

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Nineteenth Congress
Second Regular Session

HOUSE BILL NO. 9959

Introduced by Hon. Amparo Maria J. Zamora

EXPLANATORY NOTE

EasyCall Communications Philippines Inc. (PSE:ECP), a company with over 30 years of history, started its journey in the paging industry in the 1990s and has since diversified into contact center outsourcing, innovative solutions and information technology-related businesses. The company currently operates two main lines of business - managed connectivity services and technology and data services. These operations are designed to bolster the functioning of enterprises and companies through the provision of IT-related services.

The company's vision focuses on unlocking value through technology. In line with this, EasyCall manages its data connectivity with the help of its VSAT line of business, providing connectivity solutions to customers, particularly those in unserved and underserved areas across the Philippines. Through its operations, it strives to be a reliable and efficient technology partner for enterprises, and continues to look into enhancing customer expectations and operations via data technology.

Recognizing the importance of data and digitization in today's work environment, EasyCall continuously evaluates innovative market products and works towards building its existing pool of services, together with a strong team of professionals skilled in various technology services.

EasyCall's commitment is to provide its existing customers with managed connectivity services, and technology and data services while expanding its customer base and team, focusing on data services on the cloud, data analytics, cybersecurity, and satellite connectivity. The aim is to provide connectivity to underserved and unserved areas, thereby bridging the digital divide. This goal is particularly pertinent given the archipelagic nature of the Philippines.



The company remains optimistic about its ability to help customers across the country unlock value through technology. The draft bill for renewal is part of EasyCall's ongoing efforts to meet the connectivity needs of underserved and unserved areas, ultimately aiming to bridge the digital divide and provide more opportunities, visibility and innovation to its roster of customers.

EasyCall was formerly called Francisco N. Cervantes, Inc. The latter is the subject of Republic Act No. 5954, as amended by Republic Act No. 7110 (RA 7110), wherein Francisco N. Cervantes, Inc. was granted a franchise to construct, install, establish, and operate radio stations for domestic and international communications. The said legislative franchise was extended for another twenty-five (25) years from 04 March 1999 (Section 4 of RA 7110).

The legislative franchise will end by 04 March 2024 and thus, the need for the proposed bill to enacted immediately.



HON. AMPARO MARIA J. ZAMORA
Representative, 2nd District of Taguig

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AN ACT
EXTENDING THE FRANCHISE GRANTED UNDER REPUBLIC ACT NO. 5954, AS AMENDED BY REPUBLIC ACT NO. 7110 TO EASYCALL COMMUNICATIONS PHILIPPINES, INC. (FORMERLY KNOWN AS FRANCISCO N. CERVANTES, INC.) FOR TWENTY-FIVE (25) YEARS

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. *Short Title.*** – This Act shall be known as “An Act Extending
2 the Legislative Franchise of EasyCall Communications Philippines, Inc. to twenty-
3 five (25) years.”

4 **SEC. 2. *Definition of Terms.*** –

5 a. **Electronic communications network** shall refer to: (1) a transmission
6 system for conveyance by use of electrical, magnetic, or electromagnetic
7 energy, of signals of any description; and (2) any of the following as are
8 used, by the person providing the system and in association with it, for
9 conveyance of the signals: (i) apparatus comprised in the system; (ii) an
10 apparatus used for the switching and routing of the signals; and (iii)
11 software and stored data.

1 b. **Electronic communications service** shall refer to services that are
2 principally conveyed by means of an electronic communications network
3 of signals. It includes wired, wireless, fixed, cellular, and/or mobile, or
4 integrated telecommunications, computer, electronic services, including
5 value-added services, or technologies related to such service which are at
6 present available through technological advances or innovations in the
7 future, and fixed and mobile stations.

8 c. **EasyCall Communications Philippines** shall also be used
9 interchangeably with the acronym ECP and “grantee”.

10 d. **Telecommunications** shall include “electronic telecommunications”.

