

Industry Sector Analysis (ISA)

Telecommunications Sector
Bolivia

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SUMMARY

1. The study analyzes products with attractive demand potential for the telecommunications sector: Local Telephone Systems, Long Distance Carriers, Cellular Telephony, Television and Radio Broadcasting, PCS, Cable TV and Data Transmission.
2. The telecommunications and transportation market size in 1998 was approximately \$US 738 million (US dollars of 1990). This economic sector accounts for 10.87 percent of Gross Domestic Product. The growth in the quantity of telecommunication services/products provided at a national level has been above 8 percent yearly for the past 10 years. It is expected that it will keep pace with the average growth of the industrial sector of about 6 percent in the future.

The import market is very important because there are no domestic production of high-tech equipment or materials for the sector. Total imports of telecommunications equipment were US\$ 103 million in 1998. Growth of telecommunications equipment imports has been above 10 percent for the past ten years, and is expected to maintain such levels in the near future.

3. Best prospects currently are related directly to the investment strategy of Entel and the investment requirements of the independent local cooperatives. However, after year 2001 (2002-04), most telecommunications products and services should have remarkably high demand.
4. The market structure and growth will experience a major change in 2001, since the monopoly period established for the Sector ends. Currently Entel enjoys a monopoly on long distance telephony, and the independent local cooperatives also enjoy exclusivity rights on local telephony services. After year 2001 the telecommunications market will be completely open to local and foreign investments, significant growth is expected in subsequent years.
5. The major companies active in the market are: Italy's Stet-International, controlling long distance services through the formerly state-owned national telecommunications company; Telecel, a joint venture between local

entrepreneurs and MIC a partner of Millicom International with cellular telephony services; The Local Telephone cooperatives with control of all local basic telephone service in Bolivia; ATB, the largest TV broadcast station, with more than half of the viewers; and Multivision and SuperCanal, the two main Cable television providers.

6. Most larger companies have direct contact with the producers of equipment for their purchases, but for smaller purchases they contact local representatives, importers and stores. The local cooperatives are required to conduct a public bid for their purchases. These bids are announced in national newspapers. For smaller purchases they can purchase directly.
7. Telecommunications products are best promoted by visits, thus, direct marketing strategies are considered most efficient. It is important to establish relationships with purchasing agents of the firms in the sector. Contacts and recommendations are also important for the first approach.
8. Bolivia maintains an open market economy, with no significant restrictions on imports and no significant restrictions on foreign ownership or investment. Foreign investors are treated the same as domestic investors, and 100 percent foreign ownership is allowed will no requirement to register.

Bolivia provides for free currency conversion, unrestricted remittances and international arbitration. It also has one of the simplest and lowest tax and tariff regimes in the region.

A. MARKET HIGHLIGHTS AND BEST PROSPECTS

Market Size

(in thousands of dollars)

	1998	1999 *	2000 *	Growth 2001 *
Import Market	103,251	112,230	122,900	12,6%
Local Production	0	0	0	0
Exports	0	0	0	0
TOTAL MARKET	103,251	112,230	122,900	
Imports from the US	29,187	34,260	46,589	

* Estimates.

Last Year's Import Market Share:

U.S. 28.3%; Brazil 27.1%; Sweden 11.0%; Italy 7.2%

PRODUCT/MARKET NARRATIVE

After several years of economic mismanagement and negative economic growth rates, by 1985 the economy of Bolivia reached a crisis with annual inflation of 23,400 percent. With the change in government in 1986 a "New Economic Policy" (NPE) was designed and implemented. This comprehensive reform attempted to modernize many areas of economic policy simultaneously. The results of these new policies have been encouraging. Economic stability has been achieved: for the period 1990-98 the average rate of inflation was less than 10 percent, and the real rate of economic growth has averaged 4.2 percent.

The last four governments have successfully followed policies toward developing a modern market economy where most of their economic policy decisions had a common goal of achieving sustainable growth. They also have followed a policy of strictly controlling public sector expenditures, and have restricted state participation in activities that could be done by the private sector.

Although, most of the reforms were appropriate and have achieved economic stability along with significant growth, levels of income per capita and investment are still low in Bolivia. The government, which came to power in August 1993, was committed to maintaining macroeconomic stability while implementing a further set reforms intended to accelerate growth and reduce poverty.

Likewise, the current government is striving to maintain macroeconomic stability while increasing economic growth. The success of the reform programs depends on many factors, such as increasing the levels of national and foreign investment and maintaining both macroeconomic and political stability.

