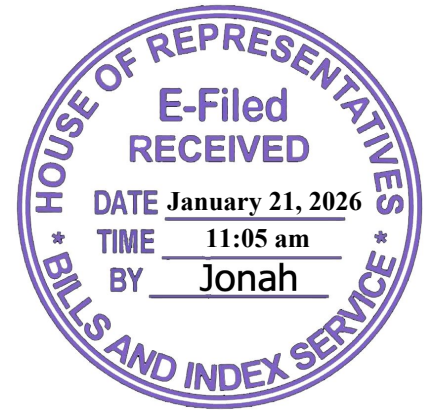




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 7222



Introduced by Representatives Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez and Jude A. Acidre

AN ACT
PROVIDING MINIMUM STANDARDS FOR INTERNET SERVICES IN
THE PHILIPPINES

EXPLANATORY NOTE

In today's digital age, fast and reliable internet connectivity is a key driver of economic growth and development. High-speed internet enables businesses to operate efficiently, supports innovation, expands access to education and healthcare, and creates new job opportunities across multiple sectors. For the Philippines to compete globally and attract investments, it must improve its internet infrastructure to unlock these economic benefits.

However, the Philippines continues to lag behind regional neighbors in internet speed, affordability, and coverage. While countries like South Korea lead the Asia-Pacific region with average internet speeds several times faster than those in the Philippines, our country's limited infrastructure and high costs hinder access and restrict economic potential.

Recognizing the critical role of internet connectivity in national competitiveness, this bill mandates the National Telecommunications Commission (NTC), to require all Internet Service Providers (ISPs) to only advertise and offer internet service download speeds that they can consistently provide and work towards providing an average internet connection speed above global average. Further, the NTC will be expected to coordinate with the Department of Information and Communications Technology (DICT), to, among

others, develop a set of criteria and methodology for the measurement and publication of internet quality of service (QOS) parameters, such as download speed, upload speed, packet loss, jitter, latency, and service availability.

By expanding and modernizing internet infrastructure, improving service quality, and making internet access faster and more affordable nationwide, this bill aims to bridge the digital divide and support key sectors such as education, healthcare, governance, and commerce. Improved connectivity will empower communities, foster inclusive economic growth, create more jobs, enhance social services, and strengthen disaster response.

Ultimately, this legislation seeks to accelerate the Philippines' digital transformation, making the country more competitive globally and improving the quality of life for all Filipinos.

In view of the foregoing, approval of this bill is earnestly requested.



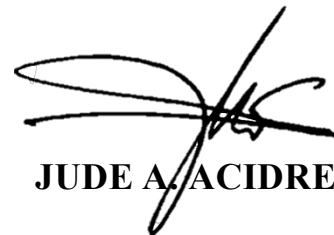
FERDINAND MARTIN G. ROMUALDEZ



YEDDA MARIE K. ROMUALDEZ



ANDREW JULIAN K. ROMUALDEZ



JUDE A. ACIDRE



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

Twentieth Congress
First Regular Session

HOUSE BILL NO. 7222

Introduced by Representatives Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez and Jude A. Acidre

AN ACT
PROVIDING MINIMUM STANDARDS FOR INTERNET SERVICES IN
THE PHILIPPINES

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 the “*Faster Internet Services Act.*”

SEC. 2. *Declaration of Policy.* – The State recognizes the vital role of communication and information in nation building and as such, it shall implement measures to provide communication standards suitable to the needs and aspirations of the nation. The State gives priority to the protection of the interests of consumers and the establishment of standards of conduct for business and industry for advancements in the field of telecommunications and connectivity. In recognition of the significant role of the internet in this information age, the State ensures that internet users and subscribers be accorded the best quality and

reliability of internet connection service provided by the accredited internet service providers in the country.

SEC. 3. *Definition of Terms.* – For the purpose of this Act, the term:

- (a) *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;
- (b) *Broadband* refers to a transmission capacity, which enables high-speed internet access that is always on and faster than traditional dial-up access, transmitted through various technologies such as Digital Subscriber Line (DSL), Cable Modem, Fiber Optic Cable, Wireless (fixed or mobile), Satellite, White Space, and other evolving and emerging technologies as may be developed in the future;
- (c) *Greenfield service area* refers to an area where an internet service provider is completely absent or a market that has at least one internet service provider but does not reach an average minimum broadband speed of 2 Megabits per second (Mbps).
- (d) *Internet Service Provider or ISP* refers to an entity with or without a franchise, registered as a value-added service provider with the National Telecommunications Commission (NTC) and authorized to build, install, operate and maintain a network in order to offer internet access services to the public for a fee.
- (e) *Jitter* refers to the variation of end-to-end delay from one packet to the next within the same packet stream, connection, or flow;
- (f) *Latency* refers to the time it takes for a packet of data to get from a source to destination;

- (g) *Packet* refers to the unit of data that is routed between an origin or source and a destination on the internet or any other packet-switched network;
- (h) *Packet loss* refers to the number of packets that does not reach the destination;
- (i) *Public Telecommunications Entity or PTE* refers to any person, firm, partnership or corporation, government or private, engaged in the provision of telecommunications services to the public for a fee; and
- (j) *Service reliability or “uptime”* refers to the delivery of a certain percentage of advertised speed to a subscriber over a given time.

