



**OECD COMMUNICATIONS OUTLOOK 2001**  
**Broadcasting Section**

**Country: HUNGARY**

**Date completed: 13 June, 2000**

## BROADCASTING

### **Broadcasting services available**

**1. Please provide details of the broadcasting and cable television services available in your country.**

Infrastructure provision for following service	Number of licensed operators (2000)	Number of privately owned companies <sup>1</sup>	Number of public service organisations <sup>2</sup>
Terrestrial TV (National coverage <sup>3</sup> )	3	2	1
Terrestrial TV (Local coverage <sup>4</sup> only)	51	49	2
Terrestrial radio (National coverage)	5	2	3
Terrestrial radio (Local coverage only)	87	84	3
Cable television service <sup>5</sup>	450	450	0
Analogue direct broadcast satellite (DBS) service	2	0	2
Digital DBS service	0	0	0

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<sup>1</sup> Defined as private sector companies holding one or more licences for service provision.

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

<sup>3</sup> 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.

<sup>4</sup> 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.

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

**2. Please provide details on the major terrestrial TV broadcasting companies which have national coverage in your country<sup>6</sup>.**

Name of national terrestrial broadcaster	Ownership status (private or public)	Analogue or digital service or both	If digital		Relationship with transmission network owner <sup>7</sup>
			Free to Air (FTA) <sup>8</sup> or subscription	Number of channels	
Magyar Televízió (Hungarian Television)	public	analogue			(c)
TV2 (MTM-SBS)	private	analogue			(c)
RTL Klub (MRTL)	private	analogue			(c)

<sup>6</sup> 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 nationwide 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.

<sup>7</sup> Options include:

- (a) broadcaster owns network
- (b) broadcaster has a commercial relationship with a privately owned network
- (c) broadcaster has a commercial relationship with state owned network
- (d) broadcaster has non-commercial relationship with state owned network
- (e) other; please describe.

<sup>8</sup> A free to air (FTA) service is one which is available to viewers without paying a direct fee.

**3. Please provide details on the major cable and satellite broadcasters and transmission networks in your country.**

	Name of broadcaster	Number of channels in premium service		Does the broadcaster own the transmission network? If not, who does?	Is the transmission network used to deliver more than one broadcasting service?
		Analogue service	Digital service		
<b>CABLE</b>					
<b>SATELLITE</b>	Hungarian TV (m2)	-	-	State owned network	-
	Duna TV	-	-	State owned network	-

**4. What was the price of a subscription service in the largest city of your country on 1st January 2000? Basic service corresponds to the least expensive option to a customer and premium service the most expensive option. (Local currency, current prices)**

	Name of operator	Connection fee	Basic service		Premium service	
			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)
<b>Cable Television services</b>						
<b>Satellite television service</b>						
<b>Digital terrestrial television service</b>						

## **Communication services available on broadcasting networks**

### **5. Please provide details on the communication services available from broadcasting transmission networks in your country.**

	<b>Terrestrial</b>	<b>Cable</b>	<b>Satellite</b>
<b>Services provided over the network, e.g.</b> FTA broadcasting, Subscription broadcasting, Telephony, New digital services, Internet access	FTA	FTA Internet access Subscription	FTA Subscription
How many cable and satellite operators are providing telephony and internet access services?			
<b>Regulatory restrictions</b> Does the owner/manager of the transmission network face regulatory requirements in the following areas. If so, please give details. -Access to infrastructure or transmission services -Providing access to conditional access systems -Ownership restrictions -Restrictions on services which can be provided	  Y  Y	  Y N Y N	  Y N Y N

### **Additional information on regulatory restrictions:**

Cable television operators are not allowed to provide or invest in terrestrial television companies.

A single entity holding a licence for national television broadcasting or holding a controlling share in such an entity is not allowed to acquire a controlling share in another television company.

According to the amendment of the Act on Telecommunications:

- No telecommunications organisation or enterprise in which a telecommunications organisation directly or indirectly has significant influence, cannot establish, lease or obtain in any other way right of disposal over wired (cable) network suitable for program distribution, parallel with its own public telephone network or with public telephone network of any of enterprises defined above, except settlements with number of inhabitants under thirty thousand.
- A telecommunications organisation performing program distribution as well as those performing public cable program distribution or enterprises in which they have significant influence directly or indirectly, may provide program distribution service or acquire service licence pursuant to the Act on Telecommunications, only in that case if they certified at the competent authority that the reception area of their cable distribution enterprise does not exceed even jointly the limit related to the reception area of the service stipulated in the Act on radio and television broadcasting.

- Cable program distribution service may be provided only by such economic organisation having legal entity, which does not provide concession-bound service.

## **Digital television**

6. (a) Please indicate on which transmission networks digital television is (or will be) available and whether it is provided as a subscription service or FTA. Also indicate the year in which the service first became available (or will become available).

	<b>Terrestrial</b>	<b>Cable</b>	<b>Satellite</b>
<b>FTA</b>	<b>2002</b>	<b>2000</b>	<b>2000</b>
<b>Subscription</b>		<b>2000</b>	<b>2000</b>

<b>(b) Please provide data indicating the take-up rate of digital television by consumers, such as percentage of households with a digital television receiver.</b>	<b>0</b>
<b>(c) Do regulations restrict the type of services which digital broadcasters can provide? If so, please provide details.</b>	<b>No.</b>
<b>(d) Are digital terrestrial broadcasters required to provide a simulcast service in analogue and digital? If so, please describe the requirement.</b>	<b>No decision yet.</b>

## **Broadcasting regulatory framework**

7. 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.

<b>Terrestrial broadcasting service</b>	<ul style="list-style-type: none"> <li>- National Body for Radio and Television (ORTT)</li> <li>- Communication Authority, Hungary (HIF)</li> </ul> <p>(1) see notes below</p>
<b>Cable Television service</b>	(1) see notes below

<b>Direct broadcast satellite (DBS) service</b>	(1) see notes below
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(1) Notes:

#### ORTT

- The National Body for Radio and Television (ORTT) ensures the independence of the program suppliers, safeguards the freedom of the press, whose basic principles are laid down in the Constitution of Hungary. Its aim is to promote and safeguard the freedom of expression by encouraging new program suppliers to enter the market, and by dismantling the existing information monopolies and by preventing the creation of new ones. The Body has set up a Complaints Committee, with a five-year mandate for dealing with complaints in relation to violation of the principles of impartiality of information.
- ORTT fulfils the tasks of inviting tenders and evaluating tender bids for broadcasting rights and for satellite channels made available for broadcasting under the regulation of Governmental organs.
- ORTT performs the supervisory and control tasks laid down in the media act.
- ORTT fulfils the tasks associated with broadcasting contracts.
- ORTT determines and publishes the broadcast fee(s) applicable to broadcasting by programme distribution and by satellite.

#### HIF

- Assembles the associated frequency allocation plans.
- HIF shall specify the frequency for broadcasting purposes for the telecommunications service provider in the possession of a broadcasting licence or a valid telecommunications contract made with this latter.
- HIF conducts the frequency licensing procedure.
- HIF issues radio licence for the broadcast transmitter station.

#### **8. How would a carriage network which delivered television, telephony and internet services be regulated in your country?**

<p>Please provide details:</p> <p>No such service is available yet.</p>
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#### **9. 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 2000-2001.**

Please provide details:

None.

**10. Please indicate whether public service obligations in broadcasting regulations have changed since 1998 and provide details of any changes.**

Please provide details:

No change.

**11. Please indicate whether regulations concerning content have changed since 1998. Please provide details of any changes in relation to:**

<b>Local content requirements</b>	No change
<b>Must-carry requirements</b>	No change
<b>Community standards</b>	No change

**12. Please indicate whether regulations concerning ownership and market entry (for terrestrial, cable and satellite) have changed since 1998. Please provide details of any changes in the following areas:**

<b>Limitations on number of stations</b>	No change
<b>Foreign ownership</b>	No change
<b>Cross media and cross sector provisions</b>	No change

<b>Other restrictions on ownership</b>	No change
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## **Convergence**

- 13. 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:

Considering the necessity of harmonization of the telecommunications regulation with the EU directives, and taking into account the Directive 90/377/EEC and the Notice of EC No. C06 published on the 10th January 1998 as well as the concession agreements in force between the Minister and the Hungarian telephony companies, for Internet service providers, the Communication Authority, Hungary, lets to know that

a. if the service is realised by transmission of the speech signals in a customary (circuit-switched) way in any section of the domestic Public Switched Telephone Network or Public Land Mobile Network (except for leased lines), then those speech signals shall be differentiable by some of its parameters from the customary voice telephony and the licence application should be in conformity with pp. 1-4. (see below),

b. if the above circumstances do not exist, that is:

the above mentioned public networks are not used for establishing the connection  
or

the above mentioned public networks are used in the connection, but they are not passing a customary flow of voice signals, only a modem data flow (e.g. facsimile transmission),

no further regulation is needed to the existing Internet service licensing.

In case of p. a) there is a decisive argument that in the concession agreements of the domestic telephone companies an exclusivity is stipulated for public long-distance voice telephone traffic which may be switched and transmitted only by the transit network of National Concession Company. It can be by-passed only in the case, if the established speech connection is qualified as a "non-public-voice-telephony" connection.

Similarly, the service is restricted in accordance with p. a) when the passing from or to Internet occurs at a subscriber's service access point of PSTN, PLMN (e.g. freephone number).

It should be categorized as a case b) when the Internet voice transmission is realised

between an Internet terminal equipment (including the Internet telephone set, a PABX equipped with a TCP/IP protocol H.323 gateway in the main lines as well as PCs providing speech service) and a public network subscriber abroad.

1. The transmission of voice as a special data transmission facility should be stipulated in the SP's Code of Practice. This is also valid for the licences granted earlier.
2. The speech/data converters and routers (gateways, gatekeepers) as well as other transmission equipment (routers, modems etc.) appearing as objective prerequisites of the service provision should have Authority approvals i.e. quality certificates as defined in related statutes.
3. The SP has to:
  - a. define the specific parameters determining the speech quality in the licence application and describe them also in the Code of Practice. In case those parameters are better than threshold values given in p. 4., the licence cannot be granted, i.e. the Authority withdraws the existing licence;
  - b. draw the users' attention to the quality parameters which differ from those of public voice telephony when publishing the service.
4. Parameters differentiating from the speech quality of public switched or land mobile telephony service:
  - a. SP has to ensure a minimum 250 ms average delay of speech signal transmission between the terminals,
  - b. SP should not guarantee that the loss of speech packets causing short interruption of the speech, would be less, than 1%.

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

Please provide details:

No regulation yet.

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

Please provide details:

No regulation yet.