



Borító 1

**NMHH**

RESPONSIBLE REGULATION,  
CONSCIOUS VISION



# NMHH

## A MODERN, 21<sup>ST</sup> CENTURY AUTHORITY

TODAY WE CAN BARELY GO TO A BANK, TO A RESTAURANT, OR VISIT THE DOCTOR WITHOUT COMING ACROSS ELECTRONIC DEVICES CAPABLE OF CONNECTING TO THE INTERNET OR BROADCASTING MEDIA SERVICES. WE CAN CONNECT TO PUBLIC WI-FI NETWORKS AND USE THE INTERNET ON OUR MOBILE DEVICES. USING OUR SMARTPHONES WE RECEIVE TEXT MESSAGES ON HOW MUCH WE SPENT AT THE GROCERY STORE WITH OUR BANK CARDS.

NMHH  
EMPLOYEES  
WORK AT:

**4** BUDAPEST AND  
**6** RURAL LOCATIONS

This all demonstrates that the infocommunications sector is not a distinct area of the Hungarian economy, but an industry whose development influences the functioning of most other fields; in fact, it paves the way for their progress. To gauge its impact, it suffices to think of the efficient use of frequencies in infocommunications and the media, which can be viewed as an economic indicator of a country: the greater the coverage of the service and the faster the information flow, the more powerful the economy's digital circulation.

Prevailing market regulations must be aligned with the reality of the 21<sup>st</sup> century. Since the various areas of infocommunications and the media, i.e. the content generated and the devices capable of transmitting information, can no longer be distinctly separated from one another, their supervision cannot be completely separate either.

Since 2010, a convergent authority has been responsible for the regulation and supervision of infocommunications and the media in Hungary. The goal is the same in both areas: to foster development and market competition and to represent consumer and user interests efficiently. The NMHH strives to maintain a reliable, predictable and undisturbed market environment in the Hungarian infocommunications sector to provide the conditions for satisfactory operations for service providers and users alike. The authority functions as a credible point of reference, performing indispensable and essential tasks for economic progress. As such, it contributes to the development of the country.

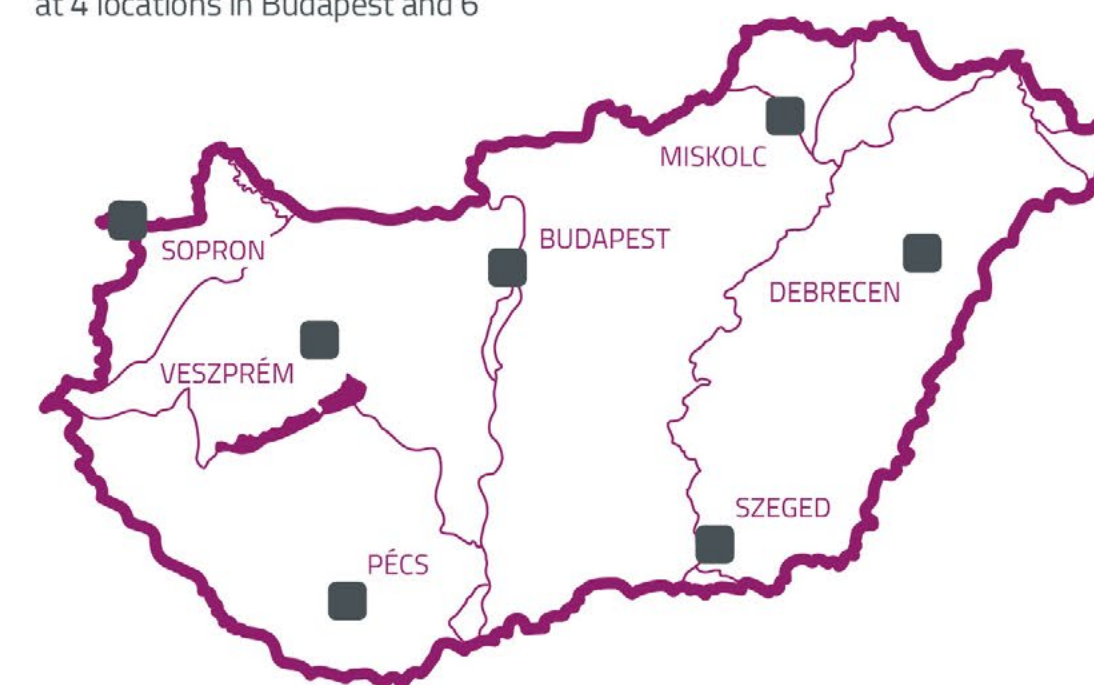
The NMHH is an autonomous regulatory body reporting to the National Assembly. The authority has nearly 650 employees working at 4 locations in Budapest and 6

additional cities around the country: Debrecen, Miskolc, Pécs, Sopron, Szeged and Veszprém.

Taking the "good stewardship" approach, the authority follows the principle of responsible financial management.

The Media Council operates as an independent public body of the NMHH. The primary function of the Media Council is to ensure democratic publicity in the media as well as strike and maintain a healthy balance between the interests of the audience and those of the media, based on the media regulations in force.

The Commissioner for Media and Infocommunications also operates within the framework of the authority. While violations and legal remedies require intervention from the authority, the Commissioner can contribute to finding a solution in cases where consumer interests, rather than rights, are impaired.







# BALANCED MARKET = SATISFIED USERS

THE ACTIVITIES OF THE NATIONAL MEDIA AND INFOCOMMUNICATIONS AUTHORITY ARE DIVERSE, WHILE THE WORK OF THE ORGANISATION AS A WHOLE IS DRIVEN BY THE OBJECTIVE OF ENSURING THAT USERS AND SERVICE PROVIDERS ARE BOTH SATISFIED IN THE BALANCED HUNGARIAN INFOCOMMUNICATIONS AND MEDIA MARKET.

The first three chapters of this publication explain how this objective is achieved in the supervisory activity of the authority in the fields of infocommunications supervision, media supervision and postal supervision. The overview of spectrum management provides an insight into the management of Hungarian frequency assets, the description of regulations explains specific task types in detail,

and the presentation of databases and registers illustrates the comprehensive and complex operations of the infocommunication sector. Work to promote consumer awareness is an important mission of the NMHH and is discussed in a separate chapter, as is the funding programme of the Media Council, the Hungarian Media Patronage Programme, which is a funding scheme for filmmakers working in the genre of

Hungarian television, and for local media service providers and those of small communities. Finally, an account is given of the role of the authority on the international scene, which is of paramount significance since the professionals of NMHH represent Hungary's interests on these platforms.



## NMHH: A MODERN, 21<sup>ST</sup> CENTURY AUTHORITY

- Balanced market = satisfied users

2



## INFOCOMMUNICATIONS SUPERVISION

- Supervision of services
- Devices
- Measurements, monitoring
- Technology analysis
- Licensing of infocommunications infrastructure at the NMHH

6



## ACTIVITIES OF THE NMHH MEDIA COUNCIL

- Media Council: in charge of media supervision
- Supervision of media services
- Supervision in the media
- Co-regulation in the media

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## POSTAL SUPERVISION

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## SPECTRUM MANAGEMENT

- Sale of communications frequencies
- Project for utilisation of the 3400-3800 MHz frequency band, 2014-2016
- Significance of digital switchovers – the 800 MHz and 700 MHz bands
- Tendering opportunities for media services

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## REGULATION IN INFOCOMMUNICATIONS

- Market regulation, monitoring and research in electronic infocommunications

30



## VITAL DATABASES AND REGISTERS

- Important databases and registers
- Let's measure the quality of the broadband internet service together!
- What infocommunications services are available where you live?
- We make it easier to compare consumer packages
- Vital databases and registers to be set up in the future
- "Hír-Közmű"
- E-administration
- The NMHH's regulatory duties in the electronic signature market

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## CONSUMER AWARENESS, PROTECTION OF RIGHTS AND INTERESTS

- Customer relations and information
- Internet security
- Protection of interests in the field of media and infocommunications
- Recommendations for the proper interpretation of the law and to prevent damage to interests
- Protection of minors
- The Magic Valley media literacy education centre
- Corporate Social Responsibility (CSR)
- NMHH Media Workshops

40



## INTERNATIONAL RELATIONS, LOBBYING

- International associations
- European associations

48



# INFOCOMMUNICATIONS SUPERVISION

LANDLINE AND MOBILE PHONES, INTERNET, CABLE OR SATELLITE TELEVISION — ALL THINGS WE CONSIDER ESSENTIAL IN OUR LIVES NOWADAYS. ECONOMIC PARTICIPANTS WOULD NOT BE ABLE TO PRODUCE, PROVIDE SERVICES OR TRANSPORT THEIR GOODS TO CUSTOMERS WITHOUT INFOCOMMUNICATIONS SERVICES EITHER; SO THE QUALITY OF INFOCOMMUNICATIONS SERVICES AND THE PROPER OPERATION OF PROVIDERS AFFECT THE LIVES EVEN OF THOSE WHO DO NOT SUBSCRIBE TO THE GIVEN SERVICE.

## SUPERVISION OF SERVICES

The NMHH is tasked with monitoring whether the organisations, companies and entrepreneurs providing infocommunications services in Hungary perform their activities in compliance with the relevant rules. The scope of such monitoring includes the general terms and conditions of infocommunication service providers, i.e. the backbone of the contractual relationship between providers and subscribers. The authority monitors the functioning of providers' customer services, their troubleshooting activities, the management of subscriber complaints, and whether providers only apply procedures permitted by law to manage and collect debts.

If the authority observes a case of non-compliance during its supervision activity, it takes measures to have the given service provider eliminate the violation and to ensure that its operations adhere to the relevant regulations in the future. By doing so, it protects the

rights and legitimate interests of subscribers and users of the services, as well as fair market competition; indeed, providers operating unlawfully could gain an unfair advantage over their competitors.

Additionally, electronic infocommunications providers are required to inform the NMHH about the quality of their services on an annual basis, which is then aggregated by the NMHH. Consumers can access the data on the NMHH website to gain an overall picture of the quality and operation of the services, which may help them in their choice of the most suitable subscription. Service providers have been able to provide this data electronically for years now, through the "Data Gateway" (Adatkapu) system. The authority prepares a summary of these data, which is available on the authority's website and at the following link:

<http://nmhh.hu/adatszolgaltatas>





# DEVICES

IN EVERYDAY LIFE, THE MOST SPECTACULAR PROGRESS IS SEEN WITH INFOCOMMUNICATIONS AND MEDIA TECHNOLOGY DEVICES. SINCE THEY ARE VERY PRACTICAL, WIRELESS APPLICATIONS HAVE BECOME INCREASINGLY POPULAR.

When we use these services, we do not even think about how they work. However, we are all probably aware that these devices emit radio waves during their operation. The various devices – whether headsets, car alarms or mobile phones – can only operate at the frequencies allocated to them under strictly defined rules. Fixed in standards and regulations, these rules ensure they can operate free of any interference. (This is commonly known as EMC, or Electromagnetic Compatibility).

The NMHH's task is to examine devices in Hungary that may influence telecommunications services when switched on, i.e. disturbing the adequate operation of mobile phone or mobile internet networks for instance. During this work, the NMHH experts examine whether manufacturers, importers and distributors comply with the applicable regulations.

MOBILE  
TELEPHONES



WIRELESS  
HEADPHONES



CAR ALARMS



78  
TESTS

## BANNED DEVICES

IN 2019, THE AUTHORITY EXAMINED 224 SAMPLES OF 84 DEVICE TYPES, AND INITIATED AN OFFICIAL PROCEDURE AGAINST 37 DEVICE TYPES. THESE INCLUDED REMOTE CONTROL TOY CARS, BABY MONITORS AND WIRELESS MICROPHONES.

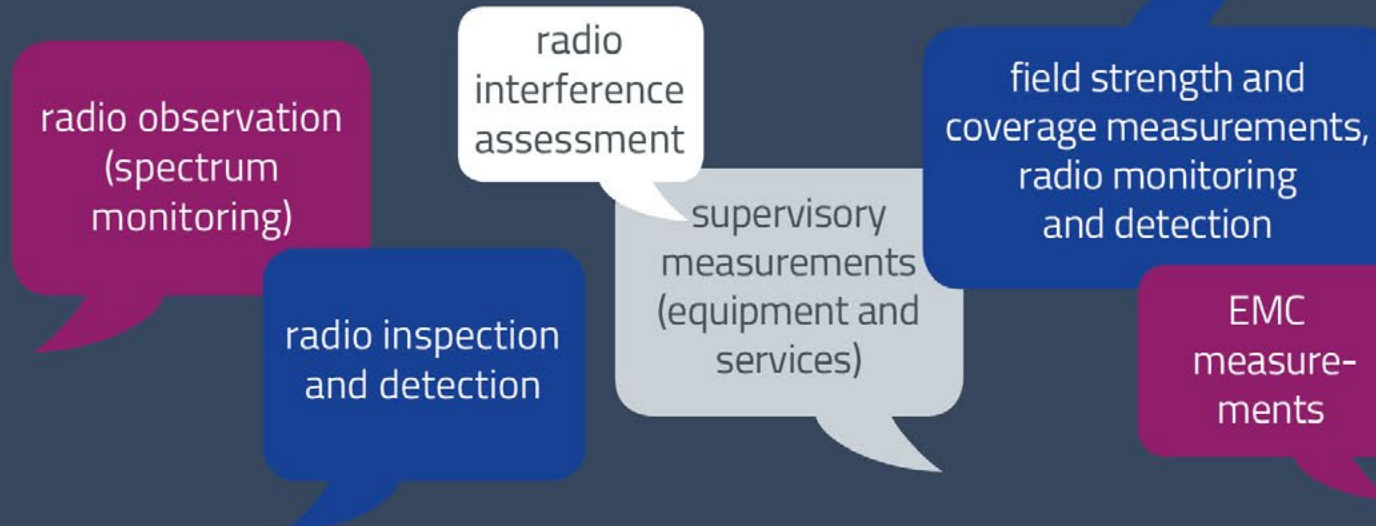
## MEASUREMENTS, MONITORING

To protect the appropriate operation of electronic infocommunications, make spectrum use more efficient and free of any interference, and to ensure electromagnetic compatibility (EMC), the NMHH operates a Radio Measurement and Anti-Interference Service (in short: "measurement service").

The measurement service supports the decision-making of the authority. It helps make official procedures efficient by providing accurate information about the technical data of electronic infocommunications.



## ACTIVITIES OF THE MONITORING SERVICE



1

WE ENSURE SPECTRUM USE IS **INTERFERENCE-FREE**.



2

WE FILTER OUT NON-COMPLIANT **APPLIANCES**.



3

WE ENSURE THE **PURITY** OF NEWLY ALLOCATED **FREQUENCY BANDS**.



4

WE MONITOR THE **QUALITY PARAMETERS** OF ELECTRONIC MEDIA AND INFOCOMMUNICATION SERVICES.



5

WE IDENTIFY THE ACTUAL **TECHNICAL DATA** OF DEVICES OPERATING IN THE FIELD OF ELECTRONIC COMMUNICATIONS AND MEDIA.



6

WE ENFORCE LEGISLATION AND IMPROVE **USER AWARENESS**.





The professionals of the measurement service employ special tools and methods of measurement technology to carry out their duties; for the measurements they rely on the NMHH's fixed or mobile measurement stations, laboratory metering systems and special manual instruments.

IN 2019, THE NMHH REMOVED

190

SOURCES OF INTERFERENCE.

