REGION I
RJ, ES, MG, AM, RR, AP, PA, MA, BA, SE, PI, CE, RN, PB, PE, AL.

REGION II
PR, SC, RS, GO, TO, MS, MT, RO, AC, DF.

REGION III
SP
MUNICIPALITIES/POPULATION

MUNICIPALITIES

- Região I: 3,051
- Região II: 1,864
- Região III: 645

Total Brazil:
5,560 Municipalities
181,569,056 Inhabitants

POPULATION

- Região I: 98,892,410
- Região II: 42,631,420
- Região III: 39,825,226

Fonte: IBGE - 2004
BRAZILIAN REGULATORY MODEL

POLICY

GOVERNMENT

REGULATION

ANATEL

OPERATION

PRIVATE ENTERPRISES
ANATEL is in charge to manage the Telecommunications services

- Provide access to all the population
- Promote Technological and industrial development in a competitive environment
- Expand and use networks and services
- Harmonic condition with social development of Brazil
ORGANIZATION OF SERVICES

PUBLIC REGIME
- Fixed Switched Telephone Service – STFC
- Continuity and Ubiquity

PRIVATE REGIME
- Personal Mobile Service – SMP
- Multimedia Communication Service – SCM
- Trunking - SME
- Freedom of Prices and Minimum Intervention of the Government

VALUE ADDED SERVICES
- There are not a telecommunications services and are freely explored

W3C_Mobile Web Initiative _ 2008
Demand 2005 - 2020

USER TRAFFIC - CATEGORY B
(Megabytes / Users / Month)

Data: ITU
W3C Mobile Web Initiative _ 2008

SMP Radio frequencies over 1800 MHZ
Pre-paid X pos-paid (%)

Pre-Paid
97,576,507 (80,66%)

Pos-Paid
23,403,596 (19,34%)

% acces


W3C_Mobile Web Initiative 2008
ANATEL Bidding Process of IMT-2000

• Before
  – 1811 municipalities without mobile service
  – 2 and 2.5 generation
  – 4 competitors of SMP
  – Low penetration of broadband services
  – Positive revenues localities only

• After
  – Four players in IMT-2000
  – 100% municipalities in 2 years
  – 60% 3G in four years
  – ~US$ 3 billion for license
  – ~US$ 2 billion of negative cash flow (15 years) business plan in municipalities lower than 100 K inhabitants.
Main Results

- Four players can share the frequency of one SMP in 4,700 municipalities
- One global network in 4,700 municipalities
- 2,700 broadband (3G) mobile networks in municipalities lower than 30 K pop.
- US$ 2 billion of negative results covered by private enterprises that will build the networks
- Government reduction in a bidding process
- Contribution to cover main citizens with wireless high speed data communication
Social Benefits

- Each of four competitor has the obligation to build a broadband network in 25% of municipalities under 30,000 pop. chosen to have 3G
- Each user can access all networks to benefit voice and high speed data applications (roaming)
- After 2 years of operation the network could be used by other SMP providers to offer their services (competition)
- Private and State partnership to provide citizenship to all the population with great amount of investment
- Other initiatives in a Wimax bidding process (2,5 GHz and 3,5 GHz band) using analogous scheme