

[HU] Parliament Adopts Communications Act

IRIS 2001-7:1/34

*Gabriella Cseh
Budapest*

The Hungarian Parliament adopted the new consolidated Act on Communications drafted on the basis of EU communications legislation.

The Act sets out rules for the telecommunications sector, the cable TV market and postal services.

Its main objectives are to ensure the infrastructural development of the information society, to liberalize the Hungarian voice telephony market and to lead the Hungarian communications market to international standard. The Act is also aimed at ensuring competition, and calls for co-operation among communications networks.

In addition to general competition regulation on companies with "significant market power" the law includes new regulations regarding fees for calls from fixed-to-mobile networks, Internet phone rates and a few protective steps favouring local telecom operators against the current Hungarian market-leader Matáv Rt.

The regulations on Internet phone rates include provisions on how the communications service providers' revenues should be split with the Internet service providers that help to generate those revenues.

Aiming to create a framework for competition, the Act re-defines the framework for co-operation between service providers, eg by introducing the concept of unbundling of the local loop. Additionally the Act specifies that companies with "significant market power" shall offer their services to other telecommunications service providers based upon equal conditions.

The Act only outlines some basic rules. Therefore its interpretation will depend on the executory decrees, which will be elaborated in the coming months.

With the exception of a few provisions, the Act will enter into force on 23 December 2001.

Communications Act of 2001

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