

STATUTES

of the

NATIONAL MEDIA AND INFOCOMMUNICATIONS AUTHORITY

Pursuant to Act CLXXXV of 2010 on media services and mass media, with due consideration of the provisions of Article 88 (2) of Act XXXVIII of 1992 on Public Finances, I hereby issue the statutes (hereinafter as: the Statutes) of the

National Media and Infocommunications Authority

as follows.

1. The name of the autonomous state administration body:

Nemzeti Média- és Hírközlési Hatóság

Short name: NMHH

Name in foreign language: National Media and Infocommunications Authority

Registered office: 1015 Budapest, Ostrom u. 23-25.

Places of business:

- 1088 Budapest, Reviczky u. 5.
- 1133 Budapest, Visegrádi u. 106.
- 1094 Budapest, Balázs Béla u. 35.
- 4025 Debrecen, Hatvan u. 43.
- 3529 Miskolc, Csabai kapu 17.
- 7624 Pécs, Alkotmány u. 53.
- 9400 Sopron, Kossuth L. u. 26.
- 6721 Szeged, Csongrádi sgt. 15.

2. The founding body of the autonomous state administration body and the date of foundation:

The Parliament of the Republic of Hungary (1055 Budapest, Kossuth Lajos tér 1-3.)

Date of foundation: 11 August 2010

3. Name of the piece of legislation resolving the foundation of the autonomous state administration body:

The NMHH was established as an autonomous state administration body by Article 9 of Act C of 2003 on Electronic Communications (hereinafter as: the Electronic Communications Act), in line with Article 1(2) of Act LXXXII of 2010 amending certain acts regulating the media and infocommunications. The currently effective rules applicable to the NMHH are contained in the Electronic Communications Act and Act CLXXXV of 2010 on media services and mass media (hereinafter as: the Media Act) which entered into force on 1 January 2011.

4. The governing body of the autonomous state administration body:

Pursuant to point (b) of Paragraph (3) of Article 1 of Act XLIII of 2010 on the Central State

Administration Bodies and the Legal Status of Government Members and State Secretaries (hereinafter as: the Central State Administration Bodies Act), the NMHH is an autonomous state administration body as defined in Article 109 (1) of the Media Act, which is subject only to the law. Its governing body is the National Media and Infocommunications Authority. The President of the National Media and Infocommunications Authority shall exercise the powers necessary for the exercise of the functions of the governing body pursuant to Article 93(6) of Act XXXVIII of 1992 on Public Finances. The NMHH operates in accordance with the law on the financial management of institutions funded from the central budget and reports annually to Parliament on its activities.

5. The head of the autonomous state administration body and the procedure for appointing him/her:

Pursuant to Section 111(3) of the Media Act, the President of the NMHH (hereinafter as: the President) is appointed by the Prime Minister for a term of 9 years.

Pursuant to Section 114(1) of the Media Act, the Office of the National Media and Infocommunications Authority is headed by a Director General appointed by the President of the Authority for an open-ended term.

6. The jurisdiction of the autonomous state administration body:

National

7. The public function of the autonomous state administration body as defined by law:

Pursuant to Article 109 (5) of the Media Act, the NMHH is responsible – in particular – for ensuring the smooth and effective functioning and development of the communications market, safeguarding the interests of the users and of those pursuing communications activities, fostering the development and maintenance of fair and efficient competition within the electronic communications sector, and for the supervision of legal compliance of the conduct of organizations and persons pursuing communications activities.

The public functions of the NMHH are based on the following pieces of legislation:

- Act C of 2003 on Electronic Communications (Article 10)
- Act CLXXXV of 2010 on media services and mass media (Articles 110 and 184)
- Act LXXIV of 2007 on the Rules of Broadcasting and Digital Switchover (hereinafter as: the Digital Switchover Act) (Articles 6-7, 9(4), 11-16, 18-19, 35, 39-43, 43/A-43/M, 46)
- Act CI of 2003 on Postal Services (hereinafter as: the Postal Services Act) (Articles 8-10, 36, 42, 45-46, 48)
- Act XXXV of 2001 on Electronic Signatures (hereinafter as: the Electronic Signatures Act) (Articles 5, 7, 8/A, 16, 16/G, 17, 19, 24)
- Act CVIII of 2001 on certain issues of electronic commerce services and information society services (hereinafter as: the E-commerce Act) (Articles 14/B, 16/A-16/E).

