

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES



ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

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

**Country: Mexico**

**Date completed: June 21, 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> )	-	-	-
Terrestrial TV (Local coverage <sup>4</sup> only)	2251**	2051	200
Terrestrial radio (National coverage)	-	-	-
Terrestrial radio (Local coverage only)	1500**	1242	258
Cable television service <sup>5</sup>	486 licensed operators *  It is permitted for more than one organisation to own and operate cable television in the same area. (Overbuilding is allowed)	486	0
Analogue direct broadcast satellite (DBS) service	-	-	-
Digital DBS service	-	-	-
MMDS	40	40	0

\* There are neither concessions nor permits with national coverage in Mexico. Concessions are granted to local coverage. However, concessionaires tend to associate for national coverage. There are 5 national and 1 regional television networks. There are 20 regional radio networks.

\*\* Includes "repeater stations".

<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	
Televisa	Private	Analogue	-	-	-
TV Azteca	Private	Analogue	-	-	-
Channel 11, Instituto Politécnico Nacional (IPN)	Public	Analogue	-	-	-

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<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>	Cablevisión, S.A. de C.V.	8 video channels plus per view service	59 video, 37 audio plus per view service	Yes	Yes (Audio data transmission and Internet)
	Grupo Cablemas	-	-	Yes	Yes ( Audio, data transmission and Internet)
	Visión por Cable, S.A. de C.V.	17 video channels	-	Yes	Yes (Audio and Internet)
<b>SATELLITE</b>	Corporación de Radio y Televisión del Norte de México, S.	-	76 video and 47 audio channels, plus pay per view	Yes	Audio
	Grupo Galaxy Mexicana, S. De R.L. de C.V.	-	85 video and 46 audio channels, plus pay per view	Yes	Audio
<b>MMDS</b>	MVS Multivisión S.A. de C.V.	31 video channels plus per view service	-	Yes	Yes ( Audio, data transmission and Internet)
	Teleglobo, S.A. de C.V.	-	-	Yes	Yes (Audio, data transmission and Internet)
	Ultravisión, S.A. de C.V.	-	-	Yes	Yes (Audio, data transmission and Internet)

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>	Cablevisión, S.A. de C.V.	\$ 0.00	\$143.48	29 channels	\$404.35	60 channels plus per view service (including 37 audio channels)
<b>MMDS</b>	MVS Multivisión, S.A. de C.V.	\$290.-	\$33.96	1 channel	\$67.50	8 channels
<b>Satellite television service</b>	Corporación de Radio y Televisión del Norte de México, S.A. de C.V. (Provided by Sky)	\$868.70			\$433.91	76 video and 47 audio channels, plus pay per view
	Grupo Galaxy Mexicana, S. De R.L. de C.V. (Provided by Direct TV)	\$868.70	\$216.52	85 video channels 46 audio channels plus pay per view service		
<b>Digital terrestrial television service</b> ***						

\* Prices exclude VAT

\*\* We have a premium service for analogue and digital cable.

\*\*\* Not available yet.

## 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>MMDS</b>	<b>Satellite</b>
<b>Services provided over the network, e.g. *</b> FTA broadcasting, Subscription broadcasting, Telephony, New digital services, Internet access	TV, radio	Audio Data transmission Internet Access Unidirectional Bi-directional FTA Broadcasting	Audio Data transmission Internet Access Unidirectional Bi-directional FTA Broadcasting	Audio FTA Broadcasting
How many cable and satellite operators are providing telephony and Internet access services?	Not applicable	4 cable operators are providing data transmission and 11 Internet access.	In process	
<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	Not applicable	-PTO's Interconnection obligations Art.42 of the FTL.  -49% of total investment should be national.  -Authorisation for each regulated service. For Value Added Service, only a registration is needed	The Radioelectrical spectrum concessions Article 14. Establish that concessions of frequency bands of the spectrum for specific use shall be granted through public bid. The Federal Government shall have the right to receive an economic consideration for the granting of the pertaining concession.	Exploiting signal transmission and receptions rights of frequency bands associated to foreign satellite systems that may cover or render services in the national territory.  Requires a concession from the Secretariat. The concessions shall only be granted to Mexican individuals or companies. (Foreign investment participation in no case shall be able to exceed 49 %)  Article 30 of the Federal Telecommunication s Law, establish the Ministry may grant concessions on

				<p>frequency bands and signal transmission and reception rights associated to foreign satellite systems that may cover and render services in the national territory provided they have signed treaties on this matter with the country where the signal originates and said treaties consider reciprocity for Mexican satellites. These concessions shall only be granted to companies incorporated according to Mexican law.</p> <p>In like manner, international satellites established under multilateral international treaties in which Mexico may be a party may operate in Mexican territory.</p>
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\* There are no private broadcasting networks in Mexico. The Federal Telecommunications Law establishes that public telecommunications networks are able to provide television services by cable, satellite, and terrestrial microwave.

