

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



HOUSE OF REPRESENTATIVES

H. B. No. 4367

Introduced by Rep. Vilma Santos-Recto
6th District of Batangas

**AN ACT
REQUIRING INTERNET SERVICE PROVIDERS TO DELIVER A MINIMUM
STANDARD FOR INTERNET CONNECTION SPEED**

EXPLANATORY NOTE

In this digital age, the access to a wide range of information is reached in a few clicks in the Internet. The Human Rights Council of the United Nations General Assembly has, in fact, affirmed the promotion, protection, and enjoyment of human rights on the Internet which enables individuals to “exercise their right to freedom of opinion and expression.”¹

The internet has a pivotal role in advancing economic development and improving quality of life. Aside from the apparent value of facilitating faster and easier communication, the benefits reaped from internet connectivity is boundless. The internet improves access to education by accelerating knowledge-sharing and by providing students and teachers with the gateway to a plethora of educational resources online.

In the business sector, the internet empowers businesses to compete on a global level. Small and medium enterprises benefit tremendously from access to internet by reducing barriers to market entry. It is also essential in generating jobs, accelerating business development, and providing new opportunities for innovation and expansion.

The internet also enhances that effectiveness of disaster relief efforts by disseminating information online, implementing early-warning systems, and providing downloadable interactive catastrophe maps to reduce the vulnerability of areas prone to disaster. These types of information are extremely useful for preparation purposes due to the disaster-prone nature of our country.

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However, access to the internet alone does not guarantee the realization of these benefits under poor and sporadic internet speed connections. The world is quickly moving towards digital age and, consequently, one of the main challenges is to get quick and accurate information through high-speed connections and bigger bandwidths. Thus, any party that does not connect to high-speed internet access is certainly left behind.

According to a study published in an International Telecommunication Union (ITU) report, there is a significant correlation between broadband speeds and the impact to economic development. The report states that in low- & middle-income economies, a 10% increase in broadband penetration yielded an additional 1.38% in GDP growth.²

Ookla's Speedtest Global Index report for February 2019 showed that the Philippines' average download speed for fixed broadband improved by 143.74% from 7.91 Megabits per second (Mbps) in July 2016 to 19.28 Mbps in February 2019, while the country's average mobile broadband download speed also improved by 94.35% from 7.44 Mbps in July 2016 to 14.46 Mbps in February 2019. However, there is still a need to ensure that this standard is maintained to the majority of the service users. On the other hand, global download speed averages at 27.22 Mbps for mobile and 59.60 Mbps for fixed broadband.³

This bill recognizes the importance of high-speed internet connections in increasing productivity and the growing demands for connectivity. Thus, it mandates internet service providers (ISPs) to deliver minimum internet connection speeds of 10 Mbps for mobile broadband/internet access and 20 Mbps for fixed and fixed wireless broadband/internet access to their subscribers. ISPs shall ensure that they continuously improve their system and work towards providing an average internet connection speed above global average.

² Impact of Broadband on the Economy (2012), https://www.itu.int/ITU-D/treg/broadband/ITU-BB-Reports_Impact-of-Broadband-on-the-Economy.pdf. Accessed on June 20, 2019.

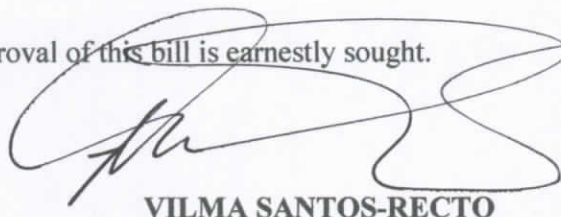
³ Ookla results are updated mid-month for the previous month. Countries must have at least 300 unique user results for mobile or fixed broadband to be ranked in either category.

Filipinos are quick to adopt to new technologies. Aside from being dubbed as the SMS capital of the world, the Philippines has also been named by social media firms Hootsuite and We Are Social in its Digital 2019 report as the world's heaviest internet users in 2018. This should be supported by ISPs providing faster and wider services to cope with the increasing demands of its subscribers.

