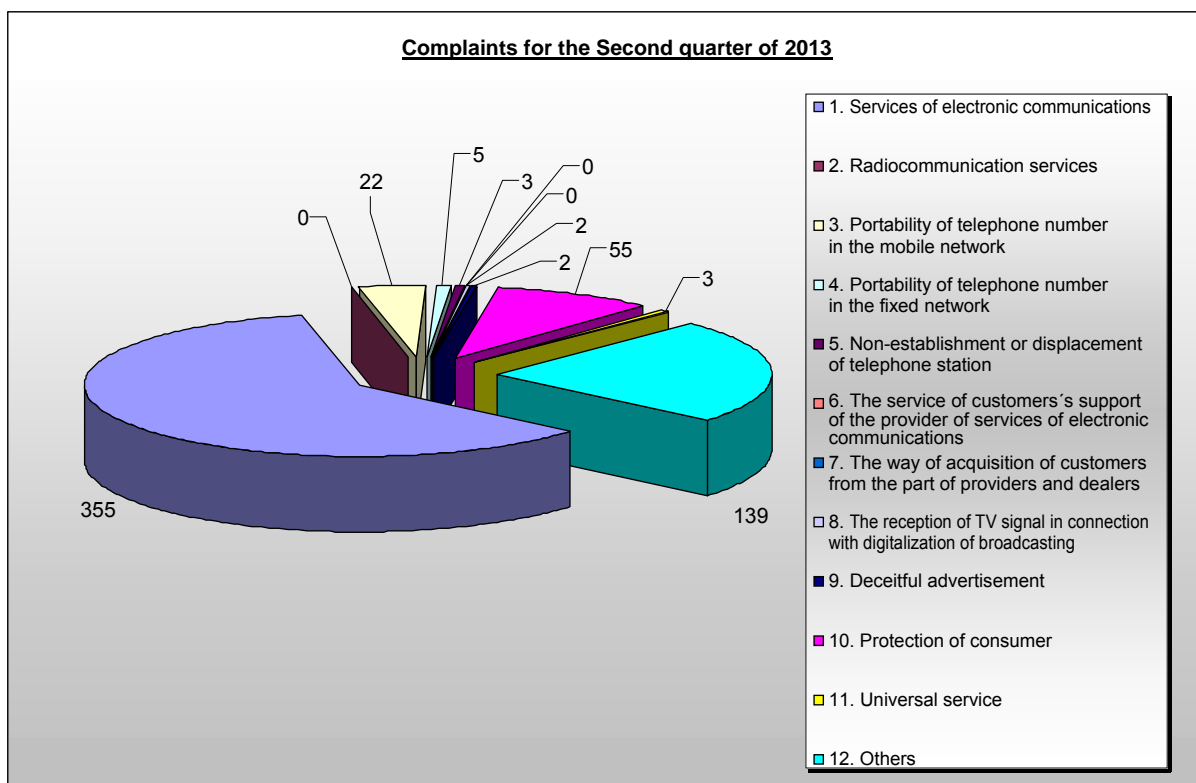
11) It includes complaints (column b) – procedure pursuant to the Act on Electronic Communications (column c) and complaints - non-competency of the Office (column e).

12) It includes queries (column b), complaints – procedure pursuant to the Act on Electronic Communications (column c), complaints - the Act on Electronic communications was not violated (column d) and complaints - non-competency of the Office (column e).

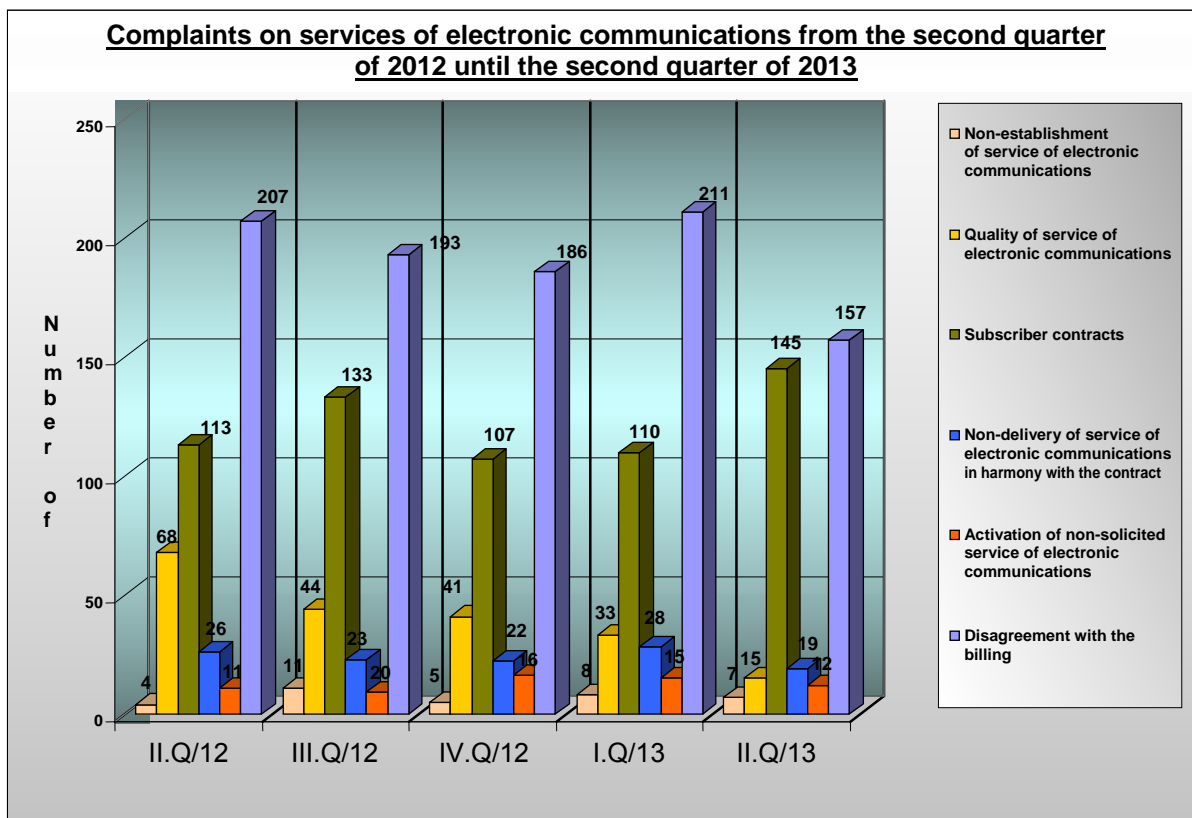
AEC – the Act on Electronic Communications and amendments of some related Laws (the Act on Electronic Communications), as amended by subsequent Laws.

APC - the Act No. 634/1992 Coll., on the Protection of Consumer, as later amended.

