

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

TWENTIETH CONGRESS

First Regular Session

House Bill No. 63



INTRODUCED BY REPRESENTATIVE JURDIN JESUS M. ROMUALDO

EXPLANATORY NOTE

This bill is a refiled measure originally filed during the 18th Congress by then Representative Xavier Jesus D. Romualdo of the Lone District of Camiguin, and refiled in the 19th Congress. On both occasions, the bill was transmitted to the Senate for its appropriate action. The current version builds on these earlier efforts and reflects updates based on the evolving digital landscape and terminology.

The proposed measure aims to foster a competitive, inclusive, and innovation-driven data transmission industry, supported by an empowered and independent regulatory body. It recognizes the transformative role of internet connectivity in education, healthcare, governance, business, and nation-building.

In 1995, the Public Telecommunications Policy Act of the Philippines (Republic Act No. 7925) was enacted, when less than 1% of Filipinos had access to the Internet. As of 2022, the number of internet users in the Philippines had surged to over 76 million—equivalent to nearly 68% of the total population—and mobile connectivity alone reached over 156 million connections, reflecting widespread adoption.

In the 2025 Datareportal¹, a total of 142 million cellular mobile connections were active with 97.5 million individuals using internet in the country with online penetration at 83.8 percent.

According this report, the Philippine is home to 90.8 million social media users as of January 2025, equating to 78.0 percent of the total population of 116 million as of January 2025, with 48.8 percent coming from urban centers and the 51.2 percent in the rural areas.

The number of mobile connections in the Philippines increased by 17 million between 2024 – 2025. Mobile users were reported to be 122% of the population or 141.52 million users. While mobile internet download speed via cellular data networks is at 35.56 Mbps and median internet download speed is at 93.68 Mbps.

¹ www.datareportal.com/reports/digital-2025-philippines

Among the social media platforms, Facebook or Meta's ads reach 78 percent of the population or 90.48 million while Instagram had 22.9 million users. On the other hand, TikTok had 62.3 million users while YouTube was reported to have a decrease of 400 thousand users. Messenger users reached 61.8 million early 2025.

These figures reflect how these social media platforms and digital tools have become part of our daily life.

DICT leaders also said that "internet household access in the country has doubled from 38% in 2023 to 76.9 percent in 2024 and that increased internet connectivity resulted to economic gains from access to essential online services, education and economic opportunities. DICT emphasized its commitment to provide wider and reliable access to internet connectivity especially on their Free Wi-Fi program primarily designed to bridge the digital divide and promote inclusivity.

By enacting this proposed legislation, we aim to close the digital divide, uplift service standards, protect public interest, and enhance our national competitiveness in an increasingly interconnected global economy.

The Philippines has a long way to go in terms of internet speed, affordability, and overall service quality. We have to catch up with our regional neighbors and achieve the global benchmarks. We need to address the gap between access and quality as well as integrate a regulatory framework that will be beneficial to the industry stakeholders and provide the suitable services for the discerning public.

We need to modernize our telecommunications and internet regulatory framework to reflect present realities and support sustainable growth. The proposed measure introduces a forward-looking policy platform that:

1. Reclassifies Internet Access Services – Internet access will no longer be treated merely as a value-added service (VAS), but as a distinct and essential public utility function, thus expanding the National Telecommunications Commission's (NTC) regulatory authority and enabling more meaningful oversight.
2. Ensures Technology Neutrality – Regulation should be adaptable to all forms of technology and should not favor any specific platform or infrastructure, thereby encouraging innovation and future-proofing the law.
3. Mandates Universal Access – The bill makes internet access a universal service obligation for telecommunications companies, much like basic telephone service under the old law. The objective is to ensure that all Filipinos—urban and rural—have equitable and affordable access to reliable internet.
4. Promotes an Open Internet – The measure safeguards against blocking, throttling, and paid prioritization by Internet Service Providers (ISPs), now referred to as "data transmission industry participants" to cover all players in the ecosystem. Zero-rating will only be allowed if done without monetary or equivalent compensation.
5. Strengthens the NTC – The NTC will be empowered with updated enforcement mechanisms, including administrative penalties aligned with modern regulatory standards. The bill also authorizes the Commission to set and enforce minimum service standards reflective of evolving technology.

6. Expands Consumer Rights and Protections – By institutionalizing transparent complaints handling, prohibiting abusive practices, and upholding consumers' rights to high-quality and fairly priced services, the bill empowers users to make informed choices.
7. Maximizes Spectrum Utilization – The NTC is mandated to ensure optimal and inclusive use of radio spectrum for the benefit of all registered industry participants, fostering competition and efficient service delivery.

In view of the foregoing, the immediate and favorable passage of this bill is earnestly sought.



JURDIN JESUS M. ROMUALDO

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INTRODUCED BY REPRESENTATIVE JURDIN JESUS M. ROMUALDO

AN ACT

**PROMOTING OPEN ACCESS IN DATA TRANSMISSION AND PROVIDING
ADDITIONAL POWERS TO THE NATIONAL TELECOMMUNICATIONS
COMMISSION**

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

CHAPTER I

INTRODUCTORY PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the “Open Access in Data
Transmission Act”.

SEC. 2. *Declaration of Policy.* – It is the policy of the State to narrow the digital divide
in the country by encouraging the development of data transmission infrastructure and removing
any barrier to competition in data transmission services. Moreover, the State shall implement
measures to require data transmission service providers to adhere to telecommunications
standards suitable to the needs and aspirations of the nation and ensure that internet users enjoy
the best quality of data transmission service. The State shall:

(a) Promote the construction and development of reliable, affordable, open and accessible
data networks that transmit information at speed and quality comparable to the best in the world;

(b) Create an entrepreneurial ecosystem where persons who wish to engage in the data
transmission industry can compete openly and freely in the spirit of fair competition and
permission-less innovation;

(c) Encourage investments in the digital infrastructure development in the country;

(d) Adopt and ensure open access in the regulation of the data transmission industry;

(e) Protect the public interest as it is affected by its ability to access data networks;

(f) Establish a strong and independent regulatory body and system to ensure and enhance
fair competition in the data transmission industry;

(g) Protect and promote the internet as an open platform enabling consumer choice,
freedom of expression, end user control, competition and the freedom to innovate without
permission, and thereby encouraging the development of advanced telecommunications
capabilities and the removal of barriers to infrastructure investment;

(h) Encourage infrastructure sharing and co-location in order to promote network

investment, eliminate the uneconomic duplication of infrastructure facilities, and strengthen competition; and

(i) Ensure efficient and transparent management of the radio frequency spectrum, especially those utilized in the delivery of data transmission services.

SEC. 3. Definition of Terms. – As used in this Act:

(a) *Basic telephone service* refers to the local exchange telephone service for residence and business establishments provided via the circuit switched telephone network;

(b) *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;

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

(d) *Core or Backbone Network* refers to the main line, 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;

(e) *Data transmission* refers to the process of sending digital or digitized analog signal over a communication medium to one or more computing networks, communication or electronic devices. It enables the transfer and communication of devices in 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;

(f) *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 public telecommunications entities (PTEs) that offer data transmission services as defined under Republic Act (RA) No.7925, otherwise known as the “Public Telecommunications Policy Act of the Philippines”;

(g) *International gateway or 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;

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

(i) *Middle mile* refers to the segment of data transmission network that links the last mile network to the core or backbone network;

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

(k) *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 in exchange for consideration (monetary or otherwise) from a third party, or to benefit an affiliated entity;

(l) *Voice over Internet Protocol (VoIP) service* refers to the provision of voice

1 communication using Internet Protocol (IP) technology; and

2 (m) *Passive infrastructure collectively* refers to telecommunication towers, poles, cable
3 entrances, ducts, utility corridors, and any other non-electronic infrastructure and facilities, either
4 existing or to be deployed in the future, that may be used to support data transmission.

