

SIGET

SUPERINTENDENCIA GENERAL DE
ELECTRICIDAD Y TELECOMUNICACIONES

The State of Regulation and TV Environment in El Salvador 2018

“The Future of TV in the Americas”

Bogotá, Colombia

ITU-T SG9

26th of november, 2018



El Salvador in Telecommunications

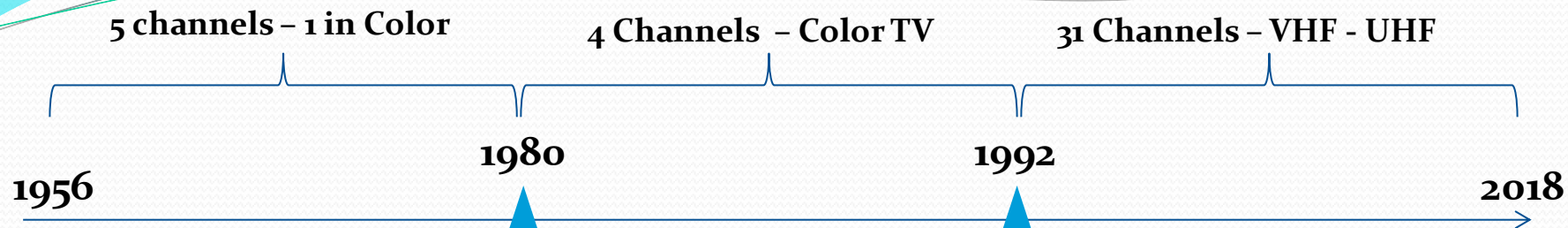
ITU records, give reason for the entrance of El Salvador (Republic of) as an active member, for the year 1927, with the services of Radiotelegraphy.

Liste des Pays de l'Union télégraphique et des Pays qui ont adhéré à la Convention radiotélégraphique. Etat au 31 Décembre 1927.

Les noms des Pays qui ont adhéré aux deux Conventions sont imprimés en caractères gras; les Pays qui n'ont adhéré qu'à une des Conventions sont indiqués en caractères ordinaires.

Pays	Classe de contribution		Date d'entrée	
	Télégraphie	Radiotélégraphie	Télégraphie	Radiotélégraphie
Cuba	—	III	—	16. I. 1918
Curaçao	—	VI	—	1. VI. 1910
Cyrénaïque	VI	VI	1. I. 1922	13. I. 1914
Danemark *	IV	IV	1. I. 1866	1. VII. 1908
Dantzig (Ville libre de)	VI	VI	1. IV. 1922	22. VII. 1921
Dominicaine (République)	—	V	—	11. VII. 1926
Egypte	IV	IV	9. XII. 1876	3. II. 1912
El Salvador (République de)	—	2 ^o)	—	12. X. 1927

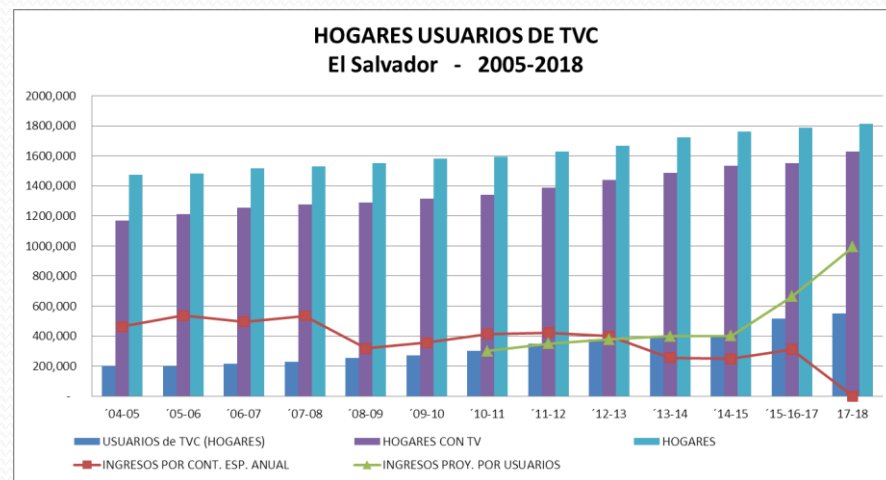
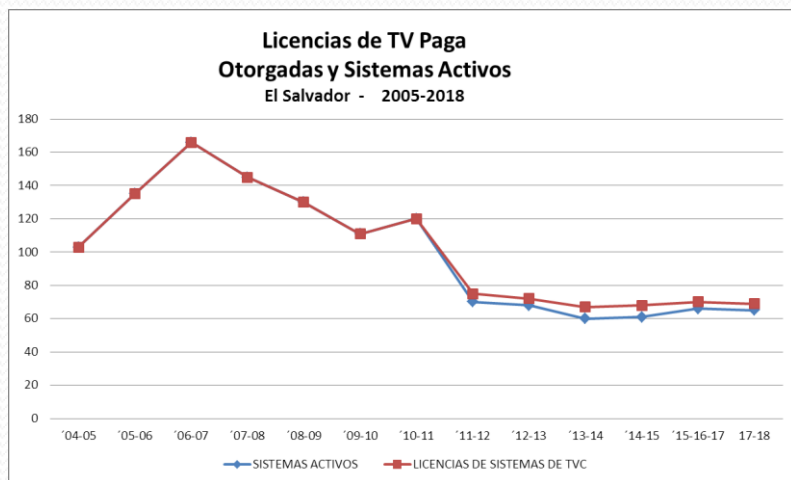
TV Broadcasting Services' development



