

# PHILIPPINES

Foundation for Media Alternatives<sup>1</sup>  
Alan Alegre and Philip Arnold Tuarño<sup>2</sup>



## Introduction

The Republic of the Philippines, with a population of almost 90 million, is an archipelago of more than 7,100 islands spread over 300,000 square km. It occupies a strategic position within the Southeast Asian region. The Philippines emerged, after a 425-year history of colonialism and a recent traumatic period of authoritarianism, as a flawed democracy labouring under continuing economic underdevelopment and periodic political upheaval.

The country has been ruled by a succession of elected governments by and large representing political elites who are also dominant in the economy, including the media and information and communications technology (ICT) sectors. The economy continues to struggle amidst a shifting globalised world order: economic growth is sluggish, poverty still widespread, and wide income disparities endure.<sup>3</sup> Political crises hound the administration of current President Gloria Macapagal Arroyo, amidst lingering questions on her 2004 electoral mandate.<sup>4</sup> Armed challenges from communist rebels and Muslim separatists persist, and a restive military continues to gain influence in the country's political life. At the same time, however, Philippine civil society is one of the most vibrant in the world, and continues to be at the forefront in advocating for good governance, sustainable development, socioeconomic and political reforms, and communication rights.

After the Martial Law years,<sup>5</sup> freedom of expression naturally exploded, and a largely free (and freewheeling) press and mass media regained its pre-Martial Law reputation as one of the most liberal in the region. Ironically, despite a free press, working in the Philippine media was recently considered a dangerous job for journalists – many have been murdered over the past five years.<sup>6</sup>

The telecommunications sector was deregulated in the 1990s, and universal access to telephony rose steadily, especially with the recent boom in mobile phones and short messaging service (SMS).

The Philippines formally linked to the internet in 1994, and it remains largely unregulated today. Though the infrastructure is present, access rates for the majority of the population remain low. The neoliberal free market economic paradigm continues to be contested, including within the communications sectors, where significant sections are dominated by big private enterprises and conglomerates. ICTs are embraced in national plans for their socioeconomic potential, but ICT and internet governance is uneven due to limited state capacity, lack of resources, and occasional regulatory capture by dominant market players.

This report seeks to present national trends in the country's ICT sector, with a particular emphasis on the framework for ICT policy and governance in the Philippines. It also looks at how civil society has been engaged in this arena.

The first of two main sections seeks to give a brief national overview. Its sub-sections look to provide both the context for public policy, as well as an initial evaluation by civil society of the current state of existing ICT plans.

The next section provides a short assessment of people's participation in ICT policy and governance for the period 2000 to 2006, with a description of civil society engagement in the policy process. It ends with an evaluation of recurring issues that still have to be addressed by development stakeholders, particularly civil society organisations (CSOs).

The choice of what to include in this report is informed by it being the *first* one on the Philippines information society to be part of a collection of reports that will be updated periodically. It hopes to serve as a conceptual baseline for looking at ICT policy and governance in the Philippines. Specific areas introduced here can be further fleshed out in future publications.

This report draws from research conducted by the Foundation for Media Alternatives (FMA) dealing with many of the policy areas and themes under discussion. It reflects a perspective of *advocates-in-action* – the public policy issues pertaining to people's participation in the policy process are ongoing advocacy concerns for CSOs in the Philippines (including the FMA). Actual CSO engagement serves as the experiential backbone of this report, which the authors hope will serve to unite diverse constituencies of communication rights advocates, and build a common public interest front for multi-stakeholder policy initiatives in 2007 and beyond.

## Country situation

### Indicators and statistics

#### National Indicators

**Telephony:** The Philippines has around 6.5 million installed fixed phone lines, but only a little more than half (3.4 million) are subscribed – an indicator of the service's continuing lack of affordability for a significant portion of the population. Still, liberalisation and competition during the 1990s has served to move the Philippines from a country with a teledensity of less than one telephone for every 100 persons in

1 <[www.fma.ph](http://www.fma.ph)>.

2 With research assistance from Nina Somera.

3 From a ranking of 77th in 2000, the Philippines dropped to 84th in the 2006 United Nations Development Programme's Human Development Report (UNDP, 2006).

4 There were two failed attempts to impeach Arroyo in Congress, after she admitted phoning a top election official at the height of the 2004 vote counting. This triggered prominent Cabinet resignations and periodic street protests in 2005–2006. She has so far survived, labelling the protests part of a rightist-leftist conspiracy to oust her.

5 This refers to the period from 1972 to 1986. Then-president Ferdinand Marcos declared martial law in September 1972, and established authoritarian rule up to the time he was ousted in a popular uprising in February 1986, which came to be known as the EDSA People Power Revolt.

6 For a state of the country's media, see the website of the National Union of Journalists of the Philippines (<[www.nujp.org](http://www.nujp.org)>) and reports from international groups such as Reporters Without Borders (<[www.rsf.org/article.php?id\\_article=20795](http://www.rsf.org/article.php?id_article=20795)>). Reports of recent attacks on freedom of expression during the 2006 state of emergency are widespread. See the blogsite of the Philippine Centre for Investigative Journalism (<[www.pcij.org/blog/?p=668](http://www.pcij.org/blog/?p=668)>).

