

AN ACT PROVIDING FOR THE REGULATION OF PUBLIC AND RADIO COMMUNICATIONS IN THE PHILIPPINES AND FOR OTHER PURPOSES

(Act No. 3846, as amended)

SEC. 1. No person, firm, company, association or corporation shall construct, install, establish, or operate a radio transmitting station, or a radio receiving station used for commercial purposes, or a radio broadcasting station, without having first obtained a franchise therefor from the Congress of the Philippines; Provided however, That no franchise from the Congress of the Philippines shall be necessary for the construction, installation, establishment or operation of an amateur station, an experimental station, a training station, a station on board a mobile vessel, train, or aircraft, or a private station in a place so outlying and so remote as to afford no public communication system with the outside world: Provided, further, That radio broadcasting stations established and operating at the time of the approval of this Act without the franchise herein required shall be exempt for obtaining such franchise.

Unless otherwise specified, “station” or “radio station” as used in this Act shall refer to a radio transmitting station and its receiving equipment, a radio receiving station used for commercial purposes, or a radio broadcasting station. (As amended by Com. Act. No. 365 and by Com Act No. 571, approved June 17, 1940).

Sec. 1-A. No person, firm, company, association or corporation shall possess or own transmitters or transceivers (combination transmitter-receiver), without registering the same with the Secretary of Public Works and Communications, nor sell or transfer the same to another without his prior approval, and no person, firm, company, association or corporation shall construct or manufacture, or purchase radio transmitters or transceivers without a permit issued by the Secretary of Public Works and Communications. (As amended by Act No. 584, approved Sept. 18, 1950).

SEC. 2. The construction or installation of any station shall not be begun, unless a permit therefor has been granted by the Secretary of Commerce and Industry. No station shall be operated except under and in accordance with the provisions of a license issued therefor by the Secretary of Commerce and Industry. The license shall state the dates between which the station may be operated. If a renewal is desired, the licensee shall submit an application to the Secretary of Commerce and Industry at least two months before the expiration date of the license to be renewed. The Secretary of Commerce and Communication shall determine the period for which each license is issued; Provided, that no license shall be issued for a longer period than three (3) years.

SEC. 3. The Secretary of Public Works and Communication is hereby empowered to regulate the construction or manufacture, possession, control, sale and transfer of radio transmitter or transceivers (combination transmitter-receiver) and the establishment, use, and operation of all radio stations and of all form of radio communications and transmissions within the Philippines. In addition to the above, he shall have the following specific powers and duties:

- a) He shall prescribe rules and regulations covering the construction and manufacture, possession, purchase, sale or transfer of radio transmitter, and transceivers;

- b) He shall classify radio stations and prescribe the nature of the services to be rendered by each class and by each station within any class;
- c) He shall assign call letters and assign frequencies for each station licensed by him and for each station established by virtue of a franchise granted by the Congress of the Philippines and specify the stations to which each such frequency may be used;
- d) He shall promulgate rules and regulations to prevent and eliminate interference between stations and to carry out the provisions of this Act and the provisions of International Radio Regulations: Provided however, that changes in the frequencies or in the authorized power, or in the character of omitted signals, or in the type of the power supply, or in the hours of operation of any licensed station, shall not be made without first giving the station a hearing;
- e) He may establish areas or zones to be served by any station;
- f) He may promulgate rules and regulations applicable to radio stations engaging in chain broadcasting;
- g) He may promulgate rules and regulation requiring station s to keep records and traffic handled, distress frequency watches, programs, transmission of energy, communications or signs.
- h) He may conduct such investigations as may be necessary in connection with radio matters and hold hearings, summon witnesses, administer oaths and compel the production of books, logs, documents and papers, and he may examine the books of persons, companies or associations engaged in the construction or manufacture of radio transmitters or transceivers, or of merchants dealing in the purchase and sale of radio equipment.
- i) He may prescribe rules and regulations to be observed by radio training schools; he may supervise the course and method of instruction therein, and he may refuse to admit to examinations for radio operators' licenses graduates of any radio school not complying with the regulations;
- j) He shall prescribe rates of charges to be paid to the Government for the inspection of stations, for the licensing of stations, for the examination of operators, for the renewal of station or operator license, and for other services as may be rendered.
- k) He is hereby empowered to approve or disapprove any application for the construction, installation, establishment or operation of a radio station;
- l) He may approve or disapprove any application for renewal of station or operator license: Provided however, that no application for renewal shall be disapproved without giving the licensee a hearing;
- m) He may, at his discretion, bring criminal actions against violators of the radio law or the regulations and confiscate the radio apparatus in case of illegal operation; or simply suspend

revoke the offender's station or operator licenses or refuse to renew such licenses; or just reprimand and warn the offenders;

- n) The location of any station, and the power and kind or type of apparatus to be used shall be subject to his approval;
- o) He shall prescribe rules and regulations to be observed by stations for the handling of SOS messages and distress traffic: Provided, that such rules and regulations shall not conflict with the provisions of the International Radio Regulations. (As amended by Rep. Act. No. 584, approved Sept. 18, 1950).

SEC. 4. No radio station license shall be transferred to any person, firm, company, association or corporation without express authority of the Secretary of Commerce and Communications, and no license shall be granted or transferred to any person who is not a citizen of the United States of America or of the Philippine Islands; or to any firm or company which is not incorporated under the laws of the Philippine or of any state or territory of the United States of America; or to any company or corporation in which any alien is employed as officer or director, or to any company or corporation twenty percent of whose capital stock may be voted by aliens or their representatives, or by a foreign government or its representatives, or by any company, corporation, or association organized under the laws of a foreign country.

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
Approved Nov. 11, 1931

MALACANANG
MANILA

EXECUTIVE ORDER NO. 196

**VESTING THE JURISDICTION, CONTROL AND REGULATION OVER THE PHILIPPINE
COMMUNICATIONS SATELLITE CORPORATION WITH THE NATIONAL
TELECOMMUNICATIONS COMMISSION**

WHEREAS, current developments stress the need to supervise and regulate the activities of all satellite terminal stations with satellite facilities for delivery to common carriers; and

WHEREAS, the Philippine Communications Satellite Corporation is one corporation with such satellite facilities;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order:

SECTION 1. The Philippine Communications Satellite Corporation is hereby placed under the jurisdiction, control and regulation of the National Telecommunications Commission, including all its facilities and services, and the fixing of rates.

SECTION 2. All laws, orders, rules and regulations inconsistent with this Executive Order are hereby repealed or modified accordingly.

SECTION 3. This Executive Order shall take effect immediately.

Done in the City of Manila, this 17th day of June, in the year of Our Lord, nineteen hundred and eighty-seven.

By the President:

JOKER P. ARROYO
Executive Secretary

Malacanang
Manila

EXECUTIVE ORDER NO. 205

**REGULATING THE OPERATION OF CABLE ANTENNA TELEVISION (CATV)
SYSTEMS IN THE PHILIPPINES, AND FOR OTHER PURPOSES**

WHEREAS, for the protection of the public and the promotion of the general welfare, the State may by law regulate the operation of Cable Antenna Television (CATV) Systems;

NOW, THEREFORE, I CORAZON C. AQUINO, President of the Philippines, do hereby order:

SECTION 1. The operation of Cable Antenna Television (CATV) system in the Philippines shall be open to all citizens of the Philippines, or to corporations, cooperative or associations wholly owned and managed by such citizens under a Certificate of Authority granted by the National Telecommunications Commission, hereinafter referred to as the Commission.

SECTION 2. A Certificate of Authority to operate Cable Television (CATV) system shall be granted by the Commission a non-exclusive basis and for a period not to exceed fifteen (15) years, renewable for another similar period: Provided That such certificate shall be subject to the limitation that the authority to operate shall not infringe on the television and broadcast markets.

SECTION 3. Subject to the limitations and procedures prescribed by law, the grantee is hereby authorized to exercise the right of eminent domain for the efficient maintenance and operation of Cable Television (CATV) System.

SECTION 4. A special right is hereby reserved to the President of the Philippines, in times of war, rebellion, public peril or other national emergency and/or when public safety requires, to cause the closure of any grantee's Cable Antenna Television (CATV) system or to authorize the use of possession thereof by the government without compensation.

SECTION 5. The grantee shall pay the income tax levied under Title II of the National Internal Revenue Code, as amended, and a franchise tax equivalent to three per centum (3%) of all gross receipts from business transacted under the Certificate of Authority.

SECTION 6. The National Telecommunications Commission is hereby authorized to issue the necessary rules and regulations to implement this Executive Order.

SECTION 7. Presidential Decree No. 1512 dated June 11, 1978 and all laws, orders, issuances and rules and regulations or part thereof inconsistent with this Executive Order are hereby repealed or modified accordingly.

SECTION 8. This Executive Order shall take effect immediately.

Done in the City of Manila, this 30th day of June, in the year of our Lord, nineteen hundred and eighty-seven.

(SGD) CORAZON C. AQUINO

By the President

JOKER P. ARROYO
Executive Secretary

MALACAÑANG
Manila

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 546

**CREATING A MINISTRY OF PUBLIC WORKS AND A
MINISTRY OF TRANSPORTATION AND COMMUNICATION**

WHEREAS, the accelerated pace of national development requires the effective, purposeful and unified implementation of public works projects and the effective control and supervision of transportation and communications facilities and services.

WHEREAS, the development, rehabilitation, improvement, construction, maintenance and repairs of ports, flood control and drainage systems, buildings, water supply systems; and other public works facilities involve the utilization of technologies and manpower different from those required for the control and supervision of transportation and communications facilities and services;

WHEREAS, a rational distribution of the functions of government pertaining to public works on one hand and control and supervision of facilities and services related to transportation and communications on the other would enhance the efficiency of government;

WHEREAS, in keeping with the policy of government to effect continuing reforms in the organizational structure to enhance efficiency and effectiveness, it is necessary to entrust in one ministry all functions pertaining to the construction, repair and maintenance of public works facilities and services in the country; and

WHEREAS, under the President Decree No. 1416, the President is given continuing authority to reorganize the National Government.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, and pursuant to the authority vested in me by Presidential Decree No. 1416, do hereby order and ordain:

A. MINISTRY OF PUBLIC WORKS

SECTION 1. Creation of a Ministry of Public Works. – There is hereby created a Ministry of Public Works, hereinafter referred to as the Ministry, which shall assume the public works functions of the Ministry of Public Works, Transportation and Communications and such other functions as may be assigned to it by law.

SECTION 2. Authority and Responsibilities. – The authority and responsibility for the Ministry shall be vested in the Ministry of Public Works who shall be assigned by one career Deputy Minister, unless otherwise determined by the President.