In order to achieve such growth, reforms have included the "Capitalization" (privatization) of the public enterprises, with the goal of improving their efficiency and eliminating the government's role in the production of goods and services. This is similar to a privatization process, the main difference being that the companies were not "sold" entirely, but rather, 50 percent of their assets were given to a "partner" who agreed to invest certain amounts in the enterprise. The new investment should be equal to or more than the assessed value of the enterprise. This was a way of achieving the country's objective of attracting new capital flows into the Bolivian economy

As for other sectors, the Capitalization process described above affected the Telecommunications sector significantly. Entel, the formerly state-owned national telecommunications company, was capitalized on September 28, 1995, with control passing to Italy's Stet-International for promised investment of US\$610 million. Stet-International's bid was much higher than expected and easily outdistanced all other bidders. Under the terms of the capitalization contract, Stet-International's winning bid gave it control of Entel. It would enjoy a six year monopoly to operate the domestic and international long-distance telephone service and all telex, telegraph and satellite services involving long distance telephony.

The "Sector Regulation System Law" (SIRESE), creates a regulation system, with the objective of regulating, controlling and supervising the activities of the telecommunications, electricity, hydrocarbons, transportation and water

sectors. This law creates the General Superintendence, which has a primary purpose of protecting the interests of consumers and companies of the regulated sectors.¹

Within this framework, there is a superintendence of telecommunications, an independent body with national jurisdiction and an autonomous technical, administrative and economic organization. The main function of the Telecommunications Superintendent is to sign concession contracts for the Sector, control and coordinate the use of the electromagnetic spectrum and, regulate and protect the use of frequencies.

On the other hand, the Telecommunications Law, establishes that regulations for the telecommunication sector will be set up by the executive branch, specifically, by the Ministry of Economic Development or, by delegation, by the Vice-minister of Transportation, Telecommunications and Civil Aviation.² Thus, the executive branch establishes the general standards to be enforced by the Superintendence.

The Telecommunications Law establishes the legal framework for granting and canceling licenses and concessions, interventions, interconnections and setting of rate ceilings.

MARKET DEMAND

The growth in the quantity of telecommunication services and products provided in Bolivia has been above 8 percent yearly for the past 10 years. The sector's price growth at the national level for this same period has fluctuated significantly, between 30.4 percent and -1.8 percent (1993 and 1996, respectively).

The market structure will experience major changes in 2001, since the exclusivity period established for the Sector finishes. Currently Entel enjoys a monopoly on long distance telephony, and the independent local cooperatives also enjoy exclusivity rights on local telephony services,

¹ SIRESE Law, #1600, 28th October 1994.

² Telecommunications Law, #1632, 5th of July 1995.

however, after year 2001 the telecommunications market will be left completely open to local and foreign investments in the Sector.

It is expected that most of the cooperatives controlling the local telephony systems currently, will be inclined to look for alternative legal status in order to meet the competitiveness requirements of the market in 2002. This would include seeking strategic partners and investors, in order to be competitive, increase their possibility of access to newer technologies and financing opportunities.

The main areas for potential demand in the telecommunications sector in Bolivia are local telephone systems, long distance carriers, cellular telephony, television and radio broadcasting, PCS, cable TV and, data transmission.

Local Telephone Service

There are 16 entities in Bolivia that provide local telephony services, 14 cooperatives and 2 companies (CBT and Entel). Thus, local basic telephone service in Bolivia is provided mainly by telephone cooperatives. The Telecommunications Law grants them six years of exclusivity in local service provision. This exclusivity is reduced by 20 percent a year should any cooperative fail to meet the performance obligations and mandatory service improvement goals set out in the law.

The technology used by the cooperatives is mainly based on transmission via land lines, which cover all main cities and some of their close surrounding areas. About 89 percent of all local telephony presently operates on the digital system. At the end of 1999, only 5 cooperatives will still use analog lines (11 percent of total lines). The growth for the past year (97-98) in Digital lines was 31.7 percent, while Analog lines decreased by 26.2 percent.