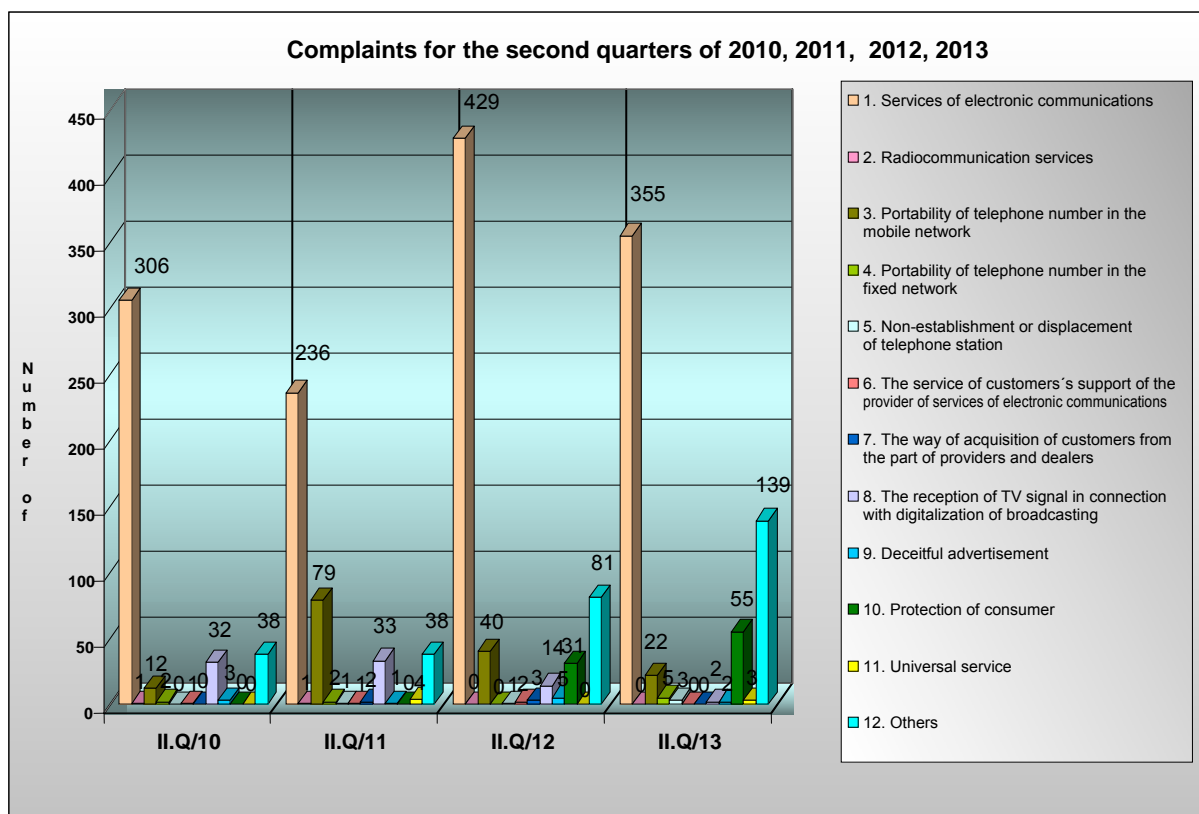
The Graph No. 1



The Graph No. 2

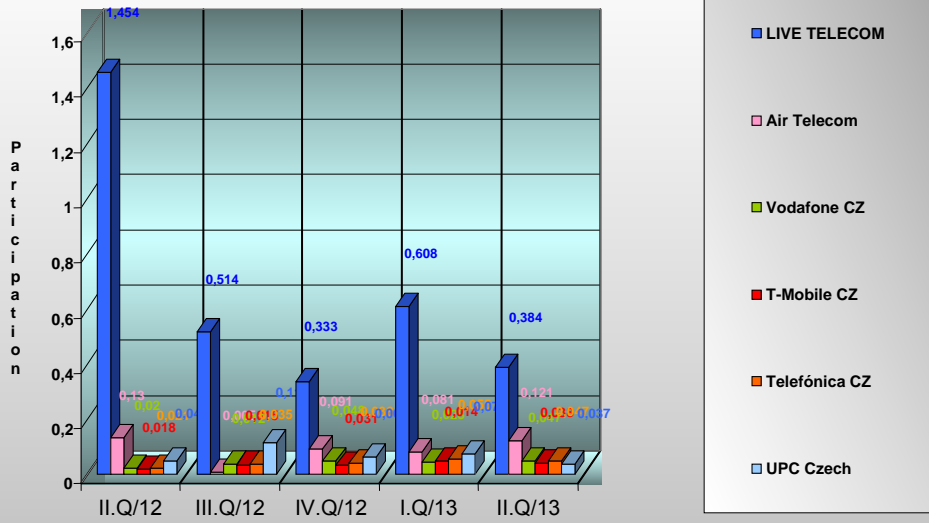


The Graph No. 3



The Graph No.4

The representation of the number of complaints in relation to the number of subscribers of given companies (in %) from the second quarter of 2012 until the second quarter of 2013



Postal services

In the period monitored the CTU registered altogether 18 complaints on basic postal services pursuant to provisions of § 3 of the Act No. 29/2000 Coll., on Postal services and on Amendments of some other Acts (the Act on Postal services), as amended by later regulations, what represents, as compared to the first quarter of 2013, increase by 33.3 %. Out of the total number of complaints on basic postal services, seven was settled in favour of consumer, concerning 11 complaints this Act was not violated. From the perspective of basic services complaints of consumers were most often focused on the service of delivery of postal consignments in seven cases. In all cases there were the complaints concerning the services of Česká pošta, s. p.

In the second quarter of 2013 the CTU also registered eight queries concerning basic postal services, most often on the service of delivery of registered consignments. As compared with the preceding quarter the number of queries increased by five queries.

The CTU also received 35 complaints on postal services relating to basic parameters for provision of postal services, as, for example, long waiting times, opening hours of post offices, delivery of postal consignments, settlement of complaints, etc., what represents increase by 169 % as compared with the preceding quarter.

Out of the total number of these complaints the biggest share belongs to the delivery of postal consignments in 25 cases what represents 71.4 % in this category. The CTU registered also queries concerning other than basic postal services, namely 13 in total, what is increase by 10 queries as compared with the preceding quarter. Also in this agenda all complaints and queries were related to the services of Česká pošta, s. p.

There is also new category of complaints and queries concerning selected non-postal services (CZECH Point, data boxes, electronic signature, services of Poštovní spořitelna and other financial services), however, their solution does not fall within the competencies of the CTU and these submissions are delegated to materially competent administrative bodies. During the last quarter the CTU registered one complaint on data boxes and electronic signature and two complaints on financial services.

The numbers mentioned are complaints are shown in Table No. 8.