SECTION 3. Functions. – The Ministry shall be responsible for the construction, maintenance and repair of portworks, harbor facilities, lighthouses, navigational aids, shore protection works, airport

buildings and associated facilities, public buildings and school buildings, monuments and other related structures, as well as undertaking harbor and river dredging works, reclamation of foreshore and swampland areas, water supply and flood control and drainage works.

SECTION 4. Organization of the Ministry. – The Ministry shall be composed of the ministry proper made up of the immediate Office of the Minister, a Planning Service, an Administrative Service, A Financial and Management Service. An infrastructure Computer Center, a Project Management Information System Service, a Rural Infrastructure Project Office, and a Building Research and Development Staff; for (4) bureaus, namely, Bureau of Building, Bureau of Ports, Harbors and Reclamation, Bureau of Water Supply, and Bureau of Flood Control and Drainage; and the regional offices.

The Planning Service, the Administrative Service, and the Financial and Management Service shall perform functions conforming with those provided for an appropriate provisions of Part II of the Integrated Reorganization Plan.

The Bureau of Building, the Bureau of Ports, Harbors and Reclamation, the Bureau of Water Supply, and the Bureau of Flood Control and Drainage shall correspondingly absorb the applicable functions of the divisions of the Bureau of Public Works which is hereby abolished pursuant to Section 19 of this Executive Order.

The Infrastructure Computer Center, the Building Research and Development Staff, and the Rural Infrastructure Project Office of the Ministry of Public Works, Transportation and Communications are reconstituted in the Ministry with the same functions.

The Ministry shall have regional officers in such places and of such number as may be authorized under Article I, Chapter III, Part II of the Integrated Reorganizational Plan as amended.

SECTION 5. Relationship Between the Ministry Proper, the Bureau and the Regional Offices. The Office of the Minister shall have direct line supervision over the bureaus and regional offices. The Ministry proper shall be responsible for developing the implementing programs for the Ministry.

The Bureaus shall be essentially staff in character and as such, shall exercises only functional supervision over the regional offices.

The Regional offices shall constitute the operating arms of the ministry proper with responsibility for directly implementing the plans and programs of the Ministry in accordance with adopted policies, standards and guidelines.

B. MINISTRY OF TRANSPORTATION AND COMMUNICATIONS

SECTION 6. Creation of a Ministry of Transportation and Communications. – There is hereby created a Ministry of Transportation and Communications, hereinafter referred to as the Ministry, which shall be the Primary policy, planning, programming, coordinating, implementing, regulating and administrative entity of the executive branch of the government in the promotion, development, and

Regulation of dependable and coordinated network of transportation and communication systems in pursuance of the following objectives:

- a. Promote the development of a dependable and coordinated network of transportation systems;
- b. Guide government and private investments in the development of the country's inter-modal transport and communication systems in a most practical, expeditious and orderly fashion for maximum safety, service, and cost effectiveness.
- c. Impose appropriate measures so that technical, economic and other conditions for the continuing economic viability of the transport and communications entities are not jeopardized and do not encourage inefficiencies and distortion of traffic patronage;
- d. Provide, extend and operate by itself or through or together with other entities, private or government, local or national, telephone, telegraph, telex and other public telecommunications services throughout the country whenever economic, social and political development activities warrant the provision thereof: Provided, however, That the national economic viability of the entire network or components thereof is maintained at reasonable rates;
- e. Develop an integrated nationwide transmission system by itself or through or together with other entities in accordance with national and international telecommunications service standards to meet all telecommunications service requirements including, among others, radio and television broadcast relaying, leased channel services and data transmission;
- f. Establish, operate and maintain by itself or through or together with other entities an international switching system for incoming and outgoing international telecommunications services;
- g. Encourage the development of a domestic telecommunications industry in coordination with the concerned entities, particularly the manufacture of communications/electronics equipment and components to complement and support, as much as possible, the expansion, development, operation and maintenance of the nationwide telecommunications, network; and
- h. Provide for a safe, fast, reliable and efficient postal system for the country.

SECTION 7. Authority and Responsibilities. – Authority and responsibility for the Ministry shall be vested in the Minister of Transportation and Communications who shall be assisted by one career Deputy Minister, unless otherwise determined by the President.

SECTION 8. Functions. – The Ministry shall have the following functions:

- a. Coordinate and supervise all activities of the Ministry relative to transportation and communications:
- b. Formulate and recommend national policies and guidelines for the preparation and implementation of an integrated and comprehensive transportation and communications at the national, regional and local levels;

- c. Establish and administer comprehensive and integrated programs for transportation and communications, and for this purpose, may call on any agency, corporation, or organization, whether government or private, whose development programs include transportation and communications as an integral part to participate and assist in the preparation and implementation of such programs;
- d. Regulate whenever necessary, activities relative to transportation and communications and prescribe and collect fees in the exercise of such power;
- e. Assess, review and provide direction to transportation and communications research and development programs of the government in coordination with other institutions concerned; and
- f. Perform such other functions, as may be necessary to carry into effect the provisions of his Presidential Decree.

SECTION 9. Organization of the Ministry. – The Ministry shall be composed of the ministry proper made up of the immediate Office of the Minister, an Administrative Service, a Financial and Management Service and a Planning Service; four (4) Bureaus, namely, Bureau of Land Transportation, Bureau of Air Transportation, Bureau of Telecommunications and Bureau of Posts; and a National telecommunications Commission.

The Administrative Service, Financial and Management Service, and Planning Service shall perform functions conforming with those provided for in appropriate provisions of Part II of the Integrated Reorganization Plan.

The Board of Transportation created under Article III, Chapter I, Part X of the Integrated Reorganization Plan, as amended, shall be under the administrative supervision of the Ministry and shall continue to exercise the powers and functions entrusted to it by law. The Board shall have a technical staff.

SECTION 10. Bureau of Land Transportation. – The Land Transportation Commission is hereby renamed Bureau of Land Transportation and shall continue to perform its regulatory and enforcement functions, including the registration of public utility vehicles and the enforcement of the decisions of the Board of Transportation with regard to public utility vehicles.

The Director of Land Transportation shall be an ex-officio member of the Land Transportation Division of the Board of Transportation.

SECTION II. Bureau of Air Transportation. – The Civil Aeronautics Administration is hereby renamed Bureau of Air Transportation and shall continue to perform its functions relating to the promotion and development of policies, plans, programs, and standards for the construction and maintenance of airports and their facilities including buildings and runways. The repair and maintenance of these facilities shall be the responsibility for the Bureau; Provided, however, That the construction of runways and the terminal buildings and related structures shall be done by the Minister of Public Works or Ministry of Public Highways as the case may be, at the instance of the Bureau.

The Director of Air Transportation shall be an ex-officio member of the Civil Aeronautics Board.

SECTION 12. Bureau of Post. – The Bureau of Post shall continue to be responsible for providing a safe, fast, reliable and efficient postal service in the country.

SECTION 13. Bureau of Telecommunications. – The Bureau of Telecommunications shall continue to be responsible for providing telecommunications facilities, including telephone systems for government offices; providing communications services for purposes of augmenting limited or inadequate existing similar private communications services; extending communications in areas where no such services are available and assisting the private sector engaged in telecommunications services by providing and maintaining backbone telecommunications network.

SECTION 14. National Telecommunications Commission. – The Board of Communications created under Article III, chapter I, Part X of the Integrated Reorganization Plan, as amended, and the Telecommunications Control Bureau created under Article IX, Chapter I, Part X of the same Plan, as amended, are integrated into a single entity to be known as the National Telecommunications Commission and hereinafter referred to as the Commission.

SECTION 15. Functions of the Commission. – The Commission shall exercise the following functions:

- a. Issue Certificate of Public Convenience for the operation of communications utilities and services, radio communications systems, wire or wireless telephone or telegraph systems, radio and television broadcasting system and other similar public utilities;
- b. Establish, prescribe and regulate areas of operation of particular operators of public service communications and determine and prescribe charges or rates pertinent to the operation of such public utility facilities and services except in cases where charges or rates are established by international bodies or associations of which the Philippines is a participating member or by bodies recognized by the Philippines Government as the proper arbiter of such charges of rates;
- c. Grant permits for the use of radio frequencies for wireless telephone and telegraph systems and radio communications systems including amateur radio stations and radio and television broadcasting systems;
- d. Sub-allocate series of frequencies of bands allocated by the International Telecommunications Union to the specific services.
- e. Established and prescribe rules, regulations, standards, specifications in all cases related tot he issued Certificate of Public convenience and administer and enforce the same;
- f. Coordinate and cooperate with government agencies and other entities concerned with any aspect involving communications with a view to continuously improve the communications service in the country.
- g. Promulgate such rules and regulations, as public safety and interest may require, to encourage a larger and more effective use of communications, radio and television

broadcasting facilities, and to maintain effective competition among private entities in this activities whenever the Commission finds it reasonably feasible.

- h. Supervise and inspect the operation of radio stations and telecommunications facilities;
- i. Undertake the examination and licensing of radio operators;
- j. Undertake, whenever necessary, the registration of radio transmitters and transceivers; and
- k. Perform such other functions as may be prescribed by law.

SECTION 16. Organization of the Commission. – The Commission shall be composed of a Commissioner and two Deputy Commissioners, preferably one of whom shall be a lawyer and another an economist. The Commissioner and Deputy commissioners shall be of unquestioned integrity, proven competence, and recognized as experts in their fields, related, as much as possible, to communications.

The Commission shall determine its organization structure and personnel subject to the approval of the Ministry and other authorities concerned.

The Commission shall be under the supervision and control of the Ministry, except that with respect to its quasi-judicial functions, its decisions shall be appealable in the same manner as the decisions of the Board of Communications had been appealed.

The Commission may have regional offices in places and of such number as may be authorized under Article I, Chapter III, Part II of the Integrated Reorganization Plan, as amended.

SECTION 17. Telecommunications Stations Operated by the Armed Forces of the Philippines. – Telecommunications stations owned and operated by the Armed Forces of the Philippines shall not be subject to the provisions of this Executive Order except that all such stations shall use frequencies as may be allowed/assigned by the Commission.

SECTION 18. International Treaties, Conventions, and Agreements. – International treaties, conventions and agreements on Telecommunications to which the Philippine Government is a signatory shall form part of this Executive Order insofar as they are applicable to the Philippines.

C. OTHER PROVISIONS

SECTION 19. Abolished/Transferred Agencies

- a. The Ministry proper of the Ministry of Public Works, Transportation and Communications composed of its services, divisions and units is abolished and its functions are correspondingly transferred to the appropriate services, divisions and units of the Ministry of Public Works and/or the Ministry of Transportation and Communications as may be necessary and appropriate.
- b. The Bureau of Public Works is abolished and its functions are correspondingly transferred to the appropriate bureaus, divisions, units or regional offices of the Ministry of Public Works; Provided, That the functions of the Water Resources Division of the Bureau of

Public Works pertaining to hydrologic surveys and data collection shall be absorbed by the National Water Resources Council.

