

Minimum P200 B investments for 3rd telco player — Dominguez

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Interested investors who want to enter the Philippine telecommunications industry should be ready to invest at least P200 billion, if they want to compete with existing major players, Finance Secretary Carlos Dominguez said yesterday.

Considering the massive amount of investments required, Dominguez also cautioned that the government cannot rush the selection of a new telecommunications operator.

“To effectively compete, the investments required of the new major telecommunications player is estimated to be at least P200 billion,” Dominguez said in a tweet posted yesterday afternoon.

“The magnitude of the investment requires that all elements, including the necessary access to available telecommunications infrastructure are in place for the new player. Until such time, the bidding for its entry cannot be rushed,” he said.

The Department of Information and Communications Technology (DICT) is targeting to name the third telco player before President Duterte’s State of the nation Address (SONA) in July.

The DICT earlier said a prospective telco player needs to invest up to P400 billion over the first five years of its operations.

Meanwhile, the DICT has released the revised guidelines for the selection of the third telco operator.

Under Memorandum Order 2 signed by DICT officer-in-charge Eliseo Rio Jr., interested entrants should have a minimum paid up capital of P10 billion as indicated in its latest audited financial statements.

They should also hold a congressional franchise that is not a related party to any dominant telecommunications player, and has no outstanding liabilities with the National Telecommunications Commission as of Jan. 31, 2018.

The DICT requires applicants to have experience in the provisioning, delivery, and operations of telco services for the last five years.

Malacañang also recently issued Administrative Order 11, which created an oversight committee for the entry of a new major player in the public telco market.

The committee is composed of representatives from the DICT as chairman, the Department of Finance as vicechairman, the Office of the Executive Secretary and the National Security Adviser.