

New Case	Why is it Illegitimate?										
<h2 data-bbox="110 226 594 331">The Cyber Education Project (CEP)</h2>	<p data-bbox="786 222 1507 323"><u>Tied Loan</u> – The project was to have the assistance of Tsinghua University, China’s premier technology university specializing in distance education.</p>										
<h3 data-bbox="110 380 375 411">Loan Information</h3>											
<table border="1" data-bbox="123 453 740 856"> <tr> <td data-bbox="123 453 375 541">Creditor</td> <td data-bbox="375 453 740 541"><b>Chinese Export-Import (EXIM) Bank</b></td> </tr> <tr> <td data-bbox="123 541 375 630">Loan Amount</td> <td data-bbox="375 541 740 630"><b>US\$ 529,000,000.00 PhP 22,770,000,000.00</b></td> </tr> <tr> <td data-bbox="123 630 375 680">Interest Rate</td> <td data-bbox="375 630 740 680">&lt;to be researched&gt;</td> </tr> <tr> <td data-bbox="123 680 375 768">Years of Repayment</td> <td data-bbox="375 680 740 768">&lt;to be researched&gt;</td> </tr> <tr> <td data-bbox="123 768 375 856">Specified Contractor</td> <td data-bbox="375 768 740 856"><b>Tsinghua Tongfang Nuctech Corp. Ltd.</b></td> </tr> </table>	Creditor	<b>Chinese Export-Import (EXIM) Bank</b>	Loan Amount	<b>US\$ 529,000,000.00 PhP 22,770,000,000.00</b>	Interest Rate	<to be researched>	Years of Repayment	<to be researched>	Specified Contractor	<b>Tsinghua Tongfang Nuctech Corp. Ltd.</b>	<p data-bbox="786 363 1503 785"><u>Wrong Solution</u> – CEP does not address the lack of classrooms and schoolhouses, which still needs to be addressed. The satellite discs, TV sets and computers that will be supplied to every school—especially those in remote areas—must be housed in school-buildings. There must be enough computers and TV sets, and if the whole thing is to be interactive with the teacher giving lessons live in Manila, each child must have access to his computer. Also MDE is primarily intended for adults—for their higher education and continuing education needs—and not primary education.</p> <p data-bbox="786 821 1495 1031"><u>White Elephant</u> – CEP was originally a P5.2-billion BOT project a year ago. With the ramping-up to a dedicated satellite enhanced backbone, the original e-Education project cost soared to P21.7 billion. The government will bear P3.71 billion or 14% of the project cost.</p> <p data-bbox="786 1066 1495 1276"><u>Anomaly-ridden</u> – Trade Secretary Peter Favila signed in China an agreement for China government loan of \$504-million (P22.77 billion) for the CEP on April 21, the same day Transportation Secretary Leandro Mendoza signed in China the \$329-million “provisional contract” with ZTE.</p> <p data-bbox="786 1312 1495 1486"><u>Onerous Debt Burden</u> – Then NEDA Secretary Romulo Neri pointed out that the terms of China’s loan for the project “are actually almost commercial” and there is a “basic overlap” between the NBN and the CEP.</p> <p data-bbox="786 1522 1495 1665"><u>Anti-insurgency nature</u> – Former ISAFP head Victor Corpuz revealed that the project will be helpful in the government’s anti-insurgency education campaign.</p>
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<h3 data-bbox="110 905 289 936">Description</h3>											
<p data-bbox="110 980 735 1297">The P26.48-billion CEP will use satellite technology to provide “an efficient and cost-effective” solution to the need to deliver educational services to public elementary and secondary schools. 69% or about P18.27 billion will be spent on appliance and equipment to be used. CEP covers both elementary [22,855 or 62%] and secondary [3,763 or 77%] levels.</p> <p data-bbox="110 1333 732 1650">CEP is in line with Modern Distance Education (MDE), or education based on ICT. Each school would have a multimedia classroom consisting of a TV set, computers, printer and satellite receiver. Schools will receive live broadcasts of lectures from master teachers. Schools will also get “coursewares” on demand and other valuable resource materials.</p>											



## FREEDOM FROM DEBT COALITION

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