

PRESIDENTIAL COMMUNICATIONS OPERATIONS OFFICE
News and Information Bureau

PRESS BRIEFING OF PRESIDENTIAL SPOKESPERSON HARRY ROQUE
December 8, 2020 (12:06 P.M. – 1:34 P.M.)

USEC. IGNACIO: Ito po ang presidential press briefing. Kasama na po natin si Presidential Spokesperson Harry Roque. Magandang tanghali, Secretary.

SEC. ROQUE: Magandang tanghali at maraming salamat, Usec. Rocky. Magandang tanghali, Pilipinas. Narito po tayo ngayon sa studio ng People’s Television kahit na special non-working day ‘no ngayong araw.

Ngayon po ay Araw ng Immaculate Conception na ginawa pong non-working public holiday sa bisa po ng Republic Act #10966 na nagdideklara sa December 8 ng bawat taon bilang special non-working holiday bilang pagkilala sa Simbahang Katolika.

Mayroon po tayong isang espesyal na presidential press briefing ukol po sa estado ng telecommunication industry sa ating bansa. Kung inyong matatandaan, noong ikalimang State of the Nation Address ni Presidente Rodrigo Roa Duterte, kaniyang sinabi and I quote, “Kindly improve your services before December. Tell us now if you cannot really improve on it because I will work, work, the next two years will be spent improving the telecommunications of this country without you.”

Alam ng Pangulo ang sentimiyento at reklamo ng ordinaryong mamamayan tungkol sa ating mga telecoms company na Smart at Globe, at ngayon, mayroon ngang pangatlo pa.

Sabi nga ng Pangulo, “The patience of the Filipinos is reaching its limit. I will be the one to articulate the anger of the Filipino people.” Napapanahon na ito lalo na nasa gitna tayo ng isang pandemya kung saan ang ating mga kababayan ay umaasa sa digital technologies habang marami ang nasa work from home at mga transaksyon tulad ng shopping ay ginagawa na online. Sa madaling salita, shape up or ship out!

At ngayong Disyembre, tulad ng sinabi ni Presidente, kumustahin natin ang progress ng ating telcos. Makakasama natin via remote ang mga representatives ng iba’t ibang telcos sa bansa, kasama na po ang Smart, Globe pati po ang DITO at Converge at siyempre po kasama rin natin ang regulator, kasama po natin si NTC Commissioner Liel Cordoba, at kasama rin po natin si NTC Deputy Commissioner Edgardo Cabarios.

Simulan na po natin ang ating talakayan. Unahin po natin ang siyempre ang pinakamalaki po yata ngayon ‘no—well, hindi ko alam kung sino sa kanila ang pinakamalaki. Pero iyong sa dalawang telecoms company, gawin na lang nating alphabetical ‘no. Dahil Al Panlilio starts with an A, unahin po natin ng Smart.

Mr. Al Panlilio, thank you for joining us. Nagkaroon po ng deadline ang Presidente, kinakailangan po ma-improve ang ating telecoms industry. Humingi po ang mga telecoms

company ng tulong para mapabilis ang pagtatayo ng mga towers ng sa ganoon ay mapabuti ang serbisyo. Ginawa naman po ito ng gobyerno, inatasan ang lahat ng lokal na mga pamahalaan, kasama ng mga konseho, na huwag maging hadlang sa mga application ng pagtatayo ng telecoms tower. So ngayong mayroong pong mga telecoms tower, ano na po ang estado ng serbisyo ng Smart? Mr. Panlilio, the floor is yours.

PRES/CEO SMART COMMUNICATIONS ALFREDO PANLILIO: Hi, Secretary Harry Roque! Good afternoon po and maraming salamat po for inviting us over. I have a very short deck to share with you, Secretary – five pages long lang. I just wanted to really brief you on what we have done. Julie, do we have the slides please?

I guess to start with – next page – alam po natin during the pandemic, ang trabaho po namin talaga is to keep every Filipino connected. So we worked very hard to really do that despite the lockdown. Marami pong naging isyu noong una sa lockdown kasi hindi po makaikot ang mga tao namin, but we were able to find a way. When we were able to also get our IATF IDs and we were able to do work and be safe with our costumers kasi naglagay din kami ng mga PPEs para po siguradong hindi mahawa ang aming mga costumers.

So what we did was, we actually gave about 800,000 costumers free upgrades, a free speed boosts, and also internet services; and for postpaid po ng Smart, nagbigay din po kami ng free data allocation. Of course, to help support the economic recovery, we had packages of work at home and study at home kasi alam po natin na everybody was already at home, working and studying. And also e-commerce kasi nagbibenta rin po sila ng—naging livelihood na rin po nila ang online ‘no.

And of course, we were supporting government in a lot of the initiatives like the 911, and I think mag-a-announce naman po tayo ng 8888; so any messages that hotline to the President, tinutulungan po namin ang gobyerno. And nagbigay rin po kami ng mga libreng access po sa mga certain websites like sa DepEd at saka sa CHed and Red Cross to make sure that we have access ‘no. Next page.

We continue to invest po. Talagang kasi po ang aming priority is really to have a good customer experience so we have been investing. The past five years, we have invested 260 billion pesos; and then last year alone, 73 billion po iyong ginastos namin which is 45% of our total revenues. This year po, I think po, despite the fact that we had about two, three months na hindi kami makaikot because of the lockdown, I think we will be spending still the same amount, almost the same amount as 2019. So we ramped up after the lockdown, and with the help of government, and nagpapasalamat po kami sa mga tulong na ginawa ng gobyerno to make it easy for us to really build our towers. Next page po.

And really—this chart is very important for us because ang telecommunications po is napaka-complex na network po. But our current coverage, wireless population is 96% of the Philippines with an average download speed of 23 Mbps as of November 2020 and according to Ookla, which is a third-party agency that measures us.

But what I want to highlight here is really our number of cell sites that we have put on service, we have about 10,069 sites, 58,538 base stations, 29,526 4G base stations. So marami po talagang trabaho ang kailangang gawin to really make sure that we continue to improve our coverage.

I also want to highlight that we have the biggest fiber optic network po sa bansa, kasi importante pong ma-link ang mga base stations with fiber optic and iyon pong aming fiber offerings sa mga consumers namin. So we have over 422,000 kilometers of fiber nationwide. And we have close to 4 million fiber ports that are available today. Ang importante po rin sa amin are mga data centers po 'no kasi as you know po, ito pong isa, iyong gateway po, a lot of our traffic come from abroad and that is expensive. And so what we are trying to do is to convince people like Amazon, Alibaba or Google to actually host locally so that hindi na po masyadong ganoong kamahal, so they can host in our data center so that we can bring down the cost.

So at present, we have 95% of cities and municipalities covered, and our average speed in Metro Manila now is 32.8 Mbps download speed. Next page.

And ano po, ang gusto po namin is to really elevate the Philippines to global standard. So sa mobile po, ang aming target po by next year is really Metro Manila and key cities at least 30 Mbps po siya consistently; and as we move forward in 2022, with 51% population coverage of 60 Mbps; in 2023, 70% population coverage at 60 Mbps; 2024 at 80% population at 60 Mbps; and in 2025, 84% also at 60 Mbps.

And then for fixed, may mga plans pa po kami na 10 Mbps. Gusto po naming gawin a minimum average broadband speed is maging 20 Mbps po. And we have a major effort now that we started in August to migrate all our copper subscribers, which is really problematic really, to fiber services. So ang gagawin po namin, by almost end of next year, 85% of our copper would have been migrated to fiber.

And again, kailangan po natin para ma-achieve din po natin itong mga space na ito is tama rin iyong devices. Kasi kung mali po iyong devices ninyo or you are not in the right coverage or right devices, hindi rin po natin maa-achieve iyong tamang speed. Next page.

And ito po, I just wanted to share with you and we are very proud of this but, again, we want to elevate our benchmarking. We're comparing ourselves also to other countries in our region. Based on independent studies po, ang PLDT po ay sa lahat po ng hirap na ginagawa namin ay happy to report po na ang PLDT average speed po is 30.68 Mbps, which is higher than the Philippine average of 26 Mbps. And for a speed test, ang PLDT Smart is classified as fastest fixed and mobile network for six months of 2020 according to Ookla, again a third-party agency; and for wireless, Smart's average speed is 19.45 Mbps higher than Philippine average of 16.89.

And again po, as I said, we are trying to benchmark ourselves globally, sa umlaut versus... you know, which is really a global standard. We just recently won the best in test award, best rated broadband coverage download and latency experience. And we also garnered through open signal, the best video experience score of 42.2, again better than national average.

Maski po nakuha po namin itong mga number na ito at itong mga recognition na ito, Secretary, hindi kami titigil po to continue to improve. So, we had actually just finished our budget session for next year and we will continue to invest for sure in fiber and also in our wireless coverage.

That's it po, Secretary. Maraming salamat po!

SEC. ROQUE: Thank you very much, Mr. Al Panlilio.

Joining us next is Globe President Ernest Cu. Ikukuwento ko lang po sa inyo na magkakilala po si Mr. Ernest Cu at saka ang ating Presidente dahil noong mayor pa po ang ating Presidente eh nagpunta po si Mr. Cu para magtayo ng telecoms tower at noong kailan lang po ay sumapi po sa aming talakayan sa Malago si Mr. Cu para nga mag-request na mapabilis iyong proseso ng pagtatayo ng mga telecoms tower na pinagbigyan naman po ng ating Presidente.

