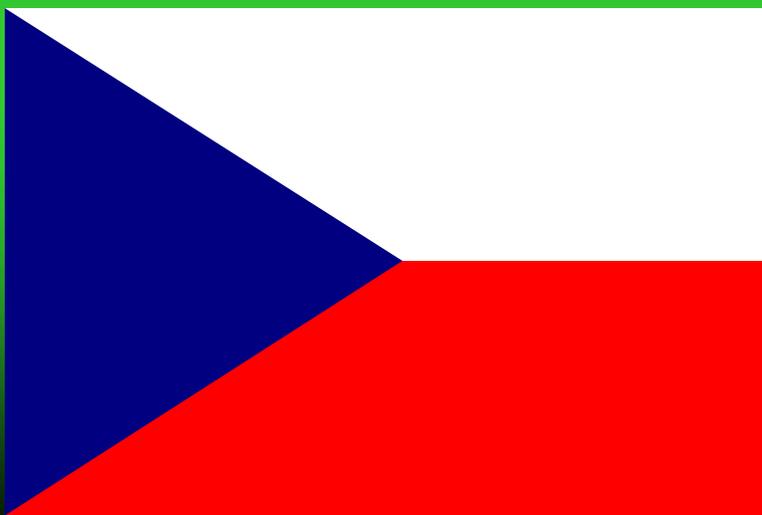


CZECH REPUBLIC

Geneva

20 - 22 November



Ministry of
Transport &
Communications

Marcela Gürlichova
Deputy Minister

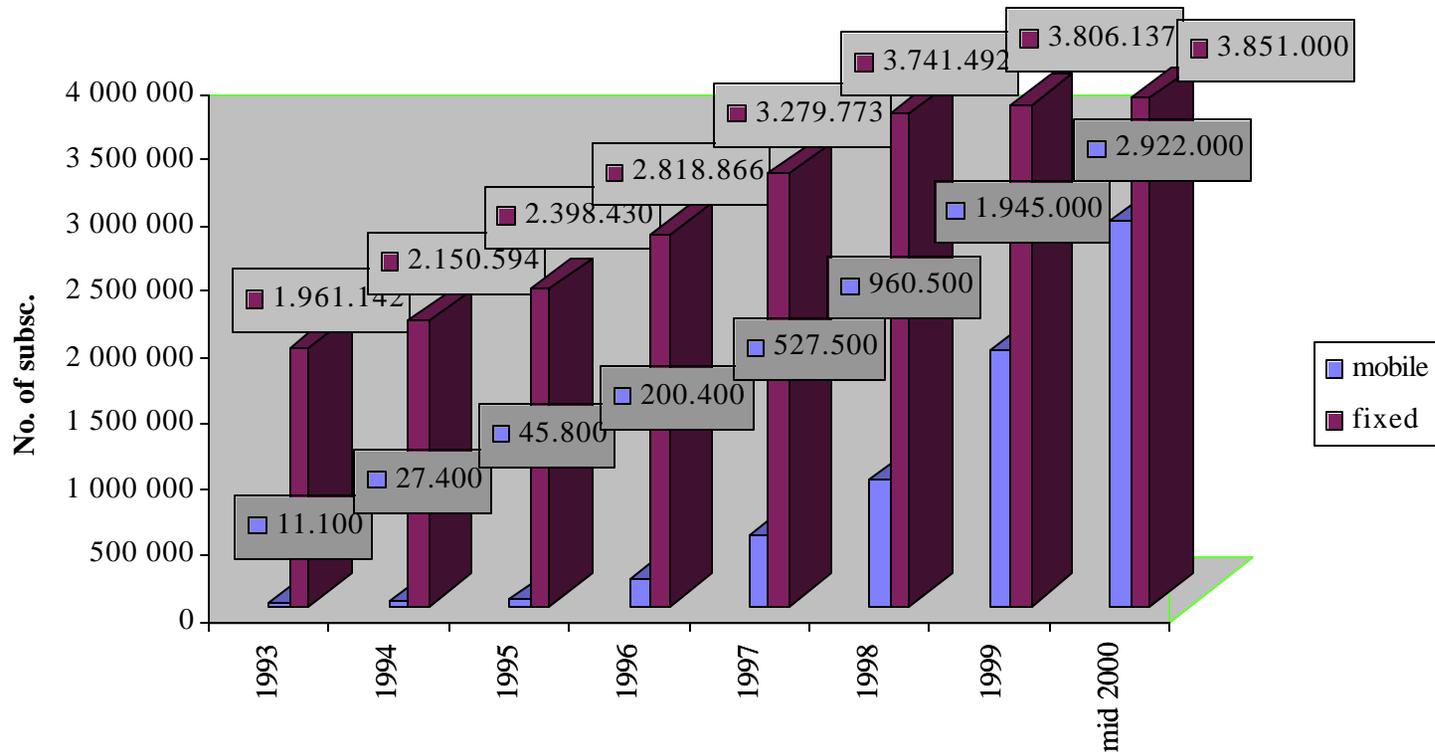
Basic Data

• population	10.3 million
• labour force	5.4 million
• unemployment	9.0%
1999	
• GDP (nominal)	USD 56 billion
• GDP per capita	USD 5,440
• GDP per capita at PPP	USD 13,080
• GDP growth	-0.2%
• GDP growth 2000 - forecast	2.5%
• annual inflation	2.1%
• cumulative FDI inflow 1990-1999	USD 19.3 billion