**Table 1: Selected Philippine ICT indicators**

Indicators	Number
Installed fixed telephone lines	6,538,387 (2005)
Subscribed fixed telephone lines	3,367,252 (2005)
Mobile telephone subscribers	34,778,995 (2005)
Fixed lines per 100 population	7.76 (2005)
Subscribed lines per 100 population	4.00 (2005)
Mobile phones per 100 population	41.30 (2005)
Internet subscribers	1,440,000 (estimate, 2005)
Internet users (estimates, 2005)	4 million to 7.8 million
Broadband internet subscribers	165,000 (2005) <sup>7</sup>
Internet café prices (per hour) (2005)	PHP 33.43 (USD 0.65) <sup>8</sup>
Internet subscription prices (per month) (2005)	PHP 386.48 (USD 7.02)
Fixed line rental charges (per month) (2005)	PHP 500.07 (USD 9.08)
Mobile telephony charges	variable <sup>9</sup>
Personal computers (home use)	2,140,000 (2003)
Televisions (households)	10,579,000 (2003)
Radios (households)	10,937,000 (2003)
Television stations	232 (2005)
Radio stations	375 AM, 580 FM (2005)
Cable television stations	1,480 (2005)

Sources: National Telecommunications Commission 2005 Statistical Data;<sup>10</sup> National Statistics Office 2005 Consumer Price Index data; AC Nielsen August-December 2004 survey; National Statistics Office 2003 Family Income and Expenditure Survey; International Telecommunications 2003 ICT Report.

7 As reported in the Manila Standard Today (MST, 2006).

8 At the 2005 average foreign exchange rate of PHP 55.08 to USD 1 (source: Bangko Sentral ng Pilipinas).

9 Entry costs for mobile telephony are very low, with brand new phones costing as little as PHP 2,000 (USD 40), and a SIM card from PHP 65-150 (USD 1.30-3.00). While a local voice call costs an average PHP 7 (USD 0.14) a minute, SMS is very inexpensive, costing just PHP 1 (around USD 0.02) per SMS to networks within the country.

10 See: <www.ntc.gov.ph/consumer-frame.html>.

the years from 1970-1990, to one with a fixed-line density of 7.76 and a mobile phone density of 41.3 in 2005.

By 2005, mobile telephone subscribers outnumbered fixed line subscribers ten to one, given the popularity and affordability of SMS. Fixed-line subscriptions have seen very little growth, and installations have declined since a peak in 2001. On the other hand, total mobile phone subscribers have increased tremendously from only 34,600 subscriptions in 1991, to 34.8 million in 2005. Recent data from the telecommunications industry estimates the number reaching 40 million, 90% being prepaid subscribers.<sup>11</sup> Data from the National Telecommunications Commission (NTC), the industry's regulator, shows that by the end of 2005, Philippine mobile phone users sent an average of 250 million text messages daily, making the Philippines one of the top "texting" countries in the world.<sup>12</sup>

*Internet:* It is difficult to peg the actual number of internet users, with estimates ranging from 4 million in 2004,<sup>13</sup> to 7.82 million as of the first quarter of 2005 (CICT, 2006). The latter figure represents about 9% of the population. It is estimated that around half of the internet users are internet subscribers, while the rest have only intermittent access (i.e. via schools, offices or internet cafés).

*Broadcasting:* The number of radio and television broadcast stations has also increased significantly over the past ten years. The NTC reports a 50% increase in AM stations (from 275 to 373) from 1991 to 2004, and a tripling of FM stations (from 208 to 587). Television stations have increased from 80 to 229, while cable television stations have increased almost 30 times over from 56 to 1,453.<sup>14</sup> This space is dominated by large privately-owned national media networks with local affiliate TV and radio stations; they typically also account for the highest market shares.<sup>15</sup>

#### Regional data

Compared to its Association of Southeast Asian Nations (ASEAN) neighbours, in 2003 the Philippines had one of the highest education and literacy levels, but had a moderate ratio of ICTs to population. This reflects the relative socioeconomic standing of the country among its neighbours. According to the International Telecommunications Union, while the Philippines has the second highest literacy and primary and

11 Based on initial figures given by telephone companies and market share projections by analysts (<www.cellular-news.com/story/21070.php>). The figures are probably overstated, mainly by marketing departments of phone companies, as they refer to total numbers of subscriptions, and do not account for churn rates or inactive accounts.

12 The prepaid model lets owners buy on-air "credits" via ubiquitous prepaid cards in PHP 100 and 300 (USD 2.00-6.00) denominations. However, the introduction of "retail" on-air credits ("loads") which can be purchased from neighbourhood stores for as little as PHP 25 (USD 0.50) or can be passed from phone to phone within the same network in denominations as low as PHP 5 (USD 0.10) has made it possible for users to buy just enough credits for their daily budgets.

13 "Philippine internet users reach four million" [online], *Asia Media*, 30 March 2004. Available from: <www.asiamedia.ucla.edu/article-southeastasia.asp?parentid=9672>.

14 The high number of TV stations is due to the fact that a great majority are merely local stations which operate in small regional areas. They produce local content and earn local advertising revenue, and usually are affiliated with one of the six large national TV stations. This is also true for local cable stations, which act as resellers of the national cable companies for a particular local market.

15 Although there are media ownership restrictions, large media conglomerates typically have local "affiliates" in regional centres as part of their network. There is a state-owned TV and radio network, but it is not as popular as it is perceived to be by government mouthpieces. There are very few pure community-owned outlets, mainly because the licensing regime is restrictive.