So, Mr. Cu, matapos pong mapagbigyan ni Presidente ang hiniling ninyo sa Palasyo, ano na po ang improvement sa service po ng Globe. The floor is yours, Mr. Cu.

PRES/CEO GLOBE TELECOM ERNEST CU: Secretary Harry, maraming salamat ho sa opportunity na ibinigay ninyo sa amin na makapag-report. Iyong sa una mong tanong, malaki ho ang naitulong, and I will show you, in my [unclear], on how you guys have actually assisted us in building this particular network of ours. Let me share my screen lang ho. Ah... let me see... I hope you can all see my screen?

SEC. ROQUE: Kita po namin.

PRES/CEO GLOBE TELECOM ERNEST CU: Okay. So, kagaya ho ng tinanong ninyo, ng aming competitor na PLDT ho, ang amin hong ambition is to continually upgrade the network experience for all technologies na mayroon kami and we participate in. This means accelerating cell site builds, bringing 4G everywhere, and 5G where it matters. Sinasabi ho namin when it matters kasi ho hindi pa ho prevalent ang 5G handsets, ngayon pa lang ho dumarating ang mga murang handset at kami rin ho ay tutulong magdala ng mas mura pang handset na 5G para ho maging affordable ho iyan sa ating mga kababayan.

Isa pa ho eh iyong fast tracking the build of fiber to the home. Alam naman ho natin na nagbago na ang gamit sa bahay. Ang bahay ho ngayon ay hindi lang ho pamamahay ang nangyayari sa bahay kung hindi pati ang pag-aaral at pagtatrabaho. So, napaka-importante at nalaman din ho natin na kagaya na rin ng competitors namin na fiber is the most important thing kaya ho tuloy-tuloy ho ang build namin ng fiber.

So, CapEx ho namin for 2020 has reached about 50-billion. Ito nga ho ay hindi maaabot kung hindi natin nai-improve ang ating mga permitting situation. So, napakaganda ho na nagkaroon ho ng tulong to be able to spend this kind of CapEx. So, this is just a component of about 256-billion that we've spent on our network over the past last six years. So, napakarami na ho ang nagawa natin.

So, sa permits ho, 1,857 permits from July to November lang ho, this is a record for us. Karamihan ho ng LGU ho ay tumutulong na rin. Marami ho, talagang ilang araw lang niri-release na iyong permit, iyong iba naman nasa linggo pa rin pero ngayon pababa nang pababa ang turnaround time ng mga permits. So, this has allowed us to actually exceed our rollout targets for the year. Noong umpisa rin ho, noong lockdown, napakahirap – takot ang tao lumabas ang mga tao namin; mahigpit ang mga checkpoint; hindi kami makapagtrabaho. Pero noong huli, coupled with ito hong permit issuance, nakahabol ho kami and I think we will be able to make itong target na 1,300 additional sites for the year.

Kahit ho iyong aming upgrade ng 4G LTE, to make 4G LTE available everywhere, we're close to 11,000 sites have been upgraded to higher capacity 4G LTE, nagkaroon ho muna kami ng programa to help individuals change their sense in their handsets at least to 4G LTE, that way iyong kanilang experience with video and social media will also be significantly better.

And of course, the fiberization upgrade, inaamin ho namin na nai-focus ho namin ang aming resources noong una sa wireless kasi ho mabilis makarating ang wireless sa ating mga kababayan pero nagbago nga ho ang gamit ng tao kaya ho naging mas aggressive kami sa fiberization, so we should be hitting 600,000 lines additional in 2020. And of course, in Metro Manila our goal is to have 80% of the NCR covered in 5G including 17 cities in Metro Manila, Visayas and Mindanao.

So, this has all brought to about 1,100 cities and municipalities experiencing significant service improvements in call, text, and data services or in about 80 provinces ho. So, this has all led to a continuous increase ho in downloads speed for all of the Philippines. Ito ho ang [unclear] na minention ni Al. We have all contributed to bring the speed on the country up significantly to 28 Mbps for fixed broadband now and about 19 Mbps for mobile.

So, talagang malaki ho ang improvement in video experience as well as average download speed improvement even on a quarter-on-quarter basis, from quarter four of 2017 all the way to the first quarter of 2020. That's a very big and significant increase ho.

Another important metric ho is the availability of 4G in the country. This was only sitting at 64% at the end of 2017 and is now approximating about 85% of the cities in availability of 4G.

May isa pang factor na importante, iyong affordability. Because of competition and because of the scale that we are achieving now, Globe prepaid broadband internet can now be had for at least at the very low price now of about 11.25 or somewhere even averaging sa fixed ho na nine pesos per gigabyte. So, talagang bababa na ho ang presyo, and in comparison, to the ASEAN countries, we are one of the lowest at this stage of the game, so that's really another important thing.

And much like our competitor, we have also been awarded several awards by international groups like Open Signal; in one, Globe was named the Global Rising Star because we have the most improved video experience among thirty top telcos in the world. Open Signal and also in the same report awarded as the Best in Voice App Experience and joint winner ho in games experience.

So, tama ho sinabi ni Al na we are not just hoping to bring ourselves up against each other in the Philippines but also benchmarking us against the global best. Ang hope po namin talaga at Globe is best or first world internet for the Filipino. And the International Institute of Management Development has also ranked the Philippines top ten globally in terms of telco investments.

Hindi ho ipinagkakaila na ang laki ho ng porsiyento ng aming revenue ay napupunta dito sa investments in network. We are closing in on close to 50% of our revenues, are plowed back into network investments. There are very few, if any, industries in this country that plowback as much money into network investments as the telcos.

Pero nangangailangan ho iyan kasi nga ho napakalaki ang pangangailangan ng ating bansa in terms of the network and of course the Filipino people have become a lot more digital, coming from even on banking and payments kasama na rin ho iyong aming G-cash dito.

So, for 2021 malaki rin ho ang ambisyon namin. We are hoping to spend over what we did here in 2020. With the improved permitting ho, we hope to spend about 70-billion which will be comprised of about one million fiber lines which is two and a half times the target of 2020.

We want to aggressively rollout 5G in more municipalities. Hindi rin namin kinalimutan ang mobile, alam ko importante na ma-fix sa tao pero importante rin ang mobile because as they go out and resume their daily lives, babalik na naman ho ang kanilang increase usage in the mobile network instead of the home.

So, we are building 2,000 cell sites ho including IBS, that means indoor base stations kasama ang buildings, kasama na rin ho ang mga towers na itatayo ng aming mga tower company partners.

Isa pa hong ibinigay namin sa publiko with the advent of 4G LTE is the availability ho of VoLTE of voice over LTE or voice over Wi-Fi. Hindi naman ho natin magagawang 100% lahat ng homes, lahat ng building, malagyan ng indoor coverage. Wala hong ganiyan kahit saan man sa mundo, so we will use Wi-Fi as a substitute so that we can make calls on the cellular network using Wi-Fi. This will give you clearer calls, faster call set-up and hopefully near zero drop calls.

So, malaki na rin ho ang ambisyon kaya napakalaking bagay ho, once again, sinasabi ko, iyong napagbigyan ho tayo ng gobyerno, tinutulungan tayo ng ARTA, tinutulungan ho tayo ng DILG. Alam ninyo ho, si Secretary Año, siya ho ay talagang nagmo-monitor ng mga permits na talagang tumutulong to remove a lot of obstacles na nasa harap namin in obtaining these permits.

Ngayon, alam ho natin na—

SEC. ROQUE: Mr. Cu, I need to cut you now po ‘no kasi maraming tanong po ang ating kasama sa media ‘no. So siguro po later on we can share iyong additional information ninyo sa open forum natin ‘no.

Kung maaalala ninyo po, ang Presidente naman, hindi lang po siya sa SONA na nagsalita na hindi po siya masaya doon sa telecoms ‘no. Noong bumisita po iyong Chinese Premier,

natatandaan ko po iyon, doon po nagdesisyon si Presidente na ibigay ang third telco sa kumpanya na ngayon po ay ang tawag ay DITO at ang intensiyon nga po ni Presidente noong binigay niya iyong third telco sa DITO eh para magkaroon nang mas malaking kompetisyon pa sa panig ng dalawang telecoms company na Globe at Smart.

At tanungin naman po natin, kumustahin natin, ano na ba ang nangyari sa DITO na nais ng Presidente na maging additional competitor nang magkaroon tayo nang mas mabuting serbisyo galing po sa mga telcos.

Sir with the limited time, Mr. Adel Tamano, are you in the house? Ano na ba ho ang status ng rollout ng serbisyo ng DITO and when can we expect a third competitor to Smart and Globe?

DITO TELECOM CHIEF ADMINISTRATIVE OFFICER ADEL TAMANO: Thank you, Secretary Roque. I'll make a very quick rundown of some key milestones that we've done and we have provided your staff, your honor, with a 3-minute video. So with your permission sir, may I begin?

SEC. ROQUE: Go, please.

