

## Federation of International Cable T.V. And Telecommunications Association of the Philippines

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20 August 2018

HON. ELISEO M. RIO JR.

DICT OIC-Secretary / Undersecretary for Special Concerns Department of Information and Communications Technology C.P Garcia Ave., Diliman, Quezon City

Protest to MOU Signing with Electric Cooperatives Re:

Dear Hon. Rio;

Greetings!

We are herein formally registering our protest and objection in the strongest term to the unabated MOU signing between DICT and electric cooperatives with the objective of allowing the electric cooperatives to engage in the delivery of fast and affordable internet.

Our appreciation for your immediate response to our letter dated August 13, 2018. However, we took exception to your explanation that the said letter is premature as the MOU with the NEA still has to be signed, and the DICT was mandated by law to provide Internet Access Points to public places, but the DICT is not getting the roll out of the APs from regular sources, including big telcos.

As it is, it has been widely publicized that the National Electrification Administration (NEA) has inked an MOU with the DICT and the Philippine Rural Electric Cooperatives Association, Inc. (PHILRECA) to provide high speed internet services to the rural areas.1 While it is true that DICT was mandated by law to provide Internet Access Points to public places, it is our position that the said mandate does not include the authority to DICT to allow or authorize entity to engage in providing internet or telecommunication services without the proper franchise from Congress, licenses or permits from the authorizing entity, which in this case is the National Telecommunication Commission. The mandate of the DICT is to plan, develop, and promote the national ICT development agenda.1

Under the Free Wifi Act,

For purposes of this Act<sup>1</sup>, the DICT shall:

Sec. 5 The DICT shall be the lead implementing agency that will oversee the effective and efficient implementation of this Act Date:

NATIONAL TELECOMMUNICATIONS COMMI-

Office of the party Commissioner-

<sup>1</sup> Philstar Global, August 20, 2018

<sup>1</sup> Sec. 5, RA 10844

- (b) Coordinate with national government agencies (NGAs), local government units, private sector and concerned organizations to ensure that the comprehensive plan is integrated with the plans and budgets of all agencies mandated to provide internet access under this Act.
- (c) Prescribe policies and regulations, and coordinate the timely and effective implementation of this Act.
- (d) Enter into contracts to undertake the implementation of this Act subject to existing laws and regulations.

The authority of the DICT under its mandate and the role of the DICT under the Free Wifi Act are well defined. It does not include empowering entities to enter into the telecommunication services, much more engaging them into telecommunication services where they have no franchise, authority, licenses or permits as granted by the authorized government agencies.

From the time the Free Wifi Act was conceptualized and implemented by the ICTO, until the creation of the DICT and enactment of the Free Wifi Act, our organization has been complaining to the then ICTO and now, the DICT about the obstacle posed by some local government units and electric cooperatives that has hindered the implementation of the Public Free Wifi Access including the installation of the Access Points. It now bewildered us, that, the DICT, instead of assisting and coming up with the policies as part of your mandate, policies that will help us overcome these obstacles created by these entities, specifically, the electric cooperatives, the electric cooperatives are now apparently being awarded for their non-cooperation and the hindrance they have posed in the implementation of the Free Wifi Act.

We reiterate all what we have stated in our letter dated Aug. 13, 2018, the MOU between DICT and the electric cooperatives are legally infirmed, the signing of the MOU with the electric cooperatives and the DICT will create more problems and difficulties in achieving the objective of the Free Wifi Act, the allowance of the MOU will create a monopoly out of an entity who is now allowed to engage not only in providing power but also telecommunications services to its clients. This is against the law on monopoly and the policy of this government.

In view of the foregoing, we humbly and respectfully request your office to withdraw the MOU entered into by your office with the electric cooperatives and to cease from entering into similar agreements of the same nature. With due respect, our appreciation for your immediate and positive action to this urgent and humble request.

Sincerely yours,

ESTRELLITÀ JULIANO-TAMANO

N<del>ational</del> Chair

cc: Hon. Gamaliel A. Cordoba – Commissioner, NTC Hon. Delilah F. Deles - Deputy Commissioner, NTC Hon. Edgardo V. Cabarios - Deputy Commissioner, NTC