6 CHAPTER II

7 ORGANIZATION AND OPERATION OF THE DATA TRANSMISSION INDUSTRY

8 **SEC. 4. Scope.** – This Act applies to all persons who participate in the data transmission
9 industry. Any person or entity whose business deals substantially with the transmission of data,
10 including VoIP service provider, internet service providers (ISPs), and data center service
11 providers, shall be governed by the provisions of this Act. PTEs that are principally engaged in
12 the provision of basic telephone services, such as an international carrier, interexchange carrier,
13 local exchange operator, and mobile radio services provider, as defined in Republic Act No.
14 7925, and which also provide data transmission services, shall likewise be subject to the
15 provisions of this Act with respect to the data transmission services they provide and the
16 interconnection to their networks that they extend to data transmission industry participants.

17 **SEC. 5. Registration and Certification.** – All segments of the data transmission network
18 shall be competitive and open. Notwithstanding the provisions of this Act or any other law, the
19 following registration and certification shall apply to data transmission:

20 (a) All data transmission industry participants shall be required to register with the
21 National Telecommunications Commission (NTC). The NTC shall promulgate a speedy and
22 expeditious administrative process for registration and shall, in coordination with the
23 Department of Information and Communications Technology (DICT), for policy and standard-
24 setting in the Information and Communications Technology (ICT) sector, and Philippine
25 Competition Commission (PCC) for the promotion of market competition, develop a set of
26 criteria for qualifying data transmission industry participants that will encourage the widest
27 possible participation of as many industry players as possible who will offer data transmission
28 services in all segments of the network and to end users in different parts of the country. The
29 qualification requirements for data transmission industry participants shall also take national
30 security concerns into consideration, particularly for facilities that interface directly with another
31 country's domestic network;

32 (b) Those who will operate an international cable landing station shall secure a legislative
33 franchise. Those who will operate a nationwide backbone network shall secure a permit from the
34 NTC and submit its proposed route or rollout plan, as well as the manner of construction of the
35 backbone network, subject to the approval of the NTC.

36 All other industry participants shall not be required to secure a legislative franchise or a
37 certificate of public convenience and necessity (CPCN) but must meet the criteria set by the
38 NTC and the DICT in registering as industry participants in order to construct, operate, lease or
39 own networks or facilities except if it owns and operates an international cable landing station:
40 *Provided, That* an owner or operator of a cable landing station, not considered a public utility,
41 shall no longer be required to secure a CPCN. All industry participants intending to be spectrum
42 holders shall need to secure a permit from the NTC and shall be allocated such spectrum in

1 accordance with the provisions under Section 7 of this Act;

2 (c) Data transmission industry participants shall likewise be required to comply with
3 national and global best practices and standards on cybersecurity and shall be subject to a
4 network audit by the Cybersecurity Bureau of the DICT. Data transmission industry participants
5 shall, after three (3) years of operation, be required to secure a cybersecurity certification from a
6 third-party organization based on the prevailing International Organization for Standardization
7 (ISO) standards on information security management; and

8 (d) Provisional authorities (PA), certificate of public convenience and necessity (CPCN),
9 or certificates of registration issued by the NTC prior to the effectivity of this Act shall be
10 deemed valid without necessity of revalidation or reissuance until the date of expiration as stated
11 in such certificates or other documents, and until the expiration of such certificates shall be
12 deemed compliant with the qualification requirements for data transmission industry participants
13 under this Section and other regulations issued pursuant hereto.

15 CHAPTER III

16 REGULATION OF THE DATA TRANSMISSION INDUSTRY

17 SEC. 6. *Open Access Approach to Regulation of the Data Transmission Industry.* –

18 The NTC shall ensure that the data transmission sector remains open and accessible to all
19 qualified participants. Specifically, it shall;

20 (a) Implement an efficient and speedy administrative process in the authorization and
21 registration of data transmission sector participants;

22 (b) Adopt a technology-neutral framework that allows data transmission industry
23 participants to use any available technology to provide service;

24 (c) Promote fair and open competition in accordance with the principles and policies
25 under the Philippine Competition Act and its implementing rules in all segments of the data
26 transmission network, allowing a wide variety of physical networks and applications to interact
27 in an open architecture;

28 (d) Mandate transparency in pricing and the publication of pricing information to ensure
29 fair trading within and between each data transmission segment so as to allow clear, comparative
30 information on market prices and services;