Number of Local Telephone Lines

As of December 1998

STATE	CITY	COOP.	INSTALLED CAPACITY		
			ANALOG	DIGITAL	TOTAL
La Paz	La Paz	COTEL	50,500	153,650	204,150
La Paz	Caranavi	COTECAR	400		400
Santa Cruz	Santa Cruz	COTAS	3,210	158,618	161,828
Cochabamba	Cochabamba	COMTECO	9,000	99,911	108,911
Oruro	Oruro	COTEOR		20,907	20,907
Chuquisaca	Sucre	COTES		17,302	17,302
Potosí	Potosí	COTAP		13,000	13,000
Potosí	Villazón	COTEVI		1,000	1,000
Tarija	Bermejo	COTABE		3,000	3,000
Tarija	Tarija	COSETT		15,567	15,567
Beni	Guayaramerín	COTEGUA	600	1,024	1,624
Beni	Trinidad	COTEAUTRI		6,016	6,016
Beni	Movima	COTEMO		750	750
Beni	Riveralta	COTERI		1,567	1,567
Cobija	Cobija	COTECO		1,500	1,500
TOTAL			63,710	493,812	557,522

(Source: Federación de Cooperativas)

The cooperatives will need to invest a minimum of US\$600 million during the next three years to make the change to 100 percent digital switching and so, meet the requirement set out in the Telecommunications Law. The three main cooperatives in La Paz, Cochabamba and Santa Cruz are best able to secure financing to meet these needs; the others will likely have difficulties and problems finding the necessary funds.

The Bolivian telephony cooperative system is based on the common ownership of the service; by the purchase of a "telephone share", which is equivalent to a telephone line, an individual becomes a "member" who is in part owner of the cooperative. Each "member" has the right to vote for the election of the board of directors, but a member has more than one telephone line (share) can vote only once.

A "telephone share" costs around 1,000 US\$ in the market. There are two ways of purchasing a share: it can be bought directly from one of the cooperatives, or it can be purchased and transferred from another

shareholder. It is expected that after year 2001 the market prices for these "shares" will drop considerably.

Some cooperatives are already taking steps towards a new legal status. For example, the La Paz Telephone Cooperative (COTEL), was intervened by the government, with the main goal of reorganizing the cooperative to allow new investments and possibilities for associations with other international and local telephone companies.

The combined book value of the cooperative system is calculated at around 750 US\$, but it is estimated that the aggregated real market value of the cooperatives is well below their book value.

As of December of 1998; 557,522 local telephone lines had been installed in Bolivia, but 447,439 lines are currently operating. 80 percent of the total installed capacity is being utilized.

Number of telephone lines capacity and utilization

As of December 1998

COOPERATIVE	INSTALLED CAPACITY	LINES ON SERVICE	PERCENT
COTEL	204,150	149,600	73%
COTEGAR	400	400	100%
COTAS	161,828	123,552	76%
COMTECO	108,911	99,695	92%
COTEOR	20,907	20,369	97%
COTES	17,302	15,513	90%
COTAP	13,000	10,520	81%
COTEVI	1000	255	26%
COTABE	3,000	1,750	58%
COSETT	15,567	15,565	100%
COTEGUA	1,624	1,324	82%
COTEAUTRI	6,016	5,947	99%
COTEMO	750	400	53%
COTERI	1,567	1,200	77%
COTECO	1500	1,349	90%
TOTALS	557,522	447,439	80%

(Source: Federación de Cooperativas)

The relationship of telephone lines in service to the number of inhabitants shows a telephone penetration of 5.8 percent.

Long Distance Telephone Service

The long distance telephony services are entirely in the hands of Entel. Entel's contract for long distance service covers national and international long distance services, it has a duration period of 40 years and an exclusivity period of six.

The Telecommunications Superintendence has determined a productivity factor for Entel's national and international long distance, telex, data transmission and public telephony services at -4.22 percent. Such productivity factor is based on the relationship between the costs of inputs and the levels of production generated.

Cellular Telephone Service

Cellular Telephony services are divided among the two unique providers of the Service, Telecel and Entel-Movil, which control 36 and 64 percent of the market, respectively.

Telecel, started operations in 1991 and was the sole provider of Cellular services until 1996. Telecel is a joint venture between local entrepreneurs and MIC a partner of Millicom International, that is allowed to operate band "A" in 850 MHz.

In August of 1996 Entel-Movil was authorized to enter the Cellular telephony market, and started with a very aggressive marketing campaign that pulled down the level of prices of such services. Entel-Movil is part of the Capitalized telephone company which is owned partly by Stet-International which operates band "B" in 850 MHz.

The significant price drop due to Entel's entry in the market broadened the cellular market, allowing a larger number of consumers to enter the market. The growth of cellular services in the past years has been remarkable, for example in the period 1996-97 there was an expansion of 250 percent.