[VTR]

DITO TELECOM CHIEF ADMINISTRATIVE OFFICER ADEL TAMANO: Thank you, Mr. Secretary. I won't add much to that. Please just allow me to say that our government—our ambitions are actually—our aims are actually quite ambitious, we want to double download speeds by year 1 of operations, quadruple it by year 2 and achieve 87% population coverage by 2025. We are very hopeful your honor that come January 7, 2021 we will pass our first audit and we will have our commercial launch in March of 2021. So that's it your honor and thank you for this opportunity to present on behalf of DITO Telecommunications.

SEC. ROQUE: Maraming salamat, Atty. Adel Tamano from DITO. And finally, mayroon pong isang bagong korporasyon na nagbibigay ng internet 'no – ito po iyong Converge. So we have Jesus Romero of Converge. Sir, ano na po ang status ng inyong pagbibigay-serbisyo sa publiko?

CONVERGE CHIEF OPERATING OFFICER JESUS ROMERO: Good morning po, Secretary. If I may, I just have three short slides. I will share it now.

Ang Converge ho, simple lang ang objective, is to deliver as many high-speed broadband lines to Philippine households and businesses nationwide. Unang update ho sa ating network in terms of high speed fiber ports that are available, we are already at about 3 and a half million ports, that's the target for the end of the year and we plan to add more for 2021 – that's an additional 1.8 bringing us to 5.3 million ports nationwide.

For 2021 about 7% will be in Vis-Min, that's because we're still building our backbone. Objective is to, makarating ho tayo sa 55% household coverage for high-speed broadband nationwide. Para mangyari ho ito, nagtatayo si Converge nang sarili niyang domestic backbone magmula sa Aparri hanggang sa General Santos at halos tapos na ho ang backbone sa Luzon.

Nag-o-operate na ang Converge from La Union hanggang Sorsogon and we are building a domestic submarine backbone, ito iyong magiging pinakabago sa Pilipinas, malaki ho ang capacity, 24 fiber pairs. Kung mayroon hong gustong makipag-cooperate or makigamit, marami po tayong capacity.

Sa international, pinalaki ho rin natin sa ngayon ang capacity ng Converge – 1.4 terabits – and gumagamit po kami nang walong cable systems at pitong cable landing station. Siguro sabihin na natin iyan ang advantage noong wala kang sariling cable station, puwede mong gamitin iyong cable ng lahat. So bumibili po tayo sa iba-ibang providers including ang dati kong boss, si Mr. Ernest Cu and kaibigan natin si Al Panlilio.

Ito hong dalawang initiative na ‘to – ang domestic fiber rollout, domestic backbone, international submarine cable, ang capex [capital expenditure] program po ng Converge 2020-21 ay aabot nang 35 billion pesos. Mas maliit po siya kasi iisa lang ho ang negosyo natin, fiber broadband lang po.

Ang pangalawang pinakaimportante sa amin bukod sa pagdadala nang mabilis na internet sa mga customer using fiber ay ma-serve ho iyong mga customer natin nang mas maayos. Nabanggit na ho ni Al at ni Ernest lahat ng mga challenges during the pandemic pero noong ni-lift ho iyon, gumalaw ho tayo nang mabilis, nagdadagdag po kami ng in-house team.

Actually, ang CEO ho, nasa picture, so far we have ordered 400 additional bonds, mga kalahati ho nadi-deliver. Installation capacity ho natin, marami tayong nakuhang reklamo noon kasi kinulang tayo, dumoble na po magmula noong ni-lift iyong ECQ, outsourced po ito. Siguro mga tatlong libong trabaho na ho ang na-create natin dahil nag-i-expand tayo diyan.

Call center capacity, more than double na po. Nag-outsource na kami, apat na outsource call center and siyempre automation, maraming self-service platforms – may mobile app para iyong mga customer hindi na ho kailangan tumawag palagi ng call center.

Nabanggit ko iyong expansion ng domestic and international backbone and finally nagkaroon tayo ng mga problema pero malaking trabaho po iyong hardening ng network. Lahat ng nodes nilalagyan ho namin ng fiber redundancy, iyong ating mechanical and electrical or sabihin nating power, air-conditioning minu-modernize po. And ang aming third core backbone will be up by end of December although we have an internal target of December 15.

Iyon lang po ang update from Converge, Secretary.

SEC. ROQUE: Maraming salamat, Mr. Jesus Romero ‘no. Kasama na po natin ngayon si NTC Commissioner Liel Cordoba, ang matalik nating kaibigan; at kasama rin natin si NTC Deputy Commissioner Edgardo Cabarios ‘no.

Alam ko po mayroong prepared presentation si Commissioner Cordoba pero magtatanong po muna ako ‘no. Bago po maghimutok ang Presidente na shape out or ship out, ang trabaho po talaga ng NTC ay bilang regulator ‘no. Ang NTC po ang legally tasked na siguraduhin na

nagbibigay nang tamang serbisyo iyong mga binigyan ng prangkisa ng gobyerno na isang pribilehiyo at hindi karapatan 'no.

So, ang unang tanong ko muna Commissioner, Bakit kinailangan pong maghimutok muna ang Presidente para gumalaw ang mga telcos na pagbutihin ang serbisyo. Hindi ba ho nakita na ng NTC noong mga panahon na iyon, na marami talagang pagkukulang ang mga telcos at matapos po iyan, then you can tell us kung ano na po iyong improvement na nagawa ng mga telcos pursuant to your observations? Commissioner Cordoba, the floor is yours.

NTC COMMISSIONER CORDOBA: Magandang umaga po sa lahat at bago po ako sumagot ay magpapasalamat ako kay Secretary Harry Roque sa pag-invite po sa amin dito sa press briefing na ito. At happy Feast Day po of the Immaculate Concepcion sa inyong lahat. Your honor ang nangyari po kasi ay during that time po simula po noong March ay talaga pong nagkaroon kami ng problema doon po sa surge po ng increase in demand ng mga 500% po ang aming estimate at ang naging problema po ay nahirapan ang ating mga telcos na magpalabas ng tao, dahil po roon sa mga lockdowns. So, doon po siguro naramdaman ng ating Pangulo na medyo sumama ang service po ng telecommunications, because of the surge in demand at saka din po naman iyon pong nahirapan na mag-maintain at mag-rollout because of the several months po ng lockdowns.

Kaya nga po ang ginawa po namin, talagang nakipagtulungan po kami sa IATF para makakuha po ng exemption para sa ating mga personnel ng mga telcos. Kaya po nakahabol naman po at gumanda po ito starting po May onwards. But, marami pa pong kailangang gawin, your honors and ang sabi nga po namin, din sa senate at sa congress, ang problema rin po kasi namin ay napakababa po ng penalty na amin pong puwedeng i-impose sa ating mga telecommunications companies. Ang ginagamit po kasi na batas as of now, is the 1936 Public Service Act. Based on that po ay 200 pesos per violation per day lang po ang aming puwedeng ipataw. Kaya po kami ay humihingi sa Kongreso na puwedeng pataasin po ito ng P2 million per violation per day. Dahil base po sa pag-aaral iyong P200 noong 1936 ay nasa P1.5 to 2 million na po. So iyon po ang hinihingi namin, since sa penal laws kailangan pong amyendahan ang 1936 Public Service Act.

At saka po napakalaking bagay po na tulong ng Presidente na hindi po namin naman kayang abutin ay iyon pong kaniyang sinabi sa mga LGUs na bilisan ang permits. Matagal na po namin itong nagiging problema sa rollout, pero dahil po nga sa political will ng ating Presidente, siya lang po naman ang nakapagpaandar nito ng maayos. So, malaking bagay po ito and I will show you later because of his speeches at ang kaniyang warning sa mga LGUs.

Umakyat po ang release po ng issuance of permits, constructions permits by 600% ang inakyat po, because of the President's political will. Iyan po ang naging story ngayong 2020, kaya po medyo gumaganda po ang takbo ng ating rollout ng telecommunications companies at maintenance po.

SEC. ROQUE: Okay, maraming salamat po. Pero Commissioner, ang tanong po: The President gave the telecoms company until December to shape up or ship out. Ano po ang rekomendasyon ninyo kay Presidente? Did they shape up or should they ship out?

NTC COMMISSIONER CORDOBA: So far po, based on third party audit at saka iyon pong pag-test sa kanila, gumanda naman po ang kanilang serbisyo, nagkaroon po ng improvement tayo as I will show you.

SEC. ROQUE: You have the floor po, paki-share na po kung ano iyong observations ninyo?

NTC COMMISSIONER CORDOBA: Just very briefly, Secretary. First slide please.

Simula po noong umupo ang ating mahal na Pangulo, President Duterte noong July 2016 ay tumaas na po by 262.70% ang speed ng ating fixed broadband. Nagsimula po iyan noong July 2016 ng 7.91, now it's at 28.69MBPS end of November 2020. This is based on 100 million tests conducted by UCLA, third party, siya po ang ginagamit ng ibang bansa din at ito po ay very reliable naman pong itong kanilang mga figures.

Sa mobile naman po ay ganoon din, umakyat po simula July 2016 from 7.44 Mbps; ngayon po nasa 18.49 Mbps na or 148.52% increase in speed.

