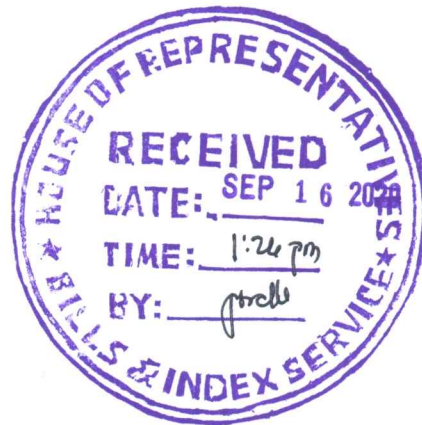




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Eighteenth Congress
First Regular Session

House Bill No. 7681



Introduced by Representative PAUL R. DAZA

EXPLANATORY NOTE

The ability to communicate and be an involved part of a society should always be guaranteed by the State. Especially under the new normal, efficient, effective, affordable, and inclusive communication—particularly through telecommunications systems—is necessary.

However, there are organizational, policy, systemic, and practical barriers to the fulfillment of this need. For one, there are few players in the market—which prevent the customers (consumers) to have better choices. Fortunately, policy and institutional interventions are taking place and one of them is the opening up of the market to a third telco player.

However, we should not rest easy on our laurels. Much still needs to be done. Particularly in advancing the rights of the consumers, the Philippines is still way behind. For example, in Australia, there is already an Ombudsman-type of agency that handles consumer-related complaints. The telecommunications industry in Australia also allows wider latitude for consumer welfare, such as the relative ease in transferring to another network, strict rules on advertising and marketing, and *financial hardship* policy.

This proposed legislation advances innovative pro-consumer responses and solutions based on best practices and policies all over the world as well as consolidates relevant provisions in consumer-related House Bills already filed this 18th Congress. Among the features and protective mechanisms proposed in this legislation include:

- creation of the Telecommunications Industry Consumer Protection (TICP) Office, to be jointly managed by the Department of Information and Communications Technology, National Telecommunications Commission, and Department of Trade and Industry;
- emphasizing and ensuring the operability of an “open access” system;
- prohibition of unfair and discriminatory practices by Providers;
- ensuring truth in advertisement and marketing by Providers;
- requiring minimum speed in internet services;

- enforcing of a *financial hardship* policy by Providers—where those experiencing temporary hardships may temporarily or permanently opt-out from their subscribed services;
- ensuring freedom to switch to other networks at any time; and
- other pro-consumer welfare provisions

The proposed TCIP, if the law is enacted, will require it to conduct a study that will consider whether the establishment of a more long-term agency such as a *Telecommunications Industry Ombudsman*—which already exists in Australia—will be viable and practical.¹ Meanwhile, the proposed *minimum* internet speeds—17 Mbps for mobile broadband internet, 38 Mbps (or higher) for fixed broadband (including DSL and cable), and 76 Mbps for fiber optic (or higher)—are based on the *three-tiered* categorization used by the UK government.²

The Philippines is currently ranked 97th in a global listing of internet speed, with an average download speed of 6.05 Mbps. Thailand, one of our closest neighbors is ranked at 45th, with an average internet speed of 18.21 Mbps while Vietnam is ranked at 89th, with an average of 7.02 Mbps (Wright, 2020).³

I am hopeful that through this proposed legislation, the journey of the Philippines toward the rebuilding of the economy will be more cohesive, effective, and inclusive. After all, *going digital* is a necessity under the new normal and will facilitate the building of our **sustainable future**.

The immediate enactment of this proposed legislation is then earnestly sought.



PAUL R. DAZA

Representative, 1st District of Northern Samar

¹ Website of Australia's Telecommunications Industry Ombudsman. Available at <https://www.tio.com.au/>.

² The UK government categorizes internet speeds based on three sets of activities allowed under internet speeds of 17, 38, and 76 Mbps. Available at <https://www.dorsetcouncil.gov.uk/business-consumers-licences/superfast-dorset/what-is-fibre-broadband/what-different-internet-speeds-mean.aspx>

³ Wright, M. (2020, 21 Feb). *Revealed: Countries with the fastest internet speeds, 2020*. Available at <https://ceoworld.biz/2020/02/21/revealed-countries-with-the-fastest-internet-speeds-2020/>



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Eighteenth Congress
First Regular Session

House Bill No. 7681

Introduced by Representative PAUL R. DAZA

**AN ACT PROTECTING THE RIGHTS AND WELFARE OF CONSUMERS IN
THE TELECOMMUNICATIONS INDUSTRY, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 7925, OTHERWISE KNOWN AS THE PUBLIC
TELECOMMUNICATIONS POLICY ACT, AND REPUBLIC ACT 11202,
OTHERWISE KNOWN AS THE MOBILE NUMBER PORTABILITY ACT,
APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. *Short Title.* – This Act shall be known as “An Act Protecting the Rights and Welfare of Consumers in the Telecommunications Industry.”

Section 2. *Scope and Application.* This Act shall apply to all public telecommunications entities in the Philippines.

Section 3. *Definitions and interpretations.* – For the purpose of this Act, the term:

(a) ***Action Plan*** - means a plan submitted to the National Telecommunications Commission (NTC) by a Provider pursuant to this Act.

(b) ***Advertisement*** - means the prepared and through any form of mass medium, subsequently applied, disseminated or circulated advertising matter.

(c) ***Advocate or citizen advocate*** – a citizen of the Philippines who person who consistently and publicly supports or recommends a particular cause or policy.

(d) ***Authorized Representative*** - means the person who has authority from a Consumer to deal with a Provider, including to discuss or make changes to a Customer’s account without that Customer being present, on behalf of that Consumer.

(e) **Bandwidth** - refers to the data transfer rate or the amount of data that can be carried from one point to another in a given time period and is usually expressed in bits per second (bps) or multiples of it;

(f) **Bill or Statement of Account (SOA)** - means an invoice or charge sheet from a Provider which includes monthly service fee (MSF), handset installment fee (if any), and debits and credits applied during that Billing Period and advises a Customer of the total amount due, or in credit, and where an amount is due, the payment method.

(g) **Bill Media** - means the method in which a Bill is communicated or delivered to the Customer, or accessed by the Customer, and its format.

(h) **Billed Charge** - means a Charge that is due for payment by a Customer in respect of Telecommunications Product or Service provided by a Provider.

(i) **Broadband** - refers to a transmission medium which enables high-speed Internet access transmitted through various technologies such as the Digital Subscriber Line (DSL), Cable Modem, Fiber Optics, Wireless, Satellite, Worldwide Interoperability for Microwave Access (WiMax), and White Space;

(j) **Charge** - means the tariff or fee which a Provider levies or charges for the provision of a Telecommunications Product, Service, or a related transaction.

(k) **Compliance Report** - means an statement by a Provider addressing the requirements and framework as mandated by and attested and submitted in the manner stipulated in this Act.

(l) **Consumer or Customer or Subscriber** – the definition of “Subscriber” in the Mobile Number Portability Act (RA 11202) is hereby amended and shall read as follows:

“Consumer or Customer or Subscriber - means an individual who avails of a Telecommunications Product or Service for the primary purpose of personal or domestic use and not for resale; or a business or non-profit organization, which acquires or may acquire one or more Telecommunications Products which are not for resale and, at the time it enters into the Customer Contract/Agreement, it does not have a genuine and reasonable opportunity to negotiate the terms of the Customer Contract. A reference to a Consumer/Customer includes a reference to the Customer’s Authorized Representative.”

(m) **Consumer and Competition Laws** - means other relevant *Competition and Consume-related laws*, including but not limited to the *Consumer Act of the Philippines* of 1991 (RA 7394) and the *Philippine Competition Act* (RA 10667).

(n) **Content** - refers to, among others, texts, images, audios, videos, and animations that are carried over the broadband/internet network;

(o) **Core/Backbone network** - refers to the main line (or connection) including international connection that ties networks, delivers routes to exchange information among various subnetworks, connects regional distribution networks and, in some Instances, provides connectivity to other peer networks;

(p) **Counsel** - means a person nominated by a Consumer to deal with a Provider on the Consumer's behalf, who cannot make changes on a Consumer's behalf to a Consumer's account without the Consumer being present and agreeing to such action.

(q) **Credit Assessment** - means the process by which a Provider determines the Postpaid Telecommunications Product or Service to be provided by it (if any) to a Consumer, in accordance with ethical business practices and the mandate of this Act.

(r) **Credit Management** - means the process by which a Provider:

(r-1) helps Customers to manage their expenditure on Telecommunications Services;

(r-2) manages any credit risk to the Provider; and collects outstanding debts from Customers and former Customers.

(s) **Credit Reporting Body** – refers to the *Credit Information Corporation (CIC)* and other authorized bodies as provided for by prevailing laws including but not limited to the *Credit Information System Act* (RA 9510)

(t) **Customer Contract or Agreement** - means an arrangement or agreement between a Provider and a Consumer for the supply of a Telecommunications Product to that Consumer. For the avoidance of doubt, unless stated otherwise, the Standard Form Customer Contract is a Customer Contract.

(u) **Customer Service** - means services, other than Telecommunications Services, provided by a Provider to a Customer, in connection with the Customer's use of the Provider's Telecommunications Products and the Customer's Customer Contract with the Provider.

(v) **Data transmission** - refers to the process of sending digital or digitized analog signal over a communication medium to one or more computing network/s, communication or electronic device/s. It enables the transfer and communication of devices in a point-to-point, point-to-multipoint and multipoint-to-multipoint environments. The term data transmission includes the provision of Voice over Internet Protocol (VOIP) services but does not include the provision of basic telephone services;

(w) **DICT** – means the Department of Information and Communications Technology;

(x) **Disconnection** - means the termination by a Provider of a Customer Contract for a Telecommunications Service.

(y) **Donor Provider** - refers to the mobile service provider to whose network the mobile number belongs at the time the subscriber submits a porting application.

(z) **Emergency Service Number** - a national **emergency telephone number** or the **emergency services number** that allows a caller to contact local emergency services for assistance. The emergency number is typically a three-digit number that can be easily remembered and dialed quickly.

(aa) **Financial Hardship** - means a situation where:

(x-1) a Customer is unable to discharge the financial obligations owed by him under a Customer Contract/Agreement or otherwise discharge the financial obligations owed by the Customer to a Provider, due to illness, unemployment, being the victim of domestic or family violence, or other reasonable temporary or ongoing cause; and

(x-2) the Customer believes that he is able to discharge those obligations if the relevant payment arrangements or other arrangements relating to the supply of Telecommunications Product or Service by the Provider to the Customer are changed or temporarily suspended; or in the case of extreme circumstances (as provided for in this Act), when the Customer believes that he is unable to discharge the obligations any further or *even* after several extensions/modifications of payment arrangements relating to the supply of Telecommunications Product or Service by the Provider to the Customer and such are suspended permanently.

(bb) **Fair Usage Policy (FUP)** - refers to a set of rules that are typically applied by a Provider, which restricts the ways in which their network is used. In the ITC industry, FUP limits are often used to describe capping of bandwidth after a user's plan is exhausted. It is done to prevent heavy users from using available bandwidth.

(cc) **Fraud** - means dishonestly accessing or using any Telecommunications Product/s or Service/s of a Provider, or attempting to do so, with the intent of securing unlawful gain or advantage by:

(cc-1) deceiving the Provider, any other Provider, or any other person; or

(cc-2) not paying for the relevant Telecommunications Product/s or Service/s.

(dd) **Hard Cap** - means a maximum amount applied to a Customer's use of Telecommunications Product/s or Service/s, which cannot be exceeded.

(ee) **Included Value Plan** - means a mobile Postpaid Service plan under which the Customer receives a larger amount of monthly included value than the minimum monthly

Charge they pay, to use on a combination of eligible services across Standard National Mobile Calls, Standard National Mobile SMS and national Data usage, and the use of any of these three eligible services is not unlimited.

(ff) **International gateway/landing** - refers to a segment of data transmission that consists of any facility that provides an interface to send and receive data traffic between one country's domestic network facilities and those in another country;

(gg) **Last mile** - refers to the segment of data transmission network that connects end users;

(gg-1) **Middle mile** - refers to the segment of data transmission network that links the last mile network to the core/backbone network;

(hh) **Material Change** - means a significant change to any of the following:

(hh-1) a Provider's operations arising from new or changed activities or services, which change affects a Provider's compliance with this Act;

(hh-2) Provider's systems and processes relevant to the Provider's Compliance;
or

(hh-3) a Provider's compliance obligations under this Act, which change results in the need to review and update the Provider's Compliance Report.

(ii) **Lifetime value of Customer lifetime value (CLV)** – means the total worth to a business of a customer over the whole period of their relationship. It is an important metric as it costs less to keep existing customers than it does to acquire new ones so increasing the value of a company's existing customers is a significant way to drive growth. CLV is typically calculated by multiplying *Customer revenue per year* by the *Duration of the relationship in years* and then subtracting the *Total costs of acquiring and serving the customer*. CLV is a significant tool that motivates companies to form a lasting positive connection with their customers; it naturally follows that the way to boost one's CLV figures is to nurture customer relationships, helping drive better and more professional customer service.