The equipment used by Telecel is mainly Motorola. Entel-Movil uses a wide range of equipment, including Erickson from Sweden, Nokia from Finland, and Italtel from Italy.

In late 1997 Telecel attempted to inaugurate a fixed wireless telephone system in the La Paz area. Its initial investment allowed it to provide the latest fixed wireless access technology for telephone services, including data and fax transmission, quick access to the Internet, conference calls, voice mail, virtual telephone and image transmission. Nortel supplied the equipment exclusively. Disputes over Telecel's right to provide this service led to its failure to gain interconnection with Cotel (the cooperative providing local telephone service in La Paz) and led to the project's paralyzation pending legal remedy. As of April 1999 the project remains frozen, pending negotiations. Telecel originally was planning to invest an additional US\$70 million to expand its fixed wireless service to the three major urban areas.

TV Broadcast Stations

Television broadcasting stations are open to private investors. In fact, there is only one government-owned national TV station, and all other regional TV broadcasting stations are in private hands.

Number of TV Broadcasting Stations

As of December 1998

STATE	BAND		TOTAL
	VHF	UHF	
Beni	6	3	9
Cochabamba	5	8	13
Chuquisaca	4	6	10
La Paz	7	12	19
Oruro	2	3	5
Pando	3	2	5
Potosí	4	3	7
Santa Cruz	9	11	20
Tarija	7	3	10
TOTALES	47	51	98

(Source: Superintendencia de Telecomunicaciones)

All private regional and university TV stations have to rent the interconnection system from Entel to broadcast nationwide. The government-owned national TV channel and three other privately owned TV channels, send their signals throughout the country through alliances with local channels; other TV stations only broadcast their signals locally. Solid

data is unavailable, but reliable sources of the sector estimate that about 20 percent of Bolivia's households have televisions.

The market share of viewers is divided among few major TV channels, but it is estimated that ATB, the largest TV broadcast station, has more than half of the watching audience. For example, the audience ranking for La Paz in 1998 show a share of 49.8 percent for ATB.

Cable TV Services

After the merger of two of the main TV cable companies into Multivision-Plus, there are only two major private cable TV systems in Bolivia, Multivision and SuperCanal. Multivision operates on a codified UHF system, but it has the advantage of national coverage, rendering services in La Paz, Cochabamba, Santa Cruz, Tarija and Sucre. On the other hand, the main advantage of SuperCanal, an Argentine consortium that only covers La Paz and Cochabamba, is that it services through the latest fiber optic technology. Entel announced that, once its installation of a fiber optic is concluded, it will inaugurate a cable TV service throughout the country, either in association with the existing providers or by itself.

It must be noted that at the end of 2001 the TV Cable companies will have the possibility to utilize their installed infrastructure to provide internet, computerized telephony and data transmission services. The only legal requirement will be to follow the formalities of obtaining a concession.

Radio Stations

Radio stations are very popular in Bolivia because virtually the entire population has access to radio receivers. Thus, radio allows entertainment and news to reach the vast majority of population that cannot afford television or other media.

The government and several religious groups increasingly utilize radio as an educational tool to provide literacy and religious education to the rural and lower-income populations. As a result, numerous radio stations have begun operations in recent years.

Number of Radio Stations

As of December of 1998

STATE	BAND		
	FM	MW	SW
Beni	8	4	6
Cochabamba	35	18	2
Chuquisaca	6	8	3
La Paz	52	31	9
Oruro	15	7	2
Pando	1	0	0
Potosí	16	5	2
Santa Cruz	52	12	8
Tarija	12	8	1
TOTAL	197	93	33

(Source: Superintendencia de Telecomunicaciones)

Personal Communications Services (PCS)

The Bolivian Government is expected to call for bids to implement a Personal Communications System (PCS) in Bolivia. The Government presently has three bands ranging from 1.8 to 2.1 GHz. One of these bands has already been allocated to Entel, but is not yet operational. The Government is in the process of developing the rules and regulations for the use of the two remaining bands and the bid specifications. The Economic Analysis Unit of the government estimated that with the concession of the two remaining bands for PCS, the state will collect about US\$15 million. The service will compete with the widely used cellular services.

Presently two telephone cooperatives, COMTECO (Cochabamba) and COTAS (Santa Cruz), as well as Entel are operating fixed wireless telephony in the range of 1.910 to 1.930 MHz. Although not precisely a PCS system, the technology is very similar in concept.

