

Unclassified

English - Or. English

9 July 2024

Directorate for Financial and Enterprise Affairs  
**COMPETITION COMMITTEE**

## Annual Report on Competition Policy Developments in Mexico

-- 2023 --

This report is submitted by Mexico to the Competition Committee FOR INFORMATION.

JT03547325

## *Table of contents*

<b>1. Changes to competition laws and policies, proposed or adopted .....</b>	<b>5</b>
1.1. Summary of new legal provisions of competition law and related legislation .....	5
1.2. Other relevant measures including new guidelines .....	5
<b>2. Enforcement of competition laws and policies .....</b>	<b>6</b>
2.1. Actions against anticompetitive practices, including agreements and abuses of dominant position .....	6
2.2. Antitrust cases in the courts .....	9
2.3. Significant cases .....	9
<b>3. Mergers and acquisitions .....</b>	<b>16</b>
3.1. Significant cases: mergers .....	17
<b>4. Competition Advocacy .....</b>	<b>17</b>
4.1. The role of competition authorities in the formulation and implementation of other policies .....	17
4.2. New reports and studies on competition policy issues .....	18
4.3. Other advocacy efforts .....	19
<b>5. Resources of competition authorities .....</b>	<b>20</b>
5.1. Annual Budget .....	20
5.2. Commission's Leadership .....	20
5.3. Human Resources .....	20
<b>6. International Activities .....</b>	<b>21</b>
6.1. FIFA World Cup Initiative .....	21
6.2. ICN/WB Advocacy Contest .....	21
<b>7. Period covered by the above information.....</b>	<b>21</b>
<b>8. Changes to competition laws and policies, proposed or adopted .....</b>	<b>23</b>
8.1. Summary of new legal provisions of competition law and related legislation .....	23
8.2. Other relevant measures, including new guidelines .....	23
8.3. Government proposals for new legislation .....	23
<b>9. Enforcement of competition laws and policies .....</b>	<b>23</b>
9.1. Action against anticompetitive practices, including agreements and abuses of dominant positions .....	23
9.2. Mergers and acquisitions .....	25
<b>10. The role of competition authorities in the formulation and implementation of other policies, e.g., regulatory reform, trade and industrial policies .....</b>	<b>27</b>
10.1. Public Auctions .....	28
10.2. Grant, renewal and transfer of licenses .....	28
10.3. Competition opinions .....	28
<b>11. Resources of competition authorities .....</b>	<b>29</b>
11.1. Resources overall (current numbers and change over previous year): .....	29
<b>12. Summaries of or references to new reports and studies on competition policy issues.....</b>	<b>31</b>
12.1. Studies .....	31
12.2. Advocacy efforts .....	31
12.3. International activities .....	33

## TABLES

Table 1. Anticompetitive practices and other restrictions to competition	7
Table 2. Fines imposed (Mexican pesos)	8
Table 3. Essential inputs and barriers to competition	8
Table 4. Effective competition conditions	9
Table 5. Defence of the Commission's decisions in matters of competition before specialized courts	9
Table 6. Mergers	16
Table 7. Mergers 2023: value of transactions (millions Mexican pesos)	16
Table 8. M&A resolved by the IFT in 2023	26
Table 9. Number of Cases Related to Licenses Reviewed in T&B 2023	28
Table 10. IFT's Annual Competition Budget by Administrative Units in 2023	29
Table 11. Number of Employees in 2023	30
Table 12. Number of IFT Employees by Administrative Unit and by Profession in 2023	30
Table 13. Number of IFT Employees Applied to Competition Practice in 2023	30

## Mexico

### Executive Summary COFECE

1. 2023 marked the tenth anniversary of the creation of the Mexican Federal Economic Competition Commission (COFECE or Commission) as a constitutional autonomous body and of the enactment of a new Federal Economic Competition Law (LFCE), as well as thirty years of competition law in Mexico. This year also marked a new era for the Commission's leadership as, after almost two years without any designation, the Senate appointed two new Commissioners and selected Commissioner Andrea Marván as the new Chair of the authority.
2. Throughout this year, the Commission's Investigative Authority concluded 7 investigations into anticompetitive practices with a statement of objections; of which 3 are for absolute monopolistic practices (cartel agreements) in the markets of waterproofing products, leasing of non-residential real-estate spaces and maritime transport services, and 4 for relative monopolistic practices (abuse of dominance) in the markets of mezcal, medical oxygen, wholesale distribution and retail of consumption goods and digital advertising services.
3. Fines in 2023 amounted to 167.24 million Mexican pesos; of this amount, 150.99 million Mexican pesos corresponded to sanctions for breaching the law. Two collusion cases were fined, one in the market of tortillas in the municipality of Huixtla in the southern state of Chiapas and the other in the market of equipment, accessories and spare parts for the utilization of industrial gases.
4. As for merger analysis, Cofece analyzed 153 operations of which one was blocked due to its potential to hinder competition in the market of entertainment services in dolphinariums. This year, the value of the mergers analyzed by the Commission amounted to 447,755.58 million Mexican pesos with more than half of the operations having a national scope.
5. Also, this year, the Board of Commissioners concluded two Stage II investigation procedures ruling the existence of barriers to competition in the markets of jet fuel and card payment systems. Additionally, the Investigative Authority concluded a Stage I procedure with the issuance of a preliminary opinion finding the lack of effective competition conditions in the market of maritime transport services of passengers and maritime transport of roll-on/roll-off cargo in Baja California Sur.
6. Relevant advocacy activities carried out this year included the issuance of opinions regarding proposed laws and regulations in markets related with civil aviation and card payment processing services. Additionally, the Commission launched an initiative called "*Competition in your State*" aimed at establishing and strengthening communication channels with local and municipal authorities, academic institutions, and entrepreneurs to bring competition policy closer to the Mexican population, regardless of their location. Finally, Cofece initiated a market study into the natural gas market and published a commemorative book which reflects on the past, present and future of competition policy in Mexico.
7. Finally, at the international level, Cofece announced a trilateral initiative with the United States Department of Justice and the Canadian Competition Bureau to promote and protect competition in the context of the 2026 FIFA World Cup. Also, the Commission was

awarded an honorable mention in the 2023 edition of the ICN/WB Competition Advocacy Contest for its document on ex-post assessments.

## 1. Changes to competition laws and policies, proposed or adopted

### 1.1. Summary of new legal provisions of competition law and related legislation

#### *1.1.1. Public consultation of the draft amendment to the Regulatory Provisions on the Use of Electronic Means*

8. In July, the Commission initiated a public consultation of its draft amendment to the Regulatory Provisions on the Use of Electronic Means. The changes are intended to facilitate the handling of proceedings before the Commission through its Electronic Procedures System, specifically regarding the notification of certain procedures.<sup>1</sup> The consultation was open for a period of twenty natural days and a final version of the new provisions is still in the works.<sup>2</sup>

#### *1.1.2. Public consultation of the amendment to the Regulatory Provisions of the Federal Economic Competition Law*

9. In December, another public consultation was launched, this time for draft amendments to the Regulatory Provisions of the Federal Economic Competition Law. These amendments aim at strengthening current competition regulations, particularly in relation to the issuance of interim measures. The consultation ended in early 2024 and the amendment came into effect in February 2024.

### 1.2. Other relevant measures including new guidelines

#### *1.2.1. Guidelines for the use of electronic means during the investigation the sequel to the procedure, the verification and incidents processed before the Commission.*

10. In March, Cofece issued the Guidelines for the use of electronic means during the investigation, the sequel to the procedure, the verification and the incidents processed before the Federal Economic Competition Commission which regulate the filing of documents, notifications and the handling of proceedings through electronic means. These Guidelines allow Cofece to take advantage of technological tools to conduct, to the extent possible, its procedures electronically, thus benefiting users by reducing times and making processes more efficient.<sup>3</sup>

---

<sup>1</sup> See Press Release Cofece-022-2023, available at [https://www.cofece.mx/wp-content/uploads/2023/07/Cofece-022-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/07/Cofece-022-2023_ENG.pdf)

<sup>2</sup> A report of the comments received during the consultation is available, in Spanish, at <https://www.cofece.mx/wp-content/uploads/2023/08/Informe-consulta-publica-DRUMES.pdf>

<sup>3</sup> Press Release COFECE-007-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/03/COFECE-007-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/03/COFECE-007-2023_ENG.pdf)

## 2. Enforcement of competition laws and policies

### 2.1. Actions against anticompetitive practices, including agreements and abuses of dominant position

11. During 2023, the Commission concluded the analysis of 29 complaints, of which one lead to an investigation in the market for the development, commercialization, and sale of digital goods and/or services and 28 were dismissed.<sup>4</sup>

12. Also, the Investigative Authority (IA) concluded 7 investigation procedures all of which resulted in the issuance of statement of objections in the following markets:

#### *2.1.1. For absolute monopolistic practices:*

1. Production, distribution, and retail of waterproofing products.
2. Leasing of non-residential real-estate spaces.
3. Maritime transport services in the state of Quintana Roo.

#### *2.1.2. For relative monopolistic practices:*

4. Conformity assessment of mezcal.
5. Production, distribution, and retail of medical oxygen.
6. Supply, wholesale distribution and retail of consumption goods.
7. Digital advertising services.

13. As for trial-like procedures, the Board of Commissioners concluded 3 cases, of which a relative monopolistic practice case LP Gas market was closed without responsibility and 2 absolute monopolistic practices cases resulted in fines in the markets of: i) tortillas in the municipality of Huixtla in the southern state of Chiapas, and ii) equipment, accessories and spare parts for the utilization of industrial gases.

---

<sup>4</sup> Article 69 of the LFCE provides that complaints can be dismissed if: i) there are grounds for immediate dismissal, or ii) if the complaint does not fulfill all the requirements provided for in Article 68 of said law and this situation is not remedied by the complainant.

**Table 1. Anticompetitive practices and other restrictions to competition<sup>5</sup>**

<b>Complaints</b>		
	<b>Total 2023</b>	<b>Files (if applicable)</b>
Received	29	-
Analysis Concluded	29	-
Leading to an investigation	1	Possible relative monopolistic practices in the development, commercialization, and sale of digital goods and/or services (DE-023-2022)
Dismissed	28	-
Integrated to a case file	0	-
<b>Investigations</b>		
Initiated	5	For absolute monopolistic practices: Radiological material acquired by the health sector (IO-004-2022) Distribution and exhibition of movies in movie theaters and complementary services offered in them (IO-007-2022) Distribution and commercialization of scopolamine (IO-006-2022) For relative monopolistic practices: Development, commercialization, and sale of digital goods and/or services (DE-023-2022) For unlawful mergers: Commercialization of real-estate classified ads (IO-001-2023)
Concluded	7	-
No evidence of anticompetitive practice	0	-
Notification of Statement of Objections	7	For absolute monopolistic practices: Production, distribution, and commercialization of waterproofing products (IO-002-2019) Leasing of non-residential real-estate spaces (IO-004-2020) Maritime transport services in the state of Quintana Roo (IO-004-2021) For relative monopolistic practices: Conformity assessment of mezcal (DE-050-2019) Production, distribution and commercialization of medical oxygen (IO-001-2020) Supply, wholesale distribution and retail of consumption goods (IO-002-2020) Digital advertising services (IO-003-2020)
Early closure with commitments	0	-
<b>Trial-like procedures</b>		
Concluded	3	
Sanctions imposed	2	Collusion in the tortilla market in Huixtla Chiapas (DE-032-2019) Collusion in the market of equipment, accessories and spare parts for the utilization of industrial gases (IO-001-2021)
Closed without liability	1	Abuse of dominance in the market of LP Gas (DE-044-2018)
Closure with commitments	0	-

Source: Internal Statistics and Cofece. Quarterly reports 2023, available in Spanish at: <https://www.cofece.mx/category/planeacion-informes/informes-trimestrales>

14. In 2023, COFECE imposed fines totaling 167.24 million Mexican pesos. It is worth mentioning that 96.9% of the fines for breaching the law imposed this year corresponded to cases involving non-notified mergers.

<sup>5</sup> The number of received investigations may not equal the number of concluded investigations since these could include inquiries that were initiated in another year or are pending from other periods.

**Table 2. Fines imposed (Mexican pesos)**

	Total for 2023
Sanctions for breaching the law	\$150,994,384.15
Enforcement measures*	\$16,248,202.3
<b>Total fines</b>	<b>\$167,242,586.45</b>

Note: These figures correspond to the quantified fines.

Source: Internal Statistics and Cofece. Quarterly reports 2023, available in Spanish at: <https://www.cofece.mx/category/planeacion-informes/informes-trimestrales/>

15. Article 94 of the Federal Economic Competition Law (LFCE) empowers the Commission to open investigations to determine the existence of barriers to competition or of essential facilities. As a result of these investigations, the Commission can determine the existence of barriers to competition and implement remedies to eliminate them or declare that certain products are to be considered essential facilities and recommend regulatory measures to other authorities. In 2023 one investigation was initiated concerning the market of freight railway transportation. Also, the Board of Commissioners concluded two stage II procedures in the markets of jet fuel and card payments systems.

**Table 3. Essential inputs and barriers to competition**

Stage I		
Initiated	1	Freight railway transportation (IEBC-003-2023)
Concludes with the Issuance of a Preliminary Opinion	0	-
Stage II		
Initiated	0	-
Concluded	2	Jet fuel (IEBC-002-2019) Card Payments Systems (IEBC-005-2018)

Source: Internal Statistics and COFECE. Quarterly reports 2023, available in Spanish at: <https://www.cofece.mx/category/planeacion-informes/informes-trimestrales/>

16. Additionally, Article 96 of the LFCE empowers Cofece to determine the existence of effective competition conditions in markets. If the lack of these conditions is ruled by the Board of Commissioners, a resolution will be issued to the corresponding sectoral regulators to exercise certain powers, such as setting tariffs or access terms, to improve competition in the market. In 2023, the IA concluded one stage I procedure, which initiated in 2022, with the issuance of a preliminary opinion related to the market of maritime transport of passengers and roll-on/roll-off cargo in the state of Baja California Sur. This file continues to Stage II in which the Board of Commissioners will have to resolve accordingly.



**Table 4. Effective competition conditions**

Stage I		
Initiated	0	-
Concluded with the issuance of a Preliminary Opinion	1	Maritime transport services of passengers and roll-on/roll-off cargo in Baja California Sur (DC-001-2022)
Stage II		
Initiated	1	Maritime transport services of passengers and roll-on/roll-off cargo in Baja California Sur (DC-001-2022)
Concluded	0	-

Source: Source: Internal Statistics and COFECE. Quarterly reports 2023, available in Spanish at: <https://www.cofece.mx/category/planeacion-informes/informes-trimestrales/>

## 2.2. Antitrust cases in the courts

17. In 2023, the Judiciary confirmed 86% of the Commission's decisions, which means that 87 out of 73 cases were upheld. The specialized courts ruled in favor of economic agents in 14 cases in which they filed appeals against the decisions of COFECE.

**Table 5. Defence of the Commission's decisions in matters of competition before specialized courts**

	Total
Competition related amparos resolved by the Judiciary	101
Amparos dismissed*	72
Amparos denied	15
Amparos granted	14

Note: Amparos are appeals against the decisions of the Commission that are filed before the specialized courts. Source: Internal Statistics and COFECE. Quarterly reports 2023, available in Spanish at: <https://www.cofece.mx/category/planeacion-informes/informes-trimestrales/>

## 2.3. Significant cases

18. This section describes the status of the cases as of 31 December 2023.

### 2.3.1. Food and Beverages

#### *Sanction to a collusion in the tortilla market in Huixtla, Chiapas*

19. In June, the Board of Commissioners sanctioned two supermarket stores (*Chedraui* and *Soriana*) as well as two individuals who acted on their behalf; in addition to five tortilla producers and a delegate of the local government of Huixtla who assisted or facilitated the collusion to manipulate the price of tortilla and restrict its sale in said municipality.<sup>6</sup>

20. In this case, which derived from a complaint, the Board of Commissioners resolved that due to the harm and the duration of the practice, fines to those involved amounted to a total of 2.07million Mexican pesos. Furthermore, the resolution also determined to disqualify the two individuals who acted on behalf of the supermarkets for a period of 4 months since they were found responsible for acts that affected final consumers. The tortilla

<sup>6</sup> Press Release COFECE-017-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/06/Cofece-017-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/06/Cofece-017-2023_ENG.pdf)

market is particularly sensitive for most Mexican households since it involves a staple item of the basic food basket.

#### *Statement of objections in the mezcal market*

21. In September, Cofece notified a statement of objections to a legal person and to a natural person for their alleged responsibility for unilaterally refusing to sell, commercialize or provide a service available and normally offered to third parties in the market for the conformity assessment of the alcohol beverage mezcal. Conformity assessment is key to ensure the quality, as well as physical and chemical characteristics and specifications of mezcal so that consumers are guaranteed to buy products that comply with quality standards. The case, which derived from a complaint, will continue to the trial-like procedure stage in which the Board of Commissioners will have to determine whether a relative monopolistic practice (abuse of dominance) took place in the market.<sup>7</sup>

#### *Statement of objections in the self-service stores market*

22. In October, the Commission notified a statement of objections to a company for the probable vertical price fixing and/or other relative monopolistic practices in the market for the supply and distribution of consumer goods through self-service store chains in the national territory. The case involves a key sector in which Mexican households spend more than half of their income on consumer goods such as food, beverages, cleaning, and personal care items. This file, which derived from an ex-officio investigation, will continue to the trial-like procedure stage in which the Board of Commissioners will have to resolve accordingly.<sup>8</sup>

### **2.3.2. Financial services**

#### *Barriers to competition in the card payments*

23. In September, the Board of Commissioners determined the existence of barriers to competition and free market access in the card payments processing services market; a condition that contributes to the exclusion of the most vulnerable groups and micro, small and medium-sized companies from the financial system because they cannot afford to pay high fees. Card payment processing services allow business to accept card payments for goods and/or services to a business. For these transactions to happen, clearinghouses offer are electronic services that allow communication between banks involved and the payment in favor of the business.<sup>9</sup>

24. During this investigation, the Commission identified that only two undertakings provide processing of card payment services in the Mexican market: *E-Global* and *Prosa*. Additionally, the investigation identified that there are two potential entrants but, due to the existence of barriers to competition, they have not been able to provide these services despite already having the corresponding permits. Based on this scenario and on the

---

<sup>7</sup> Press Release COFECE-028-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/09/Cofece-028-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/09/Cofece-028-2023_ENG.pdf)

<sup>8</sup> Press Release COFECE-030-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/10/Cofece-030-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/10/Cofece-030-2023_ENG.pdf)

<sup>9</sup> Press Release COFECE-025-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/09/Cofece-025-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/09/Cofece-025-2023_ENG.pdf)

findings of the investigation, Cofece determined the lack of effective competition conditions mainly due to three reasons:<sup>10</sup>

- The excessive concentration in the market, with only two suppliers of the card payment processing service.
- The regulatory ecosystem tends to favor the *status quo* to the benefit of the incumbents, hindering the entrance of new competitors and making innovation and differentiation impossible.
- The two companies that provide card payment processing services are owned by banks themselves, who in turn issue cards or provide Point of Service (POS) services, creating a structure that could facilitate anticompetitive conducts.