(jj) **Metrics** - means performance measures relating to certain obligations of Providers under this Act, as required by relevant authorities from time to time.

(kk) **Minimum Quantifiable Price** - means, in respect of a Telecommunications Product or Service, the "single price" for that Telecommunications Product or Service.

(ll) **NTC** – refers to the National Telecommunications Commission

(mm) **Mobile Number Portability (MNP)**– the definition under Mobile Number Portability Act (RA 11202) is hereby amended and shall read as follows:

“Mobile Number Portability (MNP) or Portability refers to the ability of a mobile postpaid or prepaid subscriber to retain an existing mobile number despite having moved from a mobile service provider to another or to change the type of subscription from postpaid to prepaid or vice versa.”

(nn) **Mobile Postpaid Subscriber** - refers to any person, natural or juridical, who avails of the mobile telecommunications service under a prior arrangement with a mobile service provider. The subscriber is billed after the fact, according to the use of mobile telecommunications services at the end of the monthly billing cycle;

(oo) **Mobile Prepaid Subscriber** - refers to any person, natural or juridical, who avails of the mobile telecommunications service from a mobile service provider by purchasing credit in advance of service use. The purchased credit is used to pay for mobile telecommunications services at the point the service is accessed or consumed;

(pp) **Open access** - refers to the system of allowing the use of data transmission and/or distribution systems and associated facilities subject to fair, reasonable, and nondiscriminatory terms in a transparent market;

(qq) **Paid prioritization** - refers to the management of a data transmission network to directly or Indirectly favor some traffic over other traffic, through the use of techniques such as traffic shaping, prioritization, resource reservation, zero-rating, or other forms of preferential traffic management, either:

(qq-1) In exchange for consideration (monetary or otherwise) from a third party, or

(qq-2) To benefit an affiliated entity; and

(rr) **Personal Information** – refers to refers to any information whether recorded in a material form or not, from which the identity of an individual is apparent or can be reasonably and directly ascertained by the entity holding the information, or when put together with other information would directly and certainly identify an individual.

(ss) **PCC** - means the Philippine Competition Commission.

(tt) **Porting Process** - refers to the process by which a donor provider moves a mobile number to a recipient provider or changes the type of subscription from postpaid to prepaid or vice versa. In no case shall the entire porting process take more than forty-eight (48) hours;

(uu) **Privacy Act/Law** - means the Data Privacy Act of 2012 (RA 10173).

(vv) **Prominently Displayed** - means conspicuously presented in clear font and in a prominent and visible position that is appropriate for the Advertising medium in the main body of the Advertising, whether physical or digital formats.

(ww) **Public Telecommunication Entity** – the definition in the Public Telecommunications Policy Act (RA 7925) is hereby modified and shall read as follows:

“Public Telecommunication Entity or Provider - refers to any duly authorized public telecommunications entity that offers voice, short messaging system (SMS or text), mobile data, value-added services (VAS), or any other mobile telecommunication services to the public for a fee. Other related terms are described below:

***Data Transmission Industry Participant** - refers to any person, firm, partnership or corporation, government or private, engaged in the provision of data transmission services to the public. This includes PTE that offer data transmission services as defined under Republic Act No.7925, otherwise known as the “Public Telecommunications Policy Act of the Philippines”;*

***Internet Service Provider (ISP)** refers to a commercial entity with a franchise that enable users to access Internet content and services. It may also refer to a public telecommunications entity offering a value-added service such as the internet.”*

Donor Provider (DP) - refers to the mobile service provider to whose network the mobile number belongs at the time the subscriber submits a porting application;

Recipient Provider (RP) - refers to the mobile service provider that shall provide mobile telecommunications service to the subscriber after the porting process;

(xx) **Regulator** - means any government body responsible for the administration of all or part of this Act, including but not limited to the Department of Information and Communications Technology (DICT), National Telecommunications Commission (NTC), and Department of Trade and Industry (DTI).

(yy) **Relatives** – family members and relatives up to the fourth degree of consanguinity or affinity;

(zz) **SEC** - means the Securities and Exchange Commission.

(aa) **Shaping or Capping** - means where a Provider deliberately controls the maximum Data transfer rate on a broadband service when the Customer has exceeded the specified Data allowance.

(bb) **Significant market power** [The definition of this term, as originally used in RA 7925, is amended herein.] Section 3 of Republic Act 7925, otherwise known as the “Public Communications Policy Act of the Philippines” is hereby amended to read as follows:

“Section 3. Definitions and Interpretations. — For purposes of this Act, the following terms shall be used:

Significant market power — the ability of a public telecommunications entity to affect the price, supply, or innovation in the telecommunications industry or any part thereof as a result of either its control over essential facilities or the use of its position in any market in the telecommunications industry or any market related thereto. In order that standards in the country's telecommunications industry conforms with global standards, the Commission is mandated to adopt standardized definitions of the International Telecommunications Union (ITU), the Internet Engineering Task Force (IETF), the World Wide Web Consortium (WWWC), and the Internet Corporation for Assigned Numbers and Names (ICANN), and other international and transnational agencies governing the development, use, and standardization of the internet and information and communications technology, subject to refinements of these international standards as may be prescribed by regional telecommunications bodies taking into consideration the special circumstances applicable only to the region.

(cc) **Special Promotion** - means an Offer of limited duration, limited quantity or offered to a limited sub- set of Consumers (for example, a one-time promotion for subscribers), such as discounts or freebies that go along with Telecommunications Products or Services.

(dd) **Spend Management Tools** - means a tool available to a Customer or applied by a Provider to assist the Customer to take timely action to limit and/or manage their expenditure or usage allowance on a particular Telecommunications Product or Service.

(ee) **Standard Form Customer Contract or Agreement** - means the Provider's current Standard Form of Agreement for contracting with Consumers.

(ff) **Telecommunications** – means any process as defined in the Public Telecommunications Policy Act (RA 7925). The following services are hereby inserted under Section 3 (a):

*“(1) **Landline telephone service or basic telephone service** – refers to the local exchange telephone service for residence and business establishments provided via the circuit switched telephone network;*

*(2) **Cellular Mobile Telephone Service (CMTS)** - refers to the wide area mobile radio telephone system with its own switch, base stations and transmission facilities capable of providing high capacity mobile telecommunications by utilizing radio frequencies;*

*(3) **Direct Subscriber Line (DSL)** - means a fixed /wired internet connection delivered through a telephone line to a modem. It uses a copper wire technology*

and can deliver download speeds of up to a range of 5 to 35 Megabits per second (Mbps). It is ideal for those who use the Internet for more basic online activities such as browsing the web, sending and receiving emails or pictures, or downloading e-books.

*(4) **Fixed wireless broadband** – means a broadband service that connects a Customer to the internet via a wireless radio connection. This involves installing a unit similar to a satellite dish on a Customer's property, which will communicate with a similar unit placed on a tower or building that has direct line-of-sight. This type of connection is often used to service areas that are sparsely populated or in remote areas, which would make installing a cable infrastructure prohibitively expensive. It's also preferred over satellite connections due to better speeds and reliability.*

*(5) **Mobile broadband** – means internet access, typically with wide bandwidth data transmission with an ability to simultaneously transport multiple signals and traffic types and transmitted through cellular network.*

*(6) **Fiber optic service** - means a service that uses fiber optic technology where the internet connection comes from light signals running through thin glass wires. It can deliver speed as high as up to 1 Gbps. Unlike DSL, it can provide equal upload and download internet speeds allowing a Customer to send data from his device as fast as he can receive it from others. A faster downloading /uploading is necessary when video-calling a friend, backing up data to online or cloud storage services, or for playing music, videos, or online gaming.*

*(7) **Broadband over Power Lines (BPL)** – means a service that uses the electricity distribution network to deliver an internet connection. Speeds tend to be on par with DSL and cable modem connections, though technology advances in this area should see better speeds in the future.”*

*(gg) **Third Party Charges** - means Charges collected by a Provider on behalf of another commercial entity, for any goods and services provided by that other commercial entity.*

*(hh) **Throttling** – means the intentional slowing or speeding of an internet service by an Internet service provider. It is a reactive measure employed in communication networks to regulate network traffic and minimize bandwidth congestion.*

*(ii) **Timed Call** - means a call for which a Charge is calculated according to the duration of the call.*

(jj) **Untimed Call** - means a call where the applicable Charge is not calculated according to the duration of the call.

(kk) **Transfer** - means the transfer of all or part of a Consumer's Telecommunications Service from one Provider to the Gaining Provider.

(ll) **Unfair** - has the meaning given to it in prevailing Competition and Consumer laws.

(mm) **Value-added service provider (VAS)** - an entity which, relying on the transmission, switching and local distribution facilities of the local exchange and inter-exchange operators, and overseas carriers, offers enhanced services beyond those ordinarily provided for by such carriers.

(nn) **Virtual Network Operator (VNO)** – refers to an entity that offers telecommunications service to the public under its own brand but utilizes the network of another authorized PTE.

Section 4. Declaration of National Policy. – The State recognizes the vital role of information and communications technology (ICT) in achieving inclusive growth. The State shall implement measures to protect the interests and needs of Filipino consumers and subscribers by mandating strict compliance to minimum standards in telecommunications services. The State also recognizes that the attainment of these goals will require the expansion and strengthening of the powers of the National Telecommunications Commission (Commission). Toward these goals, the State shall:

(a) Ensure consumers' enjoyment of reliable, affordable, open, and accessible data networks that transmit information at speed and quality comparable to the best in the world;

(b) Require the private sector and relevant government agencies to work together and increase investments and for the private sector to operate in an entrepreneurial ecosystem where entities that wish to engage in the data transmission industry can compete openly and freely in the spirit of fair competition and permission-less innovation;

(c) Strengthen NTC as a regulatory body, leading to more transparency and accountability, greater efficiency, and fairer competition in the sector; and

(d) Ensure the protection of the rights, welfare, and privacy of Consumers by requiring professional, honest, and fair dealings from Providers.

Section 5. Responsibilities of the National Telecommunications Commission. – Section 5 of Republic Act No. 7925 is hereby amended to read as follows:

"Section 5. Responsibilities of the National Telecommunications Commission. The National Telecommunications Commission (Commission) shall be the principal administrator of this Act—to be supported by the Department of Information and Communications

Technology (DICT) and Department of Trade and Industry (DTI)—and as such shall take the necessary measures to implement the policies and objectives set forth in this Act. Accordingly, in addition to its existing functions, the Commission shall be responsible for the following:

XXX

(c) Mandate a fair and reasonable interconnection of facilities of authorized public network operators and other providers of telecommunications services through appropriate modalities of interconnection and at a reasonable and fair level of charges, [which make provision for the cross subsidy to unprofitable local exchange service areas so as to promote telephone density and provide the most extensive access to basic telecommunications services available at affordable rates to the public];

XXX

(e) Formulate and implement policies and measures on consumer protection in the telecommunications industry guided by the Consumer Act of the Philippines (RA 7394) and the following operative principles:

(e-1) Consumers will receive clear, accurate, and relevant information on products and services from their Provider before, during and, where appropriate, after the point of sale;

(e-2) Consumers will have disputes resolved quickly and fairly by their Service Provider and/or the appropriate government agency/ies in the case of an escalation;

(e-3) Promotion of products and services by Providers will be clear, accurate, and not misleading;

(e-4) Disadvantaged and vulnerable consumers will be assisted and protected by appropriate Providers' policies and practices;

(e-5) Consumers will receive an effective remedy from any Provider who breaches this Act and other governing regulations; and

(e-6) Providers will use monitoring and reporting tools to ensure successful implementation of this Act.

XXX

(g) In the exercise of its regulatory powers, impose fines against public telecommunication entities within the scope of its regulation which are found to have violated, violating, or those which are found to have violated, violating, or those which have failed or are failing to comply with the terms and conditions of this Act, any Certificate, or any Order, Decision or Regulation of the Commission; and

(h) Require Providers with significant market power as determined by the Philippine Competition Commission to provide timely access to its network, facilities, or equipment to access seekers on a fair reasonable and non-discriminatory terms and conditions. ”

Section 6. Segments and Spectrum Allocation — The telecommunications industry shall always uphold the rights and welfare of consumers—they being the subscribers and ultimate source of revenues—and this necessitates an efficient and transparent permitting and regulatory system. Section 16 (Franchise) of the Public Telecommunications Policy Act (RA 7925) is hereby amended and shall read as follows:

*“(a) **Segments.** The data transmission industry shall be divided into four (4) segments: (1) International gateway/ landing; (2) Core/Backbone network; (3) Middle mile; and (4) Last mile. All four (4) segments shall be competitive and open. Any law to the contrary notwithstanding, data transmission industry participants in any of the four (4) segments shall not be required to secure a franchise from Congress or a Certificate of Public Convenience and Necessity (CPCN) or Provisional Authority (PA) from the National Telecommunications Commission (NTC), to construct, install, and operate networks and facilities for the data transmission services they provide. Neither shall they be required to secure a CPCN or a PA for the data transmission services they provide to the general public. Participants in the data transmission industry shall, however, be required to register with the NTC stating the segment they are participating in and provide the NTC with their schedules of rates.”*

(b) Spectrum Allocation, Recall, and Reallocation. The NTC shall maximize the allocation and assignment of finite radio spectrum resources used in transmission of data by ensuring that the spectrum is made available for the use of all registered data transmission industry participants.

