



## 中华人民共和国大使馆

Honorable Michael T. Defensor  
President's Chief of Staff  
Republic of the Philippines

December 2, 2006

Honorable Secretary,

May I first thank you for your great support to China-Philippine relations, particularly economic and trade cooperation over the past years. I still remember our working lunch at my residence two weeks ago, during which your in-depth understanding and far-reaching vision about the economic cooperation between our two countries has left deep impression on me. I am convinced that with your personal attention and push, China-Philippine economic relations will achieve more fruitful results so as to benefit two peoples.

This pertains to your letter to Minister Bo Xilai dated November 21, 2006 on the National Broadband Network Project (NBN). Instructed by Chinese government, I would like to inform you and the Philippine government that we intend to support your priority initiative, the NBN Project and agree to provide preferential buyer's credit financing support through the China Exim Bank.

We understand that the NBN project covers the provision of an integrated broadband network and will support key programs of government on distant education, health, security, cost of connectivity, internet access, election and other applications as defined under the Medium Term Development Plan. This facility, with its connectivity for voice, data and video conferencing, will enable all government agencies to have a seamless and comprehensive communications network nationwide. Moreover, additional software application and infrastructure (e.g. a fully integrated e-government internet portal and technology platform, a

integrated government internet portal and technology platform, a comprehensive emergency response system, network security system and library can be made available for this venture.

It may interest Your Honorable to know that ZTE Corporation, a reputable and established telecommunications Company in China, responded to this worthwhile undertaking and, consequently, the People's Republic of China through the Chinese Ministry of Commerce designated it as the NBN project's prime contractor.

Likewise, it may be well to mention that on 12 July 2006, ZTE Corporation signed a Memorandum of Understanding with DIT Secretary Peter Pavilla to work together and cooperate in the development of various investment activities in the Philippines.

It is our sincere hope that the negotiations will be concluded as soon as possible so that the commercial contract and/or loan agreement or any other necessary agreement for the NBN project would be signed during the visit of Chinese Premier Wen Jiabao to the Philippines this coming December 2006.

With regard to the Distant Learning Project, I would like to clarify with you that this is different from NBN project and has been discussed by Chinese Beijing Hua Tongfang Nuctech Company and the Philippine Department of Education.

Best regards,

Yours sincerely,

Li Junhui  
Ambassador  
The People's Republic of China

Cc: Hon. Seculo L. Neri  
Secretary  
National Economic and Development Authority