**Table 2: Comparative ICT indicators, ASEAN countries**

Country	Lines per 100 population			Literacy rate	Enrollment (as percent of school-age population)			Number per 100 population			
	Fixed	Mobile	Internet		Primary	Secondary	Tertiary	TV	Residential lines	PC	Internet
<b>Philippines</b>	<b>3.6</b>	<b>27.0</b>	<b>0.6</b>	<b>95.6</b>	<b>112.1</b>	<b>81.9</b>	<b>30.4</b>	<b>76.4</b>	<b>14.4</b>	<b>3.2</b>	<b>5.5</b>
Indonesia	3.9	8.7	0.3	88.4	110.9	57.9	15.1	56.7	12.6	1.3	3.8
Malaysia	18.0	44.2	4.3	88.9	95.2	69.7	26.0	92.0	60.6	16.7	34.4
Singapore	45.0	85.2	115.7	93.1	94.3	74.1	43.8	98.6	100.0	69.5	50.9
Thailand	9.6	39.4	1.6	96.0	12.1	82.8	36.8	93.3	28.2	4.5	11.1
Vietnam	4.7	2.3	0.2	93.0	103.4	69.7	10.0	86.1	13.4	1.1	4.3
Lao PDR	1.2	2.0	0.2	67.3	114.8	40.6	4.3	30.7	4.8	0.4	0.3
Cambodia	0.2	3.5	0.1	70.1	123.4	22.2	2.5	42.8	1.0	0.2	0.2

Source: ITU/Orbicom (2005)

secondary enrollment rates, its fixed-line telephone penetration rate is one of the lowest in Southeast Asia. However, other ICT indicators such as mobile phone, personal computer (PC) and internet penetration rates are close to the median of its neighbours (ITU/ORBICOM, 2005).

#### Global rankings

Globally, the Philippines is typically ranked somewhere in the middle or lower echelons of international indices that attempt to measure ICT access, availability and resources (NSCB, 2006):

- The latest ITU/Orbicom Digital Opportunities (Infostates) Index (2005) ranks the Philippines 94th out of 180 countries.
- The UN Industrial Development Organisation (UNIDO) ICT Diffusion Index (2005) ranks the country 97th out of 180 countries.
- The International Data Center (IDC) Information Society Index (2005) ranks it 48th out of 53 countries.
- The Economist Intelligence Unit's E-Readiness Index (2006) ranks it 56th out of 68 countries.
- The World Economic Forum Network Readiness Index (2005) ranks it 70th out of 115 countries.

In these ranking systems the country is shown to have higher levels of human capital and a relatively open investment/business environment. But it fares poorly primarily due to a low rate of access to ICTs amongst the general population (except for mobile phones) and the relative lack of public and private investments in improving telecommunications infrastructure.

#### ICT policy development: instruments, institutions, roadmaps

##### Policy instruments

National ICT planning is a fairly recent phenomenon in the country. The following is a brief overview of the evolution of the country's ICT plans and policy institutions (Alegre, 2001).

*Planning documents, from NITP to IT21:* An early Strategic Programme for Information Technology (SPRINT) in the mid-1980s evolved into a National IT Plan (NITP) in 1989. This was updated in 1994 to NITP 2000, and for the first time was integrated into the country's broad socioeconomic planning framework, the Medium-Term Philippine Development Plan (MTPDP, 1993-98). This signified that

ICTs could not be separate from overall economic and social goals and national development strategies.

NITP 2000 was in turn updated in 1997, resulting in the National Information Technology Plan for the 21st Century (IT21), which sought to provide direction for ICTs over the long term (i.e. 10-25 years). Because of its overarching objectives and long-term perspective, it became a main reference document for other succeeding policy instruments, including the Philippine Information Infrastructure Policy (PIIP), the Philippine government's web strategy, RPWeb, and the Government Information Systems Plan (GISP).

*ICT for global competitiveness:* In 2000, a particular policy handle for promoting e-business in the country was developed, the Internet Strategy for the Philippines, or ISP.com. This strategy was developed in parallel with efforts led by the private sector to have a law governing e-commerce passed at around the same time. The Electronic Commerce Act of 2000 was passed that year due to these joint private-public sector efforts (Congress of the Philippines, 2000).

*Telecommunications-related instruments:* Other notable policy instruments were those formulated for the recently liberalised telecommunications industry. The main one is the Public Telecommunications Policy Act of the Philippines (Congress of the Philippines, 1995), to which several amendments are now being proposed to mirror shifts in the ecology of telecommunications (particularly in relation to convergence). However, several other recently issued policy guidelines from the National Telecommunications Commission (see below) are also significant. These include Memorandum Circular (MC) No. 05-08-2005, Voice-Over-Internet-Protocol (VoIP) as a Value Added Service (VAS); MC No. 07-08-2005, Rules and Regulations on the Allocation and Assignment of 3G Frequency Bands; and guidelines issued on the use of 802.11 (Wi-Fi).

##### Policy institutions

The key policy institution that served as a coordinating body for ICT policy formulation and implementation evolved from the original IT Coordinating Council (ITCC) of the mid-1980s into the National IT Council (NITC) in the 1990s. It then became the IT and e-Commerce Council (ITECC) – a merger of the ITCC and the e-Commerce Promotion Council – which existed from 2000 to 2004 until a new governmental body came into being as a transition to an envisioned (and still to be created) Department of Information and Communications Technology (DICT).

This transitional body was the presidential Commission on Information and Communications Technology (CICT).