(1) Section 15 (Radio Frequency Spectrum) of the Public Telecommunications Policy Act (RA 7925) is hereby amended to read as follows:

*“Section 15. **Use of Available or Unassigned Spectrum.** – The radio frequency allocation and assignment shall be subject to **an annual** review. The use thereof shall be subject to reasonable user fees. Where demand for specific frequencies exceed availability, the Commission shall hold open tenders for the same and ensure wider access to this limited resource.*

Within one (1) year from the effectivity of this Act, the Department of Information and Communications Technology (DICT), in consultation with the Commission and the Philippine Competition Commission (PCC), shall issue the guiding principles and policy direction for the use of the spectrum.”

(2) The procedure for radio spectrum assignment, joint use and recall shall be made transparent to the public. All applications, including letter requests, spectrum assignment, joint use, recall, and reallocation shall be posted in the NTC's website and in a conspicuous place in the offices of the NTC for at least three (3) consecutive months. The notice shall specifically indicate the names of the applicants for spectrum assignment, joint use and recall, including where the NTC itself is the proponent of any such action, the affected spectrum, and the applicant's or NTC's reasons for the proposed spectrum assignment, joint use and recall. The NTC shall not assign, recall or allow co-use or joint use of any radio frequency band or bands without conducting at least one (1) public hearing and allowing public comment for a period of fifteen (15) days from the date of the public hearing, prior to approval and/or disapproval of the same. This applies to all spectrum, whether used for data transmission or not;

(3) All radio spectrums, radio frequency assignments, recalls, and joint use decisions of the NTC shall be published in the NTC's website and in a conspicuous place in the offices of the NTC 33 for at least three (3) consecutive months. The recall of frequency for purposes of free public use 34 shall be given priority. The immediately preceding paragraphs (1) and (2) herein shall not apply to applications for frequency assignments for fixed point-to-point radio links, Wi-Fi, and satellite networks;

(4) The NTC shall avoid the concentration of spectrum resources in the hands of a few players and shall not assign, or allow joint use of radio spectrum in a manner that establishes, promotes or perpetuates the dominance of PTEs. Any entity who believes that any one or more of the NTC's decisions for the assignment of radio spectrum, whether past or present, will promote the dominance of any entity and hinder competition may file a complaint before the Philippine Competition Commission (PCC) to determine the dominance of a data transmission industry participant and deal with anti-competitive conduct in accordance with its mandate under Republic Act No. 10667, otherwise known as the "Philippine Competition Act";

(5) The NTC shall promptly act on applications of data transmission industry participants for permits to import equipment. Any application for permit to import equipment that is not acted on by the NTC within seven (7) days shall be deemed approved;

(6) If the NTC finds, on its own initiative or upon complaint, that any right, license or radio spectrum assignment to any data transmission industry participant or PTE is not being used, or is not being maximized by the user thereof, or that the grantee has violated the provisions of this Act, it may, motu proprio or upon petition by any person, subject to due process, recall the radio spectrum assignment of the data transmission industry participant or PTE. The NTC shall, where required and appropriate, make provisions for substitute frequency to address the needs of active users of the spectrum recalled from the data transmission industry participant or PTE; and

(7) For applications for frequency assignments for mobile and point-to-multipoint networks that will involve the assignment of at least fifteen percent (15%) of the total frequencies in a particular frequency band, e.g., 2100MHz (3G), 1800MHz, 800MHz, 700MHz etc., a technical working group (TWG) shall be created to be composed of representatives from the Department of Information and Communications Technology (DICT), NTC, PCC and consumer groups, to study and recommend to the NTC whether to approve, approve with modification, or deny the application. The TWG shall submit its recommendation not later than thirty (30) days from the date of application.”

Section 7. Standards in Telecommunications Services. – Within one (1) year from the effectivity of this Act, all Providers shall comply with the minimum set of standards stipulated herein:

(a) Culture of compliance, arms-length transactions, and transparency. Providers will promote a culture of compliance with key commitments and all requirements of this Act. They will foster commitment to Customer Service transparency in their organizations, and abide by their commitments to Consumers. All interconnecting Providers shall submit to NTC all terms and conditions including rates of access charge/revenue sharing arrangements such entities have entered into. They shall open their books of accounts to the NTC, who is authorized to demand copies thereof. The NTC shall:

(1) Publish and make available in print and online formats all aspects of spectrum use information, including the National Radio Frequency Allocation Table (NRFAT), indicating therein the purpose or use to which each frequency band is allocated, and, for frequency bands allocated for public use, the persons and/or entities to whom each particular frequency is assigned. The NRFAT and updated

radio spectrum use information shall be made available on the NTC's website and to any person who requests the same, upon written request; and

(2) Promulgate rules requiring all data transmission industry participants to file an annual report and include therein a fair and accurate statement regarding their market prices and their services. The annual report shall include all costs and charges relevant to the data transmission network segment where the participants operate. The rates shall be made available online, in print, and in any other viable venue to the public. Any person can file a complaint pertaining to these rates within thirty (30) days of posting. Each player at each segment shall submit a copy of their rates to the NTC and the PCC. The rates shall be published, including a historical record, in a consolidated manner. The data transmission industry participants are required to keep a publicly accessible archive of their rates.

(b) **Open access approach.** The State through the relevant government entities such as the NTC shall ensure that the ICT sector remains open and accessible to all qualified participants. Specifically, it shall:

- (1) Implement an efficient and speedy administrative process in the authorization and registration of data transmission sector participants;
- (2) Promote fair and open competition at all the multiple layers of the data transmission network, allowing a wide variety of physical networks and application to interact in an open architecture;
- (3) Mandate transparency in pricing and the publication of pricing information to ensure fair trading within and between each data transmission segment so as to allow clear, comparative information on market prices and services; mandate NTC and other relevant government agencies such as DICT and DTI to establish rate-setting mechanisms for the telecommunications industry and ensure strict enforcement of standards rates and charging systems as well as their regular review and monitoring;
- (4) Mandate interconnection so that data transmission industry participants can connect to each other at the various segments and interfaces, such that entities of any size may freely enter and exit the market, and dominance by any single player or group of players is avoided;
- (5) Prohibit *paid prioritization* so that there is more openness and accountability. Data transmission industry participants shall not engage in paid prioritization for monetary or other consideration except when allowed by the NTC after such

participant demonstrates that the practice will provide significant public interest benefit and will not disadvantage content and applications that are not prioritized or harm the open nature of the internet; and

(6) Promulgate policies that will encourage distributed local solutions rather than centralized ones, encouraging service that are closer to the user.

(c) Plug and Play System. Any data transmission industry participant, insofar as such person is so engaged, shall not refuse access to infrastructure to any other data transmission industry participant, except for failure to pay open market fees for the access to the service.

Data transmission providers shall not impede the end-user's right to access and distribute information and content, use and provide applications and services and use terminal equipment of their choice, regardless of the end user's or provider's location or the location, origin or destination of the information, content, application or service via their data transmission service.

Agreements between data transmission providers of data services and end users on commercial and technical conditions and the characteristics of data access services such as price, data volume or speed, and any commercial practice conducted by providers of internet access services shall not limit the exercise of the rights of end users laid down in this Act.

(d) Zero Throttling. Providers of data transmission services shall treat all traffic equally when providing data access services without discrimination, restriction, or interference, regardless of the sender and receiver, the content accessed or distributed, the applications or services used or provided, or the terminal equipment used. It shall be prohibited for a data transmission industry participant to hinder or slow down services or applications or access to specific sites in the internet except where (1) access to such sites, services or applications are prohibited by law; (2) it is necessary to preserve the integrity and security of the network and service of the provider or the equipment of the end user: *Provided*, That if the breach of integrity or security is caused by the equipment of the end user, the provider has to notify the end user first and give the former sufficient time to rectify the Situation; (3) it is necessary to block the transmission of unwanted communications (e.g., spam, child pornographic materials) to an end user, on application or complaint of the end user or the data transmission industry participant;

(e) Internet minimum speed. Providers including internet service providers (ISPs) shall provide internet speeds of 17 Mbps (or higher) for mobile broadband internet access, 38 Mbps (or higher) for fixed broadband (including DSL and cable), and 76 Mbps for fiber optic (or higher) and shall work towards proving an average internet connection speed above global

average. Providers shall modify, expand and/or upgrade existing systems and infrastructures to cater to higher capacity bandwidths. All other related standards and prohibitions shall be set forth in the Implementing Rules and Regulations (IRR) of this Act.

(f) **New technologies.** Providers shall aggressively pursue better, faster, and more affordable telecommunications technologies such as fiber optic internet systems, Broadband over Power Lines (BPL) and in, new developments and emerging cities, work with the Department of Energy and Department of Science and Technology in evaluating the viability and sustainability of underground cabling systems. In areas where such advanced technologies are feasible and viable, NTC and relevant LGUs are mandated to provide technical, permitting, and administrative support toward the immediate development and roll-out.

(g) **Fair competition.** The NTC and the PCC shall ensure that for those providing services at any given segment, there are at least two (2) providers.

(h) **Mobile radio services.** Section 12 of Public Telecommunications Policy Act (RA7925) is hereby amended to read as follows:

“Mobile Radio Services. — [In a local telephone exchange area, m] More than one duly enfranchised provider of mobile radio services, distinct and separate from the local exchange carrier, may be allowed to operate. However, such entities shall secure prior authority from the Commission and, in addition, comply with the [conditions imposed on VAS and with the] norms on radio frequency spectrum utilization.

[The operator of a XXX a mobile radio telephone system.]”

(i) **Access charge/revenue sharing.** Section 18 of the Public Telecommunications Policy Act (RA7925) is hereby amended to read as follows:

“Access Charge/Revenue Sharing. — The access charge/ revenue sharing arrangements between all interconnecting carriers shall be negotiated between the parties and the agreement between the parties shall be submitted to the Commission for review and approval. In the event the parties fail to agree thereon within a reasonable period of time, the dispute shall be submitted to the Commission for resolution.

In adopting or approving an access charge formula or revenue sharing agreement between two or more carriers, particularly, but not limited to a local exchange, interconnecting with a mobile radio, interexchange long distance carrier, or international carrier, the commission shall ensure equity, reciprocity and fairness among the parties concerned. [In so approving the rate XXX interconnecting with them.]”

(j) **International carrier.** Section 10 of the Public Telecommunications Policy Act (RA 7925) is hereby amended to read as follows:

“International Carrier. - Only entities which [will provide local exchange services and] can demonstrably show technical and financial capability to install and operate an international gateway facility shall be allowed to operate as an international carrier.”

[The entity so allowed shall XXX grant of the authority.]

[The international carrier shall XXX complies therewith.]

[Failure to comply with XXX international carrier.]

(k) **Free access to emergency numbers.** All providers are mandated to ensure that all Consumers—whether prepaid, postpaid, or landline subscribers—should have free access to a **national emergency telephone number** and/or **local emergency services number/s**, whether or not there is still remaining load/credit in the Consumer’s prepaid account or even if the postpaid or landline account is temporarily disconnected.

Section 8. Consumer Protection. –The State through the relevant government entities such as the NTC shall require Providers to serve their Consumers in the most fair, transparent, and professional manner.

(a) **Language.** A Provider must communicate with Consumers in plain language (English/Tagalog) or in the local language. If a Provider advertises its Telecommunications Products and Services in another language, it must provide reasonable information to assist Consumers who do not speak English (or the local language) to find out where to obtain help in that advertised language in dealing with the Provider, or allow the Consumer to appoint a Representative to deal with the Provider on their behalf.

(b) **Information.** A Provider must ensure that any information provided or made available to Consumers is clear, accurate, free of material omissions, relevant, current, readily available, and, in cases where information is provided, timely. A Provider must communicate with a Consumer in a way that is appropriate to the Consumer’s communications needs, including Consumers with special needs, circumstances, or abilities.

Online information /website. A Provider must ensure that Consumers can view and download all relevant terms and conditions of its Telecommunications Products and Services from a website and/or Social Media account. Websites and Social Media Accounts of Providers should allow transparency, integrity, and accessibility. Inquiries by the Public should be responded to within 48 hours. The use of scripted or auto- and “bot” replies is prohibited unless the objective is to confirm receipt of the first contact/email.

