

[DTC DEPARTMENT CIRCULAR NO. 93-273, June 14, 1993]

DOMESTIC SATELLITE COMMUNICATIONS POLICY

The 1987 Constitution fully recognizes the vital role of communications in nation building. It also contains the following provisions:

- a. "Article II, Section. 20 — The State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments."
- b. "Article XII Section. 19 — The State shall regulate or prohibit monopolies when the public interest so requires. No combination in restraint of trade or unfair competition shall be allowed."
- c. "Article XVI Section. 10 — The State shall provide the policy environment for the full development of Filipino capability and the emergence of communication structures suitable to the needs and aspirations of the nation and the balanced flow of information into, out of, and across the country, in accordance with a policy that respects the freedom of speech and of the press."

In the fulfillment of its mandate, the Department of Transportation and Communications (DOTC) shall establish and administer a comprehensive and integrated program for communications.

Satellite communications, an important telecommunications technology may, if harnessed correctly, contribute significantly to the extension of all manner of communications services to the people of the Philippines, many of whom now do not have access to any or most of these services.

The thrust of the government is the promotion and development of a robust domestic satellite services industry through a dynamic, healthy and competitive environment. Certain aspects of satellite communications make it uniquely capable of satisfying some of the special requirements of the country, especially the development of areas which are difficult to serve through terrestrial facilities.

The focus of this policy statement is domestic satellite communications. It embraces the activities of present and future domestic satellite services.

This policy is the culmination of an extensive public examination of satellite communications policy and regulatory issues, during which the public and industry have had several opportunities to offer comments and suggestions.

Based on the foregoing, the DOTC hereby promulgates the following policy

directives:

Article I Definition of Terms

SECTION 1. The following definitions shall apply within the context of this policy:

- a. Satellite carriers' carrier services Satellite communications services provided by a satellite carrier to a carrier, usually a terrestrially-based carrier.
- b. Space segment lessee Any entity authorized by the National Telecommunications Commission (NTC) to lease space segment capacity.
- c. PSDN (Public Switched Data Network) A data network operated by an enfranchised telecommunications carrier that is authorized to provide data and other related telecommunications services to the public.
- d. PSTN (Public Switched Telephone Network) A telephone network operated by an enfranchised telecommunications carrier that is authorized to provide telephony and other related telecommunications services to the public.
- e. Receive-only satellite earth station A satellite earth station designed to receive satellite signals. Such stations may be used to receive data, such as stock market prices or newswire services, or television programs.
- f. Redistribution of satellite TV programs The act of receiving satellite TV programs and retransmitting same through any mode, i.e., tape, wire or wireless for public viewing.
- g. Satellite communications Transmission, emission and/or reception of radio signals involving one or more space and earth stations.
- h. Satellite communications service provider Any entity authorized by the NTC to provide satellite communications services, either as a carrier's carrier or common carrier.
- i. Satellite earth station A station in the satellite service located either on earth's surface or within a major portion of the earth's atmosphere and intended for communications.
- j. Space segment Composed of orbiting satellite and the associated equipment used to track, monitor and control the operation of the satellite. The term does not include ground equipment such as earth stations.
- k. Space segment provider An owner or operator of in-orbit communications satellite system, which leases or sells communications capacity to duly authorized space segment lessees.

Article II Market Structure

SECTION 2. Duly enfranchised satellite communications service providers may

provide satellite communications services subject to the limitations of their respective franchises and appropriate authorizations from the NTC. Satellite communications service providers may be allowed to specialize in any facet of satellite communications services or to offer a wide variety of satellite communications technologies and services. The deployment of new services and new tariffs corresponding to the new services shall be subject to the approval of the aforementioned agency.

Article III Market Entry

SECTION 3. Authorizations for the provision of satellite communications services are not to be limited to those satellite service providers currently possessing provisional authorities (PA) or certificates of public convenience and necessity (CPCN). Any qualified applicant may apply for a CPCN/PA to install, operate and maintain any satellite related services. New PAs or CPCNs may be granted to communications service providers whose franchises allow the provision of satellite communications services. Such authority shall be subject to the NTC's usual evaluation of legal, financial, technical capabilities and the economic viability of the applicant and the sector itself.

SECTION 4. Private entities or corporations requiring satellite communications services may be authorized by the NTC to own and operate their own private satellite networks, only if the satellite communications service providers do not have adequate facilities, available at fair and reasonable rates, to meet their requirements. Satellite station terminal equipment, however, shall be included in the list of authorized customer premises equipment (CPE) under NTC Circular No. 1-04-88.

Article IV Interconnection

SECTION 5. All PSTN and PSDN service providers shall be required to interconnect with the satellite communications service providers, if so requested by the latter, or vice-versa, in a non-discriminatory manner and subject to reasonable terms and conditions, under penalty of sanctions that shall be imposed by the NTC. Non-discriminatory interconnection shall mean the interconnection of satellite networks to the PSTN or PSDN, or vice-versa, adhering to the interconnection standards, on the basis of equal access and fair interconnection settlements.

Article V Broadcast Service

SECTION 6. A terrestrially-based radio and television broadcast station which desires to supply or extend their station's signal within their network, or to other broadcast stations, or to cable television systems and TVROs, may obtain space segment capacity directly from space segment providers upon prior NTC authorization.

SECTION 7. Radio and television broadcast stations may provide additional news and entertainment information services as part of their sub-carrier broadcasting signal. These stations shall, however, seek authorization from the NTC before