

 Early Warning System

IFC-38474

WaveCatcher



Quick Facts

Countries	Mexico
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2016-10-18
Borrower	Altan
Sectors	Communications
Investment Type(s)	Equity
Investment Amount (USD)	\$ 25.00 million
Project Cost (USD)	\$ 700.00 million



Project Description

Altán SAPI de CV (“Altán” or the “company”) submitted the winning bid in an international public tender process launched by Telecomunicaciones de México, an agency of the Government of Mexico, for exclusive rights to exploit 2 x 45 MHz of unencumbered contiguous spectrum in the 700 MHz frequency band for the creation of a nationwide 4G wholesaler open access network for a period of 20 years (the “project”), extendable for another 20 years.

IFC’s investment and mobilized investment will help to fund the design, construction, operation and maintenance of the project. Altán will gain the right to use existing radio access network sites, which will generally consist of telecommunications antennas that will be controlled by the company, either installed on a different company’s towers or other buildings, or on towers controlled by the company. Altán expects that it will use 14,300 existing sites, and will develop about 2,400 new sites.

As a condition of the tender award, Altán has committed to making its network available to at least 92.2% of the population, including areas where services are currently not available, within the first seven years following the signing of the Public-Private-Partnership agreement.



Investment Description

- International Finance Corporation (IFC)

IFC proposes to make an equity investment in Altán of up to \$25 million on IFC's own account, and at the same time, an AMC-managed fund, China Mexico Fund, would make a mobilized equity investment of up to \$175 million, for a total investment amount of up to \$200 million. The Project investment is expected to exceed US\$7 billion over the life of the project.

The Company consists of Grupo Multitel (as technical partner); Morgan Stanley Infrastructure (Marapendi Holding B.V., 33.37%); Miguel S. Escobedo (through Hansam, S.A.de C.V., 9.35%); Eugenio Galdon (Chairman of Multitel through Isla Guadalupe Investments, 3.34%); FFLATAM-15-2 (the trust issuer of fiduciary certificates No. F /2292, held in Banco Invex, SA, 6.54%); Caisse de dépôt et placement du Québec in partnership with CKDIM, an investment vehicle of Mexican institutional investors including Afores, 12.68%); Axtel (4.01%); Megacable (4.01%); IFC (3.34%); and the China-Mexico Fund ("CMF", 23.36%), managed by IFC's Asset Management Company. The shareholders have committed \$749 million as initial capital.



Contact Information

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>