

MEXICO – MEASURES AFFECTING TELECOMMUNICATIONS SERVICES

Status Report by Mexico

Addendum

The following communication, dated 7 July 2005, from the delegation of Mexico to the Chairperson of the Dispute Settlement Body, is circulated pursuant to Article 21.6 of the DSU.

Status Report Regarding Implementation of the DSB Recommendations and Rulings in
Mexico – Measures Affecting Telecommunications Services (WT/DS204)

Mexico submits this report in accordance with Article 21.6 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes*.

On 1 June 2004, the Dispute Settlement Body (DSB) adopted its recommendations and rulings in *Mexico – Measures Affecting Telecommunications Services* (WT/DS204). On that same date, the parties to the dispute notified an agreement on implementation. The agreement specifies that the reasonable period of time for Mexico to comply is 13 months, which expires in July 2005.

The Government of Mexico has complied with the first phase of the agreement, as indicated in its status report of 6 December 2004. Regarding the second commitment under the agreement, Mexico undertook to bring into force, within 13 months of adoption of the report, the regulations needed under Mexican legislation to authorize the issuing of permits for the resale of international long distance switched telecommunications services. In this connection, in April 2005, the Government of Mexico issued the **draft Regulation on marketing of telecommunications services**. This instrument will enable companies from any country established in Mexico to market international long distance services in Mexico without owning public telecommunications networks.

This past 1 July, the United States and Mexico agreed on an extension of the reasonable period of time for implementation, in accordance with Article 21.3(b) of the *Understanding on Rules and Procedures Governing the Settlement of Disputes*. It should be noted that Mexico and the United States have kept in constant contact regarding the scope and content of the Regulation.

This new legislation, together with the amendments which, since last year, have made it possible for settlement rates to be freely negotiated between Mexican operators and operators from any other Member, confirm the competitive nature of the Mexican telecommunications market. Once the necessary internal formalities for final publication of the Regulation have been completed, Mexico trusts that it will be in a position, together with the United States, to notify the Dispute Settlement Body that a mutually agreed solution to this dispute has been reached.