31 (e) Mandate interconnection so that data transmission industry participants can connect to
32 each other at the various segments and interfaces, such that entities of any size may freely enter
33 and exit the market, and dominance by any single player or group of players is avoided;

34 (f) Promulgate policies that will encourage distributed local solutions rather than
35 centralized ones, encouraging services that are closer to the user;

36 (g) Publish the list of registered data transmission industry participants at least once a
37 year;

38 (h) Promulgate, together with the PCC, rules defining and regulating entities with
39 substantial market power;

40 (i) Publish a Spectrum Management Framework to be developed together with DICT and
41 PCC; and

42 (j) Collect the necessary Supervision and Regulation Fee (SRF) and Spectrum User Fee

(SUF), and other relevant fees as provided by law.

SEC. 7. *Spectrum Allocation, Recall, and Reallocation.* – The NTC shall maximize the allocation and assignment of finite radio spectrum resources used in the transmission of data by ensuring that the spectrum is made available for the use of all registered data transmission industry participants. To this end:

(a) 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 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 shall apply to all spectrum, whether used for data transmission or not;

(b) All radio spectrums, radio frequency assignments, recalls, and joint use decisions of the NTC shall be published in the NTC website and in a conspicuous place in the offices of the NTC for at least three (3) consecutive months. The recall of frequency for purposes of free public use shall be given priority.

The immediately preceding paragraphs (a) and (b) herein shall not apply to applications for frequency assignments for fixed point-to-point radio links, wifi, and satellite networks;

(c) 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, which will promote the dominance of any entity and hinder competition, may file a complaint before the 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";

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

(e) 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, subject to due process, recall the radio spectrum assignment of the data transmission industry participant or PTE. The NTC shall, where required and appropriate, work with the data transmission industry participant or PTE concerned to take appropriate measures to minimize the impact of such recall on active users of services utilizing the recalled spectrum. The foregoing notwithstanding, no frequency shall be recalled within eighteen (18) months of the awarding of a provisional authority, license

1 or registration; and

2 (f) The NTC shall ensure that the allocation, reallocation, assignment, reassignment,
3 reclassification, joint use or co-use, and recall of spectrum does not result in the concentration of
4 spectrum resources which promote, establish, or perpetuate the significant market power of PTEs
5 or of only a limited number of participants. In instances where the resulting assignment of
6 spectrum for mobile and point-to-multipoint networks will give an assignee or entities it controls,
7 jointly or singly, or under common control, either by virtue of that request or in combination
8 with other previous requests by that party or its affiliates, fifteen percent (15%) or above of
9 assignable spectrum in the same band, the party requesting for an assignment of spectrum or a
10 joint use of spectrum shall be required to serve notice to the PCC and secure a no-objection
11 notice from the PCC. The PCC shall issue a no-objection notice within thirty (30) working-days
12 upon its receipt of pertinent information necessary for the review and issuance of the notice:
13 *Provided*, That the PCC may once extend such period for an additional fifteen (15) working-days
14 upon their notification of the NTC and the concerned party or parties to a spectrum allocation,
15 reallocation, assignment, reassignment, reclassification, joint use or co-use, and recall.

16 **SEC. 8. *Setting Performance Standards.*** – The NTC shall:

17 (a) Mandate that, within one (1) year from the effectivity of this Act, all last mile
18 providers shall provide a minimum download speed of two (2) megabits per second or as
19 mandated by the National Broadband, whichever is higher, for mobile broadband and for fixed
20 wireless/ broadband access;

21 (b) Prescribe performance standards after public consultation and hearings within six (6)
22 months from the effectivity of this Act;

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

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

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

34 (f) Measure the performance of the data industry participants quarterly and publish the
35 results of its assessment in its website.

36 **SEC. 9. *Arms-length Transactions and Transparency.*** – The NTC shall:

37 (a) Publish and make available in print and online formats all aspects of spectrum use
38 information, including the National Radio Frequency Allocation Table (NRFAT), indicating
39 therein the purpose or use to which each frequency band is allocated, and, for frequency bands
40 allocated for public use, the persons and/or entities to whom each particular frequency is
41 assigned. The NRFAT and updated radio spectrum use information shall be made available on
42 the NTC's website and to any person who requests the same, upon written request; and

(b) 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 shall keep a publicly accessible archive of their rates.