In-isolate po namin ang resulta ng January to November of 2020, dahil dito po nangyari ang SONA pronouncement of the President. Kung mapapansin po ninyo, simula po noong mataas noong February 2020 ay noon pong March ay bumaba siya, dahil diyan po nagsimula ang pandemic. Lockdown at work from home and study from home, kaya po nag-surge po ng 500% ang demand ng gamit, so bumaba po siya, pero nagsimula naman po siyang tumaas noong Mayo, noong medyo nakabawi na po tayo sa rollout at saka po sa maintenance noong nakakalabas na po ang ating mga na-lockdown na mga telco personnel.

Aside from the 500% increase in demand, nagkaroon po ng several typhoons, ang Ambo, ang Quinta, Rolly at Ulysses. At the same time po, from March up to November ay several lockdowns po ang nangyari. Actually, in March up to end of April ay whole Luzon was on lockdown, but despite po that ay nagkaroon po ng trajectory po na papataas. So, nasa 28.69 po tayo ngayon sa fixed. Sa mobile naman po, ganoon din po naman ang situation pataas din naman po siya, as of November it's 18.49 Mbps.

Actually, ano po ang naging dahilan bakit po nagkaganyan, dahil po sa political will ng ating Pangulo at sa kaniyang SONA pronouncement at tulungan po ng iba't ibang ahensiya ng gobyerno. Nagkaroon po ng joint memorandum circular number 1 ang ARTA, DILG, DICT, Department of Housing at nagtulung-tulong po. Just to give you an example, ito pong mga permits na lumabas: In 2019 ang average per month, ang permit po na lumalabas sa construction is 63, for Globe at for Smart naman po 50 permits; Ngayon po from July to November 2020, si Globe po ang nag-average ng 371 permits, si Smart ay 95 permits. Dahil po iyan sa pagbaston po ng ating Pangulo at ng DILG at iba't ibang ahensiya, nagkaroon po ng 590% or almost 600% increase doon po sa bilang ng permits na lumabas on an average monthly basis. Sa Smart naman po, almost 200%.

Dahil po diyan ay nagkaroon naman po ng magandang tower build, iyon pong average ng Globe ay noon pong 2019 nasa 92 towers per month, pero ngayon pong 2020 dahil po diyan naging 132 towers per month ang nabuo nila or around 45%. Si Smart po ang mas mataas po noong 2019,

237 per month, ang average naman po ngayon is 63. But I will show you later kung saan po nag-concentrate ang Smart, because Smart concentrated not on towers but on fiber optic network.

Dahil po dito sa fast tracking ng towers ay as of now ay nakapagdagdag po ng towers ang ating mga telecommunications companies ng marami. So, we are at 22,400 towers as of November 2020.

Ito po iyong binanggit ko kanina, Secretary at sa ating mga manunood. Si PLDT po ay nag-concentrate on fiber optic, nagdagdag po siya for 2020 ng almost 100,000 kilometers po of fiber; si Globe naman po nakapagdagdag ng 12,500 kilometers of fiber; Converge almost 19,200; si DITO Telecoms, 13,152. So, ang total rollout po ng fiber optic network for the year po para sa lahat is 144,727 kilometers.

Although may problema rin po kami sa fiber, dahil po sa right-of-way saka sa permitting, medyo marami pa rin po ang ating na-lay na fiber.

So, moving forward, ano po ba ang ating mga gagawin para gumanda pa lalo for December up to 2021. Actually po, we are pushing for the commercial operations of DITO Telecommunity, kung maaari po nga eh mas mapaaga, they are going to start commercial operations on March 2021 but kung puwede paagahin, kasi po ang talagang whip or stick dito po sa laban na ito ay iyon pong threat of competition. So, DITO is very aggressive, so kung mapapansin po ninyo si Smart at saka si Globe ay talaga pong gumastos for the past several years, dahil alam po nila na papasok po itong competitor na based po sa initiative ng ating Pangulo na tinatawag po natin third Telco initiative.

Magkakaroon po talaga ng competition sa market, sa serbisyo, sa presyo. At ang important factor po na pumasok din is magkaroon na po ng mobile number portability. Ibig pong sabihin, using your Globe number ay puwede ka pong lumipat sa DITO, parehong number; or ang Smart number ay puwede pong lumipat sa DITO and vice versa.

So iyon pong dahilan na mag-iiba ang inyong numero ay mawawala na po iyon dahil by early 2021 ay mayroon na po tayong mobile number portability.

Now, tuluy-tuloy naman po tayo na iyong streamlining efforts sa pag-release ng permits na mabilisan, tulung-tulong po tayo doon – with ARTA, with DICT and with other government agencies.

Number three, nakikiusap nga po kami na kung puwede huwag lang i-limit sa towers iyon pong joint memorandum circular, kung puwede pong isama rin po iyong fiber optic networks para po mapabilis din ang pag-roll out nito.

Mayroon nga po kami sanang panawagan sa DPWH dahil mayroon po silang Department Order #73, pinirmahan po ito noong 2014 ni former Secretary Singson. Pinagbawal po kasi sa national roads ang paglagay sa right of way ng DPWH ng mga fiber optic cables. Kaya po nahihirapan ang ating mga telcos, kumukuha po sila ng sariling right of way. Kung maaari po sana ay maamyendahan po ito. Sumulat na po kami sa DPWH para po matulungan tayo sa ating roll out.

Now, another item po na ginagawa natin with DICT is iyon na nga pong common tower arrangement agreements ay inaayos na po nila, for implementation na po ito. At saka po, well, in other countries – number five – ang ginagawa po talaga ng other countries is not only the private sector ang gumagastos but it's really the government, national government po ang naggawa ng national broadband; and iyong mga private sector, iyon pong mga private telcos ay nagli-lease lang po sa government. So the President recognize this and, iyon nga po, pinalagyan niya po ng budget ang national broadband sa DICT... sa budget po ng DICT at ito po ay magsisimula na po next year.

I think the proposed budget of DICT for the national broadband for 2021 is around six billion. So kapag nangyari po iyan, ang atin pong mga telcos, katulad sa ibang bansa, ay magli-lease na lang po sa infrastructure na gagawin ng ating pamahalaan.

Iyon lang po, Mr. Secretary. Tuluy-tuloy naman po kami sa aming pagtutulungan with our telcos para po mapaganda, mapabilis ang internet at serbisyo at mapababa po ang presyo. Maraming—

SEC. ROQUE: Mayroon lang po akong katanungan ‘no. Sir, as regulator, sinasabi natin na nagkaroon ng improvement mula noong nagbanta ang ating Pangulo. Pero ang tanong: How do we compare with our ASEAN neighbors, iyong sinasabi po natin na speed ng internet is 26 ‘no, average ‘no? Kulelat pa ba ho tayo sa ASEAN? Baka naman nag-improve pero kulelat pa rin tayo. I mean, tapatan po tayo ‘no.

NTC COMMISSIONER CORDOBA: Actually, your honors, mayroon po kaming slides for that. Can you put that up? Actually po—sir, can you put that up? Iyong slides natin, compare to other countries in the ASEAN, Asia Pacific Region.

Actually po, your honors, if titingnan po ninyo, we are in the middle, we are in the middle po. Can you put up the slides on those?

SEC. ROQUE: Opo. Pakita po nung slides.

NTC COMMISSIONER CORDOBA: Mr. Arceo? Ayon, is that the first slide? Okay.

SEC. ROQUE: Naku, pero bagama't nag-improve, we're still only number 32! Naku, kaya po siguro marami pa rin ang nagireklamo ‘no pagdating doon sa speed lalo na ngayon na mayroon tayong online teaching ‘no.

Bago po naghimutok ang Presidente, would you have an idea kung ano ang place natin in the whole of Asia?

NTC COMMISSIONER CORDOBA: Actually po, your honors, Secretary, ito po sa Asia po ito, we are number 32 out of 50—pero this is as of October dahil po iyon pong resulta ng ibang bansa ay wala pa. Next slide, please.

So fixed po iyon. Sa mobile, we are number 34 out of 50 sa Asia. So actually po, tuluy-tuloy naman po tayong tumataas kaya lang, Secretary, babanggitin ko po, iyon pong mga bansa na

nasa taas po natin – ipapakita ko po mamamayan sa inyo – ay ang gumagastos po sa infrastructure ay iyon pong gobyerno. So hindi po sila na ma-mire in red tape sa mga LGUs.

Mr. Arceo, can you show the slide nung ginagastos ng ibang bansa na mas mabilis ang internet? Ito po nga, dahil nga po magkakaroon tayo ng national broadband network ay makakatulong po ito. Hindi iyan, iyong number 14, slide 14. Iyan po, Secretary, kung makikita po ninyo, iyong mga nangunguna na bansa sa atin ay grabe po ang ginagastos ng gobyerno para sa kanilang infrastructure network.

For example, ang South Korea which is being lauded as one of the fastest internet na bansa, ang ginagastos po nila is 24 billion US dollars; ang Taiwan – 2.4 billion US dollars; ang Hong Kong – 18 billion US dollars; ang Japan – 162 billion US dollars.

Sa atin po, Secretary, ay magsisimula pa lang po tayong gumastos ng six billion next year. Sa China po, ito, this is very substantial—

SEC. ROQUE: Oo, we get the point, Commissioner. Pero I think from the point of view of the President and the public, number 34 in Asia is still not ideal ‘no. And probably, many will agree, hindi pa rin katanggap-tanggap ‘no so we really need to double time. If we need to spend money from government, so be it po ‘no because ang Kongreso naman will listen to your advice as the specialized agency.