Table No.8

Český telekomunikační úřad Czech Telecommunication Office

Complaints and queries of customers concerning postal services for the Second Quarter of 2013

Předmět = subject stížnosti = complaints dotazy = queries
způsob vyřízení = method of settlement
poskytnutí informace = provision of information
postup podle zákona = procedure pursuant to the Law
nedošlo k porušení zákona = the Law not violated
nepříslušnost Úřadu = non-competency of the Office
stížnosti celkem = complaints in total
vyřízeno ve prospěch účastníka/uživatele = settled in favour of subscriber/user
celkem = in total

1. 1. Complaints and queries concerning basic postal services pursuant to § 3 of the Act on postal services

2. Service of delivery of postal consignments up to 2 kgs
3. Service of delivery of postal packages up to 10 kgs
4. Service of delivery of amount of money by postal voucher
5. Service of delivery of recommended consignments
6. Service of delivery of valuable consignments
7. Service of free delivery of postal consignments up to 7 kgs for blind persons
8. Basic foreign postal services
9. Service of delivery of postal packages over 10 kgs filed abroad

10. Service of international replies
11. Service of responsible consignments in international contact
12. Service of delivery of print package

In total

2. 13. Complaints and queries concerning selected postal services

14. long waiting times
15. opening hours of post offices
16. change of depository post office
17. delivery of postal consignments
18. settlements of complaints
19. breach of postal secrecy
20. postal consignments to/from abroad
21. delivery of official documents
22. requests for information

In total

3. 23. Complaints and queries concerning selected non-postal services

24. Czech Point
25. data boxes
26. electronic signature
27. Poštovní spořitelna and other financial services
28. other services

In total

THE SUM OF COMPLAINTS AND QUERIES CONCERNING POSTAL AND SELECTED NON-POSTAL SERVICES

Table No. 8

Český telekomunikační úřad

Stížnosti a dotazy zákazníků na poštovní služby za II. čtvrtletí 2013

Předmět	Dotazy	Stížnosti					Stížností celkem	Vyřizeno ve prospěch zákazníka	Celkem
		Postup podle zákona	Nedostatek	porušení	Nepříslušnost Úřadu	Způsob vyřízení			
a	b	c	d	e	f	g	h		
1. 1 Stížnosti a dotazy na základní služby podle § 3 Zákona o poštovních službách									
2 služba dodání poštovních zásilek do 2 kg	0	5	2	0	7	5	7		
3 služba dodání poštovních balíků do 10 kg	1	0	3	0	3	1	4		
4 služba dodání peněžní částky poštovním poukazem	1	0	0	1	0	2	2		
5 služba dodání doporučených zásilek	4	0	4	0	4	4	8		
6 služba dodání cenných zásilek	0	0	1	0	1	0	1		
7 služba bezúplatného dodání poštovních zásilek do 7 kg pro nevidomé osoby	0	0	0	0	0	0	0		
8 základní zahraniční poštovní služby	2	2	0	0	2	4	4		
9 služba dodání poštovních balíků nad 10 kg podaných v zahraničí	0	0	1	0	1	0	1		
10 služba mezinárodních odpovědek	0	0	0	0	0	0	0		
11 služba odpovědních zásilek v mezinárodním styku	0	0	0	0	0	0	0		
12 služba dodání tiskovinného pytle	0	0	0	0	0	0	0		
CELKEM	8	7	11	1	18	16	27		
2. 13 Stížnosti a dotazy na poštovní služby									
14 dlouhé čekací doby	0	0	0	0	0	0	0		
15 otevírací doba pošt	1	1	1	0	2	2	3		
16 změna ukládací pošty	0	1	1	0	2	1	2		
17 dodání poštovních zásilek	4	11	14	0	25	15	29		
18 vyřizování reklamací	3	5	0	0	5	8	8		
19 porušení poštovního tajemství	0	0	0	0	0	0	0		
20 poštovní zásilky do/ze zahraničí	1	0	1	0	1	1	2		
21 doručování úředních písemností	1	0	0	0	0	1	1		
22 žádosti o informace	3	0	0	2	0	5	5		
CELKEM	13	18	17	2	35	33	50		
3. 23 Stížnosti a dotazy na vybrané nepoštovní služby									
24 Czech POINT	0	0	0	0	0	0	0		
25 datové schránky	0	0	0	1	0	1	1		
26 elektronický podpis	0	0	0	1	0	1	1		
27 Poštovní spořitelna a ostatní finanční služby	0	0	0	2	0	2	2		
28 ostatní služby	2	1	0	3	1	6	6		
CELKEM	2	1	0	7	1	10	10		
SOUCET STÍŽNOSTÍ A DOTAŽŮ NA POŠTOVNÍ A VYBRANÉ NEPOŠTOVNÍ SLUŽBY	15	19	17	9	36	43	60		

3. Regulatory Measures

Market analyses

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

On July 10, 2013 the CTU sent to the European Commission (EC) for notification draft analysis of relevant market No. 2 – Call origination on the public telephone network provided at a fixed location. The CTU sent the draft together with the text of draft decision on determination of enterprise having significant market power (company Telefónica), together with the opinion of the Office for protection of economic competition (ÚOHS) and with the table containing settlement of comments from public consultation pursuant to § 130 of the Act on Electronic communications. By this the CTU consults with the EC the draft analysis pursuant to § 131 of the Act on Electronic communications. On July 19, 2013 the CTU received from the European Commission request for provision of information (the so-called „request for information – RFI“) pursuant to the Article 5(2) of Framework Directive, concerning the draft analysis. The CTU responded to this request on July 24, 2013, however, before sending this reply it received from the European Commission the second request for provision of information. To this request the Office responded on July 26, 2013. The CTU received the final opinion of the Commission on August 9, 2013.

Market No. 3 – Call termination on public telephone networks provided at a fixed location

The CTU settled comments arrived within the framework of public consultation of the draft Measure of General Nature - the Analysis of the market No. [A/3/XX.2013-YY](#) – Call termination on public telephone networks provided at a fixed location. [Comments](#) within the framework of public consultation were applied by three subjects. [Table of settlements of comments](#) including communication informing about result of public consultation were published by the CTU on its internet pages on July 1, 2013. On the basis of comments applied the CTU modified the draft analysis of relevant market No. 3, which it sent on July 11, 2013 to the ÚOHS for its opinion, after it was discussed by the CTU's Council.

Market No. 6 – Wholesale terminating segments of leased lines, irrespective of the technology used to provide leased or dedicated capacity

On August 21 the workshop was held with representatives of operators and expert public to the draft analysis of relevant market No. 6 – Wholesale terminating segments of leased lines, irrespective of the technology used to provide leased or dedicated capacity.

