

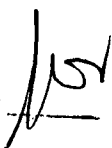
SEVENTEENTH CONGRESS OF THE )

REPUBLIC OF THE PHILIPPINES )

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Office of the Secretary

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SENATE

P. S. Res. No. 213

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Introduced by Senator Win Gatchalian

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**A RESOLUTION**

**DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, TO GENERATE EVIDENTIARY DATA TO ESTABLISH THE ECONOMIC EFFECTS UPON THE CONSUMER IN PARTICULAR, AND THE NATIONAL ECONOMY IN GENERAL, OF THE PRESENT MODEL OF OPERATION AND REGULATION OF THE TELECOMMUNICATIONS INDUSTRY, TO THE END IN VIEW OF RECOMMENDING POLICY TO STRENGTHEN KEY ECONOMIC REFORMS THAT ARE CONSISTENT WITH THE COUNTRY'S MEDIUM-TERM DEVELOPMENT PLAN AND LONG-TERM VISION AND PROTECTIVE OF THE INTERESTS OF CONSUMERS IN A ROBUST ECONOMY THAT IS FOSTERED BY FREE COMPETITION AND INCLUSIVE GROWTH**

**WHEREAS**, the 1987 Constitution, in recognition of the primary role of the private sector as engine of economic growth, guarantees the right of individuals and private groups, including corporations, to own, establish and operate economic enterprises;

**WHEREAS**, the 1987 Constitution declares that the use of property bears a social function and that the State has the duty to regulate the acquisition, ownership, use and disposition of property, including the

regulation or prohibition of monopolies and combinations in restraint of trade or unfair competition when the public interest so requires;

**WHEREAS**, pursuant to these state policies, liberalization reforms in the country's telecommunications industry have led to the granting of franchises to new players from the private sector to expand, improve and innovate the telecommunications industry, subject to the government's regulatory framework and competition-related statutes;

**WHEREAS**, the telecommunications sector is regulated by the National Telecommunications Commission (NTC) which exercises jurisdiction over the supervision, adjudication and control over all telecommunications services in the country;

**WHEREAS**, the NTC has crafted a mission to "proactively and continually create a responsive regulatory environment for a viable, affordable, reliable and accessible telecommunications and information infrastructure and services to ensure the welfare and protection of our people;"<sup>1</sup>

**WHEREAS**, despite efforts at making the telecommunications industry an open, competitive and dynamic sector of the Philippine economy, the Philippines has been ranked to have the second slowest average download speed among 22 Asian countries,<sup>2</sup> and yet has some of the most expensive internet connections in the world;<sup>3</sup>

**WHEREAS**, it will promote the paramount welfare of the consumer in particular, and benefit the national economy in general, to conduct an inquiry to determine if the present model of operation and regulation of the

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<sup>1</sup> NTC's Quality Management System, 2016.

<sup>2</sup> Based on a study on consumer internet speeds by an internet matrix provider, Ookla, as of May 2015. <http://www.gmanetwork.com/news/story/489762/scitech/technology/list-philippines-ranks-21st-of-22-asian-countries-in-internet-download-speed>  
<http://www.gmanetwork.com/news/story/489762/scitech/technology/list-philippines-ranks-21st-of-22-asian-countries-in-internet-download-speed>

telecommunications industry provides the consumer genuine options, quality service, innovative activities and lower prices – factors which make the telecommunications industry a viable sector of the economy;

**WHEREAS**, a similar inquiry into the recent joint acquisition by two telecommunications companies of a 700-megahertz spectrum will determine if such purchase will have an economic effect on the consumers in terms of prices, options and quality of mobile services, as well as the possibility of reducing the opportunity for a third player into the telecommunications industry;

**WHEREAS**, this inquiry will aid in enabling the telecommunications sector in the midst of a rapidly evolving technological ecosystem, through the formulation of policies that will strengthen the present regulatory framework – consistent with good governance as an overarching theme under the Philippine Development Plan 2011-2016;

**WHEREAS**, an empowered telecommunications sector will be an engine for attracting investments and creating jobs which are essential to attaining inclusive growth and improving the quality of life that represents the long-term vision and aspirations of the Filipino people for themselves and for the country under the country's collective long-term vision under AmBisyon Natin 2040;

**NOW THEREFORE, BE IT RESOLVED BY THE SENATE OF THE PHILIPPINES**, to direct the appropriate senate committee to conduct an inquiry, in aid of legislation, to generate evidentiary data to establish the economic effects upon the consumer in particular, and the national economy in general, of the present model of operation and regulation of the telecommunications industry, to the end in view of recommending policy to strengthen key economic reforms that are consistent with the country's medium-term development plan and long-term

vision and protective of the interests of consumers in a robust economy that is fostered by free competition and inclusive growth.

*Adopted,*



WIN GATCHALIAN