



Office of the President of the Philippines
COMMISSION ON INFORMATION AND COMMUNICATIONS TECHNOLOGY

**WIRELESS BROADBAND APPLICATIONS AND DEVELOPMENT
SEMINAR/WORKSHOP**
Crowne Plaza Galleria Manila
23 October 2008

Keynote Message

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Secretary Leandro Mendoza from the Department of Transportation and Communications, Assistant Secretary Reynaldo Berroya, Director General Yasushi Yashida from the Ministry of Internal Affairs and Communications of Japan, fellow government workers, distinguished guests, ladies and gentlemen, good morning!

On behalf of the Commission on Information and Communications Technology, or CICT, I would like to express our appreciation to the Department of Transportation and Communications, or DOTC, the Ministry of Internal Affairs and Communications, or MIC, and the Japan International Cooperation Agency, or JICA, for organizing this Seminar/Workshop on Wireless Broadband Applications and Development. This occasion provides an opportunity for both the Philippines and Japan to share knowledge and best practices on broadband technologies, solutions, and applications, and their role in governance and economic development. It is also my pleasure to welcome the participation of private sector telecommunications companies from the Philippines and Japan, who will be showcasing some of the latest wireless broadband technologies and their potential to address the country's social and economic development needs.

Broadband technologies are critical for the establishment of information societies, because they enable high-speed, always-on, and secure access to the Internet. With the convergence of wireless and broadband technologies, the impact of broadband connectivity has become even more far-reaching, because physical barriers can now be easily overcome. Mobile phones, laptop PCs and other mobile devices are now able to access the Internet through WiFi, broadband wireless access or 3G. Mobile phones in particular are a relatively untapped market for broadband, with the Philippines having over 40 million mobile subscribers. This subscriber base sent an astonishing 1.4 billion text messages on New Year's Day alone, making the Philippines the "texting capital of the world."

Broadband has already revolutionized the way citizens interact with government by bringing government services online, including civil registry document requests, tax filing and remittance and provision of government related information. The CICT, through its component agency the National Computer Center, or NCC, is spearheading the transformation of government towards e-government by assisting our national government agencies and local government units in transitioning towards providing ICT-enabled services. For example, the *e-Serbisyo* services portal, developed and hosted by the NCC, was designed as a one-stop shop where a user may access all government information and services. This portal includes the *eBayad* payment gateway, which enables online payments to the government.

In education, e-learning has become a viable alternative to traditional learning formats, and addresses some of the Philippines' educational challenges, such as the lack of public school teachers. E-learning enables teachers and faculty to widen their areas of responsibility and spread the benefits of the new learning environment to underserved communities both in the urban and rural areas. The CICT's Human Capital Development Group has made broadband connectivity an integral part of its high school computerization project iSchools and its computerized alternative learning system project eSkwela. To help recipient schools cover the cost of broadband connectivity, the CICT funds the cost for the initial year of operation.

In the health sector, broadband has enabled the introduction and development of telemedicine—applications that facilitate health surveillance through digitized data and real-time diagnostics across geographical distances. Thanks to broadband, the CICT-supported pilot of the Telehealth BuddyWorks Phase I project of the UP Manila National Telehealth Center, is now being implemented in a number of provinces. This is a nationwide IT-enhanced health services system for public telemedicine services, which also provides distance education to our community health workers.

In e-commerce, broadband has enabled businesses to offer their products or services online, providing better prices for consumers and dramatically lowering the barriers to entry for entrepreneurs. Broadband has also enabled multiple business linkages that translate into greater productivity, by allowing for more efficient interaction between businesses, suppliers, and clients.

Finally, broadband has facilitated the country's emergence as a premier destination for business process outsourcing, which includes call centers, back office outsourcing, software development, engineering design, animation and medical and legal transcription services. With revenues reaching 5 billion US dollars and a 300,000 strong workforce as of end 2007, the BPO industry is one of the country's biggest-earning and fastest-growing sectors. The private sector has been instrumental to this success through its establishment of the vital ICT backbone needed for the Philippines to compete in the global BPO industry.

While broadband applications are gaining momentum in the Philippines, we still face many challenges. Despite our high mobile penetration rate, the Philippines currently has one of the lowest broadband penetration rates at 3.6% of households and one of the lowest PC penetrations rates at 8.9% of the population. This may be partly due to the country's limited fixed line and cable infrastructure, which are the traditional delivery mechanisms for broadband connectivity. The proliferation of shared facilities like Internet cafes have partially mitigated this by increasing the number of Internet users, but the low number of broadband subscribers is still a concern.

I believe this is where wireless broadband technologies can make a big impact. By avoiding the costs of laying fiber or copper, wireless broadband technologies dramatically lower the cost of broadband deployments. This will make it more cost effective for telcos and ISPs to increase their broadband subscriber base, particularly in areas with lower population density. PLDT earlier this year reported that its wireless broadband subscriber base has already surpassed its DSL subscriber base and Globe Telecom recently announced it will be offering WiMax service by this year. In addition, these telcos continue to aggressively promote their 3G services. With these developments, we can expect wireless broadband to increasingly become the technology of choice for broadband Internet access.

The Philippines, as an emerging economy, looks forward to exchanging ideas and experiences with a developed economy like Japan, particularly in the area of ICT. I am confident Japan's extensive experience with mobile and broadband technologies will provide us with tried and tested models that can be adopted into our unique Philippine development framework.

Once again, I would like to express my appreciation to the organizers of this seminar/workshop for bringing together the public and private sectors to discuss current and emerging wireless broadband applications. I hope that this event will result in more intensive policy and regulatory discussions among the agencies concerned for the effective deployment of wireless broadband technologies in our respective countries.

Thank you and mabuhay!