

# Monthly Monitoring Report No. 9/2013 of the Czech Telecommunication Office September 2013

## Executive summary

On 10 September 2013 the Czech Telecommunication Office (hereinafter referred to as “the Office”) published on its [electronic official board](#) its responses to the questions about the text of the Invitation to tender for the award of the rights to use radio frequencies in the 800 MHz, 1800 MHz and 2600 MHz bands. The applicants could submit their bids in the tender until 30 September 2013. Companies which submitted their applications within the designated period were Revolution Mobile a.s., TASCIANE, a.s., T-Mobile Czech Republic a.s., Telefónica Czech Republic, a.s. and Vodafone Czech Republic a.s. On 1 October 2013 the envelopes were opened, and the Office, after having verified the applications, stated that all comply with the requirements according to chapter 6.7 of the Invitation to tender. (For more information see chapter 13)

On 13 September 2013 the Office published a general measure entitled Market Analysis No. [A/2/09.2013-4](#), market No. 2 – call origination on the public telephone network at a fixed location in [part 13](#) of the Telecommunication Bulletin. (For more information see chapter 3)

On 30 September 2013, within the notification of the analysis of the relevant market No. 3 – call termination on individual public telephone networks provided at a fixed location the European Commission informed the Office about the start of the second phase of investigation pursuant to Article 7a of Directive 2002/21/EC (framework directive), as amended by Directive 2009/140/EC. The European Commission has substantial doubts about compatibility of the proposed measures of the Office with the EU law and believes that they would create a hindrance to the single market, in particular due to the failure to impose the obligation of access to specific network elements and associated facilities on all undertakings with separate significant market power. (For more information see chapter 3)

Act No. 303/2013 Sb. (Collection of Laws) which amends some acts in connection with the adoption of re-codification of the private law was published in part 116 of the Collection of Laws on 30 September 2013. This amendment changes a number of laws. In terms of electronic communications and postal services it concerns particularly the amendment of the Electronic Communications Act. The new wording responds to the Civil Code regarding the issue of uniformity of ownership of the land and the structure located upon the land. (For more information see chapter 9)

In its monitoring report the Office also provides information on the current situation in the market of virtual mobile operators (For more information see chapter 1)

As a topic of the month the Office prepared information on the issue of portability of telephone numbers in the conditions according to the new measure of general nature No. [OOP/10/10.2012-12](#) which came to effect on 1 September 2013.

## 1. Current market situation

### Telefónica

From 1 October 2013 Telefónica terminates the provision of the services of virtual private network, namely services of Účelová telefonní síť (ÚTS) (Specific-purpose telephone network) and services of TEAMNET. The Specific-purpose telephone network was intended solely for public administration bodies in the Czech Republic and its basis was voice virtual private network. The TEAMNET service was intended for use by individuals, legal entities and businesses and was based on the utilization of the technology of the public telephone network with the option to use other optional services.

Telefónica offered to its customers who newly order digital O<sub>2</sub> TV a bonus in the form of a price discount. The bonus is offered to customers who newly purchase, in addition to the current Internet connection with Internet Optimal or Internet Aktiv plans, the service of O<sub>2</sub> TV Flexi digital TV in the period from 15 September 2013 to 31 December 2013. For the period of the special offer the customers will pay a monthly fee of CZK 151 per month instead of CZK 202 per month for the use of the O<sub>2</sub> TV Flexi plan while using the Internet connection. The offer is conditional upon continuous use of the O<sub>2</sub> TV digital TV service and due payment for this service for the period of 12 month.

This offer is also conditional upon the customer purchasing a set-top box for CZK 1656 with this service. If the price of the set-top box is paid in 12 monthly instalments they will pay CZK 138 per month, and in the event of payment in 24 monthly instalments they will pay CZK 69 per month.

Within the O<sub>2</sub> TV Flexi plan the customers may order, within the period of the special offer, one of the program following packages: Dokumenty (Documents), Sport (Sports), Děti (Children), Styl (Style), Hudba (Music), Seriály (TV series) and Filmy (Movies). The O<sub>2</sub> TV Flexi plan will always include also the Style package.

After expiration of this period the obligation regarding the O<sub>2</sub> TV digital TV service is automatically extended by the same period (automatic renewal). The customer is entitled to reject this automatic renewal at any time, and the plan will change into the corresponding commitment-free plan. The condition of the provision of the benefits under these conditions is that the customer does not use the O<sub>2</sub> TV service for the period of at least three months prior to ordering.

Telefónica extended its special offer, O<sub>2</sub> Internet Bundle with automatic renewal, until 31 December 2013. Customers who also newly purchase, on the same connection line, the O<sub>2</sub> TV digital TV service with the O<sub>2</sub> Flexi plan and the O<sub>2</sub> Internet connection service with the Internet Optimal+ plan or Internet Aktiv+ plan, or have newly purchased the O<sub>2</sub> TV digital TV service with the O<sub>2</sub> Flexi plan in addition to the current O<sub>2</sub> Internet connection service with the Internet Optimal+ (Internet Optimal) plan or Internet Aktiv+ (Internet Aktiv) plan have received bonuses in the form of a discount.

Throughout the period of the special offer customers will pay CZK 656 per month for the O<sub>2</sub> TV Flexi plan and Internet Optimal+ plan. In the case of Internet Aktiv+ customer will pay CZK 757 per month. Other conditions to the use of this extended offer are similar to those of the special offer of O<sub>2</sub> TV with the current Internet access.

Also in September 2013 Telefónica continued with special marketing events the validity of which is typically extended by additional periods. The purpose of these events is to motivate customers to switch to the more powerful and prospective VDSL technology and thus to sign a contract on a higher plan out of the automatically renewed plans, or to agree to marketing communication by Telefónica. Within O<sub>2</sub> Internet Bundle Telefónica offers its users (individuals) a fixed Internet connection and digital TV with O<sub>2</sub> TV Flexi plan. The discounted price of this package is also conditional upon signing a contract for 12 months with automatic

contract renewal. In the Internet Optimal version the price of the entire package was set at CZK 656 per month and in the Internet Aktiv version at CZK 757 per month.

The support of the sale of services in selected brand stores in some cities<sup>1</sup> (regional offer) remained valid also in September 2013 in unchanged form. In designated company stores it is possible to sign a new contract with a commitment for 12 months and get a discount in the form of payment of only 50 % of the already discounted ("automatic-renewal") price for the period of the first four months, i.e., in the Internet Optimal plan CZK 252 per month (from the fifth month CZK 505 per month) and in the Internet Aktiv plan CZK 303 per month (from the fifth month CZK 606 per month).

Within a pilot project Telefónica started offering from the 15 August 2013 in 10 selected stores in five cities<sup>2</sup> a special offer of new plans, Internet Basic, Internet Comfort and Internet Smart, also with commitment for 12 months and with automatic contract renewal. The speed profiles for connection of the customers in VDSL and ADSL technologies are the same as in the case of the currently offered Internet Start(+), Internet Optimal(+) and Internet Aktiv(+) plans, the basic difference being the price of the service. The users will pay CZK 300 per month for Internet Basic; CZK 348 per month for Internet Comfort, and CZK 448 per month for Internet Smart, which is different from the existing basic offer of Internet connection. The new plans, however, allow no free supplemental services such as, for example, the current 100MB mailbox, space on O2 server for www presentation, technical support, etc. More detailed information on this special offer which is limited in space and time terms to the end of September 2013, however, is currently not available.

From 15 September 2013 Telefónica started offering a new prepaid card called NA!VÝBĚR. The customer calls numbers in all networks for CZK 4.90 per minute. The price for one SMS message is CZK 1.90 CZK per SMS message. The charging is set at one minute increments (60+60).

The new prepaid card also includes a promotional offer of calls for CZK 2.50 per minute to all networks after recharging the O2 card with a minimum of CZK 200. The promo is valid to all customers who have ordered the NA!VÝBĚR prepaid card through Telefónica's website in the period from 16 September 2013 to 31 October 2013<sup>3</sup>. The bonus in the form of discounted price per minute of call can be used for the period 30 days after the last credit recharging. Subsequently, the service can be reactivated by another credit recharging at least in the same amount. The offer is also valid for all users with a different prepaid plan<sup>4</sup> of Telefónica who activate cheaper calls using the activation SMS message.

As of the same date (15 September 2013) the price of the O<sub>2</sub> Pokec package when calling one fixed number<sup>5</sup> has also changed. The original weekly price of CZK 19.50 was increased by Telefónica to CZK 49.50 per week.

## T-Mobile

T-Mobile increased the financial limits on total spending for data roaming services from 1 September 2013. The current offer of financial limits on total spending for data roaming services was increased from three to five limits. In addition to the current financial limits of CZK 1,482.25 per month, CZK 4,719 per month and CZK 18,150 per month, the customer can now choose two new financial limits of CZK 10,000 per month and CZK 32,000 per month.

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<sup>1</sup> Brandýs nad Labem, Břeclav, Čáslav, České Budějovice, Česká Lípa, Český Těšín, Frýdek-Místek, Havířov, Hlučín, Hradec Králové, Cheb, Jihlava, Karlovy Vary, Karviná, Kladno, Kolín, Kutná Hora, Liberec, Litoměřice, Litomyšl, Mariánské Lázně, Mělník, Most, Olomouc, Opava, Ostrava, Plzeň, Praha, Prachatice, Prostějov, Příbram, Rakovník, Rumburk, Rychnov nad Kněžnou, Říčany, Slaný, Strakonice, Šumperk, Tábor, Teplice, Ústí nad Orlicí, Vyškov, Zábřeh, Zlín, Žďár nad Sázavou

<sup>2</sup> Beroun, Havlíčkův Brod, Ústí nad Labem, Náchod and Pardubice.

