



Czech telecommunication office

December 2017

---

## Telegraphically on communications

### Czech Post has a postal licence for the next five years

At its meeting on 12 December, CTU Council decided to grant the postal licence to Czech Post (Česká pošta, s.p.). After Czech Post failed to meet the conditions for participation in the competitive tendering due to its failure to provide evidence of cost-oriented prices, CTU Council granted the postal licence and the related obligations for the same period directly. Postal services will therefore be provided in the New Year to the same extent as at present.

### MoQoS project was a success

The crowdsourcing MoQoS project, whose partners include CTU, succeeded in the category of central projects in Egovernment The Best 2017 competition. It won the second place. MoQoS is related to the successful NetMetr project which was also co-implemented by CTU. The application makes it possible to compare the quality of service provided for internet access and the data rate using a unified methodology, and subsequently visualize the values measured.

### Data usage in mobile networks grew by one third

In the first half of this year, Czech customers used 35% more data per month in mobile network than in the year before. As of mid-2017, there is 793 MB of data transmitted per SIM card on average, while last year it was 586 MB. This is shown by the results of the semi-annual electronic data collection and Digital Economy and Society Index (DESI), published by the European Commission.

---

## Be careful when buying a new TV set

The time before Christmas is an opportunity for many households to consider purchase of a new television set. CTU recommends that people who use a terrestrial platform (TV antenna) to receive the digital broadcasting check whether the new device supports DVB-T2 standard with HEVC codec (sometimes also H.265). Only this will ensure that they will be able to receive television broadcasting without problems also after the change of the standard to DVB-T2.

A guide for consumer may be the [certification activity](#) of České radiokomunikace. Devices meeting the specified requirements are marked with a golden label "CRA DVB-T2 – certified".

---

## New method of charging ITU fees for IIN and UIFN

Starting from 1 January 2018, the method the International Telecommunication Union (ITU) uses to charge for allocation and use of IIN numbers (see "[Decision 601 \(C17\)](#)") and UIFN numbers (see "[Decision 600 \(C17\)](#)") is changing.

CTU deems it appropriate to inform the professionals in the field about these changes because they constitute potential increase of costs for the holders of these numbers and potential applicants for these numbers.

Regarding UIFN (Universal International Freephone Number), CTU warns about the increase of the registration fee from the existing CHF 200 to CHF 300. The decision also introduces a new annual fee of CHF 100 per number for non-members of ITU-T and ITU-R. CTU adds that the allocation of UIFN is entirely outside its scope of powers and responsibilities, and CTU therefore does not collect the administration fee for the allocation or the annual fee for the use of the number.

Regarding IIN (Issuer Identifier Number), we warn about the increase of the registration fee from the existing CHF 80 to CHF 150. The decision also introduces a new annual fee of CHF 100 per number for non-members of ITU-T and ITU-R.

The fees collected in the Czech Republic for the use of IIN remain unchanged. Government Order No. 154/2005 Coll., on determination of the amount and method of calculation of the fees for the use of radio frequencies and numbers, as amended, defines an annual fee for the allocated IIN amounting to CZK 50,000; the administrative fee collected by CTU for issuing a decision is CZK 5,000.

---

## Changes to the contract terms

**O2** changes the contract termination terms for prepaid services. According to the terms issued effective from 15 November, the operator may terminate the contract if there has been more than a year since the last credit recharge. The termination notice is sent by O2 by a text message (SMS) and the contract shall expire after the two-week notice period.

**O2** and **O2 Family** published new price lists in which, effective from 1 January 2018, they reduce the surcharge for the volume unit to the lump-sum price when using data in roaming mode beyond the data limit to which the EU regulation applies.

**T-Mobile**, in the price list effective from 15 November, newly specifies for mobile data the maximum download and upload speed and specifies more fully, for example, the guaranteed quality of the service.

**UPC** has increased the Internet and cable TV prices within the non-loyalty portfolio, starting from 15 November.

---

## Postal services

On 12 December, CTU Council decided to grant the postal licence to Czech Post (Česká pošta, s.p.) for the period from 1 January 2018 to 31 December 2022.