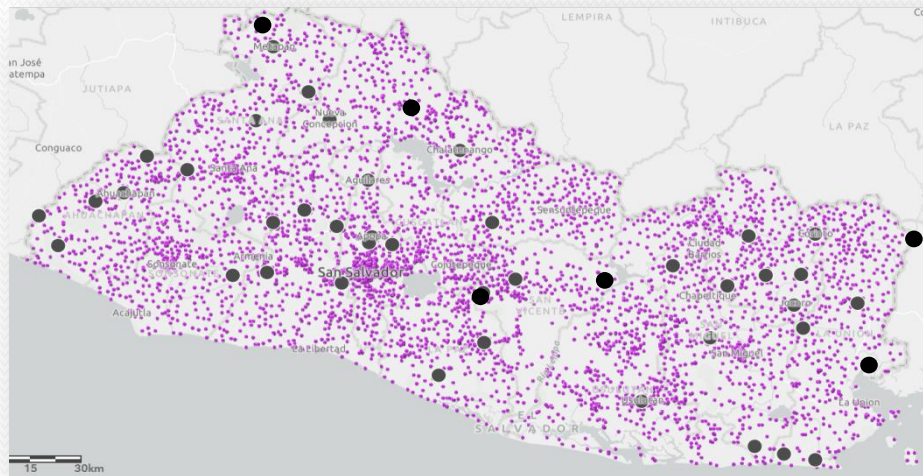
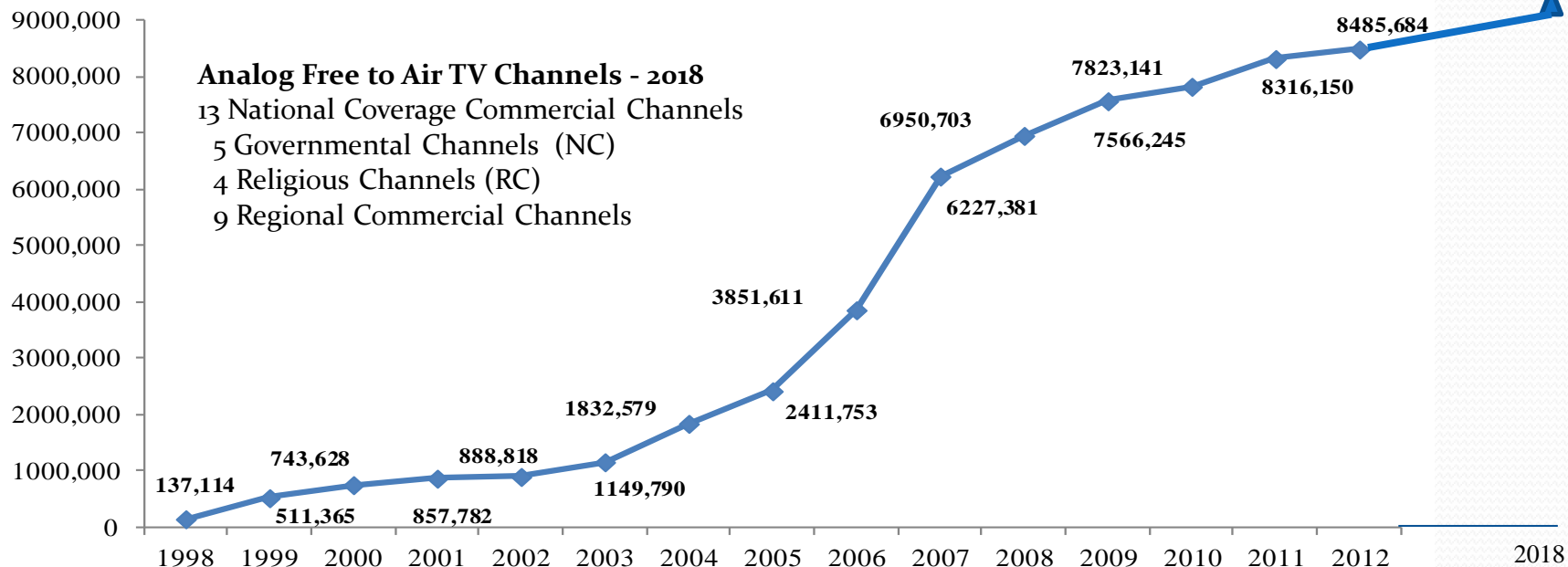
- 1956 – YSLA – TV Canal 6
- 1958 – Canal 8 y YSU_TV - Canal 4
- 1963 – Canal 8 out of service
- 1965 – YSR-TV Canal 2
- 1969 – Canal 10 TVE – First Educational TV Transmissions
- 1973 Canal Seis, S.A. – First Color TV channel
- After 1986 Telecorporación Salvadoreña was born, grouping channels 2, 4, 6 and VTV channel.
- The original television monopoly in El Salvador, changed due to the social conflict during the 1980 to 1992's period
- 1983 – Inauguration of channels 8 y 10 as Educational
- 1984 – Channel 12, was the one who broke the traditional schemes of television in El Salvador.
- 1995 – Canales 21 y 29 as TV News channels
- 2018 Canal 10 TVE, testing Digital Transmissions (DTT implementation planning)

