



Czech Telecommunication Office

August 2020

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## Telegraphically

### Another meeting with the sector

On 22 July, a meeting with representatives of the electronic communications sector took place at CTU, attended by Ing. Kuchař, Director of the Department of the eGovernment Chief Architect. The topic focused on terminating the use of the birth certificate number as a unique identifier of natural persons. From 1 January 2022, it should be replaced by a “meaningless contact identifier”. The sector had a number of comments and its representatives agreed that discussions with other sectors would be desirable before the proposal is submitted to the Czech Parliament.

### The Association of Mobile Network Operators has a new president

Pavel Vlček has become the new president of the Association of Mobile Network Operators (APMS), as announced on its [website](#). Pavel Vlček has been involved in communications and external relations for 15 years. He graduated from Charles University and in the past managed communications and external relations at the Ministry of Industry and Trade, as well as in Citibank, Rosatom and mBank.

### Vodafone to switch off the 3G network

Vodafone [has announced](#) that it plans to switch off its 3G network in March 2021. It intends to use the frequencies it releases for 4G LTE and 5G networks. The need to change terminal equipment devices is expected to affect only one per cent of customers who use mobile internet and are now on the 3G network. The eventual replacement of the device does not apply to those who only want to make calls or send SMS messages – they can still use the nationwide 2G network, which will remain in operation.

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## CTU settled comments from a public consultation and announced an auction

**A public consultation on the conditions of the auction (in the form of a tender for granting rights to use radio frequencies for the provision of electronic communications networks in the 700 MHz and 3400–3600 MHz frequency bands) took place from 4 June to 7 July 2020, with comments sent by a total of 27 entities. Having settled all comments, CTU published a [settlement table](#) (in Czech only) [on its website](#) on 7 August.**

As part of the preparations for the tender, the Office discussed the intended conditions and rules in several public consultations, discussions and working meetings with stakeholders. It also discussed them with the Office for the Protection of Competition, whose chairman had no comments on the conditions of the tender, both from the point of view of public support and competition.

As future networks that will use the auctioned frequencies will be part of a critical information infrastructure, security aspects were also discussed with the National Cyber and Information Security Agency (NÚKIB).

On the same date, i.e. 7 August 2020, the Czech Telecommunication Office also [announced](#) a tender (auction) for frequencies in the 700 MHz and 3400–3600 MHz bands. The announcement, published in Chapter No. 8/2020 of the Telecommunication Bulletin (available on the [Office's website](#) and on the [Public Administration Portal](#)), also contains the final wording of the conditions.

By setting the final conditions of the tender, CTU primarily monitors the support for competition, the need to ensure the effective use of radio frequencies, and the creation of conditions for technological innovation and the development of future 5th generation networks. The conditions also support the use of 5G solutions within applications in Industry 4.0, as well as future modern communications of crisis and security forces (PPDR communications).

The announcement started the time limit for submitting applications for the tender, which ends on 30 September 2020.

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## Market analysis and regulation

Market No. 1 – wholesale call termination services in individual public telephone networks provided at a fixed location, and market No. 2 – wholesale voice call termination services in individual mobile networks

On 13 July 2020, CTU sent draft decisions on the determination or, as the case may be, cancellation of the determination of undertakings with significant market power based on the results of the analyses of relevant markets No. 1 and No. 2 (measures of general nature No. A/1/04.2020-3 and No. A/2/04.2020-4) on the opinion of the Office for the Protection of Competition (hereinafter referred to as the "ÚOHS"). In its opinion delivered to CTU on 16 July 2020, the OPC did not comment on the proposed decisions. Therefore, CTU will now complete the necessary administrative acts to issue the relevant decisions on the determination or, as the case may be, on the cancellation of the determination of undertakings with significant market power in markets No. 1 and No. 2. During July 2020, public consultations on draft price decisions in relevant markets No. 1 and No. 2 also ended. CTU subsequently also sent proposals of these decisions at the end of July and beginning of August 2020 to be commented on by the ÚOHS, which in its opinion of 11 August 2020 had no comments on the draft price decisions in question. After consultation with the OPC, the draft decisions will be notified to the European Commission.

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## Changes to contractual conditions and price lists

### Data usage in the EU

Tesco Mobile, BLESKmobil and Mobil.cz changed their price lists due to the fact that as of 1 July 2020, pursuant to Commission Implementing Regulation (EU) No. [2016/2286](#), the maximum possible surcharge on the price for data usage within the EU is CZK 0.09 per 1 MB.

## Electronic communications

### Public consultation on the amendment to General Authorization No. 1

On 17 July 2020, a public consultation on the proposal to amend General Authorization No. VOS/1/XX.2020-Y ended. Comments within the time limit were submitted by five affected entities, namely Česká asociace elektronických komunikací z.s., Vodafone Czech Republic a.s., České Radiokomunikace a.s., Výbor nezávislého ICT průmyslu, z.s. and Český telekomunikační klastr z.s. The results of the public consultation, including the settlement of comments, are published in the discussion section.

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### Checked by CTU in July

Compliance with the conditions of General Authorization No. VO-R/12/12.2019-10 for the use of radio frequencies and operation of devices for broadband data transmission in the 2.4 GHz to 71 GHz bands

CTU performed a total of 27 inspections. Defects were found in 23 cases, in particular the effect of harmful interference with priority radiocommunications service stations (meteorological radars) and the use of indoor frequencies outside the building, which were addressed by a call to eliminate the identified deficiencies and will subsequently be addressed in administrative proceedings.

#### Use of radio frequencies without authorization

CTU performed a total of three inspections focused on the use of frequencies without authorization. In all cases, the use of frequencies without individual authorization was detected; the cases were referred for resolution in administrative proceedings.

Sources of interference with the operation of electronic communications devices and networks, the provision of electronic communications services or the operation of radiocommunications services

In July, CTU closed a total of 118 investigations, of which there were 82 cases of interference with television reception (of which 70 cases were interference with DVB-T2 reception), 8 cases of interference with GSM, UMTS and LTE public mobile communications networks, 17 cases of interference with meteorological radars, 3 cases of interference with satellite reception and 8 cases of interference with various devices (a radio receiver, an amateur service station, a mobile and fixed service converter, a short-range device, etc.). In none of the cases was an LTE base station the source of interference with DTT reception (DVB-T and DVB-T2). The investigation of 70 complaints about poor DVB-T2 reception revealed that in 54 cases the defect was in the viewer's device, and that in 5 cases it was the effect of shading, reflections or reception in an uncovered area; the interference stopped or had a sporadic occurrence in 2 cases. There was a defect in the TV converter in 1 case.

#### Trial operation of LTE base stations in the 800 MHz band

As of 31 July, there were 331 base stations in trial operation, and 16,808 stations in permanent operation. In July, 66 reports of interference were received and the investigation of 82 cases of television interference was closed; BTS LTE in the 800 MHz band was not identified as a source of interference with DTT (DVB-T and DVB-T2) reception in any case. Defects in the television viewers' reception devices were found in 63 cases; the interference stopped or had a sporadic occurrence in 4 cases. In 6 cases it was the effect of shading, reflections or reception in an uncovered area, and in 1 case it was a defect of the TV converter. 8 interference reports were cancelled by their submitters during investigation of the interference.

## Universal service

### Request for reimbursement of net costs and losses from the provision of special prices

On 23 July 2020, O2 submitted to the Office a request for reimbursement of the net costs for the provision of partial services of the universal service for 2019 in the amount of CZK 25,553,251.35. It also requested compensation for the loss from the provision of special prices for a publicly available telephone service to disabled persons in the same period, in the amount of CZK 67,863,789.28. CTU subsequently initiated two administrative proceedings with O2 to verify the amounts contained in the submitted requests. After the effective decisions were issued, the verified net costs and loss will be covered from the state budget via CTU.

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## Unpleasant visits to operators' brick-and-mortar branches

Recently, CTU has often been contacted by consumers who have encountered problematic behaviour from local employees following a visit to one of the operators' brick-and-mortar branches.

The consumers point out that the conditions agreed orally at the brick-and-mortar branch with the operators' sellers often do not correspond to the services actually provided or their prices, but CTU has also received complaints about the rude, indecent, or otherwise unprofessional behaviour of these employees.

With regard to contracts for the provision of electronic communications services concluded at the providers' brick-and-mortar branches, it should be noted that, unlike when concluding a contract remotely (via the Internet or telephone), consumers cannot use a 14-day withdrawal period. Therefore, if the consumer subsequently finds that the actual parameters of the service provided, including the price, differ from what they orally agreed with the operator's seller at the branch, the right of withdrawal cannot be exercised. However, this does not mean that consumers in such cases have no means of protection, although exercising these rights may be relatively complicated, depending on the specific circumstances.

Given that negotiations at branches are usually not recorded in any way, negotiations "face-to-face" may increase the risk of unfair commercial practices by the seller, although disputes over the content of the concluded contract may also occur without unfair intent, due to a misunderstanding. If unfair practices are used, CTU is competent to penalize such prohibited practices at the public-law level and in offence proceedings. It is also authorized, at the private-law level, to decide any disputes as to what conditions have been agreed between the customer and the operator's representative at the branch or, as the case may be, as to the actual content of the contract. However, it should be noted that in both types of proceedings, the facts of the case must always be reliably established using evidence.

In this respect, CTU recommends that consumers do not underestimate negotiations at the providers' branches and prepare for them in advance, especially to clarify what specific requirement they want to visit the provider's branch with and, if the meeting develops into a commercial offer, always carefully consider whether the service (or device) that is offered will actually be used by them, etc. Given the course of oral negotiation that is often difficult to prove, CTU recommends, if possible for consumers, that they ask another person (a family member, friend, roommate, etc.) for assistance for negotiation in order to testify to the consumer's claim in the event of a dispute over the content of the contract or a suspicion that unfair commercial practices have been used.

In the latter case, if consumers encounter any vulgar or rude behaviour from the sellers at a provider's brick-and-mortar branch, CTU recommends that they complain to the sellers' superiors and, if necessary, lodge such a complaint directly with the provider itself.

