

Joint Foreign Chambers of the Philippines



AMERICAN

American Chamber of Commerce of the Phils., Inc. ♦ Australian-New Zealand Chamber of Commerce (Phils.), Inc.
Canadian Chamber of Commerce of the Phils., Inc. ♦ European Chamber of Commerce of the Phils., Inc.
Japanese Chamber of Commerce & Industry of the Phils., Inc. ♦ Korean Chamber of Commerce of the Phils., Inc.
Philippine Association of Multinational Companies Regional Headquarters, Inc.

STATEMENT ON THE CREATION OF THE DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY

JUNE 6, 2011



ANZCHAM

AUSTRALIAN-NEW ZEALAND

Mr. Chairman:



CANADIAN

Thank you for the opportunity to appear today at this important hearing on the creation of the Department of Information and Communications Technology organized by the Senate Committee on Science and Technology joint with Constitutional Amendments, Revision of Codes & Laws; Civil Service and Government Reorganization; and Finance.

The Joint Foreign Chambers (JFC) of the Philippines is pleased to have the opportunity to submit its statement of support on the subject legislation.



EUROPEAN

Information technology and business process outsourcing (IT-BPO) is the fastest-growing employment and one of the highest revenue generating economic sector in the Philippines today. The potential of the IT-BPO remains extremely strong because of the growing outsourcing trend in the North America, Europe, Asia and Australia.



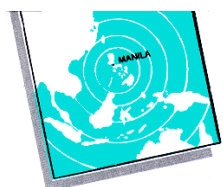
JAPANESE

The Philippines has several clear advantages: a large workforce; a large pool of educated, English-speaking talent with a strong customer-service orientation and strong ability to adjust to different cultures; 450,000 college graduates annually; highly-reliable low-cost international telecommunications infrastructure; diverse and inexpensive suitable site locations; and strong government support.



KOREAN

These key drivers for success must be sustained and country competitiveness strengthened. There are, however, challenges and reforms needed to realize the country's high potential for continued growth. One of the challenges is to strengthen the legal framework of the industry.



PAMURI

The JFC and the IT/BPO industry were disappointed that the 14th Philippine Congress failed to approve three new non-fiscal laws important to strengthening the legal framework of the industry: the Cyber Crime Prevention Act, the bill to create a Department of Information and Communications Technology (DICT), and the Data Privacy Act. The first two were approved by the House but had not completed the final stages of consideration in the Senate when the legislative session adjourned.

In this Congress, we commend the Legislative Branch, in particular the Senate and House Committee Chairmen, for initiating deliberations on the above vital measures as early as the First Regular Session. The creation of a Department of Information and Communication Technology (DICT), which is now before us, are priority issues that need to be addressed to enhance the competitiveness of the Philippines as an IT/BPO and potentially creative services destination.

We express our support for the passage of a bill creating the Department of Information and Technology (DICT). We have urged approval of this measure for over a decade, and its passage has long been overdue.

The DICT bill will elevate the current CICT – the primary regulatory body for information and communications technology in the country established by an executive order – to department status, which most of all ASEAN countries have done. This will deter future administrations from abolishing the commission by executive action.

The DICT should make e-governance a reality for most Filipinos and thereby enhance transparency and lessen corruption. It should undertake programs to use broadband to empower a majority of Filipinos, provide inexpensive access to information and enable easy access via the Internet for interactions with government and many other government services now requiring inefficient paper processing.

Our chambers composed of the American Chamber of Commerce, Australian-New Zealand Chamber, Canadian Chamber of Commerce, European Chamber of Commerce, Japanese Chamber of Commerce, Korean Chamber of Commerce & Industry and the Philippine Association of Multinational Companies Regional Headquarters, Inc., include some 2,000 members, employing over one million Filipinos and paying substantial taxes to the national government. The world's largest multinationals as well as the newest investors in the Philippines are our members, including telecom operators, online service providers, equipment manufacturers, large users of telecommunications services, financial services providers and content providers. Our members have a vested interest in seeing a regime that offers citizens and businesses a clear set of rules that are adapted to the needs of a knowledge-based economy.

Mr. Chairman, thank you again for considering our views.



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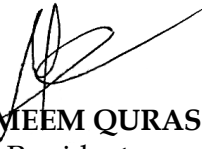
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