Pay TV services' development

- 1986 – 2 Pay TV companies (Telesat and Futurama) – 300 subscribers.
- In the period from 1990 to 2018, some 450 licenses have been granted for territories as small as a hamlet or canton. (4 Corporate Licenses – TIGO, CLARO, SKY, recently MOVISTAR DTH)
- Currently, minority systems (54) operating in rural and sub-urban areas handle no more than 20% of the total market, the other 80% is in the hands of the 2 main operators (Tigo and Claro) and in a lower percentage SKY; Telefonica enters with a DTH service just last year.
- Penetration of pay TV projected by 2018, will reach 37.5% of the 1.7 million homes with TV.



History of Mobile Communications' Development



2018

- **Territory:** 21,000 Km²
- **Population:** 6,561,914
- **Families: (3.58 ppf)** 1,864,218
- **Families with TV:** 1,710,400
- **Families with Pay TV:** 634,000
- **Mobile devises:** 10,400,000

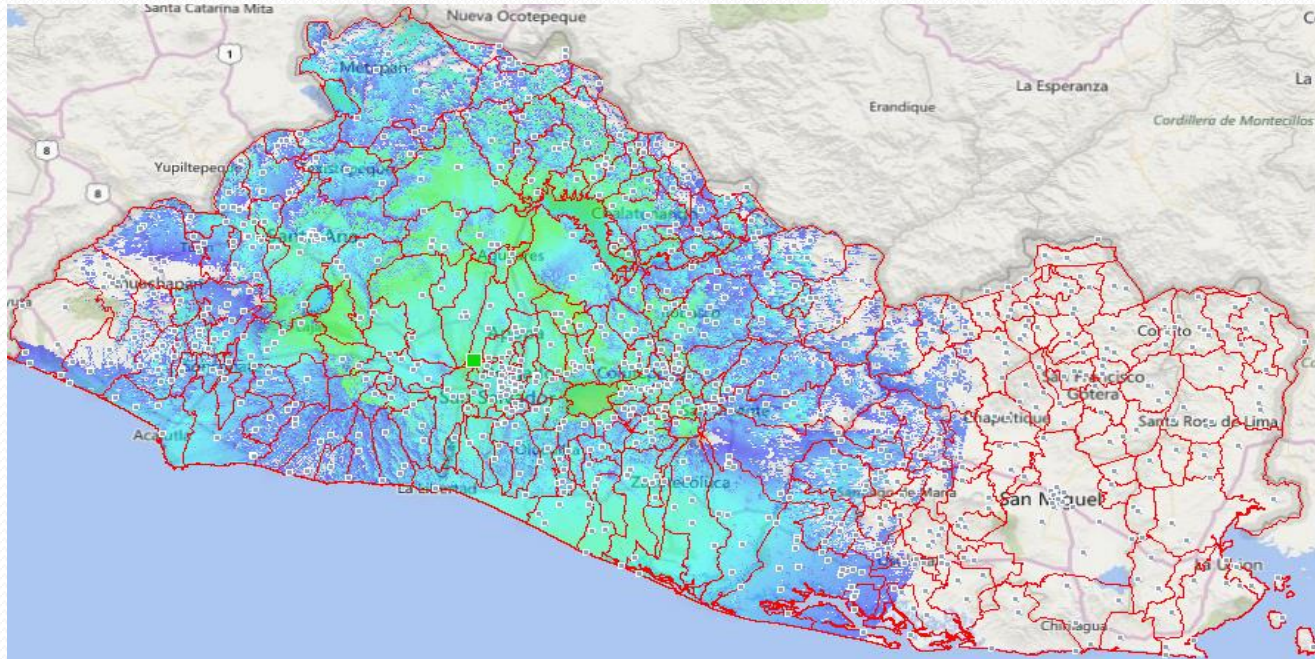
- Pay TV systems' headends
- 5,317 Public Education's Centers

DTT IMPLEMENTATION PROCESS - EL SALVADOR - 2018

- Adoption of the ISDB-Tb Standard.
- Signing of Memorandums of Understanding with Japan and Brazil
- Start of Preparation of the National Digital Terrestrial Television Plan.
- Elaboration of Draft National Digital Terrestrial Television Plan (PNTDT)
- Revision of the PNTDT with experts from the MIC of Japan and ANATEL of Brazil