SEC. 10. *Fair Competition.* – The PCC and the NTC shall ensure that the principles and policies enshrined under the Philippine Competition Act are strictly adhered to in the data transmission industry. The PCC and the NTC shall ensure that all industry players observe fair, reasonable, and nondiscriminatory treatment in all their dealings, and that barriers to entry are eliminated to make the industry highly competitive. To this end, within thirty (30) days from the effectivity of this Act, the PCC and the NTC shall enter into an agreement to foster and develop interagency cooperation mechanisms, including information-sharing tools, that will guide them in the performance of their respective mandates, and in the promotion of fair competition in the data transmission industry.

SEC. 11. *Technological Neutrality.* – The NTC shall ensure that the provisions of this law apply, mutatis mutandis, to future technologies in data transmission.

SEC. 12. *Infrastructure Sharing and Co-location.* – The DICT and the NTC shall promulgate policies, rules, and regulations to ensure that passive infrastructure, whether existing or built in the future, necessary or capable of supporting data transmission networks or services are:

(a) made mandatory for open access and made available for co-location and co-use by the owner of network facilities, equipment, and infrastructure on an open, fair, and nondiscriminatory basis to any access seeker's network facilities, in any segment, subject to the technical feasibility of the access seeker's request and the network facility and infrastructure owner's standard published offer terms, conditions, and rates: *Provided*, That the provision of access to government-owned and -operated facilities and support infrastructure to access seekers for the purpose of offering data transmission services shall be mandatory, unless special circumstances, such as but not limited to national security concerns, exist;

(b) built not only in the city centers, but most especially in the remote, unserved, and underserved areas in order to extend data transmission services by both the existing and new players throughout the country;

(c) as far as possible, deployed together with roadworks, pipe-laying, and other infrastructure development by both government and private entities; and

(d) proliferated in the most cost-efficient and timely manner through various means, including, encouraging the operation of independent entities that build and operate towers, dark fiber, and utility corridors, among other passive infrastructure that help facilitate data transmission network deployment.

The DICT shall coordinate and issue a policy with other relevant government agencies

1 upon consultation with stakeholders to implement this provision. For purposes of data
2 transmission, the NTC shall, in case of a dispute arising from an infrastructure sharing
3 agreement: (1) mediate between a data transmission industry participant and an infrastructure
4 owner, and (2) serve as the primary enforcer of this provision.

5 The DICT and the NTC shall promulgate policies, rules, and regulations to ensure that
6 buildings, condominiums, villages, towns, and subdivisions are all built with facilities, such as
7 cable entrances, ducts, and risers, that allow nondiscriminatory access to multiple data
8 transmission industry players in order for them to provide service. They shall also promulgate
9 policies, rules, and guidelines that will ensure a level-playing field and price nondiscrimination
10 among data transmission industry participants and network facility and infrastructure owners.

11 The DICT and the NTC, in coordination with relevant government agencies, shall also
12 ensure the disaster resiliency and ease of recovery and restoration of passive infrastructure, such
13 as towers, poles, and utility corridors, from the effects of disasters by strictly enforcing
14 compliance with internationally-accepted engineering standards and best practices, and relevant
15 engineering codes and codes of practice.

16 The DICT and the NTC shall maintain an updated database of data transmission
17 infrastructure, including passive infrastructure used to support data transmission. The database,
18 to be updated annually, shall include the exact location, ownership, technical specifications, and
19 other relevant information about the facility.

20
21 **CHAPTER IV**

22 **PROHIBITED ACTS**

23 **SEC. 13. *Prohibited Acts.*** – The following acts are prohibited:

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

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

32 Agreements between data transmission providers of data services and end users on
33 commercial and technical conditions and the characteristics of data access services such as price,
34 data volume or speed, and any commercial practices conducted by providers of internet access
35 services shall not limit the exercise of the rights of end users laid down in the preceding
36 paragraph;

37 (b) Paid Prioritization. – A data transmission industry participant shall not engage in paid
38 prioritization for monetary or other consideration except when allowed by the NTC after such
39 participant demonstrates that the practice will provide significant public interest benefit and will
40 not disadvantage content and applications that are not prioritized or harm the open nature of the
41 internet;

42 (c) Throttling. – A data transmission industry participant shall treat all traffic equally

1 when providing data access services without discrimination, restriction or interference,
2 regardless of the sender and receiver, the content accessed or distributed, the applications or
3 services used or provided, or the terminal equipment used.