In 2019, the authority removed 190 sources of interference during on-site inspections, and stopped the use of 928 devices that were operating without a licence or using non-compliant parameters. The authority ensures the conformity of frequency use and the monitoring of broadcasts that deviate from the permitted technical requirements by operating the national Spectrum and Interference Monitoring (SIMON) system. The system currently consists of 38 fixed, remote-controlled measurement stations.

IN 2019, THE MEASUREMENT SERVICE STOPPED THE USE OF

928

NON-COMPLIANT DEVICES.



## STATIONS OF THE NATIONAL SPECTRUM MONITORING SYSTEM



## DO YOU KNOW WHAT ELECTROSMOG IS?

ELECTROSMOG IS THE COMBINED VOLUME OF ELECTROMAGNETIC RADIATION EMITTED BY ELECTRONIC APPLIANCES. THE APPLIANCES WE USE ON A DAILY BASIS TO MAKE OUR LIVES EASIER, SUCH AS MOBILE PHONES, COMPUTERS AND MICROWAVE OVENS, RADIATE ONLY A FRAGMENT OF THE EXPOSURE LIMITS. HOWEVER, THE NMHH ALSO CONDUCTS STRICT MEASUREMENTS FOR MOBILE PHONE AND TELEVISION TRANSMISSION TOWERS, LICENSING ONLY THOSE THAT COMPLY WITH THE REGULATIONS.

# LICENSING OF INFOCOMMUNICATIONS INFRASTRUCTURE AT THE NMHH

Although the licensing of infocommunications infrastructure does not fall within the scope of the authority's supervision activities, this also needs to be addressed here briefly. If a provider wishes to build a network or upgrade an existing one, it needs to obtain a permit from the NMHH. It also needs to notify the NMHH of any minor works. Even though this is not a supervision activity, the NMHH is responsible for issuing the building permit. Construction work can vary strongly from laying network cables to installing various telecommunication towers and large satellite dishes. The authority must ensure compliance with regulations at construction sites and promote the spread of advanced technologies and services which, directly or indirectly, ultimately benefit society as a whole. In 2019, for instance, the NMHH issued 1197 permits.

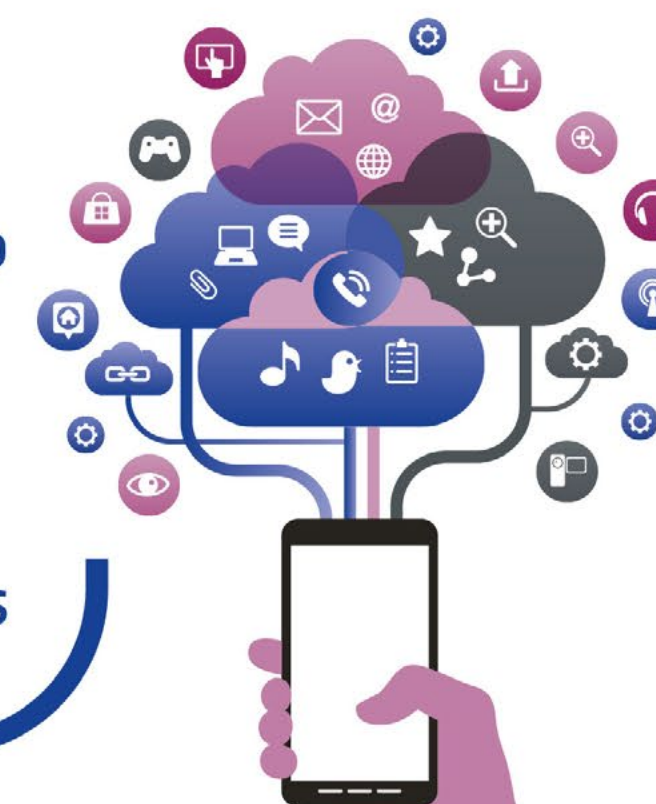
## TECHNOLOGY ANALYSIS

To make the appropriate legal, regulatory and supervisory decisions, the NMHH must be supported by up-to-date professional expertise in technical and technological issues. Since regulatory efforts cannot be sufficiently effective without technical support, technology analysts work day-by-day so decision-makers can take technical features into account.

IN 2019, THE AUTHORITY ISSUED

1197

PERMITS FOR INFOCOMMUNICATIONS INFRASTRUCTURE



# 5G

## IN THE SPOTLIGHT

THE NMHH MUST ALSO BE AWARE OF FUTURE TECHNOLOGIES, SINCE NEW SERVICES, NEW BUSINESS MODELS, CLOUD AND MACHINE-TO-MACHINE COMMUNICATION, OR THE INTERNET OF THINGS AND SYSTEMS BASED ON ARTIFICIAL INTELLIGENCE OPERATING VIA MACHINE LEARNING, WILL ALSO HAVE REGULATORY ASPECTS. THE FUNDAMENTAL NEED FOR MOBILITY MEANS IT IS ESSENTIAL, FOR INSTANCE, THAT WE ANALYSE NEW MOBILE PHONE SYSTEMS SUCH AS LTE AND FIFTH-GENERATION (5G) MOBILE NETWORKS, OR INNOVATIVE SOLUTIONS FOR ALTERNATIVE MEDIA TRANSMISSION, SUCH AS IPTV OR OTT (OVER-THE-TOP) SERVICES. THESE ANALYSES AND ASSESSMENTS POSE A SERIOUS CHALLENGE FOR TECHNOLOGY ANALYSTS.



# ACTIVITIES OF THE NMHH MEDIA COUNCIL

IN 2019,  
THE MEDIA COUNCIL  
ADOPTED

# 1396

DECISIONS.

ACTIVITIES  
OF THE NMHH  
MEDIA COUNCIL



## THE MEDIA COUNCIL IN CHARGE OF MEDIA SUPERVISION.

PURSUANT TO THE MEDIA ACT, THE DUTIES AND POWERS RELATED TO THE SUPERVISION OF MEDIA GOVERNANCE ARE SPLIT BETWEEN THE MEDIA COUNCIL AND THE OFFICE OF THE NMHH.

Subject to a two-thirds majority vote of MPs present, the Media Council's president and its four members are elected by the National Assembly for a term of nine years.

to use frequencies, i.e. rights to provide media services. The primary criterion in evaluating the bids is to preserve media pluralism and diversity.

The Media Council decides on the allocation of the frequency assets available to radio and television media services in Hungary. In every case there are rights to legal remedy; in other words, the final decision rests with the court in the case of disputes. Providers may bid in tenders for the entitlement

The Media Council continuously supervises the legitimacy of the use of these frequencies and whether the activities of providers adhere to the provisions of the Media Act and the public contracts.

WITH THE PARTICIPATION OF THE OFFICE OF THE NMHH, THE MEDIA COUNCIL:

**MONITORS** THE ACTIVITY OF MEDIA SERVICE PROVIDERS THROUGH ANNUAL REPORTS



**VERIFIES** ADHERENCE TO THE STIPULATIONS OF PUBLIC CONTRACTS AND PAYMENT OF THE MEDIA SERVICE FEES BY PROVIDERS



**ASSESSES** ANNUAL ADVERTISING SPENDING IN THE HUNGARIAN MEDIA MARKET



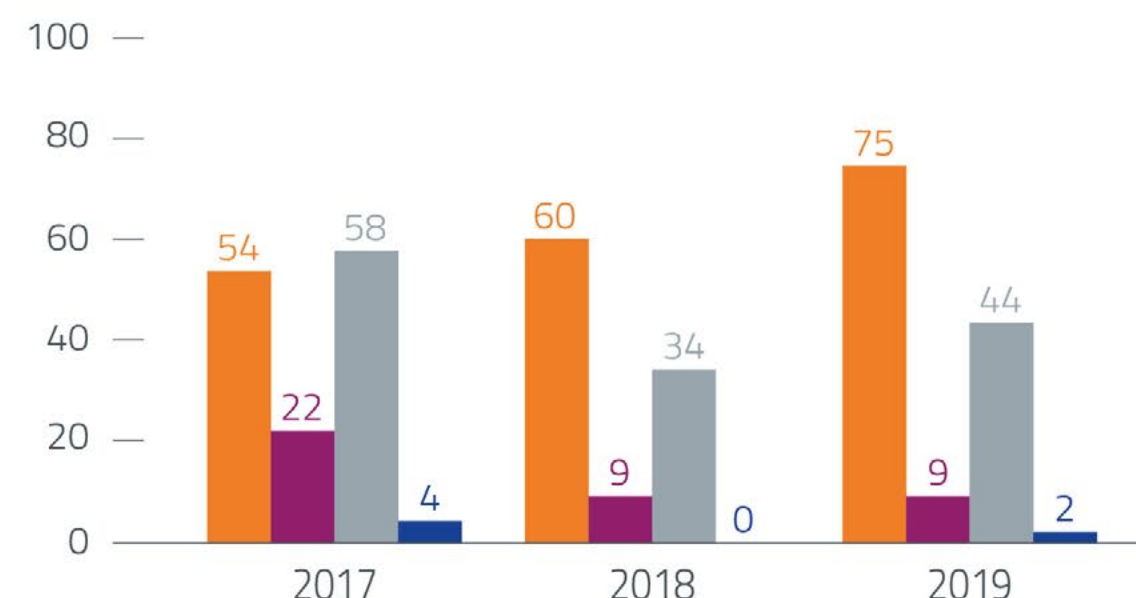
**EVALUATES** TRENDS IN THE ADVERTISING MARKET





The objective of the Media Council is to protect the fundamental rights and interests of viewers and listeners, i.e. to ensure that Hungarian media consumers can enjoy programmes compliant with the law. To this end, the Council encourages television and radio stations to carry out their activities in compliance with the Media Act. The Media Act provides a clear framework for the service providers: the number of violations has steadily decreased since the Act entered into force four years ago, which demonstrates that media service providers are striving to be compliant. Consequently, the amount of penalties imposed by the Council for such violations has declined.

The Media Council continuously supports the survival of local and regional studios via tenders for overheads and programme productions. In the 2010s, the Media Council provided financial aid under the Hungarian Media Patronage Programme for 1,300 quality works in 11 categories, including hundreds of documentaries, short and television films, animations and radio plays. More than 130 films received national and international festival awards, and the Academy Award of Kristóf Deák's short film, Sing, made the whole country proud.



Number of Media Council decisions imposing penalties  
Number of Media Council decisions containing notices  
Number of Office decisions imposing penalties  
Number of Office decisions containing notices

## WHAT CAN BE DONE WITH OBJECTIONABLE MEDIA CONTENT?

THE MEDIA COUNCIL CAN LAUNCH INVESTIGATIONS INTO SPECIFIC MEDIA CONTENT UPON REQUEST OR EX OFFICIO. ANY HUNGARIAN CITIZEN CAN FILE A REQUEST; THE MEDIA COUNCIL ALSO HAS THE POWER TO LAUNCH EX OFFICIO PROCEEDINGS AT ITS OWN DISCRETION.

## SUPERVISION OF MEDIA SERVICES

Based on a professional strategy and in accordance with the provisions of the Media Act, the NMHH's decisions define which media service providers are entitled to provide services in Hungary, when, and for what purpose. To ensure transparency, the authority maintains a register of the media services provided; it updates and publishes the registers on its website on a regular basis.

[nmhh.hu/mediaszolgalatasok](http://nmhh.hu/mediaszolgalatasok)

### PUBLIC SERVICE MEDIA

The television channels offered by the operator of public media services – **Duna Médiaszolgáltató Nonprofit Zrt.** – comprise M1, M2/Petőfi TV, Duna TV, M4 Sport, Duna World, as well as the M3 retro channel and M5 cultural channel available from cable service providers. Public service radio channels include Kossuth, Petőfi, Bartók and Dankó Rádió, Nemzetiségi Rádió (for national minorities), Parlament Rádió and Duna World Rádió.

Following consultation with the Media Service Support and Asset Management Fund (MTVA), it is the Media Council's responsibility to decide on the number of public media services offered and the media service options (frequencies) used by them.

Similarly, the authority ensures the smooth functioning of the Public Service Board, i.e. the civil watchdog for public-service media providers. Consisting of 14 members, the Public Service Board monitors the public service orientation continuously, and controls the public-service media provider's compliance with the Media Act and the Public Service Code. Similarly, the support policy, business plan and other financial commitments of the Media Service Support and Asset Management Fund are approved by the Media Council.

### COMMERCIAL AND COMMUNITY MEDIA

Based on the breakdown stipulated by the Media Act, we distinguish between linear and on-demand media services. On-demand media services mean media services through which users may view or listen to a given programme from the programme offering at a time of their choice. These services typically comprise media services available online, i.e. over the internet. At present, 128 audiovisual – i.e. television – and 18 radio services operate on this basis in Hungary. In the context of linear media services, several users may view or listen to programmes simultaneously, based on a programme schedule. These services typically cover traditional television and radio services, and currently comprise 661 services in total. Programmes of on-demand media services can be selected by users from the programme offering assembled by the service provider, and watched or listened to at a time of their choice. There are currently 187 of these media services.

**616** LINEAR MEDIA SERVICES  
**187** ON-DEMAND MEDIA SERVICES

## MEDIA COUNCIL



elected by the National Assembly



for 9 years

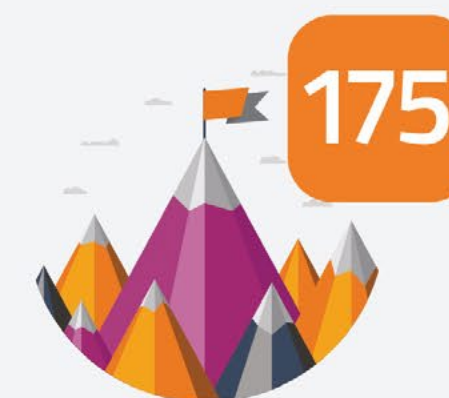


has 5 members



its main activity is to supervise Hungarian media

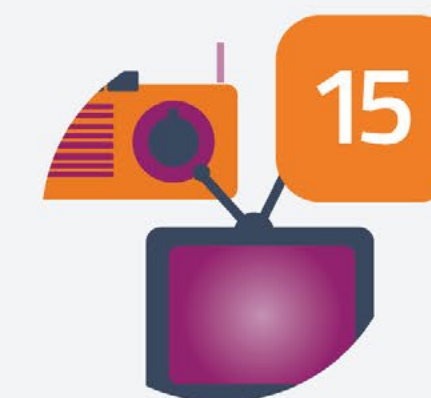
## MEDIA SERVICES



media service opportunities awarded in tenders (requires conclusion of public contract)