Data Transmission

In addition to Entel, two data transmission companies provide the IBS (Intelsat Business Service) system: Teledata and Datacom partly owned by a Chilean company publicly traded in the New York Stock Exchange. These two companies were the sole existing providers of long-distance data

transmission when the new Telecommunications Law was passed, and its continued service was provided for under the law. They can continue in operation and even expand their services as long as their gross revenues do not exceed four percent (two percent for each company) of Entel's long distance revenues. There are also 4 other Internet service providers that operate through Entel's internet connections: Bolnet, Digital World Service, MegaLink and SkyNet SRL.

Satellite Wireless Service

In July 1998 the Superintendence of Telecommunications granted the license for the use of the frequency for Satellite Wireless Service to Entel's association with Iridium. The conditions for the concession are that for every 50 telephones sold, one will be installed in a borderline town with less than 350 inhabitants and a fee of 1 percent from their gross income from the service. These services will utilize the 1621 to 1626 Mhz frequency that will allow them to get access to an integrated group of 67 intelligent satellites around the globe, guaranteeing worldwide coverage for each of their services.

B. COMPETITIVE SITUATION

The United States remains Bolivia's largest provider of foreign aid, its principal trading partner and its largest source of foreign direct investment. U.S.-Bolivia relations are excellent and cooperative. Despite the fact that the Stet-International, an Italian company, controls Entel, the telecommunications sector continues to provide growing opportunities for U.S.-made equipment and supplies, because of the high level of its technology, the follow-up service, and Bolivia's policy of open market access. In fact, Bolivia's trade figures (below) illustrate, a very similar tendency of past years. The United States remains Bolivia's principal supplier of telecommunication equipment, followed by Brazil, Sweden and Italy.

Telecommunications Equipment Imports by Country of Origin

Year 1998

COUNTRY	VALUE \$US	% TOTAL
United States	29,187,748	28.3%
Brazil	28,030,879	27.1%
Sweden	11,354,717	11.0%
Italy	7,466,577	7.2%
Canada	5,039,218	4.9%
Germany	4,554,617	4.4%
Argentina	4,089,565	4.0%
Japan	837,970	0.8%
Other	12,689,815	12.3%
TOTAL	103,251,106	100%

(Source: Instituto Nacional de Estadística – INE)

Bolivia's small industrial sector does not manufacture any sophisticated telecommunication equipment. Nor is there any domestic production of high-tech equipment or materials, except for minor electronic components for computers. Due to the low level of domestic industrialization, Bolivia is completely dependent on imports in this sector.

The best known U.S. suppliers in Bolivia are AT&T, Nortel, Motorola and Scientific Atlanta. Third-country competitors are Siemens, Alcatel, OKI, Erickson and Italtel.

American products have been placed in all different segments of the telecommunication market. Overall, American pay phone machines, cell phones, wires, cooper lines, and optic fiber have strong position in the Bolivian market. Telecommunication hardware, software and equipment for telephony, long distance and local networks have been provided over the last five years. However, Siemens products have been very strong competitors for American products. Siemens has developed a close business relationship with local telephony cooperatives that used to award their supply contracts directly without any international or national bidding. Most of the successful suppliers have installed branches and local representative offices in Bolivia for the telecommunication market. In most cases awards are done under lowest price, business relationship and technical compatibility.

C. END-USER ANALYSIS

Entel is obviously Bolivia's major end-user of the most sophisticated telecommunications equipment and reportedly will invest over US\$1.2 billion over the next seven years. The telephone cooperatives and private TV channels are the next largest groups of end-users of new telecommunications equipment. Data supplied by the Superintendency of Telecommunications show that there are around 1,700 legally authorized telecommunication operators throughout the country, including radio broadcasting stations, private and public TV stations, private nets, telephone cooperatives, data transmission, radio taxis, radio amateurs and others.

Entel's promised investment of US\$610 is to be distributed among investments in the areas stated as requirements in the contract, and investments of interest to the company. In the period 1996-98, Entel has invested more than it stated in its three year plan. The areas of investments are described below:

Strategic Area of Business	Planned Investment 1996-1998	Effectively Invested 1996-1998	Percent Effective from Planned
International net	47,867,000	24,673,291	52%
National net	105,700,000	87,104,204	82%
Local net	36,675,000	45,195,025	123%
Rural net	22,840,000	48,987,697	214%
Data transmission	30,665,000	11,415,057	37%
Tech. Information	19,400,000	27,983,913	144%
Infrastructure	12,500,000	21,485,916	172%
Cellular Telephony	117,600,000	142,376,897	121%
TOTAL	393,247,000	409,222,000	104%

(Source: Entel)

The main obligations of Entel's concession contract are to install 5000 public telephones, to provide telephony services in 1099 new rural towns with more than 350 inhabitants and to interconnect public nets of other operators.

