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COMMUNICATIONS OUTLOOK 1999

BROADCASTING: Regulatory Issues

Country: MEXICO

Date completed: 30 April 1998

The attached questionnaire was undertaken in preparation for the biennial OECD Communications Outlook. The responses provided by Member countries on broadcasting regulation were used to provide information supporting the analytical sections published in association with data. A similar questionnaire with responses on telecommunication regulation is also available. In some cases, data for individual firms, used to compile OECD totals, have not been published at the request of the respondent. For further information, including data, see **OECD Communications Outlook 1999** and <http://www.oecd.org/dsti/sti/it/index.htm>

Broadcasting market status (Questions 1- 3)

1. Please provide details of the broadcasting and cable television infrastructure provision in your country.

Infrastructure provision for following service	Number of licensed operators (1998)	Number of privately owned companies ¹	Number of public service organisations ²
Terrestrial TV (National coverage ³)	-	-	-
Terrestrial TV (Local coverage ⁴ only)	599	467	132
Terrestrial radio (National coverage)	-	-	-
Terrestrial radio (Local coverage only)	1348	1150	198
Cable television service ⁵	335	335	-
Analogue direct broadcast satellite (DBS) service	-	-	-
Digital DBS service	-	-	-

Notes:

Figures as of 22 May 1998.

In Mexico, concessions and licences for national coverage are not granted.

¹ Defined as private sector companies holding one or more licences for service provision.

² Including state-owned corporations or institutions holding one or more licences for service provision.

³ A service with national coverage is defined as a service by a group of television or radio stations distributing a majority of the same programming, that are licensed on a national or regional basis but collectively provide nation-wide coverage. Affiliating companies of the nation-wide broadcast network are included in this category. If new operators have been licensed to provide national coverage in the last three years but are at the stage of rolling out networks please include these operators in the total.

⁴ A service with local coverage is defined as a service by a group of television or radio stations that are licensed on a national or regional basis but distribute the programming in the local area only. If new operators have been licensed to provide local coverage in the last three years but are at the stage of rolling out networks please include these operators in the total.

⁵ Please indicate if more than one organisation is permitted to own and operate cable television infrastructure in the same area.

2. Please provide details for the major public / private terrestrial TV broadcasting companies in your country. They include state and privately owned organisations providing broadcasting services with national coverage.

Name of public / private terrestrial TV broadcasting companies	Ownership Status (1998) (e.g. state-run / state owned / privately owned)	Do they own transmissions infrastructures? If not, please indicate the name of company which provide transmission infrastructures.
Televisa	Private	yes
TV Azteca	Private	yes

3. What was the price of cable television service for a subscriber in the largest city of your country on 1st January 1998? Basic service corresponds to the least expensive option to a customer and premium service the most expensive option. (Local currency, current prices)

Cable Television services	Basic service			Premium service	
	Connection	Monthly subscription fees	Number of cable channels included in the basic option (excluding free services)	Monthly subscription fees	Number of cable channels included in the premium option (excluding free services)
Cablevision S.A. de C.V.	-	135 Pesos	24	435 Pesos	16 Pesos
(National average, if available)	Not available	Not available	Not available	Not available	Not available

Broadcasting Regulatory Framework (Questions 4 - 9)

4. Which organisation(s) administer the following services (carriage and content) in your country and what are their main responsibilities? Please mention agencies dealing with spectrum allocation and management, and providing licences.

Please provide details:

a. Terrestrial broadcasting service

Sound and television broadcasting

- 1) Secretaria de Comunicaciones y transportes for granting of concessions and licences
- 2) Secretaria de gobernacion: programming content

b. Cable Television service

COFETEL: grants concessions, verifies fulfilment of obligations.

La Comision Federal de Telecomunicaciones: Spectrum management

c. Direct broadcast satellite (DBS) service

5. Please provide a description of significant recent policy changes affecting the provision of broadcasting services, as well as any draft laws, or regulatory proposals to be implemented in 1998.

Please provide details:

6. How is broadcasting defined in your country's regulatory framework? In addition, please specify public service obligations stipulated in broadcasting regulations.

Definition of broadcasting:

All transmission of radio and television signals that can be freely received by the general public and that provide a public service that fulfils a social function

Public service obligations:

Public service obligations are stipulated in the Federal law on radio and television and in the regulation of the federal law on radio and television and the law on the cinematography industry, relating to the content of radio and television transmissions.

- 7. Are there must-carry rules? For example, are cable television or satellite operators required by regulation to provide capacity for certain services? If yes, please elaborate on the reasons.**

Please provide details:

Yes. They are stipulated in Article 29 of the regulation of communication via satellite. Satellite operators should reserve a portion of their capacity for networks for national security and for usage of a social nature.

- 8. Are there any local content requirements for broadcasters and cable television operators in your country in terms of the level of domestically produced content which must be broadcast, the amount of turn-over which must be allocated to domestic production or other criteria? Yes/No**

	If Yes, please provide local content specification and where applies.
Terrestrial Television service	Under the mandate of the Secretaria de Comunicaciones y Transportes there are no restrictions.
Cable Television service	Programming content is subject to regulation under the Federal law of radio and TV and the cinematography industry.
DBS service	

- 9. Are there any limitations on share ratio, number of stations, or other ownership restrictions on entities investing in service providers of terrestrial broadcasting, cable television and satellite broadcasting in your country? Please refer to each service individually, if they have separate restrictions.**

If yes, please provide details:

Sound and Television broadcasting. Under the mandate of the Secretaria de Comunicaciones y Transportes there are no restrictions.

Cross-ownership and cross sector provision (Questions 10 - 14)

10. Are there any restrictions on terrestrial broadcasting companies from directly providing the cable television infrastructures and services in your country? On the other hand, are there any restrictions on cable television operators from directly providing the terrestrial broadcasting companies in your country?

If yes, please provide details:

- a. Restrictions on terrestrial broadcasting companies providing the cable television infrastructures
None except what is specified in the General Law of the Rights of the Author in those terms established by the owner of the signal.
- b. Restrictions on terrestrial broadcasting companies providing the cable television services
Under the mandate of the Secretaria de Comunicaciones y Transportes there are no restrictions.
- c. Restrictions on cable television operators providing the terrestrial broadcasting
None.

11. Please specify any restrictions on cable television operators and terrestrial broadcasting companies investing (including merging and acquiring shares) in companies that provide other infrastructures or services.

Please provide details:

- a. Restrictions on cable television operators investing in telecommunications operators
Pursuant to article 12 of the federal law on telecommunications, the participation of foreign investment cannot exceed 49 per cent.
- b. Restrictions on cable television operators investing in terrestrial broadcasting companies
None
- c. Restrictions on terrestrial broadcasting companies investing in telecommunications operators
Under the mandate of the Secretaria de Comunicaciones y Transportes there are no restrictions.
- d. Restrictions on terrestrial broadcasting companies investing in cable television operators
Under the mandate of the Secretaria de Comunicaciones y Transportes , there are no restrictions.

12. Are there any restrictions or limitations on foreign investment regarding services of terrestrial broadcasting , cable television and satellite broadcasting in your country? Please refer to each service individually, if they have separate restrictions.

Yes/No

If yes, please provide details:

Sound and television broadcasting:

Concessions and licences are granted only to Mexican citizens and public entities or organisations or corporations whose shareholders are Mexican.

- 13. Are there any regulations restricting cross media ownership (e.g. broadcast television, radio, newspapers) for infrastructure and services in the same geographical market. Yes/No**

If yes please provide details: Sound and Television Broadcasting:
Under the mandate of the Secretaria de Comunicaciones y Transportes, there are no restrictions.

- 14. What kind of methods are adopted by regulatory authorities in order to measure market shares in broadcasting market? If the measure used is “audience rates”, please describe the methodology used.**

Description of market share measurement

Please provide methodology for measuring audience rates.

Convergence (Questions 15 - 18)

- 15. Under the communication regulation existing in your country how would services provided over the Internet, which some have likened to broadcasting services (e.g. audio and video services transmitted over the Internet) be defined and treated?**

Please provide details:
Pursuant to the Mexican Internet Regulation, the services granted using Internet are considered to be value-added services. However, Internet providers cannot provide telephone service to the general public.

- 16. Would a video on demand service be treated differently in terms of regulations, by the transmission methods (for example, PSTN, cable or satellite)?**

Please provide details:

- 17. Under the communication regulation existing in your country how would conditional access services, such as in digital DBS services, be treated?**

Please provide details:

- 18. Please detail plans for digital broadcasting and cable television services.**

	Number of Licences to be granted	Expected Number of New Channel Capacity	Expected Date of Service Commencement
Terrestrial TV service			
Terrestrial Radio service			
Direct Broadcast Satellite service			
Cable Television service		Not available	Not available
Additional information and comments			