CTU Council resorted to this decision after the competitive tendering for the postal licence holder had to be terminated without selection of the winner. Czech Post, as the only participant, failed to meet the requirements for participation because it did not provide evidence of the cost orientation of the prices of the basic services, and therefore its application was rejected. In such case, the Council may decide to impose the obligations concerned directly in accordance with Section 22(9) of the Postal Services Act.

The Council acted according to this provision and imposed the obligation for the next period upon Czech Post as an operator which best meets the criteria of evaluation of applications. General availability of the basic services will thus be ensured in the whole Czech Republic also after 1 January

2018 in a manner comparable to the current situation. It therefore means no changes for the users of postal services.

---

## Checked by CTU in November...

### ... performance of communication activities without authorization.

CTU carried out two inspections in order to check the compliance with the conditions for the performance of communication activities by the entities inspected and found no violations.

### ... compliance with the conditions of general authorization No. VO-R/12/09.2010-12 to use radio frequencies and operate facilities for broadband data transmission in 2.4 GHz- 66 GHz frequency bands.

CTU carried out 14 inspections. In nine cases it discovered deficiencies, for example use of indoor frequencies outside of buildings, operation of RLAN in SRD band in frequencies over 5,725 MHz and interference with a meteorological radar. CTU requested remedy in these cases and commenced administrative proceedings.

### ... use of radio frequencies without authorization.

CTU carried out six inspections focusing in particular on the use of frequencies outside of permitted frequency bands and on the entities whose individual authorization has expired. Operation without an authorization was found in four PPS networks. Administrative proceedings will follow.

### ... compliance with the terms of the individual authorization to use frequencies.

CTU carried out 15 inspections focusing on the use of frequencies by aircraft stations. No breach of terms was found.

### ... sources of interference with the operation of electronic communication equipments and networks, provision of services of electronic communications or operation of radio communication services.

CTU has completed 205 investigations, of which 158 cases involved interference with television signal (including community television antenna), 30 cases involved interference with public mobile communication networks (GSM, UMTS, LTE, CDMA), ten cases involved interference with radio and television signal, and two cases involved interference with the terrestrial mobile service network. The discovered source of interference with DVB-T was BTS LTE in the 800 MHz band in 59 cases (see the following paragraph), public mobile networks were interfered with in six cases by an active TV antenna, and in four cases by a GSM repeater. Other sources of interference discovered: power supply, high-voltage line, RLAN equipment, DECT phone, and SRD equipment.

### ... test operation of LTE base stations in the 800 MHz frequency band.

As of 30 November, 1260 LTE base stations were in test operation, and 14,336 LTE base stations were in permanent operation. 172 reports of interference with the terrestrial digital television signal were received by CTU in November; BTS LTE in the 800 MHz band were found to be the source of interference with DVB-T in 59 cases. The investigation of 158 cases of interference with DVB-T was completed. Defects of the viewers' receiving equipment were discovered in 74 cases, no interference was found in 22 cases, and three cases involved insufficient DVB-T TV signal.

