














# AWP 2017

ANNUAL WORK PROGRAM 2017

# Contents

	<b>Acronyms and Abbreviations</b>	<b>4</b>
<hr/>		
	<b>Introduction</b>	<b>7</b>
	2.1 Priority Lines of Action, Institutional Objectives, and Strategies	11
	2.2 History of the AWP	16
<hr/>		
	<b>2017 Project Portfolio</b>	<b>20</b>
	3.1 Projects linked to Objective 1	22
	3.1.1 Strategic distribution of Projects linked to Objective 1	23
	3.2 Projects linked to Objective 2	40
	3.2.1 Strategic distribution of Projects linked to Objective 2	41
	3.3 Projects linked to Objective 3	47
	3.3.1 Strategic distribution of Projects linked to Objective 3	48
	3.4 Projects linked to Objective 4	57
	3.4.1 Strategic distribution of Projects linked to Objective 4	58
	3.5 Projects Linked to the Transverse Axis: Institutional Strengthening	67
	3.5.1 Strategic distribution of Projects linked to the Transverse Axis	68

# Contents

	<b>Studies, Analysis, and Diagnostics</b>	<b>78</b>
<hr/>		
	<b>Reports and Other Documents</b>	<b>84</b>
<hr/>		
	<b>Events, Campaigns, and Training</b>	<b>89</b>
<hr/>		
	<b>Recurring IFT Activities</b>	<b>93</b>
<hr/>		
	<b>Annex</b>	<b>95</b>
	Annex I. Strategic indicators for regulated markets	96
	Annex II. Partial Completion of Project Deliverables in 2017	100
	Annex III. Project Summary	102



# 01

## Acronyms and Abbreviations





## ANNUAL WORK PROGRAM 2017

# ACRONYMS AND ABBREVIATIONS

**4G**

Fourth generation mobile phone technologies

**AI**

Investigative Authority

**AFS**

Attended Fixed Station

**AM**

Amplitude Modulation

**APUEFB**

Annual Program for the Use and Exploitation of Frequency Bands

**AWP**

Annual Work Program

**B&T**

Broadcasting and Telecommunications

**CAP**

Common alerting protocol

**CBER**

Comprehensive Basic Education Reform

**CGCS**

Bureau of Media Relations

**CGAI**

Bureau of International Affairs

**CGMR**

Bureau of Regulatory Improvement

**CGPE**

Bureau of Strategic Planning

**CGPU**

Bureau of User Policy

**CGVI**

Bureau of Institutional Liaisons

**CONAPO**

National Population Council

**CONAPRED**

National Council on the Prevention of Discrimination

**DOF**

Federal Official Gazette

**DTT**

Digital Terrestrial Television

**FCC**

Federal Communications Commission (USA)

**FIEL**

Electronic signature provided by the Tax Administration Service

**FM**

Frequency Modulation

**FCC**

Federal Communications Commission (USA)

**GHz**

Gigahertz

**ICT**

Information and Communications Technology

**IEFS**

Integrated Electronic File System

**IET**

Infrastructure and Equipment Trust

**ICT**

Information and Communications Technology

**IFT or Institute**

Federal Telecommunications Institute

**IICS**

Internal Institutional Control System

**IML**

Information and Media Literacy

**IMT**

International Mobile Telecommunications

**INEGI**

National Institute of Statistics and Geography

**IoT**

Internet of Things

**IRSMS**

Integrated Radio Spectrum Management System

**ISEM**

Integrated Spectrum Efficiency Metrics

**ISP**

Internet Service Provider

**ITU**

International Telecommunications Union

**IUIS**

Integrated User Information System

**Mbps**

Megabits per second

**Mdp**

Millions of Mexican Pesos

**MHz**

Megahertz

**MVO**

Mobile Virtual Operators

**NDP**

National Development Plan

**NIIS**

National Infrastructure Information System

**NOM**

Official Mexican Standard

**NTFA**

National Table of Frequency Allocations

**OECD**

Organization for Economic Cooperation and Development

**OTT**

Over-the-Top apps or services that provide a product over the Internet

**PCR**

Public Concessions Registry

**PEA**

Preponderant Economic Agent

**PROFECO**

Federal Consumer Protection Bureau

**PTS**

Public Transportation System

**RCC**

Regional Control Center

**SAR**

Specific Absorption Rate

**SAT**

Tax Administration Service

**SCT**

Ministry of Communications and Transport

**SEP**

Ministry of Education

**SMP**

Substantial Market Power

**SMS**

Short Message Service

**TBL**

The Federal Telecommunications and Broadcasting Law

**TP**

Technical Provision

**T-RSEM**

Technical-Regulatory Spectrum Efficiency Metrics

**TV**

Television

**UADM**

Administration Unit

**UAJ**

Legal Affairs Unit

**UC**

Compliance Unit

**UCE**

Antitrust Unit

**UCS**

Concessions and Services Unit

**UER**

Radio Spectrum Unit

**U.S.**

The United States of America

**UHF**

Ultra-High Frequency

**UNESCO**

United Nations Educational, Scientific and Cultural Organization

**UN**

United Nations

**UPR**

Regulatory Policy Unit

**VHF**

Very High Frequency

**WRC**

World Radiocommunication Conferences



# 02

## Introduction



ANNUAL WORK PROGRAM 2017

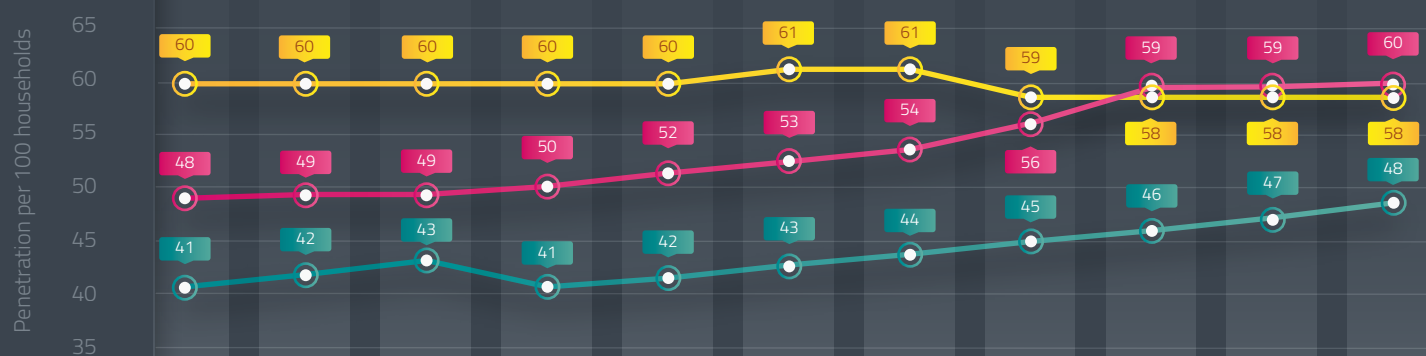
# INTRODUCTION

*Since the IFT's creation in September 2013, with the establishment of the Plenary Session and the adoption of the first Organic Statute, through December 2016, the Institute has permitted the positive evolution of the Broadcasting and Telecommunications (B&T) sectors with increased competition and a 28.9% price reduction for end users. There is a broader range of services, making telecommunications more accessible to the Mexican population while increasing the broadcast television offering, soon to be followed by more radio broadcasting offering.*

Between 2014 and September 2016, pay TV grew from 48 to 60 subscriptions per 100 households, and fixed broadband penetration increased from 41 to 48 subscriptions per 100 households, which now have improved technology and higher Internet speed. Where the proportion of connections with average speeds ranged between 10 and 100 Mbps 11% in 2013, by 2016, it included 75% of Internet connections in Mexican households and offices. Likewise, mobile telephony reached a teledensity of 90 subscriptions for every 100 inhabitants, while mobile Internet grew significantly from 30 to 58 subscriptions per 100 inhabitants (see Figure 1 and Figure 2).

FIGURE 1

## FIXED TELECOMMUNICATIONS PENETRATION PER 100 HOUSEHOLDS

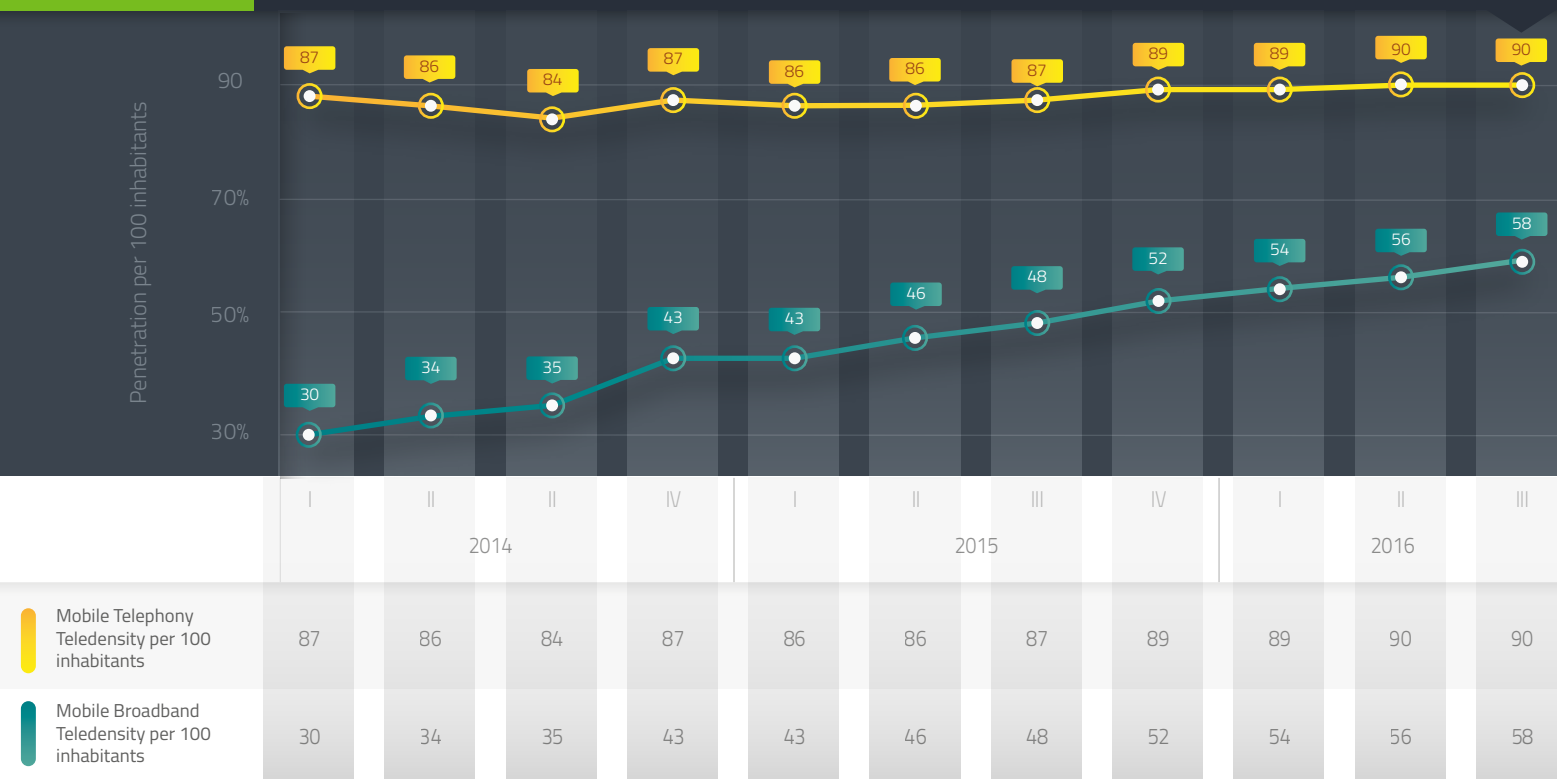


**Note:** Households used to calculate the IFT's estimated quarterly penetration based on a linear interpolation between the CONAPO annual projections.  
**Source:** IFT based on information provided by the operators, current as of September 2016, and CONAPO.



FIGURE 2

## MOBILE TELECOMMUNICATIONS TELEDENSITY PER 100 INHABITANTS



**Note:** The IFT estimated the inhabitants used to calculate quarterly Teledensity based on a linear interpolation between annual CONAPO projections  
**Source:** IFT, based on information provided by the operators, current as of September 2016, and CONAPO.

The above is the result of the implementation of a series of regulatory policies in recent years. By doing so, the Institute has worked tirelessly to develop the B&T sectors efficiently; however, the coverage deficit and improving the quality of the services offered, among others, are important short, medium, and long-term challenges.

## 2.1 Priority Lines of Action, Institutional Objectives, and Strategies

Towards the end of 2016, the Institute's Commissioners engaged in an exercise to define the priority lines of action to be carried out by the Institute in the short and medium-term looking forward to 2025. These efforts will require constant review and consolidation by the Institute, and a timely recognition of the emerging digital technologies that are profoundly changing the world, and the need to act in coordination with other government stakeholders (see Figure 3).

FIGURE 3

**PRIORITY LINES OF ACTION  
DEFINED BY THE INSTITUTE'S  
GOVERNING BOARD (VISION  
2025)**



Source: IFT

The Priority Lines of Action include:



### ***Infrastructure and Coverage***

Develop and implement a national infrastructure strategy to facilitate and streamline infrastructure deployment and the increased penetration of services designed to meet the country's communication needs until 2025, based on current obstacles to deployment that have produced an infrastructure deficit caused by slow deployment, mainly due to the administrative complexity involved in obtaining local permits. In this sense, the IFT's administrative units must work in a coordinated effort with other institutions, different branches of government, and the industry in preparing a comprehensive development program to reduce costs barriers to infrastructure deployment.

There is also need to design mechanisms to incentivize service coverage and penetration in less profitable areas; this requires identification of the administrative, financial, legal and jurisdictional tools that may contribute to that objective.



### ***Effective Competition***

A proactive approach must be adopted to detect and correct distortions to ensure effective competition without entry barriers and with access to all essential inputs, generating an increase in investments until 2025, based on a market that has witnessed higher concentration levels, anticompetitive practices, and preponderant operators.



### ***Regulatory Framework***

The IFT is carrying out an in-depth research to identify the entire regulatory burden based on old administrative provisions, in addition to those emerging from the current regulatory framework, and shall identify those that do not serve a valid purpose and should be annulled or rendered inapplicable.

Also, the regulatory framework must be simplified for the different branches of government, by applying the best practices and minimal regulatory mechanisms that are deemed essential to allow the sector to develop until the year 2025. Until 2018, this includes mapping and simplifying procedures from an inherited regulatory framework that is broad, complex, and overregulated; it still has not adapted entirely to recent constitutional and legal reform and the new service environment. Its persistent and insubstantial abundance of norms and rigidity makes oversight difficult and does not support the public interest, but does support regulatory costs for operators. The achievement of this objective requires an assessment of the current regulatory framework, mapping the procedures and identifying strategies, in coordination with the industry.



### ***Effective Compliance***

One necessary condition for the efficacy of regulation is the effective compliance of its recipients; therefore, mechanisms must be adopted to focus on the timely implementation of oversight activities and the legal authority to impose penalties, to optimize the use of available resources and to ensure their impact on the stated objectives.



### ***Convergence and Innovation***

A regulatory framework that does not include full convergence does not guarantee efficient use of the spectrum, adopts standards slowly and does not provide incentives for investment, leading to sluggish innovation rate which, although they may permit new service offerings, they do not guarantee interoperability or full convergence. Therefore, it is necessary to strengthen technological innovation and services based on open standards, platforms, environments, and applications, as well as provisions that facilitate the leveraging of network capacities and efficient spectrum use.



### ***Reliability***

Building trust to utilize and leverage Information and Communications Technologies (ICT) for all types of applications and content until 2025, especially those implying a major positive impact on economic and social aspects by all government stakeholders influencing privacy, personal information protection, network security, and end users will require intense coordination between authorities, the three levels of government, other autonomous entities, foreign authorities, industry, academics, and users as essential to fostering Mexico's digital economy.



### ***Internal Operations: Human Capital***

Key stakeholders must come together to train human capital in the relevant disciplines within the regulated sectors. They must identify coordinated mechanisms to foster training for new professionals in different ICT and economic competition disciplines through 2018, based on a deficit of human capital in certain disciplines or brain drain, calling for active participation by universities and other institutions with whom the Institute has agreements to create a prospective needs assessment.

The priority lines of action referenced above require institutional strengthening to maximize social benefits. To this end, the IFT **Strategic Planning** redefined the four institutional objectives and a Transverse Axis theme, in which the **2016 Annual Work Program (AWP)** and the current 2017 AWP are aligned with these objectives and with their respective institutional strategies (see Figure 4).

**FIGURE 4** IFT INSTITUTIONAL OBJECTIVES AND STRATEGIES

**OBJECTIVE 1.**

Promote and encourage users and target audiences to enjoy enhanced public service options at affordable prices, by promoting free trade and competition in the regulated sectors

**OBJECTIVE 2.**

Promote and encourage conditions for universal access to technologies and broadcasting and telecommunication services to maximize social welfare

**OBJECTIVE 3.**

Guarantee that the provision of broadcasting and telecommunication services to the population are consistent with international quality standards

**OBJECTIVE 4.**

Foster respect for the rights of broadcasting and telecommunication service end users and audiences

**TRANSVERSE AXIS**

Institutional Strengthening

**Strategy 1.1**

Foster the development of free trade and competition in the Broadcasting and Telecommunications (B&T) market sectors, eliminating barriers to competition

**Strategy 1.2**

Foster the entry of new competitors and plurality in the B&T market sectors, eliminating barriers to entry

**Strategy 1.3**

Manage and foster the efficient use of the radio spectrum in the B&T market sectors

**Strategy 2.1**

Encourage the coverage of B&T services in the market sector

**Strategy 2.2**

Foster the development and efficient use of infrastructure in the B&T market sectors

**Strategy 3.1**

Guarantee compliance with the quality standards defined by the IFT for the provision of services by Broadcast and Telecom Operators

**Strategy 3.2**

Improve user experiences based on the quality of the telecommunication services

**Strategy 4.1**

Foster the protection of users and audiences

**Strategy 4.2**

Empower users and audiences by providing information and education about their rights in the B&T market sectors

**Strategy T.A. 1**

Improve and systematize management of the Institute's different processes, procedures, and activities

**Strategy T.A. 2**

Encourage transparency in the Institute's processes, procedures, and activities

**Strategy T.A. 3**

Reduce the administrative burden imposed on the regulated sectors and put mechanisms for regulatory improvement in place

Source: IFT.

By doing so, all the IFT's strategic projects and activities are aligned with the institutional objectives, thus ensuring that the Institute is a modern, independent, efficient and transparent regulator, while contributing to the efficient development of the regulated sectors.

Based on current legislation, both the objectives and the institutional strategies are aligned with Goals II and IV of the 2013-2018 National Development Plan (NDP) (see Figure 5).



FIGURE 5

## ALIGNMENT WITH THE 2013-2018 NATIONAL DEVELOPMENT PLAN OBJECTIVES

2013-2018 NDP Goals

NDP GOALS:	NDP STRATEGIES	OBJECTIVES IFT INSTITUTIONAL:	IFT INSTITUTIONAL STRATEGIES:
<b>NDP GOAL II: AN INCLUSIVE MEXICO</b>  An inclusive Mexico to ensure the effective exercise of social rights of all Mexicans, that goes beyond welfarism and connects to human capital with the opportunities created by the economy within the framework of a new social productivity, bridging inequality gaps and promoting broader participation in public policy as a factor of citizenship and social cohesion	<b>NDP Strategy 2.2.4:</b>  Protect the rights of people with disabilities and contribute towards their full inclusion and development	<b>Objective 4.</b>  Foster respect for the rights of broadcasting and telecommunication service end users and audiences	<b>Strategy 4.1</b> <b>Strategy 4.2</b>
<b>NDP GOAL IV: A PROSPEROUS MEXICO</b>  A Prosperous Mexico promoting sustained productivity in a climate of sound economic stability generating equal opportunities, considering that a proper infrastructure and access to strategic inputs foster competition and allow greater capital and knowledge to flow to individuals and businesses with the greatest potential to use it. This goal also seeks to provide favorable conditions for economic development, through regulations that allow healthy competition between companies and the design of a modern economic development policy focused on generating innovation and driving growth strategic market sectors.	<b>NDP Strategy 4.7.2:</b>  Support competition in the internal market  <b>NDP Strategy 4.5.1:</b>  Promote technological development and innovation in telecommunications to expand coverage and access to push for better services and promote competition, in pursuit of cost reductions and efficiencies in Communications	<b>Objective 1:</b>  Promote and encourage users and target audiences to enjoy enhanced public service options at affordable prices, by nurturing free trade and competition in the regulated sectors.  <b>Objective 2:</b>  Promote and encourage conditions for universal access to technologies and broadcasting and telecommunication services to maximize social welfare  <b>Objective 3:</b>  Guarantee that the provision of broadcasting and telecommunication services to the population are consistent with international quality standards	<b>Strategy 1.1</b> <b>Strategy 1.2</b> <b>Strategy 1.3</b> <b>Strategy 2.1</b> <b>Strategy 2.2</b> <b>Strategy 3.1</b> <b>Strategy 3.2</b>

## Transverse Axis: Institutional Strengthening

Source: 2013-2018 National Development Plan<sup>1</sup>; IFT.