8. Core activities of the autonomous state administration body:

The main activities determined in the Electronic Communications Act:

- declares the need for the drafting or amendment of legislation in the field of electronic communications related to its competence and contributes to the preparation of legislation related to its competence;
- assesses and continuously analyses the functioning of the communications and

related information technology markets to inform regulatory, policy, market stimulation and tendering decisions;

- continuously assesses the state of the communications market and prepares benchmarking analyses in order to provide a methodological basis for regulatory and communications policy decisions and analyses, and to ensure the provision of user-friendly information in the communications sector;
- establishes the relevant markets, analyses competition and the effectiveness of competition on the relevant markets, identifies the service providers with significant market power on each relevant market and determines the obligations to be imposed on service providers with significant market power; and acts in relation to the fulfilment or breach of the individual obligations;
- takes action in connection with any breach of electronic communications related rules, as well as in proceedings launched in relation to legal disputes arising from the conclusion of contracts;
- takes action in cases of margin squeeze in connection with network services;
- publishes the registers, data and decisions required by law;
- as part of its management functions, it exercises the state ownership rights pertaining to radio frequencies and identifiers, and shall manage the radio frequencies and identifiers for civilian purposes;
- coordinates the implementation of the electronic communications related tasks defined in separate legislation in the fields of defence, law enforcement, national security and defence preparation and the performance of the related data provision tasks, and operates the on-call service of the IT and communications sectors;
- acts in official matters relating to the notification of electronic communications services, civil spectrum management, identifier management, the keeping of records and registers required by law, interference suppression, market surveillance, the use of real estates, the licensing of electronic communications installations, and building supervision;
- acts in matters relating to civil spectrum management which do not fall within the competence of the Government or the Minister;
- when establishing, interconnecting, developing or modernising private networks, it consults with network operators in accordance with the legislation on private networks;
- inspects/monitors the designated testing, inspection and certification bodies;
- performs the tasks defined by law in connection with the operation of the Universal Electronic Communications Support Fund;
- contributes to the preparation of the Government's international activities related to electronic communications, participates in the implementation of international obligations, represents the Republic of Hungary in international organisations related to electronic communications, maintains contacts with the European Commission and other regulatory authorities of the Member States.

The main activities determined in the Media Act:

- performs regulatory tasks provided for under other pieces of legislation in respect of electronic communications and postal services;
- maintains the official registers defined in the Media Act;
- determines the amount of the media service provision fee payable by media service providers having acquired the right for media service provision through registration;
- supervises compliance with the following provisions of this Act:
 - the provisions relating to political advertisements, public service announcements and public service advertisements,
 - the provisions relating to advertisements and public service announcements published in public service media services and

- community media services,
- the provisions relating to programmes made accessible to people with impaired hearing,
- the provisions relating to changes in the ownership structure and other data of media service providers, publishers of press products and ancillary media service providers, the relevant reporting of such changes and the publication of certain data,
- the provisions relating to the ownership structure of the linear media service provider and ownership concentration of companies,
- the provisions relating to violent content or content likely to disturb the peace of mind and provisions on the protection of religious convictions,
- the provisions relating to advertisements and teleshopping,
- the provisions relating to the sponsorship of media services and programmes;
- performs the tasks related to the discontinuation and termination of media service provision right in the event of failure to commence service provision;
- checks observance of obligations on transmission of public media services;
- checks observance of the provisions on general contractual framework and conditions within the context of the obligation to offer media services;
- performs its duties as laid down in the Media Act or other legislation.