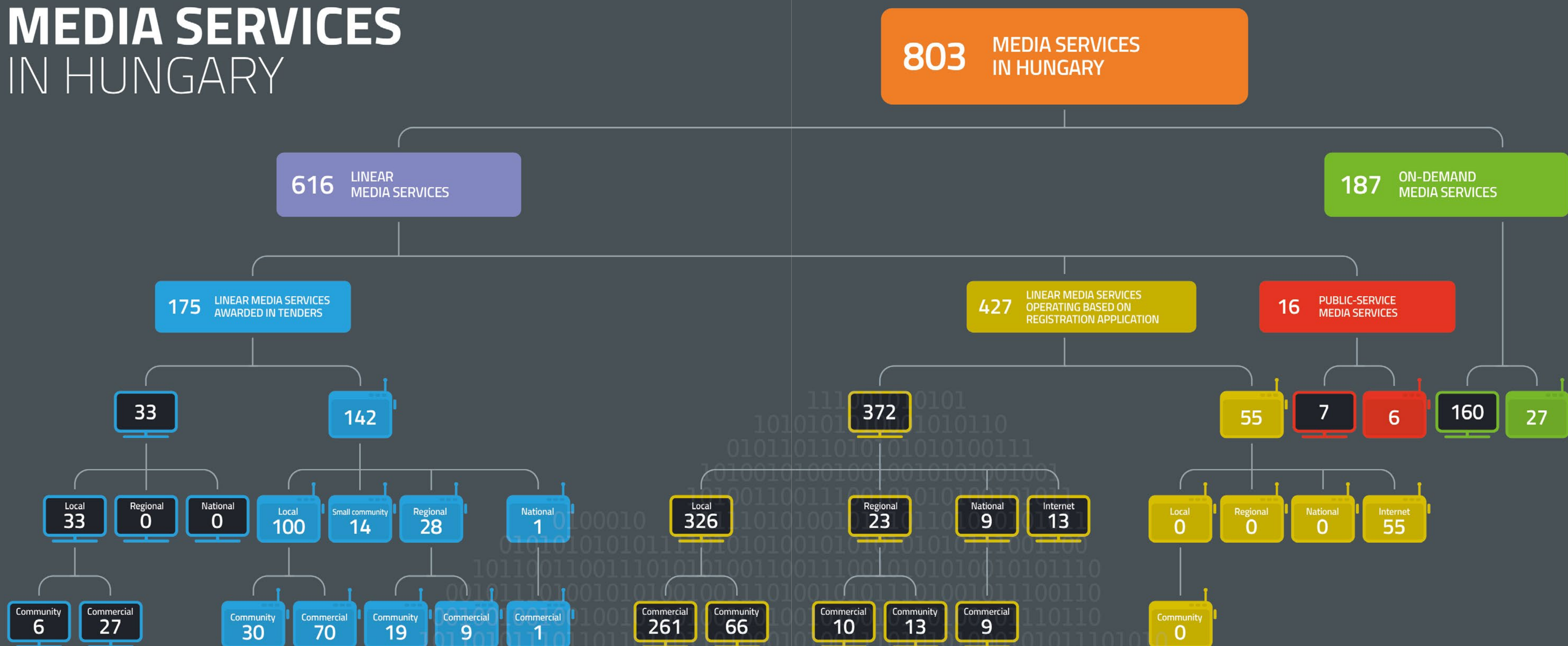
media services established based on notification (requires registration by the authority)



public-service media services



# MEDIA SERVICES IN HUNGARY



## IRIS, A WORLDWIDE SUCCESS

IRIS, the media monitoring IT system developed by experts at the NMHH, processes an exceptionally large database in a complex manner, complete with metadata: it stores the programmes of 273 radio and television channels, which may be retrieved as far back as 1997, meaning 18 million hours of programmes and archives amounting to 2700 terabytes of data.

Consequently, for the purpose of its media supervision activity, the NMHH always has access to recordings of the programmes on which complaints are filed.

Owing to international cooperation, the system now also assists the work of media authorities outside Hungary.

NMHH professionals delivered customised systems to fellow colleagues in Cyprus and Malta in 2012 and 2015, respectively.



**18**  
MILLION HOURS  
OF PROGRAMMES

**2700**  
TERABYTES  
OF DATA





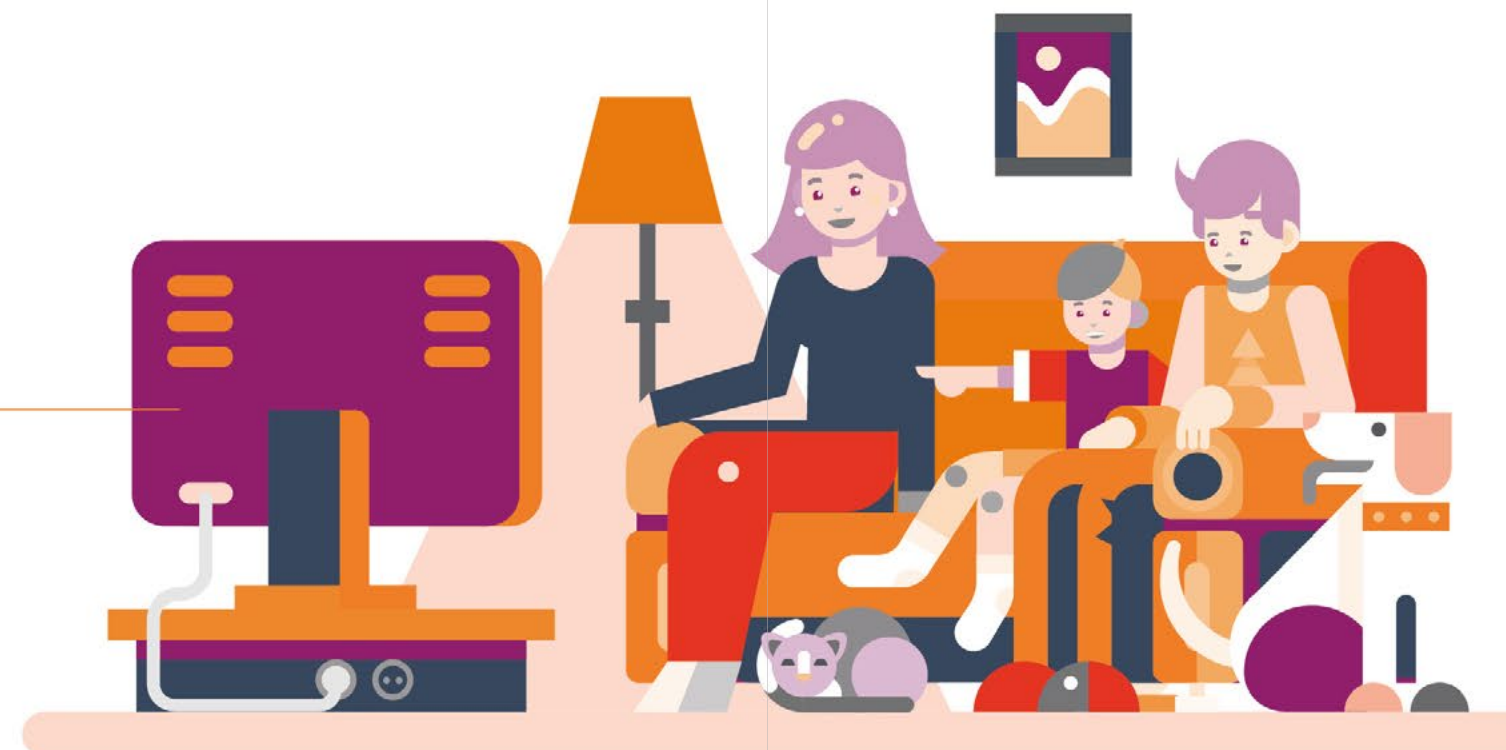
# SUPERVISION IN THE MEDIA

**THE NUMBER OF VIOLATIONS HAS DECREASED – ALBEIT NOT STEADILY – SINCE THE MEDIA ACT ENTERED INTO FORCE, WHICH DEMONSTRATES THAT MEDIA SERVICE PROVIDERS ARE STRIVING TO BE COMPLIANT.**

By imposing penalties in relation to violations, the Media Council wants to encourage television and radio providers to operate in compliance with

the Media Act, ensuring that viewers and listeners can enjoy programmes that are compliant with statutory regulations.

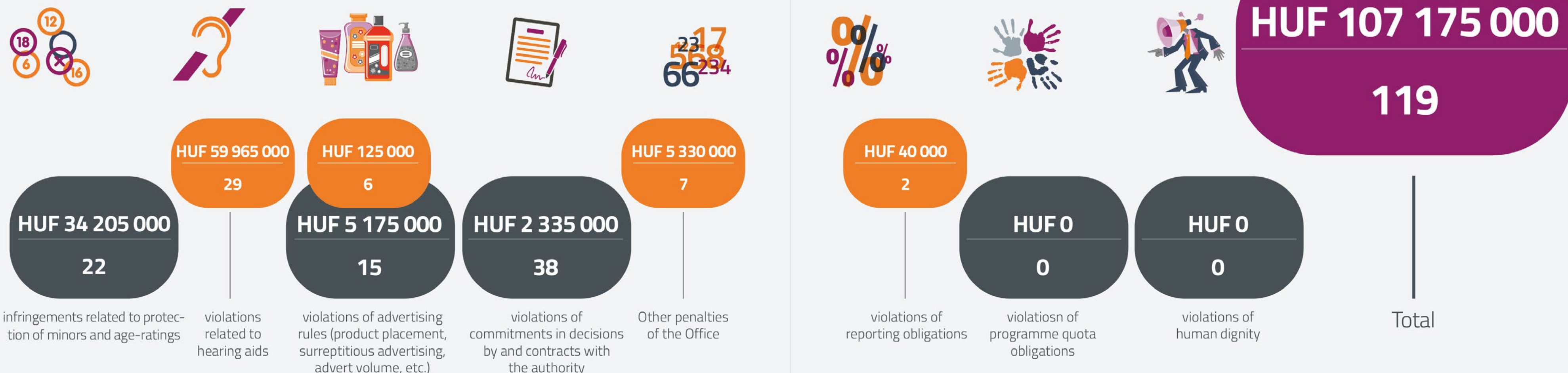
So, analysing content is an important part of media supervision tasks, in particular, checking whether the requirement of balanced coverage is adhered to. However, the legislation does not enable the Media Council to inspect balanced coverage cases ex officio



regarding the information communicated in television or radio programmes; it can only do so in response to specific filed requests. The Media Council takes more than a hundred decisions each year on violations of legislative provisions ensuring the protection of minors, advertising rules, commitments in decisions by and contracts with the authority, data provision obligations or human dignity. If the decision determines there was

a violation of law, the board imposes a fine or calls upon the media service provider to adhere to the requirement of lawful conduct immediately and refrain from such infringements in the future. Alongside the Media Council, the Office of the NMHH may also impose fines on the operators of media services. The provisions of the Media Act specify the cases in which the Media Council should proceed.

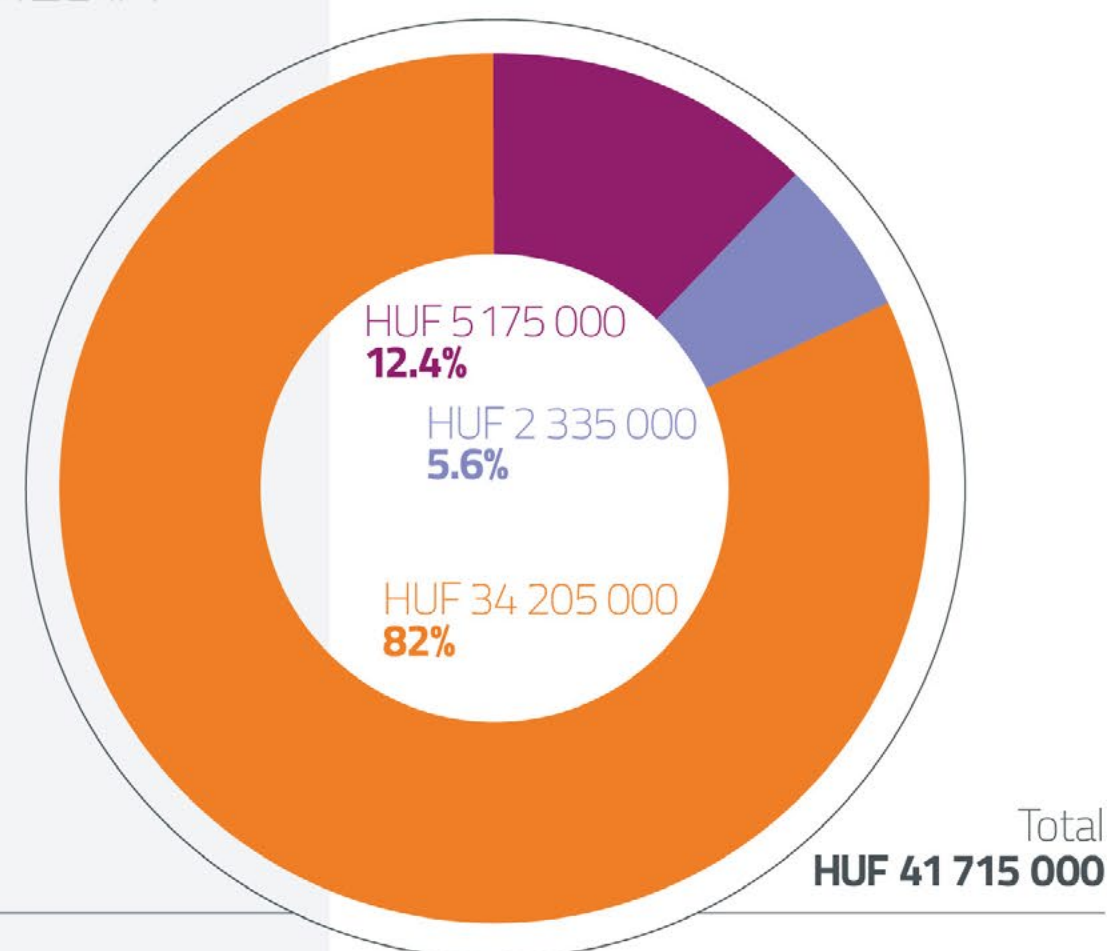
## AMOUNT OF FINES IMPOSED BY THE MEDIA COUNCIL AND THE OFFICE OF THE NMHH AND NUMBER OF CASES, 2019





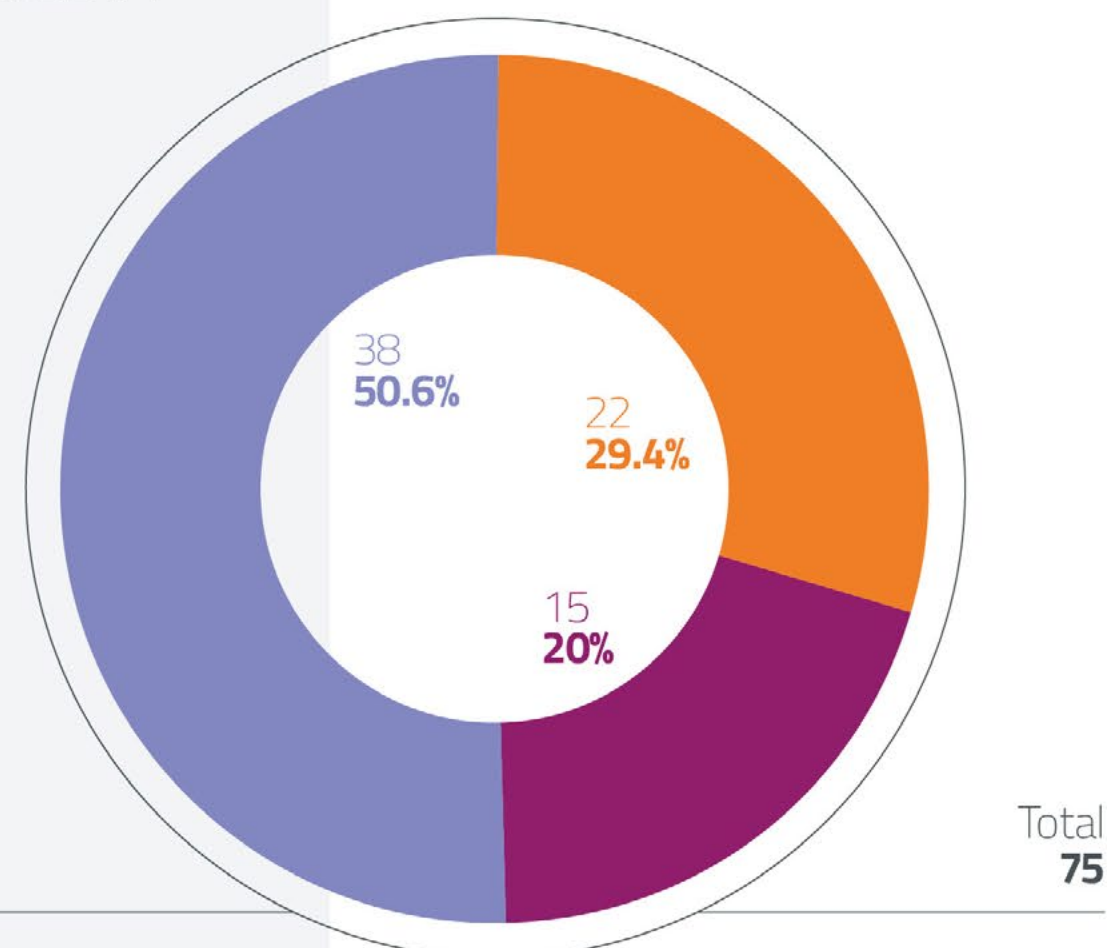
## DISTRIBUTION OF THE AMOUNT OF FINES IMPOSED BY THE MEDIA COUNCIL IN 2019

- Protection of minors, age-rating
- Advertising rules (product placement, surreptitious advertising, advert volume, etc.)
- Commitments in decisions by and contracts with the authority
- Other (e.g. procedural fine)
- Human dignity



## DISTRIBUTION OF THE NUMBER OF FINES IMPOSED BY THE MEDIA COUNCIL IN 2015

- Commitments in decisions by and contracts with the authority
- Protection of minors, age-rating
- Advertising rules (product placement, surreptitious advertising, advert volume, etc.)
- Other (e.g. procedural fine)
- Human dignity



One decision could include several fines, which is typical, for example, if provisions related to the protection of children and minors are violated.