**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).

	Terrestrial	Cable	Satellite
FTA			

<b>Subscription</b>		
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<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>(c) Do regulations restrict the type of services which digital broadcasters can provide? If so, please provide details.</b>	
<b>(d) Are digital terrestrial broadcasters required to provide a simulcast service in analogue and digital? If so, please describe the requirement.</b>	

\* At the moment there is no standard for the transmission of digital television in Mexico. Digital technologies for radio and television are being evaluated. For that reason this question cannot be answered.

**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 licenses.**

<b>Terrestrial broadcasting service</b>	The Ministry of Communications and Transport is in charge of granting concessions and permissions to install and operate radio and television services, as well as observing their technical performance. The Ministry of Interior is in charge of supervising content.
<b>Cable Television service</b>	<ul style="list-style-type: none"> <li>• Ministry of Communications and Transport</li> <li>• Federal Telecommunications Commission</li> </ul> (Both organisations have as main responsibilities to regulate, grant concessions and verify the accomplishment of conditions.) <ul style="list-style-type: none"> <li>• Ministry of Interior (Verifies content)</li> </ul>
<b>Direct broadcast satellite (DBS) service</b>	The Ministry of Communications and Transport is in charge of granting concessions and permissions to install and operate radio and television services, as well as observing their technical performance. The Ministry of Interior is in charge of supervising content. The Federal Telecommunications Commission is in charge of supervising the technical operation of the networks.

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

Please provide details:

In order of importance this services are regulated by:

Federal Telecommunication Law (Telephony, Internet)

Federal Radio and Television Law (Television and Radio)

Regulations on Pay Audio and Television Services (Pay TV and Radio)

Radio, Television and Film Rules (Pay TV and Radio)

**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:

The Federal Telecommunications Law is under revision by the Ministry of Communications and Transport, Cofetel as well as the Congress.

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

Please provide details:

In February 24, 2000, new rules were issued regarding cable, microwave and satellite public networks "Regulations on Pay Television and Audio Services". These rules surrogated the Rules for Cable Television Services, which were valid since 1979.

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

<p><b>Local content requirements</b></p>	<p>At least 80% of the daily total Programming of the Restricted Television Services transmitted by concessionaires or Permissionaires must be in Spanish language (Spanish language programming shall be understood as that originally produced, subtitled or dubbed in Spanish).</p> <p>In order for Concessionaires or Permissionaires which provide pay TV Services to include advertisement in their programming they must transmit on a daily basis at least the following percentage of National programming:</p> <ul style="list-style-type: none"> <li>• 7% in the case of Pay Land Television Services; and</li> <li>• 8% in the case of Restricted Satellites Television Services.</li> </ul> <p>(For the corresponding calculation, Local Programming or broadcast Programming will not be considered as National Programming).</p> <p>Concessionaires and Permissionaires are responsible of the content of the Programming and of the advertising transmitted in the Channels of the Networks, except as for broadcast Programming which is subject to the provisions of the Federal Radio and Television Law and other applicable provisions.</p> <p>Consequently, when a concessionaire contracts directly programming and advertising, the concessionaire must make sure that the provisions set forth by the Regulations and other applicable provisions are observed. If the provisions are not observed, concessionaires must refrain from transmitting the corresponding Programming and advertising.</p>
<p><b>Must-carry requirements</b></p>	<p>Eliminated in the new Regulations on Pay Audio and Television Rules of February 2000.</p>
<p><b>Community standards</b></p>	<p>Concessionaires or Permissionaires, which provide Paid Land Television Services, must additionally transmit at least 1 hour per day of Local Programming.</p> <p>At least 80% of daily programming should be in Spanish Language. Spanish Language programs are those that are produced, dubbed or subtitled in this language.</p> <p>There cannot be any other obligation in terms of language but only those included in the Regulations on Pay Audio and Television.</p>

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:

<p><b>Limitations on number of stations</b></p>	<p>No change.</p>
<p><b>Foreign ownership</b></p>	<p>No change.</p>

<b>Cross media and cross sector provisions</b>	No change.
<b>Other restrictions on ownership</b>	No change.

## **Convergence**

- 13. Under the communication regulation existing in your country how would services provide 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:  
 Radio and television services can only be provided with a concession or permission from the Ministry of Communications and Transport, which will allocate channels and frequencies. In accordance with the Federal Telecommunications Law, Internet services are considered as value-added services that may be provided by the concessionaires of public telecommunications networks. However, they may not offer radio and TV services.

- 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:  
 Mexican regulations for each service are technology neutral.

- 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: