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SENATE

P.S. Res. No. 441

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Introduced by SEN. MANUEL "LITO" M. LAPID

RESOLUTION

URGING THE COMMITTEE ON PUBLIC SERVICES TO INQUIRE, LOOK INTO, AND INVESTIGATE IN AID OF LEGISLATION ON THE NATIONAL TELECOMMUNICATIONS COMMISSION'S (NTC) DECISION TO GRANT AND AWARD THIRD GENERATION MOBILE TELEPHONE FREQUENCIES ALSO KNOWN AS 3G TECHNOLOGY TO TELECOMMUNICATIONS COMPANIES (TELCOS) THROUGH A QUASI-JUDICIAL SELECTION INSTEAD OF THE PROCESS OF PUBLIC BIDDING PURSUANT TO RA 7925 OR THE "PUBLIC TELECOMMUNICATIONS POLICY ACT OF THE PHILIPPINES" DUE TO AN ALLEGED CONNIVANCE WITH TELCOS' EXECUTIVES WITH THE END IN VIEW OF DETERMINING WHETHER SUCH SCHEME IS DETRIMENTAL TO THE INTEREST OF THE GOVERNMENT

WHEREAS, 3G technology is a mobile telecommunications channel capable of speedy and simultaneous transmission of both voice and non-voice data delivering video telephony communications among mobile subscribers as well as other multimedia transmission and reception using high bandwidth as compared to the narrowband system currently being utilized;

WHEREAS, the applications and benefits in using the 3G technology include video conferencing, "always on" mobile internet connection, instant messaging, real time Television broadcast, audio streaming as well as remote connectivity and access to computer networks of workplace commonly found in large industries;

WHEREAS, out of the five (5) available 3G frequencies in the Philippines, more than nine (9) companies signified interest in becoming 3G operators including SMART Communications, Globe Telecom, Digital Mobile Philippines, Inc. (DMPI), Connectivity Unlimited Resources Enterprise (CURE), AZ Communications, Inc., Bayan Telecommunications, Inc. (Bayan Tel); Multi-Media Telephony, Inc. (MTI), Next Mobile, Inc., and Pacific Wireless, Inc.;

WHEREAS, during the evaluation of companies to be granted licenses, seven (7) telecommunications companies qualified for accreditation but the National Telecommunications Commission awarded licenses without public bidding only to four (4) companies namely, SMART Communications, Globe Telecom, Digital Mobile Philippines, Inc. (DMPI) and Connectivity Unlimited Resources Enterprise contrary to Sec 15 of RA 7925, which requires the holding of an open tender or public bidding;

WHEREAS, in other countries where similar 3G spectrum licensing were offered to telecom players, fees were generated through auctions which earned their respective governments over a hundred billion dollars in initial revenues as against the measly 2.3 billion Pesos earned by the Philippine Government in the award of the 3G frequencies to the four companies;

WHEREAS, it is relevant to determine whether the guidelines and scheme formulated and utilized by the NTC in granting 3G spectrum to TELCOS worked for the **best** interest of the government, the consuming public as well as the growth of the wireless telecommunications industry as a whole.

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved to urge the Committee on Public Services to inquire, look into, and investigate in aid of legislation on the National Telecommunications Commission's (NTC) decision to grant and **award** Third Generation mobile telephone frequencies also known as 3G technology to telecommunications companies (TELCOS) through a quasi-judicial selection **instead** of the process of public bidding pursuant to RA 7925 or the "Public Telecommunications Policy Act of the Philippines" due to an alleged connivance with TELCOS executives with the end in view of determining whether such scheme is **detrimental** to the interest of the government.

ADOPTED,


MANUEL "LITO" M. LAPID
Senator

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