



INSTITUTO FEDERAL DE
TELECOMUNICACIONES

MEXICO'S NEW WHOLESALE ACCESS OPERATOR

*Roundtable on the financing of the roll-out
of broadband networks*

Commissioner Elena Estavillo Flores

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Paris, France

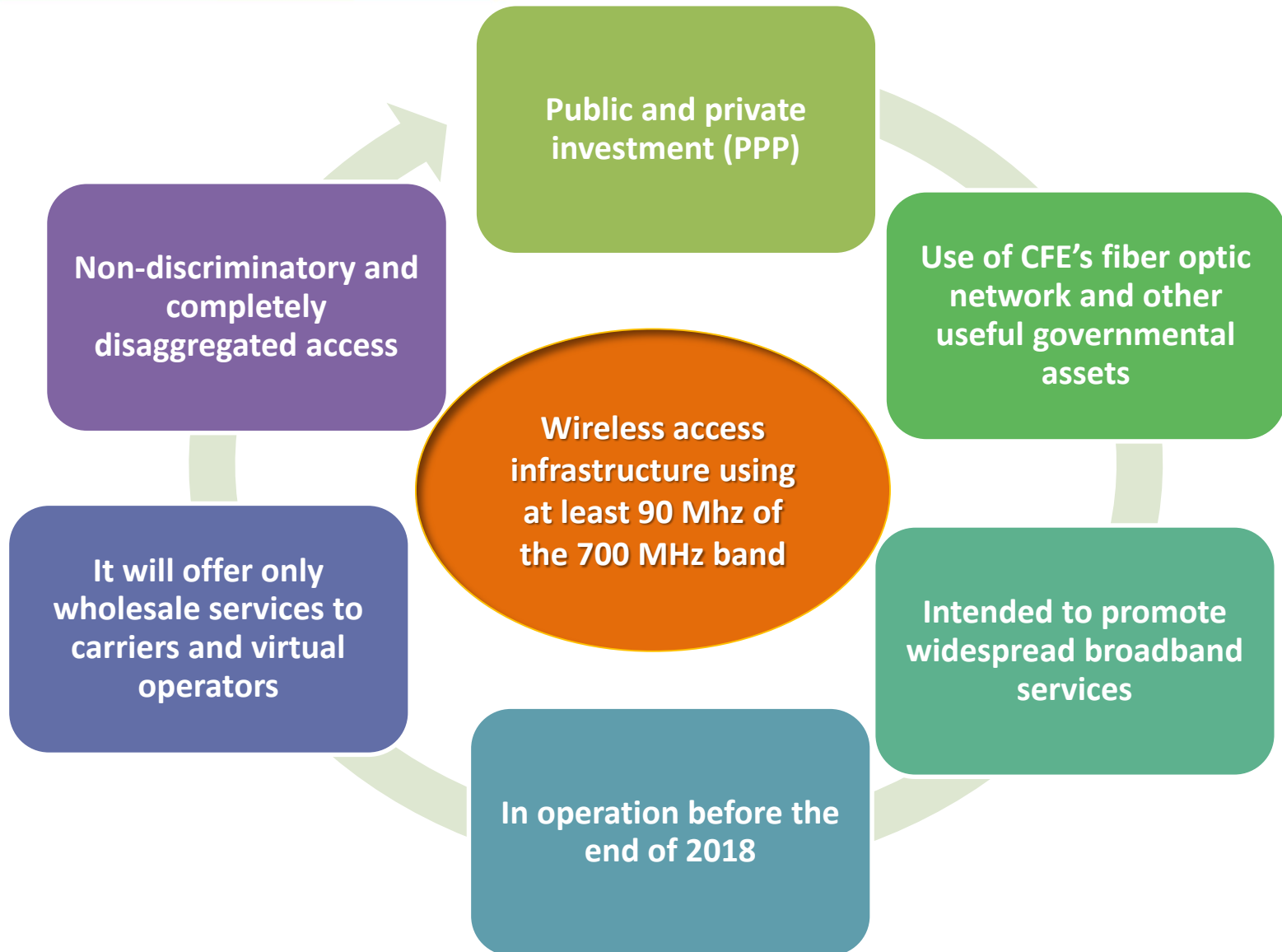
Constitutional Reform- June 2013

New public-private wholesale access carrier

Communications and Transport Ministry in charge of its development

Federal Institute of Telecommunications (regulator and competition authority for telecommunications) in charge of its regulation

Main Characteristics



Competitive neutrality

- ✓ **Regulatory neutrality:** Public and private competitors should enjoy the same facilities and be subject to the same obligations, except for the dominant or “preponderant” carriers.
- ✓ **Tax neutrality:** Same tax burden, without access to special grants.
- ✓ **Trade Competitiveness:** Profit margin consistent with the sector’s, access to financing at market conditions, no advantages in contracting with public entities.

Regulatory guidelines

Constitutional mandate:

- No service provider will influence the operation of the network.
- The pricing policy will encourage competition and guarantee re-investment of profits.

Mechanisms to be defined:

- ✓ PPP:
 - How the government will be involved: investment, operation
 - Foreign participation
- ✓ Competitive neutrality
 - Spectrum allocation: no advantage in spectrum costs in relation to private carriers
 - Use of CFE's fiber optic network and other governmental sites in non-discriminatory terms in relation to private carriers
 - No preference in contracting with the government





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Thank you!

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