A CALL BY PBG, JFC, INDUSTRY ASSOCIATIONS, AND CIVIL SOCIETY ORGANIZATIONS TO PBBM TO CERTIFY AS URGENT THE PROPOSED "KONEKTADONG PINOY" (OR OPEN ACCESS IN DATA TRANSMISSION) ACT

JULY 2024

We, the undersigned organizations, including Philippine Business Groups, Joint Foreign Chambers, industry associations, and civil society organizations, **urge His Excellency, President Ferdinand R. Marcos, Jr., to prioritize and certify as urgent the passage of the proposed Open Access in Data Transmission Act**, also known as the *Konektadong Pinoy Act* (Senate Bill No. 2699, under Committee Report No. 262).

Along with the 10 signatories of a 2023 <u>Joint Statement of Support for Open Access</u>,¹ we recognize the critical need to advance the nation's broadband infrastructure so that all Filipinos can enjoy the benefits of digitalization.

To **increase investment in broadband infrastructure** by the private sector and communities, the bill aims to:

- 1. Promote ease of doing business by simplifying the registration and qualification process for Internet network and service providers;
- 2. Make it faster and more efficient for providers to build networks by promoting infrastructure sharing and streamlining the permits approval process; and
- 3. Provide wider access to radio spectrum for wireless Internet by making this resource available to more providers, especially in the rural areas.

The bill will also **update the analog-era policies** that have long stifled Internet connectivity in the country.

Given these transformative reforms, we request swift action to ensure the passage of this landmark legislation under the Marcos Administration.

The inclusion of Open Access in the **Philippine Development Plan 2023-2028** highlights its importance in achieving the President's digitalization goals for the country.

Since the 17th Congress, the Open Access bill has been consistently approved by the **House of Representatives**. In the current 19th Congress, the Lower House under the leadership of Speaker Ferdinand Martin Romualdez passed the bill on Third Reading in December 2022. The proposed policy has also been recognized as a priority measure in the September 2023² and June 2024³ **Legislative-Executive Development Advisory Council (LEDAC)** meetings, and included in Senate President Chiz Escudero's priority legislation for the 19th Congress.⁴ We laud the efforts of the **Senate**, through Committee on Science and Technology chairperson Sen. Alan Peter Cayetano, in shepherding the bill through. The bill is awaiting deliberations when the session resumes.

The **Financial Inclusion Steering Committee (FISC)**, chaired by the Bangko Sentral ng Pilipinas, also expressed its continuous support for the Open Access bill, which it says will enhance Internet "access for the unbanked populace in remote areas of the country" and "promote broad-based access to welfare-enhancing digital financial services."⁵

The **National Economic and Development Authority (NEDA)** "strongly advocates" the passage of the Open Access bill, as the country needs better digital infrastructure to promote economic growth.⁶ In a recent policy note, the NEDA emphasizes that Open Access will "lead to increased efficiency, reduced costs, and improved service quality."⁷

The net benefits of Open Access are also emphasized in a recent **World Bank** policy note,⁸ which stresses that it is "a viable, promising opportunity to reform the Philippines' decades-old policy frameworks, thereby adapting to technology and business model changes in the broadband value chain."

A 2023 **Philippine Institute for Development Studies (PIDS)** study says the Open Access bill will "allow the entry of more firms in the provision of internet services... as well as facilitate network buildout," and thus "boost digital connectivity, particularly in communities that are currently underserved or unserved."⁹ Similarly, a 2022 PIDS paper points out that the bill will "reduce the barriers to entry and help facilitate the growth of broadband."¹⁰ An earlier PIDS policy note¹¹ recommends that fast-tracking Open Access will "help address the digital infrastructure gap" by "simplifying market entry and promoting infrastructure sharing."

We, the signatories, believe that the proposed Open Access in Data Transmission Act is the key to unlocking the potential of a more digitally inclusive, economically vibrant, and prosperous country. We therefore urge the President to champion the bill that will transform the Philippines into a truly #BayangDigital.

