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SENATE

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S.B. No. 1742

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Introduced by Senator **Ana Theresia "Risa" Hontiveros-Baraquel**

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AN ACT  
**PROVIDING FOR THE ALLOCATION AND MANAGEMENT OF THE RADIO  
FREQUENCY SPECTRUM**

**EXPLANATORY NOTE**

The radio frequency spectrum is critical to modern telecommunications. The State apportions spectrum to telecommunications entities, enabling them to provide services to the public, such as mobile telephony and access to the internet: services that form the backbone of our social media networks, ride-sharing services, and online commerce platforms.

The radio frequency spectrum is composed of naturally occurring, electromagnetic radiating energy. This natural resource, unlike oil, gas, and minerals, is non-depletable but finite. Because spectrum is a limited resource, its use is considered a privilege which may be withdrawn by the State at any time in the interest of public welfare.

The Philippines itself has experienced substantial growth in the demand for mobile data communications, with roughly 67 million internet users consuming an estimated 150,000 terabytes of data annually.

However, in OpenSignal's latest *State of LTE Report*, using data parsed from over 50 billion measurements worldwide, taken between October 1 to December 29, the Philippines ranked 75<sup>th</sup> out of 88 countries in terms of 4G availability (at 63.73% consistent accessibility) and 85<sup>th</sup> in terms of 4G speed (at an average speed of 9.49 Mbps).

Secretary Eliseo Rio, Jr. of the Department of Information and Communications Technology (DICT) has stated that one of the reasons the country has lagged behind the rest of the world has been a lack of competition in the telecommunications sector, which is currently dominated by the duopoly of Globe Telecom, Inc. and Smart Communications, Inc. This lack of competition has been exacerbated by the scarcity of available spectrum for allocation to new players looking to break the duopoly.

This scarcity limits competition from new entrants and increases the cost of using spectrum to business and consumers. Similarly, the lack of unassigned usable spectrum stifles and delays the introduction and development of new technology.

National Telecommunications Commission (NTC) Memorandum Circular No. 3-3-96 provides that, where demand for specific frequencies exceeds availability, allocation shall be through open tenders. Despite this, spectrum has not been allocated