<sup>1</sup> Federal Government, 2013-2018 National Development Plan. Available at: <http://pnd.gob.mx/> (in English)

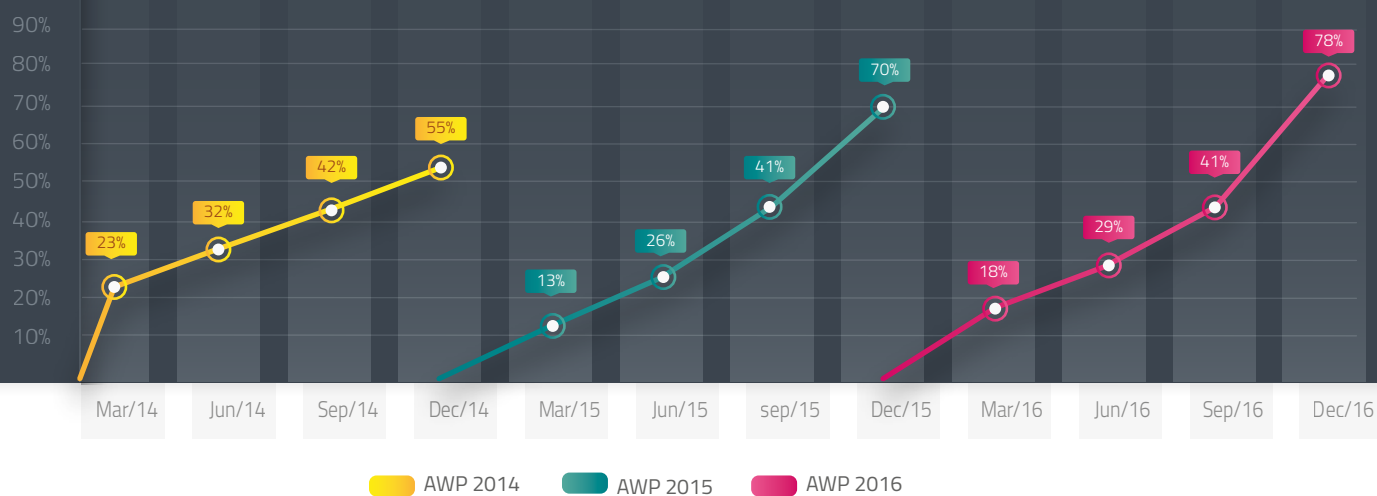
## 2.2 History of the AWP

In 2017, the IFT will continue to consolidate as an autonomous regulatory body with the highest standards playing a leading role in the region, by adopting the international best practices and the capacity to develop the right solutions for Mexico's current situation based on the principles of the rule of law, truth, impartiality, accountability, and professionalism, which have characterized the Institute since its creation.

Based on the principles of continual improvement and ongoing performance oversight, it is essential to review the history of its compliance with the different AWP since they were first published in 2014, up to 2016 (See Figure 6).

FIGURE 6

HISTORY OF QUARTERLY COMPLIANCE WITH THE AWP, 2014-2016



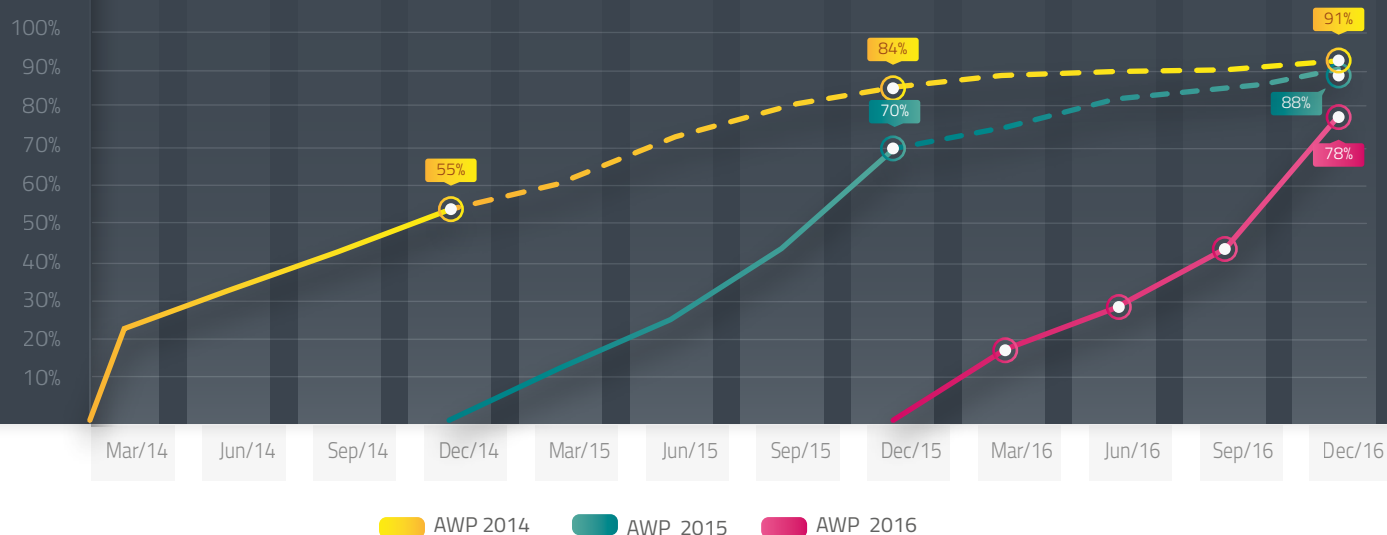
Source: IFT

Although there was a 55% rate of compliance with the 2014 AWP, it is important to note that compliance with the 2015 AWP was 70%, and with the 2016 AWP, 78%. The performance behavior observed over the past three years is inherent in a recently created institution and its progress over time is the result of improved institutional planning and execution, although there are still areas of opportunity that could improve IFT performance.

On the other hand, it is important to mention that the pending actions for each AWP have been completed in subsequent years, as seen in Figure 7. Therefore, of the total number of projects planned for 2014, nearly 91% were completed in 2015 and 2016. Likewise, of the total number of projects planned for 2015, nearly 88% were completed in 2016.

FIGURE 7

## FOLLOW-UP FOR COMPLIANCE WITH THE AWP, 2014-2016



Source: IFT

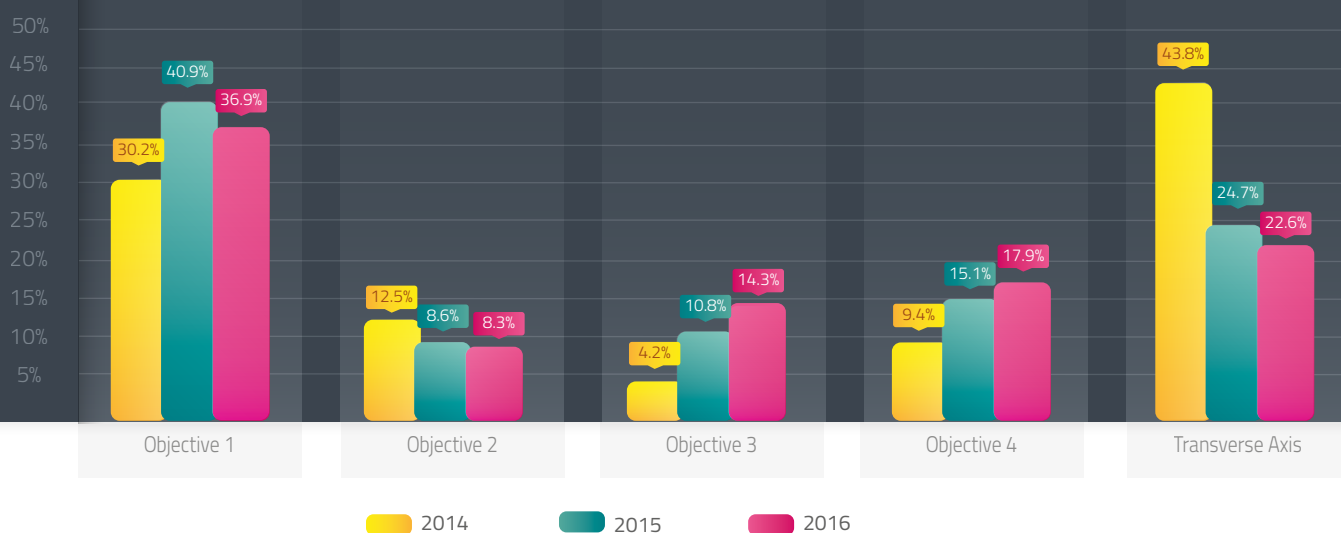
On the other hand, during the 2014 fiscal year, nearly 44% of strategic projects were aligned with IFT institutional strengthening, and 30% were aligned with encouraging free trade and competition for B&T.

Throughout 2015, Institutional Strengthening represented 25% of projects and was no longer the main priority; an increased focus on competition in the regulated sectors represented 41% of scheduled projects. Likewise, projects related to fostering respect for the rights of end users and audiences, and those related to guaranteeing service quality reflect a higher proportion of projects assigned with these institutional objectives, with 15% and 11% of the projects, respectively.

In 2016, the strategic project distribution reflected a rebalancing similar to the one observed in 2015, because although the projects aligned with Institutional Strengthening and Encouraging Competition continued to dominate, there were also more projects, compared to 2014 and 2015, related to promoting respect for the rights of end users and audiences, and guaranteeing quality in the Broadcast and Telecommunications sectors (see Figure 8).

FIGURE 8

## ALIGNMENT WITH INSTITUTIONAL OBJECTIVES IN THE 2014-2016 AWP



**Note:** **Objective 1.** Promote and encourage users and target audiences to enjoy enhanced public service options at affordable prices, by nurturing free trade and competition in the regulated sectors. **Objective 2.** Promote and encourage conditions for universal access to technologies and broadcasting and telecommunication services to maximize social welfare. **Objective 3.** Guarantee that the provision of broadcasting and telecommunication services to the population are consistent with international quality standards and **Objective 4.** Foster respect for the rights of broadcasting and telecommunication service end users and audiences. The **Transverse Axis** refers to Institutional Strengthening.

**Source:** IFT

Based on the above, and given the concentration levels of the B&T market sectors that predominated in Mexico before the 2013 constitutional reform, the Institute's strategy has been to focus on Objective 1, and specifically, on the projects that encourage free trade and competition. This focus has resulted in lower prices and increased choice, thus generating higher levels of penetration and teledensity in the different telecommunications sectors, as well as more diverse content for audiences.

Therefore, as would be expected in any recently created institution, the IFT has invested in institutional strengthening (Transverse Axis), and within a short period has proposed models for electronic management and process systematization. These models will be implemented and consolidated in 2017 and 2018 since the comprehensive strategies require greater internal coordination, and time to establish these systems.

The development of the 2017 AWP is an effort intended to provide the sector with regulatory certainty while serving as a compass to guide the Institute's labor. Therefore, this Program contains the set of strategic projects for the IFT, with goals and associated potential benefits, as well as performance indicators for each institutional objective that will measure the performance of the regulatory body.

Furthermore, in 2017 the IFT will regularly publish its Quarterly Activity Reports to disseminate progress made in this Program under the Institute's commitment to the principles of transparency, accountability and open information.

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03

## 2017 Project Portfolio



## 2017 PROJECT PORTFOLIO

The 2017 Project Portfolio comprises 66 strategic projects, 52 aligned with the strategic objectives described in the *Strategic Planning* document, and 14 directly linked to the Transverse Axis of Institutional Strengthening (see Figure 9).

FIGURE 9

### STRATEGIC PROJECT DISTRIBUTION BY INSTITUTIONAL OBJECTIVE



**OBJECTIVE 1:**

Promote and encourage users and target audiences to enjoy enhanced public service options at affordable prices, by encouraging free trade and competition in the regulated sectors.



**OBJECTIVE 2:**

Promote and encourage conditions for universal access to technologies and broadcasting and telecommunication services to maximize social welfare



**OBJECTIVE 3:**

Guarantee that the broadcasting and telecommunication services provided for the population are consistent with international quality standards.



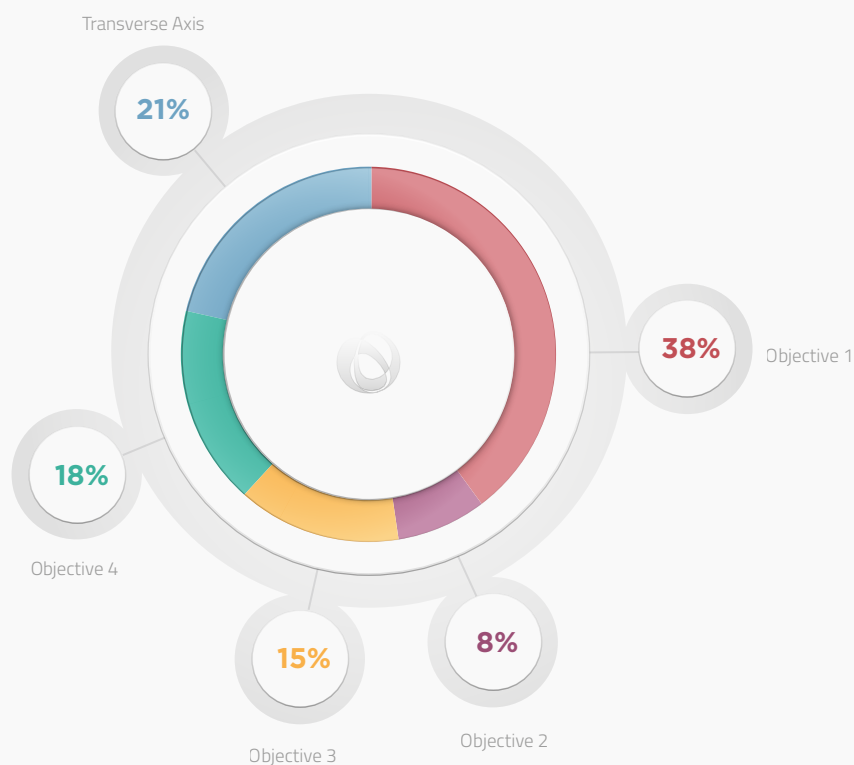
**OBJECTIVE 4:**

Promote respect for the rights of broadcasting and telecommunications service end users and audiences.



**TRANSVERSE AXIS**

Institutional Strengthening



Source: IFT

### 3.1 PROJECTS LINKED TO

# OBJECTIVE 1

PROMOTE AND ENCOURAGE USERS AND TARGET AUDIENCES TO ENJOY ENHANCED PUBLIC SERVICE OPTIONS AT AFFORDABLE PRICES, BY ENCOURAGING FREE TRADE AND COMPETITION IN THE REGULATED SECTORS.

---

OBJECTIVE 2

OBJECTIVE 3

OBJECTIVE 4

TRANSVERSE AXIS



### 3.1.1 STRATEGIC DISTRIBUTION OF PROJECTS LINKED TO

## OBJECTIVE 1

*There are 25 strategic projects in the 2017 Annual Work Program that are linked to compliance with Objective 1, with the distribution strategies shown in Figure 10.*

FIGURE 10

#### DISTRIBUTION OF STRATEGIC PROJECTS LINKED TO OBJECTIVE 1

##### Strategy 1.1.

Foster the development of free trade and competition in the Broadcasting and Telecommunications (B&T) market sectors, eliminating barriers to competition

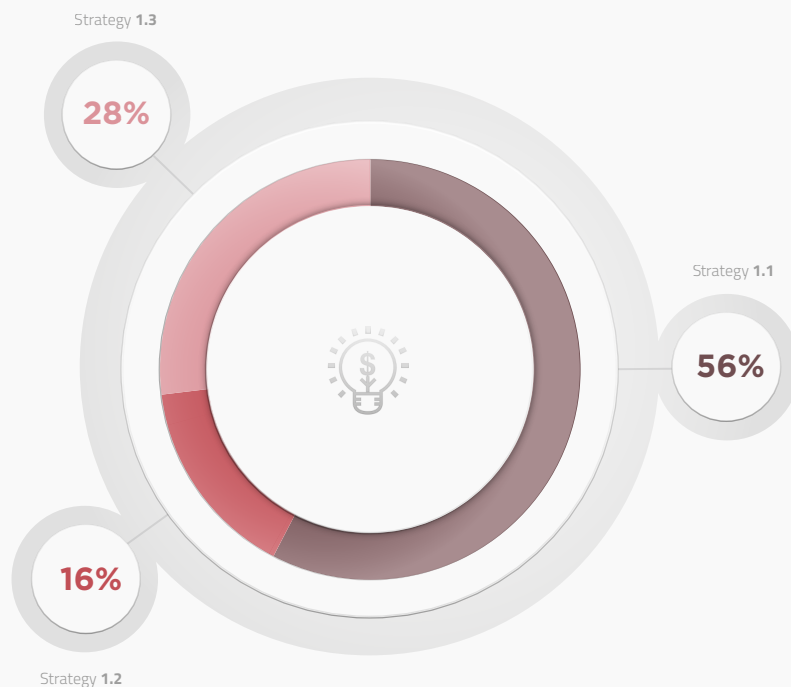
##### Strategy 1.2.

Foster the entry of new competitors and plurality in the Broadcasting and Telecommunications markets, eliminating barriers to entry

##### Strategy 1.3.

Manage and foster the efficient use of the radio spectrum in the B&T market sectors

Source: IFT



## PROJECTS LINKED TO OBJECTIVE 1

## STRATEGY

1.1.

Foster the development of free trade and competition in the Broadcasting and Telecommunications (B&T) market sectors, eliminating barriers to competition

## STRATEGY

1.2.

Foster the entry of new competitors and plurality in the Broadcasting and Telecommunications markets, eliminating barriers to entry

## STRATEGY

1.3.

Manage and foster the efficient use of the radio spectrum in the B&T market sectors

Bi-annual Evaluation of the Measures Imposed on the PEA in the Broadcast Market Sector*	25
Bi-annual Evaluation of the Measures Imposed on the PEA in the Telecommunications Market Sector*	25
Guide to Merger Regulation in the B&T market sectors*	26
Criteria used to Define Markets and Assess Effective Competition Conditions*	26
Development of Cost Models for Wholesale Services	27
Accounting separation methodology applicable to the economic agents with asymmetric or specific regulation	27
Minimum Technical Conditions and Interconnection Fees, 2018	28
Reference Offer for Access and Fixed Passive Infrastructure Sharing	28
Reference Offer for Access and Mobile Passive Infrastructure Sharing	29
Review and Analysis of the Interconnection Framework Agreements	29
Review of the Reference Offer for Marketing or Resale of Services by Mobile Virtual Operators	30
Review of the Reference Offers for Wholesale Service for Dedicated Links Leasing	30
Review and Analysis of the Reference Offer for Wholesale Service for Visiting Users	31
Traffic and Network Management Guidelines for Authorized Concessionaires and Internet Service Providers*	31



\* Projects from the 2016 AWP

The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively



## ID 01

## Bi-annual Evaluation of the Measures Imposed on the PEA in the Broadcast Market Sector\*

The preponderance resolution established certain obligations for the sector PEA in the broadcasting market sector. The asymmetric regulation imposed must be systematically reviewed. Therefore, the Institute will assess its impact regarding competition every two years, according to international best practices, to remove or modify them, or establish new measures for the companies declared as PEA in the broadcasting market sector, as applicable.

In 2016, a public consultation process was implemented to gather information, providing the Institute with a greater number of inputs and elements to analyze the effectiveness of the measures and make decisions about possible modifications, deletions, or additions. The IFT also started the PEA administrative procedure.

### POTENTIAL BENEFITS

An evaluation of the measures imposed on the PEA will permit to modify, delete or establish new measures, if necessary, to promote free trade and open competition, and thus better prices, quality and diversity of services for users; hence, the need to review the impact produced by the imposed regulations.

Area

UPR

Contributing Area

CE, UAJ, UC, UCE

2017 Goal

100%

End of project

Q1

## ID 02

## Bi-annual Evaluation of the Measures Imposed on the Predominant Economic Agent in the Telecommunications Market Sector\*

The preponderance resolution established certain obligations for the sector PEA in the telecommunications market sector, where the asymmetric regulation imposed must be systematically reviewed. Therefore, the Institute will conduct an assessment of its impact on the competition every two years, according to international best practices, to remove or modify them, or establish new measures for the companies declared as PEA in the telecommunications market, as applicable.

