

Press Release
No. 43/2014

Mexico City, September 24th, 2014

**THE PLENARY OF THE IFT RESOLVED TO MODIFY THE OPEN TELEVISION
FREQUENCY BIDDING BASES TO CREATE TWO TELEVISION NETWORKS
WITH NATIONWIDE COVERAGE**

- Modifications to bidding bases are mainly looking forward to adjusting content to provisions provided for in the new Federal Telecommunications and Broadcasting Law
- Preliminary draft through which the Interconnection Electronic System is established is to be submitted for public consultation
- 15 resolutions are issued for which fines are imposed. Loss of assets for the benefit of the nation were declared, derived from the frequency operations without license or permit in broadcasting
- 11 resolutions are issued for which fines are imposed. Loss of assets in the interest of the nation were declared, resulting from the use of the radio spectrum lacking of telecommunication concession, to include the invasion of frequency bands

As of today, in ordinary session, the Plenary of the Federal Telecommunications Institute (*Instituto Federal de Telecomunicaciones, IFT*) gave its approval in respect to the *“Agreement through which public bidding bases are modified to concession the commercial use, development and exploitation of transmission channels for the public service provision of digital broadcasted television, in order to create two domestic broadcasted TV stations within the United Mexican States.”*

The approved modifications are intended to adjust the bidding process into the new demands and requirements provided for in the new Federal Telecommunications and Broadcasting Law. Among the new characteristics prescribed in the bidding basis for frequency bands of the radio spectrum, not regarded in the original bidding bases, include the need for reporting by the stakeholders: (i) The programming project to promote and include the dissemination of national, regional and local content and (ii) Review of the National Foreign Investment Commission prior favorable in those cases where foreign investment participation is involved.

Press Release

No. 43/2014

A new concession scheme is defined by the Law, in terms of broadcasting and telecommunications; hence, the sole concession model titles and radio spectrum concession model titles are included. It should be underline that the sole concession model added to be integral part of the appendix in the bases is a modern enabling and convergent title that allows rendering of any broadcasting and telecommunication service technically feasible in the domestic territory. Thus, unnecessary administrative charges will be significantly reduced, not disregarding, in any moment, the fact that concessionaires shall comply with all legal and judicial statutes prescribed in the service provision and installation of the corresponding infrastructure.

Additionally, and in strict compliance with the legal provisions, both the bases, and the frequency band model for commercial use, provide full legal certainty to stakeholders in the bidding process with respect to the expressed authorization awarded for multiprogramming transmission, subject to the fact that, same as with the other concessionaires, transmission shall comply with the guideline terms expressed by the institute.

Finally, the bidding process timetable was modified for the purpose of reducing the previously established periods in the conclusion of the process and, therefore, gets it completed within 2015 first quarter.

On the other hand, the Plenary approved the submission for public consultation of the preliminary draft through which the Interconnection Electronic System is established. Draft will be uploaded in the website of the institute for a 20 working day period for participants in this exercise to post their remarks and opinions. In the same website, a trial version of the system referred was authorized.

Press Release
No. 43/2014

In compliance with Article 129 of the Federal Telecommunications and Broadcasting Law, implementation of an electronic system for concessionaires willing to interconnect their networks implies the implementation of an IT (information technology) tool that will make this negotiation process more agile and through remote access to transmit to each other the corresponding subscription requests for interconnection agreements.

The electronic system above referred will be established both for concessionaires operating public telecommunication networks willing to interconnect with other networks via registration in the corresponding agreement, as well as for those concessionaires whose networks are interconnected and, at expiry of their agreements, new interconnection conditions with their counterparts are required.

Furthermore, the plenary of the IFT issued 11 resolutions through which fines were imposed and loss of assets in the interest and benefit of the nation were declared, with respect to operators lacking of concession or permit in matter of telecommunications. Five out of those eleven are located in the State of San Luis Potosí, SLP; two in Aguascalientes, Aguascalientes; two in Nuevo León (San Nicolás de los Garza and Monterrey), and two more in the Federal District.

It was likewise determined to impose fines and declare a loss in the interest and benefit of the nation of the assets intended for the operation of 15 radio stations that operated without concession or permit in matter of telecommunications, allocated in diverse points of the States of Puebla, Veracruz and Tabasco.

Press Release
No. 43/2014

The Federal Institute of Telecommunications (IFT) is the autonomous body entrusted with the regulation, promotion and supervision of the efficient performance of broadcasting and telecommunications sectors in Mexico, and also exercises, in exclusive manner, the authorities in matters of economic competition of such sectors pursuant to the Decree whereby several provisions of Articles 6, 7, 27, 28, 94 and 105 of the Political Constitution of the United Mexican States are amended and supplemented in telecommunications matters, published in the Federal Official Gazette on June 11th of 2013.

Media Relations Department
Insurgentes Sur 1143 1er. Piso, Col. Nochebuena,
Benito Juárez. C.P. 03720
50 15 40 21 and 50 15 42 00
www.ift.org.mx