- c. The Bureau of Transportation created under Article VI, Chapter I, Part X of the Integrated Reorganization Plan as amended but not implemented, is hereby abolished.
- d. The Board of Communications and the Telecommunications Control Bureau are abolished and their functions are transferred to the national Telecommunications Commission.
- e. The common technical staff of the Specialized Regulatory Board created under Article III, Chapter I, Part X of the Integrated Reorganization Plan, as amended, is abolished and its functions are transferred as appropriate to the Board of Transportation and the national Telecommunications Commissions.

The foregoing transfers of functions shall include applicable funds and appropriations, records, equipment, property, and such personnel as may be necessary.

SECTION 20. Attached Agencies. – (a) The following Agencies are attached to the Ministry of Public Works: Communications and Electricity Development Authority, Philippine Ports Authority, Central Luzon-Cagayan Valley Authority, National Irrigation Administration, Metropolitan Waterworks and Sewerage System, Farm Systems Development Corporations, Local Water Utilities Drainage Council.

The National Water Resources Council and the Pasig River Development Council shall be under the administrative supervision of the ministry.

(b) The following agencies are attached to the Ministry of Transportation and Communications: Philippine National Railways, Maritime Industry Authority, Philippine Aerospace Development Corporation, and Metro Manila Transit Corporation.

SECTION 21. The Minister of Public Works and the Minister of Transportation and Communications shall respectively assume as appropriate the positions of Chairman or member of all bodies and agencies previously occupied in an ex-officio capacity by the Minister of Public Works, Transportation and Communications. In case of conflict, however, as to which Minister shall sit in any particular board or body, the same shall be decided by the President.

SECTION 22. The Minister of Public Works and the Minister of Transportation and Communications shall promulgate the necessary implementing details to carry out the organization of their respective Ministries which shall include the internal organization of units involved and the corresponding initial staffing patterns therefor, as well as such other transitory measures that need to be taken to assure the orderly implementation of this Executive Order, subject to the approval of the Ministry of the Budget in consultation, whenever necessary with the Presidential Commission on Reorganization.

SECTION 23. Repealing Clause. – All laws, decrees, charters, executive orders, administrative orders, proclamations, rules and regulations or parts thereof that are in conflict with this Executive Order are hereby repealed or modified accordingly.

SECTION 24. Effectivity. – This Executive Order shall take effect immediately.

DONE in the City of Manila, this 23 day of July in the year of Our Lord, Nineteen Hundred and Seventy-Nine.

(SGD) FERDINAND E. MARCOS
President of the Philippines

(SGD) JACOBO C. CLAVE
Presidential Executive Assistant

OFFICE OF THE PRESIDENT
Of the Philippines
Malacañang

PRESIDENTIAL DECREE NO. 576

ABOLISHING THE MEDIA ADVISORY COUNCIL AND THE BUREAU OF STANDARDS FOR MASS MEDIA, AND AUTHORIZING THE ORGANIZATIONAL OF REGULATORY COUNCILS FOR PRINT MEDIA AND FOR BROADCAST MEDIA.

WHEREAS, certain conditions existed in the country at the time of the promulgation of Proclamation No. 1081 which had, necessitated temporary government control and supervision of mass media;

WHEREAS, since the abolition of the Mass Media Council and the creation in its stead of the Media Advisory Council, the various sectors of mass media have shown capability for self-regulation and internal discipline within their ranks and have demonstrated responsibility for maintaining standards for professional conduct and excellence.

WHEREAS, the prevailing national situation has become appropriate for taking a further step towards removal of government participation in policy determination and news disseminating activities of mass media.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President, by virtue of the powers vested in me by the Constitution, do hereby decree:

SECTION 1. It is hereby declared to be the policy of the State to allow mass media to operate without government intervention or supervision in policy determination and news dissemination activities. For the accomplishment of this purposes, the Media Advisory Council created under Presidential Decree No. 191 and the Bureau of Standards for Mass Media authorized to be created under Letter of Implementation No. 12 dated November 1, 1972, are hereby abolished.

SECTION 2. For purposes of this Decree, a mass media shall be divided into two groups: Print Media and Broadcast Media. "Print Media" includes all newspapers, periodicals, magazines, journals, and publications and all advertising therein and billboards, neon signs and the like. And "Broadcast Media" includes radio and radio and television broadcasting in all their aspects and all other cinematographic or radio promotions and advertising. The Print-Media Group and the Broadcast Media group are hereby authorized to organize and determine the composition of a body or council within each group which shall be responsible for instituting and formulating systems of self-regulation and internal discipline within its own ranks.

SECTION 3. Each regulatory council or body shall be responsible for the elevation of the ethics and the standards of excellence of mass media in all its phases within each group. Towards this end, each council or body is hereby authorized to adopt policies, formulate guidelines, fix standards and promulgation rules and regulations for the operation, and discipline of all mass media under its

Supervision and to administer and enforce the same. Such policies, standards, guidelines, and rules and regulations shall be in conformity with the provisions of existing laws, especially those on national security.

SECTION 4. No mass media activity shall be undertaken by any person or entity in the Philippines without first being registered with the regulatory council or body concerned which shall issue certificates of registration to all applicants quantified under its respective rules or regulations; Provided;, That each council shall have the authority to suspend or cancel such certificates of registration for such cause or causes as may be provided in the rules and the existence of which each council or body shall have duly determined; Provided, further: That no certificate of registration shall be granted in any manner or under any condition to any of those engaged in mass media which were in September 1972, ordered closed and/or sequestered upon promulgation of Proclamation No. 1081, by order of the President or the Secretary of National Defense.

SECTION 5. All existing permits for the operation of mass media on the date this decree takes effect shall continue to be valid unless otherwise suspended or withdrawn for cause by the council or body concerned.

SECTION 6. All government agencies are hereby enjoined to extend their utmost assistance and cooperation to the councils.

SECTION 7. All laws, decrees, rules and regulations, or any part thereof, which are inconsistent with this decree are hereby repealed or modified accordingly.

SECTION 8. this decree shall take effect immediately.

Done in the City of Manila, this 9th day of November, in the year of Our Lord, nineteen hundred and seventy-four.

(SGD) FERDINAND E. MARCOS
President of the Philippines

**MALACAÑANG
Manila**

PRESIDENTIAL DECREE NO. 576-A

**REGULATING THE OWNERSHIP AND OPERATION OF RADIO AND
TELEVISION STATIONS AND FOR OTHER PURPOSES.**

WHEREAS, the President of the Philippines is empowered under the Constitution to review and approve franchises for public utilities;

WHEREAS, it has been observed that some public utilities, especially radio and television stations, have a tendency toward monopoly in ownership and operation to such an extent that a region or section of the country may be covered by any number of such broadcast stations, all or most of which are owned, operated or managed by one person or corporation;

WHEREAS, radio is the chief vehicle of the dissemination of information, being the source as surveys have shown of 86 percent of all information for the public and television is becoming similarly pervasive;

WHEREAS, the deep penetration that radio and television thus make into the public consciousness gives, them the responsibility of assisting the government to promote and safeguard the public welfare;

WHEREAS, on account of the limited number of frequencies available for broadcasting in the Philippines, it is necessary to regulate the ownership and operation of radio and television stations and provide measures that would enhance quality and viability in broadcasting and help serve the public interest;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree:

SECTION 1. No radio or television channel may obtain a franchise unless it has sufficient capital on the basis of equity for its operation for at least one year, including purchase of equipment.

SECTION 2. Every radio station or television channel shall allocate at least two hours a day as a program or programs rendering public service, during such broadcast hours as are normally regarded in the industry as prime time for a particular type of program and its appropriate audience.

Public service refers to news, educational, and cultural presentations and other programs informing the people of advances in science, industry, farming, and technology; of policies and important undertakings in government designed to promote or safeguard the public welfare; of matters related to the physical, intellectual and moral development of the young; or of traditions, values and activities which constitute the cultural heritage of the nation.

SECTION 3. No person or corporation may own, operate, or manage more than one radio or television station in one municipality or city; nor more than five AM and five FM radio station; nor more than five television channels in the entire country, and no radio or television station shall be utilized by any single-interest group to disseminate information or otherwise influence the public or the government to serve or support the ends of such group.

SECTION 4. Any person or corporation which owns more than the number of radio or television stations authorized in the preceding section shall divest itself of the excess stations or channels.. any excess station shall be sold through the Bureau to Telecommunications.

The divestiture provided herein shall be made not later than December 31, 1981. Thereafter, a person or corporation shall make such divestiture within one year from the discovery of the offense.

SECTION 5. Failure to divest as provided in the foregoing section shall, in addition to the penalties provided in Section 6, subject the person or corporation guilty of such failure to cancellation of the franchise of every excess station and to confiscation of the station and its facilities without compensation.

SECTION 6. All franchises, g rants, licenses, permits, certificates or other forms of authority to operate radio or television broadcasting systems shall terminate on December 31, 1981. Thereafter, irrespective of any franchise, grants, license, permit, certificate or other forms of authority to operate granted by any office, agency or person, no radio or television station shall be authorized to operated without the authority of the Board of Communications and the Secretary of Public Works and Communications or their successors who have the right and authority to assign to qualified parties frequencies, channels or other means of identifying broadcasting systems; Provided, however, that any conflict over, or disagreement with a decision of the aforementioned authorities may be appealed finally to the Office of the President within fifteen days from the date the decision is received by the party in interest.

SECTION 7. Any person who violates this Decree shall be punishable by imprisonment for a period ranging from five months to six years and the payment of a fine of P1,000.00 to P10,000.00, or both such imprisonment and fine, at the discretion of the court.

If the violation is committed by an association, partnership or corporation, the penalty shall be imposed on the officers or employees thereof who were responsible for or who committed the violation.

SECTION 8. This Decree shall take effect immediately.

Done in the city of Manila, this 11th day of November, in the year of our Lord, nineteen hundred and seventy-four.

By the President:

JUAN C. TUVERA

Ministry of Justice
Manila

January 11, 1984

Minister Jose P. Dans, Jr.
Office of the Minister
Ministry of Transportation
And Communications
Philcomcen Bldg., Ortigas Ave.
Pasig, Metro Manila

Sir:

This has reference to your request for opinion on whether the present practice being followed in the National Telecommunications Commission (NTC), whereby the Commissioner makes the decisions for the Commission, is "legally sanctioned".