Pumunta na po tayo sa ating open forum. Mayroon pong nagpadala sa akin, hindi lang po media, taumbayan: Why are telcos quick to bill and cut service but so inept in customer service. Please give your procedures on customer service and how quick do you respond. At ang gagawin ko po, I will dial a customer service at pakikilingan po natin kung anong maririnig natin. Nagri-ring na po. [CUSTOMER SERVICE AUTO REPLY]

Well anyway, that’s an actual ano po ‘no, sagot sa customer service. So could we ask the two telecoms company to respond please? Sa internet po talagang halos imposibleng maka-contact ng customer service.

PRES/CEO GLOBE TELECOM ERNEST CU: Maybe I can lead the answer ‘no. Ngayon ho ay napakahirap ho mag-staff ng ating mga call center dahil sa pandemic ‘no. There had been an enhanced number of calls kasi nga ho mas sensitibo ang publiko dahil sa technology ng telco ay napakaimportante sa buhay nila ngayon at hindi natin kayang i-handle lahat ho ng outages ika nga ‘no sa ating bansa. Sabay-sabay ho ang tama, mayroon tayong calamity, mayroon ho tayong mga digging ng mga kalsada na ‘pag tinamaan ang ating fiber eh babagsak ho ang serbisyo ‘no.

So ang ginagawa ho namin eh we’re enhancing our self-service capability to enable the public to be able to call us ho to the app, to communicate with through the app and that way ho we can dispatch as best as we can.

But like any company ho sa Pilipinas, hindi naman ho kami immune sa pandemic ‘no, as much as we want to open the call centers – sometime pagbukas tatamaan ng COVID, sarado na naman.

Hindi naman ho unique at hindi naman ho immune ang aming call center agents kahit libu-libo ho sila sa ganiyan hong mga challenges.

So we have to resort po to technological means to be able to serve as many people as we can and as quickly as we can. Hindi naman ho nagkukulang ang pagta-try ho namin 'no, pag-attempt to try and serve pero talaga hong we are very challenged, it is very difficult and we have to just face that reality and continue to improve the quality of the networks and that way they don't come down.

SEC. ROQUE: Thank you, Mr. Cu. Mr. Panlilio, would you like to comment?

PRES/CEO SMART COMMUNICATIONS ALFREDO PANLILIO: Yes, Secretary Roque. I mean, sabi nga ni Ernest we are using technology to help us and aid us although some of them might have able to come to the office in the call center. We use the same products we offer to the public 'no, iyong mga work-from-home na ginagawa naming connectivity so we have a lot of people focusing on customer service from their homes 'no. We also, I guess provided systems to them. We are also looking at AI as a way to be able to answer very common questions.

But to your point, Secretary, there is still room for improvement definitely and it's something that we're also looking at. Aside from connectivity, I think it's the processes and the customer care that we are looking at. It is been my North Star, sir, is how do we serve our customers well.

So marami pa kaming kailangang ayusin and that has been our message and we will also continue to invest next year even much more than we are spending this year. Just to support also... I guess Commissioner Cordoba's message that we will not stop investing but we will definitely have to work with government to help us 'no. Thank you.

SEC. ROQUE: Very quickly, Commissioner. Ito bang customer service pinakikialaman din po ng NTC?

NTC COMMISSIONER CORDOBA: Actually po, I think ang DTI po but we were helping them also. Kasi po tumutulong kami kapag nakatanggap po kami ng mga complaints also in our office ay nagri-respond din po kami and we help the people po na nangangailangan ng tulong.

SEC. ROQUE: Salamat po. Usec. Rocky for the first questions, please.

USEC. IGNACIO: Okay. Question from Reymund Tinaza of Bombo Radyo for NTC

COMMISSIONER CORDOBA: In fairness daw po napapansin na niya na gumaganda naman daw iyong telecommunication service because nakakapanood na daw po siya ng Netflix at okay naman daw iyong Zoom meetings. Sana daw po tuluy-tuloy pa ito at mas lalong gumanda. Ano daw po ang plano ng NTC para dito?

NTC COMMISSIONER CORDOBA: Thank you for that question po ano. Unang-una po, ang nabanggit namin is ang key dito is competition kaya po iyong third telco initiative of the President pagpasok po ng DITO first quarter of 2021 talaga pong maglalaban po sila sa merkado.

Cut throat po ang competition at gaganda po ang serbisyo lalo at bababa ang presyo. Pero on the part of government, tutulong naman po tayo doon sa permitting process para po mas mapabilis pa ito to arm the three of them sa pakikipaglaban po nila sa isa't isa at ang end result po ay magandang serbisyo para sa publiko at mababa po na presyo. Maraming salamat po

USEC. IGNACIO: Second question po niya: Ano daw po iyong global best practice sa telco infra – government initiative ba o private sector-driven?

NTC COMMISSIONER CORDOBA: Actually po, as I have shown you in the slide earlier, ang napansin po namin in other countries po and marami na pong gumagawa nito, talaga pong government is putting up the infrastructure dahil for every 2% increase in broadband penetration and speed ay malaki po ang epekto sa GDP. So ang maganda po nga ay nakita na po ng ating Pangulo na kailangan ding gumastos ng gobyerno kaya po naman ang Kongreso at ang Executive ay nagtutulong para mapagbigyan po ng budget ang DICT for the national broadband project.

USEC. IGNACIO: Ang third question po niya, sabi niya: Vietnam has around 80,000 towers. Sa atin po, ilan po ba daw ang towers ang needed pa and how was Vietnam able to up that number of towers?

NTC COMMISSIONER CORDOBA: Ah, okay. Thank you for that question po 'no. Ang Vietnam po right now I think has around 80,000 towers so medyo malayo pa po ang ating hahabulin. We are now at 23,000. Si DICT po ay gagawa po ng 10,000 towers sa missionary sites ano. Pero just to let you know, government spending din po sa Vietnam ang nangyari because the three telcos in Vietnam are all owned by the government.

Iyon pong pinakamalaki I think the name is Viettel, it is owned by the Ministry of Defense; iyon naman pong Vinaphone, subsidiary of VNPT or the Vietnam Posts and Telecom Group; iyon naman pong MobiFone managed by the Ministry of Information and Technology. So iyon pong tatlong top telcos in Vietnam are all owned by the government and are catering to 93% of the consumers ano, market.

Kaya po kung mapapansin po ninyo ang global best practice at ang moving forward po, ang mga gobyerno po ay gumagastos at tumutulong. Ang nangyari naman po ang mga telcos, private telcos ay magli-lease na lang po sa gobyerno. I think that is the project na gagawin po ng DICT and we are going in the right direction on that.

USEC. IGNACIO: Opo. Tanong naman para sa NTC ni Evelyn Quiroz: In a memorandum daw po signed by Commissioner Cordoba, the NTC in anticipation of a surge in internet traffic during the holidays has tasked telco firms and ISPs to guarantee uninterrupted rendering of the internet services during the holiday season. In case the telcos fail to deliver, are there measures in place to make the telcos liable?

NTC COMMISSIONER CORDOBA: Opo. Actually—thank you for that question. In-issue po namin iyang memorandum order na iyan dahil nga po sa mungkahi ng Department of Health at ang IATF kung maaari po ang mga parties, reunions at ang sama-sama, pati nga po iyong sa simbahan, ang misa daw po ngayon ay magiging online, pati po ang mga parties. So napansin

namin magkakaroon po ng surge, ng demand ngayong Christmas kaya po sabi namin sa mga telecommunications companies, please prepare for this because we should be on heightened alert and emergency preparations for December dahil nga po diyan.

Kaya po kapagka sila'y nagkaroon po ng problema, of course ang amin pong ano is the Public Service Act. But kung sakali man pong grabe talaga ang maging outage, then we will have to resort to suspension of their service, iyon po ang puwede naming gawin. But based on experience naman po, so far, iyon pong mga online Zoom meetings at saka mga online parties, marami na pong nangyari so far ay okay naman po.

I heard—just to give you an anecdote, there's an owner of a restaurant chain, nag-75th birthday po siya last Friday ano – kinuwento po sa akin ito ng isa sa nag-attend. Three hundred people attended via Zoom, nagkaroon po ng mga programa, nagkaroon po ng mga performers. And for three hours, tuluy-tuloy po ito, wala naman po silang naging problema. So I hope this whole December iyon pong ganiyang mga parties at mga reunions ay masuportahan po ng serbisyo ng ating mga telecommunications company.

USEC. IGNACIO: Tanong naman address to Globe, PLDT and Smart. Ang tanong po, the Philippines already has 17,850 cell sites according to the 2019 third quarter report by Tower Exchange, an informal network advisor in the market, Tower Industry Worldwide and yet last week daw po, President Duterte stated that Filipinos were not getting their money's worth in paying for the slow broadband services offered by Telco firms. What is the underlying reason for the allegedly lousy broadband services being given to the paying public? For PLDT, Globe and Smart.

PRES/CEO GLOBE TELECOM ERNEST CU: Maybe I can say, I don't think it's a lousy service. Because if that is a lousy service, I don't think the examples that you heard today na zoom meet is going through, the country's BPO industry flourishing and people watching Netflix and YouTube and Facebooking to their harsh content will be happening 'no. I think, it's really just patience, we just need to continue to build. You know, the country is undergoing a transformation from copper and wireless in terms of home internet into fiber. You heard Al mentioned that they are building significant capacity, you heard Converge mentioned their building significant capacity, we are also building that significant capacity.

And of course, iyong atin pang isang problema sa country is that, aside from the permits, siyempre naayos na, we also have a very challenging topography in this country. You know, as much as the beautiful as the islands, our islands are very difficult to cover with fiber and that is what I think Commissioner Liel (Cordoba) has been saying na it takes a hybrid of government and private sector investment to be able to really bring about fiber everywhere in this country.

You know, because it cannot take a private sector initiative lang, kami lang dalawa ni PLDT magtatayo niyan, at kahit na magsama po kami, eh talaga hong mahihirapan. But you know the effort is continuing. As you can see from both our presentation, there is a significant amount of money na i-invest in 2021. And once again, I think the public, as well as the government will see a step up once again in performance of both the mobile and fix network, particularly, with the advent of 5G coming.

USEC. IGNACIO: For Smart po?

PRES/CEO SMART COMMUNICATIONS ALFREDO PANLILIO: I think as also, I guess Commissioner Cordoba said nag-improve tayo. But we are not standing pat. I think pinakita rin iyong listahan against other countries. I think, a Korea maybe too far because masyadong advance sila, but to me, maybe if we can be at par, I think, with Vietnam and Thailand, that is the benchmark that PLDT/Smart is aiming for. So, we do know that we have improved, but we do know but we can still get better and we should get better for our Filipino customers.

SEC. ROQUE: Commissioner, doon po sa listahan ninyo, pang-ilan po ang Vietnam at saka Thailand? Kasi, I think tama naman ang comparison natin, population-wise and economy-wise, we should be compared with countries like Vietnam and Thailand. Pang-ilan po ang Vietnam at Thailand?

NTC COMMISSIONER CORDOBA: Sandali po titingnan ko po.

SEC. ROQUE: Next question muna po, para hindi sayang ang oras.

USEC. IGNACIO: From Allan Nawal of PNA. Unahin ko lang, Secretary iyong mga tanong sa telcos ano po at saka sa NTC: Why can't telcos used a dynamic bandwidth allocation: For example, many users have high bandwidth allocation but only used a portion of it, while other users have varying bandwidth needs? Sa Telcos po.

PRES/CEO GLOBE TELECOM ERNEST CU: I will answer that question. The system, the way the fiber optic system, it's normally a shared system already. So, the network dynamically allocates the bandwidth where it's needed up to the cap speed that the customers subscribed to. But just like anything else, there is a limit to the number of total gigabytes that its fiber network a localized fiber network can offer. And a lot of it has to do, if the variability and experience is there, dahil ho sa concurrency, iyong pagsabay po ng gamit. And of course, alam naman natin na with this pandemic, talagang tumaas po ang paggamit. Sabay na po ang gamit sa bahay ng pag-aaral, pagtatrabaho, panunood ng mga streaming video, all happening at the same time by multiple people, iyan ho ang wina-watch out po natin.

Kaya nga po you heard the same presentation from PLDT. We are no longer deploying copper, as matter of fact, both of us have a very aggressive migration strategy to bring about fiber for most homes in the Philippines as much as we can. You know, we cannot avoid the fact that we are both legacy companies that we have been rolling copper for many years and with the advent of fiber, we now have to come up to the times and bring about fiber for most families in the country.

USEC. IGNACIO: Opo, kunin ko na lang po siguro sa Smart na po itong second question. Why are internet plan still expensive in the Philippines? In the US po for example, \$40 plan comes with 200 to 940 Mbps access already. In the Philippines po, Globe for example, sell its 100 Mbps plan for about US\$52? I'm sorry for Globe.

PRES/CEO GLOBE TELECOM ERNEST CU: Is it the pricing you are talking about?

USEC. IGNACIO: Yes, sir. Expensive daw po, expensive daw po sa Philippines.

PRES/CEO GLOBE TELECOM ERNEST CU: The pricing to me, that was the questions asked before, is a matter of scale, in terms of the number of subscribers on the fiber network. As we go further and have more homes and have more economies' scale, that pricing I'm sure will go down. You know, not only that, as the Commissioner also said, a lot of the pricing is also based on how much cap is put and down to the infra. And in most countries as well, as the Commissioner also said, there is a sort of a cooperation between government, the public sector and the private sector in building out parts of the infrastructure, not the whole infrastructure, you know, that is why they can afford to bring the prices down. But I am sure with the competition between Globe, PLDT and Converge, these prices overtime, as we all gain scale, will continue to come down.

USEC. IGNACIO: For Smart. Also as part of CSR daw po, how can't telcos connect remote communities for example in Magsaysay, Davao Del Sur, a village about four kilometers away from the town center has no cellphone signal or no internet, the village is populated mainly by IPs who have to go to the town center to call their loved ones in other areas?

PRES/CEO SMART COMMUNICATIONS ALFREDO PANLILIO: Alam naman po namin iyan. We have our PLDT/Smart Foundation, so these are locations that we can work with. We also work with DICT to identify these areas and tutulong po kami kung ano pong best way na makatulong kami, susubukan po naming makatulong para magkaroon din ng connectivity sa mga areas na iyon. Yes, challenging maybe far flung a little bit, some of them in mountains and all of that, but we will try our best to work with government on how to put coverage in those areas.

USEC. IGNACIO: From Bernadette Romero of Daily Tribune question for DITO telcos' Adel Tamano: If may implication ba sa commercial rollout nila sa March iyong nakabinbin na franchise nila sa senate, confident ba sila that Congress will grant them a franchise before they roll out?

DITO TELECOM CHIEF ADMINISTRATIVE OFFICER ADEL TAMANO: Thank you for that question. We are quite confident that congress will see the wisdom of granting us a franchise extension before our commercial launch. I believe it will be most fair for Filipinos, especially the Filipino consumers, who will buying our shares and will be investing in our service to be assured that our franchise will continue and that our business will be viable since it is based on that franchise.

So, we are very hopeful that, that will happen and we are excited, as we have been saying, to bring competition to the market starting March. And if I may just say in regard the question on coverage, we have a government commitment to have 84% coverage by our fifth year so those underserved areas will be met, allow us to say that, that is our government commitment. But internally, we are going for 90% within five years. So, those areas that have no mobile coverage, DITO will serve those areas. Thank you.

USEC. IGNACIO: Okay, second question niya, para pa rin po sa DITO. Update daw po sa ongoing plans/projects in ensuring that our national security and interest is protected even if 40% of the company is owned by Chinese state-run Chinatel.

DITO TELECOM CHIEF ADMINISTRATIVE OFFICER ADEL TAMANO: If I can just safely point on that. First point, we are a Filipino company, it is run by Filipinos and the officers are Filipino, the employees are Filipino. It is a Filipino country and therefore we will never allow any espionage or anything that will be negative to our national security to happen to our operations.

Second, unlike other telco companies, we have been required by the DICT and the NTC to provide the cyber security plan, that was a requirement for our CPCN and our cyber security plan is in place in order to protect our consumers and our network from cyber security problems whether be from other countries or whether be from different groups.

The third point is we are investing heavily in cyber security just for our security operations center. Just this year, we have spent one billion pesos for that and we will continue to spend heavily because we know and, in fact—the NTC and DICT were very wise, they knew that this would be an issue. And that is why they have made it a stringent requirement for us to provide our cyber security plans before our CPCN was granted. So I hope that answers your question po.

SEC. ROQUE: Before the next question – Commissioner, pang-ilan po iyong Vietnam at saka Thailand?

NTC COMMISSIONER CORDOBA: Sa Asia po, sa mobile, ang Thailand po is number 16 at ang Vietnam is number 18 po.

SEC. ROQUE: Okay. So iyon nga po siguro iyong sentimiyento talaga ng ating mga kababayan ‘no, parang nahuhuli tayo doon sa mga bansa na kapareho ng ekonomiya at kapareho ng ating populasyon.

Sige po, next question po.

USEC. IGNACIO: Opo. Secretary, basahin ko lang ulit iyong mga iba pang sa telcos kasi iyong mga questions, may other topics po ang MPC. Question from Jo Montemayor of Malaya for Converge: Iyong delay daw po sa billing ng Converge.

CONVERGE CHIEF OPERATING OFFICER JESUS ROMERO: Good morning ulit. Iyong sa billing po, mayroon kasi tayong iba-ibang means of sending iyong bill ‘no. Hindi na ho tayo nagpapadala ng paper bill ngayon. Ang isang reason diyan, iyong sa e-mail, minsan po nagba-bounce. Pero may ibang way naman po na makakuha ng bill – mayroon hong website kung saan siya puwedeng kunin; at nag-launch na po kami ng mobile app.

USEC. IGNACIO: Opo. For Globe: When exactly may we expect better services? Ang question po from Trish Terada ng CNN. And may you please qualify daw po and quantify what better service means? For example, it is an interrupted signal, no more drop calls.

PRES/CEO GLOBE TELECOM ERNEST CU: Well, better service is ... I mean by better speeds, better network availability and, of course, resiliency.

