MEMORANDUM CIRCULAR NO. 09-03-2000

SUBJECT: RADIO FREQUENCY ALLOCATION FOR CELLULAR MOBILE TELEPHONE SERVICE

Pursuant to RA7925, EO109 series of 1993 and EO546 series of 1979 and considering that:

- the international accounting rates are rapidly declining threatening the subsidy to the local exchange service as mandated in EO109 and RA7925;
- the public telecommunications entities which were obligated to install, operate and maintain local exchange network have performed their obligations in varying degrees;
- after more than three (3) years from the performance of the obligations only 52% of the total number of cities and municipalities are provided with local telephone service;
- there are mergers and consolidations among the existing cellular mobile telephone service (CMTS) providers threatening the efficacy of competition;
- there is a need to hasten the installation of local exchange lines in unserved areas;
- there are existing CMTS operators which are experiencing congestion in the network resulting to low grade of service;
- the consumers/customers shall be given the freedom to choose the CMTS operators from which they could get the service;

the Commission hereby reallocates the following radio frequency bands, namely;

1745 - 1750MHz/1840 - 1845MHz 1750 - 1755MHz/1845 - 1850MHz 1765 - 1770MHz/1860 - 1865MHz 1770 - 1775MHz/1865 - 1870MHz

for assignment to existing CMTS operators and to PTEs which shall be authorized to install, operate and maintain CMTS networks. Only PTEs that have satisfactorily complied with their obligation to install local exchange lines pursuant to EO109 and RA7925 and with no existing valid authorizations for CMTS, to ensure the delivery of the needed local exchange lines in the unserved areas, shall be considered in the grant of

the authorization to install, operate and maintain CMTS networks. Existing CMTS operators which could show sufficient proof that they are experiencing congestion in their networks, provided that such congestion is solely attributable to insufficient frequencies shall be eligible for the assignment of additional frequencies.

The transfer of previously authorized persons or entities operating radio stations within the above listed radio frequency bands shall be governed by Rule 603 of MC 3-3-96.

This rew allocation shall take effect fifteen (15) days after publication in a newspaper of general circulation and three (3) certified true copies furnished the UP Law Center.

Quezon City, Philippines, <u>09 March 2000</u>.

(SGD.) JOSEPH A. SANTIAGO

Commissioner

(SGD.) NESTOR C. DACANAY

Deputy Commissioner

(SGD.) AURELIO M. UMALI

Deputy Commissioner