In 2016, a public consultation process was implemented to gather information, allowing the Institute a greater number of inputs and elements to analyze the effectiveness of the measures and to make decisions about possible modifications, deletions, or additions. The IFT also started the PEA administrative procedure.

### POTENTIAL BENEFITS

An evaluation of the measures imposed on the PEA will permit to modify, delete or establish new measures, if necessary, to promote free trade and open competition, and thus better prices, quality and diversity of services for users; hence, the need to review the impact produced by the imposed regulations.

Area

UPR

Contributing Area

CE, UAJ, UC, UCE

2017 Goal

100%

End of project

Q1

**ID 03****Guide to Merger Regulation in the B&T Market Sectors\***

The document is intended to serve as a practical guide to operators or their offices for submitting concentration notices by clarifying criteria, methods of analysis and interpretation of the rules, based on experience and precedents on the subject matter. This guide will not be legally binding for the Institute.

In December 2016, the Board of the Institute agreed to submit the Draft Guide to Merger Regulation in the B&T Market Sectors to public consultation. The consultation process will conclude on February 16, 2017.

**POTENTIAL BENEFITS**

Providing certainty to economic agents, their representatives and legal firms regarding their merger notices, which becomes even more relevant when planning high value mergers or acquisitions.

Area

**UCE**

Contributing Area

**NA**

2017 Goal

100%

End of project

Q1

**ID 04****Criteria used to Define Markets and Assess Effective Competition Conditions\***

It will define the main criteria the Institute will follow to analyze the replacement of products or services, based on supply or demand, to determine relevant markets in the B&T market sectors.

It will also define the main criteria the Institute will use to determine the existence of economic agents with substantial market power (SMP) and the existence of conditions of effective competition in different relevant market sectors.

The draft was available at the close of 2016 and shall be submitted to a public consultation process in 2017.

**POTENTIAL BENEFITS**

Provide greater certainty for the economic agents on the elements the Institute will consider in special procedures related to free and open competition looking forward, as well as on the implementation and continuity of the regulation required to ensure competition in the B&T market sectors on behalf of the users.

Area

**UCE**

Contributing Area

**AI**

2017 Goal

100%

End of project

Q2

ID 05

## Development of Cost Models for Wholesale Services

It shall develop cost models to determine the fees that apply to Dedicated Link Wholesale Services, visiting users, and the marketing or resale by Mobile Virtual Network Operators (MVNO). These models shall be used when the interested parties have not executed an agreement on the rates applying to those services.

### POTENTIAL BENEFITS

Cost Models are a tool that allows the Institute to resolve disagreements about Wholesale Services, based on international best practices that tend to promote competition among telecom operators and translate into a decisive factor for innovation and development of the telecommunications markets. A competitive market implies the existence of different service providers, where users can freely choose the concessionaires that offer them the best conditions in terms of price, quality, and diversity.

Area  
**UPR**

Contributing Area

**CGMR, CGPE, STP,  
UADM, UAJ**

2017 Goal

100%

End of project

Q2

ID 06

## Accounting Separation Methodology Applicable to the Economic Agents with Asymmetric or Specific Regulation

It shall develop the methodology, criteria, principles, and accounting separation conditions that apply to the economic agents' subject to asymmetric or specific regulation, based on international best practices and prior analysis of the accounting separation data submitted by the PEA.

The accounting separation data shall be utilized as an input to implement tariff replicability models, analyze the price cap system, and to provide feedback on the cost models used to set prices for wholesale services.

### POTENTIAL BENEFITS

It shall allow the Institute to access information that will identify risks to free trade and competition, such as cross-subsidies, unfair treatment, and other practices. Furthermore, the accounting separation data is an important input used to perfect the regulatory instruments that are implemented by the Institute and to evaluate the behavior of the economic agents over time.

Area  
**UPR**

Contributing Area

**UC**

2017 Goal

100%

End of project

Q2

ID 07

## Minimum Technical Conditions and Interconnection Fees, 2018

This project shall determine the minimum technical conditions for providing interconnection services, which will permit efficient traffic exchange between public telecommunication networks under equitable conditions and will lay the foundation for healthy competition. It shall also define the interconnection fees applicable to 2018, using a cost model developed with a focus on pure incremental costs for termination, origination, and transit interconnection services, developed along internationally recognized guidelines and by the principles described in the Costs Methodology.

### POTENTIAL BENEFITS

The regulation of interconnection rates is a regulatory policy mechanism that aims to balance the forces of competition between rival companies in the telecommunications market; that is, minimize the disadvantages resulting from the size of the network and allowing smaller companies to offer tariff plans to position themselves as competitive service providers.

Furthermore, the establishment of minimum technical conditions provides a technical framework for efficient interconnection between concessionaire networks, meeting the quality standards established by the Institute.

Area

UPR

Contributing Area

**CGMR, CGPE, STP,  
UADM, UAJ**

2017 Goal

100%

End of project

Q4

ID 08

## Reference Offer for Access and Fixed Passive Infrastructure Sharing

The PEA for the telecommunications market shall submit a proposal to the Institute for a reference offer for the access services and fixed passive infrastructure sharing, which shall be reviewed and subject to a public consultation process. The IFT may request that it be modified if it does not meet the provisions in the Fixed Measures<sup>2</sup>, or if it has been determined that it does not offer conditions that favor market sector competition. The Reference Offer shall be valid for two years, starting on January 1, 2018.

### POTENTIAL BENEFITS

The access to the PEA passive infrastructure in the telecommunications sector prevents other operators from incurring unnecessary costs associated with deploying their own infrastructure, limiting the duplication of investments. It also allows telecommunications services to be provided through alternative operators more efficiently and at lower costs, thereby fostering a more readily available range of services at lower prices, benefiting users.

Area

UPR

Contributing Area

**CGMR, STP, UAJ, UC**

2017 Goal

100%

End of project

Q4

<sup>2</sup> [http://www.ift.org.mx/sites/default/files/Annex2\\_fijas.pdf](http://www.ift.org.mx/sites/default/files/Annex2_fijas.pdf)

ID 09

## Reference Offer for Access and Mobile Passive Infrastructure Sharing

The PEA for the telecommunications market shall submit a proposal to the Institute for a reference offer for the access services and mobile passive infrastructure sharing, which shall be reviewed and subjected to a public consultation process. The IFT may request that it be modified if it does not meet the provisions established by the Fixed Measures<sup>3</sup>, or is found not to offer conditions that favor market competition. The Reference Offer shall be valid for two years, starting on January 1, 2018.

### POTENTIAL BENEFITS

The access to the PEA passive infrastructure in the telecommunications sector prevents other operators from incurring unnecessary costs associated with deploying their infrastructure, limiting the duplication of investments. It also allows telecommunications services to be provided through alternative operators more efficiently and at lower costs, thereby ensuring a more expeditious range of services at lower prices, benefiting users.

Area

UPR

Contributing Area

CGMR, STP, UAJ, UC

2017 Goal

100%

End of project

Q4

ID 10

## Review and Analysis of the Interconnection Framework Agreements

This project involves a review of the Interconnection Framework Agreements submitted by the PEA in the telecommunications market. The agreements provide concessionaires with the terms and conditions to offer the interconnection services, providing the information necessary to carry out the interconnection expeditiously, on nondiscriminatory terms and with sufficient information.

### POTENTIAL BENEFITS

The authorization of the Interconnection Framework Agreements encourages the fair and equitable provision of wholesale services, avoiding engaging in anti-competitive practices when providing them, and ensures a more expeditious range of services at lower prices, which benefit consumers. The Agreements provide concessionaires with the terms and conditions on which the interconnection services are offered, allowing them to have the information necessary to carry out the interconnection expeditiously, on nondiscriminatory terms and with sufficient information, by providing them with certainty regarding the provision of services.

Area

UPR

Contributing Area

CGMR, CGPE, STP,  
UADM, UAJ

2017 Goal

100%

End of project

Q4

3 [http://www.ift.org.mx/sites/default/files/Annex\\_1\\_moviles.pdf](http://www.ift.org.mx/sites/default/files/Annex_1_moviles.pdf)

## ID 11

## Review of the Reference Offer for Commercialization or Resale of Services by Mobile Virtual Operators

The PEA in the telecommunications market must submit a reference offer proposal for commercialization or resale of services by MVOs, which shall be reviewed, subjected to a public consultation process and, where applicable, the PEA must be modified in accordance with the Institutional requirements when it does not match the Mobile Measures<sup>4</sup>, or if it has been determined that it does not offer the market sector favorable conditions. The Reference Offer shall be valid for two years, starting on January 1, 2018.

### POTENTIAL BENEFITS

The authorization of the reference offer for commercialization or resale of services by MVOs will allow the development of competition in the mobile market sector nationwide, encouraging and facilitating the entry of new competitors that can offer all the services provided by the PEA and allow them to position themselves as a viable option for consumers.

On the other hand, it will encourage the fair and equitable provision of wholesale services, avoiding engaging in anti-competitive practices when providing them and fostering the provision of more expeditious services at lower prices.

Area

UPR

Contributing Area

**CGMR, CGPE, STP,  
UADM, UAJ**

2017 Goal

100%

End of project

Q4

## ID 12

## Review of the Reference Offers for Wholesale Service for Dedicated Leased Lines

The PEA for the telecommunications market shall submit a proposal to the Institute for a reference offer for the wholesale service for dedicated leased lines, which shall be reviewed and subjected to a public consultation process. The IFT may request that it be modified if it does not meet the provisions in the Fixed Measures<sup>5</sup>, or if it has been determined that it does not offer conditions that favor market sector competition. The Reference Offer shall be valid for two years, starting on January 1, 2018.

### Potential Benefits

The authorization of the reference offer for wholesale services for dedicated leased lines will ensure the provision of the wholesale service under non-discriminatory conditions, and at prices that encourage the efficient entry of other operators who will provide telecommunications services, guaranteeing adequate quality standards.

Area

UPR

Contributing Area

**CGMR, CGPE, STP,  
UADM, UAJ**

2017 Goal

100%

End of project

Q4

<sup>4</sup> [http://www.ift.org.mx/sites/default/files/Annex\\_1\\_moviles.pdf](http://www.ift.org.mx/sites/default/files/Annex_1_moviles.pdf)

<sup>5</sup> [http://www.ift.org.mx/sites/default/files/Annex2\\_fijas.pdf](http://www.ift.org.mx/sites/default/files/Annex2_fijas.pdf)

## ID 13

## Review and Analysis of the Reference Offer for Wholesale Service for Visiting Users

The PEA for the telecommunications market shall submit a proposal to the Institute for a reference offer for the wholesale service for visiting users, which shall be reviewed and subjected to a public consultation process. The Reference Offer shall be valid for two years, starting on January 1, 2018.

### POTENTIAL BENEFITS

This review will allow operators separate from the PEA to have greater coverage for providing telecommunications services and will encourage the fair and equitable provision of wholesale services, avoiding engaging in anti-competitive practices when providing them and fostering the provision of more expeditious services at lower prices.

Area  
**UPR**

Contributing Area

**CGMR, CGPE, STP, UADM, UAJ**

2017 Goal

100%

End of project

Q4

## ID 14

## Traffic and Network Management Guidelines for Authorized Concessionaires and Internet Service Providers\*

The trend towards increased use of data on the Internet by end users and the proliferation of "Over the Top" (OTT) service providers that sometimes compete with the services offered by the traditional operators, calls for clear rules on how networks and traffic are managed on the Internet.

In 2016, a study was concluded on network neutrality and traffic management that included an analysis of Internet market behavior in Mexico, and an analysis of the results and impact of the regulations issued in this sector around the world. Furthermore, the Draft Guidelines were prepared and shall be submitted for public consultation in 2017, thus ensuring that the justification in the final Guidelines shall be technically, financially, and legally sound.

### POTENTIAL BENEFITS

The issue of these Guidelines is intended to avoid discriminatory and/or anti-competitive practices among Internet service providers offering access to content, services, and applications. They will also ensure the protection of privacy and confidentiality of communications for end users and network security; promote efficiency and transparency in the information suppliers give consumers so they can make informed decisions and choose the services based on consumer preferences and specific needs. They will also contribute to sound open competition to preserve the minimum standards set by the Institute and promote the sustained growth of the telecommunications infrastructure by which the Internet access service is provided; and promote innovation in the content, applications, and service markets.

Area  
**UPR**

Contributing Area

**CGPU**

2017 Goal\*\*

80%

End of project

Q4

\* Projects from the 2016 AWP

\*\*To see the deliverables linked to the projects with a goal less than 100% in 2017, see [Annex II](#)

## PROJECTS LINKED TO OBJECTIVE 1

**STRATEGY****1.1.**

Foster the development of free trade and competition in the Broadcasting and Telecommunications (B&T) market sectors, eliminating barriers to competition

**STRATEGY****1.2.**

Foster the entry of new competitors and plurality in the Broadcasting and Telecommunications markets, eliminating barriers to entry

**STRATEGY****1.3.**

Manage and foster the efficient use of the radio spectrum in the B&T market sectors

IFT-4 Bidding Process. Sound Broadcasting Frequencies\* **33**

IFT-6 Bidding Process. DTT channels 174-216 MHz frequency band (VHF) and 470-608 MHz (UHF)\* **33**

IFT-5 Bidding Process, 10 MHz in the 440-450 MHz band **34**

IFT-8 Bidding Process. Sound Broadcasting Frequencies\* **34**



\* Projects from the 2016 AWP

The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively



ID 15

### IFT-4 Bidding Process. Sound Broadcasting Frequencies\*

This public tender will concession the use, development and commercial exploitation of 191 frequencies in the 88-106 MHz band with Frequency Modulation (FM) technology, and 66 frequencies in the 535-1605 kHz band using Amplitude Modulation (AM) technology to provide public sound broadcasting services, in response to the 2015 APUEFB and its amendments issued by the Institute.

At the close of 2016, the Bidding Process was in the evaluation and ruling stage for the records of involvement. The Bidding Process is expected to conclude in July 2017.

#### POTENTIAL BENEFITS

The increase in sound broadcasting services in Mexico offers greater programming diversity for end users, and concessionaires are encouraged to use technologies that improve the quality of public broadcasting services, since the non-economic elements in the bidding process offer a 3% (three percent) incentive for points in the installation of hybrid transmission (analog/digital) FM stations under the IBOC (In-band on-channel) standard, as well as an incentive of 15% (fifteen percent) in points for new market competitors, applicable to both bidding processes.

Area

UER

Contributing Area

**CGCS, STP, UADM,  
UAJ, UCE, UCS**

2017 Goal

100%

End of project

Q3

ID 16

### IFT-6 Bidding Process. DTT channels 174-216 MHz frequency band (VHF) and 470-608 MHz (UHF)\*

The purpose of this public tender is to concession the use, development and commercial exploitation of transmission channels to provide Digital Terrestrial Television (DTT) services in the 174-216 MHz frequency band (Very High Frequency or VHF) and 470 -608 MHz (UHF or Ultra-High Frequency); the procedure includes 148 transmission channels, including at least 123 channels that were not allocated in the IFT-1 bidding process for the two national digital broadcast television networks.

On November 25, 2016, the Invitation to Tender and bidding guidelines were published; the bidding process is expected to conclude in December 2017 with the issuing of the corresponding concession titles.

#### POTENTIAL BENEFITS

The allocation of new DTT channels will increase competition in broadcast television and provide new content alternatives for viewers with digital quality. It will also be able to create conditions to improve coverage and service penetration, resulting in a benefit for the rights of users and audiences. The advertising market will also benefit with new alternatives for advertisers, especially for those who operate regionally or locally within Mexico.

Area

UER

Contributing Area

**STP, UADM, UAJ,  
UCE, UCS**

2017 Goal

100%

End of project

Q4

ID 17

### IFT-5 Bidding Process, 10 MHz in the 440-450 MHz band

The bidding process for the 10 MHz that are available in the 440-450 MHz band is intended to make the radio spectrum frequencies available to the market for services providing capacity for private radiocommunication systems and will issue concession titles for their use, development, and exploitation.

At the close of 2016, the document with the preliminary bidding rules was in development to initiate a Public Opinion process in 2017. The document will take into consideration the comments received during a previous public opinion process held during the third quarter of 2016 to gather relevant information used in the bidding rules project.

#### POTENTIAL BENEFITS

Contribute to the creation of greater infrastructure to expand coverage and improve the quality of radiocommunication services by awarding the spectrum to provide capacity to third parties; drive efficiency in the use and operation of the radio spectrum focused on offering users the maximum benefit of the services and removing barriers to competition; and generate an alternative mechanism that contributes to rearrangement of the band.

Area

UER

Contributing Area

**STP, UADM, UAJ,  
UCE, UCS**

2017 Goal\*\*

70%

End of project

Q4

ID 18

### IFT-8 Bidding Process. Sound Broadcasting Frequencies\*

The public tender is to concession the use, development and commercial exploitation of 42 frequencies in the 88-108 MHz band using Frequency Modulation (FM) technology, and 11 frequencies in the 535-1705 kHz band using Amplitude Modulation (AM) technology for the provision of public sound broadcasting services, in response to the 2016 APUEFB and its amendments issued by the Institute.

At the close of 2016, the document with the preliminary bidding rules was in development to initiate a Public Opinion process in 2017. The bidding process is expected to begin in the last quarter of 2017, once the IFT-4 Bidding Process with 257 sound broadcasting frequencies is underway.

#### POTENTIAL BENEFITS

Increase sound radio broadcasting services in Mexico and competition in the market sector. It will also serve to increase the options for access to content and their diversity.

Area

UER

Contributing Area

**STP, UADM, UAJ,  
UCE, UCS**

2017 Goal\*\*

30%

End of project

Q4

\* Projects from the 2016 AWP

\*\*To see the deliverables linked to the projects with a goal less than 100% in 2017, see [Annex II](#)

## PROJECTS LINKED TO OBJECTIVE 1

### STRATEGY

**1.1.**

Foster the development of free trade and competition in the Broadcasting and Telecommunications (B&T) market sectors, eliminating barriers to competition

### STRATEGY

**1.2.**

Foster the entry of new competitors and plurality in the Broadcasting and Telecommunications markets, eliminating barriers to entry

### STRATEGY

**1.3.**

Manage and foster the efficient use of the radio spectrum in the B&T market sectors

Update of the National Table of Frequency Allocations (NTFA)*	36
Definition of Technical-Regulatory Spectrum Efficiency Metrics (T-RSEM) and Their Implementation Methodology*	36
Spectrum Negotiation Protocol Concerning the Use of the 2.5 GHz band on the border with the United States (USA)*	37
Spectrum Negotiation Protocol Concerning the Use of the 700 MHz band on the border with the United States (USA)*	37
2018 Annual Program for the Use and Exploitation of Frequency Bands (APUEFB)	38
Project to Expand and Reinforce the National System of Radio Spectrum Oversight	38
IFT-7 Bidding Process. Up to 130 MHz in the 2500-2690 MHz frequencies band*	39



\* Projects from the 2016 AWP

The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 19

## Update of the National Table of Frequency Allocations (NTFA)\*

Based on the results of the 2015 World Radiocommunication Conference, the NTFA will be updated to provide the telecommunications and broadcasting industry with current information on the use of the radio spectrum in Mexico.

This project will conclude in February 2017, as scheduled in the 2016 AWP. In 2016, the draft of the NTFA update was prepared for submission to a public consultation process, which concluded on December 9, 2016, with 67 comments received.

### POTENTIAL BENEFITS

Provide the public with updated information on the contributions, use and planning for frequency bands at the national level for radiocommunication services, through an agile, updated and efficient consultation instrument. This serves to provide clarity on the use that can be given to each frequency band, based on the latest regulatory and technological changes.

Area  
**UER**

Contributing Area

**STP, CGMR**

2017 Goal

100%

End of project

Q1

ID 20

## Definition of Technical-Regulatory Spectrum Efficiency Metrics (T-RSEM) and Their Implementation Methodology\*

In 2015, a [study on spectrum efficiency metrics](#) was carried out to identify spectrum use in Mexico and to define the elements that comprise part of the spectrum efficiency metrics, as well as the measurement methodologies that allow them to be quantified.

In 2016, the results of that study were analyzed, with the resulting identification of technical data elements that were essential to determining the degree of efficiency in spectrum use. It also identified additional non-technical elements that influence the efficiency of the spectrum is used to provide B&T services. Additional in-depth analysis is required to determine whether their objective quantification is feasible.

Therefore, given their importance, the intention is to evaluate the feasibility of these metrics and their application based on current Mexican legislation and approach the assessment of efficient spectrum use from a comprehensive perspective that includes all elements, in addition to the strictly technical elements included in the Technical-Regulatory Spectrum Efficiency Metrics (T-RSEM). Eventually, a Comprehensive Spectrum Efficiency Metric (CSEM) that identifies additional elements, including economic and public policy elements, would support the establishment of the CSEM for its implementation in the identified services.