D. MARKET ACCESS

Bolivia maintains an open market economy, with no significant restrictions on imports nor any significant restrictions on foreign ownership or investment. Foreign investors are treated the same as domestic investors, and 100 percent foreign ownership is allowed with no requirement to register.

Bolivia provides free currency conversion, unrestricted remittances and international arbitration. Foreign companies are taxed the same as domestic companies, with 25 percent assessed on profits. Bolivia has one of the simplest and lowest tax and tariff regimes in the region. Capital goods as defined by the Bolivian Government are subject to a 5 percent tariff, with all other imports taxed at 10 percent. Telecommunication equipment falls into the second category and consequently pays 10 percent ad valorem on the CIF price. The simple tariff structure is complicated by a number of additional taxes and fees on imports, which can amount to another 15-35 percent.

There are four principal types of commercial import channels: (1) commission or independent sales agents or representatives; (2) import houses; (3) subsidiaries of foreign firms; and (4) direct importation by government agencies. It is important to select the type of distribution system best suited to your needs and your product, as well as to appoint an experienced, aggressive and financially solvent representative.

The normal practice in Bolivia is to buy imported goods through irrevocable letters of credit or time drafts. Payment terms and prices are usually set and negotiated directly by importers and suppliers. Distributors have a nationwide presence, covering a large range of products from sophisticated and integrated systems or networks to different type of phones and their accessories and spare parts. It is very unusual to find a specialized distributor by nation or product for telecommunication products in Bolivia. As it was mentioned before direct sales are very common because of the size of the Bolivian telecommunication market and the handful number of important clients. Also, local telephony cooperatives are obligated to follow strict procurement procedures.

Most providers have tried to establish exclusive arrangements for long period of time with not a significant success. However, its is expected that these

procurement procedures will change once the Bolivian telecommunication market will be opened to competition after 2001.

Commercial interest rates have dropped from an average of 17% in 1993 to an average of 14% (1999) for locally obtained dollar-denominated loans. Although still high, these new rates have made commercial loans more accessible to the Bolivian private sector.

E. KEY CONTACTS

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(Channel 11, national broadcaster)
Calle Romecín Campos 592, Sopocachi
La Paz, Bolivia
Tel: (591-2) 410939, 410938
Fax: (591-2) 410839
P.O. Box: 14976
E-mail: notivlp@red1.cc

Juan Alberto Rojas, General Manager
Telesistema Boliviano S.A.
(Channel 2, national broadcaster)
Pasaje Carrasco 1736, Miraflores
La Paz, Bolivia
Tel: (591-2) 222929, 227373
Fax: (591-2) 221500
P.O.Box: 9701

Ximena Saavedra de Saenz, General
Manager
Multivisión Plus
(Cable TV-La Paz, Cochabamba,
Santa Cruz, Tarija and Sucre)
Calle 22 de Calacoto 7810
La Paz, Bolivia
Tel: (591-2) 797715
Fax: (591-2) 797717

Daniel Romanioli, General Manager
Super Canal Bolivia S.A.
(Cable TV- La Paz and Cochabamba)
Calle Macario Pinilla 429
Tel: (591-2) 431050, 430560
Fax: (591-2) 392991
P.O. Box: 7359
E-mail: supercan@datacom-bo.net

Roberto Vaca, General Manager
Edmundo Araoz, Interventor
COTEL (La Paz telephone cooperative)
Av. Mariscal Santa Cruz, entre Sagárnaga
y Oruro.
La Paz, Bolivia
Tel: (591-2) 373432
Fax: (591-2) 310331, 391737

David Terceros Banzer, President
COTAS (Santa Cruz telephone
cooperative)
Calle Bolivar esq. La Paz
Santa Cruz, Bolivia
Tel: (591-3) 360000
Fax: (591-3) 361636

Carlos Centeno, President
COMTECO (Cochabamba telephone
coop.)
Edif. Colón, Piso 7
Cochabamba, Bolivia
Tel: (591-42) 50501
Fax: (591-42) 51624

Humberto Paredes, General Manager
FECOTEL (Federación de Cooperativas
Telefónicas de Bolivia)
Av. 16 de Julio 1566, Piso 8,
La Paz, Bolivia
Tel: (591-2) 352006 Fax: (591-2) 390778
P.O.Box: 3978
E-mail: ccotelbo@latinmail.com

***The following is a short list of local companies acting as agents,
distributors and retailers of telecommunications equipment:***

Alcatel Telecom.
Calle Belisario Salinas 525
La Paz, Bolivia
Contact: Vicente Hernández,
General Manager
Tel: (591-2) 418343, 418112
Fax: (591-2) 418343
P.O. Box: 2807
E-mail: alcatel@datacom-bo.net

Alpha Systems S.R.L.
Calle Federico Zuazo 1721
Edif. Csapeck, Piso 2 y 3
La Paz, Bolivia
Contact: Fernando Hein, Manager
Tel: (591-2) 354141, 319767
Fax: (591-2) 391561
P.O. Box: 9771
E-mail: alphasystems@alphasys.com.bo

Alke Ltda.
Calle México 1530
La Paz, Bolivia
Contact: Jaime Rosemman, General
Manager
Tel: (591-2) 374538, 374540
Fax: (591-2) 360597
P.O. Box: 2209

BM Servicios
Calle Otero de la Vega
esq. Francisco Pizarro 460
La Paz, Bolivia
Contact: Ágel Bosque, Manager
Tel/Fax: (591-2) 379922
P.O. Box: 460

AMPER
Calle México 1790
La Paz, Bolivia
Contact: Ariel Lara, Manager
Tel: (591-2) 373450, 391479
Fax: (591-2) 321461
E-mail: amp@datacom-bo.net

Coasin S.A.
Calle Ayacucho, Edif. Flores, Piso 5
La Paz, Bolivia
Contact: Gerardo Achá, General
Manager
Tel: (591-2) 317531, 317173
Fax: (591-2) 432103

Comsatel
Calle Federico Zuazo y Reyes Ortiz
Torres Gundlach, oficina 404
La Paz, Bolivia
Contact: Samuel Cardenal, Manager
Tel: (591-2) 392842, 811007
Fax: (591-2) 392842
P.O. Box: 11117
E-mail: comsatel@ceibo.entelnet.bo

Comtec S.R.L.
Edif. Illampu, Mezzanine 1
La Paz, Bolivia
Contact: Jaime Borda, President
Tel: (591-2) 355164
Fax: (591-2) 375336
E-mail: comtec@caoba.entelnet.bo

Cosin Ltda.
Av. 16 de Julio 1800, Edif. Cosmos,
Piso 4
La Paz, Bolivia
Contact: Rodolfo Vega,
General Manager
Tel: (591-2) 355311
Fax: (591-2) 391021
P.O. Box: 65993
E-mail: cosin@datacom-bo.net

Electronic Marconi S. R.L.
Calle Yanacocha 337
La Paz, Bolivia
Contact: Ramiro Machicado,
General Manager
Tel: (591-2) 392084, 352574
Fax: (591-2) 314540
P.O. Box: 143
E-mail: marconi@ceibo.entelnet.bo

Electrotel
Calle México 1554,
Edif. Chuquiago, Mezzanine L-14
La Paz, Bolivia
Contact: Pedro Cerdano
Tel: (591-2) 323372
Fax: (591-2) 330648
P.O. Box: 9421

Hansa Ltda
Calle Yanacocha 1004, esq. Mercado
La Paz, Bolivia
Contact: Willy Haftel, Manager
Tel: (591-2) 318068
Fax: (591-2) 370397
P.O. Box: 10800
E-mail: hercasri@ceibo.entelnet.bo

Ribco Ltda.
Edif. Cámara Nacional de Comercio,
Piso 9, Oficina 906
La Paz, Bolivia
Contact: Gary Ibatta, Manager
Tel: (591-2) 328403, 361084
Fax: (591-2) 393047, 723436
P.O. Box: 1852
E-mail: gibatta@caoba.entelnet.bo

Satcom S.R.L.
Av. Camacho 1237 casi esq. Ayacucho
Edif. Krsul, PB
La Paz, Bolivia
Contact: Guido Ocampo, Manager
Tel: (591-2) 329811, 327699
Fax: (591-2) 360653
P.O. Box: 122002
E-mail: satcom@ceibo.entelnet.bo

Sirti Bolivia
Av. Arce 2856
Casilla 5400
La Paz, Bolivia
Contact: Marcelo Othechar de Souza,
General Manager
Tel: (591-2) 431166, 433315
Fax: (591-2) 811-2983
E-mail: sirtib@caoba.entelnet.bo

Sisteco Ltda.
Calle Potosí 1278, Edif. Atalaya
La Paz, Bolivia
Contact: Sergio Asbún, Manager
Tel: (591-2) 390870, 390877
Fax: (591-2) 352085
P.O. Box: 13965
E-mail: sisteco@datacom-bo.com

There is one major annual trade event in Bolivia, the Santa Cruz Intl. Trade Fair, which is held in mid-September. This fair presents the best opportunity for U.S. firms to promote their telecommunications products:

Santa Cruz International Trade Fair
Contact: Luis Alberto Pacheco,
General Manager
Santa Cruz, Bolivia
Tel: (591-3) 533535
Fax: (591-3) 530888
E-mail: fexpocruz@cotas.com.bo

The U.S Pavilion at this fair is organized by the American Chamber of Commerce of Bolivia. If Interested in participating in this Fair, please contact:

Ana María Galindo de Paz,
AMCHAM General Manager
Edif. Hilda, Mezzanine, Piso 2, Of. 203
La Paz, Bolivia
Tel: (591-2) 432573
Fax: (591-2) 432472
P.O. Box: 8268
E-mail: amgalin@caoba.entelnet.bo

For more information from or through the Embassy, please contact:

Hugh Neighbour
Counselor for Political/Economic Affairs & Commercial Attaché
U.S. Embassy-La Paz, Bolivia
APO AA 34032
Tel: (591-2) 430251; Fax: (591-2) 433710
Embassy website: www.megalink.com/usemblapaz/

The country/city codes for the above fax and telephone numbers are: 591/2 for La Paz, 591/3 for Santa Cruz and 591/42 for Cochabamba.

ISA Customer Satisfaction Survey

U.S. Department of Commerce

* International Trade Administration*

The Commercial Service

The U.S. Department of Commerce would appreciate input from U.S. businesses that have used this ISA report in conducting export market research. Please take a few moments to complete the attached survey and fax it to 202/482-0973, mail it to QAS, Rm. 2002, U.S. Department of Commerce, Washington, D.C. 20230, or Email: Internet[Opfer@doc.gov].

* * * About Our Service * * *

1. Country covered by report:

Commerce domestic office that assisted you (if applicable):

2. How did you find out about the ISA service?

- Direct mail
- Recommended by another firm
- Recommended by Commerce staff
- Trade press
- State/private newsletter
- Department of Commerce newsletter
- Other (specify): _____

3. Please indicate the extent to which your objectives were satisfied:

- 1-Very satisfied
 - 2-Satisfied
 - 3-Neither satisfied nor dissatisfied
 - 4-Dissatisfied
 - 5-Very dissatisfied
 - 6-Not applicable
-
- Overall objectives
 - Accuracy of information
 - Completeness of information
 - Clarity of information
 - Relevance of information
 - Delivery when promised
 - Follow-up by Commerce representative

4. In your opinion, did using the ISA service facilitate any of the following?

- Decided to enter or increase presence in market
- Developed an export marketing plan
- Added to knowledge of country/industry
- Corroborated market data from other sources
- Decided to bypass or reduce presence in market
- Other (specify): _____

5. How likely would you be to use the ISA service again?

- Definitely would
- Probably would
- Unsure
- Probably would not
- Definitely would not

6. Comments:

* * * About Your Firm * * *

1. Number of employees: 1-99 100-249 250-499 500-999 1,000+

2. Location (abbreviation of your state only): _____

3. Business activity (check one):

- Manufacturing
- Service
- Agent, broker, manufacturer's representative
- Export management or trading company
- Other (specify): _____

4. Export shipments over the past 12 months:

- 0-1 2-12 13-50 51-99 100+

May we call you about your experience with the ISA service?

Company name:

Contact name:

Phone:

Thank you--we value your input!

This report is authorized by law (15 U.S.C. 1512 et seq., 15 U.S.C. 171 et seq.). While you are not required to respond, your cooperation is needed to make the results of this evaluation comprehensive, accurate, and timely. Public reporting burden for this collection of information is estimated to average ten minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Reports Clearance Officer, International Trade Administration, Rm. 4001, U.S. Dept. of Commerce, Washington, D.C. 20230, and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0625-0217), Washington, D.C.20503