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

On July 1, 2013 public consultation terminated of the 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 the relevant market No. 7 were applied by five subjects. The CTU published [Table of settlement of comments](#) including communication informing about the result of public consultation on its internet pages on July 25, 2013. On the basis of comments applied the CTU modified the draft analysis of relevant market No. 7, which it sent on July 30, 2013 to the ÚOHS for its opinion, after it was discussed by the CTU's Council.

Market No. 8 – Access and call origination on public mobile telephone networks

As the CTU already informed in its [press release](#) on July 19, 2013, the CTU's Council on its meeting held on July 18, 2013 was acquainted with the current state of preparation of the analysis of relevant market No. 8 – Access and call origination on public mobile telephone networks. The CTU will incorporate the evaluation of the last international comparison of prices Teligen from the company Strategy Analytics in the draft analysis of relevant market

No. 8, it will update the data for the period of the first half of 2013 and will make conclusions from the assessment of wholesale contracts among operators and MVNO. After that the new version of the draft analysis will be submitted again to the Council for discussion in September 2013.

Portability of numbers (termination of CNPAC contracts)

On July 30, 2013, on the basis of incentives of several subjects, the CTU discussed with representatives of the company CNPAC s.r.o. and the Association of operators of mobile networks (APMS) the issues of termination of contracts on access of third parties to the national reference database of numbers serving primarily to the implementation of number portability. The reason for the meeting was the argumentation of reasons for termination through the new Measure of General Nature [č. OOP/10/10.2012-12](#), which determines technical and organizational conditions for the implementation of telephone numbers portability and the principles for number portability billing between undertakings. (hereinafter „OOP 10“).

On this meeting the representatives of the CTU drew attention particularly to the fact that the very conditions of the new OOP 10 cannot be the reason for notice of termination of contracts on utilization of information of reference database of ported numbers. The conditions of OOP 10 regulate, in harmony with the statutory mandate of the CTU, only procedures among operators in providing number portation and they cannot in any way limit (in compliance with valid legal regulations) availability of information concerning ported numbers for remaining subjects involved.

Within the framework of the meeting it was subsequently confirmed that objective reasons for the new treatment of contractual relations are, in particular, the emergence of new technical solutions of the database, and necessity to ensure observance of obligations ensuing from provisions of the Act No. 101/2000 Coll., on Protection of personal data and Amendments of some Acts, as amended by later regulations. The representatives of the APMS reinsured the CTU that these reasons will be subsequently explained in detail to subjects, which received notices of termination of existing contracts. Representatives of the CNPAC and the APMS confirmed the standpoint of the CTU that the reason for modification of contractual relations is not the promulgation of new OOP 10, and assured the CTU that subjects involved will not be restricted in access to national reference database of ported numbers if all statutory obligations are observed.

Management of data operation

On July 31, 2013 the CTU published [Call to apply comments](#) to the proposal of [General rules and recommendations for utilization of management of data operation](#). This proposal is based on the Measure No. 7, imposed on the CTU in the document „Digitální Česko v. 2.0, Cesta k digitální ekonomice“. The reason for publication of the proposal is to determine opinion of expert public and interested subjects in order to assess if rules proposed and the list of parameters of quality of services are sufficient to ensure transparent information that can be employed by end users. Part of the proposal is also proposal of parameters of quality of the service of access to the Internet network, which is prepared in accordance with provisions of § 71 of the Act on Electronic Communications. In creating proposal of general rules the CTU placed particular emphasis on sufficient transparency towards end users of services. Individual users should, therefore, have sufficiently detailed information about applications and services, which are available through connection, on quality of services provided, their potential limitations and about utilization of management of data operation, which may have impact on provision of services. Concerning the management of data operation the CTU then distinguishes if it is management of operation, which affects only selected type of operation (It is then either preferred or vice versa restricted), or data

operation is run (limited) regardless of the type of operation. Comments to the proposal can be applied not later than by August 31, 2013.

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

Proceedings commenced in July 2013

In July 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 July 2012

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

5. Universal service

On July 25, 2013 the CTU published on the electronic Official Board [Communication](#) on initiation of review of reasons on the basis of which, within the framework of Universal service, obligation is imposed to enable persons with special social needs, in harmony with § 44 and 45 of the Act on Electronic communications, selection of prices or price plans which are different from price plans provided under normal trading conditions so that these persons have access and can employ partial services and publicly available telephone service (hereinafter „special prices“) pursuant to § 38 Para. 3 of the Act on Electronic communications. Considering the termination of validity and effectiveness of [decision čj. CTU-43 632/2011-610/VI. vyř.](#) the CTU commenced, pursuant to § 39 Para. 3 of the Act on Electronic Communications, review of the above mentioned reasons on the basis of which obligation is imposed to provide special prices. For the purposes of current review the CTU needs to acquire information, comments and incentives concerning provision of special prices. On the basis of results of review the CTU will promulgate its intention on the next imposition or non-imposition to provide special prices and will justify its intention.

The company Telefónica Czech Republic, a.s., submitted to the CTU request for reimbursement of net costs for provision of partial services of Universal service for the year 2012 at the amount of CZK 51,285,028.10 and also asked for the coverage of losses incurred from the provision of special prices of publicly available telephone services to handicapped persons for the same period at the amount of CZK 96,985,174. The CTU launched administrative procedure with this provider of Universal service in which it will verify amounts included in requests submitted. After final decisions are promulgated verified net costs and the loss will be covered from the State budget through the CTU.

6. Inspection activities

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

Services of electronic communications

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

Performance of communication activities without authorization - in the period monitored individual regional departments of the CTU performed analysis of contractual

documentation of providers of services of electronic communications within the framework of which also inspection of notification of communication activity by these subjects is performed.

Inspection of observance of conditions of individual authorization for utilization of radio frequencies - the CTU performed 56 inspections of observance of conditions of individual authorization for utilization of radio frequencies concerning predominantly observance of stipulated conditions by operator of UHF FM transmitters. The CTU promulgated 16 calls demanding elimination of deficiencies discovered, mostly due to exceeding the permitted modulation output and non-observance of approved transmitting station.

Observance of conditions of general authorization No. VO-R/12/09.2010-12 concerning utilisation of radio frequencies and operation of facilities for broadband data transmission in the bands from 2.4 GHz to 66 GHz – CTU performed 35 inspections. In 15 cases it discovered breaches which will be resolved by call demanding elimination of deficiencies discovered and administrative proceedings will be opened in these cases.

Inspection of utilisation of radio frequencies without authorization – the CTU performed 22 inspections focused on subjects whose individual authorizations lost their validity. In nine cases the Office discovered utilisation of radio frequencies without authorization and will launch administrative proceedings.