You posed the query of the procedure in the NTC whereby the decisions of the Commission are actually being made by the Chairman alone, which procedure, you find, practically renders the deputy commissioner "non-participative" in the task of decision-making, and prevents the Commission from acting in a collegiate capacity as intended by the law creating said body.

You attribute the present situation to the fact that the NTC, which is supposed to be a three-man body, is actually composed of two members only (the commissioner and one Deputy Commissioner), and to Section 16 of Executive Order No. 546 creating the NTC, which provides for two "deputies" to the Commissioner, a term which suggests subordinate positions and which in your opinion, is apparently in conflict with the collegial nature of the Commission.

The query is answered affirmatively.

The term "collegial" means "marked by power or authority vested equally in each of a number or colleagues" (Webster's Third New International Dictionary, 1984 Edition). The example of such a collegial body is the Supreme Court of the Philippines whereby the decisions of the members thereof either en banc or in division are reached in consultation with each other as provided for by the Constitution. It is incumbent therefore upon said Court as a body to pass upon all cases before it in order to reach a decision which is considered the decisions of the Court itself and not only of a member or some members thereof (Fernando on the Philippine Constitution, Second Edition 1977, pp. 381-382).

It is believed, however, that the pertinent law does not coordinate the NTC into a collegial body.

Executive Order No. 546 which integrated the Board of Communications and the Telecommunications Control bureau into a single entity – the NTC, provides:

“Section 16. Organization of the Commission – The Commission shall be composed of a Commissioner and two Deputy Commissioner, preferably one of whom shall be a lawyer and another an economist. The commissioner and the Deputy Commissioner shall be of unquestioned integrity, proven competence and recognized as experts in their fields, related as much as possible, to communications. xxx.”

The aforequoted provision of Section 16 does not show that the intent of the law is to constitute the NTC into a collegial body. Neither can the collegial nature of the Commission be inferred from said Section 16 which merely provides for the organization of the Commission and the qualifications of the members thereof, and does not state that it should act as a body or en banc, as you pointed out, the use of the term “deputy” denotes a subordinates position, unlike an “associate” which implies a co-equal or joint sharing of power and authority.

In view of the foregoing, we find no legal objection to the present procedure being practiced in the NTC.

Very truly yours,

RICARDO C. PUNO
Minister of Justice

Republika ng Pilipinas
KAGAWARAN NG KATARUNGAN
Department of Justice
Manila

June 20, 1991

Ms. Josefina T. Lichauco
Acting Commissioner
National Telecommunications Commission
865 Vibal Bldg. EDSA Cor. Times St.
Quezon City

Madam:

This refers to your request for opinion on the power of the National Telecommunications Commission (NTC) to issue permits to radio and TV broadcast stations with no legislative franchise.

You state that since 1931, Act No. 3846, as amended, otherwise known as “An Act Providing for the Regulation of Public and Radio Communications in the Philippines”, was the controlling law on radio and TV operation; that pursuant to said law, no person, firm, company association or corporation may construct, install or operate a radio broadcasting station without having first obtained a franchise therefor from the Congress of the Philippines; that upon declaration of martial law, a number of decrees, instructions and marginal notes (instructions) were issued which made the power of NTC complex and confusing; that among these issuances is P.D. No. 576-A (1974) which terminated all franchises, permits and all other forms of authorization to operate radio and television broadcasting systems effective December 31, 1981 and gave NTC a broad and encompassing authority to issue such authorizations; the under Section 15(a) and (c) of Executive Order No. 546,(1979), NTC was empowered to issue certificate of public convenience for the operation of radio and television broadcasting system; and to grant permits for the use of radio frequencies for radio and television broadcasting system; the since Congress has not to date repealed P.D. No. 576-A and E.O. No. 546 nor has granted any franchise to any person or entity, NTC continues to issue and/or renew permits pursuant to said P.D. No. 576-A and E.O. No. 546 to avoid a vacuum, for continuity of service and in the interest of public welfare; that doubts have, however, been expressed on NTC’s power to issue permits and/or authorizations in the absence of a legislative franchise to predicate its grants in view of the following provisions of the 1987 Constitution:

Section 11, Article XII which provides –

“No franchise, certificate or any other form of authorization for the operation of a public utility shall be granted except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines at least 60 per centum of, whose capital is owned by such citizens x x x”.

Section 11, Article XVI which provides –

“The ownership and management of a mass **media shall** be limited to citizens of the Philippines or to corporations, cooperatives or associations, wholly owned and managed by such citizens.

“The Congress shall regulate or prohibit monopolies in commercial mass media when the public interest so requires. No combination in restraint of trade or unfair combination therein shall be allowed”.

You aver that by reason of these constitutional provisions, one school of thought claims that NTC may not grant any permit or authority to radio and TV broadcast operators without valid franchises because even assuming that P.D. No. 576-A had repealed Act No. 3846, the 1987 Constitution which requires a prior franchise had also repealed P.D. No. 576-A. On the other hand, another school of thought holds otherwise and this, you state, NTC upholds. You believe that the Constitution merely imposes a nationality requirement for the operation of public utilities but does not require a legislative franchise in the manner that it is expressly mandated in Section 1 of Act No. 3846. And since Act No. 3846 has been modified by P.D. No. 576-A which terminated all broadcast franchises and gave NTC authority to issue permits by which radio and TV broadcast may operate, there is no doubt that NTC is authorized to issue permits based on P.D. No. 576-A and E.O. No. 546.

As we see it, the pivotal issue to be resolved is whether or not under P.D. No. 576-A and E.O. No. 546, NTC may issue permits or authorizations to operate radio and television broadcasting systems without need of a prior franchise as required under Section 1 of Act No. 3846, as amended.

As No. 3846, as amended provides:

Section 1. No person, firm, company, association or corporation shall construct, install, establish, or operate a radio transmitting station, or a radio receiving station used for commercial purposes, or a radio broadcasting station, without having first obtained a franchise therefor from the Congress of the Philippines: x x x (Emphasis supplied)

Section 2. The construction or installation of any station shall not be begun, unless a permit therefor has been granted by the Secretary of Commerce and Industry. No station shall be operated except under and in accordance with the provisions of a license issued therefor by the Secretary of Commerce and Industry. x x x “ (Emphasis supplied)

The pertinent provisions of P.D. No. 576-A read:

SECTION 1. No radio or television channel may obtain a franchise unless it has sufficient capital on the basis of equity for its operation for at least one year, including purchase of equipment.” (Emphasis supplied)

SECTION 6. All franchises, grants, licenses, permits, certificates or other forms of authority to operate radio or television broadcasting systems shall terminate on December 31, 1981. Thereafter, irrespective of any franchise, grants, license, permit, certificate or other forms of authority to operate granted by any office, agency or person, no radio or television station shall be authorized to operate without the authority of the Board of Communications and the Secretary of Public Works and Communications or their successors who have the right and authority to assign to qualified parties frequencies, channels or other means of identifying broadcasting systems; Provided, however, that any conflict over, or disagreement with a decision of the aforementioned authorities may be appealed finally to the Office of the President within fifteen days from the date the decision is received by the party in interest.

Likewise, the pertinent provisions of E.O. No. 546 provide:

“Section 15. Functions of the Commission. – The Commission shall exercise the following functions:

- a. Issue Certificate of Public Convenience for the operation of communications utilities and services, radio communications systems, wire or wireless telephone or telegraph systems, radio and televisions broadcasting system and other similar public utilities; x x x x
- b. Grand permits for the use of radio frequencies for wireless telephone and telegraph systems and radio communications systems including amateur radio stations and radio and television broadcasting systems;

We believe that under P.D. No. 576-A dated November 11, 1974 and prior to the issuance of E.O. No. 546 dated July 23, 1979, the NTC then Board of communications, had no authority to issue permits or authorizations to operate radio and televisions broadcasting systems without a franchise first being obtained pursuant to Section 1 of Act no. 3846, as amended. A close reading of the provisions of Sections 1 and 6 of P.D. No. 576-A, supra, does not reveal any indication of a legislative intent to do away with the franchising requirement under Section 01 of Act No. 3846. In fact, a mere reading of Section 1 would readily indicate that a franchise was necessary for the operation of radio and television broadcasting system as it expressly provided that no such franchise may be obtained unless the radio station or television channel has “sufficient capital on the basis of equity for its operation for at least one year, including purchase of equipment”.

It is believed that the termination of all franchises granted for the operation of radio and television broadcasting systems effective December 31, 1981 and the vesting of the power to authorize the operation of any radio or television station upon the Board of Communications and the Secretary of Public Works and Communications and their successors under section 6 of P.D. No. 576-A does not necessarily imply the abrogation of the requirement of obtaining a franchise under Section 1 of Act No. 3846, as amended, in the absence of a clear provision in P.D. No. 576-A providing to this effect.

It should be noted that under Act No. 3846, as amended, a person, firm or entity desiring to operate a radio broadcasting station must obtain the following: (a) a franchise from Congress (Sec. 1); (b) a permit to construct or install a station from the Secretary of Commerce and Industry

(Sec- 2); and (c) a license to operate the station also from the Secretary of Commerce and industry (id.) The franchise is the privilege granted by the State through its legislative body and is subject to regulation by the State itself by virtue of its” police power through its administrative agencies (RCPI vs. NTC; 150 SCRA 450). “The permit and license are the administrative authorization issued by the administrative agency in the exercise of regulation. It is clear that what was transferred to the Board of Communications and the Secretary of Commerce and Industry under Section 6 of P.D. No. 576-A was merely the regulatory powers vested solely in the Secretary of Commerce and Industry under /Section 2 of Act No. 3846, as amended. The franchising authority was retained by the then incumbent President as repository of legislative power under Martial Law, as is clearly indicated in the first WHEREAS clause of P.D. No. 576-A, to wit:

“WHEREAS, the President of the Philippines is empowered under the Constitution to review and approve franchises for public utilities;”

Of course, under the Constitution, said power (the power to review and approve franchises), belongs to the lawmaking body (Sec. 5, Art. XIV, 1973 Constitution; Sec. 11, Art XII, 1987 Constitution).

The corollary question to be resolved is: Has E.O. No. 546 (which is a law issued pursuant to P.D. No. 1416, as amended by P.D. No. 1771 granting the then President continuing authority to reorganize the administrative structure of the national government) modified the franchising and licensing arrangement for radio and television broadcasting systems under P.D. No. 576-A?

We believe so.

