

Europe's Digital Progress Report (EDPR) 2016

Telecom Factsheet

SLOVAKIA

1. MEASURES FACILITATING DEPLOYMENT AND INVESTMENTS IN HIGH SPEED NETWORKS

1.1. Spectrum

Harmonised bands	MHz spectrum assigned ¹	% of the harmonised band assigned
800MHz	60 MHz	100%
900MHz	61.2 MHz	87%
1500MHz	N/A	N/A
1800MHz	132 MHz	88%
2000MHz paired	120 MHz	100%
2600MHz	190 MHz	100%
3400-3600MHz	176 MHz	88%
3600-3800MHz	120 MHz	60%

Three blocks of 8x5 MHz were assigned to O2 Slovakia, SWAN and BENESTRA in 3.7 GHz spectrum band in February 2015, following an electronic auction with the final total price value of 1.17 million EUR. These nationwide licenses in 3.7 GHz (TDD) are valid until the end of 2024.

Following an electronic auction (SMRA format) related to 3.5 GHz spectrum band, two frequency assignments took place in August 2015: 16x5 MHz (TDD and FDD) for O2 Slovakia and 4x5 MHz (TDD) for SWAN, with the total final price value of 2.43 million EUR. The licenses are valid until the end of August 2025. A call for tender for the remaining available frequencies in the 3.5 GHz spectrum band (7 MHz) was initiated in February 2016.

Commission services are investigating the issue of lack of spectrum assignment in the 3.7 GHz spectrum band, in particular with respect to local licenses.

1.2. State of transposition of the BB CRD (Directive 2014/61/EU)

Slovakia notified a partial transposition of the Cost Reduction Directive in November 2015, by Law 247/2015 amending the Electronic Communications Act 351/2011. In order to complete the transposition process, further legislative measures are required in particular with respect to the establishment of a Single Information Point.

1.3. EU and National investments in broadband

Rural fixed broadband coverage increased slightly to 83% of households in 2015, but remained however still below the EU average of 91%.

¹ Including guard bands

In its latest Strategic Document for Digital Growth and Next Generation Access Infrastructure (2014-2020), Slovakia formulates strategic digital society objectives towards broadband development, cultivating eGovernment services, improving the functioning of information society and establishing a “Smart Government”. Slovakia estimates that about 161.5 million EUR of investment into digital society should come from the EU’s structural funds, 28.5 million EUR from state budget coupled with ERDF or EAFRD funds, and 1.7 billion EUR are expected from private investments, totalling 1.89 billion EUR. Planned financing for broadband deployment, earmarked from ERDF via Operational Programme Integrated Infrastructure, totals 97.75 million EUR.

Until 2015, there was a major state aid measure in place to achieve the construction of a national backhaul network to connect the so-called "white spots". The establishment of public-sector-only wireless network is also in discussion. There are no regional broadband plans available in the Slovak Republic.

2. COMPETITIVE LANDSCAPE

Fixed broadband subscriptions - operator market shares²

Incumbent market share		New entrants market share	
2014	2015 (EU average)	2014	2015 (EU average)
35%	34.7% (40.6%)	65%	65.3% (59.4%)

Fixed broadband subscriptions - technology market shares³

DSL (including VDSL) (EU)	Cable Modem (EU)	FTTH/B (EU)	Other ⁴ (EU)
38.8%	12.6%	26.2%	22.4%

Mobile sector⁵

Number of MNOs	Market shares of the first 2 MNOs		Number of MVNOs (overall share)
4	43%	31%	2 (N/A)

The latest entrant in the mobile market, the fourth mobile operator SWAN, started building its nationwide network for the provision of broadband access in July 2014.