# Monitoring report – 12/2017

## Summary of Inspection Activities in Electronic Communications- November 2017

Type of activity	Number of certificates or inspections		Number of calls to rectify shortcomings	Number of initiated administrative proceedings	Number of decisions issued	Decided in favour of			Sanctions imposed	
	Total	Of which				the subscriber	the provider	Number	Amount in CZK	
1. Number of awarded certificates of notification of business (Section 14 of the Act*)	9									
2. Number of changes to certificates of notification of business (Section 14 of the Act*)	27									
3. Operation of communication activity without authorisation	2			1	1				1	19000
4. Compliance with the terms and conditions of general authorisations	24		10	27	24				23	682000
a) in relation to providing public communication networks and associated facilities	0	0	0	0	0				0	0
b) in relation to providing electronic communication services	3	0	0	0	0				0	0
c) in relation to the use of radio frequencies and the operation of devices (radio equipment)	21	10	27	24					23	682000
5. Inspection in relation to radio frequencies	226		0	11	11				11	135000
a) the use of radio frequencies without authorisation	6	0	11	11					11	135000
b) adherence to the conditions of an individual authorisation for the use of radio frequencies	15	0	0	0	0				0	0
c) identifying sources of interference to the operation of electronic communication equipment and networks, the provision of electronic communication services or the operation of radio-communication services	205		0	0	0				0	0
6. Inspection of numbers for the purposes of number management (number of inspection calls)	0		0	0	0				0	0
a) the use of numbers without authorisation	0	0	0	0	0				0	0
b) the use of numbers in conflict with authorisation	0	0	0	0	0				0	0
7. Subscriber dispute resolution	0			9047	3272	1211	1796			
a) of objections to the settlement of complaints about services provided	0	0		0	2	0	1			
b) of objections to the settlement of complaints about billing for services of	0	0		18	17	7	4			
ba) access to services with expressed price (data and voice)	0	0		0	0	0	0			
baa) access to data services with expressed price (provided on Internet or other data networks)	0	0		0	0	0	0			
c) on the payment of price for services (monetary performance)	0	0		9029	3252	1204	1791			
d) other	0	0		0	1	0	0			
8. Failure to provide information according to Section 115 of the Act*				1	1					3000
9. Other	183		7	22	26				22	92000
TOTAL	471		17	9109	3335	1211	1796		58	931000

\* Act No. 127/2005 Coll., on electronic communications and amending certain related acts

## Summary of Inspection Activities in Postal Services- November 2017

Type of activity	Number of certificates or inspections		Number of measures in the interest of proper provision of the services according to Section 6 paragraph 4 and Section 37 of ZPS	Number of administrative proceedings from the previous month	Number of initiated administrative proceedings	Number of decisions issued	Decided in favour of			Sanctions imposed		Number of the administrative proceedings carried forward to the next month
	total	of which					subscriber	provider	Other	number	amount in CZK	
1. Number of awarded certificates of notification of business	0											
2. Number of changes to certificates of notification of business	0											
3. Operation of communication activity without authorisation	0		0	0	0				0	0	0	
4. Compliance with the conditions of the APS*	0		0	0	0				0	0	0	
Compliance with the postal conditions according to Section 6 of APS		0	0	0	0				0	0	0	
Compliance with the conditions for quality requirements according to Decree No. 464/2012		0	0	0	0				0	0	0	
5. Resolution of objections to the settlement of complaints about services provided according to Section 6a of APS	0			87	27	31	7	13	11			83
6. Dispute resolution according to Section 37 paragraph 3 letter a) of APS	0			0	0	0	0	0	0			0
7. Failure to provide information according to Section 32 letter a) of APS				0	0	0				0	0	0
8. Other	2		0	11	3	0				0	0	14
on-site surveys		2	0	0	0	0				0	0	0
Administrative procedure in the matter of an offence according to Section 37a paragraph 3 letter a)		0	0	2	0	0				1	0	2
Administrative procedure in the matter of an offence according to Section 37a paragraph 1 letter a)		0	0	3	0	0				0	0	3
Administrative procedure in the matter of an offence according to Section 37a paragraph 2 letter a)		0	0	1	0	0				0	0	1
Administrative procedure in the matter of an offence according to Section 37a paragraph 2 letter e)		0	0	2	3	0				0	0	5
Administrative procedure in the matter of an offence according to Section 37a paragraph 1 letter c)		0	0	2	0	0				0	0	2
Administrative procedure in the matter of an offence other		0	0	1	0	0				0	0	1
TOTAL	2		0	98	30	31	7	13	11	0	0	97

\* Act No.29/2000 Coll., on postal services and amending certain acts

---

## CTU Working for the Consumer: Will the new data packages comply with the net neutrality rules?

**CTU is currently checking the conditions of the packages for data plans of Vodafone Pass and T-Mobile Stream On. The operators introduced the offer of new (supplemental) packages for data plans in mid-November. The service makes it possible to use data services without including some types of traffic (e.g. video) in the volume limits (the so-called FUP).**

CTU is assessing whether the nature of these supplemental services in which the so-called zero-rating practice is used complies with the legislation: Regulation (EU) No. 2120/2015 of the European Parliament and of the Council and the recommendation of BEREC, the Consumer Protection Act, and the requirement for transparency of offers.