E.O. No. 546 integrated the Board of Communications and the Telecommunications Bureau into a single entity known as the NTC (see Sec. 14), and vested the new body with broad powers, among them, the power to issue Certificates of Public Convenience for the operation of communications utilities, including radio and television broadcasting systems and the power to grant permits for the use of radio frequencies (Sec. 15[a] and [c], supra). Additionally, NTC was vested with broad rule-making authority “to encourage a larger and more effective use of communications, radio and television broadcasting facilities, and to maintain effective competition among private entities in these activities whenever the Commission finds it reasonably feasible” (Sec. 15[f]).

In the recent case of Albany vs. Reyes (175 SCRA 264), the Supreme Court held that “franchises issued by Congress are not required before each and every public utility may operate”. Administrative agencies may be empowered by law “to grant licenses for or to authorize the operation of certain public utilities”. The Supreme Court stated that the provision in the Constitution (Article XII, Section II) “that the issuance of a franchise, certificate or other form of authorization for the operation of a public utility shall be subject to amendment, alteration or repeal by Congress, does not necessarily imply . . . that only congress has the power to grant such authorization. Our statute books are replete wit laws granting specified agencies in the Executive Branch the power to issue such authorization for certain classes of public utilities”.

We believe the E.O. No. 546 is one law which authorizes an administrative agency, the NTC, to issue authorizations for the operation of radio and television broadcasting systems without need of a prior franchise issued by Congress.

Based on all the foregoing, we hold the view that NTC is empowered under E.O. No. 546 to issue authorizations and permits to operate radio and television broadcasting systems.

Very truly yours,

(SIGNED)
FRANKLIN M. DRILON
Secretary

NTC MEMORANDUM CIRCULAR
No. 7-13-90

Subject: Rules and Regulations Governing the Interconnection of Local Telephone Exchanges and Public Calling Offices, with the Nationwide Telecommunications Network/s, the Sharing of Revenue derived therefrom, and for other purposes.

Pursuant to the powers vested upon the National Telecommunications Commission (NTC) to encourage a larger and effective use of communications facilities and in line with the State's program to pursue and foster in an orderly and vigorous manner, the interconnection of all municipalities in the country, the following rules and regulations on the interconnection of telephone exchanges with the nationwide telecommunication network/s, including the sharing of revenue derived therefrom are hereby promulgated for the information, guidance and compliance of all concerned.

Section 1. Definition of Terms

- a) Inter-connecting company (ICC) - A local exchange operator duly enfranchised and certificated/certified by the NTC or a government entity technically and financially capable to install, operate and maintain telephone systems in designated service areas.
- b) Interconnection - For the purpose of this Circular, interconnection shall refer to a situation where an inter-connecting company is interconnected to the nationwide telecommunications network/s.
- c) Public Calling Office - a Telecommunications facility at which the public may, by the payment of appropriate fees, place as well as receive long distance telephone calls and/or be capable of voice and data transmission.
- d) National Telecommunications Development Plan - A Master Plan which includes all plans related to the overall development of telecommunications facilities and services of both government and enfranchised telecommunications network operators, The Plan shall include, among others, the following:
 - 1) Development Priorities
 - 2) System Development Plan
 - 3) Numbering Plan
 - 4) Transmission Plan
 - 5) Signaling
 - 6) Switching and Routing
 - 7) Synchronization
 - 8) Charging (rates and tariff)

Section 2. Interconnection

- 2.1 Interconnection of local exchanges and/or the public calling offices with the nationwide telecommunications network/s shall conform with the Master Development Plan.
- 2.2 Enfranchised and certificated/certified local exchanges, PCO's, and government-own systems shall comply with Spectrum Management, Technical Standards and Fundamental Technical Plans promulgated by the Commission. These Standards shall include but not limited to the following:
 1. Transmission, routing, switching, signaling, numbering, charging and synchronization
 2. Radio equipments
 3. Service performance standards
 4. Customer premises equipment
 5. Outside plant
 6. Frequency Management, including planning, engineering and assignment
- 2.3 Operators whether private or government of existing local exchanges or PCO's which do not meet interconnect standards shall be required to provide interface equipment and devices in coordination with the interexchange or transmission network operator/s.
- 2.4 Trunking requirements will be based on best estimates for new local exchanges and on periodic acceptable traffic studies from existing local exchanges. These studies shall be conducted jointly by the operators of local exchanges and the interexchange or transmission network/s and submitted to the Commission.
- 2.5 Interconnecting parties shall share the cost of interconnection in accordance with their respective responsibilities; maintain and operate their facilities; and comply with their obligations as agreed upon and approved by the Commission or as prescribed by the Commission.
- 2.6 A Traffic Agreement format shall be prescribed by the Commission taking into consideration submitted recommendations.

Section 3. Revenue Sharing

- 3.1 Traffic settlement agreements shall be based upon : (1) a recovery of toll-related costs and a fair return on the investment of both companies in the facilities used in making the toll calls exchanged between the systems and (2) a subsidy to local exchange providers.
- 3.2 Until modified by the NTC, the share of each operator shall be in accordance with the Order of this Commission in Case No. 88-145 issued on April 19, 1990.

- 3.3 The Commission shall prescribe/approve an Amended Interconnection and Toll Revenue Sharing Agreement, taking into consideration and submitted documents from interconnecting parties in compliance with the Order in Case No, 88-145 and other relevant recommendations.
- 3.4 Shares on revenue shall be settled within ninety (90) days from receipt of settlement statements.
4. The interconnect and revenue sharing Agreements approved or prescribed by the Commission may be revoked, revised, or amended as the Commission deems fit in the interest of public service.

Any Memorandum, Circular, rules and regulations of the Commission inconsistent with the provisions of this Circular are hereby deemed revised, revoked, or amended.

This Circular shall take effect immediately.

Quezon City, Philippines, 12 July 1990

(Sgd) JOSEFINA T. LICHAUCO
Acting Commissioner

(Sgd) FLORENTINO L. AMPIL
Deputy Commissioner

(Sgd) FIDELO Q. DUMLAO
Deputy Commissioner

13 February 1990

NTC MEMORANDUM CIRCULAR

No. 2-4-90

Subject: Guidelines on Radio-Frequency Assignment

Pursuant to the provisions of Act No. 3846 as amended, Executive Order No. 546, and the existing International Radio Regulations and for purposes of optimum radio frequency use and its efficient management, the following guidelines on radio frequency assignment are hereby prescribed:

1. Availability of radio frequency shall first be ensured before a user is permitted to purchase. The Permit to Purchase issued by the Commission shall include a provisional Permit to Possess valid for forty-five (45) days on non-extendable basis. Said permits shall be declared null & void and the proposed frequency (ies) recalled, unless permitted is able to submit a formal application for either issuance of Construction Permit when required or the issuance of a Radio station license within the above forty five (45) days.
2. Strict Compliance with accepted spectrum planning principles and licensing conditions through proper spectrum engineering standards shall be observed.
3. Only type approved/accepted equipment by the Commission shall be authorized to private networks to operate in the UHF/VHF narrow band.
4. All frequency assignments shall be on basis of shared usage unless otherwise authorized by the Commission.
5. Frequency plans shall be adopted using standardized channel separation and channel spacing.
6. Radio frequency channels shall be assigned to minimize interference due to intermodulation products.
7. To define the area/distance coverage, radio station shall only be authorized a maximum effective radiated power and/or allowable antenna height.

THIS CIRCULAR SHALL TAKE EFFECT IMMEDIATELY AND ANY OTHER CIRCULARS INCONSISTENT HERETO ARE DEEMED AMENDED OR SUPERSEDED ACCORDINGLY.

(Sgd) JOSEFINA T. LICHAUCO
Acting Commissioner

(Sgd) FLORENTINO L. AMPIL
Deputy Commissioner

(Sgd) ALOYSIUS R. SANTOS
Deputy Commissioner

16 August 1991

NTC OFFICE ORDER 19-8-91

Subject: Decentralization of Domestic Maritime Licensing Functions of the Safety & Special Radio Services Division

In the interest of the service and in order to further streamline the Commission's process, the following licensing functions of the safety and Special Radio Services Division are hereby decentralized:

1. Issuance of Permit to Possess Maritime Radio Transmitter(s)/Transceiver(s) intended for vessels in the domestic trade.
2. Issuance of New Ship Radio Station License of Radio stations on board all types of vessels plying domestic routes.
3. All types of modification of particulars of Ship Radio Station Licenses (Domestic).

For the implementation of this Order, the Regional Offices are hereby authorized to accept and process applications of applicants whose business addresses and/or vessel's home ports are within their respective jurisdictions. If the applicant's business address and/or home port is far from the Regional Office concerned, the Ship Radio Station License may be applied for and accepted by the nearest NTC Regional Office.

The herein guidelines are hereby promulgated:

1. List of basic requirements for new station license:
 - Application for Permit to Purchase/Possess Radio Transmitter(s) Transceivers(s).
 - Application for New Ship Radio Station License.
 - Authenticated Copy of Certificate of Philippine Registry.
 - Copy of Certificate of Ownership.
 - Copy of Valid Radio Operator's Certificate of Employment.
2. The proposed marine VHF/SSB radiotelephone equipment shall be type approved/accepted by the NTC. This requirement, however, does not apply to radio communications facilities originally installed on board vessels acquired/chartered from abroad.

3. An inspection of the radio facilities on board the vessel should be conducted prior to the issuance of new Ship Station License. An inspection should also be conducted when a modifications involving a change of the vessel's radio equipment is to be effected prior to the issuance of a modified station license. However, if inspection of radio facilities on board the vessel could not be effected in the earliest possible time and the delay of the issuance and approval of the radio station license will be prejudicial to the operation of the said vessel, it is discretionary to the Regional Director to approved the Radio Station License without the inspection subject, however, to the inspection of the subject vessel on a later date. The issued Radio Station License, in this case, cannot be renewed any further without the required inspection being conducted on the subject vessel within the validity period of the license.
4. Each Regional Offices will be allotted a series of Call Signs will be authorized to make assignments accordingly. When the allotted series of call signs has been exhausted, corresponding request for another set should be made with the Central Office.
5. Monthly reports together with copies of the issued licenses and permits shall be submitted to the RRLD and Records Section immediately after each month.

The Regional Offices shall be guided by pertinent provisions of existing radio laws and regulations and are therefore empowered to implement the same relative to the execution of the above functions.

All Regional Directors concerned are hereby enjoined to effectively implement this Order.

Any order, circular, instruction, memorandum or any part thereof inconsistent herewith are deemed amended and/or superseded accordingly. This order takes effect immediately.

