



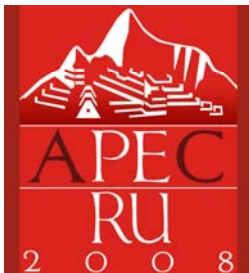
**Asia-Pacific
Economic Cooperation**

2008/TEL38/PLEN/011

Agenda Item: 8

Economy Policy and Regulatory Update (TEL38)

Purpose: Information
Submitted by: Philippines



**38th APEC Telecommunications and Working
Group Meeting – Plenary Session
Lima, Peru
15-17 October 2008**

PHILIPPINES:

Economy Policy and Regulatory Update (TEL38)

This report updates the report of the Philippines in APECTEL37 and highlights the policy initiatives and programs recently and continuingly undertaken by the Philippines to promote the use of information and communication technology (ICT) for national development.

1. DIGITAL INFRASTRUCTURE

At the end of last year, the nationwide digital infrastructure expanded primarily because of the growth of the number of subscribers in mobile communications and broadband services from both wired and wireless means. The subscription to different services by the end of 2007 and compared with the year earlier are as follows:

	2006	2007
Fixed Telephone Service:	3,616,595	3,633,188
Cellular Mobile Communications Service:	42,868,911	57,344,815
Internet Service:	1,950,000	2,500,000
Broadband Service:	396,820	766,936
⇒ DSL	264,136	478,051
⇒ BWA	131,790	278,085
⇒ CABLE MODEM	894	10,800

2. ENHANCING COMPETITION ON TELECOMMUNICATIONS SECTOR

PROPOSED RULES

Rules Promulgated During the First Semester of 2008

RULES ON VALUE ADDED SERVICES

Deregulate more telecommunications and information services

Cover practically all services except voice services offered through circuit switched networks

Facilitate the entry of more players in the telecommunications market

RULES ON WIRELESS LOCAL LOOP

Allow subscribers to initiate and receive calls anywhere within a local calling area

Service rates are comparable to fixed line networks

Will provide competition to the cellular mobile telephone network

RULES ON THE MANDATORY INTERCONNECTION OF BACKHAUL NETWORKS TO INTERNATIONAL CABLE LANDING STATIONS

De-monopolize the backhaul network services provided by the operators of international cable landing stations

Allow entry of more players in the backhaul network services

Rates for international circuits expected to decrease

PROPOSED RULES

Undergoing Public Consultations and Hearings

GUIDELINES FOR THE DEVELOPMENT OF REFERENCE ACCESS OFFERS

Provide specific rules to guide public telecommunications entities to develop their respective Reference Access Offers

Facilitate the timely interconnection of networks

ADDITIONAL RULES ON VOICE over IP

Reduce the access charges for VoIP calls originating from or terminating to the fixed and mobile telephone networks

Reduce retail prices of VoIP

RULES ON INTERCONNECTION CHARGES FOR SMS AND MOBILE VOICE SERVICES

Strengthen competition in the mobile telecommunications market

Reduce retail prices of SMS and mobile voice service

RULES ON COMPETITION SAFEGUARDS

Prevent anti-competitive practices of major players

Strengthen competition in the telecommunications market

3. *CYBERSECURITY AND DEVELOPMENT*

- CYBERSECURITY CAPABILITY BUILDING AND CYBER CRIME BILL FORMULATION

The Commission on Information and Communications Technology has endorsed to Congress a landmark Anti-Cybercrime Bill entitled “Cybercrime Prevention Act of 2008.” This proposed Bill defines various forms of cybercrime offenses and prescribes corresponding punishments. These offenses include hacking, identity theft, phishing, spamming, website defacement, denial-of-service (DoS) attack, and malware.

The Bill mandates the creation of a National Cyber Security Office, under the CICT, whose task is to formulate and implement a national cyber security plan. Some of its functions include the preparation and implementation of appropriate measures to prevent and suppress cybercrime offences; the monitoring of investigations of cybercrime prevention, suppression and prosecution; and the coordination of the support and participation of the business sector, local government units and non-government organizations in cybercrime prevention programs.