4 It shall be prohibited for a data transmission industry participant to hinder or slow down
5 services or applications or access to specific sites in the internet except where (1) access to such
6 sites, services or applications are prohibited by law; (2) it is necessary to preserve the integrity
7 and security of the network and service of the provider or the equipment of the end user:
8 *Provided*, That if the breach of integrity or security is caused by the equipment of the end user,
9 the provider has to notify the end user first and give the former sufficient time to rectify the
10 situation; and (3) it is necessary to block the transmission of unwanted communications such as
11 spam and child pornographic materials upon the complaint of the end user or the data
12 transmission industry participant;

13 (d) Refusal to Give Information. – It shall be prohibited for any data transmission
14 industry participant, including PTEs with regard to its network and facilities, to refuse or fail to
15 make available to suppliers of data transmission services, on a timely basis, the technical
16 information about its essential facilities or network facilities and commercially relevant
17 information that are necessary for the efficient provision of their services; and

18 (e) Anti-competitive Cross-subsidization. – The NTC shall require separate books of
19 accounts between different data transmission segments in order to allow identification of costs
20 and revenues for each segment. Any violation of this provision shall give rise to a presumption
21 of anti-competitive cross-subsidization, which shall then be referred to the Philippine
22 Competition Commission for proper determination and action, in accordance with the provisions
23 of Republic Act No. 10667. Nothing herein shall prevent interconnecting networks from
24 charging the appropriate cost-based compensation for the use of interconnection facilities.

25 **SEC. 14. Administrative Penalties.** – The NTC shall require data transmission industry
26 participants and PTEs providing data transmission services to comply with prescribed
27 performance standards and shall impose penalties for failure to comply with such performance
28 standards.

29 (a) Any data transmission industry participant who fails to comply with the minimum
30 service standards set by the NTC shall be imposed a minimum penalty of a fine of not less than
31 One hundred thousand pesos (P100,000.00) but not more than Five million pesos
32 (P5,000,000.00) per day for every day during which such default or violation continues, until the
33 participant fully complies: *Provided*, That if the data transmission industry participant has a
34 gross annual income not exceeding Ten million pesos (P10,000,000.00), the penalty that may be
35 imposed shall be equivalent to one percent (1%) to two percent (2%) of its gross annual income.
36 The NTC is hereby authorized and empowered to impose such fine, after due notice and hearing.

37 (b) An entity who fails to substantially comply with the NTC's performance standards for
38 three (3) consecutive years shall, subject to due process, be removed from the registry of
39 registered data transmission industry participants and shall be prohibited from rendering data
40 transmission services.

41 (c) Any data transmission industry participant who engages in the prohibited acts under
42 Section 12 of this Act or fails to comply with the performance standards set by the NTC shall

suffer a minimum penalty of a fine of not less than Three hundred thousand pesos (P300,000.00) but not more than Five million pesos (P5,000,000.00) for every day that the violation continues until the participant fully complies: *Provided*, That if the data transmission industry participant has a gross annual income not exceeding Ten million pesos (P10,000,000.00), the penalty that may be imposed shall be equivalent to one percent (1%) to two percent (2%) of its gross annual income. In cases of anti-competitive cross-subsidization, the imposable penalties are those provided under Republic Act No. 10667.

(d) A data transmission industry participant violating any provision of this Act shall forfeit all certificates, licenses, authorizations, rights, and awards issued to it in relation to its participation in the data transmission industry.

(e) Any other violations not specifically penalized under the relevant provisions of this Act shall be penalized by a fine of not less than Fifty thousand pesos (P50,000.00) and not more than Two million pesos (P2,000,000.00).

SEC. 15. *Adjustment for Inflation.* – The fines imposed under this Act shall be adjusted by the NTC, year-on-year, considering the prevailing cost of money based on the current consumer price index, and subject to publication of such adjustments.