11 **SEC. 3. Legislative Franchise.** - Subject to the provisions of the Philippine
12 Constitution and applicable laws, rules and regulations, the franchise granted to
13 Easycall Communications Philippines, Inc., (formerly Francisco N. Cervantes, Inc.)
14 under Republic Act No. 5954, as amended by Republic Act No. 7110, is hereby
15 extended for twenty-five (25) years from March 4, 2024 which is the date of
16 expiration thereof under the said act.

17 The grantee is hereby bestowed the right to establish, operate, manage, lease,
18 maintain, purchase, and carry on the business of providing telecommunications
19 systems and services, including, without limitation, electronic communications
20 systems and electronic communications services, fiber optics, satellite transmission
21 and reception systems, and other telecommunications systems and their value-added
22 services such as transmission of voice, data, facsimile, control signs, audio and
23 video, and all other telecommunications systems technologies as are at present
24 available or will be made available through technical advances or innovations in the
25 future and to construct, establish, install, maintain, lease, purchase, and operate the
26 corresponding transmitting and receiving stations, satellites, lines, systems,
27 networks, international gateways, local exchanges, and platforms as it may consider
28 necessary, convenient or reasonable.

1 **SEC. 4. *Manner of Operation of Stations or Facilities.*** - The stations or
2 facilities of the grantee shall be constructed and operated in a manner as will, at
3 most, result only in the minimum interference on the wavelengths or frequencies of
4 existing stations or other stations which may be established by law, without in any
5 way diminishing its own privilege to use its assigned wavelengths or frequencies
6 and the quality of transmission or reception thereon as should maximize rendition
7 of the grantee's services and/or the availability thereof.

8 **SEC. 5. *Authority of the National Telecommunications Commission.*** – The
9 grantee shall secure from the National Telecommunications Commission (NTC) the
10 appropriate permits and licenses for the construction, installation and operation of
11 its telecommunications systems or facilities. In issuing said permits, the NTC shall
12 have the power to impose such conditions relative to construction, operation,
13 maintenance, or service level of the telecommunications system. The NTC shall
14 have the authority to regulate the construction and operation of its
15 telecommunications system. The grantee shall not use any frequency in the radio
16 spectrum without authorization from the NTC.

17 In case of any violation of the provisions of this franchise, the NTC shall have
18 the authority to revoke or suspend, after due process, the permits or licenses it issued
19 pursuant to the franchise. The assignment of frequencies to the franchise shall be
20 subject to review at regular intervals. The NTC shall have the authority to reallocate
21 redundant frequencies held by the franchise. The NTC may recommend to Congress
22 the revocation of the franchise for any violation of the provisions of this franchise.

23 **SEC. 6. *Responsibility to the Public.*** - The grantee shall conform to the
24 ethics of honest enterprise and not use its stations or facilities for obscene or indecent
25 transmission, or for the dissemination of deliberately false information, or willful
26 misrepresentation, or assist in subversive or treasonable acts.

27 The grantee shall operate and maintain all its stations, lines, cables, systems,
28 and equipment for the transmission and reception of messages, signals, and pulses

1 in a satisfactory manner at all times and, as far as economical and practicable,
2 modify, improve, or change such stations, lines, cables, systems, and equipment to
3 keep abreast with the advances in science and technology.

4 The grantee shall improve and extend its services in areas not yet served, and
5 in hazard- and typhoon-prone areas that shall be determined by the National Disaster
6 Risk Reduction and Management Council in coordination with the NTC.

7 **SEC. 7. *Right of the Government.*** - The radio spectrum is a finite resource
8 that is part of the national patrimony and the use thereof is a privilege conferred
9 upon the grantee by the State and may be withdrawn any time after due process. As
10 such, the President of the Philippines, in times of war, rebellion, public peril,
11 calamity, emergency, disaster or disturbance of peace and order, has the right to
12 temporarily take over and operate the stations, transmitters, facilities, or equipment
13 of the grantee; to temporarily suspend the operation of any station, transmitter,
14 facility or equipment in the interests of public safety, security, and public welfare;
15 or to authorize the temporary use and operation thereof by any agency of the
16 government, upon due compensation to the grantee, for the use of said stations,
17 transmitters, facilities, or equipment during the period when these shall be so
18 operated.