Sector Development

Catching up: development of mobile and fixed lines

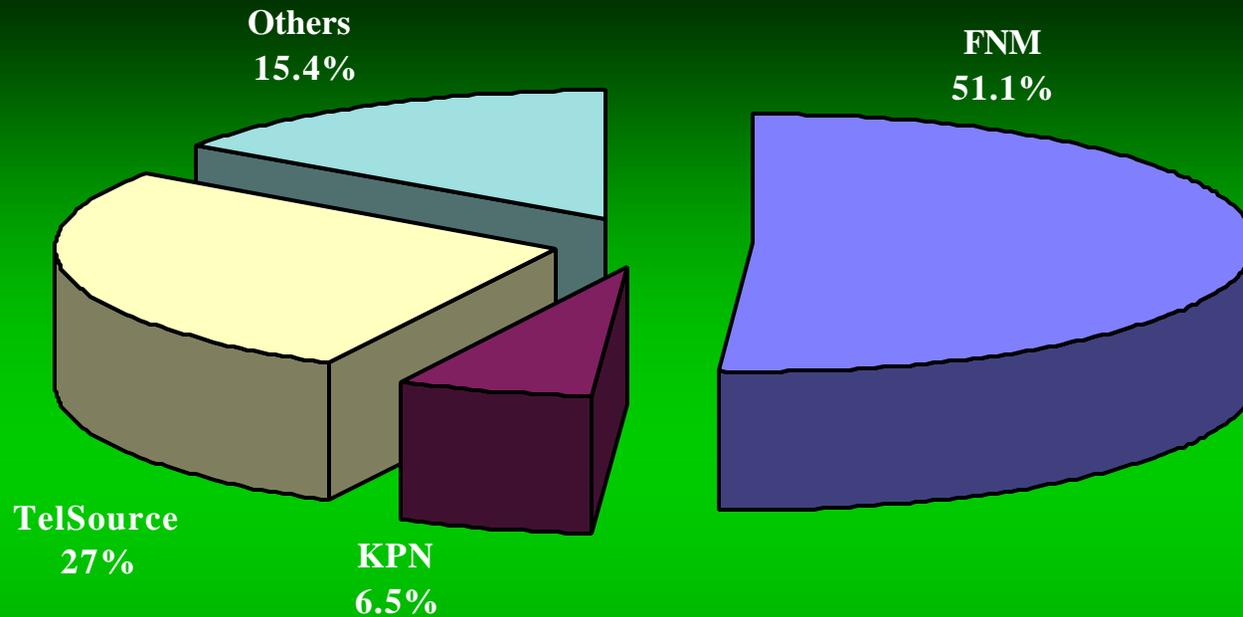


Mobile penetration (mid 2000): 28,3%

Fixed lines penetration (mid 2000): 37,4%



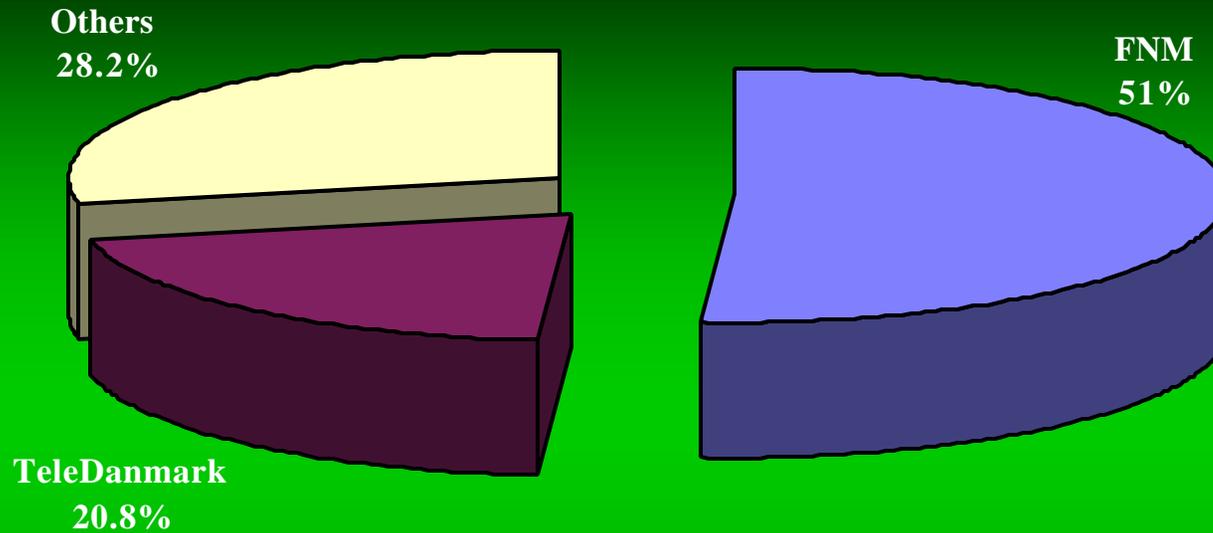
CESKY TELECOM, a.s.



EuroTel, s.r.o. (51%)



CESKE RADIOKOMUNIKACE, a.s.



RadioMobil, a.s. (51%)

Contactel, s.r.o. (50%)



Mobile business

- mid 2000 - 2,9 mil mobile subscribers
- end 2000 - 3,5 mil mobile subs. (expect.)
- three mobile operators:
 - *EuroTel (since 1991)*
 - *RadioMobil (since 1996)*
 - *Cesky Mobil (since 2000)*



Implementation of UMTS

UMTS licensing - options for the CR:

- *3 licences to the current GSM operators (2x10MHz + 5MHz each)*
- *a single UMTS licence (2x15MHz + 5MHz) excluding GSM operators (beauty contest or auction)*
- *1-3 licences (2x10MHz + 5MHz each) excluding GSM operators (beauty contest or auction)*
- *mix of the above*

Ministry of Transport and Communications favours the first option



Political and Legal Framework

- **National Telecommunications Policy (1999)**

main objective: adoption of the EU regulatory framework

- 1) Liberalisation

- Telecommunications activities may be in the Czech Republic performed in accordance with conditions given by the Act on Telecommunications without any other restrictions