(SGD) JOSEFINA T. LICHAUCO
Acting Commissioner

Subject: Criteria for the Grant of Commercial Radio Station Licenses

In accordance with Act 38-46 as amended and to conserve and effectively manage the radio frequency spectrum which is a limited national resource, the following guidelines shall be observed in the evaluation of applications for authority to establish, operate and maintain a private commercial radio communications network:

1.0 Priority Services/Activities

Only private commercial radio communications network intended for use in conjunction with the following services/activities shall be allowed:

- a. Agriculture, food production and food processing, animal farms, poultry farms, aquaculture, fishing, fruit plantations, canneries and activities related thereto.
- b. Logging, mining, forestry, oil exploration and ore prospecting and similar activities.
- c. Public Utilities such as power generation and distribution gas, water and water utilities and maintenance of public utility facilities including public telecommunications facilities (common carrier).
- d. Land Transportation such as taxis, buses, trucks, railway services, freight forwarding and transport services specifically for highly perishable items such as food and agricultural and/or aquatic products and including transport services for hazardous chemicals.
- e. Public Safety particularly, emergency services (fire, police, paramedic teams, and hospital ambulances) and including hospitals and clinics and the Red Cross, security agencies including armored car security services.
- f. Press and Mass Media both broadcast and print media.
- g. Banking and financial institutions and real estate development.
- h. Construction companies and/or contractors involved in the provision of electrical, plumbing, telecommunications, electronics and industrial works.
- i. Industries and business concerns with operations.
- j. Industries and business concerns with operations outside the main urban centers and the operations of which promote employment and countryside development provided however, that the private radio networks will only be allowed within the areas of operations in the remote areas and to and from the remote areas of operation and the central and/or regional offices.

- k. Religious organizations, charitable institutions as well as civic action organizations particularly those involved in missions in remote areas and in the provinces provided that such radio network shall only be limited to provide service within their respective remote areas of operation and to and from the remote areas of operation and the main and/or regional offices.

2.0 General Qualifications

Applicants for private radio communications networks must be:

- a. Filipino or in the case of a company or corporation such must be either 100% Filipino or with at least 60% Filipino shareholders and 40% foreign shareholders.
- b. A legitimate business concern in any one of the activities and/or services specified in 1.0 above, as evidenced by the appropriate business licenses, certificates of business registration in the Securities and Exchange Commission and/or the Bureau of Domestic Trade.

3.0 Technical/Personnel Requirements

- a. Only duty type-approved/accepted equipment shall be allowed for use in any private radio communications network which may be authorized by the Commission in accordance with the criteria and/or conditions specified in these guidelines.
- b. Private radio communications networks shall be established in accordance with sound engineering practice and in accordance with the operational parameters including the mode of operation (whether simplex or duplex) as determined by the Commission's Frequency Management Division.
- c. All Fixed/Base stations shall be operated by at least a 2nd Class Radio Telephone Operator. For private radio communications networks with six (6) or more Fixed/Base Stations, the supervision of a duly licensed Electronics and Communications Engineer shall be required in accordance with D.O. No. 88.

Any provisions of existing rules and regulations in conflict herewith are hereby deemed revoked. The Commission may revise, amend or revoke this Circular or impose additional requirements as the need arises in the interest of public service.

This circular takes effect immediately.

(SGD) JOSEFINA T. LICHAUCO
Acting Commissioner, NTC

16 August 1991

NTC MEMORANUDM CIRCULAR
No. 11-8-91

Subject: Implementation of the Decisions of the World Administrative Radio Conference for the Mobile Services, Geneva, 1987 (WARC-MOB-87), Concerning the Maritime Mobile Service in the HF Band

Pursuant to the provisions of Act 3846 as amended, the Final Acts of WARC-MOB-87 and IFRB circular letter 830, the revision of the Radio Regulations which adopts the new channeling arrangement relating to the frequency band 4000 to 27500 Khz. as contained in Article 60 and Appendices 16, 34 and 35 of the aforementioned WARC documents shall be implemented on 1 July 1991 for the following applications within the Maritime Mobile Services:

- a. Calling and working frequencies of ship stations for A1A Morse telegraphy.
- b. Radiotelephony calling frequencies assigned to private coastal and ship stations.
- c. Radiotelephony frequencies assigned for distress and safety traffic.
- d. Frequencies assigned to private coastal and ship stations for simplex radiotelephony.

In view thereof, a revised frequency plan will be effected to all Philippine-registered ships (both international and domestic) and all private domestic coast stations. Concerned parties will be notified accordingly.

All previous orders, circulars or memoranda which are inconsistent herewith are hereby superseded.

This circular takes effect immediately.

(SGD) JOSEFINA TRINIDAD-LICHAUCO
Acting Commissioner

NTC MEMORANDUM CIRCULAR
No. 2-05-88

SUBJECT: RULES AND REGULATIONS GOVERNING THE MANUFACTURE, ACQUISITION, SALE AND SERVICE OF RADIOCOMMUNICATION EQUIPMENT

Pursuant to the provisions of the Radio Control Law, Act No. 3846, as amended, and Executive Order No. 546, dated 23 July 1979, the following rules and regulations governing the manufacture, acquisition, servicing and sale of radio transmitters and transceivers in the Philippines are hereby promulgated:

1.0 - PURPOSE

- 1.1 To update existing rules and regulations governing the manufacture, acquisition, sales and service of radio transmitters and transceivers and the establishments of Radio communication Equipment Service
- 1.2 To enable the National Telecommunications Commission to monitor and control effectively the servicing, manufacture, acquisition, sale and other transactions involving transmitters and transceivers in the public interest.

2.0 - DEFINITION OF TERMS USED

- 2.1 RADIO TRANSMITTER OR TRANSMITTER - A device capable of emitting radio frequency waves or energy intended for transmission of signals, messages or intelligence.
- 2.2 TRANCEIVERS - An inherent combination of a radio transmitter .
- 2.3 DEALER - A person or entity in the buying and selling of transmitter and/or transceivers, including parts and accessories thereof.
- 2.4 MANUFACTURER - A person or entity engaged in the manufacture of transmitter and/or transceivers, including parts and accessories thereof.
- 2.5 SERVICE CENTER OPERATOR - A person or entity engaged in the repair, service maintenance of transmitter, transceivers and other radio communication equipment.
- 2.6 RADIO COMMUNICATION EQUIPMENT DEALER PERMIT (REDP) - A permit issued by the Commission authorizing the holder thereof to engage to the acquisition, servicing, maintenance, purchase or sale of transmitters and/or transceivers, parts and accessories thereof.

- 2.7 RADIO COMMUNICATION EQUIPMENT MANUFACTURER PERMIT(REMP) - A permit issued by the Commission authorizing the holder thereof to manufacture and /or assemble transmitters and transceivers including, but not valid for solely the manufacturer of parts and accessories thereof and other radio station components.
 - 2.8 RADIO COMMUNICATION EQUIPMENT SERVICE CENTER PERMIT(RESCP) - A permit issued by the Commission authorizing the holder thereof to repair or service transmitters and/or transceivers and maintain radio communication equipment and accessories.
 - 2.9 PERMIT TO SELL - A permit issued by the Commission authorizing the holder thereof to sell specific transmitter/s or transceiver/s to a holder of a permit to Purchase or to a holder of a REDP.
 - 2.10 PERMIT TO PURCHASE - A permit issued by the Commission authorizing the holder thereof to purchase specific transmitter/s or transceiver/s from a holder of a Permit to Sell or an REDP.
 - 2.11 PERMIT TO PROCESS - A permit issued by the Commission authorizing the holder thereof to process transmitter/s or transceiver/s as described therein.
- 3.0 - OPERATING GUIDELINES FOR AUTHORIZED RADIOCOMMUNICATION EQUIPMENT DEALERS, MANUFACTURERS AND SERVICE CENTER OPERATORS
- 3.1 Permittees shall, in the conduct of their respective activities in the acquisition , repair, sale, service, promotion or marketing of transmitters or transceivers, strictly comply with the provisions of this Circular and other existing radio laws, rules, and regulations.
 - 3.2 Manufactures shall take an active role in the research and Development of modern and reliable radio communication equipment.
 - 3.3 The service, repair and maintenance of radio communication Equipment shall be done in such a manner that there shall be neither degradation of nor deviation from their normal operation.
- 4.0 - CATEGORIES OF RADIO COMMUNICATION EQUIPMENT DEALERS AND MANUFACTURERS
- Radio Communication Dealers and Manufacturers shall be Categorized in accordance with the criteria based on capitalization, technical capability and area of specialization to be recommended by their accredited associations for approval of the Commission.
- 5.0 - APPLICATIONS AND PERMITS
- 5.1 Permit required - Radio Communication Equipment Dealers, Manufacturers and Service Center Operators shall secure appropriate permits from the Commission before carrying out their respective activities.

5.2 Filing of Application - The application for the permit shall be filed together with required supporting documents specified in the application form, with the Commission.

5.3 General Qualification of Applicants

The applicant must be:

5.3.1 Filipino citizen/s, f a single proprietor or partnership or Incorporated under existing laws of the Philippines, in the case of corporations and associations;

5.3.2 Registered with the Bureau of Domestic Trade or with the Securities and Exchange Commission in the case of firms, companies or associations;

5.3.3 A holder of a other valid permits or licenses required by other concerned government agencies allowing such applicant to engage either in radio communication equipment dealership, manufacturing and/or assembling or servicing; and

5.3.4 Technically and financially capable of operating within the scope of authority of the permit being applied for.

5.4 Conditions to the Grant of the Permit - A Radio Communication Equipment Dealer Permit, Radio Communication Equipment Manufacturer Permit or Radio Communication Equipment Service Center Permit may be granted to an applicant who:

5.4.1 Is qualified under the Provisions of 5.3 of this Circular;

5.4.2 He has paid the required fees; and

5.4.3 Has no pending case with the Commission involving violation of radio rules and regulations.

5.4 Period of Validity

All Permits issued to Radio Communication Equipment Dealers, Manufacturers or Service Center Operators shall be effective for aPeriod of one year from their respective dates of issues.

5.5 Scope of Authority

5.6.1 The holder of a valid REDP is authorized to engage in the purchase and the sale of legally acquired radio communication equipment and repair, service and maintain such equipment; participate in public bidding or trade exhibitions for the promotion of radio communication products; engage in the design or installation of radio communication systems or networks; and conduct product demonstrations, provided however, that a valid transmitter/transceivers demonstration permit

thereof is acquired before conducting a product demonstration involving test transmissions.

5.6.2 A holder of a valid REMP is authorized only to manufacture or assemble radio communication equipment that were type approved by the Commission.

5.6.3 A holder of a valid RESCP is authorized only to Repair, tune, calibrate and/or maintain radio communication equipment that are duly registered with the Commission.

5.7 Application for Renewal of Permits –

The application for the renewal of REMP, REDP or RESP shall be submitted to the Commission at least sixty (60) days before its date of expiration, provided however, that in the case of Dealers, the applicant must have been submitting a regular quarterly reports of reports of sales and stock to the Commission.

