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by Sebastian Perry

### CADE ruling on Oi-Brasil Telecom expected by June

Brazil's largest fixed-line telecoms company, Oi, expects final antitrust approval of its US\$3.5 billion acquisition of market rival Brasil Telecom by the end of June.

Telecoms regulator Anatel's approval of the fixed-line and mobile aspects of the deal last week means the country's antitrust authority, CADE, has all the information it needs to make a final judgment, says Oi's vice president for regulatory affairs and competition Paulo Mattos.

"Anatel said in the final report that all the conditions it imposed in 2008 before the deal could go ahead had been met, so in their view there is no need for any new antitrust conditions," says Mattos. "We don't foresee any problems in getting the final approval from CADE."

He also says the report considered movement in the local telecoms sector in the last year, such as the takeover of GVT by France's Vivendi. "This is a new player in the Brazilian market, which is becoming more and more competitive since the Brasil Telecom deal, not less so," he adds.

Anatel's approval follows antitrust reports by the Secretariat for Economic Monitoring (SEAE) in July and the Secretariat for Economic Defence (SDE) in August, approving the internet aspects of the deal.

All three reports will now be analysed by CADE counsellor Vinícius Carvalho, who took over the case in October after colleague Paulo Furquim resigned.

"Together, these three technical opinions cover all aspects of the deal, showing how the merger puts together complementary networks, enhancing competition in different relevant markets. Anatel's decision confirms that the merger fully complies with Brazilian antitrust law," says **Caio Mario Pereira Neto**, of **Brasil Pereira Neto Galdino Macedo Advogados**, who has been representing both companies in obtaining antitrust approval since August.

Although the two companies have already merged their administrative operations, Brasil Telecom's internet services provider iG cannot merge with Oi Internet without final authorisation from CADE.

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