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**PRESENTATION**

**HARMONIZATION OF REGULATION  
IN THE CENTRAL AMERICAN REGION**

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International Telecommunication Union

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***Harmonization of Regulation in the  
Central American Region***

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International Telecommunication Union

**Outline**

- **The Plan Puebla Panama**
- **Telecommunications in Central America**
- **Analysis of current laws**
- **Recommendations**



## Reasons for harmonization

- **Plan Puebla Panama**

*“To improve the quality of life of the people living in the Central American Region”*

➤ **Telecommunications objective**

*“To modernize and extend telecommunications basic and enhanced services to help these communities through the installation of regional fiber or satellite networks” ...*



## Central America Overview

<i>Country</i>	<i>Population</i>	<i>Purchasing Power</i>
Belice	.244	3,250
Costa Rica	4.1	8,500
El Salvador	6.4	4,600
Honduras	6.5	2,600
Guatemala	11.6	3,700
Nicaragua	5.2	2,500
Panamá	2.8	5,900
México	100.3 SSE (27.5)	9,000 (3,207)*

\* GDP per capita 1998



## Poverty and access

<i>Country</i>	<i>% of Households at or Below Poverty</i>	<i>% households with a phone line (1998)*</i>
Costa Rica	20 (1997)	85
El Salvador	48 (1997)	28
Guatemala	63 (1989)	21
Honduras	74 (1997)	22
México	38 (1998)	48
Nicaragua	-	16
Panamá	27 (1997)	59

\* See paper for a complete explanation of the way this number was calculated

Fuente: ITU/SRU con datos de ITU World Telecommunications Indicators Database 2002 y UNDP, Human Development Indicators, 2001 (<http://hdr.undp.org/reports/global/2001/en/pdf/back.pdf>)

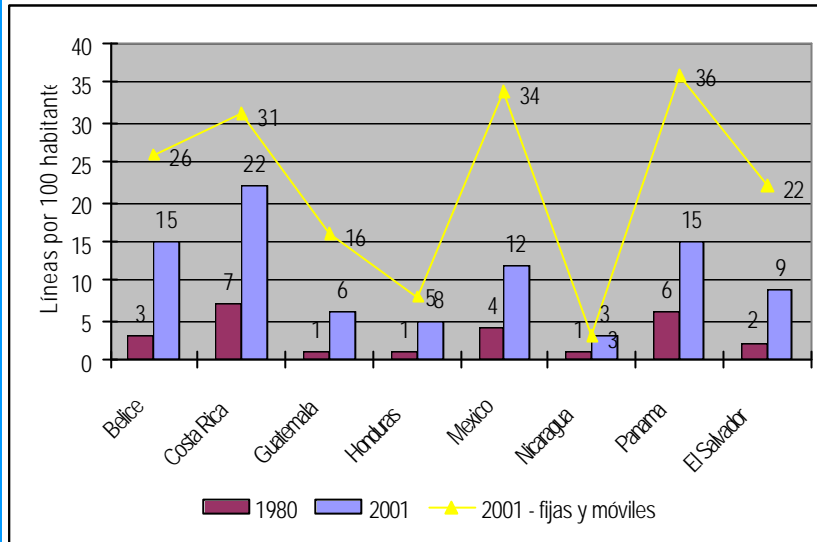


## Telecommunications demand

<i>Country</i>	<i>Waiting list (2001)</i>	<i>Time waiting (2000)</i>
Belice	1'608	7.2 meses
Costa Rica	19'632	6 meses
El Salvador	38'247	NA
Guatemala	NA	NA
Honduras*	169'673	7.8 años
México	NA	45 días
Nicaragua*	108'370	9 años
Panamá	NA	NA



# Teledensity



# Operators





## Reasons for harmonization

- **Enlargement of the market**
- **Promoting competition**
  - Lowering prices
  - Improving quality
- **Elimination of “forum shopping”**
- **Support to other PPP projects**



## Classification of services

Costa Rica	
	Not specified
Honduras	
Transport services	Concession
Final services	Concession
Value added services	Registration
Radio comms. & broadcasting services	Permit
Private services	Permit
Services that require spectrum allocation	License
Panamá	
Category A	Concession
Category B	Concession



## Interconnection

<i>Specifications in the law</i>	<i>SV</i>	<i>GT</i>	<i>HN</i>	<i>NI</i>
All operators are obliged to allow interconnection in all technically feasible points	X		X	X
The interconnection negotiations to determine the technical and economic conditions will take place between operators	X	X	X	X
When the negotiations among operators fail the regulator will intervene to settle the disputes	X (40)	X*	X	X (90)
Incumbent operators are obliged to allow for interconnection on a non discriminatory basis	X		X	



## Rights of way

<i>Specifications in the law</i>	<i>CR</i>	<i>SV</i>	<i>GT</i>	<i>HN</i>	<i>NI</i>	<i>PA</i>
Telecommunication operators have the rights of way		X	X	X	X	X
The operators will take measures that limit harm to property				X		X
Operators are obliged to comply with municipal and urban rules			X			
The rights of way are free						X
Operators will need to pay for their rights of way					X	



## Infractions

<i>Infractions</i>	<i>CR</i>	<i>SV</i>	<i>GT*</i>	<i>HN</i>	<i>NI</i>	<i>PA</i>
Fail to pay license fees	NC	S		VS	VS	
Deny access to essential facilities, change or deny data necessary for billing purposes		VS	VS		VS	
Disconnect another's operators network without a cause		VS	S			
Interfere or damage deliberately telecommunications network, systems or services		VS		VS	VS	NC
Use of the radio spectrum without a license or in a way different from the one authorized		S	VS	VS	VS	
Create interference for technical reasons		M	S		S	



## Sanctions

<i>Type of violation</i>	<i>CR</i>	<i>SV</i>	<i>GT</i>	<i>HN</i>	<i>NI</i>	<i>PA</i>
Very serious		45,714-57,143 + 571per day		6,029-30,144	694-1,389	
Serious		11,429-2,286 + 229 per day	10,001-100,000	0-5,969	347-694	
Minor		1,143-1,1429	1000-10,000		% of billing	
Without classification	5 to 10 times damage value	1,840-7,360				1,000-1,000,000 + 100-10,000 per day





## Recommendations

- Solving problems
- Cascading upwards
- Finding commonalities
- Mechanisms for dispute resolution