5.8 Issuance of a Duplicate for Lost Permit –

An application for a duplicate of a Permit which has been lost, Mutilated or destroyed should be submitted as soon as possible to the office of issued together with a statement attesting to the facts related thereto. The original of the lost permit, if found, shall be surrendered to the Commission immediately.

5.9 Fees

The fees to be charged for the issuance of an REDP , REMP, or RESP shall be prescribed by the Commission under a separate Memorandum Circular covering all other fees and charges which May be updated from time to time.

6.0 - BASIC DIAGNOSTIC/TEST EQUIPMENTS AND MEASURING INSTRUMENTS REQUIRED

6.1 For Radio Communication Equipment Dealers or Service Centers

- Reflectometer, with ranges covering HF to UHF Bands
- Frequency Counter, HR to UHF Bands
- RF Power Meter
- VTVM or digital Multimeter
- RF and AF Signal Generator capable of emitting 0.1 uV to 5 volts across all frequency ranges
- Oscilloscope with RF probes

- Dummy loads with ranges across encountered transmitter power outputs
- RF carrier deviation meter/RF modulation meter

6.2 For Manufacturers

- Reflectometer with ranges covering HF to UHF bands
- Volt-Ohm-Milliammeter or multimeter capable of measuring voltage, resistance and current ranges encountered in the testing of radio communication equipment.
- Frequency Counter, HR to UHF bands
- RF power meter
- RF and AF signal generators capable of emitting 0.1 uV to 5 volts across all frequency bands
- RF carrier deviation meter/RF modulation meter DC micro/multimeter
- Distortion analyzer
- Oscilloscope with RF probes
- Dummy antenna loads with appropriate power ranges
- Spectrum Analyzer, at least 10 kHz to 1.8 GHz frequency range
- SINAD meter

7.0 GENERAL PROVISIONS

- 7.1 No person or entity without a valid permit to sell, purchase, possess or sell issued by the Commission shall purchase, acquire or sell radio transmitter/s and/or transceiver/s.
- 7.2 An REDP shall be issued by the Commission only to a qualified person Or entity who is engaged primarily in the business of selling and/or acquiring radio communication equipment, but not limited o purchase, indenting, trading, bartering or bidding.
- 7.3 An authorized dealer shall sell or lease only transmitters and/or transceivers which are type approved by and duly registered with the Commission.
- 7.4 No dealer shall keep on stock for any person or entity any transceiver and/or transmitter or radio communication equipment which were illegally acquired or not registered with the Commission.

- 7.5 No person or entity who are not holders of valid Permit to Possess or REDP issued by the Commission, shall advertise or cause to advertise in any form of media, such as newspapers, magazines, manuals, radio, television or signboards any information leading to the supply or sale of any transmitter or transceiver.
- 7.6 No dealer shall sell transmitters and/or transceivers to any person or Entity who is not a holder of a valid Permit to Purchase or REDP issued by the Commission. Radio Communication equipment purchased by the Military, are however, exempted from this provision provided that such purchase from the authorized dealers concerned are reflected in their respective periodic sales report to the Commission.
- 7.7 An authorized dealer shall keep on stock at all times for two years at least one set of critical replacement and spare parts for each type, model and make of transmitter or transmitter sold.
- 7.8 Prior clearance or permit from the Commission is required before transmitters and/or transceivers may be acquired from sources other than authorized Radio Communication Equipment Dealers.
- 7.9 A letter of authorization from the Commission is required before parts and components for repair, construction or manufacture of type approved radio equipment may be imported.
- 7.10 No person or entity shall engage commercially in the construction, Manufacture, sale or purchase of radio transmitters or transceivers or repair of the same without a corresponding valid permit issues by the Commission.
- 7.11 An authorized Radio Communication Equipment Manufacturer shall provide adequate production and quality control facilities and shall adhere strictly to the standards of good engineering practice in the manufacture or assembly of radio transmitter and transceivers and other related equipment.
- 7.12 All existing repair and service centers or shops engaged in the servicing, modification and maintenance of transmitters or transceivers, shall register with the Commission and obtain the necessary permit to operate said shops or service centers within 180 days after promulgation of the rules and regulations under this Circular.
- 7.13 It is strictly prohibited for any person to perform circuit modification of Any registered or type approved transceiver without a valid modification permit issued therefor by the Commission.
- 7.14 The business and location of authorized Radiocommunication Dealers, Manufacturers or Service Centers shall be properly identified as such by posting conspicuously at the entrance of their respective premises sign boards of at least 50 x 100 cm. dimension indicating clearly the registered business name of the establishment, the kind of services offered, the name of the permittee, and business address.
- 7.15 All authorized Radio Communication Equipment Dealers, Manufacturers, or Service Centers shall strictly honor any guarantee or warranty declared or issued to the customer in relation to the nature of service rendered or quality of equipment sold.

- 7.16 The Commission shall allow only the importation of transmitter(s)/transceivers of models and kinds not manufactured or assembled in the Philippines or, of any type of radio equipments already available locally, But does not reasonably satisfy specifications required by the end-users.
- 8.0 - LICENSE REQUIRED FOR PERSONNEL
- 8.1 Personnel who are directly in charge of actual test, modification, repair, Calibration and/or tuning of radio transmitters and/or transceivers must be holders of valid First Class Radiotelephone or Radiotelegraph Commercial Radio Operator's Certificate.
- 8.2 Personnel employed by Radiocommunication Equipment Dealers, Manufacturers or Service Centers, whose duties and responsibilities are Governed by Section 3 and 4 of Department Order No.88, dated December 28, 1972, must be duly registered Electronics and Communication Engineers.
- 9.0 - REQUIRED REPORTS
- 9.1 Stock and Sales Reports
- An authorized Radio Communication Equipment Dealer or Manufacturer shall submit to the Commission quarterly stock and sales reports on prescribed forms not later than seven days after the end of each quarter.
- 9.2 Condemned Equipment
- Transmitters and transceivers which are not in working conditions, has become obsolete or unserviceable while in stock and no longer intended to be sold, rebuilt, repaired or reconditioned shall be declared condemned and manifested as such by the Permittee in the quarterly report to the Commission.
- 10.0 - SERIAL NUMBERS REQUIRED
- 10.1 Authorized Radio Communication Equipment Dealers and Manufacturers shall at all times up-date their records of available stocks according to their models, make and serial numbers.
- 10.2 Blocks of serial numbers for current and future stocks shall be allocated to Radio Communication Equipment Manufacturers upon request. The serial numbers assigned to each unit must be etched or engraved in the name plate of each equipment bearing its type, make, and model and also in the main chassis or frame.
- 10.3 No serial number shall be removed, changed or altered without prior Authority from the Commission.
- 10.4 Transmitter or transceivers without serial numbers or with tampered serial Numbers are subject to confiscation by the Commission and the person or entity possessing such transmitter(s) or transceiver(s) shall prosecuted accordingly.

11.0 - REQUIREMENTS FOR THE PREVENTION OF INTERFERENCE

All tests, calibration, and tuning of transmitters or transceivers with rated power output 150 watts or more shall be conducted with the use of dummy load antenna inside RF radiation proof cubicle. Tests, calibration and tuning of transmitters or transceivers with rated power output of less than 150 watts may be done using only a dummy load antenna.

12.0 - GROUNDS FOR SUSPENSION OR REVOCATION OF PERMITS

Any permit issued under these Regulations may be revoked, cancelled or suspended for any of the following:

- 12.1 Violations of any provisions of this Circular or any provision of the Radio Control Law, Act 3846, as amended or other relevant international laws, rules and regulations affecting the operation of permittee;
- 12.2 False statement in the application for Permit or in any report required under this Commission;
- 12.3 Purchase, sale, servicing and transactions involving illegally acquired radio transmitters and/or transceivers; and
- 12.3 Failure to comply with any of the conditions or particulars specified in the Permit.

13.0 - PROCEDURE FOR THE SUSPENSION OR REVOCATION OF PERMITS

The Commission may suspend, cancel or revoke the permit of any authorized dealer, manufacturer or radio communication servicing center found to have violated any provision of the Circular; provide, however, that no order of suspension, revocation or cancellation of the permit shall take place without written notice from the Commission stating the cause for such action, served to the respondent. The order of suspension, revocation or cancellation of the permit shall take effect fifteen (15) days from receipt of the notice by the respondent. Within the fifteen (15) days period from receipt of the notice, respondent may file a written petition for the hearing of said Order to the Commission. In the event that the respondent fails to file the written petition for hearing within this prescribed period, the Order shall become final and executory.

14.0 - REPEALING CLAUSE

The provisions of this Circular supersede all provisions of any Memorandum Circular and other rules and regulations inconsistent herewith.

15.0 - EFFECTIVITY CLAUSE

This Circular shall take effect thirty (30) days after its publication in Accordance with law.

Quezon City, Philippines

(Sgd.) JOSE LUIS A. ALCUAZ
Commissioner

Approved:

(Sgd) RAINERIO O. REYES
Secretary,

Department of Transportation
and Communication

14, August 1991

NTC Memorandum Circular No. 9-8-91

Series 1991

Subject: Guidelines in the Sale, Purchase and Importation of Various Radio Communication Equipment Intended for Use in Private and Government-Owned Radio Communications Networks

Pursuant to Act 3846 as amended the following guidelines governing the sale, purchase and importation of various radio communications equipment intended for use in private and government-owned radio communications networks are hereby promulgated:

1. Importation of Radio Communications Equipment

1. Any and all importation of various radio communications equipment particularly radio transceivers, and/or transmitters be covered by an appropriate Permit to Import issued by this Commission.
2. A Permit to Import valid for a period of ninety (90) days from the date of issuance thereof shall be issued by the Commission only under the following circumstances:
 - a. To duly accredited radio equipment manufactures and dealers with valid Radio Dealers and Manufacturer's Permit intending to import TYPE-ACCEPTED AND/OR APPROVED radio communications equipment and their accessories and spare parts as part of their respective stocks.
 - b. To duly accredited radio equipment manufacturers and dealers with valid Radio Dealers and Manufacture's Permit intending to import radio communications equipment FOR PURPOSES OF TYPE APPROVAL AND/OR ACCEPTANCE, provided such Permit to Import is issued for not more than five (5) sample units which are subject to re-export should such radio communications equipment fail type approval and/or acceptance evaluations conducted by this Commission.
 - c. To duly authorized and/or corporation who have been authorized by this Commission to install, operate and maintain their respective radio communications network. In this case, the Permit to Purchase shall serve as the Permit to Import and radio communications equipment to be purchased must be a previously TYPE APPROVED AND/OR ACCEPTED model. SHOULD RADIO COMMUNICATIONS EQUIPMENT PROCURED NOT BE OF A PREVIOUSLY TYPE-APPROVED AND/OR ACCEPTED MODEL, SUCH UNIT SHALL BE RE-EXPORTED TO ITS COUNTRY OF ORIGIN WITHOUT THE BENEFIT OF

UNDERGOING TYPE APPROVAL AND/OR ACCEPTANCE PROCEDURES
CONDUCTED BY THIS COMMISSION.