<sup>3</sup> Specifically website <http://www.simzdarma.cz/>.

<sup>4</sup> NA!HLAS, NA!DLOUHO, NA!PIŠTE plans.

<sup>5</sup> This package is offered with prepaid cards called NA!HLAS, NA!DLOUHO, NA!PIŠTE, NA!VÝBĚR.

From 2 September 2013 T-Mobile has been offering the possibility to purchase a prepaid Twist card called Našim with a credit of CZK 200 for the price of CZK 180 per SIM. The condition is purchase of the card using T-Mobile's e-Shop.

In the beginning of September 2013 the offer of the Mobilní internet (Mobile Internet) service was modified. Mobile Internet with 30GB data limit currently cannot be ordered in T-Mobile's e-Shop; customers, however, can still order the service through the customer center or at a T-Mobile store.

On 1 October 2013 T-Mobile launched a commercial operation of LTE network in Prague and Mladá Boleslav. At the same time, the operator significantly increased the coverage of the city of Prague – the current coverage is 26 % (mostly it is the city district of Praha 4) and 33 % of the city population.

From the first day in October T-Mobile will make LTE accessible for all T-Mobile customer who have an activated plan including data, are in the covered area, and have equipment which supports the LTE technology. The connection to LTE will be automatic, without having to sign in as the case was in the previous trial operation (the trial operation will be terminated with the commercial launch of the network). From that moment on the downloaded data will be normally counted against the data limit.

The maximum speed of 100 Mb/s downstream and 37.5 Mb/s upstream will be possible with the plans and packages of Mobilní internet 10 GB and higher and with the S námi bez hranic/ S námi bez hranic+ plans. With the other plans of the new generation it is possible to achieve maximum speeds of 42 Mb/s downstream and 5,76 Mb/s upstream within the LTE network.

Customers can use LTE with a normal SIM card. Older types of cards, however, need to be updated, which the clients may request through the Můj T-Mobile (My T-Mobile) service, and the operator will perform the update remotely (this applies approximately to 70% of cards). Owners of the oldest SIM cards made before 2003 are recommended by T-Mobile to visit one of its company stores where the card will be replaced free of charge.

## **Vodafone**

From 30 August 2013 Vodafone has been offering an additional plan Vodafone první krok (Vodafone first step) at a standard price of CZK 149 per month or CZK 126.65 per month when signing a contract for 24 months. The offer of the Vodafone první krok (Vodafone first step) plan is intended for new and existing non-corporate customers of Vodafone who use the prepaid services in the form of Karta do sítě (Card to network), Karta na víkend (Card for a weekend), Karta to all networks (Card to all networks), and Karta se vším všudy (Card all inclusive).

To his/her prepaid card the customer may choose one of the preset combinations: a package of 50 minutes for calls to Vodafone network, package of Neomezené SMS (Unlimited SMS) to Vodafone network, and package of Připojení pro služby super (Connection for super services) with data limit of 20 MB. If the free units for calls are exceeded the customer is charged a rate of CZK 3.49 per minute. The charging is set at one minute increments (1+1). The price of SMS message to other networks is set at CZK 1.51.

In the month of September 2013 Vodafone stopped offering the data plan Připojení na skok (Brief connection) which was characterized by charging the customer for data traffic in kB increments. The customer paid CZK 0.06 per kB for the Internet access.

From 12 September 2013 Vodafone has been offering special plans for children and students. For children aged 6 to 12 years Vodafone offers Start pro děti zdarma (Start for children free of charge) plan with unlimited calls and SMS within Vodafone network and Internet in mobile phone with 20 MB. The promo can be used by customers who already use

the services of one of the Red plans with minimum monthly payment of CZK 690.<sup>6</sup> With the special plan of Red do sítě pro studenty (Red to network for students) the customer in the age from 6 to 26 years will get the Red to network plan with a 36% discount for a period of 24 months. If the condition of minimum monthly payment of CZK 249 is met the student will pay CZK 399.20 per month for the plan<sup>7</sup>.

## UPC

Within a special offer valid until 30 September 2013, UPC offered to new customers price discounts for the services of digital TV Klasik, Komfort and Mini when ordered on-line with the commitment to use the service for the period of 12 months. In the Klasik+ service customers will pay a monthly fee of CZK 200 instead of the standard CZK 400.57 per month and for six months they can get one of the Sport, Relax or Darwin packages within this offer. Within this plan customers can use more than 50 Czech and Slovak programs including 12 HD programs. With the Komfort+ service, within this special offer, customer will pay CZK 379 per month instead of the standard price of CZK 578.49 per month and can use more than 100 programs including 22 programs in HD quality. Customers who ordered within the special offer on-line the Mini digital TV service will permanently pay a monthly fee of CZK 154 for this service instead of the standard price of CZK 221.64 per month and can watch more than 25 Czech programs including 7 HD programs. The price for the connection of the service is CZK 99.

Starting 1 September 2013 UPC has modified the current offering of Internet connection services through UPC optical network for households. UPC newly offers three types of Internet connection: Fiber Power 40+ with speed up to 40 Mbit/s downstream, Fiber Power 120+ with maximum speed 120 Mbit/s downstream and Fiber Power 240+ with maximum speed 240 Mbit/s downstream. In all these versions the customer will get a loyalty discount of CZK 200 per month conditional upon 12 months of proper use of the service (loyalty period). This discount is provided immediately upon signing of the contract and is intended for new customers and is valid until 30 September 2013. The customer will pay CZK 300 per month for UPC internet Fiber Power 40+, for the first three months from the activation of the service; from the fourth month the price will increase to the normal level of CZK 449 per month. In the Fiber Power 120+ version the customer will pay CZK 449 per month for the first three months. From the fourth month the price will increase to the standard price of CZK 629 per month. In the Fiber Power 240+ option the customer is charged CZK 629 per month for the first three months. From the fourth month the price will increase to the standard price of CZK 929 per month.

UPC projected the changes in the offering of Internet connection also to the packages combining the services of cable TV, Internet and telephone. To Internet connection the customer may get digital TV programs KOMBI Klasik or KOMBI Komfort or a voice plan Telefon 100 with calls to all networks in the Czech Republic for only CZK 0.50 per minute within the permitted limit of 100 minutes. A single loyalty discount of CZK 300 per month is applied to all types of packages.

UPC continued with the time-limited marketing campaign where it offers students in the age of 18 to 26 years two speed options of Internet connection, namely UPC Fiber Power 40+ for CZK 449 per month (for the period of the first three months only CZK 300 per month) and UPC Fiber Power 120+ for CZK 629 per month (for the period of the first three months only CZK 449 per month). In addition to the price discount the student will also get a bonus for the first 12 months bonus in the form of speed increase to 120 Mbit/s and 240 Mbit/s, respectively. The condition is the minimum time of use of the service of 12 months and provision of evidence of student status.

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<sup>6</sup> More information on the conditions of the services with the Start plan for a child for free is found [here](#).

<sup>7</sup> More information on the conditions of the services with the Red to network plan for students is found [here](#).

## **Air Telecom**

On 24 September 2013 Air Telecom became an associate member of the Association of Mobile Network Operators (Asociace provozovatelů mobilních sítí). It joined the other three operators, Telefónica, T-Mobile and Vodafone.

Since fall 2012 Air Telecom, as a member of MNP (mobile number portability) workgroup, has been preparing – together with the three operators – the implementation of a new process of mobile number porting and the launch and operation of the Reference database of ported mobile numbers. This workgroup also created a Code which defines the standard of the service of mobile telephone number porting.

## Current situation in the market of virtual mobile providers

### Studentfone

A virtual operator, Studentfone, operated by GTS ALIVE s.r.o., a company who also issues the ISIC international student identification cards, has been offering its services since 9 September 2013. Although Studentfone targets students with its offering its services can be used also by other customers regardless of age. Studentfone uses Vodafone network access and offers its services through a prepaid SIM card focusing on data services. Customers pay CZK 2.50 per minute for calls to all networks. The calls are charged in one second increments after the first minute (60+1). Customer pay for one SMS message to all networks CZK 1.50 per SMS message. The plan includes also data services with FUP limit of 300 MB with the possibility to purchase additional 300 MB data for CZK 100. Internet v mobilu (Internet in mobile phone) with FUP limit 300 MB is offered to all users who recharge their credit once every month with a minimum amount of CZK 200 per month.<sup>8</sup> Customers can use promo offers in the form of unlimited access to selected websites (Facebook, Student Agency, RegioJet and other), at least until 31 March 2014. After this date the offer can change. The operator offers roaming services in three zones and international calls to four regions.<sup>9</sup>

### Tesco Mobile

Virtual operator Tesco Mobile extended the promo offer of Double credit at each recharging for members of the ClubCard. This offer was originally limited until 31 December 2013, and was newly extended until 31 December 2014. The bonus credit is always valid for 30 days and is used first.

### StarTEL

Virtual operator StarTEL has extended its plan offering since 9 September 2013. In addition to the existing plans, TARIF STARNET for CZK 29 per month<sup>10</sup>, VOLÁM MÁLO for CZK 99 per month and VOLÁM HODNĚ for CZK 199 per month, it has added the VOLÁM OBČAS plan with monthly fixed fee of CZK 49 per month. With the plan the customer will get 15 free minutes for calling numbers in all networks within the Czech Republic. The customer calls its own network at CZK 0.49 per minute and other networks at CZK 1.49 per minute. For SMS to all networks the customer will pay CZK 1.49 per SMS message. The operator has also extended the offer of Internet in mobile phone services by a data package with FUP limit of 500 MB for CZK 250.