Other government agencies have also played key roles in ICT policy development and implementation even before the CICT's time:

- The National Computer Centre (NCC) is the agency tasked to oversee the government's acquisition of ICT resources and infrastructure and to build its technical capacities, making it central to e-government initiatives.
- The Department of Transportation and Communication (DOTC), as its name reveals, is in charge of the country's transportation and communications systems and is the government's representative to the ITU. One of its sub-agencies, the Telecommunications Office (TelOf), was traditionally tasked to provide telecommunications services in under-serviced areas.
- The National Telecommunications Commission (NTC) is the regulatory and quasi-judicial body that approves guidelines, rules, and regulations related to telecommunications and media facilities and services. NTC was for a long time also an attached agency of the DOTC.

All these institutions (or, in the case of the DOTC, its communication-related agencies) were to be integrated under a new DICT, which still had to be created by legislation, and which would also then subsume the functions of ITECC.<sup>16</sup> When the proposed DICT legislation got snagged in Congress, the CICT was created to continue institutional momentum.

*Commission on Information and Communications Technology (CICT):* With the governance of ICTs moving to the forefront of global and national policy discourse, there was an effort to streamline ITECC and make it more responsive to new challenges. However, it remained essentially a private-public sector advisory council without specialised administrative and operational support. With the DICT on hold, President Arroyo issued Executive Order 269 in 2004, creating the CICT and placing it directly under her office. This affirmed her role as top "ICT champion" within government, and gave political weight to the role of ICTs within her administration.

The CICT was set up as a merger of the following government agencies: ITECC, the NCC, the NTC, TelOf and the Telecommunications Policy and Planning Group – all components of the DOTC. Executive Order 269 provided for the appointment of five full-time commissioners, headed by a chair who was conferred the rank of cabinet secretary (i.e. minister).

The CICT immediately set out to fulfill its mandate to be the government's "primary policy, planning, coordinating, implementing, regulating, and administrative entity," and to develop "integrated and strategic ICT systems and reliable and cost-efficient communication facilities and services."<sup>17</sup>

From the start, the CICT was deemed a transitional institutional arrangement. While the opposition to a new department for ICTs continues to this day, the creation of a DICT from the current CICT

remains on the radar of the present administration. It has a growing base of support from government and industry players who feel a department-level agency would be beneficial to ICT policies and programmes in the country.

However, the CICT faces other political obstacles. Aside from a very low budgetary allocation, it continues to lose much of its political clout. While the NTC – the powerful licensing and regulatory agency for media and telecommunications – was part of the CICT since its creation, it was transferred back to the DOTC in 2006 by virtue of a legal technicality and under less than transparent circumstances. Both NTC and CICT officials expressed surprise at the unexpected move and civil society groups privately communicated their disapproval and saw political agendas at work.<sup>18</sup> However, the NTC transfer became a fait accompli with CICT officials who had to advance the line that the regulatory agency would still fall under the envisioned DICT – eventually. However, this development has served to weaken the CICT's position in overseeing the all-important (and lucrative) telecommunications industry in favour of the DOTC (perceived as more "friendly" to the carriers).

#### The 2006 strategic ICT roadmap

This body of legal instruments and the ecosystem of institutions outlined above form the framework for the country's ICT policy development. Initiatives are implemented subject to particular points of emphasis depending on the priorities of the administration in power, as well as those of particular people appointed to the policy institutions themselves. During ITECC's streamlining in 2001 – marked by its transfer from the auspices of the Department of Trade and Industry to the Office of the President – the need for a strategic roadmap was felt in order to operationalise the broad ICT plans into concrete and coherent programmes.

As a result, ITECC devised a shorter and more focused planning framework to guide its own work. The ITECC "roadmap" was not a comprehensive country strategy as some were expecting, but did contain priorities for five main areas (which corresponded to ITECC's working committees active at the time): e-government, business development, infrastructure, human resource development, and legislation and policy. The significance of this focused but quite limited agenda cannot be underestimated – the strategy also became by and large the operational framework of the soon-to-be created CICT.

When the CICT was born in 2004, it carried over the ITECC roadmap as a de facto initial work plan; it became the core of CICT presentations in various forums in 2004 and 2005. By late 2005, after the conclusion of the Tunis phase of the World Summit on the Information Society (WSIS), the CICT chair then initiated a process to update the roadmap, and to develop a more comprehensive strategy for the five-year period 2006 to 2010.

The result, *The Philippine Strategic Roadmap for the ICT Sector: Empowering a Nation Through ICT* (CICT, 2006), which underwent limited consultation in the latter part of 2006, was prepared for publishing in time for the Internet Governance Forum (IGF) meetings in Greece and the ITU Plenipotentiary Conference in Turkey (both in November 2006).

16 Other national government agencies which may develop some ICT policy functions but do not have organic links to the CICT at present include the Optical Media Board (OMB), the Intellectual Property Office attached to the Department of Trade and Industry, and some agencies of the Department of Science and Technology.

17 A recent global ranking of e-government readiness in 191 countries placed the country at 41st, ahead of most of its ASEAN neighbours, save Singapore – a development well received by government officials. See: <[www.cict.gov.ph](http://www.cict.gov.ph)>.

18 Some NGOs, including the FMA, analysed the move as related to the administration's desire to monitor broadcast agencies more closely, coming on the heels of moves to limit freedom of expression in the light of the political crisis which erupted in 2005. The "rent-seeking" angle put forward by some observers relates to the lucrative licensing functions of NTC, a part of which some politicians were perceived to covet.

