

Universal service in the Czech Republic

The scope of universal service in the Czech Republic (CR) is defined by the Czech Telecommunications Law number 151/2000 coll.(transposition of EU directives).

Universal service is understood to be the minimum set of services which are accessible at an assigned quality to all users throughout the whole of the Czech Republic at an accessible price. The Czech Telecommunications Office (CTO) will establish prices for a universal service by a price decision .

Universal service must comprise

- a) a public telephone service, including fax and data transmission, offered via a public telecommunications network,
- b) operator services,
- c) free and uninterrupted user access, without using coins or cards, to emergency numbers,
- d) an information service on telephone numbers of participants in the public telephone service,
- e) regular publication of telephone directories listing the telephone numbers of participants in the public telephone service, and access to these directories,
- f) public payphones services,
- g) reductions for people who hold ZTP cards [*the physically handicapped*] due to profound or practical deafness, or for people who hold the ZTP/P card [*the physically handicapped who have a guide*],
- h) reductions for people who are recognised as infirm by a doctor from the relevant district social security administration.

Universal service obligation

The CTO is entitled, in the public interest, to impose an obligation to provide universal service upon one or more holders of telecommunications licences for providing public telephone services via a public fixed telecommunications network such that accessibility to services provided within the framework of universal services is secured throughout the whole of the CR.

The CTO is entitled to impose an obligation to provide universal service upon holders of telecommunications licences via public fixed telecommunications networks who have a significant share of the market. The Office is also entitled to impose the obligation of providing universal service upon holders of telecommunications licences to provide public telephone services via public fixed or public mobile telecommunications networks, provided it requested provision of universal services.

Telecommunications licence holders of telecommunications licence for providing public telephone services via a public fixed telecommunications network CESKÝ TELECOM, a.s. as provider with a significant market power is obligated provide universal service throughout the whole of the CR.

Quality of universal service

The provider of a universal service is obliged to establish systems of monitoring, recording and control of the basic parameters of quality in the provision of the service.

The characteristics, parameters and user quality of services provided within the framework of universal service are set out in decree No. 196/2000 coll.

Indicators and characteristics of the quality of services are the following:

- a) supply time for initial network connection,
- b) fault reports per access line per year,
- c) fault repair time,
- d) unsuccessful call ratio,
- e) call set-up time,
- f) a complaint on the correctness of billing,
- g) response times for operator services,
- h) availability (i.e. in working order) of card and coin operated public payphones.

The universal service account

Universal service providers have the right to compensation for demonstrable loss. Demonstrable loss is understood to be the difference between economically-justified expenditure, including reasonable profits, paid out by telecommunications licence holders in order to fulfil the obligation of providing universal service, which would not have arisen had the universal service providers not had this obligation, and earnings and revenues achieved by telecommunications licence holders from fulfilling the obligation to provide universal service. If a telecommunications licence holder provides other telecommunications services on top of the universal service or carries out other activities, he is required to keep separate records of expenditures and incomes from services provided within the framework of universal service. The means of calculating demonstrable loss, the documents which must accompany the demonstrable loss calculations, and the definition of reasonable profit will be set out in the operating regulations.

Demonstrable loss is compensated from the universal service account (hereinafter just "account"), to which telecommunications licence holders are required to make a financial contribution. The account is administered by the CTO. The CTO is obliged to establish the account if the requirement arises of paying compensation for demonstrable loss. Holders of telecommunications licences are obliged to account for financial contributions and claims for demonstrable loss compensation via the account. Holders of telecommunications licences must submit to the Office, by 30 June of each calendar year, accounting for demonstrable losses arising from providing universal service for year ended, if they are the providers, and the above financial contribution to universal service for the year ended. Within 30 days the Office will verify the above demonstrable losses and financial contributions, and will determine the above payments on account, or it will issue a document entitling financial means to be withdrawn from the account.

The account can only be used to compensate demonstrable loss. Telecommunications licence holders have the right to inspect the account and to demand an explanation from the CTO if they have justified doubts about the method of accounting their relationships towards the account.

The means of determining the above financial contributions to the account by telecommunications licence holders and the rules for allocating finances from the account in order to compensate demonstrable loss will be set by decree No. 235/2001 coll.

Loss producing services for the purpose of calculating demonstrable loss are:

- a) providing continuous access free of charge, without using coins or cards, to telephone numbers of emergency calls by way of public automatic pay phones,
- b) discounts for persons physically handicapped (establishing, transferring, or changing the end point for natural persons, with rebates, utilisation of end point with rebates by natural persons, lease of specially equipped telephone terminals),
- c) providing identification data on participants of public telephone service to holders of allotted numbers of emergency calling, both by technical means and by way of operator,
- d) providing data on the position of a terminal of a mobile telecommunication network to holders of allotted numbers for emergency calls, both by technical means and by way of operator,
- e) connecting of an end point intended for the receipt of emergency calls at the respective work places of basic components of the integrated rescue system,
- f) operating of an end point intended for the receipt of emergency calls at the respective work places of basic components of the integrated rescue system.

(Only the services mentioned above are loss producing services for the purpose of calculating demonstrable loss).