Faster internet speed certainly comes with a price, but faster connection will be economical in the long run. The cost of bigger bandwidths is definitely higher but long term gains become more evident due to unparalleled convenience, increased productivity and better communication between the sender and the receiver.

Setting minimum standards for internet connection speed not only ensures that consumers get the best quality for the service that they pay for, but also makes the country connected to our fast-changing world.

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

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

VILMA SANTOS-RECTO

HOUSE OF REPRESENTATIVES

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6th District of Batangas

AN ACT
REQUIRING INTERNET SERVICE PROVIDERS TO DELIVER A MINIMUM
STANDARD FOR INTERNET CONNECTION SPEED

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

1 Section 1. *Short Title.* – This Act shall be known as the “*Bilis Konek Act*”.

2 Sec. 2. *Declaration Policy.* – The State recognizes the vital role of communication and
3 information in nation building and as such, it shall implement measures to provide
4 communication standards suitable to the needs and aspirations of the nation.

5 The State gives priority to the protection of the interests of consumers and the
6 establishment of standards of conduct for business and industry for advancements in the field
7 of telecommunications and connectivity.

8 In recognition of the significant role of the internet in this information age, the State
9 ensures that internet users and subscribers be accorded the best quality of internet connection
10 service.

11 Sec. 3. *Definition.* – For the purpose of this Act, the term:

12 a) *Bandwidth* shall refer to the measurement of data rate of available or
13 consumed data communication resources expressed in bits per second or
14 multiples of it.

15 b) *Broadband* shall refer to a transmission medium which enables high-
16 speed Internet access transmitted through various technologies such as
17 the Digital Subscriber Line (DSL), Cable Modem, Fiber Optics,
18 Wireless, Satellite, Worldwide Interoperability for Microwave Access
19 (WiMax), and White Space.

1 c) *Internet Service Providers* or *ISPs* shall refer to commercial entities with
2 a nationwide franchise that enable users to access Internet content and
3 services. It may also refer to a public telecommunications entity offering
4 a value-added service such as the internet.

5 d) *Public Telecommunications Entity* or *PTE* shall refer to any person, firm,
6 partnership or corporation, government or private, engaged in the
7 provision of telecommunications services to the public for a fee.

8 Sec. 4. *Standards on Broadband/Internet Service.* – Within two (2) years from the
9 effectivity of this Act, all ISPs shall provide a minimum internet download speed of 10
10 Megabits per second (Mbps) for mobile broadband/internet access and 20 Mbps for fixed and
11 fixed wireless broadband/internet access and work towards providing an average internet
12 connection speed above global average.

13 In order to meet the prescribed minimum standards, ISPs or PTEs shall modify,
14 improve, or change telecommunication lines and systems or expand their infrastructure to run
15 on higher capacity bandwidths based on the number of subscribers demanding for their
16 services.

17 Sec. 5. *Regulation.* – The National Telecommunications Commission (NTC) shall, by
18 regulation, establish requirements as deemed appropriate to ensure that ISPs meet the
19 minimum standards in internet connection speed, which shall include standards regarding
20 connection, reception, just pricing, and billing practices to promote and protect the rights of
21 consumers of internet services.

22 Sec. 6. *Penalties.* – Any ISP who shall not meet the minimum standards specified
23 under Section 4 hereof or the regulations promulgated thereunder, shall, upon conviction, be
24 subject to the penalty of a fine of not less than Two hundred thousand pesos (P200,000.00)
25 but not to exceed Two million pesos (P2,000,000.00).

26 Sec. 7. *Implementing Rules and Regulations.* – Within sixty (60) days upon approval
27 of this Act, the NTC and the Department of Information and Communications Technology
28 (DICT) shall promulgate the necessary rules and regulations for the effective implementation
29 of the provisions of this Act.

30 Sec. 8. *Separability Clause.* – If any provision of this Act is declared unconstitutional
31 or invalid, other parts or provisions hereof not affected thereby shall continue to be in full
32 force and effect.

1 Sec. 9. *Repealing Clause.* – All laws, orders, issuances, circulars, rules and
2 regulations or parts thereof, which are inconsistent with the provisions of this Act are hereby
3 repealed or modified accordingly.

4 Sec. 10. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication
5 in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,