(c) **Training.** A Provider must have systems and processes to support compliance to obligations as set forth in this Act. A Provider must ensure that its staff and Sales Representatives interact with Consumers courteously and in a fair, professional, and accurate manner. A Provider must ensure staff are adequately trained in relation to this Act including obligations related to their roles, and in the use of systems and processes that support compliance to this Act. A Provider must ensure appropriate action is taken against its staff who are rude or harassing to, or engage in misleading conduct with, Consumers. A Provider must regularly review the training, systems and processes available to staff in relation to their roles to ensure it meets its obligations under the Code.

If valid Complaints are raised and not acted upon by the Provider, a Customer has the right to file a formal complaint with the TCIP Office, which is mandated to act and decide on the Complaint within the time stipulated by Ease of Doing Business Law of 2018 (RA 11032).

(d) **Disadvantaged and vulnerable consumers.** A Provider must have regard to best and ethical practices as set out in all governing laws of the Philippines such as those for senior citizens, persons with special needs and circumstances, and pregnant women. A Provider must not take advantage of the disadvantaged. In its collection activities, a Provider must adopt best practices as set out in this Act. A Provider must ensure that its Sales Representatives and staff who interact with Consumers are able to interact with disadvantaged or vulnerable Consumers appropriately.

(e) **Right to be represented.** The Customers are sources of revenues and Providers have the obligation to ensure that they are always heard and represented.

(1) **Authorized Representatives.** A Provider must ensure that a Consumer can appoint an Authorized Representative to act on his/her behalf, if the Consumer requires, and must:

(2) **Authority** - ensure it obtains the Customer's authority or an appropriate other authority such as a letter of authorization, copy of the relevant power of attorney or other reasonable form of authorization as may be reasonably required by the Provider, before accepting a person as the Authorized Representative for a Customer;

(3) **Advice regarding power to act** - advise the Consumer that a person appointed as an Authorized Representative has the power to act on the Consumer's behalf as if s/he is the Consumer or, if the Authorized Representative has more limited rights, the level of access that those rights confer;

(4) **Record keeping** - keep a record of the circumstances and when the Authorized Representative was appointed;

(5) **Assistance** - provide Consumers with access to information about how to appoint an Authorized Representative and access to any relevant forms required to evidence the appropriate authority;

(6) **Acknowledgement** - keep records of notification(s) to the Provider of a relevant change in circumstance for a Customer, including the death of a Customer or the making of a guardianship order for a Customer; and

(7) **Balance risks** - take reasonable steps to balance the risks of fraud, privacy, and security of Customers with facilitating the appointment of Authorized Representatives.

(8) **Counsel** - A Provider must ensure that a Consumer can easily use a Counsel to communicate with the Provider, if the Consumer requires or in cases of the filing of complaint.

(9a) A Provider must advise the Consumer that a person acting as their Counsel has no power to act on the Consumer's behalf and has no access to their information without the Consumer being present and agreeing to such action.

(9b) A Provider may presume that a Counsel is not authorized to establish or make changes to a Customer's account or Telecommunications Product or Service, unless the Counsel is also the Customer's Authorized Representative.

(f) **Personal information.** Providers are required to comply with the Data Privacy Principles contained in privacy-related regulations unless the request for information of Customers are needed in order to align and provide services across all Consumers. A Provider must ensure that a Customer's or former Customer's Personal Information is protected from unauthorized use or disclosure. A Provider must take the following actions to enable this outcome:

(1) **Storage** - have robust procedures for storing its Customers' Personal Information in its possession which are followed by its staff;

(2) **Security** - have robust procedures to keep its Customers' Personal Information in its possession secure and restrict access to personnel who are authorized by the Provider; and

(3) **Breach** - ensure its staff understand that they may face disciplinary action if they breach the Provider's privacy procedures and other privacy-related regulations.

(4) Tools for preventing unauthorized account access. A Provider must make available, at no cost, information about any tools the Provider offers for preventing unauthorized access to, or use of, a Customer account or Telecommunications Product or Service, including information about:

(4a) how to obtain assistance to use those tools; and

(4b) the cost of any tools offered directly by the Provider.”

Section 9. Advertising, Sales, Contracts, and Customer Service. – Providers are mandated to follow the highest legal and ethical standards when it comes to retail sales and service, including regarding advertising, the provision of information, selling practices, contracting, customer service, and dealing with Consumers with different needs to allow Consumers to make informed choices.

(a) Content of advertising. A Provider must include any important conditions, limitations, qualifications or Restrictions about an Offer in its Advertising of the Offer, to allow Consumers to make informed choices and to avoid Consumers being misled. A Provider must not engage in the following practices:

(1) Headline representations - use headline representations as to a price or Offer in circumstances where the overall impression of the price or Offer is subsequently qualified by fine print terms and conditions that make it unlikely or impossible that a Consumer, by the ordinary use of their service, could reasonably achieve the benefits offered in the headline representation;

(2) Unlimited - use the term ‘unlimited’ or an equivalent term in an unqualified manner when referring to usage, unless the ordinary use of the service in the Philippines is genuinely unlimited and not subject to exclusions, including exclusions for various types of calls or usage, or selected parts of the network;

(3) No exceptions, exclusions or catches - use the terms ‘no exceptions’, ‘no exclusions’ or ‘no catches’ or equivalent terms without sufficient disclosure when referring to a price or service Offer, unless there are genuinely no exceptions to the Offer;

(4) Free - use the term ‘free’ or an equivalent term to promote or advertise a handset or other hardware product or service unless the cost of the handset or other hardware product or service is not recovered from the Consumer over the life of the contract by way of higher costs, including by way of higher call charges, higher network access fees, or higher early termination fees, compared to the costs that

would be payable by the Consumer over the life of the contract were the handset or other hardware product or service not provided free of charge;

(5) **Price per minute** - use headline representations as to a price per minute for mobile phone calls, or calls made using phone cards, in circumstances where there is insufficient disclosure of extra charges including call connection fees or for non-standard calls;

(6) **Bundled products or services** - use headline representations as to price for a particular product or service, unless that product or service is available for purchase at the advertised price without being part of a bundled product or service or the advertised price is clearly identified as the price for that product or service when purchased as part of a bundled product or service;

(7) **Offer** - use headline representations as to prices for an Offer unless any exclusions are Prominently Displayed;

(8) **Prices for Data allowances** - use unqualified headline representations as to ongoing prices for specified Data allowances in circumstances where the price for that Data is likely to increase within a reasonable use period;

(9) **Phone cards** - use headline representations as to the minutes of call time available on phone cards unless those minutes can be achieved by Consumers with ordinary use of the card;

(10) **Network coverage** - advertise or promote network coverage unless the network coverage is generally available to Consumers in the claimed coverage area;

(11) **Minimum Quantifiable Price** - advertise or promote a periodic price to be paid for a Telecommunications Product or Service without also Prominently Displaying (but not necessarily as prominent as the periodic price) the Minimum Quantifiable Price;

(12) **Cap** - use the term “cap” to advertise any new Offers launched upon the effectivity of this Act unless the Offers contain a Hard Cap;

(13) **Basis of claims** - make claims in Advertising in relation to broadband speeds, network coverage and other performance characteristics of a Telecommunications Product or Service unless the Provider is able to Substantiate such claims.

(b) Advertising medium. A Provider must provide a level of detail in its Advertising which is appropriate to the manner in which the Advertising is displayed to Consumers. A Supplier must take the following actions to enable this outcome:

- (1) Clarity** - ensure the principal message and the main terms are captured in the body of the Advertising;
- (2) Detail** - ensure that use of any disclaimers does not negate the principal message and main terms of the Advertising; and
- (3) Format** - take into account the typical amount of time that Consumers are able to view the particular Advertising in deciding how much information to include in the Advertising. For Small Online Advertising where the Provider is unable to contain all the required details of the Offer, including Special Promotion end dates, the Provider should provide the required details at any linked destination from that Small Online Advertising.

(c) Special Promotions. A Provider must communicate any important limitations which apply to its Special Promotions so Consumers are informed of the limitations. A Provider must take the following actions to enable this outcome, subject to provisions of this Act and its IRR:

- (1) Principal terms** - disclose the key terms of the Special Promotion and any key limitations, such as whether stocks are limited and the period during which a Customer will receive any associated promotional offering(s);
- (2) Timeframes** - if the Special Promotion has a set end date, the Provider must disclose the end date for the Special Promotion; and
- (3) Eligibility** - if there are special eligibility requirements, such as provision of coupons, qualified bundling with other products and services or restriction to a specific class of Consumers, the Provider must disclose each requirement of the Special Promotion.

(d) Advertising for post-paid internet plans with an included Data allowance: When advertising the price or peso value of a Postpaid Service which is an internet-only plan with an included Data allowance, a Provider must Prominently Display in its Advertising the cost (prior to any Discounts being applied) of using one megabyte of Data within the Philippines, provided that if the usage is unlimited or subject to Shaping, the Provider is not required to quote a cost for the Data usage that is unlimited or subject to Shaping/Throttling in the Advertising.

(e) Display of cost in certain Advertising: For the purposes of this Act and notwithstanding the definition of “Prominently Displayed”:

(1) **Certain Advertising:** The cost referred to herein will be deemed to be Prominently Displayed in a single item of Advertising of 8 pages or more in length, provided it appears in a clearly referenced section of that item of Advertising.

(2) **Small Online Advertising:** The cost referred to herein will be deemed to be Prominently Displayed in Small Online Advertising if it is displayed on the linked webpage that details plan information.

(f) **Disclaimers:** A Provider must ensure disclaimers are clear and understandable, having regard to the type of Advertising. A Provider must take the following actions to enable this outcome:

(1) **Effect of disclaimers:** ensure a disclaimer does not negate the principal messages of Advertising; and

(2) **Content of disclaimers** - ensure a disclaimer is clear and understandable, having regard to the type of Advertising, including the medium or format used and its intended audience. The design of Advertising should be clear and must eliminate or at least minimize the need for disclaimers, which lead to possible confusion.

Section 10. Critical Information Summary. All Providers must provide a summary of current Offers, called a *Critical Information Summary* (CIS), free of charge to allow Consumers to compare Offers and ascertain which best suit their needs.

(a) **Key Information.** A Provider must ensure the CIS includes the following information at the beginning of the CIS, a separate, clearly identified section in which the following information is included where applicable:

(1) a description of the Telecommunications Service to be provided under the Offer, including inclusions;

(2) the minimum monthly Charge payable under the Offer (where calculable);

(3) the maximum monthly Charge payable under the Offer (where calculable);

(4) the maximum Charge payable for early termination of the Offer; and

(5) the minimum term applicable in respect of the Telecommunications Product or Service set out in the Offer.

(b) **Details of the Account.** In the next sections of the CIS, the following must be included:

(1) if the Offer depends on a bundling arrangement with other Telecommunications Products or Services, a description of those other Services;

(2) whether there is any Telecommunications Product that the Customer must take as a mandatory component of the Offer (so the Consumer has no choice as to that

Telecommunications Product or service), what the mandatory Telecommunications Product or Service is and if the Charge for the mandatory Telecommunications Good is not already built into the Offer pricing disclosed in the summary of Offer, then the separate Charge for this mandatory Telecommunications Product or Service;

(3) for broadband services to which the Telecommunications Service apply, a link to an information or education package or the equivalent information as provided on the Provider's website;

(4) where applicable, the exclusions and any important conditions, limitations, Restrictions or qualifications for that Offer, such as mobile Data auto-subscription;

(5) where applicable, information sufficient for a Customer to determine the approximate early termination fee applicable (if any) at any time during the minimum term;

(6) where relevant and the Offer is not unlimited, the cost (prior to any Discounts being applied) of making a 1-minute Standard Mobile Call;

(7) where relevant and the Offer is not unlimited, the cost (prior to any Discounts being applied) of sending a Standard Mobile SMS or text message;

(8) where calculable and where the Offer, in respect of its Data component, is not unlimited or subject to Shaping, the cost (prior to any Discounts being applied) of using one megabyte of Data within the Philippines;

(9) a link to the Provider's website where the Customer can obtain call and Data usage information or instructions on where the Customer can obtain call and Data usage information;

(10) where relevant, warnings about roaming costs (both international costs and the circumstances in which additional Charges may be imposed in the Philippines when the service roams onto a different network);

(11) Customer Service contact details;

(12) information about how to access internal dispute resolution processes and how to elevate complaints through the TCIP Office; and

(13) contact details for the TCIP Office.

(c) **Format.** A Provider must ensure that information contained in the CIS of each Offer uses clear headings to identify the content contained in each section. A Provider must ensure that each CIS is available to a Consumer as a standalone document where all its mandatory contents are included for a single Offer; or where the Provider combines multiple Offers

available to a Consumer into a single CIS, no longer than it would be if a CIS was provided for each Offer in the bundled Offer. For avoidance of doubt, where a Provider has multiple products in an Offer and is bundling multiple Offers as part of a bundled package the Provider may choose to supply a separate CIS for each Offer in the bundled package, or a combined CIS.