Aside from outlining a set of seven guiding principles, it included what it called “Strategic Programmes and Initiatives”. These were:

- Ensuring universal access to ICTs
- Developing human capital for sustainable human development
- E-governance: using ICTs to promote efficiency and transparency in government
- Strategic business development to enhance competitiveness in the global markets
- Outlining a legal and policy agenda for the Philippine ICT sector.

Recent changes in the CICT (in 2006, three commissioners resigned, including the former chair who had initiated the roadmap review process) posed challenges to the adoption of the new strategy: the new commissioners were not invested in the original process of developing the document. Indications are that a newer version, incorporating the views of the new commissioners, will be produced in the future, suggesting a lack of institutional continuity that plagues bureaucratic transitions of this nature.<sup>19</sup>

### *Participation in global and regional governance spaces*

#### World Summit on the Information Society (WSIS)

The Philippine government participated in the WSIS and sent representatives to all the preparatory meetings, as well as to the Summits in Geneva (2003) and Tunis (2005). Government delegates came either from the DOTC, NTC or CICT (which came into being during the second phase of the WSIS); or, when costs became a problem, the Department of Foreign Affairs (DFA), from its mission in Geneva or its consulate in Tripoli.<sup>20</sup>

However, there was no continuity of participation – government representatives to the Preparatory Committee meetings changed from meeting to meeting, with hardly any coordination among attendees – and no formal Philippine position for the WSIS was developed which would guide its interventions in the intergovernmental negotiations. A proposed Philippine position during the early Geneva phase drafted by representatives of the DOTC, NTC and NCC was not approved by their DFA counterparts, and no process to harmonise divergent positions was ever initiated. As a result, the Philippines was not a player in the WSIS debates, and merely allied itself with either regional (e.g. ASEAN) positions taken previously, or those of the Group of 77 developing nations during the actual WSIS meetings.

It was clear that the Philippine ICT policy infrastructure – which itself was undergoing transition at the time from ITECC to the CICT – was not prepared to engage the WSIS in a strategic way, due to a host of factors, such as reorganisation, lack of resources, weak state capacity, and inter-agency turf wars. The CICT did convene a Philippine Summit on the Information Society (PSIS) in 2004 and 2005, ostensibly to develop a Philippine position, but discussions never reached the level needed to strategically engage the WSIS debates. The two

PSIS meetings were primarily high-profile industry-driven events, rather than public policy summits that were a culmination of a strategic consultation process. CSOs had been proposing the latter since 2003, but no resources were ever allocated for this.

To be fair, the Philippines maximised its WSIS participation in other ways. For instance, it considered the Summit agreements as reference documents for its own national policy development and it took advantage of the intergovernmental meetings to strengthen existing networks and forge new ones with donors and other ICT actors. The Philippines also sent the new CICT chair and a new commissioner to the Athens IGF meetings and Antalya ITU meetings in 2006, indicating the country’s commitment to WSIS implementation.

#### Other global spaces

The country continues to participate in all annual ITU conferences, and recently regained a seat in the 12-seat ITU Council (Oliva, 2006a). Though it is an active member of global bodies such as the World Trade Organisation (WTO), the World Intellectual Property Organisation (WIPO), and the UN Educational, Scientific and Cultural Organisation (UNESCO), there is little (if any) interface between the policy discussions taking place in these spaces and ICT policy forums relating to WSIS commitments and their implementation. Communication rights advocates are increasingly saying that trade considerations (i.e. as articulated in the WTO and WIPO) continue to override the more socially oriented goals expressed at the WSIS.

#### Regional spaces

Philippine ICT policy-makers are more present in regional spaces. The Philippines is a member of the regional counterpart of the ITU, the Asia-Pacific Telecommunity (APT). The same government networks collaborate in two other distinct bodies – ASEAN and Asia-Pacific Economic Cooperation (APEC) – each with its own plans and programmes relating to information society issues.

In 2000 ASEAN adopted an e-ASEAN Framework Agreement (ASEAN, 2000) and an e-ASEAN Roadmap, and the telecommunications and information ministers of the member countries (TELMIN) and their senior officials (TELSOM) meet regularly. An e-ASEAN Working Group and various TELSOM working groups have been set up.<sup>21</sup> Similarly, APEC has its own counterpart TELMIN and TELSOM mechanisms, and its Telecommunications and Information (APEC TEL) Working Group works to implement an e-APEC Strategy adopted in 2001 (APEC, 2001).

It is worthwhile to note that all of these forums require time and resources for the government to attend and meaningfully participate in them – resources not always available to developing countries like the Philippines. The swift pace of change in the global ICT sector – a situation which has policy lagging behind technology – also places particular pressures on the government.

One tactic used by the government is to let the private sector take the lead in developing the parameters of the country’s policy framework within global spaces such as the ITU or WIPO, or even – despite civil society criticism – in defining national policy itself. The results have been uneven in producing sound policies that promote the public interest.

19 Although a late version of the strategic roadmap was published in November 2006, as part of the grant received by the CICT from a donor agency, conversations with the new CICT chair indicate that the new commissioners were not as committed to it, as it did not as yet contain their own refinements and suggestions. The presentation of a civil society critique of the roadmap (produced in late 2006) also became a factor in the new chair considering it merely a working document. It is not clear whether an updated version will be prepared for 2007.