25. To eliminate these barriers and restore effective competition conditions, the Commission recommended:

- To the Mexican Central Bank and the National Banking and Securities Commission (CNBV, for its acronym in Spanish) to modify regulations so that both institutions, and not the economic agents, guarantee the interoperability of card payments networks.
- That interchange fees should no longer be set by consensus of the incumbents and that the Mexican Central Bank and the CNBV modify the formula to determine them considering, among others, the operating costs of the system, the incentives to reduce operating costs and the promotion of financial inclusion.
- Mexican Central Bank to modify the necessary regulations to guarantee the linkage of processing systems and fairness in the certification that allows communication between new and existing clearinghouses.
- Mexican Central Bank to establish rules, mechanisms, and protocols for the treatment of information with clearinghouses, to mitigate the risk of bank collusion.
- *E-Global* and *Prosa* to design, implement and disseminate among their staff and shareholders an effective competition law compliance program.

### 2.3.3. *Transport and Logistics*

#### *Lack of effective competition conditions in the maritime transport of passengers and roll-on/roll-off cargo*

26. In June, the Investigative Authority issued a preliminary opinion in which it determined the lack of effective competition conditions in the maritime transport of passengers and roll-on/roll-off cargo, by ferry, on two routes (Pichilingue-Topolobampo and Pichilingue-Mazatlán) between the northern states of Baja California Sur and Sinaloa.<sup>11</sup>

27. According to the findings of the IA, there are high levels of concentration in maritime transport services for two main reasons:<sup>12</sup>

<sup>10</sup> A complementary note describing the case, the barriers identified and the recommendations is available, in Spanish, at <https://www.cofece.mx/wp-content/uploads/2023/09/Nota-complementaria.pdf>

<sup>11</sup> Press Release COFECE-015-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/06/Cofece-015-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/06/Cofece-015-2023_ENG.pdf)

<sup>12</sup> The excerpt of the Preliminary Opinion is available, in Spanish, at <https://www.cofece.mx/wp-content/uploads/2023/06/DOF-08junio2023-01.pdf>

- Only two companies (*Transportación Marítima de California* and *Baja Ferries*) have offered for several years the service in question on both routes for roll-on/roll-off cargo. Additionally, *Baja Ferries* is the only company that provides maritime passenger transport on said routes.
- There are barriers hindering the entrance of new competitors, such as high investment amounts, limits to the participation of foreign capital in shipping companies and the lack of capacity of the Port of Pichilingue to allow the entry of new competitors under the same conditions as established companies.

28. After the publication of this preliminary opinion, the case proceeded to Phase II of the process in which the Board of Commissioners analyzed and confirm the sense of the opinion of the IA so that, in turn, the Ministry of the Navy can establish the necessary tariff regulation, based on articles 130 and 140 of the Maritime Navigation and Commerce Law.

### 2.3.4. Construction and Real-Estate Services

#### *Unlawful merger in the real-estate services market*

29. In October, the Investigative Authority published the initiation of an *ex officio* investigation for the conduction of a possible unlawful merger in the market for the commercialization of classified real-estate advertisements in the national territory. This investigation is ongoing.<sup>13</sup>

### 2.3.5. Energy

#### *Statement of objections in the market for the retail sale of gasoline and diesel*

30. In January, the Commission notified a statement of objections to several economic agents and individuals for their probable participation in a collusion to fix, raise, agree or manipulate the sale price of gasoline and diesel retailed at services stations across the national territory. Both fuels are fundamental for the country's economy, since their availability, price and quality have an impact on the welfare of Mexican families and, in a cross-cutting manner, in all productive sectors. The case continues to the trial-like procedure in which the Board of Commissioners will have to resolve accordingly.<sup>14</sup>

#### *Statement of objections in the market of maritime diesel*

31. Also in January, the Commission notified another statement of objections for a probable collusion to fix, raise, agree or manipulate the sale price of maritime diesel at services stations across the country. Marine diesel is a fuel used by several types of vessels, such as boats and ships, it is sold at services stations located in coastal areas or near the mouth of rivers. This case now continues to the trial-like procedure for the Board of Commissioners to resolve accordingly.<sup>15</sup>

---

<sup>13</sup> Press Release COFECE-032-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/10/Cofece-032-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/10/Cofece-032-2023_ENG.pdf)

<sup>14</sup> Press Release COFECE-001-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/01/COFECE-001-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/01/COFECE-001-2023_ENG.pdf)

<sup>15</sup> Press Release COFECE-003-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/01/COFECE-003-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/01/COFECE-003-2023_ENG.pdf)

*Barriers to competition in the value chain of jet fuel*

32. In March, the Board of Commissioners determined the existence of barriers to competition and free market access that generate restriction on the efficient functioning of the markets for primary and secondary commercialization, internal and external storage, as well as sale of jet fuel. This energy source is the main input for air transportation, and it represents between 25% and 30% of the operating expenses of airlines.<sup>16</sup>

33. On its resolution, the Board of Commissioners identified the following five barriers:

- Barrier 1 – Primary Commercialization Market: There are provisions of the regime of prior import permits that limit the entry and permanence of economic agents. To solve this, Cofece recommended to the Ministry of Economy and the Ministry of Energy to modify several agreements that limit the import of jet fuel.
- Barrier 2 – External Storage Market: There is shortage and lack of access to the external storage infrastructure for jet fuel, which inhibits the ability of current and potential participants to compete. To solve this, the Commission recommended the Energy Regulatory Commission to increase the possibility of traders to access said infrastructure without discriminatory restrictions.
- Barrier 3 – External Storage Market: Most of the capacity of the country's capacity is contracted with *Pemex Transformación Industrial* and there are no maximum limits to its capacity reserve, limiting the entry of competitors. To solve this, Cofece recommended the Energy Regulatory Commission to establish regulation determining the maximum participation of *Pemex Transformación Industrial* in the reserve capacity in external storage facilities at the regional level.
- Barrier 4 – Secondary Commercialization and Supply Markets: *Aeropuertos y Servicios Auxiliares* is vertically integrated in several segments of these relevant markets, and it has not completed is functional, operational, and accounting separation, thus restricting competition in said markets. In this regard, the Commission recommended the Ministry of Infrastructure, Communications and Transportation, the Ministry of Finance and Public Credit and the Ministry of Public Administration to assess and, if necessary, modify the Organic Statute of *Aeropuertos y Servicios Auxiliares*. Also, this company was ordered to comply with the separation obligations.
- Barrier 5 – Internal Storage and Sale Market: Some concession titles for the operation and administration of airports contain exclusivity clauses in favor of *Aeropuertos y Servicios Auxiliares* which could be limiting competition to new entrants into the sale market. For this, the Commission recommended to the Ministry of Infrastructure, Communications and Transportation to issue and publish on the Federal Official Gazette a general notice indicating that such exclusivities of *Aeropuertos y Servicios Auxiliares* are no longer in force.

*Statement of objections for an unlawful merger in the market of gasoline and diesel*

34. In April, the Commission notified a statement of objections to several economic agents and individuals for their probable responsibility in the conduction of various unlawful mergers and the omission to notify a merger operation in the market for the

<sup>16</sup> Press Release COFECE-009-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/03/COFECE-009-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/03/COFECE-009-2023_ENG.pdf)

commercialization and distribution of gasoline and diesel, as well as the retail of such products in service stations. This case now continues to the trial-like procedure for the Board of Commissioners to resolve accordingly.<sup>17</sup>

### 2.3.6. Health

#### *Possible collusion in the market for the distribution and commercialization of scopolamine*

35. In May, the Investigative Authority published the initiation of an *ex officio* investigation for a possible collusion in the market for the distribution and commercialization of scopolamine which is an active ingredient that functions as the basis for the creation of highly common medicines in the market. In low doses, it is used to treat motion sickness, nausea, colitis, and as antispasmodic and local analgesic. This investigation is ongoing.<sup>18</sup>

#### *Statement of objections in the market of medical oxygen*

36. In October, the Commission notified a statement of objection to several economic agents who allegedly abused their dominant position, either jointly or individually, to conduct probable exclusivities in the market for the production, distribution and commercialization of medical oxygen and related services in the national territory. Medical oxygen is widely used in all healthcare environments, ranging from emergency rooms, operating rooms, intensive care and hospital rooms to medical wards through inhaler treatments, as well as medical treatment for patients who require it. The case now continues to the trial-like procedure for the Board of Commissioners to resolve accordingly.<sup>19</sup>

### 2.3.7. Public Procurement

#### *Possible bid rigging in the acquisition of radiological material by the health sector*

37. In March, the Investigative Authority published the initiation an *ex officio* investigation of possible illegal agreements between competitors to concert or coordinate bids in the market for radiological materials and related materials acquired by the health sector in the national territory. According to the IA, there is an objective cause that shows indications of a probable absolute monopolistic practice in said market which involves the health sector, a particularly sensitive sector due to its direct impact on the number and quality of the supplies purchased with public resources by the government. The investigation is ongoing.<sup>20</sup>

---

<sup>17</sup> Press Release COFECE-010-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/04/Cofece-010-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/04/Cofece-010-2023_ENG.pdf)

<sup>18</sup> Press Release COFECE-012-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/05/COFECE-012-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/05/COFECE-012-2023_ENG.pdf)

<sup>19</sup> Press Release COFECE-035-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/10/Cofece-035-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/10/Cofece-035-2023_ENG.pdf)

<sup>20</sup> Press Release COFECE-006-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/03/COFECE-006-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/03/COFECE-006-2023_ENG.pdf)