(d) **Separate document.** For the avoidance of doubt, a CIS must be a separate document to the full contractual terms and conditions; and may include other relevant product or service information the Provider determines would be useful to the Consumer.

(e) **Other agreement via phone.** Where the sale is carried out over the telephone and is not treated as an unsolicited consumer agreement under the prevailing laws of the Philippines, the Consumer may agree to opt out of their right to receive all information contained in the CIS prior to sale. In this case, a Provider must:

- (1) give the Consumer a general overview of the CIS prior to or at the point of sale and dispatch a copy of the CIS to the Consumer within five (5) Working Days after the sale; and
- (2) not engage in practices that would encourage Consumers to opt out of receiving the CIS prior to the sale. A Provider will not be regarded as having encouraged Consumers to opt out of receiving a CIS prior to the sale merely by informing them of their right to do so.

(f) **Other relevant information.** A Provider must make available other relevant information about Telecommunications Products or Services currently offered by the Provider beyond that which is covered in the CIS of each Offer, to assist Consumers to assess those Telecommunications Products or Services compared with other Telecommunications Products or Services that the Consumer is considering. A Provider must make available the following information *without charge* to enable this outcome:

- (1) **Product description** - a description of the key attributes of the Telecommunications Products or Services offered by the Provider;
- (2) **Manufacturer** - the manufacturer's name for non-Provider branded Telecommunications Product/s supplied by a third party as part of the Provider's Offers;
- (3) **Technical information** - the main features for any Telecommunications Product forming part of a Provider's Offers or where this information can be obtained by the Consumer;

- (4) **Billing and payments** - information on the Provider's Bill or SOA formats, Billing Options, Billing Period and payments offered by the Provider in relation to its Telecommunications Products or Services;
- (5) **Usage** - information to assist Consumers to estimate what capacity they may need on a Telecommunications Product or Service to meet their usage requirements;
- (6) **Post-sales support** - details of any post-sales support for the Telecommunications Product or Service and any fees or Charges for post-sales support;
- (7) **Mobile coverage** - the network coverage in the Philippines for the Telecommunications Product or Service, which may include a map or diagram of the mobile coverage;
- (8) **International roaming** - information about whether a Consumer needs to take any action to activate international roaming on the Provider's Telecommunications Product/Service (such as applying for activation of this functionality with the Provider) or deactivate international roaming and the basic Charges to send SMS, make and receive standard calls and for Data usage on the Provider's Telecommunications Product /Service from different countries (including that roaming Charges may be higher than Charges for international calls from the Philippines and Data usage may be more expensive, and that Customers may be charged for both making and receiving calls while overseas);
- (9) **Virtual network operators** - if a Provider does not own the network(s) over which they are supplying a Telecommunications Service, the name of the principal Carrier(s) whose network(s) is/are used to provide the Telecommunications Services, ensuring it is clear to the Consumer that the Provider is responsible for the service to the Consumer and is not affiliated or related to the principal Carrier(s) unless it in fact is; and
- (10) **Products for Consumers with special needs or circumstances** - information about Telecommunications Products or Services offered by the Provider designed for Consumers with different needs, circumstances, and abilities and how the Telecommunications Products/Services operate, including, where the Provider is supplying equipment, any information required to be supplied pursuant to universal and national policies and practices on *accessibility features*.

(f) **Remedies for inaccurate information.** Where inaccurate information has been provided by a Provider to a Consumer regarding an Offer and the Consumer has relied on it in making a purchasing decision to sign up to that Offer with the Provider, the Supplier must:

(1) **Remedies** - attempt to Resolve Complaints about inaccurate information by providing the Consumer with the correct information and a remedy that is appropriate in the circumstances for that individual Consumer, which may include a right for the Consumer to terminate the Contract or to the provision by the Provider of a refund or equivalent service;

(2) **Updating** - take reasonable steps to promptly update inaccurate information provided by the Provider to Consumers; and

(3) **Continuous improvement** - monitor Complaints about inaccurate information and take steps to address any material issues regarding inaccurate information.

(4) **Other relevant laws** - this Act Code should be read in conjunction with related laws, policies, and issuances including *Privacy*, *Competition* and *Consumer laws*. Providers are prohibited from sharing the numbers of its Consumers or indirectly cause the sharing of such numbers through negligence or weak security measures.

(g) **Responsible approach to Selling.** A Provider must ensure its Sales Representatives promote and sell its Telecommunications Products and Services in a fair, transparent, responsible, professional, and accurate manner to assist Consumers in making informed purchasing decisions; and clearly explain the key terms, conditions, and costs of the Telecommunications Products and Services that the Consumers are purchasing. A Provider must take the following actions to enable this outcome:

(1) **Training for Sales Representatives** - ensure its Sales Representatives are appropriately trained to promote and sell in a fair, transparent, responsible and accurate manner;

(2) **Ongoing monitoring** - ensure the conduct of its Sales Representatives is monitored periodically to see how they interact with Consumers, and take steps to address emerging or systemic deficiencies in the sales conduct;

(3) **Complaint handling system** - monitor Complaints about the sales conduct of the Provider's Sales Representatives and take steps to address emerging or systemic deficiencies in the sales conduct; and

(i) **Consumer understanding** - ensure its Sales Representatives are appropriately trained and have appropriate tools and aids to assist Consumers to understand the Telecommunications Products and Services they are purchasing. If a Consumer identifies a particular need to a

Provider, the Provider must indicate if it has an Offer that may suit the Consumer's identified need and if the Provider does indicate a particular Offer that may suit the Consumer's identified need, the Provider must provide the Consumer with information about the particular Offer, to allow the Consumer to assess the suitability of that Offer against that need.

Section 11. Consumer or Subscriber Contracts. - A Provider must provide Consumers with a Customer Contract or Agreement that includes details of the entity providing the Telecommunications Service or Product and of any associated Telecommunications Good (e.g., handset) that are provided by the Provider, or are required to be provided by the Customer, to enable use of the Telecommunications Service and the details of inclusions in the Telecommunications Service. A Provider must take the following actions to enable this outcome:

(a) **Identity of Provider** - provide the Consumer with the name and contact details of the Provider, and if a Provider does not own the network(s) over which they are supplying the Telecommunications Service or Product, they must provide the Consumer with the name of the principal Carrier(s) whose network(s) is/are used to provide the Telecommunications Services and ensure it is clear to the Consumer that the Provider is responsible for the service to the Consumer and is not affiliated or related to the principal Carrier(s) unless it in fact is;

(b) **Equipment compatibility** - inform the Consumer what type of equipment would be compatible with the Provider's Telecommunications Service; and

(c) **Equipment terms and conditions** - where a Provider is providing equipment /device as part of the Customer Contract, the Provider must provide the Consumer with the relevant terms and conditions relating to any equipment/device purchased from the Provider for use with the Telecommunications Service.

(d) **Customer specific information** - A Provider must make available information about the activation and expiry date of any current Contract that the Consumer has with the Provider for a Telecommunications Product/Service upon the Consumer requesting this information from the Provider.

(e) **Information to re-contracting Customers:** The Provider must inform the Consumer at least one (1) month before the end of contract term or "lock-in" period of the end of such an Agreement both via SMS/call and email. At the time of re-contracting, the Provider must inform the Customer of features available on new plans that may not be available on their existing plan, including spend management notifications.

(f) **Right to pre-terminate contracts** – aside from the right to switch to another network and portability of mobile number, a Consumer has the right to pre-terminate a Contract if the

reason is to switch to another network or non-compliance of the Provider to the agreed upon performance standards as provided for in this Act and the Agreement with the Consumer. Subject to the filing of a formal request to the Provider or, upon escalation, the authorities as provided for in this Act, a Consumer may request the immediate termination of service without the imposition of fees or penalties, and with the refund of any fee or charge already paid by the user, should a Provider not consistently comply with the minimum performance standards set by this Act.

(g) Keeping records regarding Customer Contracts: A Provider must keep records to enable a Customer to verify that the process for entering into the Customer Contract was undertaken in accordance with this Act. The Provider must create, and retain for a minimum of the term of the Customer Contract plus three (3) years, or if cancelled prior to the minimum term, two (2) years following cancellation, or as required by relevant laws or this Act's IRR, auditable records establishing that:

(1) Information about Supplier - the Provider provided to the Customer information regarding the identity of the Provider and its role, and where relevant, the role of other principal Carrier(s), in the supply of the relevant Telecommunications Products/Services;

(2) Agreement to enter into Customer Contract - the agreement of the Customer was obtained to enter into the Customer Contract.

Section 12. Customer Service. - A Provider must ensure enquiries by Customers are dealt with by the Provider in a timely and effective manner. A Provider must take the following actions to enable this outcome:

(a) Access - inform Customers how to contact the Provider about Customer Service enquiries and the hours of operation of these contact methods;

(b) Average wait times - monitor average wait times experienced by Customers to communicate with a Provider about a Customer Service enquiry and seek to keep the average wait times to a reasonable *minimum* in the circumstances;

(c) First contact resolution - monitor the level of first contact resolution of Consumer Service enquiries, take reasonable steps to understand the root causes for why enquiries cannot be resolved at first contact, and address those root causes; and

(d) Record keeping - keep records of interactions between the Provider and Consumers accessible to staff tasked with responding to such Service enquiries, to aid in resolving Customer Service enquiries. The Provider should not deliberately cause destroy or delete records related to Complaints process, which must be handled according to the procedures as

provided for in this Act and its IRR. All record requests through the TICP (in case of escalation) or any other regulatory or law enforcement body must be complied with by the Provider.

(e) **Assessing performance** - a Provider must strictly self-monitor its performance vis-à-vis standards set forth in this Act. It should ensure and monitor customer satisfaction by regularly seeking:

- (1) **Customer feedback** – by obtaining feedback from Customers about how the Provider deals with Customer enquiries; and
- (2) **Improvements** - using this Customer feedback to identify any systemic issues and take reasonable steps to implement improvements to its Customer Service processes.
- (3) **Sanctions and reporting:** Providers identified by the TICP Office as being the worst Provider based on the largest number of complaints during the prior financial year must be sanctioned either by community service, payment of fines, or both. The details of the sanctions shall be stipulated in the IRR.

Section 13. Billing. - The Provider must always comply with legal and ethical standards and universal best practices when it comes to billing.

(a) **Pricing, Billing and payment terms:** A Provider must ensure that information is available to Consumers about its:

- (1) charges and Discounts;
- (2) various Bill Media;
- (3) any Billing Options;
- (4) *Billing Period* policy;
- (5) terms and conditions applicable to the Provider's Bill, any Billing Options, its frequency and its payment; and
- (6) processes to assist Customers who are experiencing difficulties paying their Bills.

(a) **Bill payment information:** At the time of, or before, the issue to the Customer of the first Bill by the Provider, a Provider must advise Consumers in general terms of:

- (1) the time they have to pay their Bill for Telecommunications Services;
- (2) their obligation to pay Bills for Telecommunications Products or Services by the due date;
- (3) any processes the Provider has for:
 - (3a) interim Billing or changes in the Billing Period;
 - (3b) following up overdue Bills;

(3c) assisting Customers who experience difficulties paying their Bills, including where to access the Provider's *Financial Hardship* policy referred to in this Act.

(3d) the effect of part payment of a Bill and any method used by the Provider for allocating amounts received; and

(3e) the fact that non-payment or repeated late payment of Bills may have an effect on the provision of current or future Telecommunications Services to the Customer.

(b) **Format of Bill Media.** A Provider must offer its Consumers the ability to receive a Bill and any Billing information in a Bill Media that the Consumers is able to store and reproduce. Bill Media options may include, but are not limited to, any one or more of the following Bill Media: paper format, email, or online (e.g., via the Provider's website).

(c) **Provision of Billing information.** Following a Consumer's request and irrespective of whether or not previously made available on a Bill or otherwise made available, a Provider must provide to Consumers and former Consumers all Billing information related to that Consumer's or former Consumer's Telecommunications Service, up to the period provided for in this Act.

(d) **Bill content requirements.** A Provider must ensure that its Bills for a Telecommunications Service contain relevant Billing information. The Bill must include at least:

- (1) the Consumer's or former Consumer's Billing Name and Billing Address;
- (2) the Provider's trading name;
- (3) the Bill issue date and sequential identification (such as Invoice numbering or dates) to enable a Consumer, or former Consumer, to readily identify if a previous Bill has not been received and readily determine the chronological order of Bills received;
- (4) the Billing Period and an account reference number;
- (5) a Customer reference to be used when paying online, which is the same on each Bill for that Consumer, or former Consumer, for the same Telecommunications Products. A Provider may, however, change the Consumer reference from time to time when its circumstances require it (such as a change to its Billing systems);
- (6) the current due date for the Billed Charges and the due date for any outstanding amount;
- (7) advice regarding any additional Charges

- (8) the name of, or reference for, the agreement or plan to which the Bill relates;
- (9) any Charges that exceeded any spend limits or included allowance thresholds;
- (10) a description of the Charges included in the Bill including the total amount of the Bill, any applicable Discounts or credits being applied to the Bill or Charge, including any Third Party Charges;
- (11) for Bills that contain Charges for an Included Value Plan, the total amount of the Bill for of each the two previous Billing Periods;
- (12) for Bills that contain Charges for an Included Value Plan, a link to the area on the Provider's website where the Consumer can obtain call and Data usage information or instructions on where the Consumer can obtain call and Data usage information;
- (13) a contact point for the Consumer, or former Consumer, to make Billing Inquiries that includes at least a telephone number and a working email address;
- (14) a contact point for the Consumer, or former Consumer, to obtain pricing information if not available from the contact point described above;
- (15) the hours of operation of the contact point if the contact point is open less than 24 hours, 7 days a week; and
- (16) the nature of any Charges applying to Billing Inquiry calls, including information about any Charge greater than the Provider's local call tariff, or equivalent.

