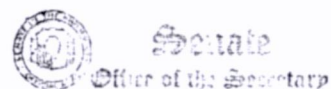


SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



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SENATE

COMMITTEE REPORT NO. 637

Submitted by the Committee on Public Services on **FEB - 4 2019**.

Re: H. Ct. Res. No. 23

Recommending for the concurrence of the Senate of H. Ct. Res. No. 23 with amendments.

Sponsor: Senator Grace Poe

MR. PRESIDENT:

The Committee on Public Services to which was referred H. Ct. Res. No. 23 introduced by Representatives Cua, Alvarez (F.), Malapitan, Tejada, Caminero, Cortes, Pimentel, Unico, Violago, Chiepcio, Durano, Aggabao, Maceda, Relampagos, Romualdo, Vargas, Quimbo, Ting, Uybarreta, Arcillas, Garbin, Madrona, Alvarez (M.), Pancho, Abu, Garin (S.), Nieto, Marcoleta, Defensor, Salo, Atienza, Chavez, Revilla, Abayon, Martinez, Tugna and Paduano, entitled:

**"CONCURRENT RESOLUTION APPROVING THE TRANSFER, SALE, OR
ASSIGNMENT OF THE CONTROLLING INTEREST OF MINDANAO
ISLAMIC TELEPHONE COMPANY, INC."**

has considered the same and has the honor to report it back to the Senate with the recommendation that the attached H. Ct. Res. No. 23 be approved for the concurrence of the Senate with the following amendments:

1. On page 1, delete the second WHEREAS clause;
2. On the same page, delete the third WHEREAS clause;
3. On page 2, paragraph 2, after the words "NTC Memorandum Circular 09-09-2018", delete the phrase "or the Rules and Regulations on the Selection Process for a New Major Player in the Philippine Telecommunications Market, Udenna, Chelase, and China Telecom".

RESPECTFULLY SUBMITTED



GRACE POE
Chairperson
Committee on Public Services



JOSEPH VICTOR G. EJERCITO
Vice-Chairperson
Committee on Public Services



FRANCIS "Chiz" G. ESCUDERO
Vice-Chairperson
Committee on Public Services

Members



LOREN B. LEGARDA



PANFILO M. LACSON

RICHARD J. GORDON



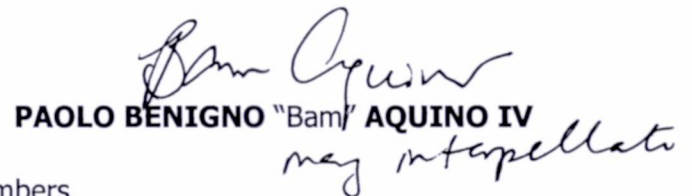
JOEL VILLANUEVA

RISA HONTIVEROS

ANTONIO "Sonny" F. TRILLANES IV



AQUILINO "Koko" PIMENTEL III



PAOLO BENIGNO "Bam" AQUINO IV
may interpellate

Ex-Officio Members



RALPH G. RECTO
Senate President Pro-Tempore



JUAN MIGUEL F. ZUBIRI
Majority Floor Leader



We dissent
FRANKLIN M. DRILON
Minority Floor Leader

HON. VICENTE C. SOTTO III
Senate President

CONGRESS OF THE PHILIPPINES
SEVENTEENTH CONGRESS
Third Regular Session

}

HOUSE OF REPRESENTATIVES

H. Ct. Res. No. 23

BY REPRESENTATIVES CUA, ALVAREZ (F.), MALAPITAN, TEJADA, CAMINERO, CORTES, PIMENTEL, UNICO, VIOLAGO, CHIPECO, DURANO, AGGABAO, MACEDA, RELAMPAGOS, ROMUALDO, VARGAS, QUIMBO, TING, UYBARRETA, ARCILLAS, GARBIN, MADRONA, ALVAREZ (M.), PANCHO, ABU, GARIN (S.), NIETO, MARCOLETA, DEFENSOR, SALO, ATIENZA, CHAVEZ, REVILLA, ABAYON, MARTINEZ, TUGNA AND PADUANO

CONCURRENT RESOLUTION APPROVING THE TRANSFER, SALE, OR ASSIGNMENT OF THE CONTROLLING INTEREST OF MINDANAO ISLAMIC TELEPHONE COMPANY, INC.

WHEREAS, on 19 April 1998, the Mindanao Islamic Telephone Company, Inc. (MISLATEL) was granted a legislative franchise pursuant to Republic Act No. 8627, entitled "An Act Granting the Mindanao Islamic Telephone Company, Inc., a Franchise to Construct, Establish, Install, Maintain and Operate Wire and/or Wireless Telecommunications Systems in the Philippines";

WHEREAS, MISLATEL, together with Udenna Corporation (Udenna), Chelsea Logistics Holdings Corp. (Chelsea), and China Telecommunications Corporation (China Telecom) as committed investors, was declared and confirmed by the National Telecommunications Commission ("NTC") as the New Major Player (NMP) of the Philippine telecommunications market;

WHEREAS, the NMP is committed to providing Filipinos with unprecedented and unparalleled quality of telecommunications

services, made possible only by the organizational unity, fiscal cooperation, and technology-transfer between and among MISLATEL and its committed investors;

WHEREAS, in accordance with the Binding Bidding Agreement duly executed by and among MISLATEL, Udenna, Chelsea, and China Telecom dated 6 November 2018 and in compliance with the requirements of NTC Memorandum Circular 09-09-2018 or the Rules and Regulations on the Selection Process for a New Major Player in the Philippine Telecommunications Market, Udenna, Chelsea, and China Telecom will subscribe into the increase in shareholdings of MISLATEL, which would result in Udenna, Chelsea, and China Telecom owning majority and controlling interest in MISLATEL;

WHEREAS, Section 15 of Republic Act No. 8627 provides that the controlling interest of MISLATEL shall not be "transferred, whether as a whole or in parts and whether simultaneously or contemporaneously, to any such person, firm, company, corporation or entity without the prior approval of the Congress of the Philippines";

- 1 *Resolved by the House of Representatives, the Senate concurring,*
- 2 To approve any transfer of the controlling interest in MISLATEL to Udenna,
- 3 Chelsea, and China Telecom.

Adopted,

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