

**[ NTC MEMORANDUM CIRCULAR NO. 9-7-93, July 23, 1993 ]**

**IMPLEMENTING GUIDELINES ON THE INTERCONNECTION OF  
AUTHORIZED PUBLIC TELECOMMUNICATIONS CARRIERS**

Pursuant to the provisions of Executive Order No. 59, series of 1993, mandating interconnection and the power of the Commission to encourage a larger and more effective use of communication facilities and to maintain effective competition, the National Telecommunications Commission (NTC), by virtue of the powers vested upon it by law do hereby promulgate the following guidelines:

Article I

Scope and Definition of Terms

SECTION 1. These guidelines shall be applicable to all duly authorized public telecommunications carriers.

SECTION 2. For the purpose of this Circular, the following terms and phrases shall be defined as -

Access Charge -- a remuneration paid to the local exchange carrier by the interconnecting carriers for accessing the facilities and/or customer base of such local exchange carrier which is needed by the interconnecting carriers for the origination and/or termination of all types of traffic derived from the interconnection.

Commission shall refer to the National Telecommunications Commission.

Interconnection shall refer to the linkage, by wire, radio, satellite, or other means, of two or more existing telecommunications carriers or operators with one another for the purpose of allowing or enabling the subscribers of one carrier or operator to access or reach the subscribers of the other carriers or operators.

Inter-exchange Carrier (IXC) a public telecommunications carrier providing transmission and switching facilities which connect local exchanges as well as IGFs within the Philippines enabling them to offer telecommunications services of any type, whether of voice, data or images for which there is a charge separate from the rate schedule applied to subscribers within a local exchange area.

Interface shall refer to facilities consisting of but not limited to equipment, devices, and materials required to make two telecommunications systems or networks interwork with each other.

International Gateway Facility (IGF) a facility consisting of international transmission, switching and network management facilities which serve as point of

entry and exit in the Philippines of international traffic between the national network and point/s outside the Philippines.

International Gateway Facility (IGF) Operator -- a public telecommunications carrier providing IGF services.

Local Exchange Carrier (LEC) -- a public telecommunications carrier offering telecommunications services, primarily but not limited to voice-to-voice service within a contiguous geographic service area furnished to individual subscribers under a common local exchange rate schedule.

Point of Interconnection -- shall refer to the point where signals are conveyed from one telecommunications network to another telecommunications network.

Point of Presence -- a specific point as defined on the network where point of interconnection shall occur in such a way that interconnection between and among local exchange carriers, inter-exchange carriers and international gateway facilities operations can be made efficiently and effectively.

Public Telecommunications Carrier (PTC) -- shall refer to a duly enfranchised and NTC certificated telecommunications carrier and/or any entity duly authorized by law including the government to provide public telecommunications services.

## Article II General Provisions

SECTION 3. All authorized public telecommunications carriers shall be interconnected into a universally accessible and fully integrated nationwide telecommunications network for the benefit of the public.

SECTION 4. All IXCs and IGFs shall interconnect with all LECs to provide freedom of choice for access to toll facilities.

SECTION 5. Authorized public telecommunications carrier requesting for interconnection shall submit to the party with whom interconnection is requested all information necessary to effect interconnection copy furnish the Commission.

SECTION 6. Interconnection among authorized public telecommunications carriers in accordance with Section 3 shall be compulsory and may be effected through the following process:

### 6.1 Negotiation

6.1.1 Subject to existing technical/operational and settlement rules or which may hereafter be promulgated by the Commission, public telecommunications carriers, may on their own initiative negotiate and enter into an interconnection agreement, upon the request of the party seeking interconnection.

6.1.2 The interconnection agreement entered into by parties through negotiation shall be submitted to the Commission within ten (10) days from date of execution of the Agreement for approval by the Commission

within thirty (30) days.

6.1.3 The start of the negotiation shall be from the time the party requesting interconnection shall have submitted to the other party the complete data or information, to wit:

1. Copy of the CPCN/PA and franchise
2. System or network configuration
3. Proposed point of connection
4. Trunk requirements
5. Proposed traffic routing
6. Traffic forecast and assumptions used (at least five years)
7. Traffic types and services covered
8. Proposed compensation/ settlement
9. Proposed interface
10. Proposed implementation schedule

Both parties shall provide each other basic information such as:

1. Description of existing and future network relevant to interconnection.
2. List of exchanges (existing and planned) suitable for interconnection including number of lines available.

## 6.2 Submission by Parties to the Commission.

6.2.1 Should the parties fail to reach an agreement in ninety (90) days from start of negotiations in accordance with Section 6.1.3 Article II hereof, the Commission shall, on the application of any of the parties involved, formally hear the parties to draw up the terms and conditions of the Interconnect Mandate.

6.2.2 The Commission shall resolve the issue of mandating interconnection within thirty (30) days from the time the same is filed with the Commission. The resolution made by the Commission on the terms and conditions of any interconnection mandate is immediately executory.

SECTION 7. Interconnection shall at all times satisfy the requirements of fair competition and shall be effected in a non-discriminatory manner.

SECTION 8. All parties to an Interconnect Agreements or Interconnect Mandate shall be obligated to comply with all the terms and conditions as approved by the Commission and shall be subject to the penalties herein prescribed pursuant to EO

Article III  
Technical/Operational Requirements

SECTION 9. The interconnecting parties shall maintain and operate their facilities in accordance with their respective obligations in the Interconnect Agreement/Interconnect Mandate approved by the Commission and shall comply with the provisions of NTC MC No. 10-17-90 (Service Performance Standards) and NTC MC No. 10-16-90 (Technical Standards) and such other standards that the Commission shall prescribe upon consultation with the industry.

SECTION 10. Interconnecting parties shall -

10.1 Cooperate and provide facilities in their respective system for testing, agree on a standard procedure on trouble reporting, testing and restoral and see to it that information are shared between them to facilitate the efficient routing of messages over all points of connection.

10.2 Maintain over all grade of service as defined in MC 10-17-90.

10.3 Exchange traffic and facility forecasts on a semi-annual basis to facilitate allocation of facilities for future requirements, as well as provide basic information such as the description of the existing and future network relevant to interconnection and list of exchanges (existing and planned) suitable for interconnection including number of lines available.

10.4 Provide additional circuits based on traffic measurements and studies to be conducted covering a period of thirty (30) days separately but simultaneously by both parties. Parties shall compare study results and agree on the number of circuits to be added. In the event that the parties cannot reach an agreement, the matter shall be brought to the Commission for final action. Implementation of the additional circuits shall be done within the next fifteen (15) days after the number of circuits has been agreed unless acquisition of additional facilities is involved which were not included in the facility forecasts exchange on a semi-annual basis. In the event that the interconnection trunks are underutilized with reference to the mandated grade of service, the excess trunks may be deactivated within fifteen (15) days from receipt of notice in writing from either party; provided, that a party requesting disconnection of underutilized interconnection trunks can show by convincing evidence that either the disconnected circuits are urgently needed for other purposes by the requesting party or that the measured traffic and the historical growth of the affected circuit has shown a consistent record of underutilization over a period of at least six (6) months.

SECTION 11. Public telecommunications carriers which do not meet the prescribed service performance and technical standards shall be required to upgrade their facilities to comply with said national standards within reasonable period.

SECTION 12. The transmission link/s and terminating facilities needed to effect interconnection shall be provided by each of the interconnecting parties in accordance with the traffic requirements of each of the parties.