### 2.3.8. Digital Markets

#### *Possible abuse of dominance in digital goods and/or services*

38. In July, the Investigative Authority published the initiation of an investigation derived from a complaint regarding a possible abuse of dominance in the market for the development, commercialization and sale of digital goods and/or services. The inquiry will look into products such as e-books, software, video games, photographs, music and online movies, among others. Digital goods and services, as well as apps, are created by developers and sold to end users through various channels. This investigation is ongoing.<sup>21</sup>

#### *Statement of objections in the market of digital advertising services*

39. In November, the Commission notified a statement of objections to a company that presumably abused its dominant market position to engage in anticompetitive conducts of tied sales or bundling in the market for digital advertising services and related services. Digital advertising services are commercial communications provided by digital media and platforms, to which advertisers resort to inform, persuade or strengthen the recognition of a particular brand or service, it is also the most widely used advertising medium in Mexico. The case will now continue to the trial-like procedure for the Board of Commissioners to resolve accordingly.<sup>22</sup>

### 2.3.9. Other Sectors

#### *Possible collusion between distributors and/or exhibitors of films in movie theaters*

40. In June, the Investigative Authority published the initiation of an *ex officio* investigation of possible illegal agreements between distributors and/or exhibitors of films in movie theaters across the country. Exhibition of movies is one of the main sources of entertainment for families, just in 2022 and according to date from the National Chamber of the Film Industry, a greater number of tickets were sold than the total population of Mexicans residing in the national territory with total box office revenues amounting to 12.25 billion Mexican pesos. This investigation is ongoing.<sup>23</sup>

#### *Statement of objections in the market of waterproofing products*

41. In June, the Commission notified a statement of objections to several companies and individuals for their probable participation in a collusion to manipulate the sale price in the market for the production, distribution and commercialization of waterproofing products. The case continues to the trial-like procedure in which the Board of Commissioners will resolve accordingly.<sup>24</sup>

---

<sup>21</sup> Press Release COFECE-021-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/07/Cofece-021-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/07/Cofece-021-2023_ENG.pdf)

<sup>22</sup> Press Release COFECE-037-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/11/Cofece-037-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/11/Cofece-037-2023_ENG.pdf)

<sup>23</sup> Press Release COFECE-014-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/06/Cofece-014-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/06/Cofece-014-2023_ENG.pdf)

<sup>24</sup> Press Release COFECE-020-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/07/Cofece-020-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/07/Cofece-020-2023_ENG.pdf)

### *Sanction to a cartel in the industrial gas equipment market*

42. In September, the Board of Commissioners sanctioned two companies (*Equipos para Gas* and *Gas Tecnología y Equipos*) and three individuals, one of which acted on behalf of one of the companies, for executing a 10-year long non-compete clause between the company and two former high-level executives that was not ancillary to a main transaction and, therefore, derived in an output restriction in the market of equipment for industrial gases. In this way, the agreement restricted the supply of good and services required for the integration, installation, maintenance and commercialization of equipment, accessories and spare parts for the use of industrial gases. As a result of this conduct, the Board of Commissioners imposed fines amounting to 2.60 million Mexican pesos.<sup>25</sup>

## 3. Mergers and acquisitions

43. This year, the Commission analyzed 153 mergers of which 142 were authorized, one was blocked in the market of dolphinariums and entertainment services and 10 were deemed as not filed, not admitted or abandoned by the parties.

**Table 6. Mergers**

	Total
Admitted	146
Analysis concluded	153
Authorized	142
Subject to conditions	0
Rejected	1
Other	10

Source: Internal Statistics and COFECE. Quarterly reports 2023, available in Spanish at: <https://www.cofece.mx/category/planeacion-informes/informes-trimestrales/>

44. The value of the mergers analyzed by COFECE during 2023 amounted to approximately 447,755.58 million Mexican pesos with more than half of the operations having a national scope.

**Table 7. Mergers 2023: value of transactions (millions Mexican pesos)**

	Total
Total value	447,755.58
Number of cases	143
National scope (total value)	306,463.35
National scope (number of cases)	86
International scope (total value)	141,292.23
International scope (number of cases)	57

Source: Internal Statistics and COFECE. Quarterly reports 2023, available in Spanish at: <https://www.cofece.mx/category/planeacion-informes/informes-trimestrales/>

<sup>25</sup> Press Release COFECE-026-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/09/Cofece-026-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/09/Cofece-026-2023_ENG.pdf)



### 3.1. Significant cases: mergers

#### 3.1.1. *The dolphinarium case*<sup>26</sup>

45. In October, the Board of Commissioners blocked a proposed merger between *Ejecutivos de Turismo Sustentable*, *Triton Investment Holdings*, *Controladora Dolphin*, *Ventura Entertainment* and *Venturalive* as it posed high risks to competition in the market of entertainment services in dolphinariums. During its analysis, the Commission noticed that the notified transaction was part of a series of multiple acquisitions that the Commission determined had to be analyzed as a sole transaction, in accordance with the LFCE.

46. The notified transaction consisted of the intent of *Ejecutivos de Turismo* and *Triton* to acquire two adventure parks and a water park in the state of Quintana Roo and an amusement park in the state of Jalisco; as well as five dolphinariums in Quintana Roo, three of which are under the control of *Controladora Dolphin*. The Commission concluded that, with respect to entertainment services in amusement, adventure and water parks, the merger was unlikely to affect competition. This was not the case for entertainment services in dolphinariums since the operation would imply the absorption by the purchasers of a competitor with the capacity to exert competitive pressure, thus the merger was blocked.

## 4. Competition Advocacy

47. The Commission actively advocates for the benefits of competition among several audiences. The following sections describe the main advocacy actions conducted by Cofece during 2023.

### 4.1. The role of competition authorities in the formulation and implementation of other policies

48. In accordance with the LFCE, the Commission has the power to issue non-binding recommendations regarding laws and regulations and other legal frameworks that could have adverse effects on competition. In 2023, the following opinions were issued:

#### 4.1.1. *Opinion regarding card payment reception services*

49. In December, the Commission issued an opinion with recommendations aimed at promoting the improvement of competition conditions in the card payment reception market. This advocacy action, aimed at the Bank of Mexico and to the CNBV, complements other actions taken by Cofece to promote competition in the financial sector, including a resolution establishing the lack of effective competition conditions in the domestic transaction processing service market provided by clearinghouses for card payments, which was issued also in 2023.<sup>27</sup>

50. The opinion, identifies areas of opportunity in the market, specifically regarding:

---

<sup>26</sup> Press Release COFECE-034-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/10/Cofece-034-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/10/Cofece-034-2023_ENG.pdf)

<sup>27</sup> Press Release COFECE-041-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/12/Cofece-041-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/12/Cofece-041-2023_ENG.pdf)

- Interchange fees paid by business which are higher when they do not prove the line of business they are engaged in and resulting in some of them paying higher fees.
  - The information in interchange fees and discount rates published by the Bank of Mexico which is difficult to access and consult by businesses so they can decide on the card payment reception provider that best suits their needs and characteristics.
  - The regulatory framework which establishes that contracts and agreements must provide for a non-discriminatory dispute resolution process, a principle to be known and observed in practice by all market participants.
51. In this sense, the Commission recommended the Bank of Mexico and the CNBV:
- To make more flexible the mechanism to implement the natural rate, allowing for lower interchange fees that would translate into lower discount rates for businesses.
  - To ensure that, in practice, the mechanisms established guarantee aggregators' legal certainty before acquirers and other participants in the payment network in the event of a dispute.
  - To generate mechanisms to disseminate information that will facilitate businesses to make more informed decisions regarding the prices and benefits of associated with the services offered by aggregators or acquirers, so that they can choose the best-suited provider.

#### ***4.1.2. Opinion regarding the Civil Aviation Law and the Airport Law***

52. In March, the Board of Commissioners issued an opinion to the Ministry of the Interior, the Ministry of Infrastructure, Communications and Transportation, the Federal Civil Aviation Agency and the Legislative Branch recommending not to approve the proposed reform to the Civil Aviation Law and the Airport Law.<sup>28</sup>

53. In its opinion, the Commission noted that allowing a state-owned company to jointly operate an airport and an airline could generate risks of advantages that could prevent other competitors from having a "level-playing field" to detriment of the effective development of the air transport market and of all of its users. In addition, the Commission also noted that is important, for the industry to have an efficient development, that:

- Airports allow access and use of infrastructure to all companies that offer air transport services.
- Airlines have non-unduly discriminatory access to airport infrastructure in order to have a competed market that results in lower prices where the consumer is able to choose between different options.