(e) **Timeliness of Bill issue.** Providers must issue a Bill to a Consumer, or former Consumer, within ten (10) Working Days after closure of the Billing Period, except when a temporary system or processing problems or issues arise; a Force Majeure event occurs; or a Provider delays the issue of a Bill for Customer Service purposes. If any delay extends beyond (ten) 10 Working Days, the Consumer must be granted an extension of time to pay of not less than the length of the delay.

(f) **Supplier verification.** A Provider must ensure it provides, and must be able to verify and demonstrate, Billing Accuracy except for inaccuracies caused by:

- (1) the Provider's reliance on information provided by a person who is not its director, employee or agent;
- (2) an action or failure of another person who is not the Provider's director, employee or agent; or
- (3) an accident, mistake or any matter beyond the Provider's control, where the Provider took reasonable care and precautions to avoid the inaccuracy.

(g) **Verification of Charges.** A Provider must ensure that sufficient information is readily available to the Consumer, or former Consumer, to allow them to verify that Charges are correct and consistent with the Provider's published or contracted Charges and Discounts; and the Telecommunications Products/Services which the Consumer, or former Consumer, has requested, used or contracted to receive.

(h) **Itemized Charges.** A Provider must ensure that Itemized details of all Charges relating to its Telecommunication Products/Services are made available to the Customer, or former Customer, unless they have otherwise requested or agreed. A Provider must inform its Customers of any notice period required by the Provider in order for the Provider to provide Itemized Billing details to them.

(i) **Timed Calls.** A Provider must supply or make available to the Consumer, or former Customer, Itemized Timed Call Charges, unless they have otherwise requested or agreed.

(j) **Payment Options.** A Provider must offer various and convenient ways of payment of Bills such as but not limited to direct debit arrangement, credit card payment, over-the-counter payments in banks, and online payment systems.

(k) **Timeliness of Bill payment processing:** A Provider must note Bill payments in the Provider's relevant system *within* 24 hours from the settlement or after the Provider is formally notified of payment, and apply payments received by the due payment date to the Customer's, or former Customer's account:

- (1) prior to generating the subsequent Bill; or
- (2) within two (2) Working Days of the payment being received by the Provider, whichever is sooner; and
- (3) apply payments received after the due payment date within two (2) Working Days of receiving the payment.

(l) **Direct Debit payment.** A Provider offering Direct Debit as a payment facility for a Telecommunications Product or Service must comply with the Customer's authorization and:

- (1) must ensure that the Customer, or former Customer, can access all Billing information on request and before the Direct Debit occurs;
- (2) must ensure that the Customer, or former Customer, can, on request, verify that its Direct Debit arrangements are in accordance with their authorization;

- (3) except where otherwise agreed between the Provider and the Customer, must allow the Customer, or former Customer, not less than ten (10) Working Days to check the Bill, or if no Bill is required all applicable Charges, before the associated Direct Debit transaction occurs;
- (4) must provide details of a Direct Debit transaction to the Customer, or former Customer's nominated financial institution in a timely manner, to ensure the transaction to take place as close as possible to the due date for payment;
- (5) must ensure that a Customer, or former Customer, can readily cancel a Direct Debit authorization by providing a simple mechanism (such as email or faxed request to do so);
- (6) must cancel a Direct Debit authorization within three (3) Working Days of receipt of the request; and
- (7) if the amount of a Direct Debit is incorrect, must either ensure that the Customer, or former Customer, receives a full and timely refund of any excess amount paid or undertake other appropriate action agreed with the Customer or former Customer.

(m) **Third party charges.** Where a Provider includes Third Party Charges on a Customer's Bill, a Provider must address all enquiries and Resolve all Complaints made to it regarding those Third Party Charges.

Section 14. Credit and Debt Management. - Providers must undertake due diligence and Credit Assessment before providing a Postpaid Service with a minimum term greater than one month to a Consumer and explain the financial implications of the provision of that Postpaid Service to the Consumer or their Guarantor. The following principles shall apply:

(a) **Assess capacity to pay** - For all Postpaid Services, a Supplier must undertake due diligence and Credit Assessment, the intention of which is to prevent Consumer over-commitment and to enable a Provider to recover the Charges. To determine the Consumer's financial capacity to meet their contracted obligations, a Credit Assessment must include at a minimum the following steps (this does not restrict the Supplier's ability to establish further information for the purpose of a Credit Assessment):

(1) **Existing Customers** - For an existing Customer who seeks to purchase additional or renew his Postpaid Services, the Provider must undertake a check of that Customer's payment history as well as his loyalty and lifetime value (typically measured through his length of stay, among other considerations) with the Provider;

(2) **New Customers** - For a new Customer seeking to purchase one or more Postpaid Services with the Provider and which have an aggregate Minimum Quantifiable Contract Value of greater than Php24,000.00, the Supplier must:

(2a) **Financial capacity details** - obtain details from the Consumer as to how they will be able to afford their commitments under the Customer Contract. This may be via savings, wages, or another form of income. Where the primary source of income is from employment, identify the employment circumstances (e.g., whether they are part-time, full-time, or permanently employed); and

(2b) **External credit check** - obtain an external credit check from a credit reporting body.

(2c) **Special circumstances** – where capacity is easier to ascertain (e.g., in cases of qualified senior citizens who have pension accounts or minors who have trust funds), obtain additional information for support such as reference letter from any of Customer's closest kin (children/sibling) who are also current Subscriber/Customer of the Provider.

(2) **Outcome of Credit Assessment.** Following the Credit Assessment, if a Provider concludes that a Consumer would be unable to satisfy their financial obligations under the Customer Contract, or would only be able to meet those financial obligations by incurring substantial hardship, the Provider must advise the Consumer of that outcome; and provide the Consumer with information about alternative products or services that may meet their needs, such as lower-cost contracts, shorter-term contracts (12 months instead of 24 months) or Prepaid Services.

(3) **Other remedies.** The Provider, upon request of a prospective Customer who lacks paper requirement, may consider other means through which a Customer may be allowed the availment of a Postpaid Service. The following shall be made available to a qualified prospective Customer:

(3a) **Requiring a Guarantee** – a Provider may agree to open a Postpaid account if the Customer can submit a Guarantee from his/her closest kin or immediate family member who has been a Customer of the same Provider for more than three (3) consecutive years and is in good credit standing. If a Provider and Customer agree to such an arrangement, the Provider must provide advice to the Guarantor regarding the nature and effect of the Guarantee before the Guarantee is provided by the Guarantor and the Telecommunications Product/Service is

provided by the Provider; and provide a Guarantor with a minimum of ten (10) Working Days as *cooling off period* in which the Guarantor may terminate the agreement for which the Guarantee is provided.

(3b) **Requiring a Security Deposit** - a Provider and Customer may agree to open a Postpaid service account if the Customer can issue a refundable Security Deposit. In the event that a Security Deposit is required by a Provider, the Supplier must provide the Consumer with information about the terms of that Security Deposit, including the circumstances in which the Security Deposit may accrue interest, be forfeited, or be refunded.

(b) **Spend management tools.** A Provider must provide *Account Management Tools* to all its Customers so they can track of their spending and usage history on 24/7 basis. A Provider must ensure that Customers who obtain services other than internet services from the Provider have access to at least one Spend Management Tool which, is not dependent on the Customer having internet access (that is, at the minimum, customers or consumers should have a system where they can easily request data usage update through SMS).

(c) **Hard Cap.** – A Provider should enforce a cap mechanism through which charges to Customers are monitored and exorbitant billing is automatically prevented.

(1) A Provider must suspend national and international data roaming charges *at no extra charge* once they reach a specific threshold within a single monthly billing cycle, unless the account holder or authorized user expressly consents to pay additional charges. this cap applies on a per-account basis, regardless of the number of devices associated with the account.

(2) A service provider must suspend data overage charges *at no extra charge* once they reach a specific threshold within a single monthly billing cycle, unless the account holder or authorized user expressly consents to pay additional charges. In all instances, this cap applies on a per-account basis, regardless of the number of devices associated with the account. For a customer with a *flexible plan*, the customer begins incurring overage fees after the first tier of data is exceeded, and the service provider must suspend data service when they reach a certain threshold in overage fees, unless the account holder or authorized user expressly consents to additional charges.

(3) For a customer with a *data add-on* or as *part of a fixed plan inclusion or offering*, the price of the data add-on must be included in the calculation of the cap on data overage fees.

(d) **Provision of notifications.** A Provider must provide free electronic notifications to a Service for each Customer who receives either an Included Value Plan or a Postpaid Service for a broadband plan with an included Data allowance where there is no Hard Cap, Shaping (in relation to Data allowance) and/or equivalent measure that applies to the plan; the usage type in question under the plan is not unlimited; and in relation to Included Value Plans, where such plans were launched by the Provider after the effectivity of this Act. The Timing of Notifications should be clear and timely enough so that Customers are always informed of their Plan usage.

(e) **Notice to Restrict, Suspend or Disconnect a service for Credit and/or debt Management Reasons.** Providers must ensure Customers are given adequate notice regarding a decision by the Supplier to Restrict, Suspend or Disconnect their Telecommunications Service for Credit and/or debt Management reasons.

(1) **Prior notice of Restriction, Suspension or Disconnection action** - A Provider must give the Customer at least five (5) Working Days' notice prior to the Restriction, Suspension or Disconnection of the Telecommunications Service for credit and/or debt management reasons, unless clause (1) below applies:

(1a) A Provider may only Restrict, Suspend, or Disconnect a Telecommunications Service for Credit and/or debit Management reasons without first informing the Customer if the Provider assesses that the Customer or the account status presents an unacceptably high credit risk to the Provider; the Provider reasonably suspects Fraud or attempted Fraud; or the Customer has nominated to the Provider a Restriction Point and the Customer has reached that Restriction Point.

(2) **Precautions to be taken** - when notifying a Customer about a Provider's Restriction, Suspension or Disconnection of the Customer's Telecommunications Service, a Supplier must make reasonable attempts to ascertain whether the Customer has understood any oral advice given; ensure that attempts to inform are directed to the Customer; and ensure that the primary method of notification used is a format reasonably acceptable to the Customer based on their usage history. The Provider should also inform the Customer about the *Financial Hardship* provision as provided for in this Act in case the Customer needs such assistance.

(3) **Content of Disconnection notice.** If notifying a Customer about a Provider's Disconnection of the Customer's Telecommunications Service, it shall send a separate Disconnection notice, not just a Bill, to the Customer and any relevant

Guarantor prior to Disconnecting the Telecommunications Service. The notice of Disconnection, if issued by email or letter, must inform the Customer and Guarantor of the following in a professional, non-threatening, and considerate manner:

(3a) that, after Disconnection has occurred, the Customer's Telecommunications Service plan and/or Telecommunications Product (and/or, where applicable, telephone number), may no longer be available;

(3b) about the consequences of non-payment, including that the Customer's default leading to the Disconnection may be disclosed to a Credit Reporting Body and/or collection agency and/or debt buyer and may be added to the Customer's credit file with a Credit Reporting Body;

(3c) about the *Financial Hardship* policy in case the Customer needs such assistance;

that the debt may be passed to a collection agency and/or debt buyer; and

(3d) that legal action may be taken to recover the unpaid debt.

The notice of Disconnection, if issued by a method other than email or letter, must also include a link /number through which a Customer may immediately send a reply or make an inquiry.

(4) Fair credit management process. Providers must ensure that Customers and former Customers are treated with fairness, professionalism, and consideration in relation to the Credit Management process.

(4a) **Review** - following a Customer's request, a Provider must review any decision to Restrict, Suspend or Disconnect the Telecommunications Service and inform the Customer of the outcome of that review. If the review is not undertaken and completed by the Provider at the time of the Customer's request, the Provider must notify the Customer at that time when the review will be completed.

(4b) **Options or solutions** – options and solutions should be offered by Providers for valid cases such as when Customers experienced financial hardships. For resolved cases, the Provider must take steps to notify the Credit Reporting Body within two (2) Working Days;

(4c) **Advice of dispute resolution options** - following a review as referred to in this Act, if the Customer remains dissatisfied with the outcome of the review, a Provider must advise the Customer of how they can make a Complaint.