Identification of sources of jamming of the operation of electronic communication facilities and networks, provision of services of electronic communications or operation of radiocommunication – CTU performed altogether 58 local investigations. In 11 cases the CTU promulgated calls demanding elimination of jamming. In July 2013 was discovered, for example, jamming of short range devices (SRD), in one case remote control of gateway, in another case remote control of unlocking a car door. As sources of jamming were indentified in July, for example, WIFI routers, radiating television antennas , radiation of lift converters, defects on antenna technology, incorrect installation of antennas and wiring for television receivers.

Collaboration of the CTU with Česká obchodní inspekce (the Czech Trade Inspection) - in checking the sellers of telecommunication terminal and radio equipment in Varnsdorf and Vejprty in Chomutov district both authorities discovered sale of models of radio controlled models of cars, working in the bands of 31 and 49 MHz. These radio facilities cannot be operated in the Czech Republic without individual authorization for the utilization of radio frequencies. Deficiencies discovered are resolved by the Czech Trade Inspection within its competence..

Přehled kontrolní činnosti při výkonu státní kontroly elektronických komunikací za měsíc červenec 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)	13								
2. Počet změn osvědčení o oznámení podnikání (§14 ZEK)	50								
3. Výkon komunikační činnosti bez osvědčení	0			1	0			0	0
4. Dodržování podmínek všeobecných oprávnění	35		15	6	6			6	49500
a) k zajišťování veřejných komunikačních sítí a přiřazených prostředků		0	0	0	0			0	0
b) k poskytování služeb elektronických komunikací		0	0	0	0			0	0
c) k využívání rádiových kmitočtů a provozování přístrojů (rádiových zařízení)		35	15	6	6			6	49500
5. Kontrola rádiových kmitočtů	136		27	11	8			8	108500
a) využívání rádiových kmitočtů bez oprávnění k jejich využívání		22		9	6			6	13500
b) dodržování podmínek individuálního oprávnění k využívání rádiových kmitočtů		56	16	2	2			2	95000
c) Zjišťování zdrojů rušení provozu elektronických komunikačních zařízení a sítí, poskytování služeb elektronických komunikací nebo provozování radiokomunikačních služeb		58	11	0	0			0	0
6. Kontrola čísel pro účely správy čísel (počet kontrolních volání)	2		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		2	0	0	0			0	0
7. Rozhodování účastnických sporů	0			3156	3973	301	1019		
a) o námitce proti vyřízení reklamace na poskytnutou službu		0		1	2	1	0		
b) o námitce proti vyřízení reklamace vyúčtování cen za služby		0		20	9	0	6		
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		3126	3960	299	1012		
d) ostatní		0		9	2	1	1		
8. Neposkytnutí informací podle § 115 ZEK				0	0			0	0
9. Ostatní	48		4	50	21			21	96500
CELKEM	223		46	3224	4008	301	1019	35	254500

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

Translation of the Table : Přehled kontrolní činnosti při výkonu státní kontroly elektronických communications za měsíc červenec 2013

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

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 správních 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

Observance of conditions of the Act No. 29/2000 Coll., on Postal services and on amendments of some Acts (the Act on Postal services), as amended by later regulations and implementing regulations, particularly by the Decree No. 464/2012 Coll., on Determination of specification of individual basic services and basic qualitative requirements for their provision – within the framework of its inspection activity the CTU in the month of July performed random check of selected mobile service points in South Bohemian region. The aim of the inspection was to verify if times which the Česká pošta published on its internet pages are real and that the public can catch up these mobile service points. In some cases the Česká pošta did not observe the time declared for catching up of mobile service point. The CTU further checked branch office of the Česká pošta, s. p., in Benešov nad Černou if public has access to postal conditions including valid price list and if delivery of registered consignments is carried out in accordance with the Act on Postal services. Within the of

inspection in the branch office of the Česká pošta, s. p., in Benešov nad Černou the Office did not find any misconduct.

Cesky telekomunikační úřad

Přehled činnosti při výkonu státní kontroly poštovních služeb a účastnických sporů za měsíc červenec 2013

Druh činnosti	Počet		Počet opatření v zájmu řádného poskytování služeb podle	Počet SR z předcházejícího měsíce	Počet zahájených SR	Počet vydaných rozhodnutí	Rozhodnuto			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	0											
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	16		1	2	0	2				2	20000	0
5 5 Dodržování poštovních podmínek podle § 6 ZPS		1	1	1	0	1				1	10000	0
6 6 Dodržování podmínek kvalitativních požadavků podle vyhlášky č. 464/2012		15	0	1	0	1				1	10000	0
7 7 Rozhodování o námitkách proti vyřízení reklamace podle § 6a ZPS	0			5	2	4	0	3	1			3
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	0
10 10 Ostatní	2		0	0	0	0				0	0	0
11		2	0	0	0	0				0	0	0
12		0	0	0	0	0				0	0	0
13		0	0	0	0	0				0	0	0
14		0	0	0	0	0				0	0	0
15		0	0	0	0	0				0	0	0
16		0	0	0	0	0				0	0	0
17		0	0	0	0	0				0	0	0
18		0	0	0	0	0				0	0	0
19		0	0	0	0	0				0	0	0
CELKEM	18		1	7	2	6	0	3	1	2	20000	3

Translation of the Table: Přehled činnosti při výkonu státní kontroly poštovních služeb za měsíc červenec 2013

The Survey of inspection activities in performance of State control of Postal services for the month of July 2013

Druh činnosti = kind of activity

počet - number celkově = in total z toho = of which

počet opatření v zájmu řádného poskytování služeb podle - the number of measures in the interest of proper provision of services pursuant to

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

počet zahájených správních 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

počet správních řízení přecházejících do následujícího měsíce = the number of administrative proceedings passing 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

¹² The purpose of the method of BU-LRIC (Bottom-up Long-Run Incremental Cost) is the definition of costs for services provided which would incur to new efficient operator on the competition market under condition that network is reconstructed so be so as to satisfy both existing and future demand.

4. Observance of conditions of the Act on Postal services (hereinafter APS) and other regulations

5. Observance of postal conditions pursuant to § 6 of the Act on Postal services (hereinafter APS) and other regulations

6. Observance of postal conditions pursuant to the Decree No. 464/2012 Coll.

5. 7. Resolution on objections against the settlement of reclamation pursuant to § 6a of the APS

6. 8. Resolutions on disputes pursuant to § 37, Para 3, Letter a) of the APS

7. 9. Withholding of information pursuant to § 32a) of APS

8. Others

7. Other regulators, inspection authorities, courts

Regulation on the market No. 5 in Spain

The European Commission has serious doubts about activities of Spanish regulator CMT, which proposed new price regulation for wholesale broadband access. The Commission states that this proposal includes „element of arbitrariness“. Prices proposed for new bilayer Ethernet services (Neba) and existing regulated services of wholesale access (Gig ADSL and ADSL IP) include considerable modification upwards as compared to the results of cost model BU-LRIC+, including risk premium at the level of 4.81 %. The Commission expressed its serious doubts that adjustment of prices, which are by up to 50 % higher than cost effective prices, would support economic competition and investments.