But iyong sinasabing zero dropped calls, hindi ho mangyayari iyon. Kasi ho nasa limit ho tayo ng technology, radyo ho ang ginagamit. Kahit these are very sophisticated radios, radyo pa rin ho iyan. You know, kapag nakatapat po iyan ng pader, umaandar ang oto, nakatapat ng tunnel, titigil ho talaga iyan.

And I think, we also have to be realistic kung ano talaga ang limits ng technology 'no. Kahit ho sa ibang bansa, mayroon din hong dropped call.

So I think the telcos are doing what we can – improvement of coverage; the number of cell sites, I think is key to improving the mobile coverage. Like I said, we are introducing voice over Wi-Fi for indoor coverage na puwede nating gamitin ang ating Wi-Fi to be able to access the cellular network – iyan ho ay new development. Kaya nga ho, we are really pushing people to replace handset that will go with the newer technologies, that the capability of the handset will also enhance their service experience.

USEC. IGNACIO: For Smart po siguro and Converge siguro ito, Secretary: What's keeping telcos from proving these improvements despite the President's assistance?

PRES/CEO SMART COMMUNICATIONS ALFREDO PANLILIO: As I said earlier, we have improved na 'no but, again, we are not happy. We will continue to invest. I think, we'll invest again 73 billion this year. Next year, would even be much higher than that 'no. So we will continue to invest in infrastructure, coverage, 5G will also help mobile in terms of experience. You know, as I mentioned in my presentation also, it's the right handsets 'no, the right handsets, chipsets that will give you the best experience on the right network 'no and the right SIM. That's why, you know—medyo malaki pa po ang ating populasyon na naka-2G, for example. Mahirap po talaga ang experience ng data kung sa 2G.

So we have programs to upgrade you to 4G LTE because that's where the experience will be much, much better. And data now is about 73% of our total revenues so we have seen a spike during the lockdown for sure. But you need to have the right devices so that you can have right experience.

USEC. IGNACIO: Okay, thank you. For NTC po, ang tanong mula kay Sam Medenilla: What will be the standard to be used by NTC to determine if there was a significant improvement in the country's telecommunication and internet services? For Commissioner Cordoba.

NTC COMMISSIONER CORDOBA: Opo. Actually po, your honors, pinakita ko po kanina, what we did is nakipagtulungan po kami sa Ookla because iyan po ang ginagamit ng ibang bansa as well. That is based on crowdsourcing and iyon pong number of tests made ay for this year, from January to November, 100 million tests na po ang nagawa dito sa Pilipinas, and iyan nga po ang resulta na lumabas na tuluy-tuloy po ang pagbilis at pagtaas ng speed ng ating internet. So iyon po, we are using speed test Ookla, and we are coordinating with them on this po.

USEC. IGNACIO: Opo. Ang second question niya, iyong assessment daw po ng NTC regarding sa quality communication services, kailan po daw ang target ninyong ma-complete ito at ma-submit for consideration ni President Rodrigo Duterte?

NTC COMMISSIONER CORDOBA: Actually po, tuluy-tuloy po ang aming pagtrabaho po diyan para po gumanda at tumaas po ito. We will never stop and we will ... magbibigay po kami ng ... we update po the Office of the Executive Secretary on a monthly basis po dito through the DICT Secretary.

Idagdag ko lang po 'no, nabanggit po kasi kanina ang, for example, ang Vietnam. Nabanggit ko nga po earlier, sa Vietnam po ay mabilis ang pagtrabaho nila dahil nga po iyong tatlong telcos nila ay government-owned. So it's really not comparable dito sa atin na private sector-driven, doon sa kanila ay iyong gobyerno po ay hindi po nagkakamali sa right of way; hindi po nagkakaproblema sa permits.

So nabanggit ko po kanina, the top three, Vietnam—iyon po kasi kinu-compare natin ang sarili natin sa Vietnam because of almost the same size and almost the same population. But iyon pong pagkakaiba sa kanila ay gobyerno po ang gumagastos sa kanilang telecommunications infrastructure.

SEC. ROQUE: Commissioner, sa Thailand, gobyerno rin ba ang gumagastos?

NTC COMMISSIONER CORDOBA: I think so, I think so po. Hindi ko lang po alam iyong names ng mga companies pero that's what I heard also. Iyon pong Vietnam, I already confirmed, tatlo po ang government-owned; 93% of the consumers, of the market is being serviced by the three government-owned companies.

USEC. IGNACIO: Question from Snow Badua for NTC pa rin po: Ramdam na po ang pagbabago at bilis ng koneksyon. Kung naging ganito po ba ka-aggressive ang previous administration sa telecommunications improvement, matagal na po kaya tayong mas mataas pa sa rankings at mas maganda pa ang koneksyon?

NTC COMMISSIONER CORDOBA: Actually po, maganda po iyang tanong na iyan. Kasi po noon pong... iyong pong pag-implement po ng national broadband ay nasimulan po iyan noong time ni President Arroyo, pero hindi nga po natapos noon at hindi na-implement. During the time po previous administration ay wala pong any movement on this item. And nagsimula lang po ito noong umupo po si Presidente Duterte, at ngayon po, nandiyan na nga po ang budget for DICT for the national broadband project at iyan po ang napakalaking tulong po sa ating bansa para gumanda at bumilis po ang internet.

Ano po iyan kasi, ang paradigm po kasi ng pagtingin ng dating administrasyon at iyong sa mga dati ay iyon pong paggawa ng tulay or paggawa ng roads – dahil iyan po ang nakikita, iyan po ang ginagastusan. Kaya lang po ngayon, hindi ka na kailangang gumastos diyan sa tulay at sa kalsada kung ang gagastusin mo ay iyon pong broadband dahil iyon pong nasa ibang lugar ay makakakuha na rin po ng serbisyo, government services, tulad po ng nasa gitna dahil po dadaan na po iyan through technology.

Kunwari po, ang teacher po sa Maynila na kunwari po ay mataas ang pinag-aralan, nagkaroon ng post-graduate studies abroad, ay puwede na pong maging teacher ng lahat ng estudyante sa buong Pilipinas through government infrastructure and government technology po, 'di po ba. So marami pong magagawa kapag nagsimula na ang panggastos ng government sa national broadband.

USEC. IGNACIO: Opo. Tanong ni Joseph Morong: Given daw po the presentations, what's the conclusion daw po in reference the President's order for the telcos to improve their services?

NTC COMMISSIONER CORDOBA: Based po sa presentation, ito naman po is being done ... was done by a third-party, nag-improve naman po sila. Pero ang mas mabigat po na improvement ay mararamdaman po natin kapag po nagpupukan na sila sa merkado first quarter of 2021 dahil po competition will drive the services to improve and will drive prices to go down in the service of the Filipino consumers.

USEC. IGNACIO: Si Spox Roque daw po, reaction.

SEC. ROQUE: Well, hindi naman po inggrato ang sambayanan at hindi po natin binabalewala iyong mga naging improvement. Pero sa totoo lang po, ang ninanais po ng ating mga kababayan ay hindi lang po na mag-improve; ninanais din po ng ating mga kababayan iyong ninanais ng Globe at saka ng Smart na maging world-class. At tapatan lang po tayo, at number 34 in Asia, I don't think we are world class.

Kaya nga po ang mensahe ng Presidente, iniimbita naman po ang mga telecoms company sa Malacañang mismo at naimbita po si Mr. Cu, tinanong kung anong kinakailangan, nag-deliver naman po ang gobyerno. Pero ginagawa po ito ng Presidente at ng gobyerno dahil importante po that we should give the best service to the Filipino people. And yes, we should be world class; and definitely, number 34 in Asia cannot be world class.

USEC. IGNACIO: Sir, medyo iiba na po ako ng topic ngayon, Secretary. Tanong ni Rose Novenario ng Hataw: Ano po ang basehan ni Pangulong Duterte sa pagdeklarang highly urbanized city ang San Jose del Monte, Bulacan, gayung ang dami pa ngang walang kuryente diyan saka hindi maayos ang serbisyo ng tubig?

SEC. ROQUE: Populasyon po iyan, land area at kita.

USEC. IGNACIO: From Johnna Villaviray ng Asahi Manila: The President said last night that there's a 'earth of space' for people who are suspected of having the virus, this is why he wants hotels to accommodate patients. Does this mean that the mega-quarantine centers constructed a few months ago are at full capacity and how many people are now in these quarantine centers nationwide?

SEC. ROQUE: Hindi naman po dahil doon sa report din kahapon ni Secretary Duque eh wala pa po sa 50% iyong ating mga isolation facilities. Pero ito po ay preparasyon dahil alam natin na iyong tracing at isolation ay crucial po para labanan itong virus na ito kaya dinadamihan po natin

ang ating mga facilities nang sa ganoon lahat ng na-expose ay mabigyan po ng mandatory quarantine facility.

USEC. IGNACIO: Follow-up po niya: Were there people who have already been turned away from the quarantine centers because they are full?

SEC. ROQUE: Wala pa pong ganoong balita at palagi pong niri-report ng ating Kalihim ng Kalusugan iyong capacity ng ating mga TTMF na tinatawag, iyong temporary facilities at hindi naman po siya nagki-critical level.

USEC. IGNACIO: Question from MJ Blancaflor ng Daily Tribune: How will the Palace respond to criticisms that the President was too late in his realization that coronavirus testing is an important part of the overall pandemic strategy?