Specifically, CTU is reviewing in particular the charges for advertisements inserted in the video played, the set-up of quality of the video played, and possible limitations of these packages by the operators depending on the volume of data used.

---

## Market analyses

### Markets No. 3a/3B

**(3a) – Wholesale services with local access provided at a fixed location, and (3b) – wholesale services with central access provided at a fixed location for products for general consumption**

Until 8 December there was a public consultation of the [draft decision](#) to impose obligations upon an undertaking with significant market power, Česká telekomunikační infrastruktura a.s. (CETIN), on markets No. 3a and No. 3b. Within the public consultation, comments were filed by Vodafone Czech Republic a.s., T-Mobile Czech Republic a.s., and CETIN. CTU will now process the comments within the statutory period and subsequently publish the result on its website.

Until 8 December it was possible to file comments within the [public consultation](#) on the draft decision on the price for CETIN in market No. 3a. Comments were filed by Vodafone, T-Mobile and České Radiokomunikace a.s. This decision is supposed to set maximum prices for co-location services and an obligation to charge a cost-oriented price for the provision of access to the dark fiber.

### Market No. 4

**Wholesale services with high-quality access provided at a fixed location**

CTU published at the discussion site the settlement of the comments made by Vodafone on the draft decision on declaration of CETIN as an undertaking with significant market power in relevant market No. 4. Until 8 December there was also a public consultation of the draft decision to impose obligations upon this company. Within the public consultation, comments were filed by České Radiokomunikace a.s. and Vodafone. CTU will process the comments received within the statutory period and subsequently publish the result on its website.

### Mobile services market

CTU published at the [discussion site](#) the settlement of the comments from the public consultation on the proposed three-criteria test for the Mobile Services Market focusing specifically on mobile data services. Based on the comments received, CTU will modify the draft test and subsequently submit to the Office for the Protection of Competition for comments.

## Radio spectrum management

### Fees for the use of frequencies

On 12 December CTU commenced an interinstitutional comments procedure of the proposed change of the Government Order No. 154/2005 Coll., on determination of the amount and method of calculation of the fees for the use of radio frequencies and numbers, as amended. It constitutes implementation of one of the measures of the Action Plan for Implementation of Non-Subsidy Measures to Support the Planning and Deployment of Electronic Communication Networks adopted by the government on 10 May 2017.

The new wording of the Government Order reduces the fees for radio frequencies necessary for the provision of high-speed Internet access services in fixed and mobile networks. The proposed legislation is based on the conclusions of the working group of CTU and representatives of the electronic communication industry.

### Dog collars with GPS

On 7 November CTU Council approved general authorization No. [VO-R/25/11.2017-8](#) to use radio frequencies and to operate dog trackers. This new general authorization will enable **licence-exempt** use of the 155.45 MHz frequency band for collars designed for dog tracking using GPS. Until now, the equipment could only be operated under an individual authorization to use radio frequencies, while in some European countries it could be operated freely. The general authorization will come into effect on 15 December.

---

## Annex: Subscribers' complaints

**For the 3<sup>rd</sup> quarter of 2017 CTU has recorded 544 complaints by subscribers/users of electronic communication services. Out of this number, 332 complaints were processed by CTU according to the law (i.e., 61% of the total number), 29 complaints could not be processed by CTU due to lack of jurisdiction and these were referred to the competent authority (i.e., 5.3% of the total number), and 183 complaints were unjustified (i.e., approximately 33.7% of the total number) and no violation of the law was found in the course of investigation thereof.**

In general, compared with the 2<sup>nd</sup> quarter of 2017, we can see decline in the number of complaints related to subscriber contracts. On the other hand, the number of complaints about billing has slightly increased in this period.