3. Grantees of Permits to Import shall only radio communications equipment, spare parts and/or accessories as contained in the Permit to Import and only in the quantities as authorized by this Commission.
4. Grantees of Permits to Import shall present evidences of tax payments and corresponding customs duties of all items imported under such Permit to Import issued by this Commission.
5. Radio equipment dealers and manufacturer's must reflect the radio communications equipment and/or accessories imported in their regular Sales and Stock Reports submitted to this Commission for the next reporting period covering the actual date of import.
6. All radio communications equipment, spare parts and/or accessories covered by a Permit to Import shall be subject to the inspection of the Commission's authorized representative at the port of entry.

II. Sale of Radio Communications Equipment

1. The sale of radio communications equipment shall only be done by a duly accredited radio equipment dealer and/or manufacturer with a valid Radio Equipment Dealers and/or Manufacturer's Permit or by an individual, entry or corporation with a valid Permit to Sell issued by this Commission.
2. the sale of radio communications equipment to any individual, entity or corporation whether government or private, without a valid Permit to Purchase issued by this Commission is strictly prohibited.
3. The sale, tendering or offering in a bid of radio communications equipment not previously type approved and/or accepted or whose characteristics do not conform to the authorized operating parameters particularly but not limited to the frequency/ies, rated power output, bandwidth and emission authorized by this Commission is strictly prohibited. In no case shall the Commission entertain any request for change of authorized operating parameters for reasons of incompatibility of the specifications of radio equipment sold relative to Commission authorized operating parameters or standards.
4. In the case of accredited radio equipment dealers, it is strictly prohibited to sell radio communications equipment that are not properly reflected in their current sales and stock reports provided that in cases when the required radio communications equipment have to be ordered from an overseas source (importation), such radio equipment and its sale shall be reflected in the subsequent Sales and Stock Report which shall be submitted in the next reporting period covering the date of such import.

III. Purchase of Radio Communications Equipment

1. The purchase of any radio communications equipment by any entity, or corporation whether private or government without a valid Permit to Purchase issued by this Commission is strictly prohibited.

The Permit to Purchase shall be valid for a period of one-hundred eighty (180) days and may be extended provided adequate proof (such as a valid Purchase Order) that corresponding orders for the required radio communications equipment have been made within the validity period of the Permit to Purchase.

In case no valid proof that orders for the required radio communications equipment have been made within the validity period of the Permit to Purchase can be presented to the Commission, a new Permit to Purchase can be issued upon receipt of a formal request for a re-issuance of the Permit.

In no case, however, shall a Permit to Purchase be extended nor re-issued without re-confirmation of frequency availability and the payment of the regular permit fees.

2. The purchase of radio communications equipment by any entity, corporation whether private or government from a source other than an accredited radio communications equipment dealer or manufacturer with a valid Radio Equipment Dealer's or Manufacturer's Permit or an entity or corporation whether private or government with a valid Permit to Sell is strictly prohibited. In cases when the radio communications equipment is acquired from a foreign source such purchase must be duly covered by a valid Permit to Import or its equivalent. In addition, appropriate evidence of tax payments and payments of customs, duties and/or proof of tax deterrents as may be authorized by the Bureau of Customs, relative to the importation of such radio communications equipment must be submitted to this commission.
3. The purchase of radio communications equipment not previously type approved and/or accepted or whose characteristics do not conform to the authorized operating parameters particularly but not limited to the frequency/ies, rated power output, bandwidth and emission authorized by this Commission is strictly prohibited. In no case shall the commission entertain any request for change of authorize operating parameters for reasons of incompatibility of the specifications of radio equipment bought relative to Commission authorized operating parameters or standards.

This Memorandum Circular takes effect immediately and amends any other rules and regulations inconsistent hereto.

Any violations of the provisions of this Memorandum Circular and other pertinent radio rules and regulation shall be death with accordingly.

(SGD) JOSEFINA T. LICHAUCO
Commissioner

MEMORANDUM OF AGREEMENT

Whereas, the Department of Transportation and Communications and the National Telecommunications Commission are the duly constituted government instrumentalist tasked to formulate and implement policies, plans, programs, rules and regulations which would enhance and accelerate the development of telecommunications and broadcast facilities, systems and services throughout the country.

Whereas, the Kapisanan ng mga Brodkaster sa Pilipinas is a non-stock, non-profit private organization of broadcast media owners and practitioners in the Philippines, bound by the common objective of excellence through professionalism among the members under the principle of self-regulation, as recognized by the State:

Whereas, the parties, in entering into this Memorandum of Agreement, are motivated by their fervent desire to give meaning and purpose to the provisions of the 1987 Constitution, as it declares that “the state shall encourage non-governmental, community-based or sectoral organizations that promote the welfare of the nation” and acknowledges. “the right of the people and their organizations to effective and reasonable participation at all levels of social, political and economic decision-making”.

Now, therefore, by these present, the Department of Transportation and Communications, the National Telecommunications Commission, and the Kapisanan ng mga Brodkaster sa Pilipinas hereby agree, as follows:

- A. Adherence to the principle of self-regulation in the broadcast media:
 - 1. The DOTC and the NTC do hereby recognize the self-regulatory principle of the KBP to police its members on matters relating to the enforcement of broadcast rules and regulations, including the KBP radio and television codes.
 - 2. All complaints against any KBP member directly filed before the DOTC or the KBP, DOTC, and NTC and which are within the jurisdiction of NTC, shall be immediately remanded to the NTC for consideration and adjudication.
 - 3.
- B. Applications for the issuance of new or renewal of existing CPCN's permits and other authorizations:
 - 1. The KBP shall be duly informed by the NTC of applications for the issuance of new or the renewal of the existing Certificates of Public Convenience and Necessity; permits to

possess and acquire radio and/or television equipment; and permits to operate radio/television stations filed before the NTC by any person whomsoever, by serving upon the KBP a copy of such application or applications.

2. The NTC shall take into consideration, KBP comments and recommendations with respect to the technical feasibility, economic viability, and programming of applicants for new radio and/or television permits and/or any other broadcast authorizations.
3. The NTC, in the matter of granting permits and other authorizations, shall consider, when warranted, the “prior operator rule.”
4. In areas where in the NTC has not yet established and fully operationalized its regional and provincial field offices, the KBP chapters in said areas may be requested by the NTC, through the KBP National Office, to ascertain and attest to the veracity of the various data presented relevant to the processing by the NTC National Office of applications for renewal of radio and television permits. Upon submission of all requirements, those applications which have undergone such a process maybe be extended renewal permits for three years.

C. Dialogue and consultations:

1. The DOTC and/or the NTC, in the formulation, adoption and implementation of its policies, plan, programs, rules and regulations, shall observe the process of continuing dialogues and consultations with the KBP on matters affecting the broadcast industry.

Signed in Quezon City, Metro Manila, this _____ day of _____ 1991.

(Sgd) ANDRE S. KAHN
President
Kapisanan Ng Mga
Brodkaster sa Pilipinas

(Sgd) MARIANO E. BENEDICTO II
Commissioner
National Telecommunications
Commission

Attested:

(Sgd) MIGUEL C. ENRIQUEZ
Board Chairman
Kapisanan Ng Mga
Brodkaster sa Pilipina

Attested:

(Sgd) FIDELO DUMLAO
Deputy Commissioner
National Telecommunications
Commission

NICOMEDES PETE PRADO
Secretary
Department of Transportation and Communication

Attested:

(Sgd) JOSEFINA TRINIDAD-LICHAUCO
Undersecretary for Communications
Department of Transportation and Communications

MEMORANDUM CIRCULAR

No. 9-14-90

Subject: Immediate Submission of Supporting Legal, Technical, Financial and Economical Documentation in Any Petition for Provisional Authorizations

EFFECTIVE THIS DATE, and as part of the Commission's drive to streamline and fast track action on applications/petitions for CPCN or other forms of authorizations, the Commission shall be evaluating applications/petitions for immediate issuance of provisional authorizations, pending hearing and final determination of an application on its merit.

For this purpose, it is hereby directed that all applicants/petitioners seeking for provisional authorizations shall submit immediately to the Commission, either together with their application or in a Motion all their legal, technical, financial, economic documentation in support of their prayer for provisional authorizations for evaluation. On the basis of their completeness and their having complied with requirements, the Commission shall be issuing provisional authorizations.

These support documents shall be submitted in two (2) sets, one of which shall be attached to the record of the case and the other set referred to the Common Carrier Authorization Dept. or the Broadcast Dept. as the case may be.

Except in cases where questions of law and policy issues are involved, the Commission shall act on these applications as expediently as possible, streamlining the hearings, and when warranted, issue the provisional authorizations, under stringent conditions of technical standards shall be upgraded to conform to these technical standards within a reasonable period.

These fundamental technical plans (standards) may be revised and updated to conform to recent developments in electronics and telecommunications technology.

This Memorandum Circular takes effect immediately.

Quezon City, Philippines.

(Signed) Josefina T. Lichauco,
Commissioner

MEMORANDUM CIRCULAR

No. 6-3-91

Subject: Procedure in the Submission of Compliance with Jurisdictional Requirements if Publication and Notice to Affected Parties

In order to facilitate the speedy disposition of cases and to avoid the oral and lengthy presentation of compliance with jurisdictional requirement of notice, it is hereby directed that henceforth, counsel for applicants/petitioners submit in writing, at the initial hearing their compliance, attaching therewith their evidence, whether full or partial, methodically arranged and duly marked, for examination/inspection of other parties present, who may object/agree to the same: and thereafter, for the appropriate ruling by the Commission. Registry receipts and/or return cards must already be duly pasted and arranged in legal size bond paper to avoid their being misplaced or lost.

Failure to comply with the above, especially where there are a number of affected parties, shall be subject to the sound discretion of the Commission who may postpone or defer hearing until compliance is effected.

It is directed that this Circular be posted in the Commission's Information Board (3rd Floor) for the guidance of counsel and/or applicants/petitioners.

This Circular takes effect immediately.

Quezon City, Philippines, March 15, 1991.

(SGD) JOSEFINA T. LICHAUCO
Acting Commissioner

cc. The Secretariat
The Legal Department
All Practicing Lawyer of the Commission