



Czech Telecommunication Office

August 2019

Telegraphically on communications

The Court dismissed Vodafone's action against decision of CTU

The operator sought by a court action an annulment of CTU's decision by which CTU refused Vodafone's claim against the block allocation granted from auction of frequencies in 1,800 MHz and 2,600 MHz bands. Vodafone challenged CTU's power to include a commitment to provide wholesale offer and a re-farming commitment into auction conditions in 2013. The Court held that CTU's approach was absolutely lawful.

Czech Post can demand higher recovery of net costs

Starting for 2018, Czech Post can demand recovery of net costs from the provision of universal services up to CZK 1.5 billion, instead of previous CZK 500 million. This follows from amendment to the Postal Service Act, which was adopted by the Senate and signed by the President. Reimbursement of the payment is linked to an approval of its amount for years 2018–2022 by the European Commission.

Vodafone owns Czech branch of UPC and will soon rename it

Based on an approval by the European Commission, British Vodafone group acquired European assets of Liberty Global. The change occurred also in commercial registry. Newly, Vodafone Czech Republic owns 100% share in UPC Czech Republic. As new executive directors were appointed Petr Dvořák, Milan Kníže and Jan Klouda.

European Commissions' comments on 3K test do not mean a stop

On 23 July, the Council of CTU familiarized themselves with [Commission Decision](#) on notified Three-criteria test (T3K) of wholesale market for access to mobile services. Despite its objections and comments to some evidence proving fulfilment of all three criteria necessary for potential ex ante regulation of the market, the EC gives CTU space to deal with them. Thus, the EC did not initiate the so-called second phase, because it did not consider CTU's steps as a barrier for the internal market, or as incompatible with EU law. The Council of CTU will continue with steps leading to broadening the list of relevant markets by wholesale market of mobile services and will use the EC comments for preparation of the analysis as such.

Radio spectrum management: DVB-T/DVB-T2 broadcasting

On 1 July, the following program broadcasting ended in DVB-T regional network no. 8:

- TV jéčko, operated by PALMOVKA TV REGIO s.r.o.
- regionalnitelevize.cz, operated by Regionální televize CZ s.r.o.
- POWER TV, operated by MWE Networks International s.r.o.

From the same day, DVB-T2 local transmitter for extended coverage broadcasts in the area Příbram – Kopec Praha:

- Transition network 11, channel 37, ERP 1 kW, polarisation H

From 16 July, new broadcasting transmitters of Český rozhlas were launched:

- Krnov – Horní Předměstí/100 W 97,5 MHz ČRo Plus
- Vsetín – Bečevná/100 W 93,1 MHz ČRo Plus

Net neutrality 26 GHz

On 11 July, CTU invited all stakeholders to comment on intention to issue decision on change of block allocation of radio frequencies for provision of public communication network with P-MP systems of T-Mobile Czech Republic, doing so on the grounds of T-Mobile's request.

The subject of the request is implementation of changes in this block allocation of radio frequencies, related to 26 GHz band, which would lead to technological and service neutrality of this block allocation. CTU assesses this request in the sense of Article 22a(3) of the Electronic Communications Act, while simultaneously reflecting fulfilment of conditions for application Article 16b(2) of the Act, and also considering conclusions of the examination, whether there are still reasons to limit number of rights to use radio frequencies in 24.549–24.745 GHz and 25.557–25.753 GHz bands.

CTU points out, that based on previously published conclusions of the examination, it is obvious, that in the next period (when validity of block allocations in 26 GHz band expires) there is no need to further limit number of rights. Validity of respective block allocations ends, when their period of validity expires.

Legislative changes: Net costs in postal services

On 25 July, Decree No. 187/2019 Coll., amending Decree No. 466/2012 Coll., on the Czech Telecommunication Office procedure to calculate net costs on fulfilment of obligation to provide universal services, was published in Collection of Laws, vol. 80. It entered into force on 1 August 2019.

The respective amendment to Decree No. 466/2012 Coll. changes the methodology to set the right on reasonable profit. Based on the current legislation, the right on reasonable profit was calculated as profit margin to economically viable costs allocated to postal services. Newly, the profit is defined in a form of costs of capital. Simultaneously, it changes structure of information reported in accordance with individual annexes to the Decree, in order to reduce number of requirements on supplement documents to calculate net costs in relation to holder of postal licence and also to provide better clarity in the reported information.

Checked by CTU in July ...

... adherence to terms and conditions of General Authorisation No. VO-R/ 12/09.2010-12 for using radio frequencies and operating broadband data transmission devices in the 2.4 GHz–66 GHz bands.

CTU ascertained deficiencies by 10 of the 13 inspections conducted, mainly in the use of indoor frequencies outside a building. CTU requested remedy of the deficiencies and subsequently initiated administrative procedure.

... use of radio frequencies without an authorisation.

CTU conducted 12 inspections focusing on the use of frequencies without an authorisation. In eight cases CTU discovered the use of frequencies without or after the expiration of individual authorisation. Administrative proceedings have been initiated.

... observance of terms and conditions of an individual authorisation to use radio frequencies.