(4d) **No reconnection charge** - A reconnection charge is prohibited by this Act.

(4e) **No Credit Management Charges or Other Fees During Disconnection** – a Provider must not impose Credit Management Charges or still require a Customer to pay for the Monthly Subscription Fees (upon resumption of services or payment of back or unpaid dues) during the time when services had been temporarily disconnected. To compensate for the lost income, Providers shall extend the term of Contract commensurate to the number of months when services had been disconnected.

(4f) **No payment for unjustified interruption of services** – service interruption caused by the negligence of the Provider or that which is unjustified and lasted for more than eight (8) hours entitles a Customer for a refund, which is calculated based on his MSF.

(4g) **Issues before any sale of debt:** A Provider must Resolve any Billing Complaint or Telecommunications Service before considering selling of debt or assign it to a third party. Only upon due process and the required notification shall accounts be assigned to third-party entities.

(4h) **Default listed in error:** Where a Provider becomes aware that a Customer or former Customer has been default listed in error, the Supplier must inform the Credit Reporting Body and use reasonable endeavors to do so within one (1) Working Day.

(4i) **Failure to pay through no fault of Customer:** Where a Customer or former Customer can demonstrate that they have taken all reasonable steps to pay a known due debt but the Bill has not been paid due to the fault of a third party or the Provider, the Provider must ensure that:

(4i-1) if the Customer or former Customer has been default listed with a Credit Reporting Body as a result, it notifies the Credit Reporting Body within one (1) Working Day;

(4i-2) no additional Credit Management Charges apply; and

(4i-3) no other credit-related disadvantages arise for the Customer or former Customer.

(4j) **Debt collection.** The Provider should adhere to a clear, transparent, considerate, and fair debt collection procedures.

(4j-1) **Collection activities** - a Provider must adopt best practices as set out in relevant laws and based on universal best practices.

(4j-2) **Internal dispute resolution** - A Provider must require that all of the Provider's debt collection activities have an internal dispute resolution process.

(4j-3) **Debt buyers** - A Provider must only sell a debt to a debt buyer if that debt buyer is fully aware of the provisions of this Act and duly accredited/recognized by governing bodies.

(4j-4) **Notification of sale of debt** - A Provider must notify the Customer or former Customer in writing fifteen (15) Working Days before the schedule of debt sale. If the Customer does not reply within ten (10) Working Days upon receipt of the first notice of the Provider, the Provider must assume that communications had not been received by the Customer. In such a case, the Provider must exert all efforts again and release a second notice to ensure that the Customer has duly received all notices/communications. In order that a resolution or negotiation will take place, the Customer is required to reply to the Provider within 25 Working Days from receipt of first notice or fifteen (15) Working Days from receipt of the second notice. Failure to do so means an implied agreement of the Customer to the sale of the debt to a third party entity.

Section 15. Financial Hardships. – Providers must enforce a *Financial Hardship* policy and ensure that it is easy for Consumers to find and access.

(a) **Specific and private contact point.** A Provider must provide the Customer or former Customer with details of the relevant point of contact with whom to discuss the Provider's Financial Hardship policy and *Financial Hardship* arrangements in utmost privacy.

(b) **Summarizing the Financial Hardship policy** - A Provider must provide a summary to a Customer, or former Customer, of how the *Financial Hardship* policy may assist them upon request; when the Customer, or former Customer indicates to the Provider that they are experiencing Financial Hardship; or if the Provider considers the Customer, or former Customer, may be eligible for the policy. The Policy should carry a paragraph or a similar paragraph that says, "We are here to help. We will work with you to help you respond to financial difficulty, whether temporary or long-term. We are committed to helping customers facing financial hardship maintain telecommunications access and working with you to find a sustainable solution. Any help we can give will depend on your individual circumstances, and we provide help on a case-by- case basis."

(1) Circumstances under Financial Hardship. – Families/individuals, may, at some point in their lives, experience unexpected financial hardships and the State should recognize that such circumstances prevent them from continuing their Services or fulfilling their obligations. The following should qualify as valid circumstances where Customers may avail of Financial Hardship solutions/options with their Providers:

- (1a) Long-term hospitalization in the immediate family that incurred a hospital bill beyond a certain threshold;
- (1b) Unemployment, loss of job, or project/contract/opportunity beyond three (3) months (consecutive);
- (1c) Business dissolution or bankruptcy;
- (1d) Unpaid/withheld simultaneous (more than 3 consecutive months) of salaries or professional fees or invoices where the Customer is not at fault (including obvious retaliation in labor- or integrity-related cases);
- (1e) Loss of properties through *force majeure* where losses are financially significant;
- (1f) Domestic violence; and
- (1g) Other qualified extreme financial hardships that may be determined by the Provider (or relevant authority, if escalated) through due diligence, background check, or submission of supporting documents by Customer.

(2) Solutions or options – The Provider may make options available for Customers who are experiencing *Financial Hardships*, such as but not limited to:

(2a) Options for keeping the Customer connected:

- (2a-a) Spend controls;
- (2a-b) Restriction of service, in respect of overall or specific services;
- (2a-c) Transferring the Customer to a Prepaid Service;
- (2a-d) Transferring the Customer to a contract which includes *hard caps* or Shaping; or
- (2a-e) Interim low-cost options until the Customer can continue with original payments.

(2b) Options for suitable financial arrangements:

- (2b-a) Temporary *freezing* of account or disconnection and deferment of payments of up to twelve (12) months (for an agreed upon period; a longer

period shall be typically offered to Customers requesting an extension outside of *Financial Hardship* arrangements);

(2b-b) Agreeing on an alternative arrangement, plan,

(2b-c) Discounting or waiving of debt;

(2b-d) Permanent disconnection of Service for extreme circumstances or when the period of freezing had been extended beyond eighteen (18) months.

(2b-e) Incentives for making payments, for example payment-matching.

(3) Fair and timely Financial Hardship assessment – Providers must assess the Customer's or former Customer's eligibility for assistance under the *Financial Hardship* policy in a fair and timely manner. A Provider must ensure that staff who are directly involved in applying the *Financial Hardship* policy are appropriately trained.

(4) Requesting Information from the Customer - A Provider must inform the Customer or former Customer of the information which the Provider requires to assess their eligibility for assistance under the *Financial Hardship* policy. A Provider must also inform the Customer, or former Customer, of the following:

(4a) that the assessment may be based on the information provided by them or other information available to the Supplier;

(4b) that, where the requested information is not provided, an assessment may not be made;

(4c) that the provision of false or incomplete information may result in the Supplier cancelling any hardship arrangements; and

(4d) if the information provided by the Customer, or former Customer, is not sufficient to make an assessment of eligibility under the *Financial Hardship* policy, of what other information is needed to make such an assessment.

(5) Communication of Financial Hardship arrangement/resolution:

(5a) Arrangement details - A Provider must inform the Customer, or former Customer, that they may request that the Provider give the details of the Financial Hardship arrangement to them in writing. If the Customer or former Customer requests that the Provider give the details to them in writing, the Provider must do so.

(5b) Rights and obligations - A Provider must inform the Customer, or former Customer, of their rights and obligations under the *Financial Hardship* arrangement (including without limitation that they have an obligation to

promptly advise a Provider if their circumstances change during the term of the *Financial Hardship* arrangement) and of Credit Management arrangements.

(5c) **Duration of arrangement** - A Provider must advise the Customer, or former Customer, of the duration of the *Financial Hardship* arrangement or of the review date of the arrangement.

(5d) **Timing of communication** - A Provider must advise the Customer, or former Customer of the matters referred to in this Act within five (5) Working Days of the Provider and the Customer or former Customer agreeing to the specific *Financial Hardship* arrangements.

(5e) **Commencement of arrangement** - A Provider must ensure that the *Financial Hardship* arrangement will not commence unless the Customer or former Customer indicates their acceptance.

(5f) **Prohibition on certain debt sale**- A Provider must not sell the debt or submit a negative or discriminatory report to any credit information body while an arrangement under a *Financial Hardship* policy is in place.

(5g) **Changed circumstances** - A Provider must review the arrangements if the Customer notifies the Provider that the Customer's or former Customer's circumstances have changed.

Section 16. Changing Providers and Portability of Number. This Act as a whole and this Section in particular shall be construed and interpreted in the light of Mobile Number Portability Act (Republic Act 11202). This Act further strengthens the right of Consumers and the obligation of Providers when it comes to changing of a current Provider (the "Donor Provider") of a Telecommunications Service to a new Provider (the "Recipient Provider").

(a) **Cooperation and synergy between and among Providers.** The process shall follow a level of cooperation between and among all Providers involved in the switching process in order to facilitate consumer switching and promote consumer protection. Relevant authorities such as the DICT, NTC, and DTI shall promote an industry framework for cooperation between and among all relevant Providers in order to facilitate the transparent and inclusive governance of consumer switching arrangements so that these can be developed by the industry, as markets evolve, under appropriate regulatory directions.

(b) **Right of consumers to switch anytime.** Consumers who want to switch provider and/or port their current numbers have the right to do this at any time. The right to switch to a new Provider and/or port a number is decoupled from any contractual obligation of a Consumer including existing lock-in or contract period, on the condition that the Consumer pays any

corresponding cost of losses for the Donor Provider (DP) or the enforcement of an alternative arrangement between the Donor and Recipient Providers. The State guarantees freedom of choice and number portability and that a Consumer is allowed to terminate a contract at any time provided certain conditions are met. In this regard, Sections 8 (a-1) and (a-2) of RA11202 are hereby amended and replaced by clauses (iii), (iv), (v), (vi), (vii), (viii), and (ix) and will read as:

- (1) Transmit the notice of clearance to the Recipient Provider (RP): *Provided*, That the mobile number to be ported is still active (not disconnected or subject to disconnection) and any existing contractual obligation is subject to a carry-over arrangement between the RP and DP and which will reasonably consider the financial losses and/or device installment payments (if any) of the DP. In the case of a VNO, it shall first acquire clearance from its host Provider before transmitting the notice of clearance to the RP;
- (2) Notify the Customer and the RP that the mobile number to be ported has an existing contractual obligation with the DP but that porting of number should still proceed upon the request of the Customer. The DP shall then issue the Final Billing or Statement of Account following the usual schedule of the Customer's Billing Cycle but not exceeding thirty (30) Days from the date of the porting's effectivity. The Final Billing and all obligations must either be settled by the Customer in full or be paid in a manner or scheme that is reasonable and fair to the DP, *Provided* that, at the minimum, services already consumed (calls, SMS, and data usage) or the consumed portion of the MSF with the DP should be paid.
- (3) The scheme to be enforced (that which will compensate the DP for losses and device subsidy, if applicable) shall involve any of the following: (a) continuation of a plan, which is similar to the plan which the Customer enjoyed previously with the DP (but not lower in value) with the RP agreeing to remit a corresponding percentage of the monthly payments of the *new* Customer to the DP—an amount which will reasonably cover DP's losses because of the pre-termination of the previous plan (which shall be subject to a threshold to be evaluated and enforced by NTC but which should not exceed 30% of the Plan's monthly Subscription Fee)—and the continuation of the *separate* installments on the device (if applicable), with the new Agreement *still* honoring the uncompleted term (e.g., 6 months) to ensure full payment of the device issued by the DP and before commencement of a new Agreement (with a new device) with the RP; (b) outright

payment by the RP to the DP covering the remaining contractual obligations of the Customer [based on the principles stipulated in (a)], *Provided* that the Customer agrees to pay the DP on such advance payment either in full or a similar manner with which he was paying the DP previously; or (c) an appropriate mechanism that is reasonable to all parties involved such as the trade-in or surrender of the device of the Customer to the RP, *Provided* that it is still in good condition and could still fetch a fair market price and the cash equivalent of the device may be deducted from the outstanding obligation of the Customer to the new Provider (the RP).

(4) In any of the above schemes, the Customer agrees that only upon the fulfillment of the unfinished term of the previous contract (if applicable) or the full payment of remaining obligation can he avail of a new Plan (a lower or higher Plan value or MSF) with the RP and availment of corresponding new device under an installment plan if he so desires and is being offered by the RP. Moreover, in order that the RP can recoup whatever investment and operational costs that it will incur on the *first instance* of portability request (per Customer), the Customer agrees that he will stay with the RP for at least one year excluding the *unfinished* term (if beyond six months) with the DP and which the RP already absorbed and co-financed (if applicable). This principle shall always prevail in cases when the unfinished term of contract with a previous Provider (the DP) is beyond six (6) months and the cost of such remaining contractual obligation was absorbed or paid for in advance by the RP unless the Customer agrees to reasonably compensate the new provider (the RP) of whatever it already paid for in his unfinished term in the previous Provider (the DP).