CTU received a total of 130 complaints about billing, which is approximately 23.9% of the total number of complaints. These complaints are most often resolved by providing legal advice to the complainant or these cases are settled within administrative proceedings pursuant to Section 129 of the Electronic Communications Act (subscriber disputes) as objections against the handling of a complaint about the price for the services provided.

The public mostly contacted CTU with complaints about distance contracts (concluded most often by telephone) where the complainants stated that the contract was different from the contents of the contract agreed upon by telephone. Quite frequent were also complaints about automatic prolongation of contracts where the complainants often fail to notice the information on contract extension and the methods of termination in the bill. The amendment of the Electronic Communications Act effective from 2 September 2017 should make the situation clearer, at least with

respect to consumers, since providers are obliged not only to inform the consumer about the extension of the contract but also to request from the consumer demonstrable consent to the automatic extension of the commitment. Further complaints were filed in connection with the European roaming regulation where the complainants stated that some operators changed the contract terms in response to the European legislation without informing them about the change or, as the case may be, that they do not provide roaming for all services (typical for data services). There were also quite a few complaints about the fact that providers do not accept a contract termination notice or that they request payment from the subscribers upon an early termination of the contract even in cases where the contract is terminated due to unilateral change of terms.

As for the telephone number portability, CTU recorded 15 complaints, which is almost an identical number of complaints as in the 2<sup>nd</sup> quarter of 2017. The most frequent reasons for complaints were problems with the functionality of the identifier provided (the so-called ČVOP), provider's failure to provide the identifier, etc..

In the 3<sup>rd</sup> quarter of 2017 CTU received a total of 1,098 questions, which is 55 more than in the 2<sup>nd</sup> quarter.

CTU recorded (in particular prior to the effective date of the amendment to the Electronic Communications Act) a number of complaints about difficulties with termination of a contract by the subscriber's notice, in particular in contracts where the automatic extension of the commitment was agreed upon. In several cases the complainants claimed that they were not informed about the automatic extension of the contract. When looking into it, however, it usually turned out that the information on contract extension, including the methods of contract termination, was included in the bill. CTU will check, within its supervisory activities, whether the providers fulfill this legal obligation, whether they fulfill it properly, and how they request the active consent to the contract extension.

The amendment to the Electronic Communications Act effective from 2 September 2017 also unified the termination notice period which must not exceed 30 days. Together with the above-described active procurement of the consent to the contract extension, the unified notice period could contribute, at least with respect to consumers, to greater transparency of the process of termination and/or prolongation of contracts. Going forward, consumers should be therefore able to avoid situations where their contract is automatically extended during the notice period and, if they insisted on termination of the contract, they were charged an early termination fee which can be very high, in particular at the beginning of a new commitment contract.

With effect from 1 February 2018, in situations where the subscriber wants to port his/her number, the contract will terminate no later than 10 days after the subscriber manifested his/her will to terminate the contract and port his/her number to another provider. Due to such substantial change in the telephone number portability process, CTU will focus early next year also on checking the fulfillment of the new conditions laid down by the law for contract termination upon the subscriber's request for telephone number porting.

### Complaints and questions about postal services

In the 3<sup>rd</sup> quarter of 2017 CTU received 23 complaints about the basic postal services pursuant to Article 3 of the Postal Services Act. This is five complaints less than in the previous period. 14 complaints were settled in favor of the customer, in nine of the complaints the law was not broken. Consumers most often complained about the service of delivery of registered items (11 complaints), about the basic international postal services (six complaints), three complaints were about money remittance service, and one complaint was about the delivery of postal items up to 2kg, delivery of

parcels over 10kg from abroad, and the reply mail service in international transactions. All these complaints are about the services of Czech Post.

In addition, CTU received 73 complaints about postal services related to the basic parameters of service provision, for example handling of complaints, change of the depositing post office, long wait times, and delivery of mail items. The highest number out of these complaints is related to the handling of complaints (33 complaints) and delivery of postal items (29 complaints), whereas nine complaints were about postal services which are not universal postal services.