

Mexico senate passes new telecom regulations

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A man shows a picture on his phone of Mexican President Enrique Peña Nieto as he arrives for his inauguration ceremony at the Congress in Mexico City on December 1, 2012

Mexico's senate adopted an ambitious telecommunications reform package Saturday aimed at blocking monopolies in television, mobile phones and high-speed Internet.

The 600-page bill, approved after 17 hours of debate, will now pass to the lower house of Congress.

It creates regulations enacting a constitutional reform adopted in May 2013 and so far will mainly impact [television](#) giant Televisa and the telephone empire of billionaire Carlos Slim, which will each have to open space for competition.

The overhaul is a major piece of President Enrique Pena Nieto's structural reform agenda, which includes historic changes in the energy sector, tax collection and education.

Pena Nieto cheered the Senate's actions Saturday, posting on Twitter that the new regulations "will allow greater competition and better rates."

Slim's Telmex controls 90 percent of the landline phone market, and his Telcel company controls 70 percent of the mobile phone sector.

Televisa, the biggest Spanish-language television company in the world, which airs content in 60 countries, controls 70 percent of broadcast television and 60 percent of the cable market in Mexico.

The Federal Telecommunications Institute (IFT), the new market regulator created under the constitutional reform, ordered both companies to make their infrastructure available to competitors.

It also eliminated long-distance rates for telephone calls within Mexico, and opened two new broadcast channels up for bidding, among other provisions.

Most of the debate was over whether the notion of "prevalence" applies only to the telecommunications and television industries, or also to related services.

The senate, following the position of Pena Nieto's government, decided to limit this notion of preponderance to within the major industries.

The subject sparked protest from Televisa and Slim's company, while opposition parties accuse the government of watering down the legislation's goal of opening up the sector to more competition.

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