The main activities determined in the Digital Switchover Act, in particular:

- acts on matters relating to the notification of media service distribution services and monitors them within the framework of market surveillance procedures;
- keeps a register of media service distributors and ancillary media service providers;
- performs the tasks assigned to it with regard to the right to use the frequencies allocated for broadcasting transmission, the assignment of frequencies and the radio licence, using the instruments of flexible spectrum management;
- reviews compliance with the provisions guaranteeing competition, imposed on media service distributors, through the proper application of the market analysis procedural rules laid down in the Electronic Communications Act;
- performs the tasks assigned to it in connection with the tendering procedure held for the right to operate digital radio and television broadcasting networks or broadcasting stations;

The main activities determined in the Postal Services Act:

- acts in matters relating to the notification and authorisation of postal services, the keeping of registers required by legislation, market surveillance, the authorisation of postal equipment, the approval of business regulations and other official matters;
- performs certain tasks related to the postal services, as defined by separate legislation, in the fields of defence, law enforcement and national security, and the provision of related data;
- performs control tasks related to the costing and accounting unbundling of universal postal services;
- attends the congresses of the Universal Postal Union;
- decides on disputes concerning cooperation between postal operators.

The main activities determined in the Electronic Signatures Act:

- registers persons (organisations) and qualified service providers providing electronic signature related services;
- continuously checks and verifies that the service providers comply with the

provisions of the Electronic Signatures Act, the legislation issued on the basis of its authorisation, the service regulations and the general terms and conditions throughout the period of operation of the service providers; if the requirements are not complied with, applies the measures and sanctions provided for in Articles 21-23 of the Electronic Signatures Act;

- keeps records and publishes them in a way that is accessible and permanently available to everyone through public telecommunications networks.

The main activities determined in the E-commerce Act:

- conducts the supervisory procedure in connection with unsolicited electronic advertising; in case of detection of an infringement, applies the measures and sanctions as per Article 16/D of the E-commerce Act,
- publishes its decision adopted in a supervisory procedure concerning unsolicited electronic advertising on its website.

9. Classification of the core activities of the autonomous state administration body:

Government budget special task classification:

841113 Activities of public authorities and autonomous bodies
841317 Central administration and regulation of infocommunications

Government budget sectoral classification:

841317 transport and infocommunications administration

10. Employment status of the employees of the autonomous state administration body:

The staff of the NMHH may be employed in either a civil service relationship or in an employment relationship. The provisions of Act XXIII of 1992 on the Status of Civil Servants shall apply to employees employed in civil service relationship, with the exceptions provided for in the Media Act. The legal status of the President and the Vice President shall be governed by the Media Act, with the proviso that the statutory provisions governing the legal status of the Minister and the State Secretary shall apply in matters not covered by the Media Act.

11. The direct predecessor of the autonomous state administration body:

National Communications Authority (registered office: 1015 Budapest, Ostrom utca 23-25.)
Issues not covered by the Statutes shall be governed by the By-laws of the autonomous state administration body.

In accordance with the provisions of the law, the present Statutes shall enter into force on 1 January 2011, and the consolidated Statutes of the National Media and Infocommunications Authority No. GJ-19766-1/2010 dated 11 August 2010 shall be repealed.

Budapest, 12 January 2011

Annamária Szalai
President

NATIONAL MEDIA AND INFOCOMMUNICATIONS AUTHORITY

AMENDMENT TO THE STATUTES

Acting within the powers provided for in Article 88 (2) of Act XXXVIII of 1992 on Public Finances, I hereby amend the Statutes of the National Media and Infocommunications Authority issued on 11 August 2010, with regard to the entry into force of Act CLXXXV of 2010 on media services and mass media on 1 January 2011, as follows:

1. The following provision shall be added to Section 3 of the Statutes:

The currently effective rules applicable to the NMHH are contained in the Electronic Communications Act and Act CLXXXV of 2010 on media services and mass media (hereinafter as: the Media Act) which entered into force on 1 January 2011.

