

**MEMORANDUM CIRCULAR**  
**NO. 5-10-88**

**SUBJECT: GOVERNMENT TRANSMISSION NETWORKS AND  
TELECOMMUNICATION SERVICES**

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Pursuant to the authority vested upon the National Telecommunication Commission by Section 159 of Executive Order No. 546 and Section II of Commonwealth Act. No. 146 as amended, otherwise known as the Public Service Act, this Commission hereby promulgates the following implementing guidelines on government transmission networks and telecommunication services:

1. PURPOSE

- 1.1 To define government transmission networks and Department Telecommunication Service.
- 1.2 To provide implementing rules and regulations in the provision of communication facilities and service for use of government agencies and entities.
- 1.3 To establish rules and procedures in providing facilities to unserved and inadequately served areas by the government.
- 1.4 To provide rules in privatization of the government transmission and local service facilities.
- 1.5 To encourage the entry and participation of private enfranchised operators in the development of telecommunications.
- 1.6 To rationalize the existing government networks.
- 1.7 To define the role of the government in telecommunication development.

2. SCOPE

- 2.1 As provided herein, government telecommunications networks refer to the following:
  - 2.1.1 Military Network
  - 2.1.2 Police Network
  - 2.1.3 Private Network of government agencies/entities which include government-owned and government controlled corporations.
  - 2.1.4 Department telecommunications Network



- 2.2 Department telecommunications services refer to voice, record and data telecommunication services.
- 2.3 For the purpose of these rules, approved national standards for transmission facilities, telecommunication services and network interconnection shall apply to the portion making-up the nationwide public network.
- 2.4 Priority areas to be served by the Department shall be the areas where private operation is deemed not financially viable but where social returns are considerable and/or where there are existing demands from the community but where the private sector is not in a position to meet such demands within a reasonable period of time.

### 3. TRANSMISSION NETWORK

#### 3.1 Military Network/Police Network

- 3.1.1 For security reasons, the military and police networks shall operate as a private network.
- 3.1.2 The military and police networks may interconnect with any network for emergency service restoration.

#### 3.2 Private network of Government Agencies/Entities

- 3.2.1 The telecommunication requirements of all government agencies and entities shall be provided from the public networks.
- 3.2.2 In the event the public networks cannot provide such requirements by the government, then the government agency/entity concerned may finance the establishment of the required facilities under terms and condition acceptable to both the government agencies/entity and the public network operator. If such arrangement is not feasible then the government agency/entity concerned may be authorize by the Commission to establish its complementary private network, in accordance with its standards and guidelines.
- 3.2.3 The public network operator(s) shall have the option to operate and/or acquire a government owned private network.
- 3.2.4 Should the public network operator not exercise this option, then the government agency/entity concerned shall continue the operation of its facilities.
- 3.2.5 Should the public network operator(s), developed the capability to provide the required facilities, then the government agency/entity concerned shall



not be allowed to expand its network and additional requirements shall be provided from the public networks provided that such requirements can be fully met within the required ready for service (RFS) date. For this purpose, the government agencies/entities may coordinate their telecommunication requirement with the public network operators within a reasonable period of time less than one (1) year to allow the public network operators to include such requirements into their respective development plans.

### 3.3 Department Transmission Network

#### 3.3.1 Expansion and Development

3.3.1.1 The Development of the Department transmission network shall complement and no duplicate the public transmission network except when national interest so requires.

3.3.1.2 In line with the government's privatization policy, the private enfranchised operator(s) shall have the option to operate and/or acquire such transmission facilities.

3.3.1.3 The transmission facilities shall be designed to conform with the approved standards for transmission facilities, network interconnection and radio frequency allocation.

#### 3.3.2 Operations

3.3.2.1 Operating standards and practices applicable to the department transmission facilities, which form part of the nationwide transmission network shall conform with the approved standards of said network.

## 4. SERVICE DEVELOPMENT

### 4.1 Service Area Coverage

4.1.1 The Department shall continue to operate and maintain existing telecommunications services in areas presently served. Provided however that enfranchised operator(s) shall have the option to operate and / or acquire the facilities providing such services.

4.1.2 The Department shall provide at least basic telegraph services in municipalities not served by enfranchised operator(s).

### 4.2 Telephone Service Duplication



- 4.2.1 Duplication of services and/or facilities in the same area shall in no case be allowed to avoid waste of limited resources.
- 4.2.2 In areas where the department has duplicated the facilities of an enfranchised operator under terms and condition acceptable to both parties.
- 4.3 Unserved Area Coverage
  - 4.3.1 Consistent with the NEDA's National Development Plan, Department shall develop a list of unserved priority areas in consultation with the private sector including the type of service required.
  - 4.3.2 The list of unserved priority areas with corresponding schedules of development as to when service should be available shall be furnished to enfranchised operator(s) for consideration in their expansion program.
  - 4.3.3 Priority areas that cannot be served by the private sector shall be included by the government in their development plans.

## 5. INSTITUTIONAL DEVELOPMENT FOR PRIVATIZATION

- 5.1 The Department shall take steps to encourage the entry of private enterprise in telecommunications Development and provide the necessary assistance to enfranchised operator(s) in securing soft loans from Foreign Government for expansion of public network(s) or privatization of government facilities.

Any circulars, memorandum, rules and regulations, which are in conflict with this Circular, is hereby deemed superseded, amended or repealed.

These guidelines shall take effect after fifteen (15) days following its publication in the Official Gazette or any newspaper of general circulation.

Quezon City, Philippines

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COMMISSIONER

Approved :

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