

5-14-1997

Guidelines Announced for Federal Agencies to Pick Long-Distance Providers

LADB Staff

Follow this and additional works at: <https://digitalrepository.unm.edu/sourcemex>

Recommended Citation

LADB Staff. "Guidelines Announced for Federal Agencies to Pick Long-Distance Providers." (1997).
<https://digitalrepository.unm.edu/sourcemex/3746>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in SourceMex by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.

Guidelines Announced for Federal Agencies to Pick Long-Distance Providers

by LADB Staff

Category/Department: Mexico

Published: 1997-05-14

In early May, the Communications and Transportation Secretariat (SCT) released guidelines for government agencies to select long-distance service providers. The guidelines, which apply to all branches of government, allow all departments to choose more than one long-distance telephone carrier, rather than limit their choice to a single company. The new guidelines will become effective immediately in Mexico City and all other cities where competition is already in place, including the metropolitan areas of Monterrey, and Guadalajara. Until now, all the government agencies were using the telephone monopoly TELMEX to make their long-distance telephone calls.

According to the SCT, federal agencies account for 13% of Mexico's long-distance market, which is valued at about US\$600 million. The government has yet to define guidelines for federal agencies to select companies to perform such services as data transmission and private networks. TELMEX's competitors said they were pleased with the SCT's decision to allow government agencies to select more than one company.

"The competition will result in better service and lower prices for the government," said Avantel director Manuel Sanchez Lugo. Avantel spokespersons said the company which is a partnership between Grupo Financiero Banamex-Accival and US-based MCI Communications has also started to market its services to municipal and state governments. "To date, five state governments have assigned 40 percent of their lines on average to Avantel," read a statement by the company. "In addition, 13 of the municipal governments where competition has opened up have assigned 68% of their lines on average to AVANTEL."

Carrier selection easier for residential customers

During May, the SCT also announced a key change in the opening of the long-distance market for residential customers. Effective with the next round of selections, residents will no longer have to pre-subscribe via paper ballots, but will be allowed to make their selection through several methods, including letter, fax, computer, or a telephone call. According to the Guadalajara-based daily newspaper Siglo 21, the changes are a tacit recognition on the part of the telecommunications commission (Comision Federal de Telecomunicaciones, COFETEL) that the previous method was "not functioning properly."

In a statement, COFETEL said the modifications will allow the government to more accurately serve the wishes of users regarding their selection of long-distance telephone service providers. According to the SCT time line, long-distance service will be opened to competition in 60 cities by the end of this year. Telephone customers in 190 cities will have the choice of a long-distance service provider by the year 2000. (Sources: Novedades, La Jornada, El Universal, 04/24/97; El Economista, 04/28/97, 05/07/97; Reuter, Excelsior, 05/07/97; Siglo 21, 05/08/97)

-- End --