## **4.2. New reports and studies on competition policy issues**

### ***4.2.1. Study of competition in the natural gas market***

54. In April, the Board of Commissioners approved the initiation of a study on competition and free market access in the markets for the production, distribution and commercialization of natural gas. Natural gas is relevant for the Mexican economy as it generates 53% of the country's electricity and is also used as an input in other industries

---

<sup>28</sup>The opinion is available, in Spanish, at <https://www.cofece.mx/CFCResoluciones/docs/Opiniones/V198/0/5907877.pdf>

and as an energy source in households. As such, the conduct of this study aligns with the Commission's 2022-2025 Strategic Plan which categorizes the energy sector as a priority.<sup>29</sup>

#### 4.2.2. *Commemorative book: Competition Policy in Mexico: retrospective, balances and challenges*

55. In November, during the Guadalajara International Book Fair, the Commission presented its commemorative book *Competition Policy in Mexico: retrospective, balances and challenges* prepared in the context of the celebration of the 30<sup>th</sup> anniversary of the enactment of the first competition law in Mexico and 10 years since the creation of Cofece as a constitutional autonomous body.<sup>30</sup>

56. In the context of these anniversaries, the book intends to provide vehicle to (re)think competition policy enforcement in Mexico. For this, it is necessary to reflect on the past, assess the present and look into the future. As such, the book gathers the opinions, assessments and analyses of actors that have been key in the institutional design of the Commission and in the enforcement of competition law. This includes experts from the academia, international agency heads, former and current public officials from the Commission and former and current Commissioners from the Board.<sup>31</sup>

#### 4.2.3. *Questionnaire on competition and sustainability*

57. In December, the Commission made an open invitation to decision-makers from public institutions, branches of government, companies, research centers, business representation organizations, consumers, and all interested parties to answer its *Questionnaire on sustainability from a competition perspective*. This survey is intended to collect input on how to adapt competition policy to promote the country's economic development in a sustainable, inclusive and cross-cutting manner. Sustainability impacts multiple markets that are regulated by different authorities and as such, it is essential that the regulatory framework of these markets and sectors includes the principles of economic competition and free market access.<sup>32</sup>

### 4.3. Other advocacy efforts

58. Cofece launched its strategy called "*Competition in your State*" to strengthen its commitment to collaborate with all levels of government and make competition policy a state issue and thus benefit all Mexicans.

59. As part of this strategy, the Commission approached various state governments to identify the needs of their populations and the difficulties faced by their entrepreneurs and small businesspeople, so that concrete actions can be taken in collaboration with the state governments to bring the benefits of competition policy to their inhabitants.

60. Thus, during 2023 Cofece signed coordination agreements with the states of Jalisco, Yucatán, and Quintana Roo, giving way to actions aimed at promoting and

---

<sup>29</sup> Press Release COFECE-011-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/05/COFECE-011-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/05/COFECE-011-2023_ENG.pdf)

<sup>30</sup> Press Release COFECE-039-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/12/Cofece-039-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/12/Cofece-039-2023_ENG.pdf)

<sup>31</sup> The book is available in Spanish for digital download at <https://www.cofece.mx/la-politica-de-competencia-economica-en-mexico-retrospectiva-balances-y-retos/>

<sup>32</sup> Press Release COFECE-043-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/12/Cofece-043-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/12/Cofece-043-2023_ENG.pdf)

strengthening economic competition and free market access for the benefit of the economy of these states, as well as their micro, small, medium, and large companies. Through these agreements, various actions will be carried out, such as training courses, conferences, workshops, and advisory services to enhance the benefits of economic competition.

## 5. Resources of competition authorities

### 5.1. Annual Budget

61. For 2023, the authorized annual budget was 656,419,601 Mexican pesos.

### 5.2. Commission's Leadership

62. 2023 was a major year for the Commission's leadership. In February, the Board of Commissioners was finally full in force after the Senate appointed Rodrigo Alcazar Silva and Giovanni Tapia Lezama as new Commissioners. Furthermore, in March, and after almost two years without designating a chair, the Mexican Senate appointed Commissioner Andrea Marván as the new Chair of the Board of Commissioners for a four-year period, thus marking the beginning of a new era in the Commission's leadership and history.

### 5.3. Human Resources

63. In 2023, the Commission employed 455 staff, of which 344 are non-administrative staff working in competition law enforcement and advocacy, of which:

- 140 work in the Investigative Authority (cartels, abuse of dominance, market intelligence and forensics)
- 24 work on Litigation Affairs
- 39 work in the Board of Commissioners
- 91 work in the Technical Secretariat (including merger review and market studies)
- 8 work in the Digital Markets Unit
- 42 work in the Planning, Liaison and International Affairs Unit (which includes planning and evaluation and competition advocacy).

64. In terms of professions, of the total of non-administrative staff:

- 160 are lawyers
- 117 are economists
- 20 are data scientists

## 6. International Activities

### 6.1. FIFA World Cup Initiative<sup>33</sup>

65. In September, the Commission, alongside its partners from the Antitrust Division of the United States Department of Justice and Canada's Competition Bureau, launched a joint initiative to deter, detect and prosecute any possible anticompetitive conducts by businesses and individuals involved in the provision of goods and services related to the 2026 FIFA World Cup to be hosted jointly by Mexico, the United States and Canada.

66. The FIFA World Cup is expected to generate benefits across a wide range of sectors in the economy of the three host countries, including the construction, entertainment and tourism industries. Thus, the three agencies will actively cooperate to promote economic competition, monitor markets and investigate and sanction any possible anticompetitive practices such as price or wage fixing, bid rigging, market segmentation or any conduct aimed at displacing or preventing the access of competitors.

### 6.2. ICN/WB Advocacy Contest<sup>34</sup>

67. In October, the Commission was awarded an honorable mention in the 2023 edition of the Advocacy Contest organized jointly by the International Competition Network (ICN) and the World Bank (WB). The Commission was recognized for its document *What does Mexico gain when there is competition? Economic benefits of eight interventions of Cofece* which was prepared at the Commission's request by researchers and academics from national and foreign institutions with the purpose of understanding the economic impact of Cofece's interventions, improving the quality of future actions, as well as generating results that can be disseminated.

## 7. Period covered by the above information

68. The information provided in this report covers from January 1<sup>st</sup> to December 31<sup>st</sup>, 2023.

---

<sup>33</sup> Press Release COFECE-027-2023 available at [https://www.cofece.mx/wp-content/uploads/2023/09/Cofece-027-2023\\_ENG.pdf](https://www.cofece.mx/wp-content/uploads/2023/09/Cofece-027-2023_ENG.pdf)

<sup>34</sup> Press Release COFECE-033-2023 available at <https://www.cofece.mx/cofece-launches-joint-initiative-with-partners-from-the-united-states-and-canada-within-the-framework-of-the-2026-fifa-world-cup/?lang=en>

## Federal Telecommunications Institute (IFT)

### Executive Summary

69. In 2023, the IFT conducted eight investigations. Three of them were initiated in 2023. One *ex officio* to determine if economic agents have substantial market power; one regarding unilateral conducts (relative monopolistic practices); and one involving collusion (absolute monopolistic practices).

70. The IFT resolved on seven proceedings related to mergers and acquisitions, including the acquisition of control of China-Mexico Fund, LP and China-Mexico Fund (Delaware Feeder), LP (collectively, the Funds) by Macquarie Asset Management México, S.A. de C.V., after its appointment as general partner of the Funds. The Funds participate in Altán Redes, S.A.P.I. de C.V., developer of *Red Compartida* (wholesale mobile network) in Mexico.

71. In the matters of decisions, competition assessments and opinions, the Board of the IFT issued one resolution with a determination of responsibility and a sanction for relative monopolistic practices; and two resolutions to close investigations initiated by complaints for the probable commission of a relative monopolistic practices. The IFT also issued 323 opinions related to the grant, renewal, and transfer of licenses to provide Telecommunications and Broadcasting (T&B) services; and seventeen competition opinions and assessments.

72. The IFT published two studies: *Market study on radio spectrum costs for mobile services in Mexico*; and *Consumption of Over the Top (OTT) and Pay TV Service (STAR) in Mexican Households: An Analysis of Neural Networks*.

73. Regarding its advocacy efforts, the IFT hosted its 9th annual event “Challenges of Competition in the Digital Environment” and develop other projects such as the National Infrastructure Information System; the electronic Microsite with infrastructure and digitalization indicators at the municipal level; and the publication of the *10 years of Regulatory and Competition Policy in Telecommunications and Broadcasting for Social Benefit. First Decade of the IFT*, among others.

74. In its international activities, the IFT signed a Memorandum of Understanding with the Commission to Promote Competition (COPROCOM), competition authority of Costa Rica; and implemented an Asia Pacific Economic Cooperation (APEC) funded project and published a Report on “*Policies and Tools for Improving Digital Economy and Competition in Digital Markets: Current Issues*”.

75. Finally, IFT’s annual budget amounted to \$USD 98.2 million; it had a total staff of 1,274 employees, out of which 60 were dedicated to enforcement against anticompetitive practices, 29 to merger review and other enforcement, 18 to advocacy efforts, and 350 to support; for a total of 457 officials involved in competition activities.

## 8. Changes to competition laws and policies, proposed or adopted

### 8.1. Summary of new legal provisions of competition law and related legislation

76. No changes to competition law and related legislation were adopted in 2023.

### 8.2. Other relevant measures, including new guidelines

77. No guidelines were issued or updated in 2023.

### 8.3. Government proposals for new legislation

78. No government proposals for new competition legislation were issued in 2023.

## 9. Enforcement of competition laws and policies

### 9.1. Action against anticompetitive practices, including agreements and abuses of dominant positions

#### 9.1.1. Summary of activities of competition authorities; and courts;

79. During 2023, the IFT processed eight investigations. Three of them were initiated in 2023; one in 2020; two in 2021, and two in 2022. One of them to determine if economic agents have substantial market power; another one to determine barriers to entry; four of them regarding unilateral conducts (relative monopolistic practices); one regarding unlawful concentration; and one involving collusion (absolute monopolistic practices).