CTU undertook 17 inspections of observance of terms and conditions of an individual authorisation to use radio frequencies and did not find any faults.

... sources of interference of the electronic communications equipment and networks traffic, the provision of electronic communications services or the operation of radio communications services.

CTU completed 129 investigations in July, 79 cases of which concerned interference of television signal reception (17 of these cases involving interference of DVB-T2 reception), 26 cases of interference of GSM, UMTS and LTE public mobile communications networks, five cases of interference of radio and satellite reception, two cases of interference of amateur service device, and four cases of interference of short-range devices. In seven cases the source of interference of public mobile communications networks was caused by an active TV signal reception component. In eight cases the source of interference of DVB-T was found to be BTS LTE in the 800 MHz band (see next section). Inspection of 17 complaints on bad reception of DVB-T2 unveiled in 11 cases defect on viewers device, in three cases the interference did not occur, and in two cases the notifier cancelled their request. In one case, the DVB-T2 reception was interfered with LTE base station in 800 MHz band.

... pilot operation of LTE base stations in the 800 MHz band.

265 base stations were in pilot operation and 16,505 stations were in permanent operation as of 31 July 2019. CTU received 45 reports of interference and completed the investigation of 79 cases of television reception interference; BTS LTE in the 800 MHz band was identified as the source of DVB-T and DVB-T2 interference in eight cases, meaning 10.1 % closed cases of interference of television reception. In 47 cases the faults to the reception were caused by TV equipment of the viewers, in 10 cases no interference was found.

Termination notice must not exceed 30 days!

Based on CTU's inspections, not all operators follow the rule of a maximum length of termination notice (30 days), which was changed nearly two years ago by amendment to the Electronic Communications Act. If the subscriber simultaneously demands porting their number to a different operator, the length of termination notice shortens to a maximum of 10 days.

The amended provision of the Electronic Communications Act [Section 63(1)(g)] limits the maximum length of termination notice, which can be set by providers of electronic communications in their contractual terms and conditions, to up to 30 days. Before this amendment entered into force, the providers could set any length of termination notice in their contracts concluded with customers, because they were not limited by any provision of the Act. The amendment to the Act unified this

length and applied it also to contracts concluded before 2 March 2018, the day on which this obligation became effective.

However, based on inquiries from customers, CTU ascertained, that not all providers accepted this change and adjusted the length of termination notice in their contractual terms and conditions in accordance with the new law, even though under the transitional provisions, they were obliged to do so within 6 months from the day the amendment became effective.

More precisely, CTU ascertained, that some providers apply towards their customers a termination notice which significantly exceeds the legal maximum length. CTU is conducting further investigations and warns the consumers to be cautious and to check the contract documentation carefully. Moreover, CTU advises consumers, in case they find any discrepancies, to demand their provider to adhere to the above-mentioned legal obligations, doing so by making a complaint.

The complaint must be filed not later than two months from application of termination notice towards the consumer. Should the provider dismiss the complaint, or should it not be resolved in time, the consumer has the right to file an [objection](#) to CTU within one month from receiving the decision or from the moment, it should have been legally resolved. All affected customers are hereby asked to inform CTU about the discrepancies they found.

Telecommunication regulation in the EU

Public Consultations

The **European Commission** commenced three public consultations in July:

- From 3 July to 11 September, a [public consultation on CEF2 Digital](#) is open. Its aim is to collect inputs from stakeholders on which investments to digital infrastructure of EU should be prioritised and best ways to solve current connectivity needs using support from the Connected Europe Facility programme during 2021–2027 with the budget of EUR 3 billion;
- From 25 July to 24 October, it is possible to send comments on the [orientation of the first two years of the proposed Digital Europe programme](#). The Commission is currently preparing the Digital Europe programme for 2021–2027, which would bring direct investment worth a total of EUR 9.2 billion for the deployment of innovative digital technologies in five key areas: supercomputing, artificial intelligence, cybersecurity, advanced digital skills, and ensuring a wide use of these digital technologies across the economy and society. Its goal will be to improve Europe's competitiveness in the global digital economy and increase its technological autonomy, by building capacity, testing digital technologies and deploying them;
- From 26 July to 8 November runs a public consultation on regulation by which the Commission will determine [maximum price caps for voice call termination rates in the EU](#). Adoption of this delegated act is required by Article 75 of the European Electronic Communications Code.

BEREC prolonged deadline to send comments on two public consultations:

- [Public consultation](#) on the draft BEREC Guidelines for the notification template as in article 12, paragraph 4 EECC, which relates to notification of starting business activity in provision of electronic communications networks and services; and

- [Public consultation](#) on the draft BEREC guidelines on common criteria for the assessment of the ability to manage numbering resources by undertakings other than providers of electronic communications networks or services and of the risk of exhaustion.

The new deadline to send comments is set on 28 August 2019.

Cyber security

On 19 July, the European Commission [announced](#), that 24 Member States submitted national risk assessments of the 5G network infrastructure, based on [Commission Recommendation](#) on joint European approach to security of 5G networks. Based on received information, the Member States will jointly with the Commission and the European Union Agency for Cybersecurity (ENISA) prepare coordinated risk assessment for the entire EU, doing so by 1 October 2019.