- 31 December 2000 – the exclusive rights of **CESKY TELECOM, a.s.** shall expire

- 2) Regulation

- Non-discriminating and transparent market conditions
- Independent regulatory authority, ministry
- Licence, frequency and number allocation, prices etc.
- Universal service



Political and Legal Framework

– 3) Free Competition and Open Market

- ONP
- Carrier selection, carrier pre-selection, number portability
- Asymmetric regulation - significant market power

– 4) Further Sale of Property Interests of the State

- CESKE RADIOKOMUNIKACE a.s. (51% NPF)
- CESKY TELECOM, a.s. (51,1% NPF)



Political and Legal Framework

- Act No. 217/2000 Coll., on Electronic Signature
- Act No. 151/2000 Coll., on Telecommunications
 - *issuing of licences*
 - *equipment*
 - *universal service*
 - *ONP principles*
 - *frequency spectrum management and numbering*



Regulatory Bodies

- **Ministry of T&C**
 - *policy and strategy, foreign affairs (including EU matters), legislation*
- **Czech Telecommunications Office**
 - *independent on MTC and operators*
 - *day-to-day regulation*
 - *licensing, spectrum and number management*



Contacts and Links

Ministry of T&C
www.mdcz.cz

Czech
Telecommunication
Office
www.ctu.cz

Marcela Gürlichová
gurlichova@mdcz.cz

