REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF SCIENCE AND TECHNOLOGY
INFORMATION AND COMMUNICATIONS TECHNOLOGY OFFICE

October 2, 2014

Dear Industry Partner,

In line with the Aquino administration's focus on accelerating inclusive growth, the Information & Communications Technology Office (ICTO) of the Department of Science & Technology (DOST) has proposed as part of its 2015 budget the project "Free Wi-Fi Internet Access in Public Places". The Project has a proposed budget of P334.19 million and has as its target beneficiaries all Class 4, 5, and 6 municipalities. The Project shall be implemented in collaboration with beneficiary Local Government Units (LGUs) who shall be asked to provide user support. The LGUs will also be asked assist the private sector connectivity providers, such as yourself, who are envisioned to be key partners in this project.

The Project concept with respect connectivity is at the minimum to provision a carrier grade outdoor Wi-Fi access point at the plaza of a beneficiary municipality that is capable of providing entry-level consumer grade Internet access to all users within range. However to keep costs down, the number of simultaneous users at which the expected connectivity must be delivered will be specified. Currently, the expectation for the number of simultaneous users are 54, 36, and 18 for Class 4, 5 and 6 municipalities, respectively.

To ensure the widest possible distribution of this benefit, the Project shall implement a multi-level user/device authentication/accounting mechanism using a RADIUS server backend at ICTO, possibly federated to the equivalent systems of connectivity provider partners. Limits for each user will vary based on his or her level of registration. At the highest registration level – using a government issued Digital ID, a user will be allowed 500 MB per day, while at the lowest registration level – using the MAC address of a user's device, 50 MB per day will be allowed. In addition to using the RADIUS server backend, access points will be required to provide real time status reports to a SNMP sever at ICTO.

Aside from the authentication/accounting and status monitoring backend servers, the Project shall not make any capital expenditures, and will rather leverage qualified private sector connectivity providers on an annual subscription basis.

The questions that follow use the concept of the "entry-level consumer-grade Internet access" or retail subscription as a baseline from which to determine the eventual production specifications of the project. The proposed budget for "subscriptions" is P329.19 million, which translates to about 27,460 retail subscriptions for 12 months (= 329.19M / P999 / 12). Distributing these "subscriptions" over the Class 4, 5, and 6 municipalities, which number 351, 226 and 19 as of late 2013, translates to about 54, 36 and 18 simultaneous users in each municipality, respectively. Please note that there will of course be more users than "subscriptions" but the associated costs shall be borne by the ICTO and the LGUs. This is the baseline of this Project.

The production and eventual procurement specifications will however not use the retail subscription concept used above, but instead use industry standard parameters derived from the data that you and others might provide.

Please note that this RFI is not only directed to telecommunications franchise holders. Companies without a franchise might still participate considering that this is a public service of the government and the participating private sector entities would do so as subcontractors of the DOST-ICTO, not as franchisees. If this is the case for your company then the concept of an "entry-level consumer-grade Internet access" subscription will not exist. Be that as it may, please translate your offerings possibly by using as a reference the retail offerings of other companies.

Our queries are as follows:

1. What is your current entry-level consumer-grade Internet access offering? Please give complete details including bandwidth, data volume limits, QoS guarantees, service level guarantees, initial cash out, monthly subscription cost, etc.? [Example answer: P999 per month, 1 Mbps (150 kbps CIR) download, 200 Kbps (50 Kbps CIR), 3 GB/day or 3 GB/month whichever comes first, 80% availability, …]
2. Relative to your answer for No. 1, what would the discounts be under your per-user wholesale purchase schemes? Please give the details of each volume purchase scheme you will give answers for. [Example answer: 22% discount on volumes of 5,000 units of 30-day 1 Mbps subscriptions]
3. Does your current service include Wi-Fi access? If not, how would requiring installation of a Wi-Fi access point in the municipal plaza affect the subscription pricing you gave under question No. 2? [Example answer: add P1000/month for each access point]
4. The Wi-Fi Alliance Hotspot 2.0 (HS2) standard is gaining popularity for providing Free Wi-Fi Internet access. However this standard is relatively new so adoption cannot yet be expect to be universal. Does your company already use HS2 technology? How would this affect the pricing?
5. What issues do you foresee with respect to the required interoperability with the RADIUS and SNMP backend servers? What information do you require to participate in a Proof-of-Concept exercise?
6. If bulk Internet bandwidth were provisioned at the Philippine Open Internet Exchange (PHOpenIX) facility in Makati, Metro Manila from which you would source the bandwidth for the beneficiaries, how would this affect the pricing you gave in No. 1.
7. Would your company be willing to serve as a Registration Authority (RA) that would verify an applications and issue Digital IDs to qualified users? What kind of cost on a per-user basis would you charge? NOTE: The Digital IDs would emanate from the Philippine National Public Key Infrastructure (PKI) which is now operational under the ICTO.

8. What kind of measures would your company be able to directly undertake so that availability of access devices at the beneficiary municipalities is improved/ensured? [Example answer: we will provision coin operated Internet browsers …]
9. For cellular service companies only: While the project specifies Wi-Fi as the technology for accessing this public service, using cellular technologies such as 3G and LTE is possible. How would this affect the pricing relative to your answer in No. 1? Please explain in detail.
10. What other options can you offer to further enhance this public service?
11. In general, what are your thoughts, comments and suggestions on this project?

For clarifications on this initiative or on the above queries, please post your questions on our Facebook page: https://www.facebook.com/pages/Information-and-Communications-Technology-Office-DOST-ICTO.

We value your inputs but need them no later than Friday, October 17 so that they may be considered in the final planning of this project. Please send your answers in PDF format by e-mail to: submit.rfi@icto.dost.gov.ph.

Respectfully,

(Original Signed)

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