

## TELCOS GET MORE TIME TO EXTEND 'LOAD' VALIDITY

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The government is giving telcos PLDT Inc. and Globe Telecom more time to adjust their systems in line with a recent order for them to extend the expiration of prepaid credits—used by the bulk of the mobile market—to one year.

The Department of Information and Communications Technology originally wanted the one-year validity of prepaid credits or "load" to be implemented by Jan. 5, 2018.

However, Information and Communications Technology Acting Secretary Eliseo Rio Jr. said the two telcos were given another six months before the full implementation of the order.

He clarified that those who buy prepaid credits of P300 and above will enjoy the one year validity starting Jan. 5 this year.

The prepaid market accounts for about 95 percent of all mobile subscribers of PLDT and Globe and about 70 percent of mobile revenues.

Before the order, validity depended on the denomination purchased. For example, credits of P10 or lower were valid for three days while P300 would last three months. The deadline ensured

relatively steady stream of revenue for the two telco providers.

Rio said PLDT and Globe were given the six month reprieve for the one-year validity for prepaid load purchases under P300 "to prevent their systems from the possibility of crashing if changes are made abruptly."

He said this would "not only inconvenience the consuming public but may even cause serious damage to the industry."

"We apologize for giving the public false expectations, but if we have to err, it would be on the side of being 100 percent certain that nothing untoward will happen." Rio added in a post on Facebook. He often uses this as a venue to make important policy announcements.

PLDT and Globe welcomed the news on Friday.

"Telecommunications as a business requires complex, advanced and real time systems that should be extensively tested, bearing in mind the impact to our 57 million prepaid customers, including transactions and voice, SMS, and data traffic that these systems support," Globe general counsel Froilan Castelo said in a statement.

He said Globe would spend more to expand capacity, test its systems and acquire added licenses. INQ

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