#### 9.1.2. Description of significant cases, including those with international implications

##### *Investigations Started*

80. In 2023, the IFT initiated *ex officio* an investigation to determine whether an economic agent may have substantial market power in the telecommunications network that offers voice, data or video services, at a national, state, regional and/or local level.<sup>35</sup>

81. In 2023, the IFT initiated an investigation by a complaint for probable commission of an absolute monopolistic practice in the market of public procurement procedures for fixed telecommunications services.<sup>36</sup>

82. In 2023, the IFT initiated an investigation by a complaint for probable commission of a relative monopolistic practice in the application store markets for mobile operating systems and their related markets, as well as the distribution of audiovisual content through Internet platforms, in national territory.<sup>37</sup>

---

<sup>35</sup> Initiation decision available in Spanish. File AI/DC-001-2023: [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5699286&fecha=21/08/2023#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5699286&fecha=21/08/2023#gsc.tab=0)

<sup>36</sup> Initiation decision available in Spanish. File AI/DE-001-2023: [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5716981&fecha=15/02/2024#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5716981&fecha=15/02/2024#gsc.tab=0)

<sup>37</sup> Initiation decision available in Spanish. File AI/DE-004-2022: [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5686898&fecha=27/04/2023#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5686898&fecha=27/04/2023#gsc.tab=0)



### *Investigations in Progress*

83. In 2021, IFT initiated an investigation by a complaint for probable commission of a relative monopolistic practice in the distribution of mobile terminals and commercialization of mobile telecommunications service market, in the States of Colima, Guanajuato, Jalisco and Michoacan.<sup>38</sup>

84. In 2021, the IFT initiated an investigation by a complaint for probable commission of a relative monopolistic practice in the distribution and commercialization, through chain stores of convenience, of SIM cards to offer mobile telecommunication services in national territory.<sup>39</sup>

85. In 2022, the IFT initiated an investigation by a complaint for probable commission of a relative monopolistic practice in the app stores market for mobile operating systems and their related markets.<sup>40</sup>

86. In 2022, the IFT initiated an investigation *ex officio* of an unlawful concentration in the production, licensing, distribution, and marketing of commercial broadcasted audiovisual content, pay TV service, as well as through OTT platforms; commercialization of times or spaces in pay TV programming channels service; and distribution of audiovisual content on internet platforms (OTT) by advertising<sup>41</sup>.

### *Investigations that concluded with a preliminary or a probable responsibility statement, as applicable*

87. During 2023, the IFT's Investigative Authority (IA) issued the preliminary statement of the *ex officio* investigation in the markets of online search services, social networks, mobile operating systems, cloud computing services and related services to determine the possible existence of barriers to competition and free market access or essential facilities that can generate anti-competitive effects.<sup>42</sup>

---

<sup>38</sup> Initiation decision available in Spanish. File AI/DE-006-2020: [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5624004&fecha=15/07/2021#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5624004&fecha=15/07/2021#gsc.tab=0)

<sup>39</sup> Initiation decision available in Spanish. File AI/DE-004-2021: [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5638397&fecha=15/12/2021#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5638397&fecha=15/12/2021#gsc.tab=0)

<sup>40</sup> Initiation decision available in Spanish. File AI/DE-002-2022: [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5667529&fecha=07/10/2022#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5667529&fecha=07/10/2022#gsc.tab=0)

<sup>41</sup> Initiation decision available in Spanish, file AI/IO-001-2022 at: [https://www.dof.gob.mx/nota\\_detalle.php?codigo=5670913&fecha=09/11/2022#gsc.tab=0](https://www.dof.gob.mx/nota_detalle.php?codigo=5670913&fecha=09/11/2022#gsc.tab=0)

<sup>42</sup> Preliminary Statement in Spanish. File AI/DC-001-2020: [https://autoridadinvestigadora.ift.org.mx/informacion\\_de\\_las\\_investigaciones\\_a\\_cargo\\_de\\_la\\_autoridad\\_investigadora/investigaciones\\_de\\_competencia\\_efectiva.php](https://autoridadinvestigadora.ift.org.mx/informacion_de_las_investigaciones_a_cargo_de_la_autoridad_investigadora/investigaciones_de_competencia_efectiva.php). In 2023, the First District Court in Administrative Matters Specialized in Economic Competition, Broadcasting and Telecommunications, case C.C.A. 29/2023, confirmed that the IFT is the competent authority over the investigation of possible barriers to competition and essential inputs in the mobile operating systems market conducted by the IFT's Investigative Authority. This Court had ruled in a previous administrative conflict of jurisdiction between the IFT and Cofece that the IFT is the competent authority in the mobile operating systems market, but Cofece filed a second conflict arguing that the Preliminary Findings of the IFT's Investigative Authority in this case covered economic activities and markets outside the scope of the telecommunications and broadcasting sectors. However, the Court ruled out the existence of a new jurisdictional conflict and confirmed its previous determination.



### *Investigations Closed*

88. During 2023, the IA proposed the closing of the investigation initiated by a complaint for probable commission of a relative monopolistic practice in the retail markets of mobile telecommunications services and of commercialization of mobile terminal equipment, in national territory.<sup>43</sup>

89. During 2023, the IA proposed the closing of the investigation initiated by a complaint for probable commission of a relative monopolistic practice in the market of the wholesale services of leasing of local dedicated links and between localities, in national territory.<sup>44</sup>

### *IFT's Board of Commissioners' Resolutions on Competition Issues*

90. In 2023, the Board of Commissioners issued a resolution related to an investigation for the probable commission of relative monopolistic practices, which concluded with a determination of responsibility, derived from the administrative trial like procedure within the file AI/DE-002-2019<sup>45</sup> and a sanction to Telmex and Telnor for relative monopolistic practices.

91. On November 2, 2023, the IFT's Board of Commissioners issued this resolution which determined that Teléfonos de México, S.A.B. de C.V. (Telmex) and Teléfonos del Noroeste, S.A. de C.V. (Telnor) are responsible for having incurred in the relative monopolistic practice foreseen in Articles 54 and 56, section XII, of the Federal Economic Competition Law (LFCE) in the relevant markets for the provision of resale services and indirect access to the local loop, by having restricted and discriminated against third parties in the access to its local network, which constitutes an essential input, given that these conducts had the object and effect of preventing Telmex and Telnor's competitors from accessing wholesale unbundling services and unduly foreclose them in the retail fixed telephony and fixed broadband internet access markets. For this conduct, as a deterrent, the IFT imposed fines of MXN\$262,220,000 (USD 15.5 million)<sup>46</sup> on Telmex and MXN\$9,330,000 (USD 0.6 million) on Telnor. The IFT also ordered these companies to cease engaging in anti-competitive conducts.

## **9.2. Mergers and acquisitions**

### *9.2.1. Statistics on number, size and type of mergers notified and/or controlled under competition laws*

92. The IFT reviewed seven proceedings related to mergers and acquisitions (M&A). The following table provides a brief description of the transactions. The total estimated

---

<sup>43</sup> Board of Commissioners' Resolution closing the investigation available in Spanish, file AI/DE-003-2019: <https://www.ift.org.mx/sites/default/files/conocenos/pleno/sesiones/acuerdoliga/vppift290323125acc.pdf>

<sup>44</sup> Board of Commissioners' Resolution closing the investigation available in Spanish. File AI/DE-001-2020: <https://www.ift.org.mx/sites/default/files/conocenos/pleno/sesiones/acuerdoliga/vppift130923405acc.pdf>

<sup>45</sup> Available in Spanish:

<https://www.ift.org.mx/sites/default/files/conocenos/pleno/sesiones/acuerdoliga/vppift021123495acc.pdf>

<sup>46</sup> The exchange rate considered for this estimations was the closed market value on December 29, 2023, published by Banxico and available at: <https://www.banxico.org.mx/tipcamb/main.do?page=tip&idioma=sp>

value of the analyzed transactions was USD \$1.42 billion and the average value was of USD \$0.20 billion.<sup>47</sup>

**Table 8. M&A resolved by the IFT in 2023**

Parties	Relevant markets	Decision	Dimension
<i>Ex ante procedure</i>			
Operation consisting of i) the increase in the shareholding stake of Eutelsat Communications, S.A. in OneWeb, and ii) acquisition of Eutelsat's share capital by Bharti Space Limited, The Secretary of State for Business, Energy, and Industrial Strategy for and on behalf of the Government of the United Kingdom, SoftBank Group Capital Limited, Hanwha Systems UK Limited and minority shareholders, which together would represent about 50% of Eutelsat's shares.	LEO satellite communication services.	Authorized	International
Acquisition of Odata Colocation México, S.A. de C.V. and Morado Servicios Especializados de Data Center, S.A. de C.V. by Aligned Data Centers International, LP.	Data center services in Mexico.	Authorized	International
Acquisition by Macquarie Asset Management México, S.A. de C.V. (Macquarie) of control of China-Mexico Fund (Delaware Feeder), LP and China-Mexico Fund, LP (the Funds), as a result of its appointment as their new general partner. These funds had an indirect interest of less than 20% in Altán Redes, S.A.P.I. de C.V. (Altán), the Red Compartida operator.	Wholesale mobile services in Mexico.	Authorized subject to conditions	National
Acquisition of 50% of MXT Infrastructure Holdings, S.A.P.I. de C.V. by ARDIAN Americas Infrastructure Fund V LP and ARDIAN Americas Infrastructure Fund V S.C.S., SICAV-RAIF.	Tower leasing services, wholesale fiber optic services, dark fibre leasing and wholesale DAS installation and leasing services.	Authorized	National
Acquisition of shares of Coöperatie Centennial TWR Holdings, U.A. by MXT Capital Partners, S.A.P.I. de C.V. and MXT Tucan Towers, S.A.P.I. de C.V.	Tower leasing services.	Authorized	National
Acquisition of shares of Televisa Univision, Inc, owned by Torch Investment Holdings LLC, by Raine Associates IV Corp (AIV 2) GP LP, FL TVUN IV, LLC, FL TVUN III, LLC and RPIV Obsidian L.P.	Production, acquisition, provision, licensing and distribution of audiovisual content and advertising.	Authorized	International
<i>Transitory Article Ninth Ex Post Procedure</i>			
Acquisition of shares of ATC Holding Fibra México, S. de R.L. de C.V. (owned by MATC Digital, S. de R.L. de C.V. and ATC Mexico Holding, LLC) by Transtelco Acquisitions VI, LLC and Transtelco Acquisitions VII, LLC.	Fixed internet access, data transmission, dedicated communications links, fiber optic services (network capacity, leased lines and interconnection), and dark fibre leasing.	Reviewed	National