Endnotes

¹ Camus, M.R. (2023, July 1). Groups urge passage of internet open access law. *Philippine Daily Inquirer*. <u>https://business.inquirer.net/409168/groups-urge-passage-of-internet-open-access-law</u>

² National Economic and Development Authority (2023, September 21). LEDAC includes more bills in common legislative agenda to hit PDP targets, advance socioeconomic goals - NEDA. *National Economic Development Authority*. <u>https://neda.gov.ph/press-releases/ledac-includes-more-bills-in-common-legislative-agenda-to-hit-pdp-targets-advance-socioeconomic-goals/</u>

³ Philippine News Agency (2023, September 21). LEDAC okays priority bills for 19th Congress. *Philippine News Agency*. <u>https://www.pna.gov.ph/articles/1227663</u>

⁴ Senate of the Philippines (2024, June 25). Senator Escudero pushes for inclusive education reforms. *Senate of the Philippines*. <u>https://legacy.senate.gov.ph/press_release/2024/0625_escudero1.asp</u>

⁵ Ta-Asan, K. (2024, July 3). BSP ramps up financial inclusion initiatives. *The Philippine Star*. <u>https://www.philstar.com/business/2024/07/03/2367214/bsp-ramps-financial-inclusion-initiatives</u>

⁶ San Juan, A. (2024, July 3). NEDA strongly advocating Open Access bill's passage. *BusinessMirror*. <u>https://businessmirror.com.ph/2024/07/03/neda-strongly-advocating-open-access-bills-passage/</u>

⁷ Uy, K.L.T., Libre, P.A.D., Oliveros, M.L.R., & Abong, J. (2024, February). Policy note on Open Access in Data Transmission. (p. 34). *National Economic and Development Authority*. <u>https://neda.gov.ph/wp-content/uploads/2024/02/Open-Access-in-Data-Transmission.pdf</u>

⁸ Kanehira, N., Mirandilla-Santos, M.G., Abdon, M., Frias, J., Abad, L.A.R., Chandra, K.M.B., & Uttamchandani, M. (2024, January). Better internet for Filipinos: Reforms promoting competition and increasing investment for broadband infrastructure. (p.34). *World Bank*. World Bank Group. <u>https://openknowledge.worldbank.org/entities/publication/81fa48e6-866b-49bc-8f0d-27c86dee5f68</u>

⁹ Serafica, R., Francisco, K., & Oren, Q.C., (2023). Making broadband universal: A review of Philippine policies and strategies. (p.41). *PIDS Discussion Paper Series No. 2023-31*. Philippine Institute of Development Studies. https://pidswebs.pids.gov.ph/CDN/document/pidsdps2331.pdf

¹⁰ Serafica, R. & Oren, Q.C., (2022). The Philippine digital sector and internet connectivity: An overview of the value chain and barriers to competition. (p.56). *PIDS Discussion Paper Series No. 2022-47*. Philippine Institute of Development Studies. <u>https://pidswebs.pids.gov.ph/CDN/document/pidsdps2247.pdf</u>

¹¹ Mirandilla-Santos, M.G. (2021). Bridging the digital infrastructure gap: Policy options for connecting Filipinos. (p.8). *PIDS Policy Note No. 2021-07*. Philippine Institute of Development Studies. <u>https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidspn2107.pdf</u>



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Signed:



ACADEMY

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Talant Sulanov Policy Advocacy Advisor Global Digital Inclusion Partnership



Sally Wentworth Managing Director Internet Society

About the signatories:

Name of Organization	Short Description
Alliance of Tech Innovators for the Nation (ATIN)	A multi-stakeholder coalition of technology industry players in the Philippines that promotes inclusive growth and development through the digital economy.
American Chamber of Commerce of the Philippines (AMCHAM)	A private, independent, non-profit association that serves as a platform for collaboration among business leaders in the Philippines. AmCham is affiliated with the Chamber of Commerce of the United States (COCUSA) and the AmChams of Asia Pacific (AAP).
Analytics & Artificial Intelligence Association of the Philippines (AAP)	The Philippines' leading organization for driving the growth and evolution of all Analytics-enabled fields, and AI-enabled fields and technologies. AAP has the most distinguished and active players in the Analytics and AI field working to elevate the country in its application of Analytics and AI best practices.
Asia Open RAN Academy (AORA)	A society of distinguished scholars and scientists that aim to promote and maintain standards in open RAN and the telecommunications industry. AORA aims to benefit stakeholders invested in digital access, equity, and inclusion for nation-building.
Association for Progressive Communications (APC)	An international network of civil society organisations dedicated to empowering and supporting people working for peace, human rights, development and protection of the environment, through the strategic use of information and communications technologies (ICTs).
Better Internet PH (BIP)	A coalition of stakeholders pushing for accessible, reliable, affordable, and secure Internet for all Filipinos.
Canadian Chamber of Commerce of the Philippines (CANCHAM)	A non-profit organization that aims to represent, support, and promote Canada-Philippines business interests.
Democracy.net.ph	An ICT rights, governance, development, policy, and security advocacy group
Employers Confederation of the Philippines (ECOP)	The umbrella organization and a single voice for the entire business community on important national issues related to employment, industrial relations, labor issues and related social policies.
European Chamber of Commerce of the Philippines (ECCP)	A bilateral foreign chamber that promotes European interests in the Philippines and vice versa.
Fintech Alliance.PH	The Philippine's leading and largest association of fintech and digital players, collectively generating over 90% of digital- initiated transactions volume in the country today.
Foundation for Media Alternatives (FMA)	A nonprofit NGO in the Philippines seeking to democratize information and communication systems for citizens and communities.
Global Digital Inclusion Partnership (GDIP)	A coalition of public, private, and civil society organizations working to bring internet connectivity to the global majority and ensure everyone is meaningfully connected by 2030.
Institute for Social Entrepreneurship in Asia (ISEA)	A learning and action network set up by social enterprises and social enterprise resource institutions and scholars to catalyze knowledge creation, capacity development and movement- building for social entrepreneurship in the region.

About the signatories:

Name of Organization	Short Description
Internet Society (ISOC)	A global charitable organization empowering people to keep the Internet a force for good: open, globally connected, secure, and trustworthy. ISOC supports and promotes the development of the Internet as a global technical infrastructure, a resource to enrich people's lives, and a force for good in society.
Internet Society - Philippines Chapter (ISOC-PH)	The Philippine Chapter of the Internet Society, a global nonprofit organization.
Japanese Chamber of Commerce and Industry of the Philippines (JCCIPI)	A non-profit organization that promotes mutual exchange among member companies operating in the Philippines and provides an avenue to facilitate smooth business operations.
Korean Chamber of Commerce Philippines (KCCP)	A private, non-stock organization composed of corporations, trade associations, private business persons and/or individuals who are engaged in/with Korean corporations and individuals in the Philippines.
National ICT Confederation of the Philippines (NICP)	The recognized national organization of ICT Councils in the Philippines founded by 10 ICT Councils from Metro Clark, Legazpi, Quezon, Bacolod, Cebu, Iloilo, Cagayan De Oro, Davao, Iligan, and Sarangani Province in 2008 to be the recognized national avenue for collaboration, develop the member organizations through the sharing of best practices, among others, and to be the unified voice for the Philippine Information and Communication (ICT) Industry.
Philippine Association of Multinational Companies Regional Headquarters, Inc. (PAMURI)	An organization representing multinational companies (MNCs) in the Philippines.
Philippine Cable and Telecommunications Association, Inc (PCTA)	The umbrella organization of cable television operators in the Philippines, consisting of more than 300 cable TV operators serving 75 percent of the total cable TV subscribers in the country. Out of this number, about 200 cable operators offer internet services.
Philippine Chamber of Commerce and Industry (PCCI)	A non-stock, non-profit, non-government business organization composed of small, medium, and large enterprises, local chambers and industry associations representing various sectors of business, all working together to foster a healthier Philippine economy and improve the viability of business in the community. PCCI is recognized as the "sole official representative and voice of the entire private business community" by virtue of Letter of Instruction No. 780 signed by then President Ferdinand Marcos in 1978.
Philippine Exporters Confederation, Inc. (PHILEXPORT)	The country's umbrella organization of exporters mandated under the Export Development Act of 1994 to strengthen the country's export industry through its advocacy, export promotion and development programs.