2. Section 4 of the Statutes shall be amended as follows:

Pursuant to point (b) of Paragraph (3) of Article 1 of Act XLIII of 2010 on the Central State Administration Bodies and the Legal Status of Government Members and State Secretaries (hereinafter as: the Central State Administration Bodies Act), the NMHH is an autonomous state administration body as defined in Article 109 (1) of the Media Act, which is subject only to the law. Its governing body is the National Media and Infocommunications Authority. The President of the National Media and Infocommunications Authority shall exercise the powers necessary for the exercise of the functions of the governing body pursuant to Article 93(6) of Act XXXVIII of 1992 on Public Finances. The NMHH operates in accordance with the law on the financial management of institutions funded from the central budget and reports annually to Parliament on its activities.

3. Section 5 of the Statutes shall be amended as follows:

Pursuant to Section 111(3) of the Media Act, the President of the NMHH (hereinafter as: the President) is appointed by the Prime Minister for a term of 9 years.

Pursuant to Section 114(1) of the Media Act, the Office of the National Media and Infocommunications Authority is headed by a Director General appointed by the President of the Authority for an open-ended term.

4. Section 7 of the Statutes shall be amended as follows:

Pursuant to Article 109 (5) of the Media Act, the NMHH is responsible – in particular – for ensuring the smooth and effective functioning and development of the communications market, safeguarding the interests of the users and of those pursuing communications activities, fostering the development and maintenance of fair and efficient competition within the electronic communications sector, and for the supervision of legal compliance of the conduct of organizations and persons pursuing communications activities.

The public functions of the NMHH are based on the following pieces of legislation:

- Act C of 2003 on Electronic Communications (hereinafter as: the Electronic Communications Act) (Article 10)

- Act CLXXXV of 2010 on media services and mass media (hereinafter as: the Media Act) (Articles 110 and 184)
- Act LXXIV of 2007 on the Rules of Broadcasting and Digital Switchover (hereinafter as: the Digital Switchover Act) (Articles 6-7, 9(4), 11-16, 18-19, 35, 39-43, 43/A-43/M, 46)
- Act CI of 2003 on Postal Services (hereinafter as: the Postal Services Act) (Articles 8-10, 36, 42, 45-46, 48)
- Act XXXV of 2001 on Electronic Signatures (hereinafter as: the Electronic Signatures Act) (Articles 5, 7, 8/A, 16, 16/G, 17, 19, 24)
- Act CVIII of 2001 on certain issues of electronic commerce services and information society services (hereinafter as: the E-commerce Act) (Articles 14/B, 16/A-16/E)

5. Section 8 of the Statutes shall be amended as follows:

The main activities determined in the Electronic Communications Act:

- *declares the need for the drafting or amendment of legislation in the field of electronic communications related to its competence and contributes to the preparation of legislation related to its competence;*
- *assesses and continuously analyses the functioning of the communications and related information technology markets to inform regulatory, policy, market stimulation and tendering decisions;*
- *continuously assesses the state of the communications market and prepares benchmarking analyses in order to provide a methodological basis for regulatory and communications policy decisions and analyses, and to ensure the provision of user-friendly information in the communications sector;*
- *establishes the relevant markets, analyses competition and the effectiveness of competition on the relevant markets, identifies the service providers with significant market power on each relevant market and determines the obligations to be imposed on service providers with significant market power; and acts in relation to the fulfilment or breach of the individual obligations;*
- *takes action in connection with any breach of electronic communications related rules, as well as in proceedings launched in relation to legal disputes arising from the conclusion of contracts;*
- *acts in cases of margin squeeze in connection with network services;*
- *publishes the registers, data and decisions required by law;*
- *as part of its management functions, it exercises the state ownership rights pertaining to radio frequencies and identifiers, and shall manage the radio frequencies and identifiers for civilian purposes;*
- *coordinates the implementation of the electronic communications related tasks defined in separate legislation in the fields of defence, law enforcement, national security and defence preparation and the performance of the related data provision tasks, and operates the on-call service of the IT and communications sectors;*
- *acts in official matters relating to the notification of electronic communications services, civil spectrum management, identifier management, the keeping of records and registers required by law, interference suppression, market surveillance, the use of real estates, the licensing of electronic communications installations, and building supervision;*
- *acts in matters relating to civil spectrum management which do not fall within the competence of the Government or the Minister;*
- *when establishing, interconnecting, developing or modernising private networks, it consults with network operators in accordance with the legislation on private networks;*
- *inspects/monitors the designated testing, inspection and certification bodies;*
- *performs the tasks defined by law in connection with the operation of the*