20 The DFA, through its United Nations International Office, traditionally coordinates country participation in UN summits.

21 TELSOM working groups address the following issues: information infrastructure; e-society/ICT capacity-building; e-commerce/trade facilitation; and universal access/digital divide. There is also an ASEAN Telecommunications Regulators Council (ATRC). For background on the e-ASEAN initiative, see: <[www.aseansec.org/7659.htm](http://www.aseansec.org/7659.htm)>.

## Public policy issues: a civil society agenda

An initial assessment of the strategic ICT roadmap

In November 2006, representatives of more than 40 CSOs presented their comments on the new draft roadmap to the CICT in a multi-stakeholder forum. CSOs did affirm certain specific sections of the document, including its guiding principles; its section on human capital development; its proposals on free and open source software (FOSS) in education; and its initial position on universal access. However, they also presented a comprehensive critique of the roadmap, calling attention to specific gaps corresponding to key public policy concerns deemed strategic, but which were not addressed. It noted a lack of harmonisation of the roadmap's goals with those established in international agreements, notably the UN Millennium Development Goals (MDGs) and even most of the WSIS commitments themselves. CSOs also challenged the apparent underlying market-driven development paradigm of the draft.

Listed below are just some of the major areas that represent gaps in the draft from the point of view of civil society (FMA, 2006a). These also represent a cross-section of the public policy issues that CSOs are critically engaging with:

- *Universal access/digital divide*: Even with high mobile telephony penetration, there remain glaring inequalities in ICT ownership and use among households in different areas (e.g. rural versus urban) and among different income brackets. For example, in 2003, only 11.2% of farming households owned telephones, compared to 28.9% of all households nationwide. Access to personal computers and especially internet services is clearly limited to the most urbanised areas (Tuaño *et al*, 2007).
- CSOs rue the lack of baseline data on these “divides”, as well as the inadequacy of current interventions to bridge them. The importance of sectoral access strategies (e.g. for farmers, the urban poor, persons with disabilities, women) was emphasised, the use of traditional media technologies (e.g. community radio) was endorsed, and key policy gaps were noted (foremost was the lack of an updated strategic spectrum management policy, which would allocate spectrum for development use.)
- *Competition policy/anti-trust issues*: Even with the liberalisation of the telecommunications sector, problems persist which need strong regulatory action. CSOs note a lack of explicit rules that prevent the dominant incumbents from controlling specific segments of the ICT market, allowing them to gain very high price margins – already estimated at 84% in 1997. Predatory pricing and unregulated bilateral interconnection agreements have tended to squeeze out smaller industry players, and anti-trust issues abound.<sup>22</sup> CSOs have lauded a draft NTC consultative paper on a competition policy for the ICT sector (NTC, 2006), which seeks to strengthen regulation in this area, including the imposition of particular obligations on incumbents with significantly dominant market power. Unfortunately this whole issue is absent in the roadmap.
- *Free and open source software (FOSS)*: In 2004, 70% of government operations still ran on proprietary platforms at enormous cost to the country. The Philippines has yet to adopt FOSS as a key development strategy. Although the CICT is beginning to develop FOSS in its education strategy,<sup>23</sup> the government has

been slow to do the same in public administration. At the very least, CSOs were calling for a policy position adopting open standards in government.

- *Internet governance: ccTLD administration reform*: A long-standing issue has been the ownership and control of the Philippine country code top-level domain (ccTLD), currently run as a private monopoly by the original administrator. Public policy issues abound, making this a test case in local internet governance and the extent of state sovereignty over a public internet resource. A significant section of the internet community is clamouring for reform and the re-delegation of the administrative functions (and handing over of the databases/zone files) to a private not-for-profit entity, a scenario contemplated by the CICT's own 2005 guidelines.<sup>24</sup> Yet the roadmap is silent on this issue, betraying a lack of political will to implement the latter.
- *Intellectual property rights (IPR) and access to knowledge*: Any discussion of IPR – one of the more controversial issues in various global governance spaces – is totally absent in past or present ICT policy in the country. Given the growing critique of dominant IPR frameworks and the effect of corporate-led patent and copyright regimes on developing countries, CSOs are pushing for more flexible policies that take advantage of exceptions and “flexibilities” in global rules, explore various open access models, and incorporate an indigenous articulation of the “commons” concept (Peria *et al*, 2007).
- *Mainstreaming gender in ICT policy*: In 1995 the government released a Gender and Development (GAD) Plan to facilitate gender mainstreaming in public administration, with mandatory public spending of 5% in each agency's budget for women's programmes. However, ICT policies and policy institutions have generally been gender-blind. The view that technology is gender-neutral remains pervasive within the ICT policy community, and special measures that recognise differences among men and women users have been lacking. As a result, technologies and user environments (i.e. for access) are not informed by gendered analysis, design and planning and do not result in outcomes specifically targeted for women. A recent FMA study outlined the various interventions needed to make ICT policy in the country more gender-sensitive (Somera, 2007).

These are some of the public policy issues that CSOs have cited as lacking in the current roadmap. They also represent key elements of a more comprehensive civil society agenda for ICTs that is still to be finalised – an initiative that CSOs plan to pursue in 2007.

