[DTC DEPARTMENT CIRCULAR NO. 92-269, November 11, 1992]

CELLULAR MOBILE TELEPHONE SYSTEM POLICY

The scope of this policy shall only cover the Cellular Mobile Telephone System (CMTS).

The government favors an open and competitive environment for services such as CMTS subject to availability of radio spectrum. It is recognized that the radio spectrum is a limited resource, and that it must be used as efficiently as possible in conformity with international telecommunications conventions to which the Philippines is a signatory. The Government shall be guided by these principles in the formulation of the CMTS policy.

To ensure the orderly development of the CMTS providing for a nationwide coverage, to optimize the utilization of radio frequency spectrum allocation allowing for flexibility to service providers and users and to provide healthy competition among authorized service providers, DOTC hereby promulgates the following policy directives:

ARTICLE I

Market Entry

SECTION 1. Duly franchised operators may enter the CMTS market on a nationwide or regional basis, subject to the availability of radio frequencies as determined by the National Telecommunications Commission (NTC).

ARTICLE II

Network Interconnection and Technical Standards

SECTION 2. All CMTS service providers shall design their CMTS networks and systems in order to adhere to international technical recommendations as required by the NTC.

SECTION 3. All Public Switched Telephone Network (PSTN) service providers shall be required to interconnect to the CMTS service providers, and the latter to each other in a non-discriminatory manner and subject to reasonable compensation, under penalty of sanctions that shall be imposed by the NTC.

ARTICLE III

System and Technology Upgrades

SECTION 4. The NTC shall reserve appropriate frequency bands both for analog and digital Cellular Mobile Telephone Service. Cellular systems operating outside these frequency bands may be allowed, subject to availability of frequency spectrum