(c) **Decoupling of the right from any contractual obligation.** To further ensure ease and efficiency of portability, all Providers are mandated to decouple or unbundle the cost of device installment (if applicable) from the service component (usually paid through the MSF) so that a Customer shall be required to sign two Agreements (if applicable): one for the MSF and another for the device installment. Those who will opt to avail of devices on installment shall be entitled to a device subsidy (which can be incorporated in the MSF) as is the typical industry practice. Nevertheless, Providers shall also be required to offer *no lock-in* or *SIM-only* plans with understanding that the saved or freed-up costs that otherwise go to device subsidies shall be enjoyed by Customers through better benefits such as higher data allocation, rebates, rewards, and other incentives.

(d) **Unlocking of devices.** In order to facilitate immediate switching of network and portability of number, the locking of mobile devices to a particular network is prohibited. This prohibition shall apply whether the device is sold on its own or as part of a bundled plan or service contract. In case when a device had been locked prior to purchase, the Provider shall unlock the device *for free* upon the Customer's request.

(e) **Customer lifetime value.** The long-term loyalty of Customers shall also be given financial and economic value by all Providers. Regardless of the reason for wishing to switch to another network and break free from an existing contract, long-term Customers (those who have been with a Provider beyond two years) has a quantifiable lifetime value (LTV) and must be a significant business consideration when treating them and their remaining contractual obligations (if any). Therefore the LTV based on the number of years of stay with the DP shall have a corresponding financial value and shall be considered when calculating the Final Billing or SOA. The mechanisms for this calculation shall be included in the IRR.

The rest of Section 8 of RA 11202 and all parts thereof unless contrary to the principles being espoused in this law remain in force.

(f) **Obtaining Consent.** - An RP must use reasonable efforts to ensure that a Consumer is only the subject of a *Transfer by a DP* if the Consumer has provided their consent to such a Transfer.

(1) **Consent** - The RP must ensure that the Consumer provides consent to the Transfer; and

(2) **Authorization** - The RP must use reasonable efforts to ensure that the person requesting the Transfer is the Rights of Use Holder of the Telecommunications Service to be Transferred, is an Authorized Representative of that person, or is otherwise able to authorize the Transfer under Guidelines to be issued through this Act's IRR or a policy issuance by NTC.

(g) **Verification of transfers.** A Gaining Provider must ensure that it uses appropriate procedures for the Verification of a Transfer, or an appropriate sample of Transfers, in all selling channels where the Gaining Provider or its Sales Representative initiates the contact with the Consumer which leads to a Transfer request.

(h) **Promoting Transfers:** An RP must:

(1) **Identify** - ensure its Sales Representatives identify the RP that they represent when promoting Transfers with Consumers;

(2) **Place** - where its Sales Representatives promote Transfers to Consumers in person, ensure that the promotions are conducted in locations that are appropriate; and

(3) **Identity** - keep records to enable it to identify the Sales Representative responsible for effecting a Transfer.

(i) **Minimum information for Consumers:** Before initiating a Transfer or when requested by a Consumer, a Gaining Provider must ensure that the Consumer receives at least the following information:

(1) **Subject to validation** - that the offer to Transfer the Telecommunications Service is subject to validating that it can be Transferred;

(2) **Service interruption or change** - whether there will be an interruption or change to the Telecommunications Service during or as a result of the Transfer process;

(3) **No penalties and fees** - that the Consumer's right to switch to another provider is guaranteed by the State and such a right must not be impeded; *Provided*, that the necessary arrangement (for example, in case of unfinished service contracts) had been forged or shall be forged between/among the Customer and the DP and RP as provided for in this Act;

(4) **Notice of completion of the Transfer** - that the Gaining Provider will use reasonable efforts to notify the Consumer of the completion of the Transfer on the day it occurs or, if completion of the Transfer relies on a third party, on the day the Gaining Supplier is advised that completion has occurred; and

(5) **Lodging an inquiry or Complaint** - the appropriate contact details for lodging an inquiry or a Complaint about any aspect of the Transfer.

Section 17. Establishment of a *Consumers Protection Desk* by the DICT, NTC, and DTI and Power to Handle Complaints under the Act. – DICT, NTC, and DTI shall establish a *Telecommunications Industry Consumers Protection (TICP) Office* within 30 days of the effectivity of the IRR of Act.

(a) At least two members of the TICP Office shall come from the private and civil society sectors (but *not* from any Telecom Provider or have relatives from any Provider), and at least one of them a known and credible advocate in consumer rights protection. These representatives shall be nominated by the private and civil society sectors every three (3) years. Nominating organizations and the guidelines for inclusion shall be established in the IRR of this Act.

(b) Conferred with the Desk are functions and powers of:

- (1) receiving;
- (2) investigating;
- (3) facilitating the resolution of;
- (4) making determinations in relation to;
- (5) giving directions in relation to; and
- (6) reporting on, complaints made by the end users of Providers about matters arising under or in relation to this Act, including compliance with this Act by industry participants to whom this Act applies.

(c) The TCIP Office is mandated to conduct a study on the possibility of establishing a more long-term governing body such as a Telecommunications Industry Ombudsman (TIO) within three (3) years of the enactment of this law. In case of the viability of the creation of such a TIO Office, the TCIP Office shall draft a corresponding House Bill on the 4th year of the effectivity of this Act.

(d) Upon establishment of TICP, it shall review relevant provisions of the Consumer Act (RA 7394) including but not limited to Chapter III (Consumer Complaints) Articles 159 to 166 and propose an investigation procedure following such provisions or taking off from such provisions (considering enhancements in the operational level) for the purpose of ensuring a timely, reasonable, fair, effective, and efficient system of reaching a resolution and/or rendering justice to any aggrieved party.

Section 18. *Promoting Awareness.* – Providers must promote awareness of this Act and its IRR to their Customers, Subscribers, partners, and staff. A Provider must take the following actions to enable this outcome:

(a) **Awareness for Consumers** - promote the Act to its Customers through the issuance of brochures, advertisements, and other information materials in both physical and digital formats; and

(b) **Awareness for staff** - communicate the requirements of this Act to relevant staff and ensure that staff are trained regarding the Provider's processes for compliance with the provisions of this Act.

Section 19. *Monitoring Compliance.* - The NTC shall set Performance Standards after public consultation and hearings within six (6) months from the effectivity of this Act; and

(a) Mandate that all Providers submit an *Action Plan* within six (6) months of the issuance of the IRR of this Act and annual *Compliance Reports*—which shall include all complaints received and how they were acted upon and resolved—beginning on the first year from the

effectivity of this Act. It shall require separate books of accounts between different data transmission segments in order to allow identification of costs and revenues for each segment. Nothing herein shall prevent interconnecting networks from charging the appropriate cost-based compensation for the use of interconnection facilities.

(b) Mandate all data transmission industry participant, including PTEs with regard to its network and facilities, to make available, on a timely basis, to suppliers of data transmission services the technical information about its essential facilities or network facilities and commercially relevant information that are necessary for them to provide services;

(c) Upgrade performance standards imposed on the data transmission industry regularly to ensure that performance standards shall, at a minimum, be at par with service levels established in regional data network performance indices and aligned with international best practices. Such standards shall take into account speed, packet loss, jitter, and latency;

(d) Regularly review performance standards at least once a year and shall publish new performance standards at least thirty (30) days before they take effect. The publication of the results of the performance measurements shall be done in an open data format accessible to the general public;

(e) Any Consumer (through the TICP), or the NTC itself, may, *motu proprio*, file a petition to penalize any data transmission industry participant for failure to deliver service according to the NTC's published performance standard and to require rectification of such noncompliance;

(f) Measure the performance of the data industry participants and publish the results of its measurements in its website;

(f) Ensure that there are at least two (2) providers providing services at any given segment.

(e) Ensure that there shall be no anti-competitive cross-subsidization by requiring separate books of accounts between different data transmission segments in order to allow identification of costs and revenues for each segment. Nothing herein, unless found to be injurious to the rights and welfare of Consumers, shall prevent interconnecting networks from charging the appropriate cost-based compensation for the use of interconnection facilities.

Section 20. Expedited Processing. — In all instances where a participant in the data transmission industry shall require a form, certificate, or request from any government agency or local government unit (LGU), there should be no more than two (2) public officers involved in processing the form, certificate, or request. Processing fees and certifications required for the deployment of any segment of data transmission networks shall be limited to those

identified by the DICT. The DICT shall coordinate with the concerned national government agencies and LGUs, and conduct the necessary consultations with civil society organizations and other stakeholder groups, for the development of the implementing rules and policies to minimize the administrative burden of permitting and certification processes.

Section 21. Penalties – Any Provider who shall not meet the minimum standards mentioned under this Act, shall be subject to fines and penalties.

(a) **Direct authority of NTC** - In the exercise of the regulatory powers of the NTC, and with the support of DICT and DTI (through the TICP Office) in handling complaints, it shall impose fines amounting to the actual loss, damage, or overcharging as determined by the Commission for every day during which such default or violation continues, or if it is not feasible to quantify the offense, to a fine amounting to One Million Pesos (PhP 1,000,000.00) for every day during which such default or violation continues until the amount is fully paid; *Provided* that if the Provider has a gross annual income not exceeding Ten Million Pesos (PhP 10,000,000.00), the penalty that may be imposed shall be equivalent to One Percent (1%) to Two Percent (2%) of its Gross Annual Income. The Commission is hereby authorized and empowered to impose such fine after due notice and hearing. The erring Provider is also mandated to refund the charges it erroneously imposed to its Consumers or Subscribers.

(b) **Suspension of certificates/permits.** Failure to pay the fines or penalties in any case within the time specified in the order or decision of the NTC shall be deemed good and sufficient reason for the suspension of the certificate of said public telecommunications entity until payment thereof shall have been made.

(c) **Restriction on the Issuance of Temporary Restraining Order or Writ of Preliminary Injunction.** No temporary restraining order or writ of preliminary injunction shall be issued by a Regional Trial Court against any order, decision, rule or regulation promulgated by the NTC unless there is *prima facie* evidence that the said order, decision, rule or regulation was promulgated with evident bad faith or grave abuse of authority: *Provided*, That whenever such temporary restraining order or writ of preliminary injunction is issued, the court that issued the same shall, within ten (10) days from such issuance, submit a report to the Supreme Court setting forth in detail the grounds or reasons for the same.

(d) **Adjustment for Inflation.** The fines imposed under this Act shall be adjusted, year-on-year, considering the prevailing cost of money based on the current consumer price index, and subject to publication of such adjustments.

(e) **Relation with the Consumer Act (RA 7394).** Penalties and fines stipulated herein shall govern all cases that are covered by this Act. The provisions of this Act shall apply

notwithstanding any agreement to the contrary but shall not restrict, limit or derogate from any other rights or remedies of a Consumer under any other law.

Section 22. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the NTC and relevant agencies shall promulgate the necessary rules and regulations for the effective implementation of this Act. The NTC shall ensure that the provisions of this law apply, *mutatis mutandis*, to future technologies in telecommunications and data transmission.

Section 23. *Joint Congressional Oversight Committee on Open Access in Data Transmission.* — There is hereby created a *Joint Congressional Oversight Committee on Open Access in Data Transmission* (JCOCOADT), which shall monitor and ensure the effective implementation of this Act. It shall determine weaknesses and loopholes in the law, recommend the necessary remedial legislation or administrative measures and perform such other duties and functions as may be necessary to attain the objectives of this Act.

(a) The JCOCOADT shall be composed of five (5) members from the Senate and five (5) members from the House of Representatives in addition to the Chairperson of the Senate Committee on Science and Technology and the Chairperson of the House of Representatives Committee on Information and Communications Technology, who shall Chair the Oversight Committee in the order specified herein: *Provided, That* two (2) members of each chamber's nominees shall come from the ranks of the minority party/bloc.

(b) The Chairperson of the Senate Committee on Science and Technology and the Chairperson of the House of Representatives Committee on Information and Communications Technology shall act as co-Chairpersons of the JCOCOADT. The ranking minority members nominated by both the Senate and the House of Representatives shall act as co-Vice Chairpersons. The Secretariat of the JCOCOADT shall come from the existing Secretariat personnel of the Committee on Science and Technology of the Senate and the Committee on Information and Communications Technology of the House of Representatives.

(c) The JCOCOADT shall have its own independent counsel. The JCOCOADT shall exist for a period not exceeding five (5) years from the effectivity of this Act. Thereafter, its oversight functions shall be exercised by the Senate Committee on Science and Technology and the House of Representatives Committee on Information and Communications Technology, acting separately.

Section 24. *Separability Clause.* – If any provision or portion of this Act is declared unconstitutional, the remainder of this Act or any provision not thereby affected shall remain in full force and effect.

Section 25. *Repealing Clause.* – Section 23 (Equality of Treatment in the Telecommunications Industry) of the Public Telecommunications Policy Act (RA 7925) is hereby repealed. All laws, decrees, executive orders, ordinances, rules, regulations, and other issuances, or parts thereof, which are inconsistent with any provision of this Act, are hereby repealed, amended, and/or modified accordingly.

Section 26. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,