- Pilot Digital Transmission Tests
- Acquisition, setup and testing of Digital Transmitting Equipment – Canal 10 TVE
- Successful tests conducted with TCS, MEGAVISION, RSM and ELIM TV, private channels.
- EWBS – Early Warning Broadcast System - Successful tests
- Onew Seg Testing already done
- **What is Next on the DTT Plan:**
- Develop a strategy of socialization and dissemination of DTT, including campaigns, type of campaigns, costs of these and possible sources of financing.
- Expand the coverage of TVES HD transmissions to the Eastern Zone, implementation of the GINGA system and early warning.
- Creation and implementation of the Cultural and Educational Table of Digital Television, for the promotion of local content production.

PURCHASE OF TRANSMISSION EQUIPMENT

Canal 10 TVES – (Educational National Channel)



- Acquired by SIGET, transmitter of 4.6 KWatts and antenna system, for 60% surface coverage and 70% of the population
- Operative since March 2018
- Test signals to be transmitted (3): 1 HD, 1 SD and one-seg.

The starting Roll of SIGET as a NRA

Born as part of the Telecommunications Privatization process, SIGET was created in 1998, initially as a supervisory body to follow the steps and more as an advisor to the recently incorporated CTE-ANTEL, France Telecom Co. and Telefónica España.