### MOBIL.CZ

Virtual operator MOBIL.CZ has been offering since 18 September 2013 a new package for the prepaid service called Pokecám v MOBILu at a monthly fixed fee of CZK 149. Within this package the customer may call and send SMS messages within the “network” of MOBIL.CZ on unlimited basis. The Pokecám v MOBILu package is automatically activated every month; the condition is a sufficient amount of credit for the activation.<sup>11</sup> At the same

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<sup>8</sup> In the event that the customer does not meet its minimum monthly payment obligation of the recharged amount of CZK 200 the customer is charged CZK 250 for the activation of the data package (300 MB). If the credit is insufficient in any given month the package DATA NA DEN for CZK 25 with FUP limit of 25 MB will be activated for the customer. Activation of the bonus package will always take place as of the 1<sup>st</sup> day of the calendar month following the recharging of the SIM card. The benefit of the bonus package is guaranteed until 9 September 2014.

<sup>9</sup> For more detailed information see the operator's website: [Studentfone](http://Studentfone.cz).

<sup>10</sup> This plan is also intended only for customers of STARNET Telekomunikace, s.r.o.

<sup>11</sup> The remaining condition is the minimum recharging of CZK 200 per month. From this amount CZK 149 will be deducted and used for activation of the Pokecám v MOBILu package; the remaining CZK 51 is left to the user to make calls and send SMS to other networks.



time, customers can purchase a data package called Datuj v Unii for CZK 185 per month with data limit of 50 MB in addition to the roaming services.

## **Telestica**

From 19 September 2013, virtual operator Telestica of Telestica Czech Republic s.r.o. started offering its services, through GTS Czech s.r.o. within the GSM network of T-Mobile. The operator offers three mobile plans called Tarif 100 with 50 free minutes to all networks within the Czech Republic for CZK 100 per month, Tarif 200 with 150 free minutes to all networks within the Czech Republic for CZK 200 per month, and Tarif 300 with 250 free minutes to all networks within the Czech Republic for CZK 300 per month. Unused free minutes are transferred to the following billing period. The customer calls and sends SMS messages within the “network” of Telestica for CZK 0.50 per minute and calls and sends SMS messages to other networks within the Czech Republic for CZK 1.50 per minute. Calls are charged in one minute increments (60+60). In addition to the plans the customer may purchase Internet in mobile phone, namely MALÝ Internet with data limit of 100 MB for CZK 100 per month, STŘEDNÍ Internet with data limit of 200 MB for CZK 150 per month and VELKÝ Internet with data limit of 500 MB for CZK 200 per month. After having used up the data limit the speed for normal Internet usage will decrease to 64 kbit/s. The operator also offers roaming calls to three zones and international calls to four regions.<sup>12</sup>

## **OpenCall Mobile**

Since 15 August 2013 virtual mobile operator OpenCall Mobile of OpenCall s.r.o. has been offering its services through DH Telecom a.s., operated in the GSM network of Vodafone. The operator offers two types of plans, OpenCall Easy with zero monthly fee and OpenCall+ with monthly fee of CZK 150. Within the OpenCall Easy plan the customer is charged the entire first minute and other minutes in one second increments (60+1); the customer calls other networks within the Czech Republic for CZK 2.50 per minute, within the “network” of OpenCall the customer calls for CZK 1.50 per minute. The customer pays for SMS messages to all networks CZK 1.50 per SMS message. The customer may purchase additional Internet in mobile phone for 24 hours with data limit of 25 MB for CZK 25 per month, or Internet in mobile phone with data limit of 150 MB for CZK 150 per month. In the OpenCall+ plan with the monthly fee of CZK 150 per month and charging in one second increments (1+1) the customer calls other networks within the Czech Republic for CZK 1.90 per minute and its own “network” for CZK 1 per minute. For one SMS message to all networks within the Czech Republic the customer pays CZK 1.50. For the package of data services with data limit of 25 MB for 24 hours the customer pays CZK 20. For the package with data limit of 150 MB the customer pays CZK 100 per month.

## **City mobile**

Virtual mobile operator City mobile of City mobile s.r.o. started its activities in September 2013. The operator offers two plans without a commitment with the payment method of credit recharging; every month an amount of CZK 37 is deducted from the credit. The plans differ in the method of charging and unit price for the services provided. In the plan called City START with 60+1 charging the customer calls for CZK 2.19 per minute to other networks within the Czech Republic and to the “network” of City mobile for CZK 1.19 per minute. For one SMS message to other networks within the Czech Republic the customer pays CZK 1.49 and to the “network” of City mobile the customer CZK 0.69 per SMS message. The plan called City STANDARD with 60+60 charging offers calls for CZK 1.49 per minute to other networks within the Czech Republic and to the “network” of City mobile for CZK 0.69 per

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<sup>12</sup> For more detailed information see the operator's price list at [Telestica](#).



minute. For one SMS message the customer pays CZK 1.29 to other mobile networks and CZK 0.69 per SMS message within the “network” of City mobile. In addition to both plans the customer may purchase an additional package City DATA with data limit of 100 MB for CZK 129 per month, 500 MB for CZK 239 per month, 1000 MB for CZK 339 per month and 3000 MB for CZK 519 per month. After having used up the data limit the data transmission speed will decrease to 64/16 kbit/s, an exception being the data package with FUP limit of 100 MB which is blocked after used up. The operator offers the customers the option to recharge credit in the amount of CZK 250, CZK 500, CZK 1000 and CZK 2000 and these individual amounts can be combined.<sup>13</sup>

## CENTROPOL TELECOM

Virtual mobile operator CENTROPOL TELECOM of CENTROPOL TELECOM, s.r.o. started its activities in 9 September 2013. The operator offers four plans for a monthly fee without a commitment or with a commitment for 24 months. In addition, the operator offers two data plans with FUP limit of 500 MB and 1000 MB. The operator charges for its services on 60+1 basis. The offering of plans and additional data packages is intended for the customers of CENTROPOL TELECOM, s.r.o. Active users<sup>14</sup> of CENTROPOL ENERGY, a.s. are entitled to plans (TROCHU, VÍCE, JAK CHCI, or CELÁ RODINA) without a commitment and at a price which is normally available with a commitment. In addition, they can order a special plan, C ENERGIE, without a commitment. More detailed information and conditions of the plans are provided in table No. 1.

Table No. 1: Terms and conditions of each plans of CENTROPOL TELECOM<sup>15</sup>

Plan conditions	TROCHU	VÍCE	JAK CHCI	CELÁ RODINA <sup>2)</sup>	CHCI DATA 500	CHCI DATA 1000	C ENERGIE <sup>4)</sup>
Monthly fee without commitment	CZK 349	CZK 499	CZK 845	CZK 283	CZK 279	CZK 419	CZK 49
Monthly fee with commitment <sup>1)</sup>	CZK 199	CZK 349	CZK 695	CZK 133	—————	—————	—————
Free minutes/SMS to other networks	30 min./10 SMS	100 min./20 SMS	—————	—————	—————	—————	—————
Prices per minute – own “network”	unlimited <sup>3)</sup>	unlimited <sup>3)</sup>	unlimited <sup>3)</sup>	CZK 1.50	CZK 5.00	CZK 5.00	CZK 1.50
Prices per minute - other networks in the Czech Republic	CZK 2.00	CZK 2.00	unlimited <sup>3)</sup>	CZK 1.50	CZK 5.00	CZK 5.00	CZK 1.50
Price per SMS - own “network”	CZK 1.50	unlimited <sup>3)</sup>	unlimited <sup>3)</sup>	CZK 1.50	CZK 2.50	CZK 2.50	CZK 1.50
Price per SMS - other networks in the Czech Republic	CZK 1.50	CZK 1.50	unlimited <sup>3)</sup>	CZK 1.50	CZK 2.50	CZK 2.50	CZK 1.50
Price per MMS	CZK 5.00	CZK 5.00	CZK 5.00	CZK 5.00	CZK 5.00	CZK 5.00	CZK 5.00
Data package	—————	150 MB	300 MB	—————	500 MB	1 GB	—————

The customer can also purchase, in addition to the plans in which no other data package is active, data services at prices which are provided in table No. 2.

<sup>13</sup> Based on the loyalty program, the customer will receive 1 point for each purchase of credit in the amount of CZK 10. The collected points can be exchanged for credits at a ratio of 1 point = CZK 0.1.

<sup>14</sup> The customer ceases to be active if he/she terminates the contract with CENTROPOL ENERGY, a.s.

<sup>15</sup>

<sup>1)</sup> Commitment for 24 months.

<sup>2)</sup> Within the plan it is possible to make unlimited calls and send unlimited SMS messages only within up to five members of the Mobile family. The condition is signing of a contract (aggregate billing) per customer for all SIM cards.

<sup>3)</sup> CENTROPOL TELECOM reserves the right to limit the services also in the event of justified suspicion of abuse of the unlimited calls for commercial purposes (for more information see [Conditions of services for the plans and data packages, section No. 13](#)).

<sup>4)</sup> The plan with the monthly fee without a commitment is intended for active customers of CENTROPOL ENERGY, a.s.