## Participation

### Public-private sector collaboration

From the beginning, Philippine policy development has been relatively open to private sector participation. In the various policy institutions, the private sector – almost always represented by big business/industry, but including the education sector – has been involved. With the more open policy environment in the post-1986 era, and the tacit acceptance of the key role of the private sector in ICT development, public-private sector collaboration has marked all institutional arrangements up until the creation of the CICT. ITECC, in fact, had a private sector

<sup>22</sup> For studies on competition in the telecommunications sector, see Patalinghug and Lianto (2005) and Aldaba (2005).

<sup>23</sup> See Lallana *et al* (2007).

<sup>24</sup> For the CICT's .ph guidelines, see CICT (2004). A comprehensive case study on the issue is in Yu *et al* (2007).

co-chair, and its various working committees were all co-chaired by a government and a private sector (usually industry) representative.

Even the current CICT, though a purely governmental structure, has been open to private sector participation, particularly from the carriers, service and applications providers, and industry associations. As a result, in the various policy arenas the private sector's voice is often heard loud and clear.

### CSO participation

#### Entering the policy space: ITECC

Civil society participation as a distinct sector is a fairly recent phenomenon in the country, and is driven by individual non-governmental organisations (NGOs) with a communication rights-based perspective (CRIS, 2005). It was essentially in the more open ITECC structure in 2000 that CSOs participated – albeit still under the ambit of the private (i.e. non-government) sector.<sup>25</sup> The leading role of the private for-profit sector was largely the norm in major ICT policy spaces, such as ITECC and the NTC on the national level, and the ITU conferences and meetings on the international level, where the big telecoms players sit side-by-side with government as “sector members”.

CSO representatives sensitised ITECC to the more social issues surrounding ICTs, and gained legitimacy for their public-interest positions, although civil society's impact was limited by the small number of CSO representatives: only two persons in the 40-person council meetings were from civil society. Realising that civil society's constituency was still too weak for an effective lobby, one CSO representative opted out of direct ITECC participation upon the latter's restructuring in 2001, choosing to concentrate on constituency-building work.

#### WSIS as catalyst

Aside from the early involvement in ITECC, there were few opportunities for CSOs to sit around the policy table before 2003. It was only during the onset of the WSIS process, with its mandate for governments to reach out to the non-profit sector, that then-ITECC Executive Director Virgilio Peña considered inviting civil society representatives to join the WSIS national delegation. CSO participation in UN summits was common in other contexts, but there was no similar precedent for the ICT sector, which was traditionally open only to industry players and sectoral associations. Although NGOs engaging in ICT policy during the time were still relatively few, the inclusion of two people as civil society (and youth) representatives in WSIS Preparatory Committee meetings, as well as the Summit itself, was a milestone in 2003.

The WSIS appeared to change how government considered the policy arena. Civil society ceased to be lumped together with industry, and was now recognised as a distinct actor with its own important contributions to the policy table. This clear shift was reflected in the first Philippine Summit on the Information Society in 2004, particularly in determining summit participants. Half of the 200 slots for invited participants were reserved for government representatives, while the other half were now equally divided between the private industry, education, and civil society sectors. The WSIS had opened a door; it was now up to civil society to enter.

#### CSO-CICT engagement

Since then, ITECC and its successor, the CICT, have become more open to civil society collaboration than any previous policy institutions ever were. Either through informal consultative meetings (e.g. for the ICT in Education Strategy), or through more formal joint initiatives (e.g. co-sponsored ICT training for NGOs), CSOs were generally recognised as legitimate dialogue partners and the government reached out to CSOs in a manner usually reserved for private industry. As civil society's advocacy initiatives increased, the CICT opened policy discussions on a wide range of concerns important to NGOs. These ranged from traditional “NGO issues” (e.g. telecentre development, FOSS, gender issues), to non-traditional NGO areas of concern (e.g. technical issues like Wi-Fi, ccTLD administration, broadband policy, cybercrime). NGOs contributed positively to discussions and debates.

The CICT's openness was reciprocated by civil society, which became a partner in some CSO-driven policy initiatives. From 2005 to 2006, for instance, the FMA partnered with the CICT in setting common policy development and research agendas in areas such as the “digital divide”, the ccTLD administration issue, FOSS, and gender and ICT policy. Earlier, WomensHub – an NGO focusing on gender and ICTs – also partnered with the NCC on a gender and ICT policy study.

It appeared then that initial CSO disappointment at the Philippine government's WSIS (non)position abroad was being replaced by a critical appreciation for a much more open and consultative Commission that was evolving at home.

#### Public hearings

CSOs explored other policy spaces alongside these developments. Certain agencies of the government – in particular the NTC and the ICT committees in Congress – were mandated to convene regular public hearings whenever they would issue important sector guidelines or memorandum circulars, or when a draft bill was filed. These consultative meetings were open venues where stakeholders could voice their comments or concerns on a particular draft policy issued.

Few NGOs usually attended such hearings until fairly recently, mainly because telecommunications (and the internet) was not yet a traditional area of concern for many local civil society activists. But as their technical understanding of the issues grew, and the public interest character of the discourse became more evident, more began to participate.

In a country where no strong consumer movement exists, NGOs initially represented the consumer protection perspective in policy discussions; from there it was not difficult to advocate for the public interest character of public communication systems. Hearings from 2003 to 2006 in Congress (on the Cybercrime Bill, the Optical Media Bill, the Anti-Terrorism Bills, and the FOSS in Government Bill), and the NTC (on the WiFi and VOIP Guidelines and the Competition Policy), plus CICT consultations (on the Public Domain Information and Broadband Policy), increasingly included more and more NGO stakeholders (FMA, 2006b).

