

Argentina liberalizes radio spectrum

Argentina liberalized its radio spectrum on 5 September 2004, as planned in the Regulation for the Administration, Management and Control of the Radio Electrical Spectrum. As of this date, service providers will be able to request spectrum without waiting for the government to launch an auction. The regulation, included in the decree that deregulated the telecommunications sector (Decree 764/2000), provided a four-year exclusivity period to all four cellular operators in consideration of their spectrum license payments.

According to Article 28 of the 5 September 2004 regulation, any company interested in providing services using a frequency band must request an authorization from the Ministry of Communications. The Ministry will then publish the request in the Official Bulletin, giving a fifteen-day period to other companies to express their interest, and participate in a public auction for the frequency band. In the absence of any competing interest, the authorization will be directly issued to the original applicant. The regulation also gives the government the authority to utilize public auctions if it anticipates a shortage in frequency bands.

Given the already highly competitive cellular market, the spectrum liberalization regulation is not expected to have any major effects on the sector structure. However, it could provide opportunities to small regional operators and promote innovation and other new services, such as rural telephony.

Carlos Gomez
G-REX Advisor

Adapted from Decree 764/2000, National Communications Commission (in Spanish)
<http://www.cnc.gov.ar/cit/TextoNorma.asp?ID=845>