## CO-REGULATION IN THE MEDIA

Pursuant to the Media Act, the Media Council is entitled to cooperate with self-regulatory organisations for the efficient implementation of the objectives and principles of legislation pertaining to media governance, and in order to facilitate voluntary compliance.

In the context of this cooperation, in June 2011 the Media Council signed an agreement with the **Self-Regulatory Advertising Board**, the **Hungarian**

**Publishers' Association**, the **Association of Hungarian Content Providers** and the **Hungarian Association of Electronic Broadcasting Services**.

Under the authority granted by the Media Council and with the financial support of the Council, the organisations perform administrative functions, without the powers of a public authority, while the Media Council supervises the performance of these tasks.

The competence of co-regulatory organisations is strictly limited to registered media service providers, broadcasters, intermediaries or media publishers that acknowledge the code of conduct as binding.

Only the authority is entitled to supervise linear – radio and television – media services.



# POSTAL SUPERVISION

THE SMOOTH OPERATION OF POSTAL SERVICES AS WELL AS LETTERS AND PACKAGES REACHING THEIR DESTINATIONS IS THANKS TO THE COMPLIANCE AND CONCERTED EFFORTS OF THE SERVICE PROVIDERS INVOLVED. THIS IS OVERSEEN BY THE NMHH. THE SUPERVISION ACTIVITY IS AIMED AT MAINTAINING THE SMOOTH AND EFFECTIVE OPERATION OF THE POSTAL MARKET, PROTECTING PROVIDERS AND USERS OF POSTAL SERVICES, AND PROMOTING FAIR AND EFFICIENT MARKET COMPETITION.

# 258

POSTAL SERVICE  
PROVIDERS

POSTAL SUPERVISION INCLUDES THE FOLLOWING:

COMPREHENSIVE, NATIONAL  
SUPERVISION OF THE **HUNGARIAN  
POSTAL MARKET**



SCHEDULED INSPECTIONS  
OF AREAS AFFECTING BROAD  
SEGMENTS OF **USERS**



CONDUCTING ADDITIONAL,  
**GENERAL INSPECTIONS**



AD-HOC INSPECTIONS OF SERVICE  
PROVIDERS BASED ON **MARKET  
SUPERVISION REPORTS**

## A GLOBAL POSTAL NETWORK FOR OVER A CENTURY

THE UNIVERSAL POSTAL UNION (UPU) UNITES THE WORLD'S POSTAL SERVICE PROVIDERS AND THEIR REGULATORY AUTHORITIES. THE UNION WAS ESTABLISHED IN 1874, WITH HUNGARY AMONG ITS FOUNDING MEMBERS. IN ACCORDANCE WITH THE LAW, IN THE OPERATIVE WORK OF THE UNIVERSAL POSTAL UNION HUNGARY IS REPRESENTED BY THE STATE SECRETARY FOR NATIONAL FINANCIAL SERVICES AND POSTAL AFFAIRS, THE NMHH AND THE UNIVERSAL SERVICE PROVIDER (MAGYAR POSTA ZRT.). COMPRISING 192 MEMBER COUNTRIES, THE REGULATORY ACTIVITY OF THE INTERNATIONAL ORGANISATION ENSURES THE SEAMLESS OPERATION OF THE GLOBAL POSTAL NETWORK AND THE DELIVERY OF POSTAL SERVICES TO CONSISTENTLY HIGH STANDARDS ACROSS THE WORLD.

At present, **258 postal service providers** are listed in the certified public records, of which one service provider – Magyar Posta Zrt. – provides universal postal services. Universal postal services mean that the designated universal postal service provider is required to provide postal services to a predefined standard and at affordable prices to all users, irrespective of geographical location, throughout the territory of Hungary.

The role of the authority was expanded significantly in the wake of the **postal market liberalisation** in 2013: changes to legislation transformed the range of postal market participants, the licensing of their operations, and their registration now falls within the competence of the NMHH. So as a result of the liberalisation, the postal mail market has become a **multi-player market**: besides the universal service provider, the open market provides an opportunity for other economic entities to offer **postal services related to postal mail**. The first "licensed postal service provider", CityMail Hungary Kft., received its service licence in 2015,

and is now entitled to accept, forward and deliver consignments below 2 kg.

Postal supervision also includes monitoring the development of the postal market as well as the preparation of market analyses and statistical summaries. Based on this output, the professionals in the field draw up regulatory proposals and participate in the social consultation of the relevant legislative materials. The NMHH cooperated in creating the "Public tariffs on cross-border parcel delivery services" website, comparing the fees of the most popular European parcel delivery services, as set up by the European Commission. For this, the tariffs were collected by the national postal regulatory authorities from parcel delivery service providers with fifty or more employees, or which operate in more than one EU country.



# SPECTRUM MANAGEMENT

**THE NMHH IS RESPONSIBLE FOR MANAGING HUNGARY'S FREQUENCY ASSETS. SPECTRUM MANAGEMENT COMPRISES ACTIVITIES INTENDED TO SERVE THE REGULATED NATIONAL AND INTERNATIONAL USE OF THE RADIO SPECTRUM. THE STATE'S OWNERSHIP RIGHTS TO RADIO FREQUENCIES ARE EXERCISED BY THE PRESIDENT OF THE NMHH. WITHOUT EXCEPTION, THE OBJECTIVE OF SPECTRUM MANAGEMENT IS TO ENSURE THE EFFICIENT, INTERFERENCE-FREE USE OF THE RADIO SPECTRUM.**

The authority is involved in two types of frequency sale. On the one hand, it is entitled to allocate frequencies for infocommunication purposes. These frequencies are designated for mobile telephone and wireless internet services for example. On the other hand, through the Media Council the authority's powers and responsibilities include the administration of tender procedures for frequencies to be utilised for media services, i.e. television and radio services.

Decisions about the frequencies are always preceded by international professional consultations, since frequencies do not stop at country borders and experts must take precautions to ensure that the spectrum use in different countries does not interfere with each other. The NMHH maintains daily contact with a number of international organisations to ensure this activity runs smoothly. The NMHH developed an internationally unique, intuitive and integrated software programme to support spectrum management: since the introduction of the Spectrum Management Information System (STIR) in 2016, and its accessibility and user experience updates in 2018, governments of several countries have praised the system and taken a close interest in it.

The online user interface of the programme is available at

[stir.nmhh.hu](https://stir.nmhh.hu)



# SALE OF INFOCOMMUNICATIONS FREQUENCIES

## FREQUENCIES FOR CIVILIAN PURPOSES

In this case, civilian purposes mean that the given frequency is reserved for tasks that are not particularly special (such as the fire department or the police), but can be used for infocommunication services available to all citizens. These are frequencies reserved for mobile phone or mobile internet services for example.



## FREQUENCIES FOR NON-CIVILIAN PURPOSES

In this case, non-civilian purposes mean that these frequencies are intended to support important tasks of the government such as infocommunication services for tasks related to national defence, the police, national security, disaster management, correctional services, investigative customs and finance-related tasks, and government infocommunication services. This includes spectrum management for military purposes, which also comprises spectrum use for allied (NATO) purposes. This area requires special (primarily military) expertise, as it deals with systems not used in civilian life, such as various control and weapons management or air defence systems, special military drones or military communications and navigation systems.



## SHARED FREQUENCIES (FOR CIVILIAN + NON-CIVILIAN PURPOSES)

Shared frequencies may be used both for civilian and non-civilian purposes. Their utilisation is also subject to the authority's decision.



## WHAT DOES INFOCOMMUNICATIONS SPECTRUM MANAGEMENT ENTAIL?

- Develops technical and legal rules for the distribution and allocation of frequency bands and the terms of use.
- Publishes the requirements of frequency use, conditions for obtaining usage rights and information related to charges.
- Maintains and regularly updates the registers prescribed by law.
- Conducts frequency auctions.
- Issues radio licences and verifies compliance.

## SALE OF 5G FREQUENCIES

In March 2020, the NMHH held the auction for the entitlement to use the 700 MHz, 2100 MHz and 3600 MHz frequency bands capable of fifth generation (5G) mobile technology.

This allowed Hungary to gain a competitive advantage over countries that were unable to sell the most important spectrum parts used for 5G services before the spring of 2020. This means competition for the 5G-based commercial service can start in industry, healthcare, agriculture, transportation or even logistics, ensuring users have all the innovation options achievable with 5G. Bidding operators paid a significant amount for spectrum rights bought at the auction, contributing almost HUF 128.5 billion to Hungarian public finances, and thus consequently to Hungarian citizens.

The tender for the operation of the national digital television programme broadcasting network took place in summer 2019. The authority

announced Antenna Hungária Zrt. as the winner, which means that from September 2020 it is entitled to operate the two networks with the same technology as is currently used (DVB-T MPEG4 AVC), for a period of twelve years – ensuring that public service broadcasts are available in the same quality and with current receivers free of charge, covering at least 98 percent of the population – as well as three networks using the new technology (DVB-T2 HEVC) for paid television services.

## SALE OF THE 900 MHz AND 1800 MHz BANDS

The 900 MHz band became available for digital mobile services in 1993, followed by the 1800 MHz band in 1998, and both are considered sort of core bands to this day. Most of the spectrum rights of national service providers in these bands will expire in April 2022. The NMHH is preparing for the resale of these bands taking service continuity and subscriber interests into account.

## ON LAND, ON WATER, IN AIR

THE NMHH ALSO ISSUES RADIO LICENCES FOR SPECIAL PURPOSES. THESE INCLUDE, FOR INSTANCE, FREQUENCIES USED FOR THE COMMUNICATION SYSTEMS OF SHIPS AND AIRCRAFT. CURRENTLY (END-2019) THERE ARE 1076 VALID RADIO LICENCES REGISTERED BY THE NMHH IN RELATION TO AERONAUTICAL MOBILE SERVICES.



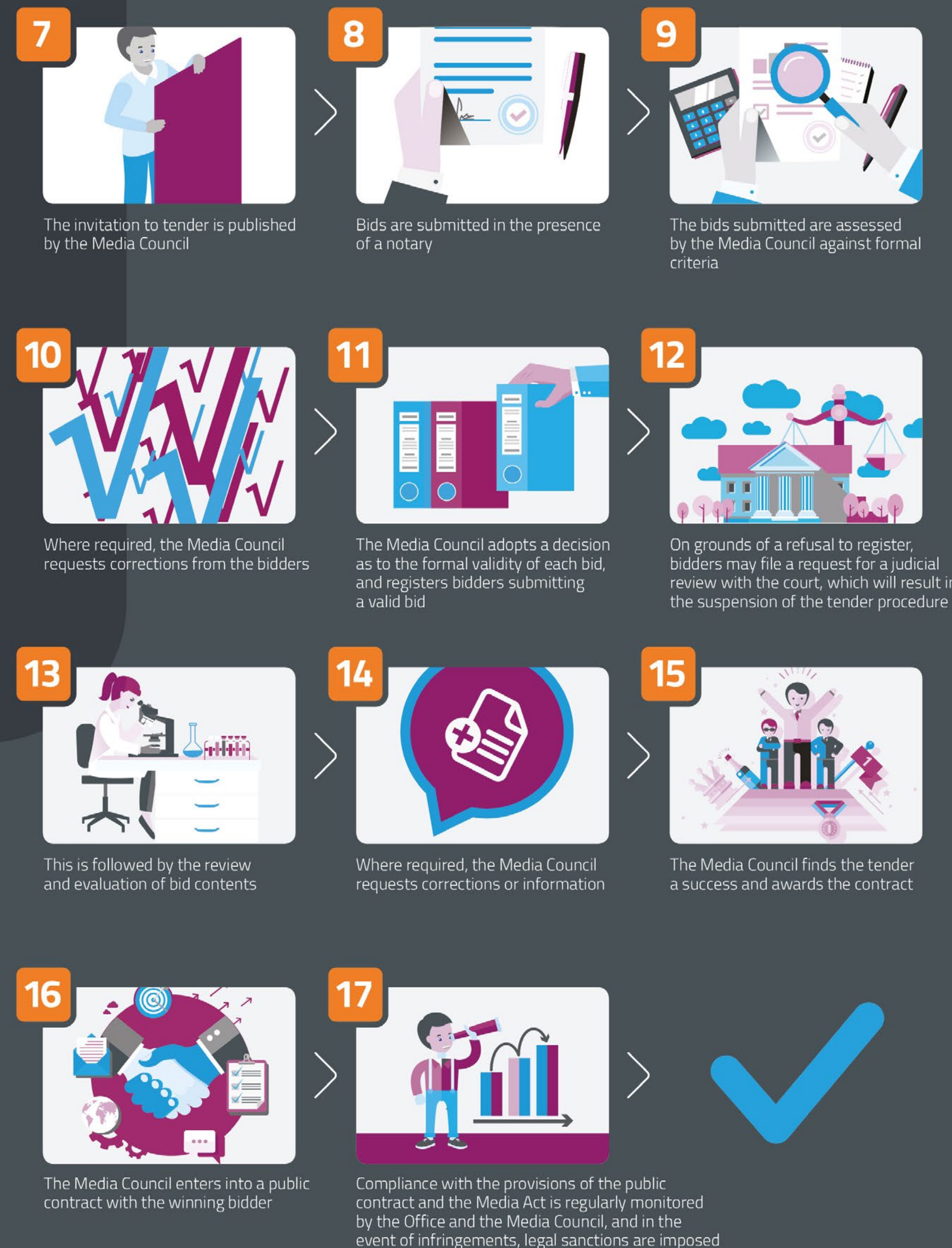
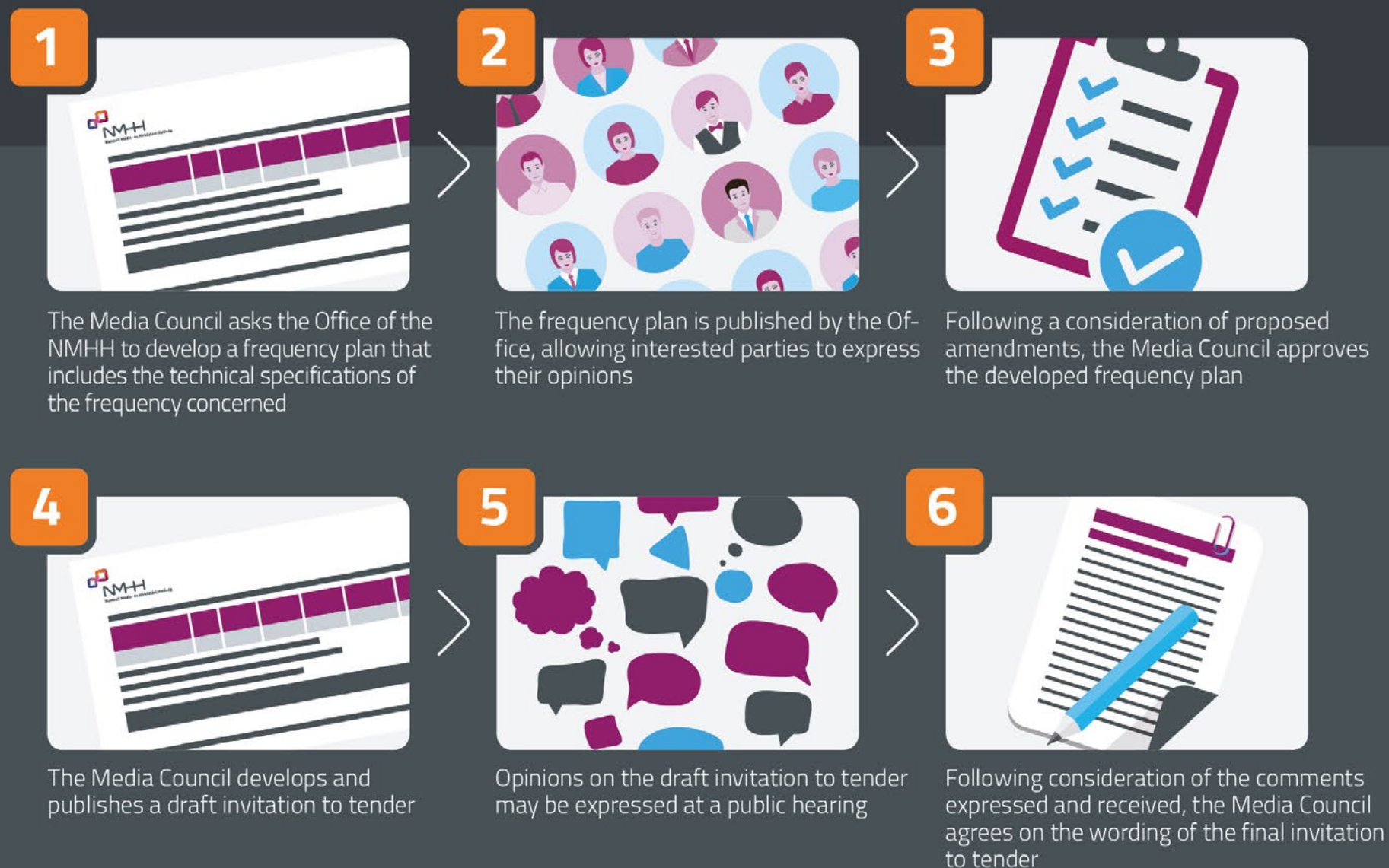