Table No. 2: Monthly prices for data packages of CENTROPOL TELECOM

Data package	Price	FUP
Data NA DEN	CZK 20.00	25 MB
Data NAVÍC 150	CZK 100.00	150 MB
Data NAVÍC 300	CZK 160.00	300 MB
Data NAVÍC 500	CZK 240.00	500 MB
Data NAVÍC 1000	CZK 380.00	1 GB

The operator also offers international calls, to a total of four regions, and roaming calls to three regions.<sup>16</sup>

## KT Mobil

Virtual operator KT Mobil of KABELOVÁ TELEVIZE CZ, s.r.o. has been offering mobile services since 1 September 2013 through a company named Quadruple operated in the GSM network of Vodafone. The virtual operator offers five basic plans. Plans Sólo for CZK 69 per month, Sólo 60 for CZK 99 per month with 60 free minutes, Sólo 150 for CZK 249 per month with 150 free minutes and 50 free SMS messages, Sólo 100+ for CZK 249 per month with 100 free minutes, 50 free SMS messages and with data limit of 150 MB, and Tým for CZK 489 per month with 300 free minutes and 60 free SMS messages. In the basic plans customers call for CZK 0.70 per minute within the “network” of KT mobil and for CZK 1.60 per minute to all other networks within the Czech Republic. The customer will pay CZK 1.20 for one SMS message. After the first minute, calls are charged in one second increments (60+1). It is possible to buy in addition to the basic plans data plans for monthly prices which are detailed in table No. 3. It is possible to purchase free data in addition to these data plans, with data limit of 150 MB for a one-time credit purchase of CZK 79 per month.

In addition to the Sólo plans it is possible to purchase a package called Bez hranic S for CZK 199 per month, and in addition to the Tým plan it is possible to purchase a package called Bez hranic T for CZK 399 per month. Both packages offer “unlimited”<sup>17</sup> calls within the “network” of KT mobil.

Table No. 3: Prices of data services

Plan	Price	Data limit
KTnet Mini	CZK 149	150 MB
KTnet Standard	CZK 226	300 MB
Ktnet Maxi	CZK 316	600 MB
Ktnet Premium	CZK 416	1.2 GB

## Voocall

At the end of September 2013 the virtual mobile operator modified its offer of voice plans. The original plan called Mobilní Rodinka was replaced with a plan called Mobilní Pohoda<sup>18</sup>. The operator also changed the free units for voice services. Instead of 100 free minutes to own “network” of the original plans Mobilní Rodinka (with or without Internet) the

<sup>16</sup> For more detailed information see the price list of [CENTROPOL TELECOM](#).

<sup>17</sup> “Unlimited calls” are limited to a total of 3000 minutes called, after that the call is charged at the standard unit price according to the relevant plan.

<sup>18</sup> The “+” symbol represents free minutes to the operator’s own network.

operator offers 40 free minutes for the Mobilní Pohoda+ plan and 60 free minutes for the Mobilní Pohoda+ plan with Internet free of charge. At the same time, the virtual operator increased “free of charge” the data limits for the plans with Internet to 300 MB from the original 200 MB. With the Mobilní Pohoda and Mobilní Pohoda+ plans the data is charged at CZK 0.89 per MB. For comparison we provide the following table No. 4 which updates the original table No. 3. Terms and conditions for voice plans Mobilní Pohoda (with or without Internet), Mobilní Rodinka (with or without Internet) are provided in the [Monthly monitoring report No. 7/2013 on page 6](#).

Table No. 4: Current offer of voice plans Mobilní Pohoda (with or without Internet)

Plan	Monthly price (in CZK)	Free minutes to own network	Free data in MB	Calls (in CZK /min.)			SMS (in CZK/SMS)		DATA (CZK/MB)	MMS (CZK /MMS)	Charging
				Own network	Other mobile network	Fixed network	Own network	Other mobile network			
Mobilní Pohoda	39			0.59	1.69	1.69	0.59	1.25	0.89	3.19	1+1
Mobilní Pohoda +	89	40		0.59	1.69	1.69	0.59	1.25	0.89	3.19	1+1
Mobilní Pohoda with free Internet	199		300	0.59	1.69	1.69	0.59	1.25		3.19	1+1
Mobilní Pohoda + with free Internet	249	60	300	0.59	1.69	1.69	0.59	1.25		3.19	1+1

## 2. Topic of the month – telephone number portability after 1 September 2013

A new measure of general nature No. OOP/10/10.2012-12 came to effect on 1 September 2013; this measure defines the technical and organizational conditions for the implementation of telephone number portability and the principles for number portability billing between undertakings (hereinafter referred to as “measure”). This [measure](#) was issued by the Office to implement Section 34 (4) of the Electronic Communications Act and replace the previous measure of general nature No. OOP/10/07.2005-3. Text of the [measure](#) was published by the Office in the Telecommunication Bulletin, part 18/2012 on 2 November 2012.

Based on the experience gained during the first month after the measure came into effect, the Office summarizes the below important information on the laid down rules and procedures so that end users could better find their way in this area and make use of the new regulations.

On 1 January 2012 an amendment of the Electronic Communications Act (Act No. 468/2011 Sb. (Collection of Laws)) came into effect, which transposed the revised wording of the European regulation framework for networks and services of electronic communications to the Czech law. The new legislation of Section 34 of the Electronic Communications Act focusing on the issue of telephone number portability induced the need to modify the related measure as well.

The measure was prepared by the Office with respect to the purpose of the regulation in the area of electronic communications, as defined in Section 4 of the Electronic Communications Act, i.e., in particular to create conditions for proper functioning of economic competition and for the protection of the subscribers and other market players. The measure also respects the principle of minimum regulation interventions with business activities in the liberalized electronic communications market and is in accordance with the objective of the European Commission to achieve maximum satisfaction of the users of publicly available services of electronic communications.

The Office prepared the measure in a transparent manner so that all stakeholders could have a say on the wording prepared. In addition to the obligatory consultation pursuant to Section 130 of the Electronic Communications Act, the Office consulted the texts during the preparation with the market players as well as experts and organized an expert workshop. The modified measure thus also reflects practical experience.

The new text of the measure was significantly simplified relative to the original one because telephone number portability has been functioning in the market for quite some time and it was not necessary to work on details. But it has introduced several significant changes in accordance with the requirements of the national and European legislation.

With respect to the fact that the new regulation resulted in relatively significant changes, the Office postponed the effective date of the measure until 1 September 2013. By doing so, it set a nine-month implementation period. When defining the effective date, the Office took into account the time schedules of the implementation of the necessary changes submitted by the individual service providers, in particular the operators, and modifications of the individual systems and databases of service providers.

The measure newly defines telephone number portability with respect to the development in the electronic communications market. Portability is now linked to the change of the service provider, not – as currently – to the change of the network in which the number is operated. The need for the new definition exists due to the new wording of Section 34 and also due to the fact that services providers who are not operators, i.e., do not operate a network, have established in the market.

Newly the portability process in public fixed communication networks and in public mobile communication networks has been unified because the activities carried out in the two types of network in the number porting process are basically identical. The definition of the

details of all processes necessary for the implementation of number porting is a certain form of self-regulation which – in this case – is desirable within the generally laid down principles according to the measure. In spite of this unification there are still two reference databases of ported numbers, which is allowed according to the measure.

From the subscriber's point of view, a substantial change is the significant reduction and unification of the period for porting, which is now four business days from the day following the submission of the request for number porting by the subscriber. In this respect, however, it is necessary to point out that the measure only covers, in accordance with the statutory authorization, the porting process itself, and not the contractual relations between the subscriber and provider of the service and the settlement thereof. The contractual relations, however, have significant impact in particular on the moment when the entire number porting process starts.

Another new aspect from the subscriber's point of view is the fact that his/her right to port the number is preserved throughout the contract term, i.e., also for example at the moment when he/she gave notice, the notice period runs and the subscriber subsequently decides to port the number. The Office describes the change below in greater detail.

Although the measure is primarily intended for businesses because it lays down the technical and organizational conditions for the implementation of telephone number portability and the principles for number portability billing between undertakings its part three, "Organizational conditions", in particular section 5, is important also for the subscribers.

Section 5 "Telephone number porting" describes the number porting method as well as the administrative and technical matters preceding or related to this act.

The telephone number porting process starts with the delivery of the subscriber's request for change of service provider to the receiving service provider. This service provider shall inform the subscriber about the terms and conditions of the porting, including but not limited to:

- a) Necessity to perform a legal act to terminate the provision of a publicly available electronic communications service on the telephone number to be ported with the service provider to be abandoned (see below),
- b) Price and time terms of the telephone number porting, including the date and time of porting of the telephone number,
- c) Reasons for refusal to port the telephone number, if any (see below),
- d) Time limits of interruption of the provision of publicly available electronic communications service, including the availability of emergency call numbers.

The receiving service provider will also communicate to the subscriber the identification of the order and agree with the subscriber on the date of commencement of the provision of publicly available electronic communications service on the subscriber's ported telephone number.

The four-day period for telephone number porting starts with the first business day following the day of the delivery of the subscriber's request for change of service provider to the receiving service provider. The porting and activation of the telephone number is set by the measure to take place on the fourth business day of the set period.

The telephone number porting is conditional upon termination of the provision of publicly available electronic communications service on the telephone number to be ported, based on a legal act to properly terminate the provision of publicly available electronic communications service on the telephone number to be ported with the service provider to be abandoned. Such legal act is typically a termination of the contract by notice or signing of an agreement on termination of the contract.

In addition to the previous practice, the measure ensures that the subscriber can request telephone number porting throughout the entire period of provision of the service, i.e., until the end of the contract or termination of the service provision, as the case may be, i.e., for example during the notice period, if any. This does not mean, however, that the contractual relationship cannot be terminated before then by an agreement between the parties. Because it is a contractual relationship between two private entities (service provider and its customer) the Office is not authorized to interfere with such relationship in any way.