SEC. 4. *Delivery of Advertised Speed.* – Within one (1) year from the effectivity of this Act, the NTC is hereby mandated to require all ISPs to only advertise and offer internet service download speeds that they can consistently provide and work towards providing an average internet connection speed above global average. PTEs and ISPs shall deliver eighty percent (80%) of advertised broadband speed to their subscribers at eighty percent (80%) reliability or eighty percent (80%) of the time: *Provided*, That the minimum broadband download speed delivered to subscribers shall not be lower than 10 mbps in metropolitan cities, 5 mbps in all other cities, and 2 mbps in rural areas within a 2-year compliance period for fixed and mobile internet connectivity across the country: *Provided, further*, That PTEs and ISPs that will expand coverage and offer internet services in “greenfield services areas” or previously unserved and underserved areas, as identified by the Department of Information and Communications Technology (DICT), shall not be subjected to the minimum download speed for the next five (5) years.

In order to meet the prescribed minimum speed standards, PTEs shall modify, improve or change existing telecommunication lines and systems or expand and upgrade their infrastructure in order to deliver higher capacity bandwidths based on the number of internet subscribers demanding their services. ISPs shall be allowed to own, establish, and operate networks for internet services, utilizing any available technology, and to access radio spectrum, such as but not limited to fixed wireless, TV white space, and satellite technologies necessary to enable them to deliver internet services, especially in remote rural areas that are underserved or unserved by other networks: *Provided*, That ISPs shall not build international carrier, inter-exchange, local exchange, and mobile radio telephone networks reserved for PETs, as provided for in Republic Act No. 7925 or the Public Telecommunications Policy Act.

The NTC shall, together with the DICT, shall conduct an annual review of the implementation of this Act and adjust the minimum standard to provide consumers an average internet connection download speed equal to or above what is prevalent among Asian countries or the global average, and other quality of service parameters and standards regarding internet connection. The DICT and the NTC shall publish the results of the review and the updated standards on their official websites: *Provided*, That internet speed and service reliability of internet connections delivered by service providers shall be measured based on the measurement methodology prescribed by the NTC.

SEC. 5. *Measurement and Publication of Broadband Quality of Service.* – The NTC shall:

- (a) In coordination with the DICT, develop a set of criteria and methodology for the measurement and publication of internet quality of service (QOS) parameters, such as download speed, upload speed,

packet loss, jitter, latency, and service availability, after public consultation and hearings within six (6) months from the effectivity of this Act;

- (b) Provide the public a mechanism to run broadband diagnostics in a secure and consumer-friendly format;
- (c) Develop a procedure for collecting and analyzing broadband QOS measurements from various platforms and processing test data in a central database which shall update and release results every twenty-four (24) hours, at the least;
- (d) Diligently monitor and conduct monthly network audits in order to ensure compliance of the PTEs and ISPs with the delivery of advertised speeds, and publish the results of its network audit on a monthly basis in an open data format accessible to the general public;
- (e) Review, after the 2-year compliance period, compliance of PTEs and ISPs with the minimum download speeds and prescribe and upgrade, on an annual basis, the minimum broadband download speed and other QOS standards, on the data transmission industry 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 QOS standards shall take into account speed, packet loss, jitter, and latency: *Provided*, That the NTC shall not decrease the minimum speeds set forth under this Act: *Provided, further*, That new performance standards shall be published at least thirty (30) days before they take effect; and,
- (f) Furnish a copy of the raw data of all network audits and measurements to the DICT. The DICT and NTC shall publish the most updated results of network audits and measurements on their on their official website and social media accounts on a monthly basis.

SEC. 6. *Responsibilities of the DICT.* – In addition to responsibilities imposed in other sections of this Act, the DICT shall:

- (a) Maintain and make public a National ICT Assets Index (NICTAI), which shall be updated on an annual basis, in order to provide accurate data on broadband coverage and ICT adoption and utilization in the country;
- (b) Conduct the national ICT household survey and publish the national ICT household plan every three (3) years, and identify unserved and underserved areas for purposes of this Act; and
- (c) Regularly review and, as necessary, modify ICT standards and policies to ensure that Philippine internet service is at par with global standards.