Universal Electronic Communications Support Fund;

- *contributes to the preparation of the Government's international activities related to electronic communications, participates in the implementation of international obligations, represents the Republic of Hungary in international organisations related to electronic communications, maintains contacts with the European Commission and other regulatory authorities of the Member States.*

The main activities determined in the Media Act:

- *performs regulatory tasks provided for under other pieces of legislation in respect of electronic communications and postal services;*
- *maintains the official registers defined in the Media Act;*
- *determines the amount of the media service provision fee payable by media service providers having acquired the right for media service provision through registration;*
- *supervises compliance with the following provisions of this Act:*
 - *the provisions relating to political advertisements, public service announcements and public service advertisements,*
 - *the provisions relating to advertisements and public service announcements published in public service media services and community media services,*
 - *the provisions relating to programmes made accessible to people with impaired hearing,*
 - *the provisions relating to changes in the ownership structure and other data of media service providers, publishers of press products and ancillary media service providers, the relevant reporting of such changes and the publication of certain data,*
 - *the provisions relating to the ownership structure of the linear media service provider and ownership concentration of companies,*
 - *the provisions relating to violent content or content likely to disturb the peace of mind and provisions on the protection of religious convictions,*
 - *the provisions relating to advertisements and teleshopping,*
 - *the provisions relating to the sponsorship of media services and programmes;*
- *performs the tasks related to the discontinuation and termination of media service provision right in the event of failure to commence service provision;*
- *checks observance of obligations on transmission of public media services;*
- *checks observance of the provisions on general contractual framework and conditions within the context of the obligation to offer media services;*
- *performs its duties as laid down in the Media Act or other legislation.*

The main activities determined in the Digital Switchover Act, in particular:

- *acts on matters relating to the notification of media service distribution services and monitors them within the framework of market surveillance procedures;*
- *keeps a register of media service distributors and ancillary media service providers;*
- *performs the tasks assigned to it with regard to the right to use the frequencies allocated for broadcasting transmission, the assignment of frequencies and the radio licence, using the instruments of flexible spectrum management;*
- *reviews compliance with the provisions guaranteeing competition, imposed on media service distributors, through the proper application of the market*

- analysis procedural rules laid down in the Electronic Communications Act;*
- *performs the tasks assigned to it in connection with the tendering procedure held for the right to operate digital radio and television broadcasting networks or broadcasting stations.*

The main activities determined in the Postal Services Act:

- *acts in matters relating to the notification and authorisation of postal services, the keeping of registers required by legislation, market surveillance, the authorisation of postal equipment, the approval of business regulations and other official matters;*
- *performs certain tasks related to the postal services, as defined by separate legislation, in the fields of defence, law enforcement and national security, and the provision of related data;*
- *performs control tasks related to the costing and accounting unbundling of universal postal services;*
- *attends the congresses of the Universal Postal Union;*
- *decides on disputes concerning cooperation between postal operators.*

The main activities determined in the Electronic Signatures Act:

- *registers persons (organisations) and qualified service providers providing electronic signature related services;*
- *continuously checks and verifies that the service providers comply with the provisions of the Electronic Signatures Act, the legislation issued on the basis of its authorisation, the service regulations and the general terms and conditions throughout the period of operation of the service providers; if the requirements are not complied with, applies the measures and sanctions provided for in Articles 21-23 of the Electronic Signatures Act;*
- *keeps records and publishes them in a way that is accessible and permanently available to everyone through public telecommunications networks.*

The main activities determined in the E-commerce Act:

- *conducts the supervisory procedure in connection with unsolicited electronic advertising; in case of detection of an infringement, applies the measures and sanctions as per Article 16/D of the E-commerce Act,*
- *publishes its decision adopted in a supervisory procedure concerning unsolicited electronic advertising on its website.*

6. Section 10 of the Statutes shall be amended as follows:

The staff of the NMHH may be employed in either a civil service relationship or in an employment relationship. The provisions of Act XXIII of 1992 on the Status of Civil Servants shall apply to employees employed in civil service relationship, with the exceptions provided for in the Media Act. The legal status of the President and the Vice President shall be governed by the Media Act, with the proviso that the statutory provisions governing the legal status of the Minister and the State Secretary shall apply in matters not covered by the Media Act.