The request for a change of the service provider may be filed only during the contract term between the service provider to be abandoned and the subscriber, i.e., at the time of provision of the service on the respective telephone number (e.g., notice period), and all prescribed periods must be adhered to. To prevent interruption of service provision in such case it is necessary to file the request for a change of the service provider no later than the fourth business day prior to termination of provision of publicly available electronic communications service on the telephone number to be ported with the service provider to be abandoned. If this deadline is not complied with by the customer a temporary interruption of the provision of the service may occur during the subsequent telephone number porting process.

The service provider shall deny the request for a change of the service provider if:

- a) the conditions of proper termination of provision of publicly available electronic communications service on the telephone number to be ported (i.e., termination of the contract by notice or agreement on termination of the contract) are not fulfilled, unless they agree otherwise,
- b) the telephone number is already included in a different order,
- c) there are technical obstacles preventing the porting of the telephone number,
- d) the portability obligation (Decree No. 117/2007 Sb. (Collection of Laws), on numbering plans of the networks and electronic communications services, as amended) does not apply to the telephone number.

The measure stipulated a maximum time of six hours during which the provision of publicly available electronic communications service can be interrupted on the day of telephone number porting, regardless of the type of network. From the measure's point of view interruption of voice service is counted against the time of interruption of provision of publicly available telephone service. Calls to emergency telephone numbers during the time of interruption of the provision of publicly available electronic communications service are only possible from mobile phones.

In order to ensure portability according to the new measure it was necessary to make relatively major changes in the systems and processes related to the portability on the part of all parties involved in the process. Specific modifications and settings were discussed by the obligatory entities within their commercial negotiations, i.e., in the form of self-regulation. The Office did not interfere with these modifications in any way. Mobile network operators within the Association of Mobile Network Operators (hereinafter referred to as "APMS") have agreed on the so-called Code of the mobile phone number porting process.

In September 2013 the Office also monitored the application of the new measure. As for the complaints and queries filed, the Office recorded 12 complaints which corresponds with the average number of complaints in the previous months. The Office also processed 62 inquiries concerning number portability.

In terms of the factual contents of the complaints and queries, most of the complaints and queries related to Vodafone Czech Republic a.s. (hereinafter referred to as "Vodafone"), primarily due to the application of the notice period in the General Terms and Conditions effective from 1 April 2013 and the resulting stipulation of the number porting date at the time after expiry of this notice period. The Office told Vodafone representatives at a meeting on 12

September 2013 that it respects the contractual regulation of Vodafone which is not contrary to the Electronic Communications Act or the new measure, but it recommended to Vodafone representatives to consider to what extent this regulation is consumer-friendly. This issue was discussed in an article by J. Peterka published on the specialized Internet server [lupa.cz](http://lupa.cz). In September Vodafone abandoned the application of the notice period in the event of a consumer's request for number porting.

The nature of most questions and complaints implies that consumers do not distinguish between the number porting process itself, which must be completed within four days according to the new measure, and the settlement of the contractual relationship with the original service provider which is in accordance with the agreed-upon contract terms and which may also include a notice period.

The Office also started to check, in the first phase in the form of a quick surveillance check of the websites of the providers of the publicly available telephone service whether the parties in question have put their terms and conditions in accordance with the new measure. Based on the registry of notifications and certificates issued, the Office has identified 780 entities who have notified provision of publicly available telephone service (mobile or fixed 195/585) and who are subject to this obligation. As of 30 September 2013 the Office has checked, in the above-mentioned manner, 47 entities, of which 10 have complied with their obligations, 32 did not comply with the obligation, and in five entities it was discovered that they no longer carry out their activities although it is notified. The Office also found out that the largest providers of the publicly available telephone service (in terms of number of subscribers) have implemented the conditions of the new measure into the draft versions of their contracts. The checks of the implementation of the new measure into the terms and conditions will continue in the remaining entities (733 entities). In the entities where the Office discovers that they do not have terms and conditions on their websites modified in accordance with the new measure the Office will proceed in line with the code of administrative procedure because it is justified to deduce that they have committed an administrative offence pursuant to Section 118 (1) l) of the Electronic Communications Act for which they can be penalized with a fine of up to CZK 20 million. Similarly the Office will proceed against the entities in which it discovers that they no longer carry out the notified activities – in this case it can be deduced that they have committed an administrative offence pursuant to Section 118 (1) c) of the Electronic Communications Act for which they can be penalized with a fine of up to CZK 20 million.

The Office is also preparing a check of fulfilment of the measure in specific selected numbers of major mobile operators including the so-called virtual operators in order to practically check the number porting process from the consumer's perspective. The practical method of such check is currently being prepared and will be discussed with the Czech Trade Inspection Authority where the Office assumes mutual cooperation of both authorities during this check.

The Office also monitored the Internet discussion forums dedicated to electronic communication services and social networks and searched for the first reactions of consumers to the new measure. From these sources the Office found (as stated above) that the consumer insufficiently distinguish between the new period for number porting defined by the measure and the notice period within the contractual relationship which is based on the terms and conditions of the particular provider. Another problem mentioned by consumers in relation to the coming into force of the new measure was the insufficient and ambiguous information on portability provided by the employees of the service providers at their stores or on customer hotlines. The Office will continue monitoring the situation and work with the information acquired.

#### **Conclusion:**

Based on the facts established in the area of number portability, it is possible to state that in the period from the effective date of the new measure as of the date of issue of the



monitoring report the rate of dissatisfaction of subscribers/consumers with this service did not increase. On the other hand, the Office has already indicated some negative experience, for example failure to implement the conditions of the new measure into contracts and terms and conditions pursuant to Section 63 (1) o) of the Electronic Communications Act. Therefore it is possible to expect that the situation could get worse in the following period when the interest of subscribers/consumers in the number porting service is expected to increase, both in connection with the greater awareness of subscribers/consumers of the reduction of the period for the porting of numbers and in connection with the simpler termination of the contract and reduction of the penalty for early termination of the contract, which follows from the amendment of the Electronic Communications Act which comes to effect on 8 August 2013.

The Office will continue monitoring the situation, will keep performing the started checks, and in order to gain more insight it will use the scheduled audit focusing on number portability which is expected to take place in October and November.

### **3. Regulation measures**

#### **Market analyses**

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

The Office published a measure of general nature – market analysis No. [A/2/09.2013-4](#), market No. 2 – call origination on the public telephone network at a fixed location in [part 13](#) of the Telecommunication Bulletin which was issued by the Office on 13 September 2013. The measure of general nature came to effect on the fifteenth day from the date of its publication in the Telecommunication Bulletin, i.e., on 28 September 2013. The Office will proceed by opening an administrative proceeding in the case of determination of an undertaking with significant market power (SMP decision) and subsequently by opening administrative proceedings in the case of imposition of obligations on a company with significant market power (REM decision) and imposition of a commitment related to the control of prices of a company with significant market power (CEN decision).

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

On 9 September 2013 the Office received, for the notified proposal of the analysis of relevant market No. 3 – call termination on individual public telephone networks provided at a fixed location, a request from the European Commission for information (RFI) pursuant to Article 5(2) of the Framework Directive. The Office responded to this request on 11 September 2013.

On 30 September 2013 the Office received a letter in which the European Commission informs the Office about commencement of the second phase of the investigation pursuant to Article 7a of Directive 2002/21/EC (Framework Directive), as amended by Directive 2009/140/EC. The European Commission has serious doubts about compatibility of the proposed measures of the Office with the EU law and believes that the measures would create a hindrance to the single market, in particular due to the failure to impose the obligation of access to specific network elements and associated facilities on all undertakings with separate significant market power.

According to findings of the Office, direct or indirect connections are agreed upon in the market in question on commercial basis for the purpose of termination in the networks of the individual undertakings with significant market power. Therefore, with the exception of a possible market failure in the systematic application of the newly prepared controlled wholesale price for termination (where the price control will applied to all SMPs), the Office has therefore found no reason for application of regulation in the area of access and connection to other companies than Telefonica Czech Republic, a.s.

In its communication the European Commission warned that alternative operators could potentially refuse connection with other operators (for example, new market players, competitors in their respective area of activity, and operators active in other EU Member States). Although the European Commission believes that indirect connection can be a financially effective option for some smaller alternative operators, an operator seeking termination of its traffic must have at least the opportunity to ask for direct connection. The European Commission believes that the absence of effective regulation of termination services at a fixed location in the networks of alternative operators may ultimately increase the costs of provision of telephone services and reduce the ability of other operators and service providers to provide electronic communications services in the Czech Republic.

In its letter the Commission warned the Office that, pursuant to Article 7a of the Framework Directive the proposed corrective measures in a wholesale relevant market of call termination in individual public telephone networks provided at a fixed location in the Czech Republic may not be adopted for the period of three months.

On 2 October 2013 the Office decided to withdraw the notification of the analysis of the wholesale relevant market of call termination in individual public telephone networks provided at a fixed location. The Office will now prepare a modified version of the proposed analysis and submit it for public consultation.

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

##### **Proceedings opened in September 2013**

<b>Reference number</b>	<b>Claimant</b>	<b>Respondent</b>	<b>Case</b>
ČTÚ – 72 794/2013- 606	SVT- Group, a.s.	Český bezdrát s.r.o.	Objection against the settlement of a claim – regarding determination that the respondent is not entitled to receive from the claimant payment of the cash amount invoiced

##### **Proceedings finally closed or returned for new hearing in September 2013**

In September 2013 the Office did not finally close or return for new hearing any proceeding in the case of disputes pursuant to Section 127 of the Electronic Communications Act.

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

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

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

In September the Office performed the following inspection activities:

Performance of communication activities without certification – in the period in question the Office performed six inspections to check the conditions for the performance of communication activities by the entities inspected. In four cases the Office discovered violation of the notification obligation and will open administrative proceedings with the entities concerned.