### POTENTIAL BENEFITS

Give the Institute a set of objective considerations based on a methodology used to calculate, quantify, assess, compare, and monitor the objective of making the degree of efficient spectrum use observable; they may be applied in general to concessionaires for certain B&T services. Therefore, the Institute will be able to apply the measures that ensure that the concessioned spectrum resources are used efficiently.

Furthermore, the application of the metrics will keep the allocated spectrum from falling into disuse or being underutilized, and produce a positive increase in the services provided by improving existing public B&T services in terms of coverage, quality, and the introduction of more efficient technologies in spectrum use.

Area  
**UER**

Contributing Area

**CGMR, STP, UAJ, UPR**

2017 Goal

100%

End of project

Q4

**ID 21**

### Spectrum Negotiation Protocol Concerning the Use of the 2.5 GHz band on the border with the United States (USA)\*

Negotiations between the Mexican and U.S. Administrations are intended to make the necessary adjustments regarding protocol agreements for the 2.5 GHz band to establish the spectrum sharing mechanisms and the operating parameters applicable to mobile broadband services to enable coexistence of the services provided by both countries and equitable use of the spectrum of the 2.5 GHz band on the common Mexico-U.S. border, replacing the current agreement for said band between Mexico and the U.S.

In 2016, both countries held bilateral talks to discuss the use of the 2.5 GHz band in the common border area. Thus, in coordination with the SCT, the IFT submitted a proposal to the United States in September 2016 for a new Protocol for the efficient and equitable use of the 2.5 GHz band in the common border area, to move the negotiations forward the next year.

The objective of continued progress in negotiations with the United States in 2017 is to agree to adopt a new bilateral instrument for the 2.5 GHz band toward the close of that year.

#### POTENTIAL BENEFITS

Guarantee that the quality of the services does not deteriorate because of harmful interference from foreign systems in operation. Also, contribute to meeting the Institute's objectives, in particular, those related to effectively regulating and supervising use and operation of radio spectrum in a timely manner.

Area  
**UER**

Contributing Area  
**UPR, CGAI**

2017 Goal

100%

End of project

Q4

**ID 22**

### Spectrum Negotiation Protocol Concerning the Use of the 700 MHz band on the border with the United States (USA)\*

Negotiations between the Mexican and U.S. Administrations, as appropriate, are intended to make the necessary adjustments regarding protocol agreements for the 700 MHz band to establish technical criteria and conditions of use of the 698-806 MHz band that favor equitable sharing and use of the band considering current and future services telecommunications in each country, so they operate without harmful interference on Mexico's northern border and provide the appropriate mechanisms needed to ensure their technical coordination.

In 2016, both countries held bilateral talks to discuss the shared use of the 700 MHz band in the common border area. In September 2016, the IFT, in coordination with the SCT, submitted a proposed amendment to the Protocol to the U.S. Administration for review and discussion. Negotiations between the two countries are expected to continue in 2017 to reach an agreement on the adoption of the amendments to the Protocol by year-end.

#### POTENTIAL BENEFITS

Ensure proper operation of the wholesale network shared on the border with the United States, and maximize use of the 700 MHz band for mobile services in the shared Mexico-U.S. area without harmful interference.

Area  
**UER**

Contributing Area  
**UPR, CGAI**

2017 Goal

100%

End of project

Q4

ID 23

## 2018 Annual Program for the Use and Exploitation of Frequency Bands (APUEFB)

The annual APUEFB program is a programmatic tool the Institute uses to announce spectrum frequencies or frequency bands that are the object of bidding process or that can be directly allocated to a given concessionaire. The program also contains the deadlines for submission of the applications for the public and social use concessions for the provision of public B&T services.

### POTENTIAL BENEFITS

The issuance of the APUEFB is expected to contribute to the creation of better infrastructure to expand coverage and improve the quality of public B&T services. This inclusion is conducive to driving efficiency in the use and operation of the radio spectrum making sure that it focuses on offering the highest benefit to service users at the lowest possible cost, and respond to demand, coverage and quality needs.

Area

UER

Contributing Area

STP, UC, UCS, UMCA,  
UPR

2017 Goal

100%

End of project

Q4

ID 24

## Project to Expand and Reinforce the National System of Radio Spectrum Oversight

Currently, the Institute has a Regional Control Center (RCC) in Mexico City, an Attended Fixed Station (AFS), 30 radio monitoring mobile stations equipped with portable measurement equipment, and 61 people trained to carry out the different radio monitoring activities throughout Mexican territory. The purpose of this project is to continue to expand and reinforce the National System of Radio Spectrum Oversight. To this end, 6 RCC were established with oversight points for the radio spectrum in strategic areas nationwide.

### POTENTIAL BENEFITS

The expansion above is expected to quickly and expeditiously address the requests for radio monitoring work and interference reports. It is expected to save at least 30% of the economic resources allocated for travel and other expenses related to the assignments and will monitor the frequencies allocated to civil and commercial aviation security, railway systems, and maritime navigation on an ongoing basis in strategic areas of the country to prevent unlawful use of those frequencies.

Area

UC

Contributing Area

UADM

2017 Goal\*\*

20%

End of project

Q4

ID 25

### IFT-7 Bidding Process. Up to 130 MHz in the 2500-2690 MHz frequencies band\*

This Public Bidding Process is expected to issue concessions for the use, development and commercial exploitation of 130 MHz of radio spectrum available in the 2500-2690 MHz frequencies band for mobile wireless access services.

In 2016, preparations were made to start working on a specialized study on the situational analysis of the industry and the impact of the Wholesale Shared Network. On that basis, a proposed strategy and design for the mechanism for the Receipt of Tenders Procedure for that Bidding Process is expected to be in place no later than the second quarter of 2017, so that the process may initiate during the third quarter of that year.

#### POTENTIAL BENEFITS

Expand the spectral availability for broadband services, so that both established concessionaires and new entrants have sufficient amounts of the nationwide spectrum for deployment of next generation mobile networks. This will serve to continue to expand the coverage and especially the capacity of mobile services, particularly access to mobile broadband while providing service with higher data transfer speeds for end users.

Area

UER

Contributing Area

**CES, STP, UADM,  
UAJ, UCE, UCS**

2017 Goal\*\*

50%

End of project

Q4

\* Projects from the 2016 AWP

\*\*To see the deliverables linked to the projects with a goal less than 100% in 2017, see [Annex II](#)



### 3.2 PROJECTS LINKED TO

## OBJECTIVE 2

PROMOTE AND DRIVE CONDITIONS FOR UNIVERSAL ACCESS TO TECHNOLOGIES AND BROADCASTING AND TELECOMMUNICATION SERVICES TO MAXIMIZE SOCIAL WELFARE.

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OBJECTIVE 1

OBJECTIVE 3

OBJECTIVE 4

TRANSVERSE AXIS





3.2.1 STRATEGIC DISTRIBUTION OF PROJECTS LINKED TO

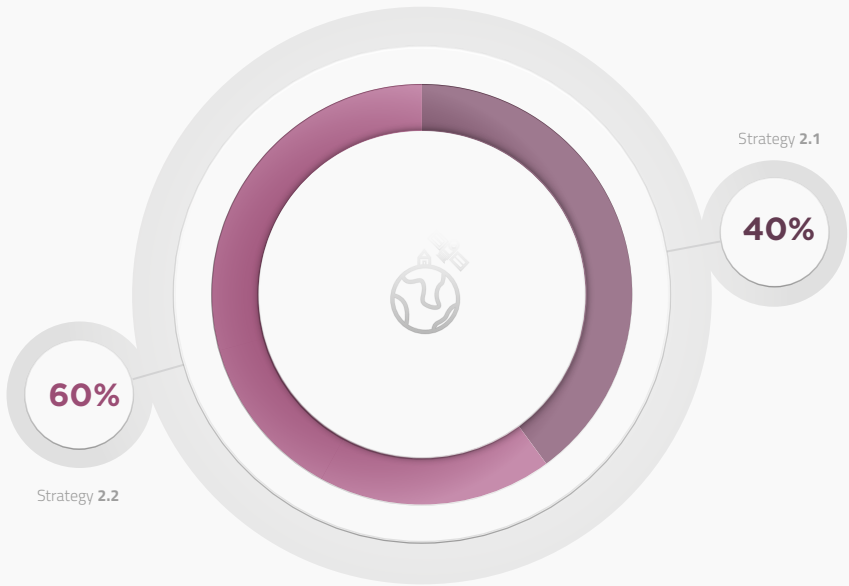
# OBJECTIVE 2

*The 2017 Annual Work Program includes five strategic projects to meet Objective 2, with the strategies distributed as follows*

FIGURE 11

DISTRIBUTION OF  
STRATEGIC PROJECTS  
LINKED TO OBJECTIVE 2

- Strategy 2.1.**  
Encourage the coverage of B&T services in the market sector
- Strategy 2.2.**  
Foster the development and efficient use of infrastructure in the B&T market sectors



Source: IFT

PROJECTS LINKED TO OBJECTIVE 2

STRATEGY

2.1.

Encourage the coverage of B&T services in the market sector

Dissemination and Outreach Program for Granting New Public and Social Concessions\* 43

Identification of IMT spectrum needs between 24.25 GHz and 86 GHz en Mexico 43

STRATEGY

2.2.

Foster the development and efficient use of infrastructure in the B&T market sectors



\* Projects from the 2016 AWP  
The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 26

## Dissemination and Outreach Program for Granting New Public and Social Concessions\*

Provide information to the public to promote public broadcasting and telecommunication services in obtaining frequency bands for public or social use from the availability established in the APUEFB, and provide advice on the normative requirements established to this end. Information will also be provided to holders of concession titles for social community use or for indigenous social use in terms of the requirements that must be met for various technical and legal authorization procedures linked to the purpose of their concessions. At the close of 2016, the Program was under review for publication during the first quarter of 2017.

### POTENTIAL BENEFITS

Promote conditions to attract a higher number of stakeholders to apply for frequencies for public or social use; promote efficient use of the radio spectrum and plurality in the broadcasting and telecommunications markets; promote the legal use of the frequency bands for all interested parties who want to obtain a concession in terms of the law and obtain objective parameters regarding the efficient allocation of frequencies for public and social use. Other benefits include facilitating compliance by the concessionaires for community public use or for indigenous public use with the requirements related to the technical and legal authorizations to properly render public broadcasting services in the authorized locations.

Area

UCS

Contributing Area

NA

2017 Goal

100%

End of project

Q1

ID 27

## Identification of IMT spectrum needs between 24.25 GHz and 86 GHz in Mexico

During the 2019 World Radiocommunication Conference (WRC-19), one of the topics for discussion is the possible additional allocations to mobile service on a primary basis, as well as the possible identification of frequency bands that are conducive to International Mobile Telecommunications (IMT) between the frequency ranges of 24.25 GHz and 86 GHz. Based on the above, it is essential for the Institute to gather inputs from the industry, academia, and other parties interested in the field through a public consultation process to develop an institutional position before the 2019 WRC that reflects the country's needs, the international environment, and current legislation. On the other, identify areas of opportunity to anticipate future demand for services for mobile broadband applications in the country. When the public consultation process has concluded, the comments, opinions, and contributions shall be published on the Institute website.

### POTENTIAL BENEFITS

Prepare the regulatory environment to provide mobile broadband services to final users in a timely manner, generate opportunities for future radio spectrum bidding processes for IMT services, encourage access to the radio spectrum for applications used in the Internet of Things (IoT), and permit the introduction of the 5G environment and next generation technologies based on the national interest.

Area

UER

Contributing Area

STP

2017 Goal

100%

End of project

Q4

PROJECTS LINKED TO OBJECTIVE 2

STRATEGY

2.1.

Encourage the coverage of B&T services in the market sector

STRATEGY

2.2.

Foster the development and efficient use of infrastructure in the B&T market sectors

Updating the Basic Technical Numbering Plan to change National Telephone dialing to 10 digits*	45
Guidelines for B&T Infrastructure Deployment*	45
Guidelines for establishment of the National Infrastructure Information System (NIIS)*	46



\* Projects from the 2016 AWP  
The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 28

## Updating the Basic Technical Numbering Plan to change National Telephone dialing to 10 digits\*

The issue of the new Fundamental Technical Numbering and Signaling Plans, including amendments to the regulatory framework, aims to ensure the availability of numerical resources for all Telecommunications Service Providers, among others, establishing simpler and standardized procedures for users (ten-digit numbers removing all prefixes), the establishment of new geographical areas for number resource administration purposes, physical consolidation of Local Service Areas, modifying formats to exchange Number B<sup>6</sup> digits in signals between public telecommunications networks, and the review and, where necessary, the update of procedures and criteria for the allocation and management of numbering resources by the Institute.

In 2016, the draft was prepared and subjected to a public consultation process, and the final project will be developed in 2017 based on the comments received.

### POTENTIAL BENEFITS

Ensure the availability of geographic numbers in Mexico; establish simpler and homogeneous dialing procedures; simplify procedures at the Institute for assigning numerical and signaling resources; improve the management of number and signaling resources and have detailed information on the use of the numbering and signaling resources assigned.

Area  
**UCS**

Contributing Area

**UPR, UAJ, CGMR,  
CGCS, CGPU, UADM**

2017 Goal

100%

End of project

Q1

ID 29

## Guidelines for B&T Infrastructure Deployment\*

The issue of guidelines will contribute to an efficient infrastructure deployment, promoting the optimal use of resources through measures that encourage the sharing of existing resources.

A public consultation process was carried out in 2016, and the final version of the project will be developed in 2017, taking into consideration the comments received, to strengthen the project and submit it to the Board of the Institute for approval.

### POTENTIAL BENEFITS

Lower investment requirements and transaction costs for concessionaires, which is reflected in lower barriers to market entry, as well as incentives for greater deployment of infrastructure in areas that are currently under-served.

Area  
**UPR**

Contributing Area

**NA**

2017 Goal

100%

End of project

Q1

\* Projects from the 2016 AWP

<sup>6</sup> Telephone number that identifies the call destination.

ID 30

## Guidelines for establishment of the National Infrastructure Information System (NIIS)\*

Guidelines will be issued to set deadlines and terms, as well as rules on the delivery of information by concessionaires, official agencies at the federal, state, municipal and Mexico City levels and autonomous entities to create the National Infrastructure Information System (NIIS).

A public consultation process was concluded in October 2016, and the final version of the project will be developed by taking into consideration the comments received, in order to strengthen the project and submit it to the Board of the Institute for approval.

### POTENTIAL BENEFITS

These guidelines will serve as the legal instrument by which the Institute will create the SNII providing complete and reliable information used as a tool to promote infrastructure sharing and encourage its orderly deployment. It will also be used to measure market sector progress.

Area

UPR

Contributing Area

CGPE, UCS

2017 Goal

100%

End of project

Q1

\* Projects from the 2016 AWP

### 3.3 PROJECTS LINKED TO

# OBJECTIVE 3

GUARANTEE THAT THE BROADCASTING AND TELECOMMUNICATION SERVICES PROVIDED FOR THE POPULATION ARE CONSISTENT WITH INTERNATIONAL QUALITY STANDARDS.

---

OBJECTIVE 1

OBJECTIVE 2

OBJECTIVE 4

TRANSVERSE AXIS



### 3.3.1 STRATEGIC DISTRIBUTION OF PROJECTS LINKED TO

## OBJECTIVE 3

*There are ten strategic projects in the 2017 Annual Work Program that are linked to compliance with Objective 3, with the distribution strategies shown below.*

FIGURE 12

#### DISTRIBUTION OF STRATEGIC PROJECTS LINKED TO OBJECTIVE 3

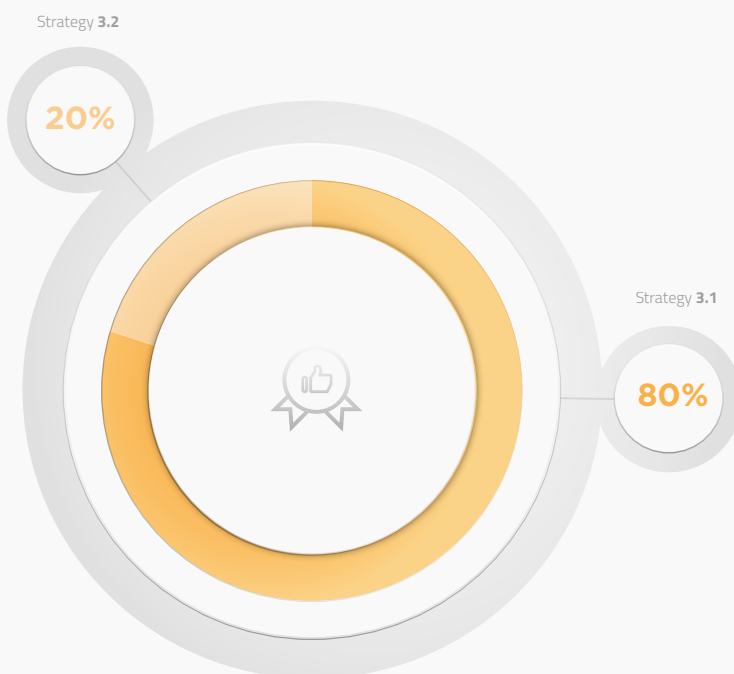
##### Strategy 3.1.

Guarantee compliance with the quality standards established by the IFT for the provision of services by broadcast and telecommunications operators.

##### Strategy 3.2.

Improve user experiences about the quality of the telecommunication services.

Source: IFT





## PROJECTS LINKED TO OBJECTIVE 3

## STRATEGY

3.1.

Guarantee compliance with the quality standards established by the IFT for the provision of services by broadcast and telecommunications operators.

## STRATEGY

3.2.

Improve user experiences about the quality of the telecommunication services.

Guidelines for Accreditation of Broadcasting and Telecommunications Experts*	50
Guidelines setting the Indexes and Quality Parameters for Mobile Service Providers*	50
Technical Provision IFT-007-2016 Maximum exposure limits for humans to non-ionizing electromagnetic radiofrequency radiation in the 100 kHz to 300 GHz range, in the radiocommunication station environment*	51
Technical Provision IFT-012-2016. Technical specifications for compliance with the maximum limits for non-ionizing radioelectric emissions for the products, equipment, devices or apparatus used in telecommunications that may be linked to a telecommunications network and/or utilize the radioelectric spectrum. Specific Absorption Rate	51
Conformity Assessment Procedure*	52
Technical Provision IFT-011-2017. Specifications for mobil terminal equipment that use the radio spectrum and are connected to public telecommunications networks	53
Guidelines Establishing Quality Indexes and Parameters for Fixed Service Providers*	54
Guidelines Establishing Broadband Parameters for Internet Access Providers	54



\* Projects from the 2016 AWP

The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 31

### Guidelines for Accreditation of B&T Experts\*

These will establish the requirements, deadlines, and terms to certify broadcasting and telecommunications experts so they can contribute to the product, equipment, devices or apparatus standardization procedures for broadcasting and telecommunication services that can be connected to a telecommunication network, and/or use the radio spectrum.

During the second quarter of 2016, the public consultation process for the draft was concluded, and the final project shall be submitted to the Board of the Institute for approval during the first quarter of 2017.

#### POTENTIAL BENEFITS

It will provide an instrument that gives legal certainty to those applying for expert accreditations and establishes a policy framework on the subject matter. Given the high degree of specialization, technical complexity and rapid technological development in the broadcasting and telecommunications sectors, it is essential to establish guidelines with the appropriate mechanisms to evaluate the performance of competent specialists in the subject matter.

Area

UPR

Contributing Area

UAJ

2017 Goal

100%

End of project

Q1

ID 32

### Guidelines setting the Indexes and Quality Parameters for Mobile Service Providers\*

Set the rates and quality of service parameters to be met by mobile service providers, as well as the methodology used to measure the established parameters. When the guidelines are issued, existing legislation may be adjusted for new services to match current technology.

At the close of 2016, the final project was under review and will be submitted to the Board of the Institute for approval during the first quarter of 2017.

#### POTENTIAL BENEFITS

Ensure the provision of quality mobile service under the terms established by the Institute to this end. Eliminate information asymmetries and empower end users so they may make informed decisions.

Area

UPR

Contributing Area

NA

2017 Goal

100%

End of project

Q1

ID 33

### Technical Provision IFT-007-2016 Maximum exposure limits for humans to non-ionizing electromagnetic radiofrequency radiation in the 100 kHz to 300 GHz range, in the radiocommunication station environment\*

The Technical Provision (TP) shall establish the maximum exposure limits for humans to non-ionizing electromagnetic radiofrequency radiation in the radiocommunication station environment, and the testing methods used to evaluate compliance. This shall ensure that, in areas of exposure to electromagnetic fields produced by the operation of radiocommunication stations, where members of the general public may be found, the maximum exposure limits shall not be exceeded in the 100 kHz to 300 GHz frequency range.