7. In the title of Sections 1 to 11 of the Statutes, the words “institution funded from the central budget” shall be replaced by “autonomous state administration body”.

Budapest, 12 January 2011

Annamária Szalai
President

STATUTES
OF THE
NATIONAL MEDIA AND INFOCOMMUNICATIONS AUTHORITY

Pursuant to Paragraph (2) of Article 88 of Act XXXVIII of 1992 on Public Finances, I hereby issue the Statutes of the

National Media and Infocommunications Authority

as follows.

1. Name of the institution funded from the central budget:

Nemzeti Média- és Hírközlési Hatóság

Short name: NMHH

Name in foreign language: National Media and Infocommunications Authority

Registered office: 1015 Budapest, Ostrom u. 23-25.

Places of business:

- 1088 Budapest, Reviczky u. 5.
- 1133 Budapest, Visegrádi u. 106.
- 1094 Budapest, Balázs Béla u. 35.
- 4025 Debrecen, Hatvan u. 43.
- 3529 Miskolc, Csabai kapu 17.
- 7624 Pécs, Alkotmány u. 53.
- 9400 Sopron, Kossuth L. u. 26.
- 6721 Szeged, Csongrádi sgt. 15.

2. The founding body of the institution funded from the central budget and the date of foundation:

The Parliament of the Republic of Hungary (1055 Budapest, Kossuth Lajos tér 1-3.)

Date of foundation: 11 August 2010

3. Name of the piece of legislation resolving the foundation of the institution funded from the central budget:

The NMHH was established as an autonomous state administration body by Article 9 of Act C of 2003 on Electronic Communications (hereinafter as: the Electronic Communications Act), in line with Article 1(2) of Act LXXXII of 2010 amending certain acts regulating the media and infocommunications.

4. Governing body of the institution funded from the central budget:

The NMHH is an autonomous state administration body pursuant to point (b) of Paragraph (3) of Article 1 of Act XLIII of 2010 on the Central State Administration Bodies and the Legal Status of Government Members and State Secretaries (hereinafter as: the Central State Administration Bodies Act). The NMHH is an institution funded from the central budget, autonomously operating and having an independent financial management, which reports annually to Parliament on its activities.

Its governing body is the National Media and Infocommunications Authority. The President of the National Media and Infocommunications Authority shall exercise the powers necessary for the exercise of the functions of the governing body pursuant to Article 93(6) of Act XXXVIII of 1992 on Public Finances.

5. The head of the institution funded from the central budget and the procedure for appointing him/her:

Pursuant to Article 14(2) of the Electronic Communications Act, the President of the NMHH (hereinafter referred to as: the President) is appointed by the Prime Minister for a term of 9 years.

Pursuant to Section 17(1) of the Electronic Communications Act, the Office of the National Media and Infocommunications Authority is headed by a Director General appointed by the President of the Authority.

6. Jurisdiction of the institution funded from the central budget:

National

7. Public function of the institution funded from the central budget as defined by law:

Pursuant to Article 9(5) of the Electronic Communications Act, the **NMHH** is responsible – in particular – for ensuring the smooth and effective functioning and development of the electronic communications market, safeguarding the interests of the users and of those pursuing electronic communications activities, fostering the development and maintenance of fair and efficient competition within the electronic communications sector, and for the supervision of legal compliance of the conduct of organizations and persons pursuing electronic communications activities.