32 inspections of observance of the conditions of individual authorization for utilization of radio frequencies concerning primarily the compliance with the stipulated conditions by

operators of UHF FM transmitters. In this respect, the Office issued five calls demanding elimination of the deficiencies discovered, mostly due to exceeding the permitted modulation output and non-observance of the approved transmitting site.

64 inspections concerning the observance of the conditions of general authorization No. VO-R/12/09.2010-12 to use radio frequencies and operate facilities for broadband data transmission in the bands from 2.4 GHz to 66 GHz. In 26 cases it discovered violations which will be resolved by calls demanding elimination of the deficiencies discovered, and administrative proceedings will be opened in these cases. The deficiencies consist primarily of utilization of frequencies in the band of 5150 MHz to 5350 MHz outside buildings.

18 inspections focused on entities whose individual authorizations have expired. In seven cases the Office discovered use of radio frequencies without authorization by a total of 18 facilities. The Office will open administrative proceedings in these cases.

70 local investigations focusing on identification of sources of interference with the operation of electronic communication facilities and networks, provision of services of electronic communications or operation of radio communication services. Out of the above-mentioned number, 30 investigations were related to interference with the reception of a radio service, and 16 investigations were related to interference with radio equipment and networks, four of which pertained to interference with meteorological radars by wifi equipment and nine of which pertained to interference with public mobile phone networks. In 10 cases the Office will issue a call to remove the interference.

Collaboration of the Office with Česká obchodní inspekce (the Czech Trade Inspection Authority): in checking the vendors of telecommunication terminal and radio equipment in Šluknov the authorities discovered sale of models of radio controlled models of cars working in the 49 MHz band. Such radio equipment cannot be operated in the Czech Republic without an individual authorization for the use of radio frequencies. The deficiencies discovered are resolved by the Czech Trade Inspection Authority within its scope of powers.

Check of the websites of the providers of the publicly available telephone service whether they ensured compliance of the draft subscriber contract published pursuant to the relevant provisions of the Electronic Communications Act with the conditions of the measure No. OOP/10/10.2012-12 regulating telephone number portability. Based on the notification of the communication activity, this obligation applies to 780 entities. In September the Office inspected 47 entities, out of which 10 complied with the obligation, 32 did not comply with the obligation, and five entities no longer perform this type of communication activity. The inspections of the modification of contracts will continue also in October. In the entities which did not comply with the obligation or no longer perform communication activity in this field the Office will proceed in line with the code of administrative procedure because there is a justified suspicion that the said entities commit an administrative offence by not complying with the obligation arising from the measure of general nature or, as the case may be, statutory obligation to report to the Office changes in the content of the communication activity.

Přehled kontrolní činnosti při výkonu státní kontroly elektronických komunikací za měsíc září 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)	14								
2. Počet změn osvědčení o oznámení podnikání (§14 ZEK)	18								
3. Výkon komunikační činnosti bez osvědčení	6			0	2			2	12000
4. Dodržování podmínek všeobecných oprávnění	70		26	5	5			5	41500
a) k zajišťování veřejných komunikačních sítí a přiřazených prostředků		0	0	0	0			0	0
b) k poskytování služeb elektronických komunikací		6	0	0	0			0	0
c) k využívání rádiových kmitočtů a provozování přístrojů (rádiových zařízení)		64	26	5	5			5	41500
5. Kontrola rádiových kmitočtů	120		9	14	19			19	121000
a) využívání rádiových kmitočtů bez oprávnění k jejich využívání		18		9	14			14	81000
b) dodržování podmínek individuálního oprávnění k využívání rádiových kmitočtů		32	5	5	5			5	40000
c) Zjišťování zdrojů rušení provozu elektronických komunikačních zařízení a sítí, poskytování služeb elektronických komunikací nebo provozování radiokomunikačních služeb	70		4	0	0			0	0
6. Kontrola čísel pro účely správy čísel (počet kontrolních volání)	3		0	0	0			0	0
a) využívání čísel bez oprávnění k jejich využívání		0		0	0			0	0
b) využívání čísel v rozporu s oprávněním k jejich využívání		0	0	0	0			0	0
7. Rozhodování účastnických sporů	0			2720	2806	321	1869		
a) o námitce proti vyřízení reklamace na poskytnutou službu		0		5	3	3	0		
b) o námitce proti vyřízení reklamace vyúčtování cen za služby		0		21	18	6	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 (peněžitě plnění)		0		2691	2777	307	1860		
d) ostatní		0		3	8	5	3		
8. Neposkytnutí informací podle § 115 ZEK				3	2			2	20000
9. Ostatní	85		6	32	30			23	65000
CELKEM	278		41	2774	2864	321	1869	51	259500

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

Table key:

Czech original	English translation
Přehled kontrolní činnosti při výkonu státní kontroly elektronických komunikací za měsíc září 2013	Overview of inspection activities in performance of state inspection of electronic communications for the month of September 2013
Druh činnosti	Type of activity
počet osvědčení nebo kontrol	number of certifications or inspections
celkově	Total
z toho	of which
počet výzev k odstranění nedostatků	number of notices requesting elimination of the deficiencies
počet zaháj. SR	number of administrative proceedings opened
počet vyd. rozh. *)	number of decisions issued
rozhodnuto ve prospěch	decided in favor of
účastníka	The subscriber
poskytovatele	The provider
uložené pokuty	fines imposed
počet	Number
výše v Kč	amount in CZK
1. The number of certifications notifying business activities issued (Section 14 of AEC)	
2. The number of changes of certifications notifying business activities (Section 14 of AEC)	
3. Performance of communication activities without certification	
4. Observance of conditions of general authorizations	
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 authorization for their utilization	
b) Observance of conditions of individual authorization 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 radio communication services	
6. Inspection of numbers for the purposes of management of numbers (number of inspection calls)	
a) utilization of numbers without authorization for their utilization	
b) utilization of numbers violating authorization 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) other
8. Withholding of information pursuant to Section 115 of AEC  
9. Other  
TOTAL

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

### Postal services:

Checking the compliance with the conditions of Act No. 29/2000 Sb. (Collection of Laws), on postal services and on amendments of some Acts (Postal Services Act), as amended, and the implementing regulations, particularly Decree No. 464/2012 Sb. (Collection of Laws), on determination of specification of individual basic services and basic quality requirements for the provision thereof: with respect to the published changes of the postal conditions of Česká pošta, s. p. valid from 1 September 2013 and 1 October 2013, the Office carried out 22 local investigations in September at selected post offices in order to check whether the information on the change of the postal conditions was published by Česká pošta in the manner and within the period as stipulated by the Postal Services Act. At the same time, the Office checked and documented mailboxes in these selected post offices. The investigation of the Office did not reveal any defects.

Český telekomunikační úřad

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

Druh činnosti	Počet osvědčení nebo kontrol		Počet opatření v zájmu řádného poskytování služeb podle § 6 odst. 4 a § 37 ZPS	Počet SR z předcházejícího měsíce	Počet zahájených SR	Počet vydaných rozhodnutí	Rozhodnuto ve prospěch			Uložené pokuty		Počet SR přecházejících do dalšího měsíce
	celkově	z toho					účastníka poskytovatele	Ostatní	počet	výše v Kč		
1 1 Počet vydaných osvědčení o oznámení podnikání	0											
2 2 Počet změn osvědčení o oznámení podnikání	1											
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	22	0	1	0	0					0	0	1
5 5 Dodržování poštovních podmínek podle § 6 ZPS		22	0	1	0	0				0	0	1
6 6 Dodržování podmínek kvalitativních požadavků podle vyhlášky č. 464/2012		0	0	0	0	0				0	0	0
7 7 Rozhodování o námitkách proti vyřízení reklamace podle § 6a ZPS	0		3	2	0	0	0	0	0			5
8 8 Rozhodování o sporech podle § 37 odst. 3 písm. a) ZPS	0		0	0	0	0	0	0	0			0
7 9 Neposkytnutí informací podle § 32 a) ZPS			0	0	0					0	0	0
8 10 Ostatní	0	0	0	3	0					0	0	3
11		0	0	0	2	0				0	0	2
12		0	0	0	1	0				0	0	1
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	23		0	4	5	0	0	0	0	0	0	9

#### Table key:

Czech original	English translation
Český telekomunikační úřad	Czech Telecommunication Office
Přehled činnosti při výkonu státní kontroly poštovních služeb a účastnických sporů za měsíc září 2013	Overview of activities in performance of state inspection of postal services and subscriber disputes for the month of September 2013
Druh činnosti	Type of activity
počet osvědčení nebo kontrol	number of certifications or inspections
celkově	Total
z toho	of which
počet opatření v zájmu řádného poskytování služeb podle § 6 odst. 4 a § 37 ZPS	number of measures in the interest of proper provision of services pursuant to Section 6 (4) and Section 37 of PSA
počet SR z předcházejícího měsíce	number of administrative proceedings from the preceding month
počet zahájených SR	number of administrative proceedings opened
počet vydaných rozhodnutí	number of decisions issued
rozhodnuto ve prospěch	decided in favor of

účastníka	The subscriber
poskytovatele	The provider
uložené pokuty	fines imposed
počet	number
výše v Kč	amount in CZK
počet SŘ přecházejících do následujícího měsíce	number of administrative proceedings passing to the next month
Ostatní	Other
1. 1. The number of certifications notifying business activities issued 2. 2. The number of changes of certifications notifying business activities 3. 3. Performance of postal activities without certification 4. 4. Observance of conditions of the Postal Services Act (hereinafter PSA) and other regulations 5. 5. Observance of postal conditions pursuant to Section 6 of the PSA 6. 6. Observance of conditions of quality requirements pursuant to the Decree No. 464/2012 7. 7. Resolution on objections against the settlement of a complaint pursuant to Section 6a of the PSA 8. 8. Resolutions on disputes pursuant to Section 37 (3) a) of the PSA 9. 9. Withholding of information pursuant to Section 32 a) of PSA 10. 10. Other TOTAL	

## 6. Other regulators, inspection authorities, courts

### **Court of Justice of the European Union cancelled a decision of the European Commission**

The Court of Justice of the European Union cancelled a decision of the European Commission in which it concluded that Poste Italiane received prohibited state subsidies. The decision of the European Commission concerned interest payments made by the state on current accounts of Poste Italiane with the state treasury. According to the Court of Justice of the European Union, the European Commission performed an evidently incorrect assessment when it deduced the existence of economic preferential treatment of Poste Italiane without having taken into account the statutory obligation in the Italian state monopoly. As the European Commission failed to provide any evidence of economic preferential treatment of Poste Italiane through the Italian treasury the Court cancelled the decision of the European Commission.