# TENDERING OPPORTUNITIES FOR MEDIA SERVICES

THE MEDIA COUNCIL AND THE NMHH  
CONTINUOUSLY MONITOR  
THE EFFICIENCY OF SPECTRUM USE:

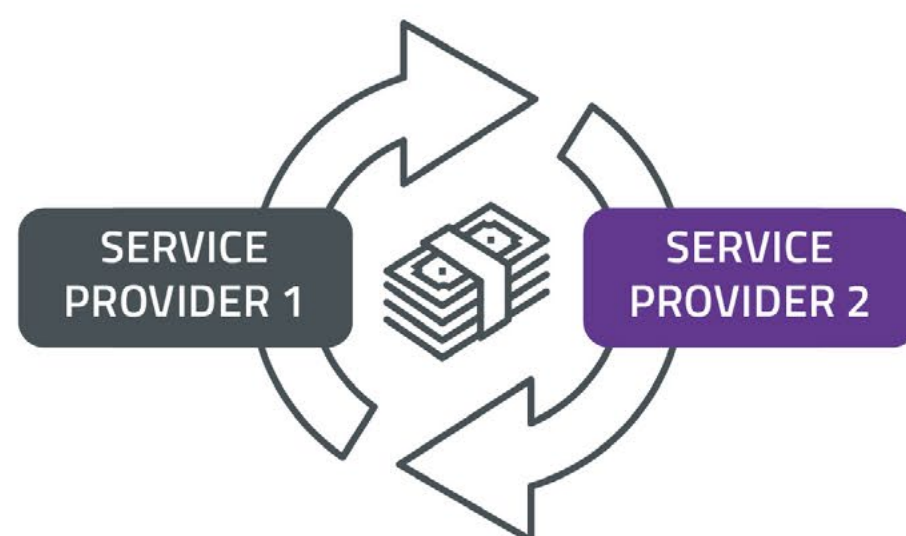
- they assess whether commercial media service providers meet their **payment obligations** for the provision of media services and use of frequencies;
- taking into account annual spending in the Hungarian media market and the developments in the advertising market, they **consult** closely with national industry associations and interest groups,
- they **determine** what segment of the market can absorb and sustain additional radio stations, i.e. whether the release of further frequencies is warranted, or whether consideration must primarily be given to existing market players in order for them to meet their contractual obligations.
- they issue radio licences and verify compliance.

## WHEN A **DECISION IS ADOPTED** ON THE USE OR REUSE OF A FREQUENCY...





# REGULATION IN INFOCOMMUNICATIONS



## MARKET REGULATION, MONITORING AND RESEARCH IN ELECTRONIC INFOCOMMUNICATIONS

### RETAIL PRICE CHECKS

The range of tools available for the NMHH to regulate retail (consumer) prices directly is rather limited; indeed, retail pricing is generally outside the scope of regulatory audits.

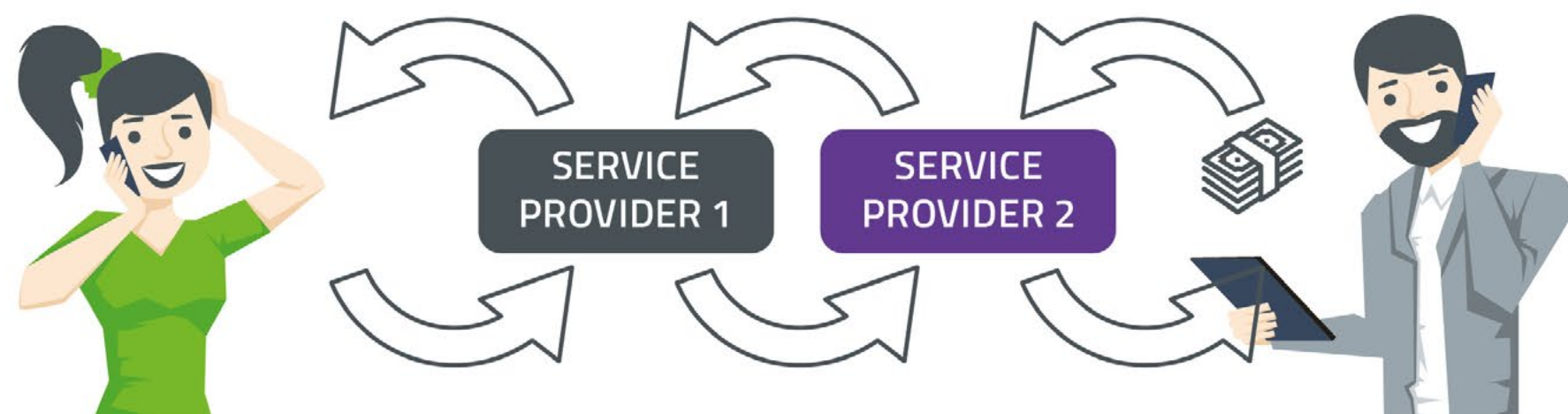
### PRICE CONTROLS ON THE WHOLE- SALE MARKET OF INTERNET AND TELEPHONE ACCESS

While the regulatory tools available for the NMHH are limited in the case of consumer prices, pursuant to the regulatory policy of the European Union the authority has tighter control over wholesale markets, i.e. the service fees specified by providers among themselves. The EU regulation is based on the assumption that the

regulation of these markets impacts on the services provided to users – the operation of “retail markets” – and thus ultimately, it improves the efficiency of market competition and supports consumers’ well-being.



## REGULATION OF CALL TERMINATION RATES BASED ON REGULATORY COST MODEL



All telephone service providers operate their own networks to provide their service, but all of them must enable subscribers to receive calls from and initiate calls to other networks. In order that the calls of their subscribers are received by the networks of other service providers, providers pay competitors a "call termination rate". This termination rate is the amount the mobile operator of the dialling party must pay the mobile operator of the dialled party (if the two are not the same) for one minute of telephone call. From 1 January 2014, wholesale call termination rates applicable to landline operators declined by more than 60%, while the rates of mobile operators decreased by 76% as of 1 April 2015. Rates currently applicable in Hungary are amongst the lower ones in the European Union.

arising from the abuse of a dominant position in the first place by prescribing appropriate regulatory obligations. The National Media and Infocommunications Authority has market analysis data available retrospectively to 2004. In the meantime, the authority has conducted five rounds of market analysis on the markets recommended by the European Commission for regulation, and issued 50 market analysis decisions altogether, given that the analysis must have been performed once every three years so far in the markets concerned. The greatest achievements of market analysis include

obligations introduced in landline telephone and internet services markets, which supported the market entry of new participants and stimulated competition in the retail market.

## MARKET ANALYSIS

Market analysis is a forward-looking form of competition regulation with the ultimate goal of promoting efficient retail market competition. Backed by market analysis results, the competition policy of the authority differs from "traditional" competition regulation: rather than penalising actual abuses of dominant positions, it prevents restrictive market practices

## MARKET RESEARCH

Each year, the authority prepares national surveys to gain deeper insight into the consumer side of the infocommunications market. The goal of the surveys is to enable the experts and decision-makers of the authority to obtain information about the expected effects of the planned decisions and measures and about

the consequences of existing market regulations. As a result, these surveys play an important role in improving the market awareness of the NMHH and in preparing market analysis decisions, while also supporting the data collection activity of international organisations. The findings of the surveys are published in Hungarian and in English on the authority's website to enable students and researchers to use them.

[nmhh.hu/kutatasok](http://nmhh.hu/kutatasok)

## DATA COLLECTION, DATA REPORTING, MARKET MONITORING

The NMHH collects data from the operators in the infocommunications market at regular intervals to back up decision-making and to assist the work of international organisations. In the case of the market analysis data reporting launched in 2019, the data reporting resolution related to broadband markets was sent to 452 service providers. Resolutions in relation to broadcasting markets and landline

telephone markets were received by 111 and 166 providers respectively. Data reporting resolutions in relation to mobile markets and leased line markets were sent to 21 and 74 providers respectively. The received data make a great contribution to the efficiency of the authority's work.







# VITAL DATABASES AND REGISTERS

THE DIFFERENT PROFESSIONAL AREAS OF THE NMHH MAINTAIN A GREAT NUMBER OF REGISTERS, WHICH CONTRIBUTE HUGELY TO THE EFFECTIVENESS OF THE AUTHORITY'S DUTIES. THE DATA CONTAINED IN THESE DATABASES ARE INDISPENSABLE FOR THE PROPER PERFORMANCE OF SUPERVISORY OR REGULATORY WORK AMONG OTHER THINGS. THE HARMONISATION OF THE REGISTERS REDUCES ADMINISTRATIVE BURDENS, AS WELL AS FACILITATING ELECTRONIC ADMINISTRATION AND THE EFFICIENT OPERATION OF THE ORGANISATION.

3248762

## IMPORTANT DATABASES AND REGISTERS

# 413

### ACTIVE SERVICE PROVIDERS

For example, the NMHH maintains a register of media services and electronic infocommunications service providers along with their services and general terms and conditions.

At the end of 2019, this list contained 413 active service providers. Operators providing subscriber services are required to develop their own general terms and conditions, which must be communicated to each subscriber before contracting. The NMHH keeps a register of these general terms and conditions as well as their modifications, and to protect consumer interests it is even entitled to inspect terms before they enter into force. There were almost 4,000 cases in 2019 where general terms and conditions had to be modified. For the most part, the modifications concerned the conclusion and terms of subscriber

contracts, the termination of subscriber contracts, charges, the payment of charges, invoicing, damages and liquidated damages, as well as means of disabling and restricting the service.

Similarly, pursuant to the provisions of the Media Act, the NMHH is responsible for registering printed media products as well as online media products and news portals. Currently, this database contains the contact information and data of the publishers or founders of more than 7,000 online and printed media products, and it is publicly available on the authority's website.

On its website, the authority publishes the identifier register on identifier authorisation issued to providers, and also keeps the register of ported numbers. There were 3.2 million ported numbers at the end of 2019. Since the introduction of number porting, it has become even more important to enable users to be informed about which telephone numbers are registered with which provider, since telephone numbers no longer necessarily reflect this themselves. This information can be accessed by anyone on the

[szamhordozottsag.nmhh.hu](https://szamhordozottsag.nmhh.hu)

IN 2019 ALMOST

# 4000

GENERAL TERMS AND  
CONDITIONS HAD TO  
BE MODIFIED

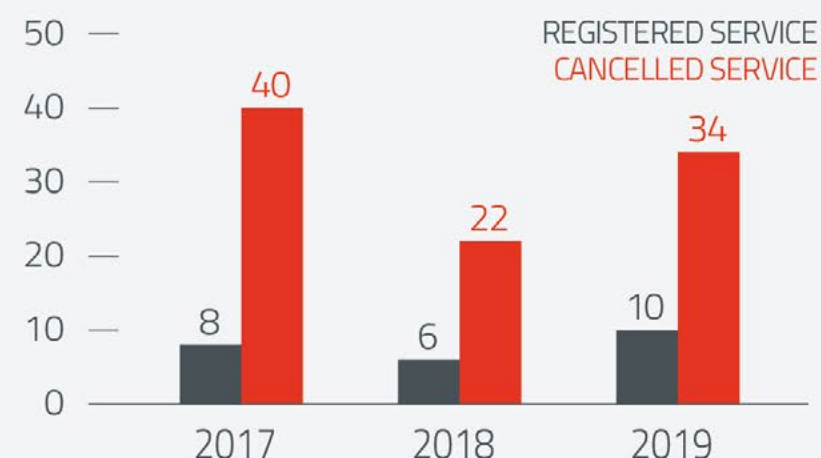
website. This option is also practical for consumers, given that call tariffs often depend on which service provider's phone number is being dialled. More than 500,000 queries were received by the information service by the end of 2019.