Source: IFT

### 9.2.2. Summary of significant cases

93. *Macquarie/China-Mexico Fund.* On July 12, 2023, the IFT authorized the acquisition of control of China-Mexico Fund, LP and China-Mexico Fund (Delaware Feeder), LP (collectively, the Funds) by Macquarie Asset Management México, S.A. de C.V. (Macquarie), as a result of its appointment as general partner of the Funds. The Funds

<sup>47</sup> The exchange rate considered for this estimations was the closed market value on December 29, 2023, published by Banxico and available at: <https://www.banxico.org.mx/tipcomb/main.do?page=tip&idioma=sp>.

participate in Altán Redes, S.A.P.I. de C.V. (Altán), developer of *Red Compartida* (wholesale mobile network) in Mexico. In this regard, members of Macquarie's economic interest group had a concession and an authorization to provide telecommunications services, so the concentration would have violated the constitutional restriction for *Red Compartida*, establishing that no telecommunications service provider may have influence in its operation. The IFT authorized the concentration subject to (i) the structural condition of divesting Macquarie's participation in MTP Network Solutions, S. de R.L. de C.V. (and thus ceasing to be the holder of the concession), and (ii) behavioral conditions that will prevent Odata Colocation México, S.A. de C.V. (holder of the authorization) from exercising influence in the operation of Red Compartida.<sup>48</sup> In September 2023, the parties presented information to prove compliance with the structural condition, and in relation to the behavioral conditions, they presented a report to prove their initial compliance. Thus, in November 2023, after the parties presented complete information, the IFT considered the structural condition met and the initial report of behavioral conditions was presented.<sup>49</sup> Likewise, in response to the promotion presented by the parties in October 2023, the IFT's Economic Competition Unit (UCE) issued an agreement in November, which considered the merger to have been carried out under the terms that were authorized by the IFT.

### *Case in the courts*

94. *Courts confirmation of the Disney-Fox divestiture decision.* The First District Court in Administrative Matters Specialized in Economic Competition, Broadcasting and Telecommunications dismissed a Disney-Fox case, in which those companies alleged that the IFT decision to divest the Fox Sports Mexico Business as a structural remedy imposed to the Disney-Fox merger transaction was improper. The merging parties in this trial (Disney and 21st Century Fox) contended i) the IFT decision to divest under a viability and ongoing business criteria, ii) the prohibition to reacquire the divested business imposed by the IFT and iii) the obligation for the parties to negotiate with potential buyers. The District Court decided to dismiss the case under the grounds that the merger remedies were fully accepted by the merging parties, and that the divestiture was already consummated, so dismissal of the trial was proper. The decision confirmed the remedies imposed, and the plaintiffs decided not to appeal the dismissal, consenting the final decision of the District Court.

## **10. The role of competition authorities in the formulation and implementation of other policies, e.g., regulatory reform, trade and industrial policies**

95. Given that the IFT is the regulator and the competition authority in the T&B sectors in Mexico, its competition and regulatory functions are highly complementary in practice. Specifically, the IFT performs competition assessments related to i) public bidding processes (radio spectrum), ii) grant, renewal, modification, and transfer of licenses (concessions), iii) its own regulatory decisions (including the imposition, modification, or elimination of asymmetric regulation), and iv) regulatory projects and existing regulation.

---

<sup>48</sup>Resolution available in Spanish at:

<https://www.ift.org.mx/sites/default/files/conocenos/pleno/sesiones/acuerdoliga/vp050723330confidencial.pdf>

<sup>49</sup>Resolution available in Spanish at:

<https://www.ift.org.mx/sites/default/files/conocenos/pleno/sesiones/acuerdoliga/vp221123619confidencial.pdf>

96. In this regard, in 2023, the IFT carried out the following activities.

**10.1. Public Auctions**

97. In 2023, the UCE issued seven opinions regarding the participation of economic agents in the Public auction for the allocation of radio spectrum frequencies available in the 410-415 / 420-425 MHz Frequency Band for the provision of the Specialized Mobile Radiocommunication Service for Fleets (Auction IFT-11), in which it analyzed, among others, the economic interest groups of these interested agents, and their radio spectrum holdings to determine if their participation can have an anti-competitive effects in the market. As a result of this tender, 92 radio spectrum blocks were assigned to six participants, allowing for the expansion of specialized mobile radio communication service for fleets, which can be used in transportation, security, vehicle fleets, logistics, as well as internal communications in industrial areas such as mines, ports, plants, assembly plants and any activity that requires a private mobile communications network within the areas where the blocks were assigned.

**10.2. Grant, renewal and transfer of licenses**

98. In 2023, the UCE issued 323 opinions related to the granting, renewal, and transfer of licenses (concessions) to provide T&B services. The competition analysis of these operations, as in the case of mergers, requires the identification of an economic group, the definition of a relevant market and the analysis of market concentration indicators, as well as the analysis of potential coordination between economic interest groups to determine if the operations may have anticompetitive effects in the markets. Additionally, it involves assessing the availability of frequencies in the localities and prioritizing certain concession applicants, considering frequencies already assigned in the locality and/or at the national level. The following table provides a summary of the number of cases related to these procedures, per type:

**Table 9. Number of Cases Related to Licenses Reviewed in T&B 2023**

Type	Number
Grant	169
Renewal	50
Transfer	78
Others*	26
<b>Total</b>	<b>323</b>

Note: Others, mainly includes authorizations to provide services through members of the same economic interest group; proposals for the inclusion of spectrum frequencies in annual IFT programs; requests to modify technical operating parameters, provide additional services and exchange frequency bands.  
Source: IFT

**10.3. Competition opinions**

99. In 2023, the UCE issued:
- 2 competition opinions related to state or municipal regulatory provisions on the deployment of telecommunications infrastructure, with the aim of promoting competition and avoiding the generation of anticompetitive effects or barriers to competition of a legal or regulatory nature.

- 1 competition assessment of the request filed by the Federal Electricity Commission (CFE) for the granting of a wholesale shared network concession for the commercialization of telecommunications services.
- 1 competition opinion following the request of a broadcasting provider for an IFT's review to stop being considered as part of the (economic group of the) broadcasting preponderant economic agent in Mexico.
- 1 competition opinion regarding a request filed by Radiomóvil Dipsa, S.A. de C.V. (Telcel) to confirm the criteria regarding the absence of impediments for the provision of certain services.
- 1 opinion regarding the Draft Guidelines for the use of the IFT Seal on certified products, equipment and devices for telecommunications and broadcasting. The opinion contains analysis on anti-competitive effects, limitations to the provision of services or barriers to competition of a legal or regulatory nature.
- 2 competition opinions regarding changes in conditions included in concession titles.
- 9 competition opinions regarding access to multiplexing for Digital Broadcasting TV.

## 11. Resources of competition authorities

### 11.1. Resources overall (current numbers and change over previous year):

#### 11.1.1. Annual budget (in MXN and USD):

**Table 10. IFT's Annual Competition Budget by Administrative Units in 2023**

Administrative Unit	Amount <sup>50</sup>	Percentage from total budget	% Change over 2022 <sup>51</sup>
Budget of the Economic Competition Unit (UCE)	\$MXN54,588,609.66 \$USD 3,225,057.28	3.28%	-3.39%
Budget of the Investigative Authority (IA)	\$MXN66,920,618.17 \$USD 3,953,623.81	4.02%	-3.98%
Competition Activities in Other Units*	\$MXN462,154,335.35 \$USD 27,303,758.35	27.80%	7.44%
Total budget of the IFT in 2023	\$MXN1,662,023,679.00 \$USD 98,191,208.94	100%	+6.53%

Note: This includes 30% of budget of other Units at IFT, excluding the AI and the UCE, supporting with competition activities.

Source: IFT

<sup>50</sup> Amounts shown at the exchange rate of \$1 USD = \$16.9264 MXN. <https://www.xe.com/es/currencytables/?from=USD&date=2023-12-31>

<sup>51</sup> See Mexico's Annual Competition Report 2022, at: [https://one.oecd.org/document/DAF/COMP/AR\(2023\)25/en/pdf](https://one.oecd.org/document/DAF/COMP/AR(2023)25/en/pdf)

**11.1.2. Number of employees (person-years):****Table 11. Number of Employees in 2023**

Year	Employees
2023	1,274
Change over 2022 <sup>52</sup>	-1.39%

Source: IFT

**Table 12. Number of IFT Employees by Administrative Unit and by Profession in 2023**

Administrative Unit	Economist	Lawyer	Other Professional	Total Staff Combined by Unit
AI	24	23	8	55
UCE	25	21	6	52
Total Staff Combined by Profession	49	44	14	107
Change over 2022 by Profession	-3.92%	-15.38%	0%	-8.54%

Source: IFT

**11.1.3. Human resources (person-years) applied to: Enforcement against anticompetitive practices; Merger review and enforcement; Advocacy efforts.****Table 13. Number of IFT Employees Applied to Competition Practice in 2023**

Practice	Staff
Enforcement against anticompetitive practices <sup>a</sup>	60
Merger Review and Enforcement <sup>b</sup>	29
Advocacy Efforts <sup>c</sup>	18
Support <sup>d</sup>	350
Total	457

Note: a. This includes the staff of the AI from the General Directorate (GD) of Monopolistic Practices and Unlawful Mergers; GD of Economic Analysis and Assistant GD of Legal Analysis; the staff of the UCE from the GD of Competition Procedures; and the Heads of the AI and the UCE.

b. This includes the staff of the AI from the GD of Market Conditions; and the staff of the UCE from the GD of Mergers and Concessions.

c. This includes the staff of the UCE from the GD of Economic Consultation and two officials at the UCE; and two officials at the AI.

d. This includes 30% of the total staff of the IFT, excluding the AI and the UCE, supporting with competition analyzes in ex ante regulation.