- SIGET start up's main duties:
 - Radio Electric Spectrum engineering, management, monitoring and administration
 - Registry of RF Assignments, Licencing and permits to comercialize and exploit telecommunications services
 - Supervisory activities and monitoring of frecuencies used by TV and Radio broadcasting services and Telecommunications services.
 - Supervisory activities to the Pay TV companies, related to Content Copy Rights and quality of services for the pay tv customers
 - To be the continuation of ANTEL In the roll as representative of El Salvador before the ITU

Stages and Models of Regulation in El Salvador (70's to 2018)

- 70's and 80's - Public Monopoly - The government is the owner and its own Regulator. (ANTEL- National Administration of Telecommunications)
- 90's - Private Monopoly - (Privatization) - Some Regulation; Some Supervision (SIGET is born)
- 2000's - Introduction of Partial Competence - Greater Regulation. The regulator goes in procurement for:
 - *Full Competition - Minor Regulation*
 - *The Market regulates itself; The Regulator exercises Supervision on the Quality of Services and Compliance with Contract Conditions at the user.*
- 2016 - Regulation toward a Convergent Environment
 - *Reforms to the LT to make the use of the spectrum and the cost of it, more democratic and attached to the technological reality and more congruent with the objectives of the state.*
- 2017 Converging Regulator
 - *Spectrum Renewals for Mobile Services Begin*
- 2018 Spectrum Renewals continue and relevant auctions for portions of the Spectrum for Mobile Communications Services, besides:
 - *Under development - Reforms to the Regulation of Pay TV Services;*
 - *Quality of Service Regulation is in force.*
 - *Development of the Digital Agenda for El Salvador (5 Thematic Axes)*
 - *Implementation of the National Spectrum Monitoring System*

A Convergent Regulator for a Digital Convergent Environment?

Characteristics:

The regulatory logic lost its foundations in the new context ... today it must deal with:
INNOVATION - COMPETENCE - CONSTANT ADAPTATION

- **Independence**

- *Apply Regulations in an objective and impartial manner*
- *Promotes and protects COMPETITION, not COMPETITORS*
- *Increase the confidence of the economic entities for the impartiality of the regulatory decisions*
- *It stimulates the investment of incumbent operators and new competitors for new services to narrow the digital divide, to connect the disconnected.*

- **Technical capacity**

- Never ending technological update regarding the progress of the industry and global trends, which means the need for the renewal and constant update of the regulator's human resources.

Actual Roll of SIGET in a Converging World

- Evolve toward a Convergent Regulatory Platform, according to global market trends and technology evolution to convergent networks, services and customers.
 - Promoting and facilitating the arrival of new competitors
 - Promoting and protecting COMPETITION NO COMPETITORS
 - Minimizing and eliminating entrance barriers to new actors on the market
 - As soon as the market became healthier, to step back to a position to increase supervision and create new rules to measure and control service quality to final customers.
 - Promoting legislation changes to adjust failures of the past related to Spectrum Assignments in order to make it more feasible and democratically accesible
 - Being more conscious and responsable of the duty in the management of one of the most precious resourses of any State in modern times, The Espectrum.

Challenges for the NRAs to procure market Growth and to Support Innovation for the TV Sector

Television: Re-Think, Re-Invent to Survive?

The convergence:

- *It tests traditional business models,*
- *Generates competition between independent platforms*
- *It puts pressure on traditional operators,*
- *Changes consumer behavior and makes it more active in the demand for services,*
- *It leads to dynamic technology management processes.*

In turn, these technological and market changes exert pressure on regulatory bodies to adapt to the new environment.

Some suggested ACTIONS to the NRAs:

- OTTs like NETFLIX are not hosemen of the apocalypse; some experts see them as the last piece of the puzzle of content delivery. We just need to find the way for them to do business and to pay for it fairly.
- DTT must be understood not only as a change to a digital format; it is a powerful tool to do what Public Broadcasting was supposed to be; Free to air channels for the general public to watch what is happening around them; what are the events that will impact their daily life; what events could be watched out that can harm them; What is new on the local market, etc.; How can they participate to influence critical decisions from the government. Here is where local content delivery, mobility and interaction and early warning are very important. Those are reasons enough to procure their stability on the convert market.
- In El Salvador, stealing telecommunications signals of any type is a felony punished with jail;
- Pay TV operators must register permits, contracts, authorizations for any tv channel of any type (free to air, streaming, web-tv, local channel), international free to use channels and mostly premium content channels that need a monthly payment.

Thanks so much for your attention

Carlos R. Díaz Araujo
Telecommunications' Specialist



Departamento de Títulos Habilitantes y Gestión del Espectro Radioeléctrico
Superintendencia General de Electricidad y Telecomunicaciones
El Salvador, C.A.

rdiaz@siget.gob.sv