The Commission has launched the second phase of investigation concerning wholesale prices of broadband access proposed by Spanish regulator CMT. The Commission fears that the CMT has not sufficient evidence for proposed price regulation because prices proposed cannot be explained with the help of the model BU-LRIC+ and are determined significantly exceeding efficient costs what raises serious doubts about compatibility with number of legal regulations of the EU. Simultaneously these prices would impede creation and development of trans-European networks and unified market. Specifically, supra-national provider would thus be discouraged from buying wholesale broadband access in Spain.

Regulation in the market No. 7 in Germany

On July 19, 2013 German regulatory body (BNetzA) endorsed the decision by which, on the basis of (new) analysis of relevant market No. 7 – Termination of voice call (Termination) in individual public mobile telephone networks, imposed on mobile operators the obligation to charge price for termination of call in maximum amount of €cent 1.85 /min. (i.e appr. CZK 0.48/min.) from December 1, 2012 (the price is determined retroactively) and in the maximum amount of €cent 1,79/min. (i.e appr. CZK 0,46/min.) from December 1, 2013. The prices of regulated services were determined on the basis of cost methodology LRIC+ and the price also reflected joint (overhead) costs, the costs which do not change with the volume of operation (at least with the volume of operation connected with wholesale service of termination). German regulatory body took this decision despite disagreement of the European Commission, which, in its Recommendation on the Regulation of rates for termination of call in fixed and mobile networks in the EU (2009/396/EC), has stipulated the so-called „pure“ LRIC as the optimum method for calculation of termination of prices. Dissenting opinion of the European Commission was supported, within the framework of the second phase of implementation process, which was started by the European Commission with German regulator on February 28, 2013, also by the Association of European regulatory

bodies BEREC. BEREC [promulgated](#) its opinion in April 2013. Similar result can be probably expected also in case of determination of wholesale prices for termination in fixed networks. However, notifications of corrective measures of German regulator in this case were not yet completed.

8. Consumer issues

Subscriber disputes – disputes on financial performance and objections against settlement of complaint

During the month of July the CTU launched 3,156 administrative proceedings concerning subscriber disputes between a person performing communication activities, on the one hand, and a participant, on the other hand, concerning financial performance, and proposals for commencement of procedure concerning objections against the settlement of complaint against price settlement or provision of publicly available service of electronic communications, which the CTU decides pursuant to § 129 of the Act on Electronic Communications. 3,973 decisions in re were promulgated, of which 3,960 were decisions concerning financial performance (payment of price for services).

As per June 30, 2013 the CTU registered approximately 390,000 undecided disputes concerning pecuniary performance. The CTU informed the Government about this very critical situation and submitted number of concrete steps for its solution. On July 3, 2013 the Government discussed the Information of the CTU and adopted its Resolution No. 528. The Government, in particular, revoked the Resolution of the Government from November 9, 2011 No. 815, which, inter alia, imposed the obligation on the CTU to transfer to the Ministry of Justice, gradually in two steps, altogether 100 systemized positions and relevant financial means.

By the Resolution of the Government No. 528 the CTU received back 50 systemized positions, whose transfer to the Ministry of Justice the Government endorsed in 2011.

Simultaneously, the Government approved the increase of the number of systemized positions of the CTU by 150 positions. This should accelerate handling of relevant agenda in the first and second degrees of administrative proceedings.

Until the time when handling disputes on financial performance will be harmonized with valid legislation, what is expected to occur before the end of 2016, the CTU will dispose of 200 employees for the solution of disputes with effect from August 1, 2013.

Despite the above mentioned change the CTU continues in its efforts and seeks an amendment of the Act on Electronic communications so that the competencies to decide subscriber disputes pursuant to § 129 of the Act on Electronic Communications, the subject of which is financial performance, is moved from the CTU to courts.

Protection of consumer.

In terms of the agenda of the protection of consumer, the most important event of the past period was the adoption of the Amendment of the Act on Electronic Communications by the Senate of the Czech Republic and signature of this Act by the President of the Czech Republic. The Amendment was promulgated in the Collection of Laws on July 24, 2013, and the Amendment itself became effective on August 8, 2013. Information concerning this Amendment is also mentioned in the Chapter No. 10.

Entrepreneurs providing publicly available service of electronic communications or ensuring connection to public communication network are obliged to conclude new contracts

pursuant to the Amendment of the Act and within six months to reconcile existing contracts with this Amendment.

This Amendment of the Act on Electronic Communications brings about several principal changes, which should help to increase protection of rights of consumers.

Firstly, it is a change of provisions of the Act concerning the amount of payment which participants were obliged to pay if they terminated contract before the end of the period for which contract was concluded. While the amounts of these payments were yet not limited at all and entrepreneurs usually demanded additional payment when contract was terminated before its expiry at the amount of the sum of all monthly flat fee payments remaining until the expiration of contractual commitment, according to the new legislation the amount of this payment shall not exceed one fifth of monthly flat fee payments remaining until the end of contractual period at the maximum, and/or, one fifth of the sum of minimum monthly performance contracted.

The Amendment of the Act, however, differentiates the above mentioned payment of proportion of monthly flat fee, which has rather sanction character, from the payment of costs connected with telecommunication terminal device, which was provided to participant under privileged conditions. The Act does not at all limit the amount of this payment and entrepreneurs have the right to demand settlement of full value of terminal device provided to consumer under privileged (subsidized) price.

According to the Amendment of the Act entrepreneurs must submit immediately, if contract is concluded by means of remote communication, all contractual conditions in written form, and namely in electronic or certificated form. General deadline of 14 days stipulated for withdrawal from the contract by Civil Code for contracts concluded outside the facilities usually employed for doing business (for example doorstep selling), or when means of remote communication are employed (telephone, electronically etc.), starts to run as late as on the day following the day of transfer of this information. So far this deadline started to run immediately after contract was concluded without consumer has always had this agreement in written form available.

They are exactly the contracts concluded by means of remote communication (particularly by telephone), where the CTU, in the long-term, registers the biggest number of complaints concerning subscriber contracts. Therefore the CTU expects that this change will contribute to greater awareness of consumers about terms of contract.

The last change of the Act on Electronic Communications, which directly affects consumers, is the new obligation of information concerning contracts which contain arrangement of the automatic extension of contract. Entrepreneurs will now be required to inform subscriber, first 3 months and no later than 1 month before expiry of such a contract, about the possibility and method how to terminate the contract, in the form subscriber has chosen for sending billing.

In connection with the above mentioned changes of the Act it is, however, necessary to emphasize transient provisions of the Amendment providing entrepreneurs with six-months deadline to modify contractual conditions of already concluded contracts.