## 7. Consumer issues

### ***Subscriber disputes – disputes regarding payments and objections against the settlement of a complaint***

In September the Office opened 2720 administrative proceedings concerning subscriber disputes between a person performing communication activities, on the one hand, and a participant, on the other hand, concerning payments and motions for opening proceeding on objection against the settlement of a complaint about the billing of the price or publicly available service of electronic communications which the Office decides pursuant to Section 129 of the Electronic Communications Act. The Office issued 2806 decisions on this subject, of which 2777 decisions concerning the payments (payment of price for services).

### ***Consumer protection***

In terms of consumer protection issues, the major event of the last month was the coming into effect of the measure of organizational nature dated 30 October 2012 No. OOP/10/10.2012-12 which defines the technical and organizational conditions for the implementation of telephone number portability and the principles for number portability billing between undertakings, as of 1 September 2013. The issue is covered in detail in chapter "Topic of the Month".

## 8. Legislative changes

Act No. 303/2013 Sb. (Collection of Laws), which amends some acts in connection with the adoption of re-codification of the private law was published on 30 September 2013 in part 116 of the Collection of Laws. This amendment changes a number of acts. In terms of electronic communications and postal services, the key amendment is that of the Electronic Communications Act where a new subsection 10 is added in Section 104, which responds to the Civil Code in the area of uniformity of the land and the structure located on that land. According to the new legislation of the Electronic Communications Act, therefore, the electronic communications network (including poles, overhead as well as buried communication lines and their supporting and surveying points) is not a part of the land pursuant to a different regulation (Act No. 89/2012 Sb. (Collection of Laws)), and according to a different regulation (Act No. 89/2012 Sb. (Collection of Laws)) it is considered to be utility line. Pursuant to Section 509 of Act No. 89/2012 Sb. (Collection of Laws), utility lines are not a part of the plot of land. In this respect, also for legislative-technical reasons, also Section 104 (7) (modification of the numbering of the subsections referred to) is modified.

Other acts affected by the re-codification amendments include but are not limited to the act on prices, consumer protection act, arbitration proceedings act, emergency situation act, code of administrative procedure.

This act will come into effect on 1 January 2014.

No other regulations affecting significantly the sector of electronic communications or postal services were published in the Collection Of Laws in September 2013.

### Change of the Rules of the Office for conducting public consultation at a discussion place

On 25 September 2013 the Office published at its Discussion place the proposal of the new Rules of the Office for conducting public consultation at a discussion place (hereinafter referred to as "Rules") which are issued pursuant to Section 130 (8) of Act No. 127/2005 Sb. (Collection of Laws), on electronic communications and on amendment of some related acts (Electronic Communications Act).

The proposal responds to the previous experience with the application of the Rules issued by the Office on 30 November 2005 with ref. No. 40 566/2005-606, and for the sake of transparency, simplification and streamlining of the entire process of the public consultations conducted the following modifications have been implemented in the proposal:

1. treatment of comments, positions and opinions with vulgar or otherwise offensive content,
2. treatment of comments, positions and opinions, or any parts thereof, which were identified as confidential or trade secret,
3. legislative-technical modifications related mainly to the amendment of the legislation or technical development in the area of written communication.

Comments on the proposal may be raised within one month of the date of publication thereof, i.e., until 25 October 2013.

## 9. European Union

On 11 September 2013 the European Commission adopted the [Proposal for a Regulation of the European Parliament and of the Council laying down measures concerning the European single market for electronic communications and to achieve a Connected Continent, and amending Directives 2002/20/EC, 2002/21/EC and 2002/22/EC and](#)



[Regulations \(EC\) No. 1211/2009 and \(EU\) No. 531/2012](#). The main points of the proposal for the regulation are:

- Simplification of the EU rules for telecommunication service providers – single license for the provision of services in all 28 Member States (instead of the current 28 individual licenses), requirement for statutory reduction of regulation of the partial telecommunication markets (which is supposed to lead to lower number of regulated markets), and further harmonization of the methods by which providers can lease access to networks owned by other companies in order to provide competitive services.
- Elimination of roaming surcharges – The charges for incoming calls on travels in the EU will be forbidden starting 1 July 2014. Companies will have two options: either they will offer plans valid throughout the European Union (“abroad like at home”) the price of which will depend on domestic competition, or they will allow their customers to divide the services used and choose a different operator for roaming services who offers a cheaper plan (without having to buy a new SIM card). The basis is the [regulation of 2012](#) on roaming which orders reduction of wholesale data prices by 67 % by July 2014.
- End of higher costs for international calls within Europe – companies today mostly charge higher prices for calls from landlines and mobile phones from the consumer’s domestic network to other EU countries. The proposal presented would change that: companies would not be allowed to charge more than for a normal long-distance call for calls within the EU. Calls from the mobile phone within the EU could not be more expensive than EUR 0.19 per minute (exclusive of VAT). Companies would set such prices to cover objectively justified costs but they would give up the arbitrarily set up profits from calls within the EU.
- Legal protection of an open Internet (Internet neutrality) – it will be prohibited to block and restrict Internet content, and users will thus have access to unrestricted and open Internet regardless of the price or speed of their Internet connection. Companies will be able to keep offering their customers “special services” with a quality guarantee (such as IPTV, video on demand, applications including medical imaging systems with high resolution, or virtual OR, and cloud applications for key company data of large volumes) if it is not at the expense of the speed of the Internet to which they committed vis-à-vis other customers. Consumers would be entitled to check whether the speed of the Internet is one they are paying for and to withdraw from the contract if the agreed-upon obligations are not met.
- New rights for consumers and full harmonization of these rights throughout the EU – new rights will be guaranteed, for example right to contract in a normally understandable language with greater amount of comparable information, greater right to change the provider or contract, right to a contract for a period of 12 months only unless the customer wishes a contract for a longer period, rights to withdraw from the contract if the provider does not deliver the promised Internet speed, and the right to redirect electronic mail to a new e-mail address after a change of the Internet service provider.
- Coordinated allocation of the spectrum – it will guarantee that Europeans have broader access to mobile Internet connection 4G and Wi-Fi. Mobile operators will be able, thanks to better coordination, timing, duration and other conditions of spectrum allocation, to prepare more effective cross-border investment plans. Member States will continue collecting and using the related fees from the mobile operators, and spectrum will be allocated within a more continuous framework. Such framework will also help develop the market for modern telecommunication equipment.
- Greater certainty for investors – the second element of the above-mentioned package is Recommendation on consistent non-discrimination obligations and costing methodologies. It is a supplement to the proposed Regulation and is immediately related to it. The objective of the Recommendation is to increase the investors’

certainty, increase the level of their investments and mitigate the differences between regulatory authorities. This will result in further harmonization and also stabilization of costs which the respective providers can charge for providing other providers with access to their existing metallic networks, and also certainty that the entities which request it have actually equal access to the networks. If such competition pressure and nondiscrimination are ensured the prices for wholesale access to broadband network of next generation will be determined by the market and not regulators, which will ultimately mean smaller administrative burden for the providers.

The plan of the reform includes the [Communication in connection with the urgent need for a single telecommunication market](#).

On 26 – 27 September 2013 the 16<sup>th</sup> plenary meeting of IRG and BEREC took place in Riga. The most discussed topic in the discussion of the Council of regulators was the above Proposal for a Regulation of the European Parliament and of the Council which, both among the regulators and at the joint meeting with the European Commission provoked intensive discussion of the various aspects of the Regulation. BEREC also discussed the performance of the working plan of the year 2013 and the suggestions for the working plan for 2014. Regulators were informed, for example, about the proposed methodology which should serve for establishment of the application of joint positions of BEREC describing the corrective measures in the relevant markets No. 4, 5 and 6. The priority for BEREC is an active participation in the discussion of the above-mentioned proposal for the Regulation which, if adopted, will affect the future of telecommunications in the EU.

The [Recommendation of the Commission dated 11 September 2013 on consistent non-discrimination obligations and costing methodologies to promote competition and enhance the broadband investment environment](#) was published in the Official Journal of the European Union on 21 September 2013. This regulation of the European Union is a part of the new telecommunication package of 2013.