19 **SEC. 8. *Term of Franchise.*** - The franchise shall be extended for a period
20 of twenty-five (25) years from the date of the effectivity of this Act, unless sooner
21 revoked or cancelled. This franchise shall be deemed *ipso facto* revoked in the event
22 the grantee fails to operate continuously for two (2) years. The grantee shall apply
23 for the renewal or extension of its franchise five (5) years before its expiration date
24 which shall be reckoned fifteen (15) days after the publication of the franchise in the
25 *Official Gazette* or in any newspaper of general circulation, whichever comes earlier.

26 **SEC. 9. *Warranty in favor of the Government.*** - The grantee shall hold the
27 national, provincial, city, and municipal governments of the Philippines free from
28 all claims, liabilities, accounts, demands, or actions arising out of accidents, causing

1 injury to persons or damage to properties, during the construction or operation of
2 the stations, transmitters, facilities, or equipment of the grantee.

3 **SEC. 10. *Commitment to Provide and Promote the Creation of Employment***
4 ***Opportunities.*** The grantee shall create employment opportunities and shall allow
5 on-the-job trainings in their franchise operations: *Provided*, That priority shall be
6 accorded to the residents in the area where their principal office is
7 located: *Provided*, further, That the grantee shall ensure that at least sixty percent
8 (60%) of its employees are regular employees and in no case shall the percentage of
9 contractual employees, job orders, casuals, and independent contractors combined,
10 exceed forty percent (40%) of its total workforce: *Provided*, finally, That the grantee
11 shall comply with the applicable labor standards and allowance entitlement under
12 existing labor laws, rules and regulations, and similar issuances.

13 The employment opportunities or jobs created shall be reflected in the
14 General Information Sheet (GIS) to be submitted to the Securities and Exchange
15 Commission (SEC) annually, in addition, the grantee shall include in its annual
16 report to Congress the number of trainees and workers whose employment status are
17 made regular, and append the appropriate certificate from the Department of Labor
18 and Employment attesting that it has complied with the employment requirement
19 under this section.

20 **SEC. 11. *Business Development and/or Expansion Plan.*** - Except where
21 prevented by force majeure, the grantee shall be obliged to carry out its business
22 development and/or expansion plan which shall contain, among others, the phases
23 of business development or expansion, courses of action to achieve the objectives
24 of the franchise, capitalization, and expected milestones within the franchise term.

25 **SEC. 12. *Reportorial Requirement.*** - The grantee shall submit an annual
26 report to the Congress of the Philippines, through the Committee on Legislative
27 Franchises of the House of Representatives and the Committee on Public Services

1 of the Senate, on its compliance with the terms and conditions of the franchise and
2 on its operations.

3 The annual report shall include an update on the roll-out, development,
4 operation and/or expansion of business; audited financial statements as certified by
5 the SEC; certification of the NTC on the status of its permits and operations; and an
6 update on the dispersal of ownership undertaking.

7 The reportorial compliance certificate issued by Congress shall be required
8 before any application for permit or certificate is accepted by the NTC.

9 **SEC. 13. *Equality Clause.*** - Any advantage, favor, privilege, exemption, or
10 immunity granted under other existing franchises, or which may hereafter be
11 granted, upon prior review and approval of Congress, shall become part of this
12 franchise and shall be accorded immediately and unconditionally to the herein
13 grantee: Provided, That the foregoing shall neither apply to nor affect provisions of
14 telecommunications franchises concerning the territory, life span, or type of service
15 authorized by the franchise.

16 **SEC. 14. *Separability Clause.*** - If any of the sections or provisions of this
17 Act is held invalid, all other provisions not affected thereby shall remain valid.

18 **SEC. 15. *Repealing Clause.*** - All other laws, orders, issuances, rules and
19 regulations or parts thereof inconsistent with this Act are hereby repealed, amended
20 or modified accordingly.

21 **SEC. 16. *Effectivity.*** - This Act shall take effect fifteen (15) days after its
22 publication in the *Official Gazette* or in a newspaper of general circulation.
23

24 *Approved,*