In order to prevent potential misunderstandings and complaints, the CTU most urgently recommends to consumers in the above mentioned transient period (which will terminate on February 8, 2014) that, in the event that they decide to terminate the contract concluded for a definite period of time, and/or to conclude the contract by means of remote communication, or in the event that they already concluded contract where automatic prolongation is applicable, to pay maximum attention to the fact whether their provider of services of electronic communications already modified its contractual terms pursuant to the

Amendment of the Act. Otherwise existing regulation would be applied, which is less favourable for consumer.

9. Legislative changes

On July 24, 2013 the Act No. 212/2013 Coll., which amends the Act No. 29/2000 Coll., on Postal services and on Amendments of some other Acts (the Act on Postal services), as amended by later regulations, was published in the Volume 86 of the Collection of Laws. This Act deals with some material and legislative and technical changes of the Act on Postal services in response to amendments arising in the Senate when considering the Act No. 221/2012 Coll. (implementation of the Directive of the European Parliament and the Council 2008/6/EC dated February 20, 2008, which amends the Directive 97/67/EC taking into consideration complete formation of internal market of postal services of Communities, the so-called third Postal Directive).

Material amendments adopted by the Act No. 212/2013 Coll. are as follows:

1. authorization to issue Resolution of the Government aimed at determination of minimum number of workshops of holder of postal license through which the obligation to provide basic services will be ensured; these workshops may be run also by person different from holder of postal licence (for example municipalities, operators of different stores etc.). The purpose of the measure is to increase legal certainty as far as availability of basic postal services is concerned (§ 3 Para. 2 Letter a) of the Act on Postal services),
2. introduction of the obligation for operators of postal services to mark postal consignments, which were handed over in its workshop so that it is obvious from such a mark which provider took over relevant consignment. The purpose of such obligation is to prevent misuse of postal network of holder of postal licence (§ 34 Para. 10 of the Act on Postal services),
3. reduction of the limit of annual revenues of operators of postal services which should, eventually, contribute to the coverage of potential net costs from CZK 10,000,000 to CZK 3,000,000. Newly established barriers for the obligation to help to cover net costs (§ 34b et seq. of the Act on Postal services) reacts on the relation between the rate of administrative burden, reasonable level of potential payment and possibility of circumvention of this obligation with the help of purposeful division to smaller entrepreneurial subjects (§ 34c Para. 6 of the Act on Postal services).

Other changes enforced by the Act No. 212/2013 Coll. have the nature of legislative and technical modifications.

This Act becomes effective on the first day of the third month following the day of its promulgation, i.e. on October 1, 2013.

On July 24, 2013 the Act No. 214/2013 Coll., which amends the Act No. 127/2005 Coll., on Electronic Communications and on Amendment of some related Acts (the Act on Electronic Communications), as amended by later regulations, was published in Volume 86 Collection of Laws. This Act amends provisions of § 63 together with relevant provisions of § 118 (Administrative offences of juristic and natural persons - entrepreneurs) and § 80 of the Act on Electronic communications.

In the case of modifications of § 63 of the Act on Electronic Communications, the aim declared by the legislator was to restrict some unsuitable practices from the side of providers of services of electronic communications towards their customers. Principal circuits, which are subject of relevant amendment of the Act, are the following:

1. restriction of the amount of payment if contract is terminated before expiry of time for which it was concluded – payment shall not exceed one fifth of the sum of monthly flat fees remaining until the end of agreed period of contract, or one fifth of the sum of agreed minimum monthly payments remaining until the end of agreed period of contract; the amount of reimbursement of costs connected with telecommunication devices is not affected hereby (§ 63 Para. 1 Letter p) of the Act on Electronic Communications.),
2. the obligation of entrepreneur to provide additionally (immediately after contract is concluded or amended) and in written form the information on content of contractual agreement in case of conclusion of contracts on provision of publicly available services of electronic communications or connection to public communication network or their changes using means of remote communication (§ 63 Para. 9 of the Act on Electronic Communications.),
3. in case of contracts concluded for the definite period of time the obligation of entrepreneur to inform subscriber in legal form and within legal deadlines, before expiry of period of effectiveness of contract, which includes arrangement of automatic prolongation of contract about possibility and method of its termination (§ 63 Para. 10 of the Act on Electronic Communications.),
4. possibility of termination of contracts concluded for the definite period of time by notice (§ 63 Para. of the Act on Electronic Communications.).

Amendments of § 80 of the Act on Electronic Communications were also motivated by effort to improve the situation at the level of communication between entrepreneur in electronic communications during negotiations concerning conclusion of contract on access or connection. For this purpose individual steps of the process were elaborated and the obligation of entrepreneur addressed was added demanding more transparent behaviour, i.e. the obligation to specify individual reasons for which this entrepreneur refuses to conclude contract on access or connection.

This Act becomes effective on the fifteenth day of its promulgation, i.e. on August 8, 2013.

10. European Union

Starting from July 1, 2013 [Lithuania](#) assumes the [Presidency in the Council of the European Union](#). One of priorities of Lithuanian Presidency is support of initiatives, which will increase confidence in the EU economy and further development of dynamic unified digital market.

From July 1, 2013, pursuant to [Regulation of the European Parliament and the Council \(EU\) No.531/2012](#) dated June 13, 2012, another reduction of regulated prices of roaming within the framework of the EU takes place, specifically within the framework of the so-called Eurotariffs. The Commission directly set ceilings (maxima) for end prices of roaming services within the framework of the EU and their gradual reduction always by July 1 of a given year. (see [MMZ 6/2013](#))

On July 11, 2013 the Official Journal of the European Union published [Implementing Regulation of the Commission \(EU\) No. 657/2013 dated July 10, 2013, which amends Implementing Regulation \(EU\) No. 1079/2012, which stipulates requirements on channel spacing of voice communication for unified European sky](#). The Regulation becomes effective on the twentieth day after its promulgation in the Official Journal of the European Union. It is

a part of globally introduced transition from communication channels with width of 25 kHz to the width of 8.333 kHz, which triplicates the number of channels.

On July 9 and 10, 2013 the 44th Meeting of the Radio Spectrum Committee (RSC) was held in Brussels. The main points of negotiations were implementation status of the Decision of the European Commission 2011/269/EU concerning the band of 800 MHz, mandate of the CEPT concerning expansion options of the band 5 GHz for the operation of RLAN, options for harmonization of spectrum for wireless microphones, results of studies of CEPT to update decision of the European Commission on ultrabroadband applications (UWB) and mobile communications on boards of airplanes (MCA) and other activities in implementation of spectrum inventory.