4. *FLAGSHIP PROGRAMS*

- THE PHILIPPINE CYBER CORRIDOR

The Philippine Cyber Corridor is an ICT channel supported by high bandwidth fiber optic backbone and digital network and is home to numerous cyberservice providers that supply expert services in various fields of ICT, otherwise known as the Outsourcing and Offshoring (O&O) industry. O&O industry is powered by high performance sectors like the call center, business process outsourcing (BPOs), animation, medical and legal transcription, software development, engineering and design and more recently game development.

At present, there are 24 Next Wave cities outside Metro Manila already identified under the Philippine Cyber Corridor and 20 are currently hosting O&O (Offshoring and Outsourcing) locators and investors. Next Wave Cities are cities or local government units which have established collaboration between the government and the industry, i.e. Business

Process Association of the Philippines, through regional ICT hubs, . These hubs are envisioned to host O&O locators, redounding to increased economic opportunities and jobs in these areas. Currently, Metro Manila, Metro Cebu and Davao are the leading locations within the Corridor. It is targeted that additional hubs will be established this year.

- COMMUNITY E-CENTER PROGRAM

- The CeC Program, which aims to harmonize various efforts from the different sectors in the Philippines such as agriculture, local government, health and education into one integrated delivery mechanism wherein anything can be provided, is now updated, with the finalization of the Strategic Roadmap of the Philippine Community eCenter Program 2008-2010. The roadmap is a 40-page wire-bound color handbook with a CD (electronic version of Roadmap) containing the rationale, vision, and more importantly, its mission of *“A Community eCenter in every municipality,”* by 2010, as well as the strategic components guiding implementation efforts for the next three years. It was launched last April 3, 2008 during the conduct of the 4th Knowledge Exchange Conference on Community eCenters at The Heritage Hotel, Pasay City.

Another major of component of the Strategic Roadmap is the Development of a Philippine Community e-Center Portal (Phil CeC Portal). This activity started with the conduct of a survey to elicit views of CeC stakeholders in terms of what the portal can offer by way of content, features, and services. The Philippine CeC Web Portal is now up and running and can be accessed at www.philcecnet.ph.

A series of focus group discussions (FGDs) and workshop were held at several parts of the country starting in May until September to develop the National Competency Standard for Community eCenter Managers (NCS-CeCs) to ensure the development of a range of business, administrative and community support skills as well as the effective integration of technology in computing and communication skills among

CeC managers. This would help facilitate the implementation of the program.

- DEVELOPMENT OF A NATIONAL ICT IN BASIC EDUCATION PROGRAM

- iSchools Project

The iSchools Project (Internet in Schools Project), which aims to enhance the ability of public high school students throughout the country to compete for jobs, future education and other growth opportunities, is now establishing additional 320 iSchool beneficiary schools. Each school will receive computer labs with internet connection, training for computer laboratory managers, and train the trainers' program on basic ICT skills for the training of students.

- eSkwela Program

The program has four eSkwela pilot sites that are currently serving more than 500 out-of-school youth and adults. undergo the Non-Formal Education Accreditation and Equivalency (NFA&E) Program of BALS to get a certification of learning equivalent to that of a High School graduate.

The project is now expanding its Instructional Design, which is a blended type of learner-centered instruction consisting of three elements: 1) computer-aided learning via interactive e-learning modules, 2) teacher-led instruction as aligned with the pace and need of each learner, and 3) collaborative group activities and projects.

- Content Development Project

The project intends to use ICT to unlock the valuable repositories of information that have not yet been digitized, create new content, map our existing digital assets, and improve online access to the

information that is important to our lives. E-learning modules developed and are being developed include the following:

- 2D/3D Interactive Educational Game on Philippine Culture and Arts
- Development of Instructional Modules on Animation, Theater and Plays, Environmental Awareness, and Health

- ICT COMPETENCY AND STANDARDS DEVELOPMENT

The CICT has partnered with concerned government and private sector stakeholders as well as internationally recognized bodies, to develop and formulate ICT competency standards. These partners help the CICT in developing and promoting competency standards. In addition to the National ICT Competency Standards (NICS) for Teachers, NICS for IT Professionals in Government (various levels: GCIO, IT-Project Manager, Network Specialist) which were reported the last time; the CICT also developed the NICS for Career Executive Service Officers (CESOs)..