

MEMORANDUM CIRCULAR
NO. 04-03-99

SUBJECT: IMPLEMENTING GUIDELINES ON INTERNATIONAL SATELLITE COMMUNICATIONS

Pursuant to Republic Act No. 7925 (Public Telecommunications Policy Act), Act No. 3846, as amended (Radio Law), Executive Order No. 546 series of 1979 and Executive Order No. 467 series of 1998, the National Telecommunications Commission hereby promulgates the following implementing guidelines on international satellite communications.

ARTICLE I
ACCESS TO INTERNATIONAL FIXED SATELLITE SYSTEMS

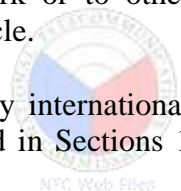
Sec. 1 Except when otherwise disallowed by law, all public telecommunications entities (PTE) enfranchised certificated to install, operate and maintain international telecommunications systems and services shall be allowed direct access to any international fixed satellite system provided that:

- a. the international satellite operator has an existing reciprocal agreement with the Philippines and validated by the Commission;
- b. the concerned international satellite system operator has a commercial presence in the country; and
- c. Philippine satellite operator(s) shall be given the preference to provide the space segment capacity requirements of enfranchised telecommunications entity after all factors are equally considered;

provided further that entities engaged in research development, education, health, safety and rescue shall be allowed direct access to international satellite systems designed and operated safely for research development, education, health, safety and rescue.

Sec. 2 A duly enfranchised broadcast operator shall be allowed to obtain space segment capacity from space segment providers upon prior authorization from the Commission; provided that, the utilization of the space segment is limited to the supply or expansion of their station signals within their network or to other broadcast stations subject to the provisions of Section I of this Article.

Sec. 3 The terms and conditions which include levels of access to any international fixed satellite system shall be submitted by the entities described in Sections 1 and 2 to the Commission for approval.



- Sec. 4 Subscribers/users of specific service rendered by duly authorized PTEs may be allowed direct access to any fixed satellite system subject to the provisions of Section I of this Article.

ARTICLE II
ACCESS TO INTERNATIONAL MOBILE SATELLITE SYSTEMS

- Sec. 5 Public telecommunications entities (PTE) authorized to offer international maritime, aeronautical services may be allowed direct access to any international mobile satellite systems. PTEs authorized to offer international land mobile services shall be allowed to access any international mobile satellite system subject to Section 1 Article 1 of this circular.
- Sec. 6 Government entities, private individuals, companies or corporations maybe allowed direct access to any international mobile satellite systems subject to Section 1 Article 1 of this circular. The lease or rental of transponder space shall be through a duly enfranchised and certificated PTE

ARTICLE III
INTERNATIONAL SATELLITE NEWS GATHERING

- Sec 7 Foreign news media organizations may be issued a Special Permit by the Commission to use their own international satellite news gathering (SNG) earth stations for news gathering activity of not more than 15 days; provided that the countries where the foreign news media organizations are registered allow reciprocal agreements on international SNG access for the Philippine news media organizations.
- Sec. 8 The Commission may allow one extension for a period of not more than 15 days on meritorious grounds upon payment of the required fees and charges.
- Sec.9 Foreign news media organizations registered in countries which have no reciprocal agreement with the Philippines on international SNG access applying for special permit to operate international SNG earth station(s) may be allowed exceptional cases upon clearances recommendations from the Department of Foreign Affairs and prior authorization from the Commission.
- Sec. 10 A special permit shall be issued to any foreign news media organization which has complied with the provision of Section 9 hereof, valid for 15 days, after payment of the required fees and charges. Extension of the special permit issued pursuant to Section 10 hereof shall be granted upon payment of the required fees and charges.



**ARTICLE IV
DIRECT TO HOME TV SERVICES**

- Sec. 11 Any entity organized under the laws of the Republic of the Philippines, wholly owned and managed by Filipino citizens and duly enfranchised by Congress of the Philippines may apply with the Commission for authority to install, operate Direct-to-Home (DTH) TV system for the purpose of offering a DTH service. Access by DTH TV to any satellite system shall be subject to Section 1 Article 1 of this Circular.
- Sec. 12 As used in this circular, direct-to-home satellite service refers to the distribution or broadcasting of television programs direct to subscribers premises; and or DTH subscriber refers to an individual or juridical person that receives a DTH service for either personal or commercial use.
- Sec. 13 The application shall undergo quasi-judicial process and shall include, among others, the following:
- a. Proof of applicant's legal, technical and financial capability:
 - b. Description of the type of service to be provided:
 - c. The technology to be employed;
 - d. Technical and financial feasibility studies; and
 - e. Proof of the availability of the satellite transponder(s) to be used subject to Section 1 Article 1 of this Circular
- Sec.14 DTH system shall be operated in accordance with the criteria and technical characteristics as recommended by the Final Acts of the WRC for the planning of broadcasting satellite service such as transponder, personnel, contents, etc.
- Sec.15 Duly enfranchised and authorized DTH operators encouraged to set up their up-link facilities within the country to include the utilization of existing available local resources such as personnel, transponders, etc. to promote the local industry.
- Sec. 16 Only duly enfranchised and authorized DTH operators or their authorized distributors shall engage in the supply and installation of satellite receivers/dishes and its peripherals to DTH subscribers.
- Sec. 17 Re-distribution of signals of the DTH service provider shall not be allowed without its express consent and shall at all times comply with applicable intellectual property rights (IPR) rules and regulations.