On July 11, 2013 also in Brussels was held 56th Meeting of Communication Committee (COCOM). Main item on the agenda was discussion and subsequent vote on the proposal of EC Recommendation concerning obligation of non-discrimination and on cost methodologies or for calculation of costs. The European Commission received from its Member States favourable opinion on the final proposal of recommendation, which proposes the set of closely related corrective measures focused on creation of appropriate conditions for economic competition, innovations and investments in the branch of electronic communications. In this recommendation the European domestic regulatory bodies will receive set of stable rules providing players on the market with legal certainty and stability necessary for long-term planning and investments in access networks of new generation (NGA). In the voting procedure of COCOM the proposal of the Commission was supported by all Member States with the exception of Finland. Another topic discussed was implementation of commitments of operators of satellite communications ensuing from terms of spectrum allocation for satellite mobile service (MSS) in the band of 2 GHz.

On July 23, 2013 the European Commission published report that number of Member States of the European Union asked for postponement of utilization of the band 800 MHz (original deadline was January 1, 2013) for wireless broadband connection. The Commission approved postponement for Spain, Cyprus, Lithuania, Hungary, Malta, Austria, Poland, Romania and Finland; refused deviations for Slovakia and Slovenia where delay was caused by organization of authorization procedure and not by exceptional circumstances which would prevent availability of the band. In case of Greece, Latvia and the Czech Republic further evaluation is necessary, Belgium and Estonia lagged behind, however, they did not apply for the exemption and Bulgaria announced that it will continue to employ this band for the purposes of public safety and defence. When assessing applications for exemption the Commission took in consideration, for example, troubles with immediate release of the band 800 MHz by services of radio and television broadcasting or problems in cross-border coordination of frequencies (particularly with countries outside the EU), which make release of the band difficult. Member States, which obtained the exemption, are, of course, obliged to ensure that their temporary continuation of utilization of the band 800 MHz (for example, for the purposes of radio and television broadcasting) does not prevent development of wireless broadband networks in this band in neighbouring Member States.

In this connection the CTU specifies that demand for postponement for the Czech Republic was applied considering termination of operation of two last TV transmitters (Trutnov and Ostrava) by June 30, 2013. The CTU assumes that on the basis of prepared tender procedure (see the Chapter 11), all frequencies from the band 800 MHz will be authorized for utilization before the end of 2013.

Status or deadline pursuant to the request for deviation	States concerned	Number
Implementation completed, announced by Member State:	DK, DE, IE, FR, IT, LU, NL, PT, SE, UK; HR	11
Half of 2013	LT	1
The end of 2013	ES, AT, SK (deviation was not granted), FI, CZ, HU (+ BE, EE — deviation was not requested)	8
Half of 2014	RO, SI (deviation was not granted), PL (860–862 MHz for military use announced pursuant to Article 1 Para. 3)	3
October 2014	EL (part of the band for military use announced pursuant to Article 1 Para. 3)	1
The end of 2014	MT	1
July 2015	LV	1
The end of 2015	CY	1
2017 (TBC)	BG: military use announced pursuant to Article 1 Para. 3 of the program of the radio spectrum policy	1

11. Radio spectrum management

Auction of frequencies

In July the CTU prepared the documentation necessary for the promulgation of tender procedure for the grant of rights to use radio frequencies to ensure public communication networks in the bands of 800 MHz, 1,800 MHz and 2,600 MHz. The Office continually informed the Government of the Czech Republic about preparation process of tender procedure, and by the Ministry of Industry and Trade it submitted summary information. Simultaneously the CTU, in harmony with requirements of the Act on Electronic Communications sent proposal of documentation to comments of the Office for the Protection of economic competition. It discussed the tender conditions also with competent authorities of the European Commission to make sure that if part of frequencies is detached for new operator, it will not be unauthorized public support. Publication of promulgation of tender procedure can be expected before August 15, 2013.

General authorizations

On July 23, 2013 The CTU's Council discussed for public consultation [proposal of amendment](#) of general authorization No. [VO-R/23/05.2010-7](#) for the utilization of radio frequencies and operation of devices of fixed services in the bands of 71–76 GHz and 81–86 GHz. The reason for the change of general authorization is the need to specify conditions for utilization of radio frequencies in relevant frequency bands in harmony with reviewed Recommendation [ECC/REC/\(05\)07](#) from 2013 and particularly introduction of efficient

registration of utilization of radio frequencies based exclusively on electronic mode of notification or change of utilization of radio frequencies.

Access to the band of 42 GHz for high-capacity microwave connections

The CTU will allow users access to the band of 40.5–43.5 GHz in fixed radiocommunication service to support development of high-speed communications. The band will be earmarked for operation of equipment with channel width of up to 112 MHz, which currently allow reaching transmission speeds of 862 Mbit/s. The band could be used on the basis of individual authorization. By opening the access to the band the CTU creates conditions for establishment of both fixed high-speed access networks and mobile networks of new generation. The CTU will publish specific technical conditions of utilization of the band in the draft plan for radio spectrum utilization in the fourth quarter of 2013.

12. Postal services

In [Monitoring report for the month of June 2013](#) the CTU informed that the Česká pošta, s. p., plans to increase from August 1, 2013 prices of some basic postal services. This increase really took place and the Table No. 9 shows specific price increases. Currently the CTU investigates if the Česká pošta, s. p., did not violate legal obligation¹² to notify increase of prices of basic services within the deadline of at least 90 days before the day in which it intends to increase prices of these services. The CTU further investigates if the Česká pošta, s. p., has observed another legal obligation¹³ in the form of cost-oriented prices.

Table No. 9: New prices of postal services valid from August 1, 2013 as compared with original prices

Plain writing	price until July 31, 2013 (for one pc)	new price from .8.2013 (for one pc)
Writing to 50 g - standard	CZK 10	CZK 13
Writing to 100 g	CZK 14	CZK 17
Writing to 500 g	CZK 18	CZK 21
Writing to 1000 g	CZK 24	CZK 27
Recommended writing		
Recommended writing to 50 g - standard	CZK 26	CZK 29
Recommended writing to 100 g	CZK 34	CZK 37
Recommended writing to 500 g	CZK 37	CZK 39
Recommended writing to 1000 g	CZK 43	CZK 45
Recommended writing to 2000 g	CZK 49	CZK 51
Valuable writing		
Valuable writing to 50 g - standard	CZK 32	CZK 34
Valuable writing to 100 g	CZK 36	CZK 38
Valuable writing to 500 g	CZK 39	CZK 40
Valuable writing to 1000 g	CZK 45	CZK 46
Valuable writing to 2000 g	CZK 51	CZK 52

Discussed by the CTU's Council on August 13, 2013

¹² Pursuant to provisions of § 33 Para. 9 of the Act no. 29/2000 Coll., on Postal services and amendments of some Acts (the Act on Postal services), as amended by later regulations.

¹³ Pursuant to provisions of § 33 Para. 5 of the Act no. 29/2000 Coll., on Postal services and amendments of some Acts (the Act on Postal services), as amended by later regulations.