The public functions of the NMHH are based on the following pieces of legislation:

- Act C of 2003 on Electronic Communications (hereinafter as: the Electronic Communications Act) (Article 10)
- Act I of 1996 on Radio and Television Broadcasting (hereinafter as: the Radio and Television Broadcasting Act) (Articles 31(3), 41(1) and (3))
- Act LXXIV of 2007 on the Rules of Broadcasting and Digital Switchover (hereinafter as: the Digital Switchover Act) (Articles 6-7, 9-10, 14-16, 18-19, 21, 27-28, 35, 39-43, 46)
- Act CI of 2003 on Postal Services (hereinafter as: the Postal Services Act) (Articles 36, 42, 45-48)
- Act XXXV of 2001 on Electronic Signatures (hereinafter as: the Electronic Signatures Act) (Articles 5, 7, 8/A, 16, 16/N, 17, 19, 24)
- Act CVIII of 2001 on certain issues of electronic commerce services and information society services (hereinafter as: the E-commerce Act) (Articles 14/B, 16/A-16/E).

8. Core activities of the institution funded from the central budget:

The main activities determined in the Electronic Communications Act:

- declares the need for the drafting or amendment of legislation in the field of electronic communications related to its competence and contributes to the preparation of legislation related to its competence;
- assesses and continuously analyses the functioning of the communications and related information technology markets to inform regulatory, policy, market stimulation and tendering decisions;
- continuously assesses the state of the communications market and prepares benchmarking analyses in order to provide a methodological basis for regulatory and communications policy decisions and analyses, and to ensure the provision of user-friendly information in the communications sector;
- establishes the relevant markets, analyses competition and the effectiveness of competition on the relevant markets, identifies the service providers with significant market power on each relevant market and determines the obligations to be imposed on service providers with significant market power; and acts in relation to the fulfilment or breach of the individual obligations;
- takes action in connection with any breach of electronic communications related rules, as well as in proceedings launched in relation to legal disputes arising from the conclusion of contracts;
- takes action in cases of margin squeeze in connection with network services;
- publishes the registers, data and decisions required by law;
- as part of its management functions, it exercises the state ownership rights pertaining to radio frequencies and identifiers, and shall manage the radio frequencies and identifiers for civilian purposes;
- coordinates the implementation of the electronic communications related tasks defined in separate legislation in the fields of defence, law enforcement, national security and defence preparation and the performance of the related data provision tasks, and operates the on-call service of the IT and communications sectors;
- acts in official matters relating to the notification of electronic communications services, civil spectrum management, identifier management, the keeping of records and registers required by law, interference suppression, market surveillance, the use of real estates, the licensing of electronic communications installations, and building supervision;
- acts in matters relating to civil spectrum management which do not fall within the competence of the Government or the Minister;
- when establishing, interconnecting, developing or modernising private networks, it consults with network operators in accordance with the legislation on private networks;
- inspects/monitors the designated testing, inspection and certification bodies;
- performs the tasks defined by law in connection with the operation of the Universal Electronic Communications Support Fund;
- contributes to the preparation of the Government's international activities related to electronic communications, participates in the implementation of international obligations, represents the Republic of Hungary in international organisations related to electronic communications, maintains contacts with the European Commission and other regulatory authorities of the Member States.

The main activities determined in the Radio and Television Broadcasting Act:

- performs the task of tendering and evaluation of tenders related to the broadcasting rights and the Government-owned satellite channels allocated for broadcasting;
- carries out the supervisory and control tasks required by law;
- operates a Complaints Committee to investigate individual complaints;
- operates a service in charge of monitoring and analysing programmes; it provides the Public Service Foundation, the public service broadcasters and the national news agencies with all the material relating to them, included in the examinations and evaluations carried out by this service, on a permanent basis and free of charge. The Public Service Foundation may submit proposals regarding the criteria for the examinations;
- gives an opinion on draft legislation on spectrum management and telecommunications;