SEC. 7. *Authorized Powers of the President.* – The President of the Republic of the Philippines, through the cabinet secretaries, is hereby granted the authority to issue rules and regulations to carry out any and all of the following actions in furtherance of this Act:

- (a) To streamline regulatory processes, and procedures in relation to the development and improvement of internet infrastructure, including, but not limited to, any application for the construction, installation, and commissioning of infrastructure and related facilities in order to expeditiously achieve optimum access *vis-à-vis* a specific area's population size and geographical configuration;
- (b) To ensure that regulatory costs are limited to such amounts as may be deemed equitable and fair to all stakeholders;

- (c) To ensure that concerned local government units (LGUs) and pertinent national agencies issue the necessary permits in relation to the application for the construction, installation, and commissioning of infrastructure within the time period provided for in Republic Act No. 11032 otherwise known as the “Ease of Doing Business and Efficient Government Service Delivery Act of 2018” and in accordance with Section 4(ii) of Republic Act No. 11494 otherwise known as the “Bayanihan To Recover As One Act”;
- (d) To enter into partnerships or collaborative arrangements with any entity, public or private, to share resources that would achieve public interest consistent to the desired objective of this Act;
- (e) To require PTEs and ISPs to submit, within 15 working days upon the request of the DICT or the NTC, a copy of their most updated and complete broadband network map, to enable the President to draw up incentive plans and opportunities in order to boost national internet service and compel the creation of the infrastructure essential for overall economic growth;
- (f) To promulgate policies, rules, and regulations to ensure that passive infrastructure, whether existing or built in the future, necessary or capable of supporting internet networks or services are 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 non-discriminatory 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; and

- (g) To administer and implement remedial and such other related measures in order to address the problem of poor internet connectivity in the country.

SEC. 8. *Rights of End Users.* – The user of Internet services shall have the following basic rights:

- (a) To be entitled to Internet services which is non-discriminatory, reliable, and conforming with minimum standards set by the NTC;
- (b) To be rendered Internet services within two (2) months from application for service in areas where the service is advertised to be available except when delay or inability is due to factors beyond ISPs control: *Provided*, That applicant is duly notified through any practicable means within the same period;
- (c) Timely correction of errors in billing or in prepaid load and the immediate provision of rebates or refunds by the service provider without the need for demand by the user;
- (d) Thorough and prompt investigation, and action seven (7) working days within the submission of a complaint to a service provider, by any means convenient to the end user, including in-person reporting, voice call, post, short messaging service (SMS), and any online communication. The service provider shall keep a record of all complaints received and the action taken to address the complaints, until such time that the complaint has been effectively addressed; and
- (e) Subject to the filing of a formal request to the service provider, a user may request the immediate termination of service without the imposition of fees or penalties, and with the refund of any unutilized or unconsumed fee or charge already paid by the subscriber, should a

service provider fail to consistently comply with preceding paragraphs (a), (c), (d), or any minimum performance standards set by the NTC.

SEC. 9. *Penalties.* – The NTC may, *motu proprio* or upon complaint of any interested party, in the appropriate administrative and/or quasi-judicial process, and in accordance with due process, shall:

- (a) Require any PTE or ISP, who shall not meet the requirements set forth under this Act, to comply with service standards that have not been met, or provisions of this Act that have been violated, within seven (7) working days, including compelling the service provider to pre-terminate the subscription contract of an end user without penalty of a pre-termination fee; and
- (b) Impose upon entities who do not comply with internet service standards provided in Sections 4 and 5 of this Act and as prescribed by the NTC, the following:
 - a. The penalty of a fine of not less than Two Hundred Thousand Pesos (Php200,000.00) but not more than Two Million Pesos (Php2,000,000.00) for each count of violation: *Provided*, That if a service provider has a gross annual income not exceeding Ten Million Pesos (Php10,000,000.00), the penalty shall be equivalent to one percent (1%) to two percent (2%) of its gross annual income; and
 - b. For repeated violations, revoke the PTE's provisional authority or certificate of public convenience and necessity, or cancel the registration of an ISP, whichever applies, including the waiving of any pre-termination fees of affected subscribers and timely disbursement of any remaining credits from excessive downtime.

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 sufficient ground for the suspension of the certificate of the erring PTE or ISP until payment thereof shall be made.

SEC. 10. *Implementing Rules and Regulations (IRR)*. – Within sixty (60) days from the effectivity of this Act, the NTC and the DICT shall promulgate the necessary rules and regulations for the effective implementation of the provisions of this Act.

SEC. 11. *Separability Clause*. – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 12. *Repealing Clause*. – All laws, executive orders or issuances or any part thereof, which are inconsistent herewith, are hereby repealed or amended accordingly.

SEC. 13. *Effectivity*. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,