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## Operators may charge a full penalty for early termination of the contract for companies

In the 2nd quarter of 2020, CTU registered a total of 498 complaints lodged by participants/users, which is a slight decrease compared to the previous period. Of these, 356 were resolved by CTU using the procedure in accordance with the Electronic Communications Act, in 37 cases the Office was not competent to handle them and forwarded them to the competent authority, and 105 complaints were unfounded and no violation of the Act was found in their investigation. This time, a significant part of the complaints concerned corporate customers who prematurely terminated the contract for the provision of a service, mistakenly assuming that the reduction or ban on the imposition of penalties for early termination of the contract, valid from 1 April 2020, applied to all subscribers without distinction.

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## Telecommunication regulation in the EU

### European Commission

EC launched public consultation on the [Directive 97/67/ES on postal services](#) to gather information about functioning of postal market, quality of postal services and relevancy of current regulation. The key issues are:

1. if this Directive, especially the Universal Service concept, do address current needs of postal sector;
2. which strategic goals for the postal sector need to be formulated now and in the future.

The initial Directive was adopted in 1997 and revised in 2008 last time. The results of the consultation will be used in the Report on the Application of the Directive, where also the Commission will propose potential amendment. The consultation will end on 9 November 2020.

On 16 July, EC launched [public consultations](#) on the review of two Recommendations: [Commission Recommendation \(2010/572/EU\)](#) on regulated access to Next Generation Access Networks and [Commission Recommendation \(2013/466/EU\)](#) on consistent non-discrimination obligations and costing methodologies to promote competition and enhance the broadband investment environment with the goal to stimulate competition and to improve the conditions for investments in broadband. The Commission's aim is to ensure a consistent application of the access provisions of the Code and help national regulatory authorities (NRAs) and market players address the considerable challenges of regulation, especially in relation to investments and deployment of very high capacity networks (VHCNs). The consultations will end on 7 October 2020.

On 7 July, EC launched [public consultation](#) on the [Directive \(EU\) 2016/1148](#) concerning measures for a high common level of security of network and information systems across the Union (NIS Directive). This regular review of the Directive shall be conducted until May 2021. EC in its 2020 Work Programme announced the review is conducted until the end of 2020 according to its key political goal and security goals of the EU. The consultation will end on 2 October 2020.

On 24 July, EC launched public consultation European Digital Identity (EUid). The EU system for digital ID will improve a framework of eIDAS and will extend its benefits to the private sector. Users could use universally accepted European Unique Identifier (EUid), which enables safer use of online services and strengthen control over their personal data. Comments to the [preliminary assessment](#) could be sent until 3 September. Wider [public consultation](#) runs until 2 October 2020.

## Official Journal

[Commission Implementing Regulation \(EU\) 2020/1070](#) of 20 July 2020 on specifying the characteristics of small-area wireless access points pursuant to Article 57(2) of Directive (EU) [2018/1972](#) of the European Parliament and the Council establishing the European Electronic Communications Code was published on 21 July 2020 and shall apply from 21 December 2020. It's a new version of the incorrectly published [Commission Implementing Regulation \(EU\) 2020/911](#) of 30 June 2020.

## Cybersecurity of the 5G networks

On 24 July 2020, the EU Member states with the support of European Commission and ENISA (The European Union Agency for Cybersecurity) published the [Report](#) on implementing EU Toolbox of risk mitigating measures ([EU Toolbox](#)). The EU Toolbox was agreed by the EU Member States in January 2020, also with the [support](#) of EC.

## BEREC

The 8th [BEREC Stakeholders](#) forum will be a virtual event due to the uncertain situation caused by the COVID-19 pandemic. It will take place on 19 October 2020 at 14:00 CEST. The main topic of the Stakeholder Forum will be regulation of digital platforms. As in previous years, the Draft BEREC 2021 Work Programme will be presented. Participants are invited to follow the thematic discussions relevant to the current challenges in the telecoms market with the current BEREC Chair, Mr Dan Sjöblom, and with the incoming BEREC Chair, Mr Michel Van Bellinghen. The registrations on [BEREC websites](#) are already open.

## EU Calendar

<b>16. 6. – 4. 9.</b>	<a href="#">Public consultation</a> on the draft BEREC Guidelines to foster the consistent application of the criteria for assessing co-investments <a href="#">BoR(20)113</a>
<b>2. 6. – 8. 9.</b>	<a href="#">Public consultation</a> of the EC on Digital Services Act
<b>19. 6. – 11. 9.</b>	<a href="#">Public consultation</a> of the EC on the review and prolongation of the Roaming Regulation
<b>3. 6. – 8. 9.</b>	<a href="#">Public consultation</a> of the EC on the new complementary tool to strengthen competition enforcement
<b>6. 7. – 27. 9.</b>	<a href="#">Public consultations</a> on three ERGP <a href="#">documents</a> – ERGP Work Programme for 2021, the Report on Definitions in Postal Sector and the Report on Key Consumers Issues
<b>1. 7. – 30. 9.</b>	<a href="#">Public consultation</a> on the Regulation on Cross-border parcel delivery