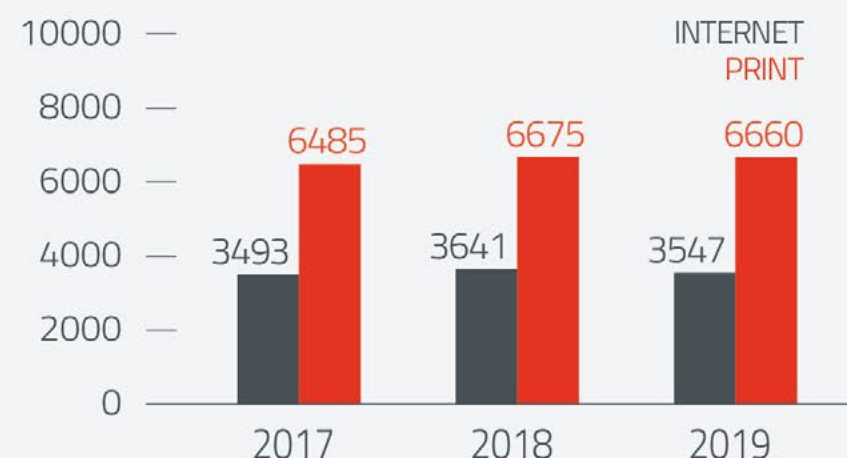


## THE NMHH REGISTERS BROADCASTING SERVICES AND MEDIA PRODUCTS TOO

### REGISTRATION OF BROADCASTING SERVICES



### REGISTRATION DATA OF MEDIA PRODUCTS



## LET'S MEASURE THE QUALITY OF THE BROADBAND INTERNET SERVICE TOGETHER!

The NMHH's website at

[szelessav.net](http://szelessav.net)

provides complete and accurate information for domestic users on internet speeds in Hungary. The website displays data measured by the authority's sensor-equipped cars, but also enables anyone to initiate readings from their own devices to increase the diversity of data reporting. The quality measurement system was developed based on international

trends. Its establishment was justified for consumer protection reasons. Knowing the objective measurements, users can choose their internet service provider more consciously and they can easily check the delivery of the quality parameters offered or undertaken in subscriber contracts (such as the internet speed actually achieved or guaranteed). Through its website geared for consumer protection and the publication of verified data measured at various providers, the authority improves the transparency of the internet subscription market. Since the results of competitors can be viewed and compared directly on a single website, the database may

stimulate market competition between infocommunication service providers. Since its launch in 2015, users conduct an average of 2.5-3 million hardware and more than 150,000 software measurements each year on [szelessav.net](http://szelessav.net).



## BIG DATA: WHAT ARE NMHH STATISTICS GOOD FOR?

(UNIFORM INFOCOMMUNICATIONS, MEDIA AND MOTION PICTURE STATISTICAL DATABASE) AVAILABLE IN ENGLISH AND HUNGARIAN AT THE [STATISZTIKA.NMHH.HU](http://STATISZTIKA.NMHH.HU) WEBSITE, THIS DATABASE CONTAINS MORE THAN 400,000 PIECES OF DATA ON THE INFOCOMMUNICATIONS AND MEDIA MARKET FROM 1990 TO THE PRESENT DAY. THIS SIMPLE AND EASY-TO-USE INTERFACE COULD ALSO FACILITATE THE WORK OF PROVIDERS, PARTNER AUTHORITIES AS WELL AS PROFESSIONALS AND RESEARCHERS ENGAGED IN INFOCOMMUNICATIONS, MEDIA AND THE FILM INDUSTRY, AND INTERNATIONAL ORGANISATIONS. THE CONTINUOUSLY EXPANDING SYSTEM ALLOWS INFORMATION TO BE RETRIEVED IN A TABLE OR CHART FORMAT, SUCH AS THE NUMBER AND DURATION OF LANDLINE AND MOBILE PHONE CALLS IN A GIVEN PERIOD, THE NUMBER OF HOUSEHOLDS WITH CABLE TV SUBSCRIPTIONS, OR TELEVISION TIME PER DEMOGRAPHIC GROUP.

IT CONTAINS MORE THAN  
**400**  
THOUSAND DATA ITEMS

IT CONTAINS CAREFULLY EDITED INFORMATION AND INFORMATIVE DATA ABOUT **ALL SERVICES AVAILABLE ON THE HUNGARIAN INFOCOMMUNICATIONS MARKET**



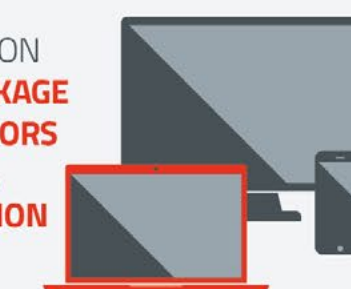
IT HELPS NAVIGATE **THROUGH LANDLINE AND MOBILE PHONE TARIFFS**



IT PRESENTS **ROAMING CHARGES** OF MOBILE PHONE USE ABROAD



IT PROVIDES INFORMATION ON THE **COMBINED PACKAGE SELECTIONS OF OPERATORS (LANDLINE TELEPHONE, INTERNET AND TELEVISION BUNDLES)**



IT INFORMS USERS OF THE **SERVICES AVAILABLE AT THEIR LOCATION IN HUNGARY.**



## WHAT INFOCOMMUNICATIONS SERVICES ARE AVAILABLE WHERE YOU LIVE?

Service providers have to commit to a certain service quality, which they must check on an ongoing basis. In the case of internet services, this includes the guaranteed download and upload speed for instance. Relying on the **service quality data** reported by providers, the NMHH publishes comparable data on its homepage, and informs consumers about the **telephone, internet or television services** accessible at their locations on the

[tantusz.nmhh.hu](http://tantusz.nmhh.hu)

website. The website supports informed subscriber decisions in a number of ways.



## WE MAKE CONSUMER PACKAGES EASIER TO COMPARE

The **average monthly cost indicator (AMCI)** supports the comparability of market prices by showing the **key parameters of telephone tariff plans condensed into a single number**; in other words, it shows how much the service package costs, assuming average consumption, on a monthly basis. The authority posts on its website a monthly updated list of the AMCI values of leading landline (Magyar Telekom, Invitel, UPC) and mobile (Magyar Telekom, Telenor, Vodafone) service providers calculated for more than 250 retail tariff plans, with infographics depicting the cheapest and most expensive offers per service package. After consultations with the providers, the authority has been publishing the indicators since January 2015.



# VITAL DATABASES AND REGISTERS UNDER DEVELOPMENT

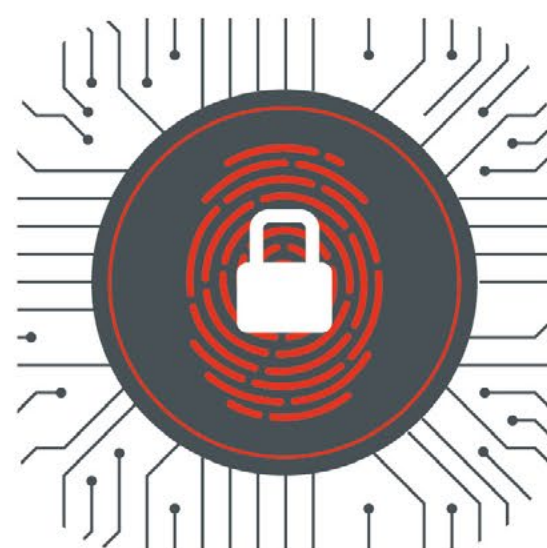
## "HÍR-KÖZMŰ"

The objective of the Hír-Közmű project is to create a single, national, authentic and geoinformatics-based infocommunications infrastructure registry in Hungary. By creating and maintaining this system in the long term and in cooperation with the market participants, the NMHH helps – beyond the regulatory aspects – to support the ever increasing national and EU data reporting requirements and make the electronic administration of the authority comprehensive.

The first phase of the development will involve the registration system and the electronic administration of infocommunications infrastructure permits, then, further developments of the system in the second phase will facilitate efficient support of other activities of the NMHH (interference monitoring, analysis, inspection of shared use of devices and free capacities) as well as the provision of data to public bodies.

Citizens will also benefit from the system since anyone will be able to find out what infocommunication services are available at a given location. The system will give more detailed access (e.g. backbones, main distribution points) to service providers, designers and the government – with limited and controlled privileges compared to market roles.

By rolling out a single database for the entire Hungarian infocommunications system, Hír-Közmű will create an unprecedented data asset comparable to the land registry system in terms of its importance. This will modernise the whole infocommunications sector, and therefore the entire Hungarian economy.



## "E-ADMINISTRATION"

The **proliferation of online services is facilitating a comprehensive renewal of public administration.** Compared to **paper-based administration, the processing of public administration matters** will become more convenient, **more efficient and less costly** for customers, operators and the authority alike. **Therefore, it is important that citizens and enterprises can handle all of their public administration matters fully electronically as soon as possible.** One important step on this path was that notifications and building permit applications can also be **submitted electronically** from the **end of 2019.**

## NMHH'S REGULATORY DUTIES IN ELECTRONIC SIGNATURE MARKET

- It registers e-signature service providers with a domestic address, place of residence, head office or place of business,
- organisations certifying the conformity of electronic signature products,
- electronic signature products certified in Hungary,
- and keeps a register of specialists with expertise in electronic signature services.

The task of the authority is to ensure the operation of service providers complies with the requirements stipulated by law or defined in the in-house policies and general terms and conditions of the service providers. In the long run, the authority's goal is to maximise the number of businesses and private individuals using electronic administration.





CONSUMER AWARENESS

# PROTECTING RIGHTS AND INTERESTS

THE NMHH ALWAYS SEEKS TO PROMOTE AWARENESS AMONG HUNGARIAN CONSUMERS THROUGH ITS REGULATORY AND SUPERVISORY ACTIVITIES. THE AUTHORITY ALSO LOOKS AT NEW SOLUTIONS TO ENABLE USERS OF MEDIA AND INFOCOMMUNICATIONS TOOLS TO ACCESS THE RIGHT INFORMATION IN MATTERS CONCERNING THEM.

IN ADDITION TO THESE INDIRECT REGULATORY AND SUPERVISORY MEASURES, THE AUTHORITY ALSO WORKS TO IMPROVE CONSUMER AWARENESS DIRECTLY BY ORGANISING VARIOUS TARGETED PROGRAMMES. NATURALLY, CHILDREN ARE GIVEN PRIORITY AMONG CONSUMERS, AS THEY ARE VULNERABLE AND THUS LESS CAPABLE OF

ASSERTING THEIR RIGHTS. THE GOAL OF THE AUTHORITY IS TO ENABLE CONSUMERS OF HUNGARIAN MEDIA AND USERS OF INFOCOMMUNICATION SERVICES TO DO SO SAFELY AND LAWFULLY. TO THAT END, THE NMHH OPERATES THE FOLLOWING INSTITUTIONS, SERVICES AND PROGRAMMES:

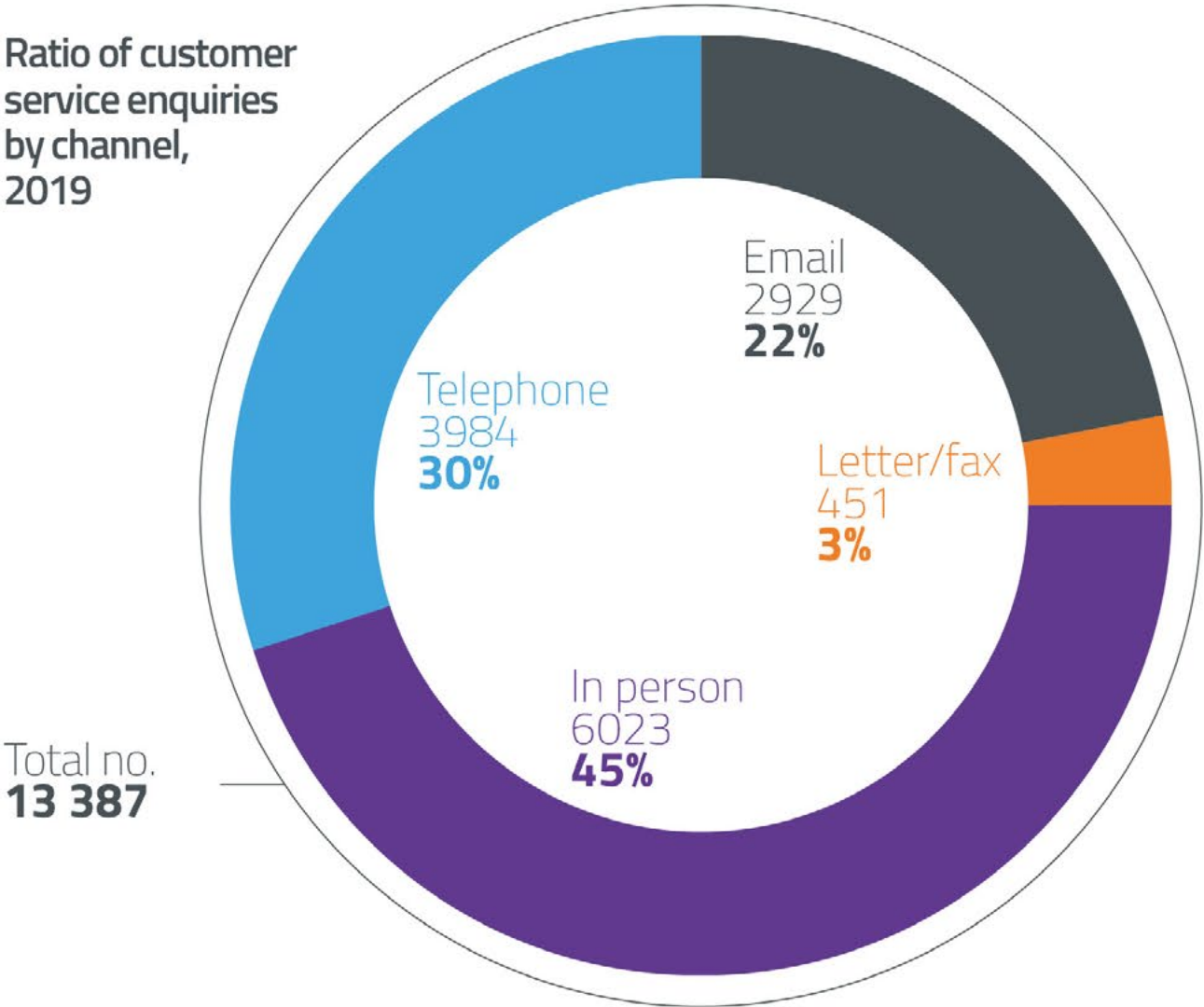


## CUSTOMER RELATIONS AND INFORMATION

As a modern authority, we pay particular attention to providing each customer or enquiring party with the right information, whether on instituting proceedings or filing a complaint, while also working to ensure that these are

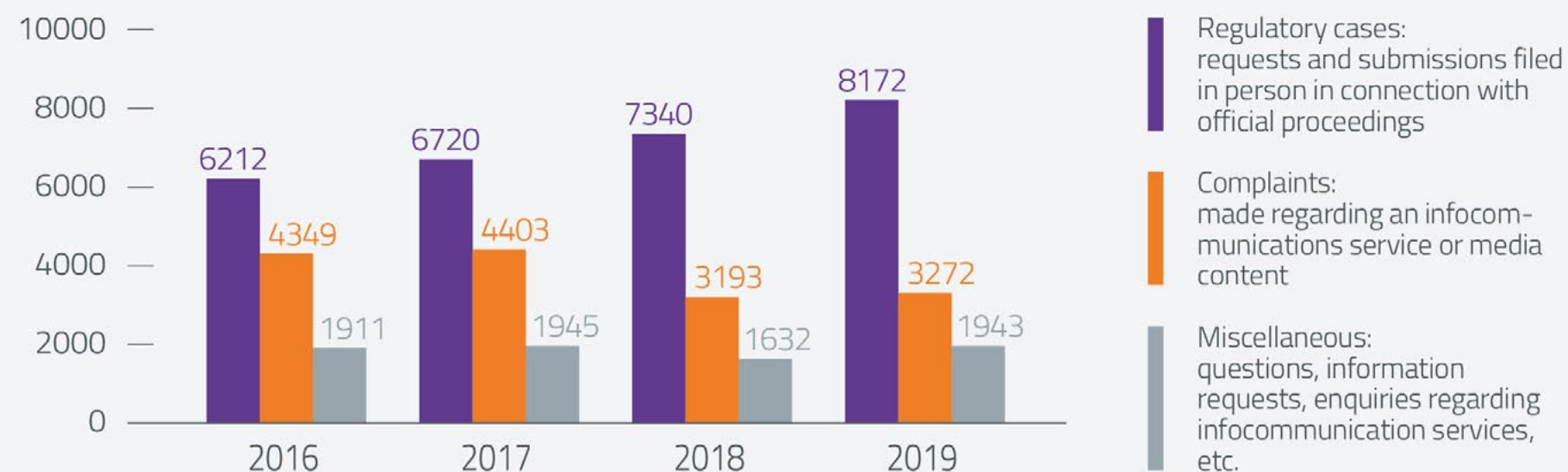
resolved in a lawful manner. We provide information on the NMHH's activity **in person, by phone, post or email**, whilst also helping with information to solve problems on request.