CHAPTER V
RIGHTS OF DATA TRANSMISSION SERVICE USERS AND RESPONSIBILITIES OF DATA TRANSMISSION SERVICE PROVIDERS

SEC. 16. *Rights of End Users.* – The user of data transmission services shall have the following basic rights:

(a) To be entitled to data transmission services which is nondiscriminatory, reliable, and conforming with minimum standards set by the NTC;

(b) To be rendered data transmission services within two (2) months from application for service;

(c) Regular, timely and accurate billing, courteous and efficient service at business offices and by company personnel;

(d) Timely correction of errors in billing and the immediate provision of rebates or refunds by the data transmission service provider without the need for demand by the user; and

(e) Thorough and prompt investigation of, and action upon complaints. The data transmission service provider shall endeavor to allow complaints to be received by any means convenient to the end user, including voice calls, post, short messaging service (SMS), multi-media messages (MMS) and online communication, and shall keep a record of all complaints received and the action taken to address the complaints.

Subject to the filing of a formal request to the data service provider, a user may request the immediate termination of service without the imposition of fees or penalties, and with there fund of any fee or charge already paid by the user, should a data service provider not consistently comply with paragraphs (a), (d), and (e) of this Section or any other minimum performance standards set by the NTC.

1 CHAPTER VI

2 FINAL PROVISIONS

3 **SEC. 17. *Expedited Processing.*** – In all instances where a participant in the data
4 transmission industry shall require a form, certificate, or request from any government agency or
5 local government unit (LGU), there should be no more than two (2) public officers involved in
6 processing the form, certificate, or request.

7 Processing fees and certifications required for the deployment of any segment of data
8 transmission networks shall be limited to those identified by the DICT. The DICT shall
9 coordinate with the concerned national government agencies and LGUs, and conduct the
10 necessary consultations with civil society organizations and other stakeholder groups, for the
11 development of the implementing rules and policies to minimize the administrative burden of
12 permitting and certification processes.

13 **SEC. 18. *Implementing Rules and Regulations.*** – Within sixty (60) days from the
14 effectivity of this Act, the NTC shall promulgate the necessary rules and regulations for its
15 effective implementation.

16 **SEC. 19. *Joint Congressional Oversight Committee on Open Access in Data***
17 ***Transmission.*** – There shall be created a Joint Congressional Oversight Committee on Open
18 Access in Data Transmission (JCOCOADT) which shall monitor and ensure the effective
19 implementation of this Act. It shall determine weaknesses and loopholes in the law, recommend
20 the necessary remedial legislation or administrative measures and perform such other duties and
21 functions as may be necessary to attain the objectives of this Act.

22 The JCOCOADT shall be composed of five (5) members from the Senate and five (5)
23 members from the House of Representatives, in addition to the Chairperson of the Senate
24 Committee on Science and Technology and the Chairperson of the House of Representatives
25 committee on Information and Communications Technology: *Provided, That* two (2) members of
26 each chamber's nominees shall come from the ranks of the minority party/bloc.

27 The Chairperson of the Senate Committee on Science and Technology and the
28 Chairperson of the House of Representatives Committee on Information and Communications
29 Technology shall act as co-Chairpersons of the JCOCOADT. The ranking minority members
30 nominated by both the Senate and the House of Representatives shall act as co-Vice
31 Chairpersons. The Secretariat of the JCOCOADT shall come from the existing Secretariat
32 personnel of the Committee on Science and Technology of the Senate and the Committee on
33 Information and Communications Technology of the House of Representatives. The
34 JCOCOADT shall have its own independent counsel.

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

39 **SEC. 20. *Separability Clause.*** – Should any provision herein be declared
40 unconstitutional, the other provisions not affected shall remain in full force and effect.

41 **SEC. 21. *Repealing Clause.*** – All laws, decrees, orders, rules and regulations or other
42 issuances or parts inconsistent with the provisions of this Act are hereby repealed, amended or

1 modified accordingly.

2 **SEC. 22. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in
3 the *Official Gazette* or in a newspaper of general circulation.

Approved.