



Guatemala is a mountainous country. With 2 mountainous chains that divide the country into 3 different regions; Pacific coast, northern plains, Central Plateau and the Highlands. In 1997, the country underwent reorganization in the field of Telecommunications. The market was liberalized. As a result, 7 years later, there are 18 operators, which include 4 providers of mobile telephone services. Some operators of rural telephony offer services of broad band and telephone via satellite links to VSATs. The teledensity of the country for 2003 is 24 telephones per 100 inhabitants.

The country has 332 municipalities, the equivalent of a County. Municipality seats are covered by at least one of the four mobile telephone networks and by conventional fixed lines. All of them have at least one cable television operator, in the highlands, they operate through Direct TV and similar CATV systems.

Due to the mountainous condition in the highlands, the Superintendencia de Telecomunicaciones de Guatemala believes that the first alternative to promote broad band connectivity will be to use the local infrastructure of the mobile telephone companies, this way, the 22 municipality seats, as well as other important cities will be covered. From there, other populated places can be covered via wi-fi.

For end of the road communities, and other populated places, an alternative will be to exchange the Direct TV antennas for Direct PC or other similar service, thus, providing CATV and broadband services using the current cable infrastructure. A third alternative here could be to use a satellite broadband service, and then to distribute the service through wi-fi facilities.

Prices for users of the satellite/VSAT service could be subsidized, if necessary, though a very low increase in the bill of users from Guatemala City and users from the coastal/lowland area.