- Sec. 18 All DTH terminal equipment shall be duly licensed by the Commission for a maximum of three (3) years.
- Sec.19 Dealer suppliers, manufacturers, importer and distributors of DTH terminal equipment shall secure the required accreditation or permit from the Commission to engage in the selling/distributing of such equipment in accordance with the existing rules and regulations or such other rules and regulations that may hereafter be promulgated by Commission for such purpose.

ARTICLE V
EARTH STATION PERMITS AND LICENSES

- Sec. 20 Duly enfranchised and certificated international telecommunications entity opting to use satellite systems shall apply to the Commission for permit and/or license to install, operate and maintain earth station(s) for direct access to international fixed satellite systems.
- Sec. 21 All earth stations, fixed and mobile, shall conform with the technical and operating standards to which said stations have direct access in accordance with relevant ITU-T recommendations and resolutions.
- Sec. 22 All earth stations, fixed and mobile, of authorized telecommunications carriers shall be duly licensed by the Commission.
- Sec. 23 Duly authorized international satellite broadcast service providers shall apply for permits and/or licenses to install, operate and maintain satellite earth stations subject to the provisions of Article I, Section 2, and of Article V, Sections 21 and 22.
- Sec. 24 Government agencies, private individuals, companies or corporations allowed under Section 6 Article II may apply for permits and licenses to own, operate and maintain, mobile earth station(s) for direct access through duly enfranchised and certificated PTE to any international mobile satellite system subject to the provisions of Section 1 Article 1, and Article V, Section 21 and 22 Article V.
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- Sec. 25 International mobile satellite earth stations owned by foreign nationals and entities shall be allowed to operate in the Philippines subject to domestic laws, rules and regulations.
- Sec. 26 Only NTC type-approved/type accepted satellite earth stations terminals shall be allowed for use in the country.



**ARTICLE VI
FEES AND CHARGES**

Sec. 27 The following fees and charges shall be collected:

27.1	Filing Fee	PHP	150.00
27.2	Permit to Purchase		300.00/station
27.3	Permit to Possess		300.00
27.4	Construction Permit		1,000.00
27.5	Inspection Fee		1,000.00/year
27.6	Radio Station License (ML/P)		300.00/year
27.7	Radio Station License (fixed)		300.00/Mhz
27.8	Special Permit (SF) for SNG		200,000.00
27.9	Extension of SP for SNG		100,000.00

Sec. 28 The fixed satellite earth stations shall be subject to the payment of the annual spectrum user fees prescribed in NTC Memorandum Circular No. 10- 10-97. For subscriber/end-user mobile and/or fixed satellite earth stations where there are no systems gateways installed in the Philippines, the annual spectrum user fees per subscriber/end-user earth station shall be PhP 1.00 per kilohertz of the bandwidth required for the transmission of messages to the satellite systems.

**ARTICLE VII
FINAL PROVISIONS**

Sec. 29 All authorizations and approvals for access to international satellite systems shall be subject to existing laws, treaties, conventions, and operating agreements to which the Philippines now is, or may hereinafter be, a Party.

Sec. 30 All existing agreements for the use of satellite system owned and operated under authority of a country that does not allow its citizens or subjects to access Philippine satellite systems shall be allowed to operate under the said agreement only until the expiration thereof. Upon such expiration, the access to satellite systems shall be governed by this circular.

Sec. 31 The Commission may amend, revise or modify the terms and conditions of the permit and/or license as the Commission deems fit in the interest of the public in accordance with law.

Sec. 32 Violations of any of the provisions of this memorandum circular shall be dealt with in accordance with existing law.



Sec. 33 Any existing orders, circulars, memoranda, issuances and/or rules and regulations inconsistent with this circular hereby repealed or modified accordingly.

Sec. 34 This circular shall take effect fifteen (15) days after its publication in the Official Gazette or any newspaper of general circulation, provided that at least three (3) certified copies thereof shall be filed with the University of the Philippines Law Center.

Quezon City, Philippines, 29 March 1999.

(SGD.) JOSEPH A. SANTIAGO
Commissioner

(SGD.) NESTOR C. DACANAY
Deputy Commissioner

(SGD.) AURELIO M. UMALI
Deputy Commissioner