Of course, these hearings were merely *consultative* in nature; they certainly were not co-deliberative – i.e., government was basically still free to accept or reject any comments made by CSOs. But they were the only expression of public consultation within the sector, and government officials were generally open to comments. In addition, CSOs brought a public-interest perspective to these hearings, a view that was not being expounded on by the members of the “public” who usually attended: the phone companies, service providers, and other corporate industry players.

<sup>25</sup> FMA Executive Director Alan Alegre was invited to sit in ITECC in 2000, the first representative with a clear civil society perspective to sit in the highest Philippine ICT policy-making body.

### *An initial assessment of CSO engagement*

Compared to before 2000, when hardly any civil society representative was actively engaging national ICT policy institutions, Philippine CSOs have come a long way in carving their own space in the ICT policy arena.

However problems persist in advancing peoples' participation in Philippine ICT policy:

- *Limits to transparency and accountability:* Certain political decisions still seem to be shielded from broad public information and stakeholder intervention. These include: the CICT reorganisation plan (involving how the new Commission is to be structured and "re-engineered"); NTC licensing decisions (e.g. the controversial grant of 3G licenses currently being investigated by Congress); and political decisions regarding the .ph ccTLD issue. Even in determining the appointments to the CICT itself, candidates are not publicly nominated and vetted, and the search for possible appointees is opaque. At best, it shows that government still lacks the full transparency essential for good governance and genuine multi-stakeholder partnership; at worst, it may signify political horse-trading or even an orientation towards rent-seeking (i.e. corruption-driven) agendas.
- There is often a tendency by policy-makers to *confine civil society participation to certain areas of concern* – notably those relating to the "social side" of ICT development, such as "digital divide" issues and universal access programmes, and social welfare concerns (health, education, agriculture, etc.). Although these areas have a legitimate need for attention, and provide an opportunity for CSOs to craft significant public policy, CSOs' work is not limited to engagement in these areas only. Civil society must be allowed to interrogate all facets of ICT policy development, particularly those that are not usually considered part of its traditional ambit (e.g. macro-economic policy, technical specifications, etc.). The challenge is also for CSOs to show competence in these areas, and to present concrete alternatives.
- *Lack of institutionalisation of multi-stakeholder partnership:* It has been observed that the relatively open relationship between CSOs and the CICT up to mid-2006 was affected by the resignations of two commissioners (and the pending resignation of another in January 2007) who had been dealing with civil society representatives directly. The appointment of new officials with no previous experience in dealing with CSOs visibly slowed down the momentum of the budding partnership. This was most evident in the roadmap review process, where civil society inputs were not reflected in the latest draft, despite the fact that it was the previous CICT chair who had called for civil society comments (Oliva, 2006b). It is clear that the partnership was based largely on good interpersonal relationships with specific commissioners forged during the WSIS process, without the corresponding institutionalisation of CSO participation in the CICT.
- *Lack of regional (sub-national) policy development spaces:* During a policy dialogue between the CICT and CSOs in November 2006, CSOs pointed out that the lack of regionalisation of policy-making structures and processes serves to privilege stakeholders based in the capital, where most of the face-to-face policy engagements occur. (Most policy processes and mechanisms are not yet conducted online.) This gives a Manila-centric bias to the whole process, as many regional stakeholders do not have

the resources to travel to the capital, fuelling the usual resentment felt by a majority against "Manila imperialism", and resulting in a potentially flawed policy.

- *Limited CSO capacities in policy intervention:* In many cases where government solicits civil society inputs, CSOs do not always have the resources to adequately respond quickly and in a meaningful way, reducing their potential influence on the policy process. Civil society's impact on public policy will always be a function of both the soundness of its recommendations and the capacity of its organised constituency to effectively advocate them. CSO policy engagement will have to be supported by a further strengthening of its intellectual and organisational resources.
- *Gender gaps:* A recent study (Somera, 2007) outlined the various gender gaps in Philippine ICT policy development, manifested in ICT programmes and initiatives (e.g. universal access projects, capacity-building programmes, budgetary allocation) which are gender-blind. This is due to an absence of gender-sensitive mechanisms within the ICT policy institutions (Somera, 2007). Although women comprise the majority of the CICT bureaucracy, it is important to note that there has never been a woman appointed as commissioner.

### **Conclusions**

The Philippine experience presented in this paper shows both the limits and possibilities of developing-country participation in governance arenas (e.g. the WSIS). It demonstrates how effectively international processes can influence local policy environments, but equally reveals how national contexts and dynamics play out in the local power relations that influence public policy. It also shows how civil society can be a significant actor if it engages strategically.

The Philippine experience at the WSIS has had a largely positive impact on the country's overall policy ecosystem, notwithstanding the country's passive role in the actual intergovernmental processes and negotiations. CSOs took advantage of the Summit's processes and mandates, especially in advancing multi-stakeholder approaches locally, and auditing national ICT plans.

Civil society has undoubtedly entered the ICT policy arena and has positioned itself as a legitimate actor in this space. It has successfully promoted a public interest discourse to frame its interventions and has pinpointed specific policy areas for reform. But the task remains unfinished, requiring continued strategic action on the national (and sub-national) levels. The challenge is for CSOs to leverage their initial successes, while strengthening their internal capacities, and to link up with like-minded policy actors in order to have a tangible impact on specific Philippine policy areas that remain problematic. ■



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