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

### **ECC CPG PTA**

On 3 – 5 September 2013 a meeting of the ECC CPG PTA project team took place in Budapest, Hungary. The objective was to discuss the degree of preparation regarding the individual items in the agenda of the WRC-15 conference. Work subgroups for the individual items of the agenda of the Conference, led by the coordinators, discussed the input documents received from the administrations, other project teams of CPG (PTB, PTC and PTD), and international organizations. Based on the information from the input documents and the discussion which took place, proposals of updated drafts of CEPT Reports on the items of the agenda of WRC-15, updated drafts of the joint European position, and contact letters to the other project teams with the request for expert information for the respective items of the agenda of the Conference (WRC-15) have been prepared for the plenary session. The Czech Republic prepared duly and within the set period all documents arising from the responsibility for coordination of the agenda item AI 2 and AI 4 WRC-15. The documents were discussed by the work subgroups and sent to the plenary session of CPG for approval.

### **ECC PT1 and CPG PTD**

The 44<sup>th</sup> meeting of the CEPT ECC PT1 project team focusing on the issue of IMT (mobile communication) together with the meeting of the CEPT CPG PTD project team which is in charge of the European preparation for items AI 1.1 (identification of other bands for IMT systems) and AI 1.2 (allocation of 700 MHz band to the mobile service) of the agenda of the World Radiocommunication Conference WRC-15 took place on 9 – 13 September 2013 in Ljubljana, Slovenia. The main results of PT1 include extension of the bands for communication of passengers in aircraft using mobile terminals with bands UMTS 2 GHz (revision of the

Decision ECC (06)07), discussion of the comments on the proposed Report CEPT 49 (channel configuration of the 3.4–3.8 GHz band) supporting priority implementation of the TDD mode in the 3.4–3.6 GHz band, the related revision of the Decision ECC (11)06 on band 3.6 GHz, proposal of the structure of the report on 700 MHz band for the European Commission prepared based on the mandate from the Commission, specification of the technical principles of IMT network sharing the 3.4–3.8 GHz band in the TDD mode, and other matters. The discussed proposals of the harmonization documents are submitted to the upcoming meeting of the Electronic Communications Committee (ECC). The CPG PTD team for item AI 1.1 continued discussing the proposal of the candidate bands for IMT in the range of 0.4 to 6 GHz in the presence of the representatives of the administrations, industry, operators and users in the area of passive and scientific services. It arrived, among other things, at the conclusion that sharing of macro cells (i.e., base stations with relatively high output and reach) with the other services is almost unfeasible – an example is the 5.4 GHz band which is used by scientific applications of Earth exploration, at confirmation of the border of the 700 MHz band on frequency of 694 MHz, and it discussed the proposal of four versions of channel configuration of the 700 MHz band which envisages commercial utilization of the band starting the frequency 703 MHz. Preference of the configuration will take into account, among other aspects, the balancing of the needs of PPDR (security communications), PMSE (reporting communications), harmonized rosters in regions outside Europe, technical-economic aspects of production of IMT terminals, and effectiveness of the use of the spectrum.

### **CEPT ECC EFIS MG**

The 32<sup>nd</sup> meeting of the EFIS MG group took place on 16 to 17 September 2013 in Tallinn under the auspices of the Estonian regulator Tehnilise Järelevalve Amet. It was a regular meeting of this work group for EFIS (ECO Frequency Information System) set up by the Electronic Communications Committee CEPT ECC. EFIS MG ensures development and supervision of the operation of EFIS which is operated by ECO (European Communications Office) on server [www.ero.dk](http://www.ero.dk). EFIS serves as a portal for national information on the use of radio spectrum in the CEPT/EU countries and as a tool of European harmonization. The meeting of EFIS MG dealt with the observance of the Decision of the European Commission on harmonized availability of information regarding spectrum use within the Community (2007/344/EC), issues resolved in accordance with the Decision on EFIS (ECC Dec(01)03), and preparation of the updates of its annexes. Also with the scope of the available information and further development of the system in relation to the fact that EFIS is among the tools of the European Commission for revision of the use of radio spectrum (Inventory of Spectrum Use) in the range 400 MHz - 6 GHz.

### **ECC FMWG PT 49 PPDR**

A work meeting of the ECC FM WG PT 49 PPDR (Public Protection and Disaster Relief) project team took place on 17 – 18 September 2013 in Copenhagen, Denmark, discussing the issue of security communications and communication in the event of natural disasters. The meeting of PT 49 focused on the preparation of the ECC report on identification of the bands suitable for harmonization for security broadband communications. The discussion also focused on AGA (Air-Ground-Air) communication and DMO (Direct Mode, direct communication between terminals) for the applications of broadband PPDR in terms of the possibility to satisfy the requirements for these types of communication within the identified need of spectrum (2 x 10 MHz) in the 700 MHz and 400 MHz bands which are suitable for the implementation of broadband BB PPDR. The conclusions of the discussion were that the DMO operations should be included in the architecture of the BB PPDR network (every standard terminal should have DMO capability), while the requirements for spectrum for AGA should be secured with the use of a different frequency band (preferably unpaired 2 GHz band). Discussed were the issues of ad-hoc networks and PPDR in terms of preparation for item AI 1.3 of the agenda of the World Radiocommunication Conference WRC-15 i.e., revision of the Resolution 646 WRC-12 on harmonized approach in the area of PPDR.

## **ECC CPG**

A meeting of ECC CPG (Conference Preparatory Group) for the preparation of the region of Europe for the World Radiocommunication Conference WRC-15 took place on 22 – 25 September 2013 in Zagreb, Croatia. The group summarized and confirmed the reference materials prepared by the work teams of PT A to PT D i.e., updated CEPT reports and preliminary proposals of European common positions (ECP) on every point of the Conference. An important conclusion from the meeting of CPG is the approval of the lower limit of the 700 MHz band at 694 MHz. This significantly reduces the number of possible channel configurations. A very complicated discussion took place in the categorization of the bands suitable for the utilization of IMT, bands designed for further analyses of coexistence, and bands which are evaluated by Europe as unsuitable for IMT in terms of Europe's interests. Due to the reservations of one administration regarding this categorization the consensus has not been reached mainly in the identification of the bands 1427 – 1452 MHz, 1452 – 1492 MHz, 3400 – 3600 MHz and 3600 – 3800 MHz for IMT, which also blocks the proposals for identification of bands 1300 – 1400 MHz for IMT and 5 GHz for increase of the capacity for RLAN systems. A significant progress was made in the area of satellite and scientific services. Documents prepared by the Office, which represents the Czech Republic in CPG and provides coordination in the preparation of WRC-15, for agenda items AI 2 and 4 were approved by ECC CPG.

### **11. Digitalization of radio and television broadcasting**

Based on the requests of the operators, individual authorizations were issued for the use radio frequencies for regional network 1 in Roudnice nad Labem 56, for regional network 7 in Domažlice Čechov 32, Jablonec nad Nisou 29, Znojmo 45, for transmission network 10 in Pec pod Sněžkou 51, Loket 53 and for regional network 8 in Plzeň město 47 and Olomouc 52.

### **12. Management of the radio spectrum**

#### **Frequency auction**

On 10 September 2013 the Czech Telecommunication Office (hereinafter referred to as "the Office") published on its [electronic official board](#) its responses to the questions about the text of the Invitation to tender for the award of the rights to use radio frequencies in the 800 MHz, 1800 MHz and 2600 MHz bands. The applicants could submit their bids in the tender until 30 September 2013. Companies which submitted their applications within the designated period were all three current mobile operators (Vodafone Czech Republic a.s., T-Mobile Czech Republic a.s., Telefónica Czech Republic, a.s.) and two new applicants: Revolution Mobile, a.s. and TASCIANE, a.s. The opening of envelopes with the applications for the tender and the subsequent evaluation of the applications took place on 1 October 2013 from 9.00 o'clock.

Based on the verification of the applications, the Office stated that all applications comply with the requirements according to chapter 6.7 of the Invitation to tender. The Office will now assess in all applicants whether they comply with all the set conditions for participation in the tender procedure. The Office will inform all applicants about the result by 14 October 2013.

#### **General authorizations**

On 17 September 2013 CTU Council approved general authorization No. [VO-R/23/09.2013-5](#) to use radio frequencies and operate facilities of the fixed service in the bands of 71–76 GHz and 81–86 GHz. The reason for issuing this general authorization, which supersedes the current general authorization No. [VO-R/23/05.2010-7](#), is the need to specify the conditions for the use of radio frequencies in the respective bands and ensure compliance thereof with the revised Recommendation ECC/REC/(05)07 of 2013 and also introduction of

effective registration of the use of radio frequencies based on solely electronic notification of the start or change of use of radio frequencies. The general authorization will come into force on 15 October 2013.

On 13 September 2013 the Office published, for public discussion, a [proposal](#) of a measure of general nature, parts of the plan of use of the radio spectrum No. PV-P/22/XX.2013-Y for the band of 87.5–146 MHz. The reason for the proposed update of this part of the plan is in particular the need for implementation of the schedule specified in the Implementing Regulation of the European Commission No. 1079/2012 laying down requirements for voice channels spacing for the single European sky (transition to channel width 8.33 kHz). Other modifications of the part of the plan specify the conditions in radio service (FM transmission) with respect to the issue of exceeding operating parameters of some FM transmitters.

### **13. Postal services**

The 7<sup>th</sup> meeting of ERGP (European Regulators Group for Postal Services) took place on 5 and 6 September 2013 in Prague in the premises of the Office. The activities of this group focus on the satisfaction of the end user of postal services, monitoring of market results and the quality of postal services. The participants discussed the proposals of the reports describing the development of the postal service market in EU Member States as well as in the associated countries in 2012.

On its website the Office published an [enquiry](#) for the performance of an audit of metering of the transport times of consignments for the year 2014. Based on the information obtained, the Office will prepare the reference materials for the small-scale public contract pursuant to Section 12 (3) of Act No. 137/2006 Sb. (Collection of Laws), on public procurement, as amended.

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Discussed by the CTU Council on 9 October 2013