

**[ NTC MEMORANDUM CIRCULAR NO. 05-05-2002,  
MAY 13, 2002, May 13, 2002 ]**

**RULES AND REGULATIONS ON THE PROVISION OF HIGH -SPEED  
NETWORKS AND CONNECTIVITY TO IT HUB AREAS**

Pursuant to the provisions of Republic Act No. 7925 (Public Telecommunications Policy Act), Executive Order No. 546, series of 1979, Republic Act No. 8792 (E-Commerce Law) and consistent with the government's goal to develop and maintain a viable, efficient, reliable, and universal telecommunications infrastructure using the best available and affordable technologies; as a vital tool to nation building and development and in order to stimulate the growth and development of the information and communications technology (ICT) the following rules and regulations are hereby promulgated:

**I. DEFINITION OF TERMS**

1. The following terms shall be defined as follows:

- a) Commission — refers to the National Telecommunications Commission
- b) Information Technology — includes matters concerned with the furtherance of computer science and technology, design, development, installation and implementation of information systems and applications.
- c) High Speed Networks — Networks that have a capacity of at least 2.048 Mbps.
- d) IT Hub Areas — Specific areas declared by the Board of Investments, Department of Trade and Industry (BOI-DTI) where industries that require high speed networks, services and connectivity are located.

**II. COVERAGE**

2. This circular shall apply to the provision of high speed networks and connectivity in the following IT hub areas, namely:

**a. Pasig-Ortigas Business District**

Bounded by EDSA, Ortigas Avenue, 500 meters East past Meralco Avenue and Shaw Boulevard

**b. Makati City (Fort Bonifacio Global City and RCBC)**

Bounded by Sen. Gil Puyat Ave., EDSA, Kalayaan Ave., Lawton Ave., Mckinley Road, EDSA, AS Arnaiz Ave. Pasay Road) and Chino Roces (Pasong Tamo)

c. **UP-Ateneo-Eastwood, Quezon City**

Bounded by Don Mariano Marcos Ave., Tandang Sora Ave., Valerie Drive, Katipunan and CP Garcia Ave., Aurora Blvd., Xavierville Ave. and Katipunan Ave.; strategically situated at the centerpoint of the C-5 Road (Libis, Quezon City)

d. **Alabang-Parañaque-Filinvest (Northgate CyberZone)**

Occupies over 18 hectares within the Northgate Business District of Filinvest Corporate City located in Alabang, Muntinlupa. Bounded by the cities of Las Piñas, Parañaque and Pasay

e. **Subic and Clark**

Subject to existing agreements and with the exception of the area covered by the Subic Bay special Economic and Freeport Zone, which shall continue to be regulated by the Subic Bay Metropolitan Authority, the Subic-Clark corridor will cover the area identified in the Subic-Clark Alliance Development Program, i.e., combined land area of 51,653 hectares and a corridor composed of 12 municipalities; Bataan (Dinalupihan, Hermosa); Pampanga (Angeles City, Porac, Floridablanca, Mabalacat); Tarlac (Bamban, Concepcion, Tarlac City); Zambales (San Marcelino)

f. **Cebu Business District-AsiaTown IT Park**

Covers a combined land area of approximately 24 hectares located in Lahug, Cebu City

g. **University Belt Area, Manila**

Bounded by Tayuman, Rizal Ave., McArthur (Sta. Cruz) Bridge, Lawton (area along Pasig River), Intramuros area, Bonifacio Drive, Roxas Blvd., Vito Cruz, South Superhighway, Pres. E. Quirino, Nagtahan, Alfonso Ave., and Gov. Forbes.

h. **Davao City (specific areas to be identified)**

For new areas to be declared IT hub areas, the Commission shall conduct public hearings and consultations not earlier than (6) months but not later than nine (9) months from any new declaration.

**III. FREE ZONES**

3. Any duly enfranchised public telecommunications entity shall be allowed to provide high speed networks and connectivity to the areas covered in Sec. II(1) of this circular

4. The rates shall be deregulated. The Commission shall be informed of the initial service rates and of any change thereof not later than five (5) days prior to implementation.

**IV. LOCAL EXCHANGE NETWORKS AND SERVICES**