

lines, which require months of delivery. After one year of operations, CTP still has a long way to go to reduce the demand for lines. More than 160 different localities, requiring over 50,000 lines, are being considered for CTP. The price per line, presently around US\$ 2,000, is expected to drop to US\$ 1,500 in 1993 as economies of scale and federal funding (BNDES) come into play.

Major players on this market are the following:

<u>Participants</u>	<u>Locality:</u>
Pirelli/Ericsson	Joinville S.Catarina
Monace Engen..	Sao Paulo
Promon	S.Catarina + S.Paulo
CONSTRUTEL	Minas + Mato Grosso
SPLICE	Sao Paulo

2.1.4.2 Mobile Cellular Market Survey

This market is one of the major areas of controversy between proponents of monopoly and privatization in Brazil. The current cellular communication standard is North American analog AMPS, which should evolve to digital as technology and price allow.

The first attempts of Telebras telcos to enter this market date back to 1989, when the first bids for public cellular services (band A) in the cities of Brasilia, Sao Paulo and Rio de Janeiro states were issued. Telebrasilia (10,000 lines) was won by the Elebra/ Northern Telecom consortium and Rio de Janeiro (10, 000 lines) by NEC of Brazil.

After several attempts to define the supplier for the state of Sao Paulo state (over 200,000 lines), the local Telco (Telesp) finally received bids for this service in late October 1992.

After several attempts by the Communications Secretariat (Appendix item A.2) to regulate private cellular concessions, and cancellation of the first four "B band " bids, the Government was forced by public pressure to authorize frequency bands for those Telebras system subsidiaries that are up to date with servicing of regular telephone line applications. As of August 1992, the A band mobile cellular market can be summarized as follows: