

Argentina Will Start Bidding Process for 4G Cell Phone Band

■ Javier Canosa



An opportunity for investing in telecommunications in Argentina has been opened by means of Decree 671/2014 (the “Decree”) of the National Executive Power, which orders a bid for 3G and 4G cellular telecommunications bands.

The Decree instructed the Secretary of Communications, an office under the Ministry of Federal Planning, Public Investment and Services (“SECOM”), to proceed with the public auction of both 3G and 4G frequencies. To this end the SECOM will prepare and approve bidding terms and conditions and call for tender for the award of these bands.

The frequencies at stake are (i) the frequencies held by the local state-owned company, “Empresa Argentina de Soluciones Satelitales S.A. or AR-SAT” that relate to the service known as 3G that the company Movistar (a company controlled by Telefonica, a product of the merger between Movicom and Unifón) returned to

the federal government because, as a result of the aforementioned merger, such frequencies exceeded the maximum 50MHz; and (ii) the bands between 698-806MHz,

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1710-1770MHz, and 2110-2170MHz exclusively for land mobile telecommunications services that will be used for the pro-

vision of mobile communications through the 4G system.

During the presentation, the public officers mentioned that after the bidding, the system will double the current allocation of resources, of 170-380 megahertz, and will be above the Latin American regional average of 263 megahertz. Therefore, the government believes a fourth mobile operator can enter the local market.

Although the commencement of the bidding process has not yet been specified, the public officers mentioned that this will happen soon, “between six and eight months.” This opens a new door for investment opportunities in Argentina. The bidding process will be developed under the principles of efficiency, non-discriminatory treatment, promoting competition, ensuring the rights of users and promoting access for people living in areas where mobile communication services are not currently being delivered.



About the Author

Javier Canosa is a partner in the BA firm Canosa Abogados. His practice encompasses corporate law issues, advising several national and foreign companies in various corporate matters, including investment vehicles, corporate management, directors’ duties and responsibilities, audits, risk detection and distribution, documents, policies and corporate contracts, and design and implementation of a suitable corporate form for each business.

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