

Decision on Digicel/Claro deal soon

Jamaican authorities will say within the next two weeks whether the takeover of Claro by Digicel will get the green light.

Telecommunications provider Digicel will find out soon whether its proposed takeover of the Jamaican operations of mobile provider, Claro, will be approved, more than three months after the deal was announced.

Minister with responsibility for Information, Telecommunications and Special Projects, Daryl Vaz, says a final joint decision is expected within the next two weeks from the Spectrum Management Authority, the Office of Utilities Regulation and the Fair Trading Commission.

Digicel announced since March that it had struck a deal to acquire Claro in Jamaica and sell its own businesses in El Salvador and Honduras to Claro's parent company, América Móvil.

However, Daz said yesterday that because the proposed takeover could have serious implications for competitiveness and consumer benefits, if it is not handled properly, a decision could not be rushed.

"There have been a number of consultations with agencies of Government in the information and telecommunications department. It has also had the input of the Attorney General's department," he said.

"There has been a number of pieces of information that have been required from the persons who applied (Digicel and Claro), some we have gotten and some we are unable to get because they are unable to give it to us based on where their own discussions and negotiations are."

The Digicel/Claro deal has been challenged by Digicel's competitor, LIME.

LIME had said that considering the significance of the merger to the Jamaican telecommunications industry, the government, the Office of Utilities Regulation and the Fair Trading Commission should carefully assess it before making a decision.