Ratio of customer service enquiries by channel, 2019





## NUMBER OF CUSTOMER SERVICE ENQUIRIES, 2012–2019



## INTERNET SECURITY

Operated by the National Media and Infocommunications Authority, the Internet Hotline legal aid service

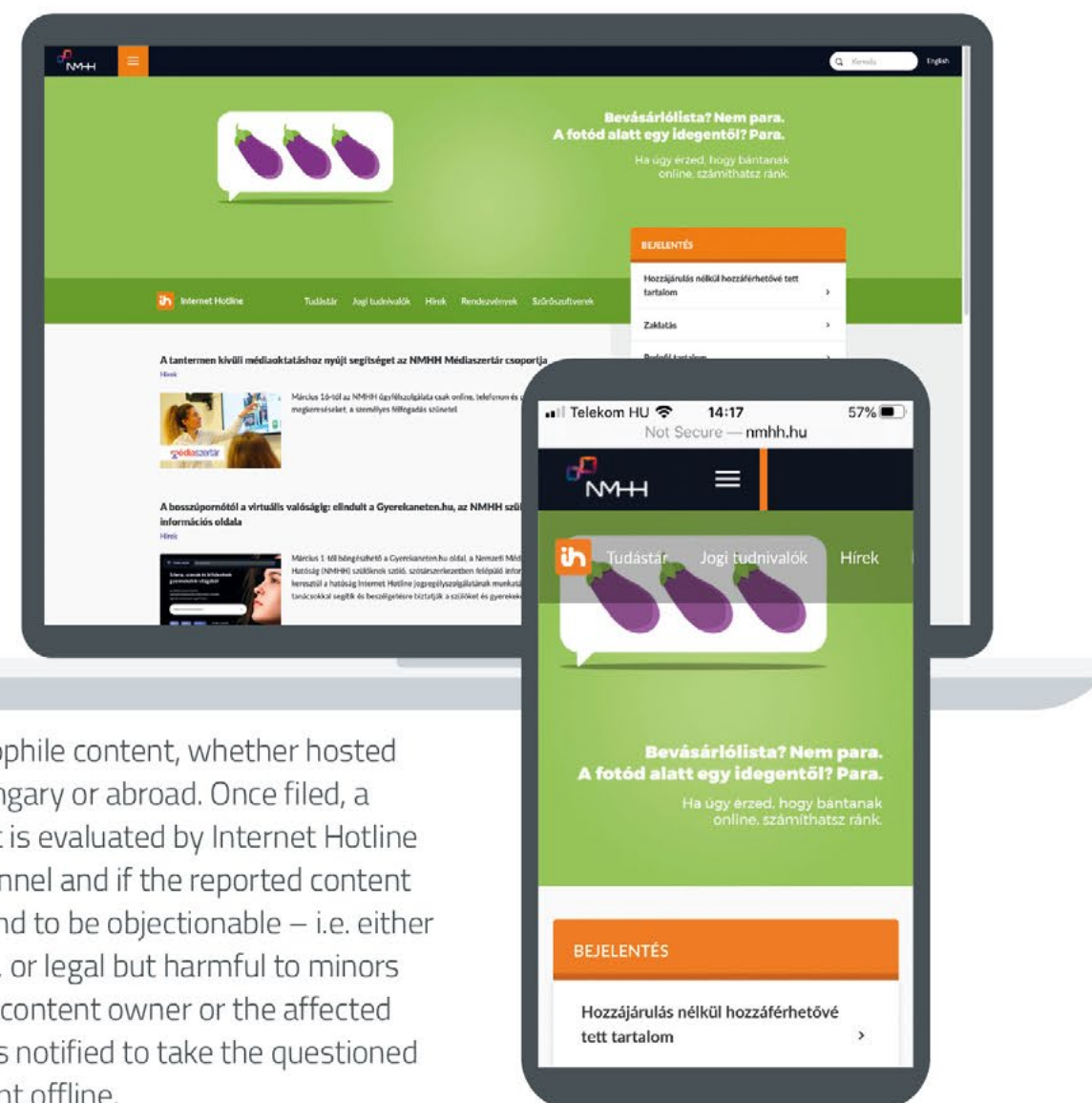
[www.internethotline.hu](http://www.internethotline.hu)

is available to the public for reporting online content that is illegal or harmful to minors.

The Internet Hotline works closely with the Hungarian Police in the fight against illegal online content. Being an active member of INHOPE (International Association of Internet Hotlines) greatly facilitates taking action against

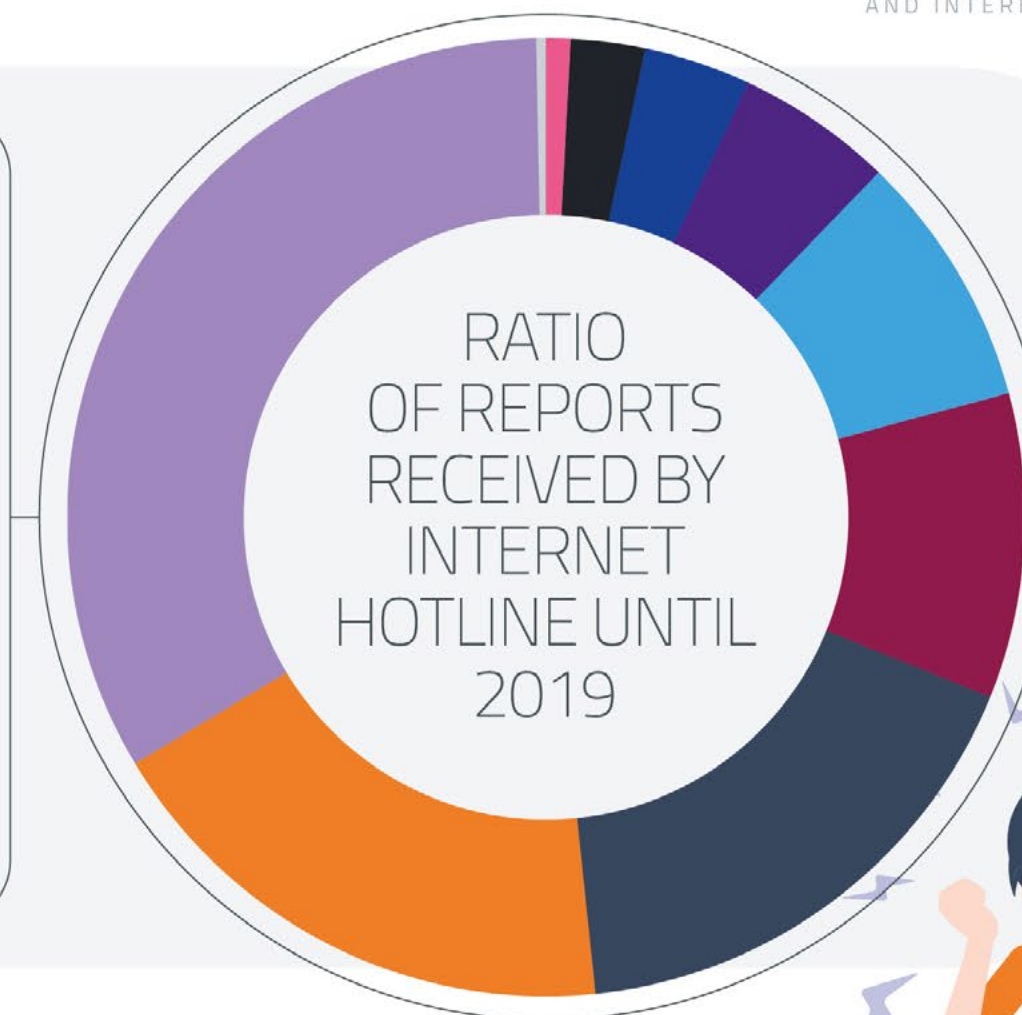
WE HAVE RECEIVED MORE THAN **4600** NOTIFICATIONS SINCE 2011

paedophile content, whether hosted in Hungary or abroad. Once filed, a report is evaluated by Internet Hotline personnel and if the reported content is found to be objectionable – i.e. either illegal, or legal but harmful to minors – the content owner or the affected host is notified to take the questioned content offline.



- 0.2% Content inciting acts of terrorism, promoting or contributing to terrorism
- 0.7% Content promoting drug use
- 2.7% Content portraying violence
- 3.5% Racist or xenophobic content
- 5.3% Other content harmful to minors
- 8.6% Harassment
- 10.2% Pranks, provocations and meaningless reports, uncategorised
- 17.2% Data phishing sites, content infected with viruses, spyware or worms
- 18% Content made accessible without permission
- 33.5% Paedophile content

RATIO OF REPORTS RECEIVED BY INTERNET HOTLINE UNTIL 2019



## PROTECTION OF INTERESTS

IN THE FIELD OF MEDIA AND INFOCOMMUNICATIONS

Within the context of the NMHH, the Commissioner for Media and Infocommunications has discretionary powers and separate rules of procedure. The Commissioner is tasked with **assisting consumers in protecting and asserting their interests, remedying any grievances, and facilitating user awareness.**

The primary function of the Commissioner is to participate in advocating the interests of consumers using electronic infocommunication and media services, and to conduct settlement procedures whenever justified. The activities of the Commissioner also include providing information and raising awareness.

### WHO CAN TURN TO THE COMMISSIONER AND IN WHAT CASES?

The Commissioner is available for consumers, users, subscribers or consumer interest associations, when they learn of grave harm to a group's interests. The Commissioner facilitates the promotion of interests which, if damaged, do not qualify as a violation of regulations on electronic infocommunications or media governance per se, but ought to be given fair consideration nevertheless.



For example if:

- consumers find their telephone, television or internet service to be of subpar quality,
- the amounts claimed by service providers are considered unwarranted by consumers, or the amount is disputable,
- consumers experience a change in their circumstances that justify an amendment to their status with providers,
- consumers are concerned about media content or a programme that is presented on a recurring basis or via multiple channels, affecting a notable population of consumers.

[www.mediaeshirkozlesibiztos.hu](http://www.mediaeshirkozlesibiztos.hu)





# RECOMMENDATIONS FOR APPROPRIATE INTERPRETATION OF THE LAW AND FOR PREVENTING DAMAGE TO INTERESTS

The recommendation for **age rating classification** details the key principles for determining the age rating of media content, and also features suggested signage and icons that may be used both before and during the airing of programmes, as well as guidelines on how age ratings are to be communicated.



programme contains product placement”.

The **child lock recommendation** presents various effective

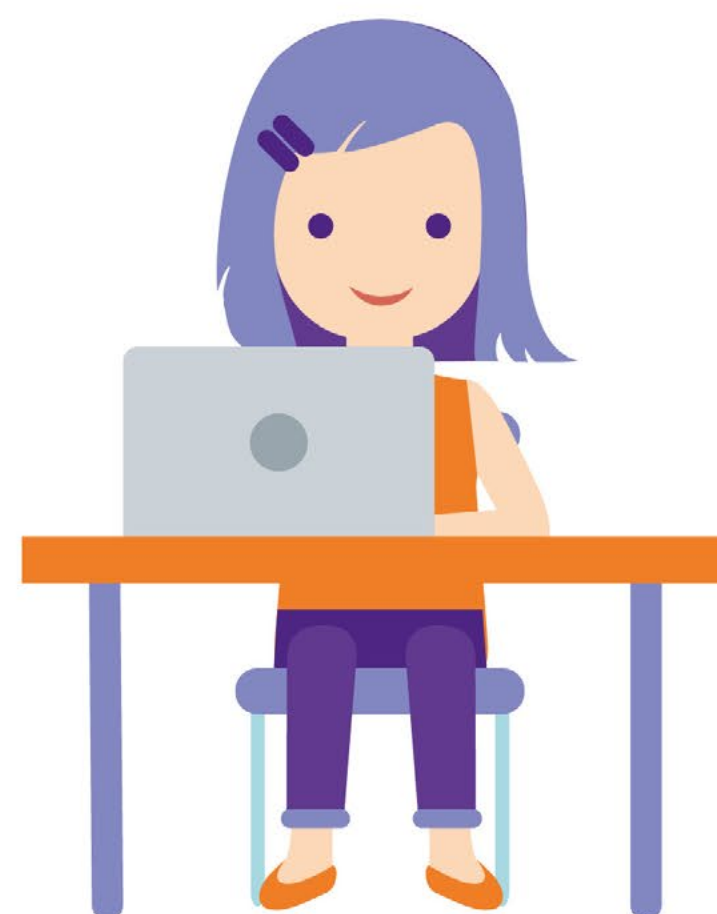
public, and publishes **prospectuses** to promote the protection of consumer interests and consumer awareness (media violence, secure internet usage, conscious roaming, terms and conditions of communications subscriber contracts, aspects of fairness in the protection of interests).

technical solutions suggested by the authority to prevent children from accessing harmful adult content. The document contains advice for consumers of fixed-access and mobile internet, applicable to both analogue and digital broadcasting, and for subscribers of mobile infocommunications providers on how to encode or partially block programming using their television remote controls.

**Product placement** in television and radio programmes, both own or commissioned productions, has been permitted under Hungary’s Media Act since 2011. A related interpretative recommendation was issued by the Media Council in 2011, stipulating, inter alia, that infotainment programmes (e.g. travel, home and gardening, etc.) adhering to the rules of product placement also qualify as entertainment programmes. It also provides detailed explanations as to what is considered by the Media Council to be a direct call to purchase goods or use services, as well as product placement with an unjustified emphasis unrelated to the programming content. Furthermore, the recommendation provided clarifications on how viewers must be informed of product placement: a subtitle on the screen stating “the

In its **recommendation for filtering software**, the Internet Roundtable for Child Protection – an advisory board to the President of the NMHH – specifies various aspects to consider for service providers and parents seeking to use electronic protection against online content and services that are harmful to minors. The recommendation provides an in-depth presentation of the warning signs and filtering software that may be used.

The **Commissioner for Media and Infocommunications** also prepares **recommendations** for informing the



**NOT recommended under age of six.**



**NOT recommended under age of twelve.**



**For adults only.**



**NOT recommended under age of sixteen.**



**NOT recommended under age of eighteen.**



No age restrictions on viewing.





## MEDIA LITERACY EDUCATION CENTRES

**büvös völgy**

**Magic Valley was opened to the public in Budapest in 2014 and in Debrecen in 2017. Since its launch, more than 40,000 students** have been invited to take part in the free media awareness courses, featuring highly skilled animators and cutting-edge technology. Sessions are organised by the NMHH around six core topics. In the press studio, children edit their own magazine and learn what has news value. In the news room, they become acquainted

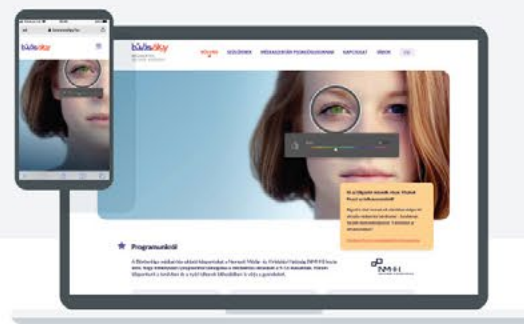
with the green screen technique, and can look behind the scenes of news presenting and weather forecasting. In the advertising section, they learn how to make an impact through the promotion of Magic Valley's own brand, the Csoda (Miracle) product family. In the radio section, they have the opportunity to try out a professional recording studio and also get a taste of film dubbing. As part of the internet session, there are strategy

ALMOST  
**40 000**  
STUDENTS PARTICIPATED  
SINCE 2014

games and quizzes to show how to surf the world wide web consciously and safely, and how to use smart-phones and tablets without rashly giving out personal information. During the filmmaking session, children can shoot their own films in a car used on sets using green screen technology, and can even watch and analyse the final moving images. Teachers nationwide are welcome to register their classes online at

[www.buvosvolgy.hu](http://www.buvosvolgy.hu)

so children can participate in the courses offered at the media literacy centre.



## CORPORATE SOCIAL RESPONSIBILITY (CSR)

In the autumn of 2014, the authority extended its pursuits in child protection with the addition of a special target group: in cooperation with the Hungarian foundation of SOS Children's Villages International, it launched its corporate social responsibility programme. The collaboration seeks to empower children aged 6-18

years and living in Villages without their biological families — whose lack of self-confidence tends to be greater than average and are thus more vulnerable in the digital world — to not only discover the possibilities of the internet but also be able to face its inherent risks. The authority has been organising career guidance days since

2018. This included experts of the authority welcoming 13-17 year-old teenagers to the Budapest headquarters, where the youngsters learned about the everyday life of the various fields in detail, following the workdays of volunteering employees at the NMHH and getting a taste of the secrets of the given field.

## NMHH MEDIA WORKSHOPS AND INFOCOMMUNICATIONS LABS



The National Media and Infocommunications Authority launched the NMHH Media Workshops programme in December 2012. **As part of the project, we help future media professionals** currently studying in the fields of communications and media sciences to **complete their practical training.** Each media lab is equipped with six

top-performance computers featuring the latest in technology and meeting even the highest of standards. These workstations run the full versions of a popular digital creative suite that is also used by the world's largest news broadcasters. This enables students to get acquainted with every facet of the industry before their degrees are hand-

ed out, from desktop publishing and editing to graphic design and post-processing. The authority has inaugurated 11 media workshops and two infocommunication labs throughout the country so far, within the following educational institutions:

### MEDIA WORKSHOPS:

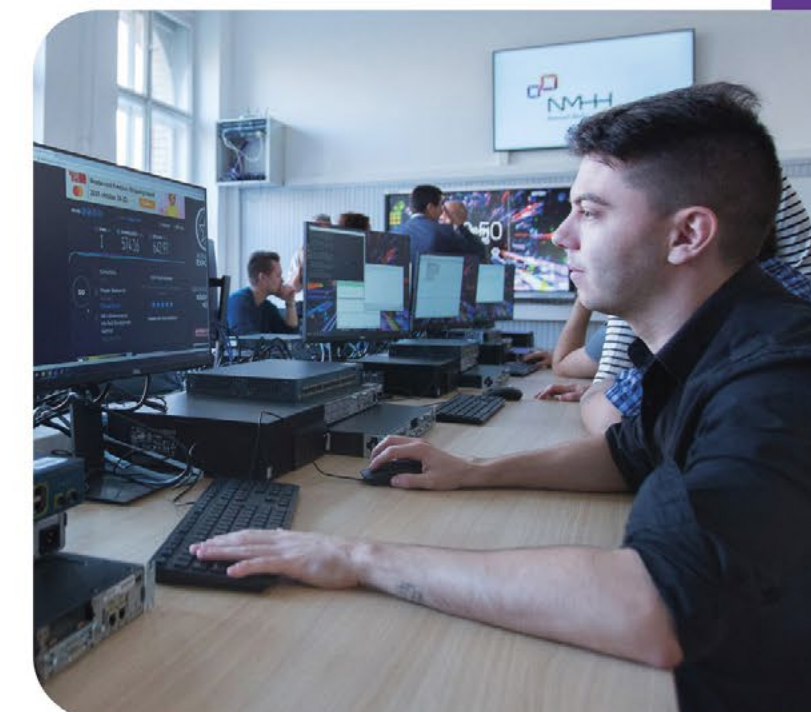
December 2012 – Pécs  
**University of Pécs**  
February 2013 – Budapest  
**Pázmány Péter Catholic University**  
December 2013 – Budapest  
**Moholy-Nagy University of Art and Design**  
October 2014 – Budapest  
**Eötvös Loránd University**  
December 2014 – Szeged  
**University of Szeged**  
May 2015 – Debrecen  
**University of Debrecen**  
September 2015 – Budapest  
**Corvinus University, Budapest**  
October 2016 – Budapest

### Károli Gáspár University of the Reformed Church

June 2017 – Eger  
**Eszterházy Károly University**  
October 2017 – Budapest  
**Budapest University of Technology**  
September 2018 – Budapest  
**Budapest Business School**

### INFOCOMMUNICATIONS LABS:

March 2019 – Győr  
**Széchenyi István University**  
September 2019 – Budapest  
**Puskás Tivadar Technical School of Telecommunications**  
October 2019 – Budapest  
**Óbuda University**







# INTERNATIONAL RELATIONS

## PROFESSIONAL MEMBERSHIPS AND LOBBYING

**INTERNATIONAL COOPERATION AND THE PARTICIPATION IN THE WORK OF INTERNATIONAL ASSOCIATIONS ARE OF FUNDAMENTAL IMPORTANCE IN THE REGULATION OF MEDIA AND COMMUNICATIONS. NOT ONLY DO THEY ALLOW FOR THE AUTHORITY TO ADOPT FOREIGN BEST PRACTICES, THEY ALSO FACILITATE THE EFFECTIVE SHARING OF INFORMATION, PRIMARILY WITH PARTNER AUTHORITIES IN EUROPE AND IN THE CENTRAL AND EASTERN EUROPEAN REGION. THANKS TO THE CONTINUOUS DIALOGUE AS A RESULT, THE NMHH CAN OBTAIN USEFUL FIRST-HAND INFORMATION THAT CAN HELP IN ITS ENDEAVOURS.**

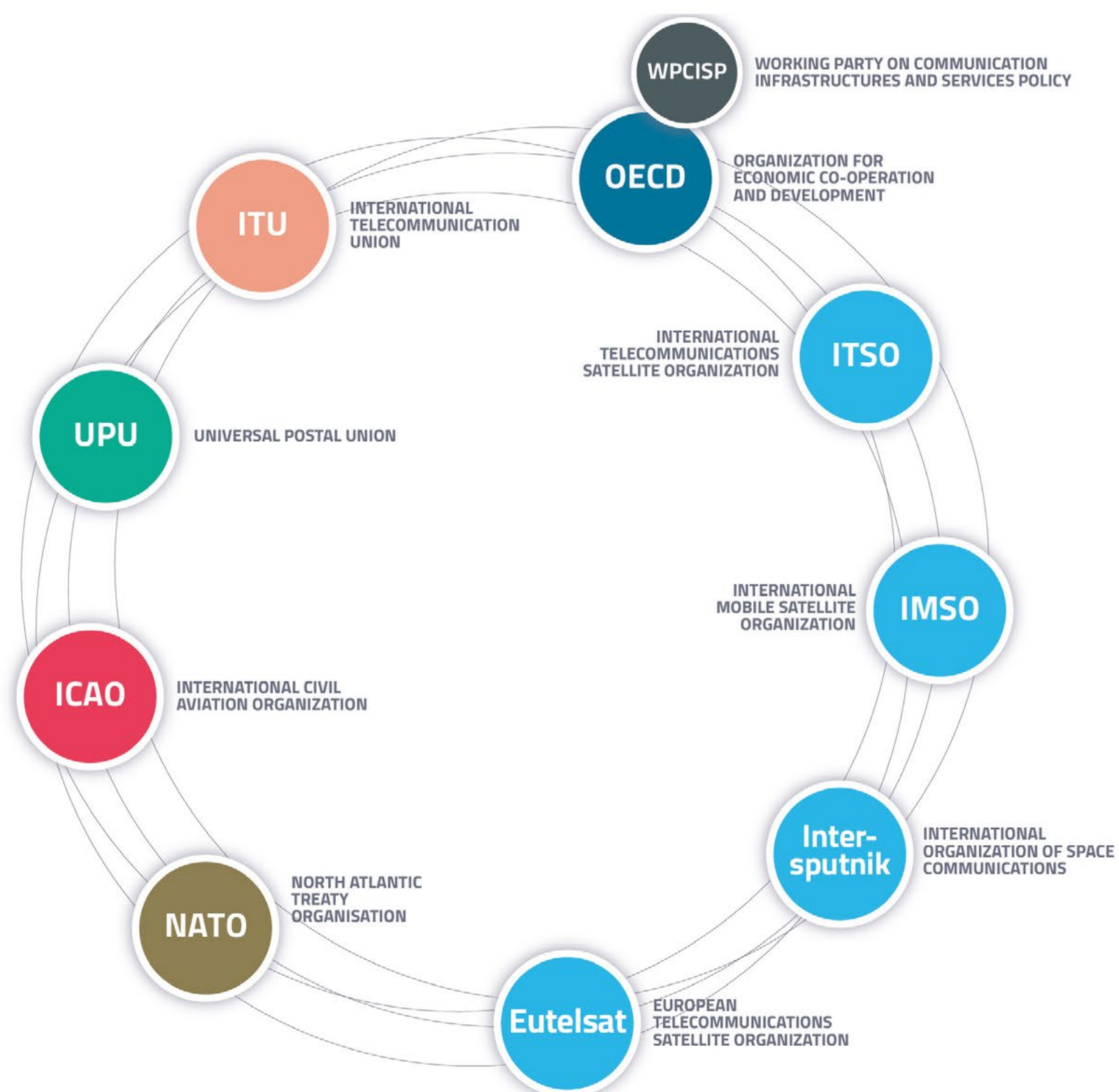
Experts working for the authority are involved in the work of a number of international associations, working groups and multilateral platforms. It is with great pride that we have assisted a number of organisations from the start, incorporating an increasing amount of international regulatory experience each year.



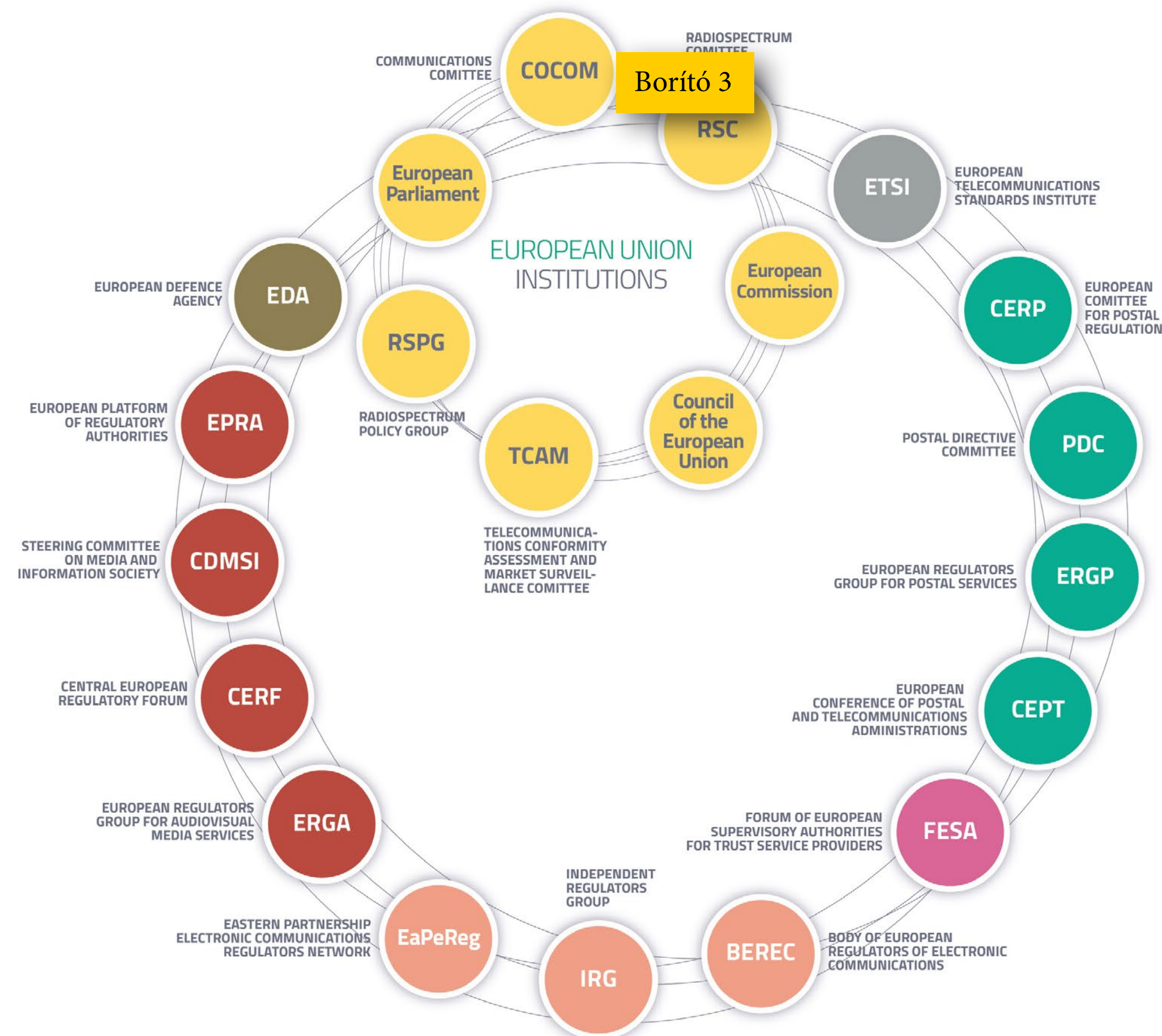


KEY INTERNATIONAL AND EUROPEAN ORGANISATIONS PARTNERING WITH THE NMHH:

## INTERNATIONAL ASSOCIATIONS



## EUROPEAN ASSOCIATIONS





Borító 4



**NMHH**

**National Media and Infocommunications  
Authority • Hungary**

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