3. REGULATORY FUNCTION

New entrants` DSL subscriptions by type of access at EU level (VDSL and VULA excluded)⁶

Own network (EU)	Full ULL (EU)	Shared Access (EU)	Bitstream (EU)	Resale
0%	0.3%	N/A	99.7%	N/A

² Source: Communications Committee. Data as of July 2014 and July 2015

³ Source: Communications Committee. Data as of July 2015

⁴ Including fixed wireless

⁵ Source: Communications Committee. Data as of October 2015

⁶ Source: Communications Committee. Data as of July 2015.

LLU price: 4.2 EUR (EU Average: 9.5)⁷

The cost accounting methodology for fixed and mobile termination rates appears to be consistent with the 2009 Termination Rate Recommendation (pure BU LRIC is applied).

The Commission services sent a Pilot letter to Slovakia in October 2015 concerning the timing of the reviews of the former market 2 for call origination on fixed networks of the 2007 Recommendation, where more than three years had passed since the adoption of the measures concerning this market. The relevant draft measure was notified to the Commission in January 2016.

4. CONSUMER ISSUES

Retail pricing for roaming services is lower or just slightly above the EEA average levels. The average roaming retail price for Eurotariff for calls made is at 0.110 EUR below the EEA average of 0.131 EUR and well below the retail price cap. The same trend applies for the average Eurotariff retail price for calls received which stands at 0.041 EUR, slightly below the EEA average of 0.034 EUR and well below the price cap.

In contrast, the average roaming SMS price at 0.053 EUR is slightly higher than the EEA average of 0.052 EUR, and only slightly below the price cap. Finally, as regards data roaming, Slovakia's average retail data roaming price of 0.064 EUR per MB is above the EEA average of 0.059 EUR and well below the retail price cap.⁸

Number portability 1		2014	2015
Fixed	Number of transactions ⁹	93,705	74.336
	% of total numbers ¹⁰	3.8%	2.8%
	Maximum wholesale price ¹¹	10	10
	Maximum time under regulation (number of working days) ¹²	4	4
Mobile	Number of transactions ¹³	116,720	156,410
	% of total numbers ¹⁴	1.9%	2.7%
	Maximum wholesale price ¹⁵	2	2
	Maximum time under regulation (number of working days) ¹⁶	4	4

Eurobarometer Survey data¹⁷ show that vast majority of Slovak respondents (80%) find it easy to compare the services and prices of their current bundle with other bundled offers. The level of

⁷ Full LLU monthly average total cost in EUR; source: Communications Committee. Data as of October 2015.

⁸ International Roaming BEREC Benchmark Data Report April 2015 – September 2015 BoR(16)28.

⁹ Source: Communications Committee. Data as of January to September 2014 and January to September 2015.

¹⁰ Source: Communications Committee. Data as of January to September 2014 and January to September 2015.

¹¹ Source: Communications Committee. Data as of October 2014 and October 2015.

¹² Source: Communications Committee. Data as of October 2014 and October 2015.

¹³ Source: Communications Committee. Data as of January to September 2014 and January to September 2015.

¹⁴ Source: Communications Committee. Data as of January to September 2014 and January to September 2015.

¹⁵ Source: Communications Committee. Data as of October 2014 and October 2015.

¹⁶ Source: Communications Committee. Data as of October 2014 and October 2015.

¹⁷ Special Eurobarometer 435, October 2015.

consumer satisfaction in this respect is thus higher than the EU average of 69%. 6 out of 10 Slovak respondents find it easy to monitor and control their consumption for mobile and fixed internet services. This is slightly lower than the EU average of 7 out of 10. On the other hand, the clarity of contracts is considered the highest in the EU with 82% of respondents being highly satisfied with contractual information provided. The EU average in this respect stands at 68%.

Since 2012, universal service obligations have been imposed only with respect to disabled end-users, namely obligation to provide access to public telephone services, and availability of comprehensive telephone directory and comprehensive telephone directory inquiry service equivalent to that of other end-users. The obligations include the facility of carrier selection for disabled end-users and obligation to lease or sell, on request, special terminal equipment for the price of standard equipment.