

Mexico City, February 25th, 2014

THE IFT PUBLISHES THE GENERAL GUIDELINES ON MUST OFFER & MUST CARRY

- The document is available for consultation at the Institute website and will be published in the Federal Official Gazette during the next few days
- The Agreement approved establishes the technical criteria for the proper application of the obligations provided by the Constitution for retransmitting the signals broadcasted in restricted TV systems
- The concessionaires of restricted TV have the obligation to broadcast free TV signals in the same geographical coverage area without the approval of broadcasted TV concessionaires

The Plenary Agreement of the IFT (Federal Telecommunications Institute) was published today at the Institute website: www.ift.org.mx; which states the "General Guidelines on the provisions of fraction I of the Eighth Transitory Article of the Decree to reform and add several provisions of Articles 6°, 7°, 27, 28, 73, 78, 94 and 105 of the Political Constitution of the Mexican United States on telecommunication matters and will be published in the Federal Official Gazette (*Diario Oficial de la Federación*, DOF) in the following days.

As informed before, on November 20th, 2013, the IFT submitted to public consultation the general guidelines draft with the purpose of receiving comments, remarks, and proposals about the document contents, which set forth the technical criteria necessary to properly apply the obligations provided for in the Constitution for concessionaires of free and restricted TV about the offer and retransmission of broadcasted signals.



From November 20th to December 19th, 2013, there were 32 public consultations on technical, regulatory, copyright issues, as well as general remarks. On February 4th 2014, the Radio & TV Systems Unit delivered the results of this consultation for the corresponding analysis of the Plenary.

After being notified about the agreement issued by the Thirty Second Judge of the Civil Court, which states the IFT is not qualified to order free retransmission of certain free TV channels, the Institute requested the Federal Executive Power to issue a constitutional controversy before the National Supreme Court of Justice (*Suprema Corte de Justicia de la Nación*, SCJN). As a result of this action, the Minister of the SCJN, Olga María del Carmen Sánchez Cordero, accepted to process the controversy suit and granted the suspension of the impugned actions, giving the IFT the opportunity to decide on the matter.

Therefore, during an extraordinary session celebrated on February 21st, the IFT Plenary approved, through Agreement P/EXT/IFT/210214/71, the general Guidelines to retransmit free TV signals in restricted TV systems and to publish the general responses to the remarks, opinions and insights revealed during the public consultation of the aforementioned project.

The purpose of the Guidelines issued is to regulate, within the capabilities of the Institute, the scope of the rights and obligations provided for in the Constitution regarding the retransmission of broadcasted TV signals.

With this Agreement, the Plenary decided that restricted TV concessionaires must retransmit TV signals broadcasted in the same geographical coverage area, regardless of the approval of broadcasted TV concessionaires.



Terrestrial restricted TV concessionaires are forced to retransmit the broadcasted signals of free TV concessionaires only in the same geographical coverage area for free, indiscriminately, integrally, unmodified and simultaneously, including advertisements, and with the same quality of the broadcasted signal; as for the concessionaires of satellite restricted TV, the same obligation applies, except they would only be forced to retransmit free signals that have a national coverage of 50% or more, which are identified with the following commercial names: "Canal de las Estrellas", "Canal 5", "Azteca Siete" and "Azteca Trece".

For satellite restricted TV concessionaires to be able to retransmit the free TV signals covering 50% or more of the national territory in the same geographical coverage area, the Institute website will publish and keep an updated list of the national locations where those signals are broadcasted.

As a result of the public consultation to which the Guidelines Project was submitted and, in response to the feedback received, several modifications were made on the obligation to retransmit the signal only in the same geographical coverage areas where it is transmitted, as well as the obligation to block the signals of live public events, which are not transmitted where they take place, among other modifications.

Likewise, the resolution states free TV and/or restricted TV concessionaires with the necessary authority in any telecommunications or broadcasting market.



In case the satellite restricted TV concessionaires retransmit a broadcasted signal, which is not mandatory, from a certain location, they should retransmit every other free signal in the location.

The Agreement highlights restricted TV concessionaires shall retransmit every broadcasted signal coming from federal public institutions for free, indiscriminately, integrally, unmodified, and simultaneously, including advertisements (if applicable), and with the same quality of the free signal, and must also include the multiprogramming broadcasted signals.

The federal public institutions, which up to now transmit broadcasted signals due to their own juridical nature, are: Universidad Nacional Autónoma de México, Instituto Politécnico Nacional, Organismo Promotor de Medios Audiovisuales, and Televisión Metropolitana, S.A. de C.V.

Finally, the Guidelines approved state the IFT Plenary will solve any controversy related to the application of these provisions.



The IFT is the independent body in charge of regulating, promoting and supervising the effective development of the telecomm and broadcasting sectors in Mexico, besides implementing unique economic competition capabilities in such sectors, according to the Decree through which several telecomm provisions of the Mexican Constitution (articles 6, 7, 27, 28, 94 and 105) are reformed and added, as published by the Federal Official Gazette on 11th, June 2013.

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