The decision was made to subject this TP to a new public consultation process, which began on December 13, 2016, and shall be held for 40 business days, concluding on February 21, 2017.

#### POTENTIAL BENEFITS

Provide legal certainty regarding the assessment procedures in accordance with this TP and encourage the deployment and operation of wireless infrastructure, in response to the growing concern of the population regarding the proliferation of facilities for radiocommunication stations that generate electromagnetic fields, as the result of accelerated technological development in the B&T field.

Area  
**UPR**

Contributing Area  
**UAJ, UCS**

2017 Goal

100%

End of project

Q2

ID 34

### Technical Provision IFT-012-2016. Technical specifications for compliance with the maximum limits for non-ionizing radioelectric emissions for the products, equipment, devices or apparatus used in telecommunications that may be linked to a telecommunications network and/or utilize the radioelectric spectrum. Specific Absorption Rate (SAR)

The Technical Provision (TP) shall establish the maximum exposure limits for humans to non-ionizing electromagnetic radiofrequency radiation measured in the head and body, through the Specific Absorption Rate (SAR) in the 30 MHz to 6 GHz range, and the corresponding procedure to measure compliance in wireless communication devices. The TP will ensure that fixed and mobile wireless communication devices that are connected to the radio spectrum and/or that are connected to a public telecommunications network, and that are used close to the head, especially in the ear or on the human body or within at least 20 cm of it, do not exceed the basic limits on maximum exposure, especially the SAR values in the head or body, in the 30 MHz to 6 GHz range.

The decision was made to subject this TP to a new public consultation process, which began on December 13, 2016, and shall be held for 40 business days, concluding on February 21, 2017.

#### POTENTIAL BENEFITS

The issuance of the technical specifications, in accordance with international law, to comply with the limits shall support oversight measures regarding radioelectric emissions through the standardization procedure for products, equipment, devices or apparatus used in telecommunications on the radio spectrum, in accordance with the Institute powers in terms of radio spectrum management to benefit users.

Area  
**UPR**

Contributing Area  
**UAJ, UCS**

2017 Goal

100%

End of project

Q3

ID 35

## Conformity Assessment Procedure\*

The Institute will establish a clear and expeditious procedure under its new technical regulatory framework, to carry out a standardized and effective conformity assessment procedure of the different Technical Provisions published by the Institute.

### POTENTIAL BENEFITS

The simplification of the conformity assessment procedure will encourage the standardization of products designed for B&T, grant legal certainty for users regarding compliance for the products they acquire; promote the adoption of the best technological standards and measures to protect intellectual property and help to raise quality standards for services, to make them more efficient for the population.

Area

UPR

Contributing Area

UAJ, UCS

2017 Goal

100%

End of project

Q3

\* Projects from the 2016 AWP

ID 36

## Technical Provision IFT-011-2017 Specifications for mobile terminal equipment that use the radio spectrum and are connected to public telecommunications networks

The TP IFT-011-2017 will establish the set of technical parameters and testing methods to be met by all mobile terminal equipment that uses the radio spectrum and is connected to public telecommunications networks. It has two sections: one related to the IMEI and the FM receiver, while the second shall contain the remaining technical requirements.

Section 1: Specifications for mobile terminal equipment that use the radio spectrum and are connected to public telecommunications networks.

Establishes the specifications regarding the International Mobile Terminal Equipment Identity (IMEI), and the requirement to unblock Frequency Modulation (FM) receiver functionality for Mobile Terminal Equipment that uses the radio spectrum and is connected to a telecommunications network; and the testing methods to assess compliance with these specifications and requirements. It is important to mention that the public consultation process was held from July 15 to August 25, 2016.

### POTENTIAL BENEFITS

Establishes the specifications regarding the International Mobile Terminal Equipment Identity (IMEI), and the requirement to unblock Frequency Modulation (FM) receiver functionality for Mobile Terminal Equipment that uses the radio spectrum and are connected to a telecommunications network; and the testing methods to assess compliance with these specifications and requirements. On the other hand, the mobile equipment terminals may be unequivocally identified, and may be blocked when they are reported stolen or missing; in cases of emergency or disaster, when mobile service networks may stop working, smartphones will be able to receive notifications about those situations and keep the population informed. Finally, if the Mobile Equipment Terminal has the FM receiver functionality, users may enjoy free radio content (without using their mobile data plan). It is expected to be issued during the first quarter of 2017.

Section 2: Specifications for mobile terminal equipment that use the radio spectrum and are connected to public telecommunications networks

Establish the set of technical parameters and testing methods to be met by all mobile terminal equipment that uses the radio spectrum or is connected to public telecommunications networks. This provision shall continue the regulatory purposes under NOM-081-SCT1-1993: Radiotelephony systems with cellular technology that operate in the 800 MHz band, which will expire on September 29, 2017.

### POTENTIAL BENEFITS

It shall continue the regulatory purposes under NOM-081-SCT1-1993, which shall expire on September 29, 2017, and its testing methods shall strengthen the conformity assessment procedure. This technical provision shall be adopted in September 2017.

Area

UPR

Contributing Area

UAJ, UCS, UER

2017 Goal

100%

End of project

Q3

ID 37

### Guidelines Establishing Quality Indexes and Parameters for Fixed Service Providers\*

The guidelines will establish indexes and quality parameters for fixed service providers and is expected to establish data transfer or Internet service indices, as well as those that must be met in relation to the service, such as customer service or failure repairs. On the other hand, a methodology to measure quality parameters for this service will also be set, in addition to information the concessionaires will be required to provide to generate informational reports on the quality of service nationwide.

At the close of 2016, the draft Guidelines were in preparation for submission to the public consultation process in 2017.

#### POTENTIAL BENEFITS

There are currently no regulations in place to measure the quality of any fixed services, including Internet access. Setting indices and quality parameters for this type of service will allow end users to receive quality services aligned with the market sector's technologies and developments.

There is also the possibility of offering end users tools to evaluate the quality of service internet access, empowering them to take informed decisions when choosing their ISP, and encouraging operators to provide higher quality services that must be aligned with international standards.

Area

UPR

Contributing Area

CGPU, UC

2017 Goal

100%

End of project

Q3

ID 38

### Guidelines Establishing Broadband Parameters for Internet Access Providers

These Guidelines will establish broadband parameters and the terms under which the Institute will update those parameters. The public consultation process is expected to take place during the last quarter of 2017.

#### POTENTIAL BENEFITS

Users will have access to accurate and comparable information for the broadband service they will contract or receive. This shall align with broadband parameters in Mexico and with the international best practices and technological development.

Area

UPR

Contributing Area

UAJ, UC

2017 Goal\*\*

50%

End of project

Q4

\* Projects from the 2016 AWP

\*\*To see the deliverables linked to the projects with a goal less than 100% in 2017, see [Annex II](#)

PROJECTS LINKED TO OBJECTIVE 3

STRATEGY

3.1.

Guarantee compliance with the quality standards established by the IFT for the provision of services by broadcast and telecommunications operators.

STRATEGY

3.2.

Improve user experiences about the quality of the telecommunication services.

Guidelines to make sure that the PEA in the telecommunications sector has a physical IXP presence in Mexico*	56
Guidelines for Accreditation of Verification Units	56



\* Projects from the 2016 AWP  
The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 39

## Guidelines to Ensure that the PEA for the Telecommunications Sector Has a Physical IXP Presence in Mexico\*

The Preponderant Economic Agent (PAE) in the telecommunications market is subject, inter alia, to the obligation to have a physical presence in the Internet Traffic Exchange Points (IXP) nationwide, and to sign agreements that allow Internet Service Providers (ISPs) to exchange traffic more efficiently and at a lower cost in the terms prescribed by the Institute. In this regard, the guidelines aim to set the terms under which the PAE must interconnect with IXPs from the technical point of view; establish the conditions under which it must sign agreements; and the quality, operating conditions, and capacity.

A public consultation process for these Guidelines was held in 2016, and the analysis of the comments received is underway; its results will support the final project.

### POTENTIAL BENEFITS

The PAE's presence in the IXPs represents a cost reduction in the exchange of Internet traffic, better quality services and higher data transmission rates. This promotes development of national telecommunications with Internet traffic exchanges at a national level; that is, that traffic will not have to be exchanged at points located abroad, thus reducing Internet service latency rates and allowing users to enjoy a better service experience.

Area  
**UPR**

Contributing Area  
**NA**

2017 Goal

100%

End of project

Q1

ID 40

## Guidelines for Accreditation of Verification Units

The Guidelines for accreditation of Verification Units (VU) are designed to establish the requirements, processes, and terms for accrediting domestic third party VU<sup>7</sup>, to allow tests, measurement or to assess one or more features of the services, products or infrastructure of the B&T subject to the Conformity Assessment. The above is based on International Standard ISO/IEC 17020<sup>8</sup>.

### POTENTIAL BENEFITS

The guidelines will provide legal certainty for VU accreditation applicants; strengthen the verification activities established in various technical provisions and guidelines; strengthen the conformity assessment procedure for services, products, equipment, devices or apparatus used in B&T.

Area  
**UPR**

Contributing Area  
**UAJ, UCS**

2017 Goal

100%

End of project

Q4

\* Projects from the 2016 AWP

<sup>7</sup> Third party conformity assessments refer to assessments carried out by a person or body that is independent of the person or organization that provides the object, and of user interests in the object (ISO/IEC 17000:2004).

<sup>8</sup> STANDARD ISO/IEC 17020: "Requirements for the operation of different types of units (bodies) that perform verification (inspection) services"





### 3.4 PROJECTS LINKED TO

# OBJECTIVE 4

PROMOTE RESPECT FOR THE RIGHTS OF BROADCASTING AND  
TELECOMMUNICATIONS SERVICE END USERS AND AUDIENCES.

---

OBJECTIVE 1

OBJECTIVE 2

OBJECTIVE 3

TRANSVERSE AXIS



### 3.4.1 STRATEGIC DISTRIBUTION OF PROJECTS LINKED TO

## OBJECTIVE 4

*There are 12 strategic projects in the 2017 Annual Work Program that are linked to compliance with Objective 4, with the distribution strategies shown below:*

FIGURE 13

### DISTRIBUTION OF STRATEGIC PROJECTS LINKED TO OBJECTIVE 4

#### Strategy 4.1.

Foster the protection of users and audiences

#### Strategy 4.2.

Empower users and audiences by providing information and education about their rights in the B&T market sectors



Source: IFT

## PROJECTS LINKED TO OBJECTIVE 4

## STRATEGY

4.1.

Foster the protection of  
users and audiences

## STRATEGY

4.2.

Empower users and  
audiences by providing  
information and education  
about their rights in the B&T  
market sectors

Emergency Communication Protocol*	60
Emergency Communication Response Plan*	60
General Advertising Guidelines*	61
Agreement on Digital Literacy for Kids signed with the SEP*	61
Provisions for Operators to Publish Transparent, Comparable, Adequate, and Current Information*	62
Quality oversight platform for mobile service experience	62



\* Projects from the 2016 AWP

The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 41

## Emergency Communication Protocol\*

The project consists of issuing a recommendation for best practices related to the transmission of sensitive information during emergency situations using the Common Alerting Protocol (CAP), an internationally standardized protocol validated by the International Telecommunications Union (ITU), the FCC and various international agencies.

The draft was available at the close of 2016 and shall be submitted to a public consultation process during the first quarter of 2017.

### POTENTIAL BENEFITS

Increase the efficiency of information transmission between the officials responsible for monitoring and generating sensitive information related to a disturbing natural phenomenon or emergency, so that competent authorities responsible for public safety may issue warnings or notifications efficiently and safely through B&T concessionaires.

Area

CGVI

Contributing Area

UPR

2017 Goal

100%

End of project

Q2

ID 42

## Emergency Communication Response Plan

A plan for the B&T market sectors will be established to permit the identification of concurrent stakeholders (concessionaires and authorities) and to define actions that facilitate decision-making and steps taken to prevent and/or warn users and audiences and to reestablish public B&T services when threatened or damaged by a disturbing natural phenomenon.

### POTENTIAL BENEFITS

Provide sensitive information related to public safety to users and audiences; facilitate the coordination between concessionaires and authorities to support the efficient performance of the services before, during, and after the impact of disturbing phenomena in Mexico.

Area

CGVI

Contributing Area

UC

2017 Goal

100%

End of project

Q2

ID 43

## General Advertising Guidelines\*

The General Advertising Guidelines will regulate, among other things, the scope and components of all legal advertising, and the establishment of the mechanics and methods used to measure maximum advertising times permitted on open television, radio, and pay television/or audio.

This provision shall also include the requirements, accreditation, and registration of Domestic Producers and Domestic Independent Producers.

At the close of 2016, the draft of the General Guidelines was in development.

### POTENTIAL BENEFITS

Encourage the protection of audience rights, especially those related to advertising spots in public broadcasting services, including pay television and/or audio.

The Guidelines shall clearly establish rules for measuring advertising spots; the elements that comprise the advertising and the possibilities that the Law grants to increase the percentage of advertising to cover programming with domestic production and/or independent domestic production, to respect the legal rights of audiences on advertising.

Area

UMCA

Contributing Area

CGMR, STP, UAJ,  
UCE, UCS

2017 Goal

100%

End of project

Q2

ID 44

## Agreement on Digital Literacy for Kids signed with the SEP\*

The agreement for digital literacy for kids signed as a legal instrument with the Ministry of Public Education (SEP), seeks to encourage both institutions to promote student access to information and communications technology (ICT) by creating a digital culture that ensures the inclusion and digital literacy described in the 2013-2018 National Development Plan, through the generation of useful information and practical tools students can use in their daily lives and learning processes to help integrate them into the information and knowledge society.

At the close of 2016, the content of the Agreement had been developed and submitted to the SEP for consideration and approval; a final document is now ready for signature.

### POTENTIAL BENEFITS

A channel will be created to teach students about their rights as telecommunications service users leveraging the Internet infrastructure, and the computer equipment and tablets provided by the Ministry of Education to identify and install the digital educational programs created to this end. It will also promote use of the tools developed by the IFT to provide helpful information for the proper and responsible use of telecommunications and ICT, both on social networks and with their application in students' learning processes and everyday living, and provide information about the relationship between productivity and telecommunications to encourage their engagement with technology, while also helping close the digital divide through knowledge generated to use and operate ICT and telecommunication services.

Area

CGPU

Contributing Area

CGVI, UAJ

2017 Goal

100%

End of project

Q2

ID 45

### Provisions for operators to publish transparent, comparable, adequate, and current information\*

Establish the conditions and obligations for concessionaires and authorized telecommunications service providers to publish information on prices and fees, expenses related to contract termination, access and updating the services provided, in a transparent, adequate, updated and comparable manner.

The draft was submitted to the public consultation process during the second quarter of 2016, and the final project is in development.

#### POTENTIAL BENEFITS

The issue of these provisions will guarantee the rights of telecommunication service users established in the Federal Telecommunications and Broadcasting (TBL), specifically those designed to empower users with the information they need to make sure that they can freely choose the service provider that suits their needs, and to learn about the commercial conditions of their telecommunications service agreement.

Area

CGPU

Contributing Area

CGPE, UCS

2017 Goal

100%

End of project

Q4

ID 46

### Quality oversight platform for mobile service experience

Implement a platform to monitor mobile network service performance for end users, thus allowing the Institute to have inputs to direct actions to evaluate mobile service quality in regions where inefficient network performance has been identified. On the other hand, it will allow end users to understand their voice, text message and data service consumption.

#### POTENTIAL BENEFITS

The Institute may implement focused monitoring and oversight actions for regions where inefficient network performance has been identified, and provide users with a tool that offers useful information about their consumption and the quality of service they have received.

Area

CGPU

Contributing Area

CGCS, UADM, UPR

2017 Goal

100%

End of project

Q4

## PROJECTS LINKED TO OBJECTIVE 4

## STRATEGY

4.1.

Foster the protection of  
users and audiences

## STRATEGY

4.2.

Empower users and  
audiences by providing  
information and education  
about their rights in the B&T  
market sectors

"We are Audiences" Micro site*	64
Agreement with the Public Transportation System	64
Second stage of the Comprehensive Information System for Telecommunications Service Users	65
Online consultation for coverage and DTT, AM and FM station indicators	65
Design proposal and implementation of the Gesell camera	66
Mobile Unit for the Promotion of Audience and User Rights in Mexico*	66



\* Projects from the 2016 AWP

The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 47

**"We are Audiences" Micro website\***

The "We are Audiences" micro website provides information for four groups of audiences including children, teens, parents, and teachers. The data provided for the first three groups includes information about their rights and tips on how to exercise such rights. The group of teachers is a vital ally for the work done by the IFT because the school community can trigger major changes.

The IFT has designed a series of exercises teachers can use in the classroom, adhering to the training program established by UNESCO<sup>9</sup> for Media and Information Literacy (MIL). It also took the "ROME Project" into account<sup>10</sup> and the Comprehensive Basic Education Reform (2011 CBER), while studying the current basic education curriculum.

At the close of 2016, the microsite was in development and under review for publication during the first quarter of 2017.

**POTENTIAL BENEFITS**

The microsite is expected to establish contact with different groups of audiences who will learn their rights, and know about their defenders and mechanisms to request information, clarifications or ask questions regarding radio and television content and programming.

Area

**UMCA**

Contributing Area

**UADM, UCS**

2017 Goal

100%

End of project

Q1

ID 48

**Agreement with the Public Transportation System**

The Institute will sign an Agreement with the Public Transportation System (STC) to promote the use of the *I'm a User* system through the SCT Cyber Centers<sup>11</sup> by training personnel to provide information to users who wish to file their complaints regarding telecommunications services.

**POTENTIAL BENEFITS**

Provide closer guidance for users on how to use the tool to input their dissatisfaction with telecommunications services, which promotes the empowerment of their rights.

Area

**CGPU**

Contributing Area

**CGVI**

2017 Goal

100%

End of project

Q4

\* Projects from the 2016 AWP

<sup>9</sup> The Media and Information Literacy (MIL) Curriculum for Teachers developed by the UNESCO considers communication media as fundamental to the democratic process and development, since they contribute to the formation of perceptions, beliefs and behaviors.

<sup>10</sup> The Rome Project aims to generate a cultural change that respects people in their diversity and appreciates them as subjects of value and law, recognizes student diversity as a value, makes the classroom a community of coexistence and learning, incorporating families into school and actual learning situations. It also seeks for common, diverse, comprehensive and transformative cultural heritage in students, and to succeed in applying methodologies that favor autonomous learning, by making real decisions, and developing strategies for learning to learn.

<sup>11</sup> The subway has 24 Cyber Centers, a free option for general citizens who require Internet, either to check their e-mail, process documents, consult information or social networks.



ID 49

## Second stage of the Comprehensive Information System for Telecommunications Service Users

The second stage of the Comprehensive Information System for Users (CISU) consists of developing and implementing new content, such as mobile network failure reports and the catalog of IoT-standardized devices, and detecting areas of opportunity for the system and implementing actions for constant improvement. This will optimize and increase the quality of services offered to users.

### POTENTIAL BENEFITS

Improve user experience while using CISU and provide effective and updated information that will allow the user to make informed decisions regarding telecommunications services with useful tools that are easily accessible.

Area

**CGPU**

Contributing Area

**UADM, UC, UCS,**

2017 Goal

100%

End of project

Q4

ID 50

## Online consultation for coverage and DTT, AM and FM station indicators

Develop an online consultation tool for the public and the industry, which starting from the Integrated Radio Spectrum Management System (IRSMS), will permit consultation related to coverage, areas of service, or covered population indicators, for each broadcasting service station in operation nationwide.

### POTENTIAL BENEFITS

Promote information transparency; permit more informed decision-making for the industry about the services provided by broadcasting stations; the public will have a tool that will provide better information about the television and radio (AM and FM) services it receives.

Area

**UER**

Contributing Area

**CGPE, UADM, UCS**

2017 Goal

100%

End of project

Q4

ID 51

## Design proposal and implementation of the Gesell Dome

The Gesell Dome, or one-way mirror observation room, is a room prepared with video and audio equipment and a one-way mirror connected to a room for observers, analysts, experts, or apprentices, among others. Space is mainly designed to observe behavior without affecting the privacy of the interviewee or subject under observation, within a framework of absolute respect for the ethical standards safeguarding the privacy of the participants.

Two Gesell Domes are proposed; one to observe and listen to the behavior of children, and the other for adults. The domes will allow more frequent studies on the established relationships between audiences, communication media, and their content.