- delegates the number of members to the National Council for Communications and Information Technology, as specified in a separate law;
- performs the tasks related to the broadcasting agreements;
- keeps a public register of broadcasters who have concluded a broadcasting agreement and of broadcasters registered on the basis of a notification;
- regularly checks that the broadcasting agreements concluded with it are being complied with;
- develops positions and proposals on the theoretical aspects of development of the Hungarian broadcasting system, including the media service distribution systems and the links with the audiovisual sector, and participates in the preparation of decisions in this field;
- initiates proceedings with respect to consumer protection and the prohibition of unfair market practices;
- provides the information needed to plan and monitor the implementation of the central budget;
- determines and publishes the rate(s) of the fee(s) payable for broadcasting performed through media service distribution;
- prepares a report to the European Commission on the fulfilment of the provisions of Paragraphs (1) to (3) of Article 7 of Act I of 1996;
- performs its other tasks defined by this Act and by other legislation issued under the authorization of this Act;
- formulates the concept of spectrum management affecting broadcasting;
- enforces the implementation of Regulation (EC) No 2006/2004 of the European Parliament and of the Council as regards infringements within the European Community of the laws of the Member States transposing Articles 10 to 21 of Council Directive 89/552/EEC as amended by Directive 97/36/EC of the European Parliament and of the Council.

The main activities determined in the Digital Switchover Act, in particular:

- acts on matters relating to the notification of media service distribution services and ancillary digital services, and monitors them within the framework of market surveillance procedures;
- keeps a register of media service distributors and ancillary digital service providers;
- performs the tasks assigned to it with regard to the right to use the frequencies allocated for broadcasting transmission, the assignment of frequencies and the radio licence, using the instruments of flexible spectrum management;
- monitors, within the framework of market surveillance procedures, compliance with the provisions imposed on media service distributors to ensure pluralism of opinions and the provisions related to the must-carry obligation;
- conducts legal dispute procedures initiated by the broadcaster against the media service distributor in breach of the must-carry obligation;
- reviews compliance with the provisions guaranteeing competition, imposed on media service distributors, through the proper application of the market analysis procedural rules laid down in the Electronic Communications Act;
- performs the tasks assigned to it in connection with the tendering procedure held for the right to operate digital radio and television broadcasting networks or broadcasting stations;

The main activities determined in the Postal Services Act:

- acts in matters relating to the notification and authorisation of postal services, the keeping of registers required by legislation, market surveillance, the authorisation of postal equipment, the approval of business regulations and

- other official matters;
- performs certain tasks related to the postal services, as defined by separate legislation, in the fields of defence, law enforcement and national security, and the provision of related data;
- performs control tasks related to the costing and accounting unbundling of universal postal services;
- attends the congresses of the Universal Postal Union;
- decides on disputes concerning cooperation between postal operators.

The main activities determined in the Electronic Signatures Act:

- registers persons (organisations) and qualified service providers providing electronic signature related services;
- continuously checks and verifies that the service providers comply with the provisions of the Electronic Signatures Act, the legislation issued on the basis of its authorisation, the service regulations and the general terms and conditions throughout the period of operation of the service providers; if the requirements are not complied with, applies the measures and sanctions provided for in Articles 21-23 of the Electronic Signatures Act;
- keeps records and publishes them in a way that is accessible and permanently available to everyone through public telecommunications networks.

The main activities determined in the E-commerce Act:

- conducts the supervisory procedure in connection with unsolicited electronic advertising; in case of detection of an infringement, applies the measures and sanctions as per Article 16/D of the E-commerce Act,
- publishes its decision adopted in a supervisory procedure concerning unsolicited electronic advertising on its website.

9. Classification of the core activities of the institution funded from the central budget:

Government budget special task classification:

841113 Activities of public authorities and autonomous bodies
841317 Central administration and regulation of infocommunications

Government budget sectoral classification:

841317 transport and infocommunications administration

10. Employment status of the staff employed by the institution funded from the central budget:

The staff of the NMHH may be employed in either a civil service relationship or in an employment relationship. The provisions of Act XXIII of 1992 on the Status of Civil Servants shall apply to employees employed in civil service relationship, with the exceptions provided for in the Electronic Communications Act, with regards to the President in the Electronic Communications Act, and the Central State Administration Bodies Act.

11. The direct predecessor of the institution funded from the central budget:

National Communications Authority (registered office: 1015 Budapest, Ostrom utca 23-25.)

Issues not covered by the Statutes shall be governed by the By-laws of the institution funded from the central budget.

Budapest, 11 August 2010

L.S.

Annamária Szalai
President