SEC. ROQUE: Hindi po totoo iyan. Sa mula't-mula po ang ating prayoridad ay i-improve ang ating testing capacity kaya nga po ngayon, tayo po ngayon ay isa sa may pinakamataas na testing capacity sa buong Asya.

USEC. IGNACIO: Can the government afford to provide free swab test next year given po na we will also spend billions of pesos to purchase COVID-19 vaccines?

SEC. ROQUE: Iyan po ang ninanais ni Presidente at iyan din naman po ang nakasaad sa ating Universal Healthcare Law na ating isinulong at iyan po ang dahilan kaya nga ang pangunahing nagbabayad ng PCR test ay PhilHealth para hindi na taumbayan ang magbayad.

USEC. IGNACIO: From Pia Rañada ng Rappler: President Duterte said last night about vaccine supply if they have clout, or iyong mayayaman, sila mismo ang mag-produce. Wala man tayong magawa kaso naghihintay lang tayo ng sobra. Is this a defeatist attitude coming from the President when countries like Indonesia and Thailand were able to reserve COVID-19 vaccines already, even if they are not first world countries?

SEC. ROQUE: Hindi po tayo nahuhuli diyan. Kaya nga po nagtalaga si Presidente ng vaccine czar para masigurado na kapag nandiyan na eh magkakaroon po tayo. Ang riyalidad po eh talagang hindi po tayo mauuna. Siyempre iyong mga bansa na nag-develop ng vaccine unahin nila iyong kanilang mga mamamayan, pero ang pangako po ng Presidente, by first quarter po marami na sa atin ang magkakaroon ng bakuna.

USEC. IGNACIO: Follow-up naman po ni Joseph Morong: How much will we need to provide free COVID testing and how are we going to make this possible?

SEC. ROQUE: Sa ngayon naman po, lahat bayad ng PhilHealth iyan eh. So, kung bilyun-bilyon po ang sinisingil ng PRC alone, bayad po iyan ng PhilHealth. Minsan nga lang kinakailangan nang mas maagang panahon para magkaroon ng reconciliation. Pero nakasaad doon sa ating batas na isinulong, na iyong diagnostic ay kasama po sa mga pribilehiyo ng lahat ng mga miyembro ng PhilHealth.

USEC. IGNACIO: Question from Rosalie Coz ng UNTV: Since 2016 campaign pa binabanggit ang firecrackers ban ni Pangulong Duterte. Sabi po niya kagabi, 2021 maglalabas siya ng order para tuluyang ipagbawal ang paputok sa bansa. Kaunting panahon na lang ang nalalabi bago magtapos ang kaniyang termino. Paano niya tiyak na magagawa ito? Puwede po ba through Executive Order lang ang total firecrackers ban?

SEC. ROQUE: Well, kagaya ng sinabi kagabi ng Presidente, kinakailangan alalahanin din iyong mga tao na nakasalalay sa paggagawa ng paputok bilang hanapbuhay. So, kung бага binigyan na ng warning ng Presidente, humanap na kayo ng ibang hanapbuhay dahil sa susunod na taon magkakaroon na tayo ng absolute firecrackers ban.

USEC. IGNACIO: Pahabol naman po ni Joseph Morong: Why is the President only realizing importance of testing now, when in March we already asked about mass testing?

SEC. ROQUE: Nasagot na po iyan. We've always given priority to testing. Nandiyan po si Vince Dizon as testing czar and we now have one of the highest testing capacities in the whole world.

USEC. IGNACIO: Ang tanong po ni Virgil Lopez: May we get Palace' reaction to World Bank's latest projection that the Philippine's economy will shrink by 8.1% this year due to the COVID-19 crisis and devastating typhoons? The World Bank's forecast is actually a bit optimistic compared to the government's revise projection of 8.5 – 9.5% contraction for 2020.

SEC. ROQUE: Well, siyempre po nalulungkot tayo diyan dahil ibig sabihin mas marami maghihirap sa pagbagal ng ating pag-unlad. Pero iyan naman po ay naging resulta ng pandemya at ng mga sigalot na sunod-sunod na dumaan sa ating bansa. Kaya po natin ito, babangon tayo, we will do better in 2021. And pagdating po sa pandemya, kaya po natin ito, sundin lang natin ang sinasabi ng Presidente: Mask, Hugas, Iwas. Pag-ingatan ang buhay para sa hanapbuhay.

USEC. IGNACIO: Pasensiya na po may pahabol na tanong si Celerina Monte ng Manila Shimbun para po sa NTC: Magkano po ang budget na kailangan ng government to put up the necessary infrastructure for telecoms in order to be at par with neighboring countries? Does the government have the fund? For NTC po.

NTC COMMISSIONER CORDOBA: Actually po, Secretary, bago ko po sagutin iyong tanong na iyan you asked me about Thailand. I just checked it, ang Thailand po - ang CAT, which is the biggest operator in Thailand is also government-owned. Ano po siya, state owned po siya.

Now, tungkol po sa katanungan ninyo, based po sa request ng DICT to fully put up a national broadband network sa buong bansa, ang kailangan po is around I think P18-Billion. Pero hindi naman po ito sabay-sabay na magagawa, kaya po ang proposal po ng Kongreso ay mabigyan po ang DICT ng 6-Billion para po makagawa ng isang linya from north to south, pero iyon pong mga sides para po makumpleto iyon ang kailangan po is around 18-Billion.

At ano po, nakikita naman po namin maganda po iyan dahil kapag nagkaroon po niyan ay iyon pong ibinabayad sa ating mga telcos ay hindi na ibabayad at mari-recoup po iyan ng ating gobyerno dahil ag magli-lease po diyan ang mga telcos at magagamit po iyan for the government offices, hindi na po sila magiging dependent on the telcos, so makakatipid po tayo in the long term.

USEC. IGNACIO: Okay. Last question na po ito, Secretary. From Vanz Fernandez para po sa telcos natin: Could you offer the Filipino internet service consumer a timeline of when will the telco service improve both speed-wise and customer service-wise with or without pressure from the President? Can we have Globe?

PRES/CEO GLOBE TELECOM ERNEST CU: As we have said, the service will continually improve as the rollout happen. And also, you will see incremental increases, it already happened as the Commissioner himself has attested to. Pero in 2021 mas mararamdaman pa iyan kasi mas malaki ho ang builds both ng Smart at PLDT and of course, it's targeted towards things like fiber optic.

So, tuloy-tuloy ho ang improvement niyan and I think as the pandemic eases and as Secretary Harry said, vaccines are on their way and stuff. Hopefully we can get people back working in the office particularly in the call centers and that way we can now address the customer service issues much easier.

USEC. IGNACIO: Opo. Ang Smart po?

PRES/CEO SMART COMMUNICATIONS ALFREDO PANLILIO: We said that earlier also. We will continue to improve. We are putting a lot of budget on infrastructure. It has been the main focus also to improve customer care, customer experience. I hear and I see the social media messages, so I take note of that, so we are actually looking at that seriously. We also want to use technology as I said earlier, to improve customer service.

So, it's a task that we need to do and we will for sure commit to do it.

SEC. ROQUE: Okay. We're out of time. Maraming salamat po sa ating mga naging panauhin – si Commissioner Liel Cordoba, si NTC Deputy Commissioner Edgardo Cabarios, Jesus Romero ng Converge, Atty. Adel Tamano ng DITO, Mr. President Ernest Cu of Globe. Mr. President Al Panlilio of Smart.

Maraming salamat po sa mga kasama natin sa Malacañang Press Corps. At Usec. Rocky, thank you very much—

USEC. IGNACIO: May pahabol lang po.

SEC. ROQUE: Mayroon pa raw isang pahabol.

USEC. IGNACIO: Isang pahabol. Tanong ni Jo Montemayor: Gaano daw po ka-committed si President Duterte sa no more ceasefire with CPP-NPA-NDF pronouncement niya? Sa nakaraan

po ay nagbabago ang isip niya at pinagbibigyan pa rin niya ang CPP-NPA-NDFP. Wala na po bang magbabago ng isip niya ngayon ukol sa ceasefire at sa peace talks?

SEC. ROQUE: Mukha naman pong categorical iyong statement niya kagabi, no more ceasefire. So, nagpapasalamat po kami sa mga kasama natin sa Malacañang Press Corps. Salamat, Usec. Rocky. At siguro bilang pambungad na statement, we thank our carriers – Globe, Smart – for the improvement that they have given to the telecoms industry.

We reiterate na siyempre po ang kanilang prangkisa is a privilege at ang karapatan naman po ng tao ay magkaroon ng mabuting telecoms. Hindi na rin po pribilehiyo ang telecommunications – iyong right to connectivity ay isang karapatang pantao na rin. Pero I think we are one in recognizing na we need to be world class and that is where what Commissioner Cordoba statement is relevant. Let us know what you need from government dahil ang importante po mabigyan ng world class service ang sambayanang Filipino.

With that, on behalf of our President po, sa ngalan po ng ating Presidente Rodrigo Roa Duterte, ito po ang inyong Spox Harry Roque nagsasabi: Pilipinas, we will be world class.

Magandang hapon po sa inyong lahat!

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Source: PCOO-NIB (News and Information Bureau-Data Processing Center)