### POTENTIAL BENEFITS

Increase the frequency of studies on the established relationships between audiences, communication media, and their content, regarding the perception of communication media, their relationship with the media and likes and consumption preferences for audiovisual content, since the logistics of gathering information will be more efficient. They may also be used to design internal research topics for the Institute.

Area

UMCA

Contributing Area

NA

2017 Goal

100%

End of project

Q4

ID 52

## Mobile Unit for the Promotion of Audience and User Rights in Mexico\*

A mobile unit will be adapted for installation in schools and public spaces to carry out actions related to education, promotion, and creating awareness as mechanisms to protect audience and user rights. In addition to promoting rights through various audiovisual materials, the Unit will have all the technical and human resources that will allow attendees to simulate radio and television productions.

The activities to be performed will be adapted for people with hearing and visual impairments and will be based on games, surveys, and workshops created to raise awareness of about audience rights. Evaluation will consist of the number of people impacted, differentiated by age group, students, teachers and parents, and the number of videos and audio productions generated during the games and activities.

At the close of 2016, the project was in the implementation process to begin tours around the country in 2017 and is expected to conclude in 2019.

### POTENTIAL BENEFITS

Contribute to exercising audience and user rights as well as media literacy; within three years the mobile unit will travel throughout Mexico providing access and benefiting more than 100,000 students, teachers, parents, and the public; it will invite students from more than 2,000 public and private schools in urban and rural areas.

Area

UMCA

Contributing Area

CGCS, CGPU, CGVI,  
UADM

2017 Goal\*\*

70%

End of project

Q4

\* Projects from the 2016 AWP

\*\*To see the deliverables linked to the projects with a goal less than 100% in 2017, see [Annex II](#)



3.5 PROJECTS LINKED TO THE

# TRANSVERSE AXIS

INSTITUTIONAL STRENGTHENING

---

OBJECTIVE 1

OBJECTIVE 2

OBJECTIVE 3

OBJECTIVE 4



### 3.5.1 STRATEGIC DISTRIBUTION OF PROJECTS LINKED TO THE

## TRANSVERSE AXIS

*There are 14 strategic projects in the 2017 Annual Work Program that are linked to compliance with the Transverse Axis of the institutional strategic planning, with the distribution strategies shown below:*

FIGURE 14

### DISTRIBUTION OF STRATEGIC PROJECTS LINKED TO THE TRANSVERSE AXIS

#### Strategy TA. 1

Improve and systematize management of the Institute's different processes, procedures, and activities

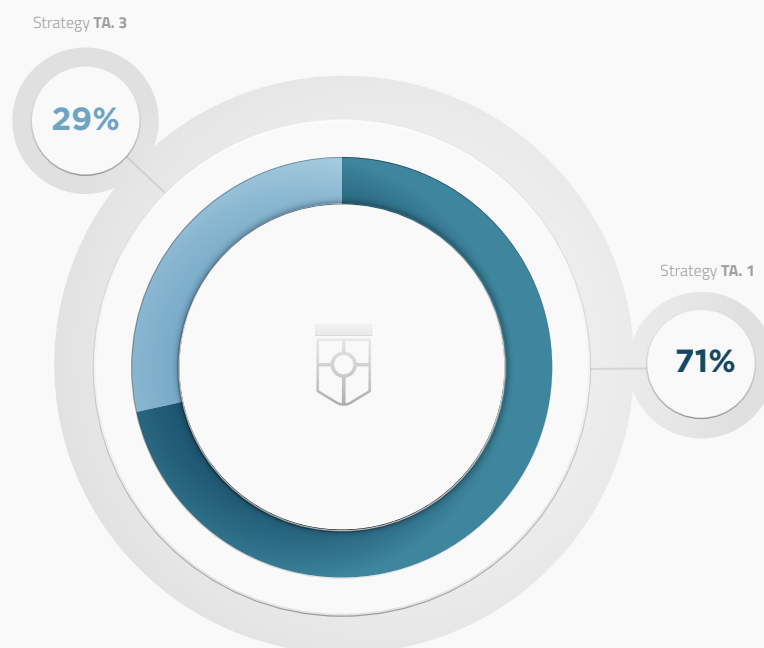
#### Strategy TA. 2

Encourage transparency in the Institute's processes, procedures, and activities (there are no projects under this strategy)

#### Strategy TA. 3

Reduce the administrative burden imposed on the regulated sectors and put mechanisms for regulatory improvement in place

Fuente: IFT



## PROJECTS LINKED TO THE TRANSVERSE AXIS

### STRATEGY

TA.1

Improve and systematize the management of the Institute's different processes, procedures, and activities

### STRATEGY

TA.2

Encourage transparency in the Institute's processes, procedures, and activities (there are no projects under this strategy)

### STRATEGY

TA.3

Reduce the administrative burden imposed on the regulated sectors and put mechanisms for regulatory improvement in place

Mapping of the steps related to the IFT internal services and procedures*	70
Statistical Information Query System*	70
Integrated Electronic File System*	71
Schedule to review and update rules regarding IFT acquisitions, leasing and services	71
Expansion and rehabilitation of spaces with a sustainable approach in the IFT "engineering" building	72
TIER III Certifiable Data Center	72
Reconstruction of Historical Databases with Statistical Information (Phase 2)	73
National Infrastructure Information System (NIIS)*	73
Preliminary feasibility study for online broadcasting services	74
Audiovisual Content Monitoring System*	74



\* Projects from the 2016 AWP

The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 53

### Mapping of the steps related to the IFT internal services and procedures\*

In September 2016, the Institute began to map the steps related to the procedures in its inventory to identify and propose improvements to its current operations.

At the close of 2016, the mapping stage concluded for the steps related to Institute procedures. In 2017, work will begin to identify areas of opportunity and generate proposals to optimize the procedures carried out by the Institute's various administrative units. The proposals will generate a report with the narrative and flow charts for the steps in the Institute's procedures, including certain proposals for improving them.

#### POTENTIAL BENEFITS

Clear and simple procedures are desirable for the Institute and the people who are within its sphere of responsibility. Mapping the layout and description of the services and procedures will allow the Institute to have the essential inputs it will use to implement actions aimed at continuous improvement, optimization, administrative simplification and regulatory improvement accompanied by implementation of the ICTs, reflected in a better use of resources.

Area

**CGMR**

Contributing Area

**AI, CGPU, CGVI, STP,  
UADM, UC, UCE, UCS,  
UER, UMCA, UPR**

2017 Goal

100%

End of project

Q1

ID 54

### Statistical Information Query System\*

A portal will be launched for the general public that will publish the statistical series of the indicators used to monitor performance in the B&T market sector, as well as the analyses, reports, and studies carried out by the Institute.

At the close of 2016, the portal architecture and design were in place.

#### POTENTIAL BENEFITS

The creation of this portal is intended to provide information to allow the performance of the B&T market sectors to be monitored, to provide the industry, academia and research centers, in addition to the general population, with information to support investment decision-making and to foster research in regulated sectors. The portal is designed so that users with basic, intermediate, or advanced knowledge may consult information about the B&T sectors and all public information may be downloaded for free by users of the portal.

Area

**CGPE**

Contributing Area

**NA**

2017 Goal

100%

End of project

Q2

ID 55

### Integrated Electronic File System\*

In 2016, the Institute began to develop the Integrated Electronic File System (IEFS), which will provide certainty for the registration, control, classification, digitalization, and traceability of all documents and issues presented to the Institute by all parties concerned. This will also allow for electronic deliveries without the need to resort to the Institute's facilities, and keeping control of the entire life cycle of documents registered.

At the close of 2016, the IEFS was in the testing stage for release to production, with accumulated progress of 77%.

#### POTENTIAL BENEFITS

The system will allow the Institute to ensure efficient processing and control of documents. The transmission and reception will be validated with the Advanced Electronic Signature that will also promote the use of paper saving policies. It will also make the Institute more effective and transparent as it works with best management practices.

Area

CGVI

Contributing Area

**AI, CE, CES, CGAI,  
CGCS, CGMR, CGPE,  
CGPU, STP, UADM,  
UAJ, UC, UCE, UCS,  
UER, UMCA, UPR**

2017 Goal

100%

End of project

Q2

ID 56

### Schedule to review and update rules regarding IFT acquisitions, leasing and services

After three years in operation, the Institute will implement a detailed review of the Standards, Guidelines, Policies and Conditions regarding IFT acquisitions, leasing and services. This will allow the Institute to identify areas of opportunity and proposals to improve current contracting procedures and the corresponding amendments to Institute regulations in this area based on the results that are obtained.

#### POTENTIAL BENEFITS

Acquisition procedures will be more efficient, customer service times will improve, and possible contradictions will be eliminated to simplify, update and modernize the regulations; reduced use of paper will be encouraged to support sustainable management in the IFT.

Area

UADM

Contributing Area

UAJ

2017 Goal

100%

End of project

Q2

ID 57

## Expansion and rehabilitation of spaces with a sustainable approach in the IFT “engineering” building

The large-scale corrective maintenance in the Institute’s Engineering building, located on Av. de las Telecomunicaciones S/N, Col. Leyes de Reforma, Delegación Iztapalapa, with a current capacity for 54 people; this will allow spaces to be reused with a capacity for 54 additional personnel from the Radio Spectrum Oversight Department. These actions include the construction of a general warehouse to store the Institute’s consumable and instrumental assets; adapting an area to store impounded goods for possible donation; renovating office and storage spaces for the equipment that is used to measure and monitor the radio spectrum, to keep them in the best possible condition.

### POTENTIAL BENEFITS

The creation of new spaces and the renovation of existing ones to be used by IFT personnel will eliminate its dependence on loans from other institutions and will improve the work atmosphere. The renovations to the storage areas will also reduce wear and tear on the vehicles and radio spectrum monitoring equipment and keep the goods belonging to the Institute, and impounded goods for possible donation, in good condition. The “Engineering” building is being prepared to shelter 207 officials in case of emergency in the Headquarters and Alternate properties.

Area

UADM

Contributing Area

UC

2017 Goal

100%

End of project

Q3

ID 58

## TIER III Certifiable Data Center

In order to accommodate and provide operational continuity to the central computer infrastructure, communication equipment and security equipment for the Institute’s information, it shall build a TIER III Certifiable Data Center in accordance with the standards established by the Uptime Institute<sup>12</sup> as a best international practice, which will support current equipment units and will include growth capacity for new projects to be developed by the Institute, using advanced physical security measures and green technologies.

### POTENTIAL BENEFITS

The project’s conclusion will produce an increase in the degree of availability for the institutional systems and information services used by regulated parties, the general population, and the Institute; more efficient power utilization to operate the data center; enhance the level of security to access the information.

Area

UADM

Contributing Area

NA

2017 Goal

100%

End of project

Q4

<sup>12</sup> The “Tier” scale from the UpTime Institute (<https://uptimeinstitute.com/>) is a methodology used to determine the degree of availability for data centers within organizations. It has four levels: Tier I - Basic computer center infrastructure (non-redundant) Tier II - Redundancy in infrastructure components Tier III - Concurrence in infrastructure components Tier IV - Failure-tolerant infrastructure



ID 59

## Reconstruction of Historical Databases with Statistical Information (Phase 2)

The first phase in 2016 involved the collection and integration of the statistical information operators sent to the IFT through non-electronic means, during the 2011-2015 period, as part of their obligations under their concession agreements.

Phase II will involve the capture and consolidation of the information obtained during the first phase of the project, based on the type of obligation.

### POTENTIAL BENEFITS

Have quality statistical information available to prepare studies and analysis of the B&T market sectors. Have reliable historical series that allow the IFT develop analysis and prospectuses in the regulated sectors.

Area

CGPE

Contributing Area

NA

2017 Goal

100%

End of project

Q4

ID 60

## National Infrastructure Information System (NIIS)\*

The system will host the national database with geo-referenced information on the active infrastructure and means of transmission records; passive infrastructure and rights of way in the broadcasting and telecommunications markets, as well as public and private sites, and will be consistent with the guidelines the IFT Board issues to this end. The information may be consulted by operators interested in entering the B&T market sectors, security authorities and law enforcement in the exercise of their powers.

### POTENTIAL BENEFITS

Maximize the integration of the Institute's systems and databases with the information provided by the NIIS, particularly with the Public Registry of Telecommunications, and encourage competition to offer B&T service providers, investors and the general public information about the Broadcasting and Telecommunications infrastructure existing in Mexico; provide services to the regulated entities, official agents, and concessionaires and allow them to register their infrastructure information in a clear, accurate and timely manner; and provide timely information to law enforcement security authorities.

Area

UCS

Contributing Area

UADM, UPR

2017 Goal\*\*

60%

End of project

Q4

\* Projects from the 2016 AWP

\*\*To see the deliverables linked to the projects with a goal less than 100% in 2017, see [Annex II](#)

ID 61

## Preliminary feasibility study for online broadcasting services

Activate an online tool to allow parties who are interested in new radio spectrum allocations for broadcasting to perform a technical pre-assessment of their applications based on the Institute's applicable technical criteria.

### POTENTIAL BENEFITS

This tool will reduce the administrative burden for the Institute and the interested party regarding inadmissible procedures from the start, given the spectrum saturation in certain areas of the country, in accordance with the technical provisions that apply to broadcasting services. The tool is subject to the submission of a formal application.

Area

UER

Contributing Area

CGMR, CGPE, UADM,  
UAJ, UCS

2017 Goal\*\*

40%

End of project

Q4

ID 62

## Audiovisual Content Monitoring System\*

Design and implementation of a monitoring system for broadcast, television and/or restricted audio signals, to monitor and supervise compliance with the obligations established in the TBL on maximum advertising times and audiovisual content and have the elements and indicators needed to analyze compliance with the rights of audiences.

At the close of 2016, the project was in the process of analyzing and defining the technical specifications, and already has an analysis of the various technological solutions that are available on the market to implement monitoring activities, as well as their potential use in overseeing and monitoring the obligations listed in the TBL related to audiovisual content and defense of audiences.

### POTENTIAL BENEFITS

Contribute to the protection of audience rights to maintain a balance between advertising and the set of shows broadcast during the day by the programmers and concessionaires providing the broadcast, television and/or restricted audio signals; and protect the rights of Child Audiences and Audiences with Disabilities.

Area

UMCA

Contributing Area

NA

2017 Goal\*\*

30%

End of project

Q4

\* Projects from the 2016 AWP

\*\*To see the deliverables linked to the projects with a goal less than 100% in 2017, see [Annex II](#)

## PROJECTS LINKED TO THE TRANSVERSE AXIS

## STRATEGY

TA.1

Improve and systematize the management of the Institute's different processes, procedures, and activities

## STRATEGY

TA.2

Encourage transparency in the Institute's processes, procedures, and activities (there are no projects under this strategy)

## STRATEGY

TA.3

Reduce the administrative burden imposed on the regulated sectors and put mechanisms for regulatory improvement in place

Regulatory Impact Analysis and Public Consultation Process Guidelines*	76
Implementation of the Standard Costing Model to identify the administrative burden involved in the procedures provided by the Institute*	76
Streamline the management of various information delivery obligations by establishing electronic statistical and non-statistical information forms on telecommunications*	77
Strategy to assess the compliance with the obligations imposed by the Institute regarding asymmetric regulation	77



\* Projects from the 2016 AWP

The abbreviations Q1, Q2, Q3 and Q4 that are observed in the table, refer to the first, second, third and fourth quarters respectively

ID 63

## Regulatory Impact Analysis and Public Consultation Process Guidelines\*

These guidelines are intended to establish the procedures and requirements that the Institute's administrative units must observe in all public consultations and regulatory impact analysis used to issue and amend rules, guidelines or general administrative provisions, as well as in the cases determined by the IFT Board, under the principles of transparency and citizen participation.

These guidelines were submitted to a public consultation process in 2016, which strengthened the draft. They will be submitted to the Board for approval during the first quarter of 2017.

### POTENTIAL BENEFITS

Increase citizen participation and provide transparency to the process involved in drafting the new regulations issued by the Institute. Also, equip those interested in participating in the public consultations carried out by the Institute, with information and participation mechanisms to issue rules, guidelines or general administrative provisions, and all other cases determined by the IFT Board, allowing for their continuous, progressive and proactive interaction with the Institute.

Area

CGMR

Contributing Area

NA

2017 Goal

100%

End of project

Q1

ID 64

## Implementation of the Standard Costing Model to identify the administrative burden involved in the procedures provided by the Institute\*

The Standard Costing Model is a methodology used by most OECD member countries to measure and reduce the administrative burden of the procedures. In 2017, the Institute will use that methodology to implement actions and strategies related to administrative streamlining, improve regulatory and information technology procedures, and design significant reductions in their administrative burden.

At the close of 2016 a joint workshop was held with the OECD: "Workshop on Regulatory Improvement, Administrative Streamlining, and Reducing Administrative Burdens" to various civil servants from the Institute who are involved in managing and deciding on procedures. The workshop was designed to generate abilities focused on developing and implementing multiple actions and strategies in 2017 that will produce a significant reduction in the administrative burden of the procedures within its jurisdiction.

### POTENTIAL BENEFITS

Clear and simple procedures are desirable for the Institute and the people who are within its jurisdiction. The implementation of the Standard Costing Model in the Institute's procedures will allow it to understand the administrative burden associated with them, identify areas of opportunity and propose actions and strategies that promote a better use of resources. The Institute will also have inputs to develop and implement the Annual Procedure Inventory Improvement Program and to regularly assess its progress.

Area

CGMR

Contributing Area

AI, CGPU, CGVI, UC,  
UCE, UCS, UER,  
UMCA, UPR

2017 Goal

100%

End of project

Q2

ID 65

## Streamline the management of various information delivery obligations by establishing electronic statistical and non-statistical information forms on telecommunications\*

This project unites two projects: “Guidelines on Electronic Forms to Capture Statistical Information” and “Collection System for Statistical Information and Implementation of the IFT Advanced Electronic Signature” from the 2016 AWP.

The final intent, having mapped the current obligations for submitting information, and having completed an administrative streamlining exercise, is to implement a comprehensive electronic system to collect and process information through the Statistical Information Forms (SIF) and Non-Statistical Information Forms (N-SIF), which telecommunication operators must provide to the Institute using the electronic signature (FIEL) provided by the Tax Administration Service (SAT).

The SIF were prepared in 2016, while the N-SIF are in development within the different IFT Administration Units, and a mapping exercise was applied to all current information submission obligations to be met by the regulated parties. After this exercise, the form to be used by the operators in meeting these obligations was redesigned.

### POTENTIAL BENEFITS

Obtain standardized, better-quality information, reduce costs and administrative burden for operators, avoid duplicating requirements for operators and the use of the electronic signature will provide greater security for any information that is exchanged.

It is estimated that approximately one-third of the obligations incurred by IFT operators related to the submission of information that are currently in place will be eliminated, and for those obligations that remain in effect, as well as any new ones included in the SIF, their submission may take place electronically, which will significantly reduce the regulatory burden on the industry.

On the other hand, it is believed that this systematization will cause the quality and timeliness of the information arriving at the Institute to significantly contribute to the preparation and design of regulatory policies since it shall have better information for better decision-making. The implementation of the FIEL will also provide security to operators when they are sending information.

Area  
**CGPE**

Contributing Area

**CGMR, CGPU, CGVI,  
UADM, UAJ, UC, UCE,  
UCS, UER, UPR**

2017 Goal

100%

End of project

Q4

ID 66

## Strategy to assess the compliance with the obligations imposed by the Institute regarding asymmetric regulation

Design and formalize the methodological instrument for the registration, analysis, assessment, control, and monitoring of activities related to compliance with asymmetric regulation; it will also generate the inputs required to integrate the AWP quarterly compliance reports.

### POTENTIAL BENEFITS

The design and implementation of this strategy will substantially improve the procedures in place to assess compliance with asymmetric regulation, increasing the levels of reliability for the results obtained; it will encourage effective and efficient communication between the administration units involved in the Institute; it will increase the process' degree of adaptability to the regulatory updates and/or amendments.

Area  
**UC**

Contributing Area

**STP**

2017 Goal\*\*

60%

End of project

Q4

\* Projects from the 2016 AWP

\*\*To see the deliverables linked to the projects with a goal less than 100% in 2017, see [Annex II](#)



# 04

## Studies, Analysis, and Diagnostics



ANNUAL WORK PROGRAM 2017

## STUDIES, ANALYSIS, AND DIAGNOSTICS

*The Institute believes that it is crucial to conduct studies and research to obtain the elements it needs to assess the impact of regulatory decisions, replicate international best practices in the field and be able to develop prospectuses for the B&T market sectors. The following studies will take place in 2017:*

### Diagnosis of Spectral Availability in the AM band\*

Identify the level of occupancy and available frequencies in the spectrum range allocated to AM broadcasting services, to encourage its use and operation for the benefit of users.

