

August 12, 2020

**CONGRESSMAN VICTOR YAP**

Chairman, Information and Communications Technology Committee  
House of Representatives, Quezon City

Dear **Congressman Yap**:

Thank you for the opportunity to submit our position on the Substitute Bill to House Bills Numbered 57, 4109 and 5341 on the Open Access in Data Transmission Act.

Our organizations support the proposed Open Access in Data Transmission Act (OADTA), a critical piece of legislation to connect millions of Filipinos and ensure the survival of the Philippine economy. With the extreme global disruptions of COVID-19 pandemic particularly on economies, we believe that the recovery and resilience measures should include facilitating robust, affordable, and widely accessible digital infrastructure. Part of this push includes updating relevant laws, rules, and regulations to reflect the rapid evolution of technology and the importance of the Internet to the flow of goods and services around the world.

We are likewise aware that also as a result of the pandemic, movement of goods and people continue to be restricted. Digital technologies such as e-Commerce and Work-From-Home arrangements have therefore become the generally acceptable option to balance health and safety with our economic and governance objectives. Because of this, there is now even greater urgency to pass OADTA so that businesses and Filipinos can have timely, reliable, and accessible Internet connections.

Having said these, we agree with the provisions of the Substitute Bill which are consistent with the above position. However, may we likewise respectfully propose the following amendments to further strengthen the proposed law:

**1. Renaming and revising the definition of “International gateway or landing” to reflect the correct term, “international cable landing station.”**

An international gateway facility is a telecommunications facility that connects the local exchange network (for voice call services) to point/s outside the Philippines.

In the age of digital connectivity, the correct term would be the “international cable landing station,” which allows Internet data transmission between the network facilities of two countries.

As such, we respectfully recommend that Sec. 3 (g) be revised to read as follows:

**“SEC. 3. Definition of Terms.** – As used in this Act:

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(g) ~~International gateway or~~ **CABLE landing STATION** refers to a segment of **THE** data transmission **NETWORK** that consists of any facility that provides an interface to send and receive data traffic between one country's domestic network facilities and those in another country;

## 2. Adopting Provision on Satellite Access in Sec. 5, SBN 1763 (17<sup>th</sup> Congress)

Satellite access allows for the rapid deployment of data networks, especially in remote or challenging areas where traditional technologies are costly and difficult to install. President Duterte himself recognized the value of satellite in his most recent State of the Nation Address, describing its potential to connect areas without electricity.

Liberalizing satellite access for data transmission is in the spirit of OADTA and will allow the law to have an immediate impact on connectivity for millions of Filipinos at a time when it is most needed. We then respectfully recommend removing the requirement for a Congressional franchise or PA from the NTC to acquire and operate a satellite, or to sell or lease satellite capacity within the Philippines.

Based on this view, Section 5.b will then read as follows:

**“SEC. 5. Segment.** – The data transmission industry shall be divided into four (4) segments: (a) International gateway or landing; (b) Core or Backbone network; (c) Middle mile; and (d) Last mile.

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b) “Data transmission industry participants in any of the four (4) segments shall not be required to secure a franchise from Congress and a Certificate of Public Convenience and Necessity (CPCN) or Provisional Authority (PA) from the NTC, to construct, install, and operate networks and facilities for the data transmission services they provide. Data Transmission Industry Participants shall also not be required to secure a Congressional franchise and CPCN/PA before they could secure permits, certificate or licenses necessary for deploying data transmission networks, whether using wired or wireless technologies, including permits and licenses for the construction, installation, establishment or operation of radio/base stations. Neither shall they be required to secure a Congressional franchise and CPCN or a PA for the data transmission services they provide to the general public. **NOTWITHSTANDING THE PROVISIONS OF THIS ACT OR ANY OTHER LAW, DATA TRANSMISSION INDUSTRY PARTICIPANTS SHALL, WITHOUT NEED OF CONGRESSIONAL FRANCHISE OR PA AND CPCN FROM THE NTC, BE ALLOWED TO OWN AND OPERATE NETWORKS UTILIZING SATELLITE TECHNOLOGIES SUCH AS VERY SMALL APERTURE TERMINALS (VSATS), BROADBAND GLOBAL AREA NETWORK (BGAN) AND OTHER SIMILAR TECHNOLOGIES WITHOUT NEED FOR A FRANCHISE FROM CONGRESS AND A PA OR CPCN FROM THE NTC.** Participants in the data transmission industry shall, however, be required to register with the NTC stating the segment they are participating in and provide the NTC with their schedules of rates.”

## 3. Amending Section 17 to Apply the Ease of Doing Business Act

Recent developments have brought the permitting and licensing issue to public attention. In this light, we also respectfully recommend amending Sec. 17 so as to subject all applications for permits and other requirements, whether imposed by national government agencies or local government units, related to data transmission to the Ease of Doing Business Act. Doing so will provide a basis for the processing of applications for permits and requirements related to data network rollout.

Thus, we recommend that Sec. 17 be revised to read as follows:

**“SEC. 17. Expedited Processing.** - In all instances where a participant in the data transmission industry shall

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**APPROVAL OF ANY APPLICATION FOR PERMITS AND OTHER REQUIREMENTS IMPOSED BY NATIONAL GOVERNMENT AGENCIES AND/OR LOCAL GOVERNMENT UNITS THAT ARE RELATED TO THE DEPLOYMENT OF DATA TRANSMISSION NETWORKS SHALL STRICTLY COMPLY WITH THE PROVISIONS OF REPUBLIC ACT 11032 OR THE EASE OF DOING BUSINESS ACT.”**

We hope that the Chairman finds merit in this position, as we reiterate the commitment of our organizations to be government's partner in enabling Filipinos, particularly the business community, to take part in the new digital normal.

Thank you for the attention and support.

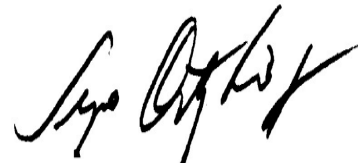
Sincerely,



**Amb. Benedicto V. Yujuico**  
President  
Philippine Chamber of  
Commerce and Industry



**Edgardo G. Lacson**  
Chairman  
Employers Confederation  
of the Philippines



**Dr. Sergio Ortiz-Luis Jr.**  
President  
Philippine Exporters  
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