Source: IFT

**11.1.4. Period covered by the above information:**

100. January 1, 2023, to December 31, 2023.

<sup>52</sup>See Mexico's Annual Competition Report 2022, at: [https://one.oecd.org/document/DAF/COMP/AR\(2023\)25/en/pdf](https://one.oecd.org/document/DAF/COMP/AR(2023)25/en/pdf)

## 12. Summaries of or references to new reports and studies on competition policy issues

### 12.1. Studies

101. Two economic competition studies were finalized by the IFT in 2023.

#### *12.1.1. Market study on radio spectrum costs for mobile services in Mexico*<sup>53</sup>

102. On August 18, 2023, the UCE published a market study on radio spectrum costs for mobile services in Mexico, which examined the impact of radio spectrum costs on competition and entry of new participants in the provision of mobile telecommunications services. The study proposed, among other things, the implementation of a progressive pricing scheme for spectrum usage rights, and the holding of working groups to consolidate the proposals.

#### *12.1.2. Consumption of Over the Top (OTT) and Pay TV Service (STAR) in Mexican Households: An Analysis of Neural Networks*<sup>54</sup>

103. The objective of the study is to analyze user's preferences in the consumption of paid audiovisual content that is provided through the Internet or over-the-top (OTT) and pay television services (STAR) based on socioeconomic characteristics (such as income, education, family composition, etc.) and infrastructure (such as internet access, etc.), electricity, devices, etc.) of households in Mexico, to identify the relevant factors and characteristics that influence the consumption of STAR-OTT services by households and users, as well as to explore the relationship that the consumption of these services has among each other.

### 12.2. Advocacy efforts

#### *12.2.1. Seminar "Recent developments and perspectives of competition and telecommunications in Mexico"*<sup>55</sup>

104. This was a hybrid event held on April 13, 2023, organized by El Colegio de México. In its participation, the IFT presented the evolution of the T&R sectors in Mexico from 2013 to 2023 and highlighted its work as the regulatory body of the T&B sectors, as well as the impact of competition policies in digital markets.

#### *12.2.2. 10 years of Regulatory and Competition Policy in Telecommunications and Broadcasting with Social Benefit. First Decade of the Federal Telecommunications Institute.*<sup>56</sup>

105. This publication highlights the achievements of the IFT during its first decade, with the purpose of assessing the T&B sectors. It discusses the evolution of prices, competition, and quality of services, emphasizing the role of asymmetric regulation in promoting fair market practices. Additionally, it addresses the importance of universal connectivity and sustainable development as overarching goals. In conclusion, it presents the significant

---

<sup>53</sup> Available in Spanish at:

[https://www.ift.org.mx/sites/default/files/estudio\\_costos\\_del\\_espectro\\_0.pdf](https://www.ift.org.mx/sites/default/files/estudio_costos_del_espectro_0.pdf)

<sup>54</sup> Available in Spanish: <https://www.ift.org.mx/industria/autoridad-investigadora/estudios>

<sup>55</sup> Video recording available in Spanish at: <https://www.youtube.com/watch?v=RL5b34q2SCY>

<sup>56</sup> Available in Spanish: <https://centrodeestudios.ift.org.mx/admin/files/estudios/1709170346.pdf>



progress made under the IFT's regulatory framework, contributing to lower prices, improve services availability, and increase the adoption of digital technologies, all aimed at fostering equitable access and development nationwide.

### ***12.2.3. 9th International Forum Challenges of Competition in the Digital Environment 2023<sup>57</sup>***

106. The objective of this edition was to analyze the achievements and advances, as well as the present and future opportunities and challenges faced by the IFT after ten years of its creation as a regulator and competition authority in the T&B sectors. Digitalisation and new technologies such as artificial intelligence are reshaping markets, which implies the need for adaptation and greater inter-institutional collaboration and coordination. This Forum was an opportunity to address these challenges and became a space for the construction of recommendations that allow them to be successfully addressed.

### ***12.2.4. 7th edition of the International Chamber of Commerce (ICC) Diploma on Economic Competition***

107. Diploma organized by the ICC with the objective of analyzing key economic competition issues from an economic and legal perspective with specialists in the field. The IFT participated in the inaugural session on October 11, 2023, and in the session “Perfect Competition, Monopoly / Monopsony” on October 25, 2023. Both sessions highlighted the role of connectivity and the importance of communications in driving digital transformation and accelerating socioeconomic development, as well as the importance of competition in the T&B sectors.

### ***12.2.5. Diploma of Economic Competition of the Illustrious and National Bar Association of Mexico (INCAM)***

108. On October 3, the IFT participated in the session on economic competition and its regulation. The work of the Institute as a regulatory body and competition authority in the T&B sectors was highlighted; as well as the impact of these attributions in the objective of promoting the deployment of 5G networks, fostering the innovation environment and promoting the adoption of new technologies in these sectors.

### ***12.2.6. Implementation of the National Infrastructure Information System (SNII)***

109. With the implementation of the SNII, the IFT expects to contribute to the creation of better competition conditions through the promotion of the sharing of infrastructure and efficient deployment of T&B services by generating homogeneous knowledge among all market participants, eliminating possible information asymmetries that do not allow the optimal use of the available infrastructure.

---

<sup>57</sup>Forum web page with video recordings in Spanish available at: <https://centrodeestudios.ift.org.mx/seminario.php?id=33>. Summary of the Forum available in Spanish at: <https://centrodeestudios.ift.org.mx/admin/files/detevento/1705453041.pdf>.



### ***12.2.7. Electronic microsite with infrastructure and digitalization indicators at the municipal level***<sup>58</sup>

110. In December 2023, an electronic microsite was published containing indicators that summarize the availability of infrastructure for fixed telecommunications services and the degree of digitalization at the municipal level in Mexico, including data on variables such as the presence of operators and the technology they use, as well as variables related to the distribution of accesses among providers and the degree of market concentration. The microsite is the result of a previous analysis carried out to identify competition and digitalization levels in Mexico's municipalities. It provides specialized information generated by the IFT in a practical and interactive way and contributes to the design of targeted public policies to improve the country's connectivity.

### ***12.2.8. Publication of the National Survey on Audiovisual Content Consumption (ENCCA 2023)***<sup>59</sup>

111. This document shows consumption in traditional media, the Internet, by type of music, genre, in the most watched open and pay TV channels, social platforms and networks, and the most used devices. This makes visible the state of the gaps in which this group of the population is immersed, with the purpose of promoting media literacy actions that help promote their integration within a digital and technological culture in an informed way. This survey provides data that contributes to the identification of behaviors that restrict the functioning of the markets, particularly in those where regulation has already been put in place, and to monitor the markets to detect anti-competitive effects.

## **12.3. International activities**

### ***12.3.1. MoU with the Commission to Promote Competition (COPROCOM) of Costa Rica***<sup>60</sup>

112. On June 28, 2023, the IFT and the COPROCOM signed a Memorandum of Understanding regarding technical cooperation in matters of economic competition.

### ***12.3.2. Asia Pacific Economic Cooperation (APEC) Project Digital Economy Steering Group (DESG) 03 2022A "Policies and Tools for Improving Digital Economy and Competition in Digital Markets: Current Issues"***<sup>61</sup>

113. Mexico, through the IFT, with the collaboration of COFECE, implemented an APEC funded project that provided capacity building by obtaining, strengthening, and

---

<sup>58</sup> Available at: <https://competenciainfra.ift.org.mx/>.

<sup>59</sup> Available in Spanish: [https://somasaudiencias.ift.org.mx/archivos/01reportefinalencca2023\\_vp.pdf](https://somasaudiencias.ift.org.mx/archivos/01reportefinalencca2023_vp.pdf)

<sup>60</sup> Available in Spanish at: [https://www.ift.org.mx/sites/default/files/comision\\_para\\_promover\\_la\\_competencia\\_coprocom-mou.pdf](https://www.ift.org.mx/sites/default/files/comision_para_promover_la_competencia_coprocom-mou.pdf)

Press release available in Spanish at: <https://www.ift.org.mx/comunicacion-y-medios/comunicados-ift/es/el-ift-firma-memorandum-de-entendimiento-con-la-autoridad-de-competencia-de-costa-rica-comunicado>

<sup>61</sup> Project Report (APEC Publication Number: APEC#224-CT-01.8.) available at: <https://www.apec.org/publications/2024/03/policies-and-tools-for-improving-digital-economy-and-competition-in-digital-markets-current-issues>

developing APEC’s participants knowledge on regulatory and competition policy approaches in APEC economies and other jurisdictions, through a Virtual Series held on August 23 and 30, and September 6, 2023;<sup>62</sup> and delivered a Project Report that compiled main insights, key findings and provided general recommendations for APEC economies. The project focused on specific areas of digital markets: i) Consumers’ protection: intersection between consumer protection in digital markets and competition enforcement—Artificial Intelligence and Dark Patterns—; ii) Online safety, regulatory and competition issues; and iii) Collaboration between competition and regulatory authorities to tackle harms and risks from data collection and analysis.

---

<sup>62</sup> The total number of APEC experts and participants that attended the Virtual Series were 249, from 13 economies: Australia, Canada, People’s Republic of China, Chinese Taipei, Hong Kong-China, Indonesia, Japan, Mexico, New Zealand, Peru, The Russian Federation, The Republic of Korea, and the United States of America.