*Publication: February 2017*

### Analysis of Two Regulatory Policies Implemented by the IFT from 2014- 2015\*

Two studies will be prepared to establish the impact of regulatory measures which already reflect market changes, and offer the possibility of obtaining information for evaluation purposes. These regulatory policies correspond to the Elimination of Domestic Long Distance and Interconnection Rates. The studies will seek to establish the short- and medium-term impacts of the policies to propose improvements to the Institute's regulatory actions.

*Publication: March 2017*

\*These studies correspond to the 2016 AWP

### Qualitative Study on Inclusion and Gender Representation in Media and Audiovisual Content

The study plans to hold 64 focus groups and 32 guided observations with women living in eight representative cities in Mexico, segmented by socioeconomic and age groups. There will also be six in-depth interviews held with women who participate in media administration, management or production and/or in the Information and Communications Technology industry.

The study is part of the joint commitments the Institute has undertaken with UN Women<sup>13</sup> to support the *HeForShe* campaign and public policy on gender equality and no discrimination against women and girls from a telecommunications and broadcasting perspective.

*Publication: March 2017*

### Study on Optimizing Opportunities Using the AM Band\*

This study identifies the best available technologies that are designed to modernize sound broadcasting in AM and their impact on the quality of services, the efficiency of their operation and the implications in the AM radio market.

*Publication: March 2017*

### Diagnosis and Recommendations to Improve Competition Conditions in Access to Passive Infrastructure and Right of Way in the Public Sector

This will apply a diagnostic focusing on access to infrastructure at the municipal, state and national levels, including highway, electric, and fossil fuel transportation infrastructure, among others.

It is designed to promote the adoption of the principles of competition in the provision of access to passive infrastructure and rights of way controlled by the State. It is expected to reduce the barriers to competition regarding the use of infrastructure for data and voice transportation; and will support the entry of operators with their infrastructure, which translates into better coverage, prices and variety in terms of services offered, especially in rural areas.

*Publication: April 2017*

### Document with Recommendations to Foster Competition in Public Purchases of Telecommunications Services

The Institute will prepare an advocacy document with recommendations on the principles of competition as they apply to procedures for the public acquisition of goods and services related to the telecommunications field, and will include proposals and/or recommendations for changes to the legal framework. Its publication is expected to improve the quality of goods and services in the B&T market sectors that are under contract to public agencies, reduce prices, drive turnout, and foster innovation.

*Publication: April 2017*

\* These studies correspond to the 2016 AWP

**13** UN Women is an entity that champions gender equality and empowerment of women.



### Study on Dynamic Spectrum Use and Sharing for the Provision of B&T Services\*

This involves an analysis of the methods and mechanisms that allow spectrum sharing dynamic access to it, to identify those that can be adopted in Mexico.

At the close of 2016, there was substantial progress in this study. By December of that year, 70% of the technologies considered for dynamic use and spectrum sharing were considered feasible for implementation in Mexico.

*Publication: June 2017*

### Annual report on the rights, risks, interests, preferences, trends or patterns of consumption of telecommunications service users in 2016

Compilation of an annual report to identify opportunities that produce a positive impact on telecommunications service users, including those with disabilities.

*Publicación: junio de 2017.*

### Study on the Regulatory Strategy to promote the development of the Internet of Things (IoT) in Mexico\*

Develop an analysis to determine the status and developmental stage of the Internet of Things at the international level; identify trends and best practices that have been implemented by regulators in other countries; study verifiable success stories and key challenges facing regulators. The subsequent design of a roadmap defining the regulatory guidelines that the Institute could follow in the medium and long term to develop the Internet of things in Mexico.

*Publication: August 2017*

### Qualitative Study on Adolescent Consumption of Radio and Television Content

Carry out a study to understand the relationship between Mexican adolescents and the consumption of communication media, especially radio and television and their content. Information will be gathered at different sites around the country from different socioeconomic levels by using various qualitative research techniques.

*Publication: September 2017*

### Best Practices for Privacy and Data Protection for Telecommunications Users

This study will include at least one focused research and analysis of the international best practices in the field, as well as possible recommendations for inputs, measures, and tools to foster these practices in Mexico.

*Publication: September 2017*

\*These studies correspond to the 2016 AWP

### Diagnostic of the Digital Divide in Mexico and Alternative Solutions

Prepare a report on the digital divide in the telecommunications market in Mexico to identify the scope of the regulation to foster competition, provide feedback for the digital inclusion policy and to fine-tune regulatory policy.

*Publication: November 2017*

### Study on the Demand for Telecommunication Services

Prepare a study with economic and/or econometric models that reflect current and prospective market conditions, to provide information and models that will improve the regulatory policies that are implemented by the Institute.

*Publication: November 2017*

### Study on the Feasibility of Implementing Digital Radio and Multiprogramming in Mexico

This study will analyze the feasibility of the transition to digital radio in Mexico and will take into consideration the costs and impacts for concessionaires and possible benefits for them and audiences. It will also study the implications for various market sector stakeholders: radiobroadcasters, technology providers, manufacturers, and receiver distributors, among others. It will provide elements needed for decision-making that affect the evolution and development of sound broadcasting in Mexico.

*Publication: November 2017*

### Technical-Regulatory Study on the Operation of Short-Range Communications Devices (Low Power)

Based on the increased demand for short-range or low-power devices for various applications, it is necessary to develop a technical and regulatory framework that will permit the operation of certain devices that are classified as short-range or low-power in different bands of the radio spectrum, without causing harmful interference resulting from their operation.

The study is intended to address the problem related to regulating this type of devices, analyze its corresponding technical regulations at the international level and incorporate the technical recommendations that may ensure the appropriate operation of this type of device. It will also provide technical inputs that may be used by competent departments in the Institute with the goal of issuing technical and administrative guidelines and provisions to regulate short-range devices.

*Publication: November 2017*

### Regulating a Convergent Telecommunications Market

This study will include the impact of OTT and IoT services in the Internet Service Provider (ISP) networks, international trends, regulatory alternatives (identifying the benefits and risks for various economic agents, such as ISPs, OTT and IoT providers, end users, government, and equipment developers, among others), as well as a regulatory proposal for Mexico.

The report will provide the Institute with a theoretical and practical foundation to support the amendments required both within and outside of the Institute to provide appropriate regulation for a convergent telecommunications market

*Publication: November 2017*

### Analysis of Results of the 2016 National Survey on Availability and Use of Information Technologies in Households (ENDUTIH)

An exploratory analysis of the database obtained from the 2016 ENDUTIH will be completed to present a document with the findings obtained from this analysis. This will provide information on the availability and use of technology in Mexican households and shall consider differences between states, cities, rural and urban areas.

*Publication: December 2017*

### Definitions Manual with the IFT's Statistical Indicators on the Telecommunications Sector\*

It will contain descriptions of the indicators used to monitor the development and economic performance of the telecommunications sector; the indicators are built with the statistical information submitted by Telecom Operators.

*Publication: December 2017*

### Measurement of Plurality in Public Broadcasting Services for Pay TV and/or Audio

An exercise will be implemented to measure plurality in public broadcasting services for Pay TV and/or Audio to understand the status of the field, taking international best practices into consideration. This will help to determine the possible actions to be taken based on the results of the measurement and the incentive to produce that characteristic in the public services referenced.

*Publication: December 2017*

### Report on the Market Study to Identify User Experience in Telecommunications Services when Accessing and Using Telecommunications Services in Mexico during 2017\*

Preparation and publication of a report on the results of the market study that will take place to identify user experience when accessing customer services from telecommunications service providers. This study will use the mystery shopper<sup>14</sup> technique to evaluate and measure customer service quality.

*Publication: December 2017*

\* These studies correspond to the 2016 AWP

<sup>14</sup> This technique is used by companies to evaluate and measure customer service quality.



# 05

## Reports and Other Documents



ANNUAL WORK PROGRAM 2017

## REPORTS AND OTHER DOCUMENTS

*One of the fundamental aspects of the IFT's activities consists of the preparation of reports that inform citizens and other stakeholders of the institution's results, and contribute to transparency in the exercise of its powers.*

### Status Report on IFT Resource Management

Preparation and publication of an annual report to present the main strategies, measures, regulations, and actions taken during the year immediately prior, with a description of all the work completed within the Institute in terms of managing the talent and financial, material and technological resources it has been given to complete its mandate. The Report is an exercise in transparency and accountability that encourages public scrutiny.

*Publication: April 2017*

### Third National Survey on Audiovisual Content Consumption

Surveys will be administered to study the consumption habits of the Mexican population to obtain representative results at the national, urban and rural levels on consumption patterns for radio and television content. The results will be segmented by gender, age, and social status, and will be analyzed along with the information from the 2015 and 2016 surveys administered by the Institute to evaluate changes and trends in the preference indicators revealed by the audiences.

*Publication: April 2018*

### Behavior of Regulated Market Indicators in 2016

A report will be prepared on the results of the metrics that were described in 2016 in the Institute's Strategic Planning document. The metrics were aligned with each of the Institutional Objectives. At the same time, it will review the indicators contained in the 2016 AWP to assess their validity.

*Publication: June 2017*

### Evaluation of the Transition to DTT\*

During 2015 and 2016, it evaluated the population's acceptance of DTT with statistical methods used to compare the experiences people reported after the cessation of analog transmission. The 2017 report will document the experience of the cessation of analog transmission in areas addressed by supplementary Low Power equipment in 2016, which will provide a more comprehensive view of the Transition to DTT.

*Publication: July 2017*

### Report on the Results of the DTT Switchover\*

The report aims to share the results of the transition process to DTT in Mexico with domestic and international audiences, in accordance with the powers of the Institute, which will contribute to defining the institutional and country experience regarding one of the most relevant strategic lines that have been established for the domestic and international telecommunications market.

*Publication: July 2017*

### 2016 Statistical Yearbook

Compilation and publication of 2016 statistical indicators and metrics in the B&T sectors. This will meet the need for relevant information that allows the economic development in the B&T market sectors to be monitored, as well as the economic competition that is emerging in the markets. It will provide information and certainty to the industry and investors, as well as to general users of the information.

*Publication: September 2017*

\* These documents correspond to the 2016 AWP

### 2017 Regulatory Prospective Annual Report of the Telecommunications Sector in Mexico

This will analyze the main trends and technological catalysts from the market and regulators from various countries, define key indicators to monitor high-impact catalysts in Mexico and their effect on the development and evolution of infrastructure and the telecommunications market, and thus build a regulatory prospective annual report for the medium- and long-term.

*Publication: November 2017*

### 2017 Annual Activities Schedule for the IFT Studies Center

The Schedule is designed to schedule the yearly studies and research that will be carried out by the researchers who are part of the Studies Center (CES), and the preparation of projections and prospective studies, market analysis and the corresponding dissemination and training activities. It will be used to generate information to set criteria and provide theoretical and methodological elements that support the operation of the Institute units in a timely manner, as well as the decisions and regulatory actions of the Governing Board.

*Publication: first quarter of 2017*

### Quarterly IFT Activities Reports

Publication of quarterly reports with the activities carried out by the Institute to follow up on the 2017 AWP.

### Quarterly Reports on Compliance with the Measures and Asymmetric Regulation imposed on the AWP in the B&T Market Sectors

Reports on the fulfillment of asymmetrical obligations, obligations to disaggregate elements of the local public telecommunications network, and compliance with PEA terms of the concession agreements. The Institute will use them to monitor and encourage all obligations to be met within the times, terms, and conditions that are established.

### Statistical Quarterly Reports

Quarterly publication with updated information on statistical indicators and metrics of the B&T market sectors.

### Quarterly reports with comparable information on plans and tariffs for telecommunication services for users

Preparation and publication of quarterly reports with comparable information on plans and tariffs on for telecommunication services for users. This will provide transparency in terms of the services offered by the concessionaires, producing a virtuous cycle of information for users.

**Quarterly reports on the application and analysis of quarterly surveys to identify consumption patterns, and user experiences and levels of satisfaction with telecommunication services**

Preparation and publication of quarterly reports with the results obtained from the analysis of the surveys to identify consumption patterns and user experiences and levels of satisfaction with telecommunication services, including disabled users.

**Biannual reports on the evolution of prices of plans and fees related to telecommunication services for users**

Preparation and publication of biannual reports to follow up on the current telecommunication services with comparable information on plans and tariffs on for telecommunication services for users.





06

## Events, Campaigns, and Training



ANNUAL WORK PROGRAM 2017

## EVENTS, CAMPAIGNS, AND TRAINING<sup>15</sup>

### Kiosk Campaign: Help Desk and Information for the Society

Itinerant kiosks will be installed to provide information to the public in high-traffic areas, through Collaboration Agreements signed with local governments and in various PROFECO offices. There will be itinerant staff on the main avenues of each city to hand out informative material at the kiosk sites, which will be equipped with additional and relevant information.

The main objective is to inform the population about the different tools the IFT has made available to users, such as the “I am a User” System, Fee Comparator, Microsites in the IFT Portal, and completed projects (DTT Switchover). It will also be used for outreach with possible concessionaires offering indigenous social use and community broadcasting services.

### Campaign to Promote Audience Rights through Media and Information Literacy

Campaign design to promote audience rights in mass media and social networks so that audiences understand their rights and exercise the mechanisms designed to protect them. This will include the rights of television viewers and radio listeners to verify that the concessionaires have a Code of Ethics (broadcast and pay) and Audience Defenders (broadcast); List of rights and obligations for child audiences and their Ombudspersons; dissemination of rights for audiences with auditory and visual disabilities; audience rights related to advertising.

<sup>15</sup> All the topics in this section are linked to compliance with Institutional Objective 4: *Promote respect for the rights of broadcasting and telecommunications service end users and audiences.*

### Training Courses on the Use of Mobile Devices for Persons with Motor, Visual, and Hearing Disabilities

The design and implementation of these courses are intended to break the barriers that segregate persons living with disabilities, and that keep them on the edge of virtual society; the courses are designed to include users with disabilities to give them access to telecommunications services under the same terms. Three courses will be imparted this year.

### Certificate Program on Audience Defense

The Certificate Program is designed to provide the Audience Defenders who have registered with the IFT Public Registry of Concessions (RPC) with the tools to train them and improve their performance in their duties assigned under the LFTR, based on independent and impartial criteria from the perspective of human and gender rights, non-discrimination, and the best interests of children. The classes will be imparted through in-person and distance learning modules by teachers, IFT staff and experts from institutions who have worked in the area of human rights and audiences in theory and in practice, such as the United Nations International Children's Emergency Fund (UNICEF); United Nations Educational, Scientific, and Cultural Organization (UNESCO), with its Chair on Media and Information Literacy in Mexico; National Commission on Human Rights (CNDH); National Institute for Women (INMUJERES); National Council for the Prevention of Discrimination (CONAPRED); National Council for Development and the Inclusion of Persons with Disabilities (CONADIS); National System for the Protection of Children and Adolescents (SIPINNA). The Certificate Program will begin during the second quarter of the year.

### Forum for Telecommunications Service Users

The Institute will organize this forum in March, to provide telecommunications service users with relevant and clear information on the actions being promoted and implemented for their benefit. It will raise awareness, from the regulatory, economic and service perspective, about its role within the dynamic of telecommunications and ICT to contribute to effectively fulfilling their rights. It will also generate elements to contribute to their empowerment in the digital economy.

### International Forum on DTT

The forum will provide a meeting space to share experiences from countries which have concluded their DTT switchover, and from countries who are still in transition. Notably, Mexico was the first Latin American country to conclude its transition and its privileged geographical position makes it an ideal meeting point for countries from the Northern and Southern continents. It is hoped to gather perspectives from countries that concluded their DTT switchover some time ago, regarding the benefits it has brought to the country, to the industry, and to the population, and regarding technologies for digital television. The event is expected to take place during the third quarter of 2017.

### Forum on Women, the Media and Information Technologies

This Forum will take place within the framework of International Women's Day and the HeForShe campaign, and will be attended by experts on gender equality in audiovisual media and information technologies. They will discuss the participation of women in media production and management, how women are represented in media discourse, women and access to information and communication technologies, and studies on audiences and education for the media in terms of gender equality.

### "Girls in ICT" Workshop

An invitation will be sent out to Mexican schools to attend the IFT workshops on telecommunications, electronics, programming, and using online resources in the learning process. The workshop is to foster an interest in girls for technology and related careers and will be held in April 2017.



07

## Recurring IFT Activities



ANNUAL WORK PROGRAM 2017

## RECURRING IFT ACTIVITIES

*The Institute will continue to carry out its key activities to ensure the proper operation and compliance with existing regulations and other issues relevant to the population and stakeholders in the B&T market sectors. Regular activities scheduled for 2017 include:*

- 🕒 Oversight actions (monitoring and verification) on compliance with current regulations
- 🕒 Collection of income from use of the radio spectrum
- 🕒 Measuring mobile service quality
- 🕒 Monitoring and surveillance of the radio spectrum
- 🕒 Procedures conducted by the investigating authority of the probable commission of anti-competitive practices
- 🕒 Managing the Infrastructure and Equipment Trust (FIE)
- 🕒 Strengthening the organizational culture and best practices that make the IFT a good place to work
- 🕒 Internal Institutional Control System (SCII)
- 🕒 Budget, investment projects, financial statements and audit reports
- 🕒 Topics on transparency, access to information, accessibility, and protection of personal information
- 🕒 Resolution of interconnection disputes
- 🕒 Processing and evaluation of broadcasting and telecommunications applications submitted
- 🕒 IT developments
- 🕒 Annual Procedure Inventory Improvement Program
- 🕒 Monitoring concessionaires and other regulated entities on compliance with broadcasting obligations
- 🕒 Open Government

In addition to the above activities it should be noted that, given the dynamic nature of the B&T market sectors, other key activities may arise during 2017 that are not currently listed but will be reported in the Institute's quarterly activities reports.



08

**Annex**




## ANNEX I.

### STRATEGIC INDICATORS FOR REGULATED MARKETS




#### *a. Indicators for Objective 1:*

The Indicators for Objective 1 are as follows:

- 
**Evolution of the final price for telecommunications services.** Evolution is measured by growth rates of the price index of different telecommunication services reported by INEGI. This refers to  $EPT_{st} = \frac{IPC_{st} - IPC_{st-1}}{IPC_{st-1}}$  in which we observe the evolution of prices for final telecommunications services for each service within a specific period, through growth rates for the Consumer Price Index (IPC) for each referenced service.

The National Institute of Statistics and Geography (INEGI) constructs the index and the methodology used is public. The following link provides an example of the mobile service methodology:




[http://www.inegi.gob.mx/est/contenidos/proyectos/inp/default.aspx?\\_file=TelefoniaMovil.pdf](http://www.inegi.gob.mx/est/contenidos/proyectos/inp/default.aspx?_file=TelefoniaMovil.pdf)


- 
**The ratio of fixed broadband subscriptions by speed (RFBSS).** This indicator is calculated from the evolution in the share of subscriptions by the speed ranges announced by the operators. This information is recorded and reported by fixed Telecom Operators. The calculation formula is as follows:  $PSBAF = \frac{Sr}{\sum Rr=1rS}$ , in which the number of fixed broadband subscriptions for each announced speed range<sup>16</sup> is divided by the total number of fixed broadband subscribers.

<sup>16</sup> The segmentation ranges of fixed broadband market speed are included in the 2015 second quarter statistical report. Page 57, Figure 2.3.3.2

[http://www.ift.org.mx/sites/default/files/contenidogeneral/estadisticas/informetrimestral2q2015versionhabilitadaparalectordepantalla\\_1.pdf](http://www.ift.org.mx/sites/default/files/contenidogeneral/estadisticas/informetrimestral2q2015versionhabilitadaparalectordepantalla_1.pdf)








-  **Traffic distribution for mobile broadband technology (2G, 3G, and 4G).** The calculation of the traffic distribution by technology is provided by mobile telecommunications operators and is understood to be the number of megabytes used as the result of data transmission and reception by users through the listed technology. The formula is  $X_i = (T_i/TT) \cdot 100$ , in which  $X_i$  refers to the percentage of megabyte traffic by technology type (i), which could be 2G, 3G or 4G, and is calculated by dividing the megabyte traffic by the type of technology among the total megabyte traffic.
-  **Number of TV programming channels by State.** This indicator corresponds to the maximum number of TV programming channels with a valid concession title by State. Therefore,  $CTV_{e,t} = \sum C_{e,t}$  in which  $CTV_e$  refers to the number of TV programming channels by State (e) with a valid concession title or permit. It is calculated by adding up the TV channels with a valid concession title or permit for each State.
-  **The number of stations to provide public broadcasting services (AM, FM radio and Digital Terrestrial Television (DTT) by State based on the Main Population Served.** This metric is a sum of the AM, FM radio stations and DTT, disaggregated by State and station type (commercial, public, social, public community and indigenous community) that are issued to provided services. This is  $EST_{EDO} = (\sum_{i=1}^n EST_{CO} + \sum_{i=1}^n EST_{PB} + \sum_{i=1}^n EST_{SO} + \sum_{i=1}^n EST_{SC} + \sum_{i=1}^n EST_{SI})$ , in which  $EST_{EDO}$  refers to the number of concessions for a determined State. It is calculated by adding the stations per service issued for each type of registration in the PCR.

**NOTE:** Given the nature and characteristics of broadcasting services, often a single station may provide simultaneous services to more than one State. In that sense, for this indicator, the stations shall be associated with the State that is home to the main population site served by each station.
-  **IMT Spectrum amount IMT concessioned to mobile service providers in Mexico.** This metric adds up the concessioned IMT spectrum nationwide measured in MHz in accumulated form, to provide mobile services in the country. This is the result of the sum of the spectrum amount of frequency bands from the radio spectrum that is identified as IMT bands that have been concessioned to provide mobile broadband services in accumulated form. Therefore,  $E_{BAM} = \sum_{i=1}^n MHz_{bi}$ , in which  $E_{BAM}$  is the amount of concessioned IMT spectrum, n is the number of concessioned segments and  $MHz_{bi}$  is the width, in MHz, of the corresponding segment.



### b. Indicators for Objective 2




The Indicators for Objective 2 are as follows:

- 
**Coverage of mobile telecommunications infrastructure networks with 2G, 3G, and 4G technologies.** The formula used to calculate 2G coverage is as follows:  $(\sum_{i=1}^{199,179} Pob_i * D_i) / (\sum_{i=1}^{2,457} Pob_i)$ , where D is equal to zero if there is not at least one 2G Antenna in the reference locality and indicator i refers to, the 199,179 localities inhabited, as well as the 2,457 municipalities in Mexico according to the 2010 INEGI population census. 3G and 4G coverage is calculated analogously.
- 
**Penetration of fixed telecommunication services.** In this example, the calculation formula for the penetration of fixed broadband service is:  $(\sum_{i=1}^N Suscriptions_{it})^* / (\sum_{i=1}^H Households_{it})$ , that is, total fixed broadband subscriptions reported by fixed Telecom Operators in time t between total households in the reference year reported by the National Survey on Availability and Use of Information Technologies in Households (ENDUTIH). Penetration of the other fixed telecommunication services is calculated analogously.
- 
**Teledensity of mobile telecommunication services** calculated with the following formula:  $(Suscriptions_t / POBTOT_t) * 100$ , that is, total subscriptions of the reference time among the total population reported by the National Population Council for the reference midyear.
- 
**AM and FM radio and broadcast television coverage. The calculation formula is**  $(\sum_{i=1}^{2457} Pop\ with\ access\ per\ service_{it}) / (\sum_{i=1}^{2457} Po_{it})$ , that is, the sum of the population covered by at least one AM, FM, and TV signal in each of the municipalities in the reference period divided by the sum of the total population living in each one of the municipalities in the country in time t.
- 
**Evolution of investment in telecommunications infrastructure** calculated with the following formula:  $\sum_{i=1}^N I_{i,t}$ , that is, the sum of investment in infrastructure in the reference sector reported by each operator in the sector.



### c. Indicators for Objective 3


The Indicators for Objective 3 are as follows:


- 
**Quality voice and data service indicators for fixed and mobile telecommunication services** (under construction in 2017). These indicator formulas will be defined by the Guidelines establishing Quality Indices and Parameters for Mobile and Fixed Service Providers.
- 
**Perception indicators of satisfaction with services** (annual data from the National Survey on Availability and Use of Information Technologies in Households, ENDUTIH). The calculation formula is as follows:  $(\sum_{i=1}^N users_i * D_i) / (\sum_{i=1}^N users_i)$ , where  $D_i$  is 1 when respondents say that they are satisfied with the referenced service, and zero in other cases. Users are those corresponding to the reference telecommunications service. That is, the percentage of users who answered that they are satisfied or very satisfied with each service, per the ENDUTIH results.
- 
**User experience indicators** (under construction in 2017). These indicator formulas will be defined by the Guidelines establishing Quality Indices and Parameters for Mobile and Fixed Service Providers.



#### d. Indicators for Objective 4

The Indicators for Objective 4 are as follows:

- 

**Indicators on the number of complaints as a percentage of the number of subscribers per fixed and mobile telecommunications operator.** This refers to the total number of complaints received about fixed and mobile telecommunication services per year on the "I am a User" platform, divided by the number of each operator's subscribers. Therefore,  $NQo,t = ((\sum Nlo,t) / (Lo,t)) * 100$ , in which the percentage is obtained from the number of complaints per operator per quarter, divided by the sum of the number of complaints among the lines or subscriptions for each operator.
- 

**Indicators on the number of participants in the different information tools for users and audiences.** It is the total of shares in a reference period for each tool ("I am a User" and "Telecommunication Services Buyer") that the IFT makes available to the public and that seek to support informed decision making by end users and audiences. This indicator is calculated as follows:  $NPp,t = \sum NVp,t$  in which it adds the number of visitors for each one of the information tools over a determined period.



## ANNEX II.

### PARTIAL COMPLETION OF PROJECT DELIVERABLES IN 2017

TABLE 1

PARTIAL DELIVERABLES TO BE COMPLETED IN 2017 FOR PROJECTS WITH A LATER END DATE

Id	Project	Area	End of Project	Goal for 2017	2017 Deliverables
14	Traffic and Network Management Guidelines for Authorized Concessionaires and Internet Service Providers*	UPR	Mar/18	80%	Topical studies, draft Guidelines, Governing Board approval to submit the draft to the public consultation process
17	IFT-5 Bidding Process, 10 MHz in the 440-450 MHz band*	UER	Apr/18	70%	Project on conditions for public opinion, reception of comments from the public opinion process, bidding conditions, appendices and annexes approved by the IFT Governing Board, publication in the DOF and the IFT portal Stage Two: Statement of interest and submission of documentation and information by interested parties Stage Two: Assessment and Opinions issued about the information and issue of the Certificates of Participation Stage Three: Practice Session and Bid Submission Procedure Stage Four: Issue the Minutes of the Award Resolution
18	IFT-8 Bidding Process Sound Broadcasting Frequencies*	UER	Dec/18	30%	Project on conditions for public opinion, reception of comments from the public opinion process, bidding conditions, appendices and annexes approved by the IFT Governing Board, publication in the DOF and in the IFT portal

\* Projects from the 2016 AWP

Id	Project	Area	End of Project	Goal for 2017	2017 Deliverables
24	Project to Expand and Reinforce the National System of Radio Spectrum Oversight	UC	Dec/22	20%	Publication of bidding conditions and contract award, implementation of modifications to fixed stations; 6 fixed radio monitoring stations and six mobile and portable stations
25	IFT-7 Bidding Process Up to 130 MHz in the 2500-2690 MHz frequencies band*	UER	Jun/18	50%	Project on conditions for public opinion, reception of comments from the public opinion process, bidding conditions, appendices and annexes approved by the IFT Governing Board, publication in the DOF and the IFT portal Stage One: Statement of interest and submission of documentation and information by interested parties
38	Guidelines Establishing Broadband Parameters for Internet Access Providers	UPR	Apr/18	50%	Draft Guidelines, Governing Board approval to submit the draft to the public consultation process
52	Mobile Unit for the Promotion of Audience and User Rights in Mexico*	UMCA	Nov/19	70%	Mobile unit equipped and content developed Tour through 9 States in Mexico
60	National Infrastructure Information System (NIIS)*	UCS	Dec/18	60%	Publication of the Bidding Terms and Conditions and Awarding the Contract:
61	Preliminary feasibility study for online broadcasting services	UER	Dec/18	40%	Define system objectives and scope, develop technical annex, publish bidding terms and conditions and award of the contract, project management: management plan, organization, and quality of the deliverables
62	Audiovisual Content Monitoring System*	UMCA	Mar/19	30%	Document containing descriptions of the scope, strategy, and technical specifications for the Audiovisual Content Monitoring System* Publication of the Bidding Terms and Conditions for the system Model of the monitoring system: system design, material and human resources required for its implementation Proposed model of collaboration and sharing of infrastructure with the National Electoral Institute (INE)
66	Strategy to assess compliance with the obligations imposed by the Institute regarding asymmetric regulation	UC	Jun/18	60%	Publication of conditions for the invitation procedure for at least three people and awarding the Contract, Project Implementation Oversight and Verification Plan to assess and measure compliance with the obligations described in the asymmetric regulation in the telecommunications and broadcasting market sectors



## ANNEX III.





### Project Summary

#### OBJECTIVE 1.





PROMOTE AND ENCOURAGE USERS AND TARGET AUDIENCES TO ENJOY ENHANCED PUBLIC SERVICE OPTIONS AT AFFORDABLE PRICES, BY ENCOURAGING FREE TRADE AND COMPETITION IN THE REGULATED SECTORS.

**Strategy 1.1** Foster the development of free trade and competition in the Broadcasting and Telecommunications (B&T) market sectors, eliminating barriers to competition








ID	Area	Project Name	2017 Goal**	Q1	Q2	Q3	Q4	Contributing Area
1	UPR	Bi-annual Evaluation of the Measures Imposed on the PEA in the Broadcast Market Sector*	100%	<div></div>				CE, UAJ, UC, UCE
2	UPR	Bi-annual Evaluation of the Measures Imposed on the PEA in the Telecommunications Market Sector*	100%	<div></div>				CE, UAJ, UC, UCE
3	UCE	Guide to Merger Regulation in the B&T Market Sectors*	100%	<div></div>				NA
4	UCE	Criteria used to Define Markets and Assess Effective Competition Conditions*	100%		<div></div>			AI
5	UPR	Development of Cost Models for Wholesale Services	100%		<div></div>			CGMR, CGPE, STP, UADM, UAJ
6	UPR	Accounting separation methodology applicable to the economic agents with asymmetric or specific regulation	100%		<div></div>			UC
7	UPR	Minimum Technical Conditions and Interconnection Fees 2018	100%				<div></div>	CGMR, CGPE, STP, UADM, UAJ
8	UPR	Reference Offer for Access and Fixed Passive Infrastructure Sharing	100%				<div></div>	CGMR, STP, UAJ, UC
9	UPR	Reference Offer for Access and Mobile Passive Infrastructure Sharing	100%				<div></div>	CGMR, STP, UAJ, UC
10	UPR	Review and Analysis of the Interconnection Framework Agreements	100%				<div></div>	CGMR, CGPE, STP, UADM, UAJ

ID	Area	Project Name	2017 Goal**	Q1	Q2	Q3	Q4	Contributing Area
11	UPR	Review of the Reference Offer for Marketing or Resale of Services by Mobile Virtual Operators	100%					CGMR, CGPE, STP, UADM, UAJ
12	UPR	Review of the Reference Offers for Wholesale Service for Dedicated Links Leasing	100%					CGMR, CGPE, STP, UADM, UAJ
13	UPR	Review and Analysis of the Reference Offer for Wholesale Service for Visiting Users	100%					CGMR, CGPE, STP, UADM, UAJ
14	UPR	Traffic and Network Management Guidelines for Authorized Concessionaires and Internet Service Providers*	80%					CGPU

**Strategy 1.2** Foster the entry of new competitors and plurality in the Broadcasting and Telecommunications markets, eliminating barriers to entry

15	UER	IFT-4 Bidding Process. Sound Broadcasting Frequencies*	100%					CGCS, STP, UADM, UAJ, UCE, UCS
16	UER	IFT-6 Bidding Process. DTT channels 174-216 MHz frequency band (VHF) and 470-608 MHz (UHF)*	100%					STP, UADM, UAJ, UCE, UCS
17	UER	IFT-5 Bidding Process, 10 MHz in the 440-450 MHz band*	70%					STP, UADM, UAJ, UCE, UCS
18	UER	IFT-8 Bidding Process. Sound Broadcasting Frequencies*	30%					STP, UADM, UAJ, UCE, UCS

**Strategy 1.3** Manage and foster the efficient use of the radio spectrum in the B&T market sectors

19	UER	Update of the National Table of Frequency Allocations (NTFA)*	100%					STP, CGMR
20	UER	Definition of Technical-Regulatory Spectrum Efficiency Metrics (T-RSEM) and Their Implementation Methodology*	100%					CGMR, STP, UAJ, UPR
21	UER	Spectrum Negotiation Protocol Concerning the Use of the 2.5 GHz band on the border with the United States (USA)*	100%					UPR, CGAI
22	UER	Spectrum Negotiation Protocol Concerning the Use of the 700 MHz band on the border with the United States (USA)*	100%					UPR, CGAI
23	UER	2018 Annual Program for the Use and Exploitation of Frequency Bands (PABF) 2018	100%					STP, UC, UCS, UMCA, UPR
24	UC	Project to Expand and Reinforce the National System of Radio Spectrum Oversight	20%					UADM
25	UER	IFT-7 Bidding Process. Up to 130 MHz in the 2500-2690 MHz frequencies band*	50%					CES, STP, UADM, UAJ, UCE, UCS

OBJECTIVE 2.		PROMOTE AND DRIVE CONDITIONS FOR UNIVERSAL ACCESS TO TECHNOLOGIES AND BROADCASTING AND TELECOMMUNICATION SERVICES TO MAXIMIZE SOCIAL WELFARE.						
Strategy 2.1 Encourage the coverage of B&T services in the market sector								
ID	Area	Project Name	2017 Goal**	Q1	Q2	Q3	Q4	Contributing Area
26	UCS	Dissemination and Outreach Program for Granting New Public and Social Concessions*	100%	<div></div>				NA
27	UER	Identification of IMT spectrum needs between 24.25 GHz and 86 GHz en Mexico	100%				<div></div>	STP
Strategy 2.2 Foster the development and efficient use of infrastructure in the B&T market sectors								
28	UCS	Updating the Basic Technical Numbering Plan to change National Telephone dialing to 10 digits*	100%	<div></div>				UPR, UAJ, CGMR, CGCS, CGPU, UADM
29	UPR	Guidelines for B&T Infrastructure Deployment*	100%	<div></div>				NA
30	UPR	Guidelines for establishment of the National Infrastructure Information System (NIIS)*	100%	<div></div>				CGPE, UCS
OBJECTIVE 3.		GUARANTEE THAT THE BROADCASTING AND TELECOMMUNICATION SERVICES PROVIDED FOR THE POPULATION ARE CONSISTENT WITH INTERNATIONAL QUALITY STANDARDS.						
Strategy 3.1 Guarantee compliance with the quality standards established by the IFT for the provision of services by broadcast and telecommunications operators.								
31	UPR	Guidelines for Accreditation of Broadcasting and Telecommunications Experts*	100%	<div></div>				UAJ
32	UPR	Guidelines setting the Indexes and Quality Parameters for Mobile Service Providers*	100%	<div></div>				NA
33	UPR	Technical Provision IFT-007-2016 Maximum exposure limits for humans to non-ionizing electromagnetic radiofrequency radiation in the 100 kHz to 300 GHz range, in the radiocommunication station environment*	100%		<div></div>			UAJ, UCS
34	UPR	Technical Provision IFT-012-2016. Technical specifications for compliance with the maximum limits for non-ionizing radioelectric emissions for the products, equipment, devices or apparatus used in telecommunications that may be linked to a telecommunications network and/or utilize the radioelectric spectrum. Specific Absorption Rate	100%			<div></div>		UAJ, UCS
35	UPR	Conformity Assessment Procedure*	100%			<div></div>		UAJ, UCS
36	UPR	Technical Provision IFT-011-2017. Specifications for mobil terminal equipment that use the radio spectrum and are connected to public telecommunications networks	100%			<div></div>		UAJ, UCS, UER



ID	Area	Project Name	2017 Goal**	Q1	Q2	Q3	Q4	Contributing Area
37	UPR	Guidelines Establishing Quality Indexes and Parameters for Fixed Service Providers*	100%			<div></div>		CGPU, UC
38	UPR	Guidelines Establishing Broadband Parameters for Internet Access Providers	50%				<div></div>	UAI, UC
Strategy 3.2 Improve user experiences about the quality of the telecommunication services.								
39	UPR	Guidelines to make sure that the PEA in the telecommunications sector has a physical IXP presence in Mexico*	100%	<div></div>				NA
40	UPR	Guidelines for Accreditation of Verification Units*	100%				<div></div>	UAI, UCS
OBJECTIVE 4.		PROMOTE RESPECT FOR THE RIGHTS OF BROADCASTING AND TELECOMMUNICATIONS SERVICE END USERS AND AUDIENCES.						
Strategy 4.1 Foster the protection of users and audiences								
41	CGVI	Emergency Communication Protocol*	100%		<div></div>			UPR
42	CGVI	Emergency Communication Response Plan	100%		<div></div>			UC
43	UMCA	General Advertising Guidelines*	100%		<div></div>			CGMR, STP, UAI, UCE, UCS
44	CGPU	Agreement on Digital Literacy for Kids signed with the SEP*	100%		<div></div>			CGVI, UAI
45	CGPU	Provisions for Operators to Publish Transparent, Comparable, Adequate, and Current Information*	100%				<div></div>	CGPE, UCS
46	CGPU	Quality oversight platform for mobile service experience	100%				<div></div>	CGCS, UADM, UPR
Strategy 4.2 Empower users and audiences by providing information and education about their rights in the B&T market sectors								
47	UMCA	"We are Audiences" Micro site*	100%	<div></div>				UADM, UCS
48	CGPU	Agreement with the Public Transportation System	100%				<div></div>	CGVI
49	CGPU	Second stage of the Comprehensive Information System for Telecommunications Service Users	100%				<div></div>	UADM, UC, UCS,
50	UER	Online consultation for coverage and DTT, AM and FM station indicators	100%				<div></div>	CGPE, UADM, UCS
51	UMCA	Design proposal and implementation of the Gesell camera	100%				<div></div>	NA
52	UMCA	Mobile Unit for the Promotion of Audience and User Rights in Mexico*	70%				<div></div>	CGCS, CGPU, CGVI, UADM

### TRANSVERSE AXIS - INSTITUTIONAL STRENGTHENING

#### Strategy TA. 1 Improve and systematize the management of the Institute's different processes, procedures, and activities

ID	Area	Project Name	2017 Goal**	Q1	Q2	Q3	Q4	Contributing Area
53	CGMR	Mapping of the steps related to the IFT internal services and procedures*	100%					AI, CGPU, CGVI, STP, UADM, UC, UCE, UCS, UER, UMCA, UPR
54	CGPE	Statistical Information Query System*	100%					NA
55	CGVI	Integrated Electronic File System*	100%					AI, CE, CES, CGAI, CGCS, CGMR, CGPE, CGPU, STP, UADM, UAJ, UC, UCE, UCS, UER, UMCA, UPR
56	UADM	Schedule to review and update rules regarding IFT acquisitions, leasing and services	100%					UAJ
57	UADM	Expansion and rehabilitation of spaces with a sustainable approach in the IFT "engineering" building	100%					UC
58	UADM	TIER III Certifiable Data Center	100%					NA
59	CGPE	Reconstruction of Historical Databases with Statistical Information (Phase 2)	100%					NA
60	UCS	National Infrastructure Information System (SNII)*	60%					UADM, UPR
61	UER	Preliminary feasibility study for online broadcasting services	40%					CGMR, CGPE, UADM, UAJ, UCS
62	UMCA	Audiovisual Content Monitoring System*	30%					NA

#### Strategy TA. 3 Reduce the administrative burden imposed on the regulated sectors and put mechanisms for regulatory improvement in place

63	CGMR	Regulatory Impact Analysis and Public Consultation Process Guidelines*	100%					NA
64	CGMR	Implementation of the Standard Costing Model to identify the administrative burden involved in the procedures provided by the Institute*	100%					AI, CGPU, CGVI, UC, UCE, UCS, UER, UMCA, UPR

ID	Area	Project Name	2017 Goal**	Q1	Q2	Q3	Q4	Contributing Area
65	CGPE	Streamline the management of various information delivery obligations by establishing electronic statistical and non-statistical information forms on telecommunications*	100%					CGMR, CGPU, CGVI, UADM, UAJ, UC, UCE, UCS, UER, UPR
66	UC	Strategy to assess the compliance with the obligations imposed by the Institute regarding asymmetric regulation	60%					STP

Note:  
CES: Studies Center; CGAI: Bureau of International Affairs; CGCS: Bureau of Media Relations; CGMR: Bureau of Regulatory Improvement; CGPE: Bureau of Strategic Planning; CGPU: Bureau of User Policy; CGVI: Bureau of Institutional Liaisons; UADM: Administration Unit; UCE: Antitrust Unit; UCS: Concessions and Services Unit; UER: Radio Electric Spectrum Unit; UMCA: Media and Audiovisual Content Unit; and, UPR: Regulatory Policy Unit.  
Q1, Q2, Q3 and Q4 refer to the first, second, third and fourth quarter of the year respectively.



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