

HOUSE OF REPRESENTATIVES

*Introduced by Representative Maximo B. Rodriguez, Jr.*

House Bill No. **3661**

EXPLANATORY NOTE

This bill was filed during the 15<sup>th</sup> Congress and was again re-filed during the 16<sup>th</sup> Congress, where it was approved by the House of Representatives and transmitted to the Senate.

The Subscriber Identification Module or Subscriber Identity Module (SIM) card holds all of a subscriber's personal information and phone settings. In essence, it is the subscriber's authorization to use the network. It also holds the phone number, personal security key and other data necessary for the handset to function. The subscriber can then choose either a post-paid account or a prepaid account. The main difference is that in a postpaid account, the SIM card is registered under the subscriber's name including all the details necessary to identify said subscriber, while in a prepaid account, no registration is necessary, and anyone can simply buy a prepaid SIM card and start using it.

No one disputes the convenience of a "contract free", "commitment free" prepaid cellular service and all the advantages it brings. However, one cannot also discount the fact that there are many disadvantages with using a prepaid SIM card, the main one being the fact that the user cannot be identified. This makes it easier to commit mischief and crimes.

It cannot be denied that prepaid SIM cards are used by criminals in making ransom demands, used by different gangs like the "dugo-dugo gang" to commit robbery, used by individuals to make threat and harass others and it is even used by unscrupulous individuals to impersonate personalities and solicit donations. Basically, anyone with a prepaid SIM card can do anything and not be caught because he cannot be traced, his identity cannot be determined and he can simply throw away the SIM card after use.

It is therefore about time that we follow the example of other countries like Kenya and Singapore and start requiring registration of prepaid SIM cards. Since 2006, the Singapore government has made the prepaid SIM registration a mandatory requirement. This means that the card must be registered under the name of the person who will be using it and the person will be required to produce his/her passport or Singapore ID at the time of buying the prepaid mobile card.

With this, it would be easier to track down the owner or user of the prepaid SIM card. While it may not guarantee that the criminal user of the SIM card would be caught, at least there is an increase in the chances that they will be unlike the zero chance of identification when there is no registration required.

In view foregoing, immediate passage of this bill is immediately requested.

  
MAXIMO B. RODRIGUEZ, JR.



HOUSE OF REPRESENTATIVES

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House Bill No. **3661**

AN ACT

**REQUIRING THE REGISTRATION OF ALL USERS OF PREPAID SUBSCRIBER  
IDENTITY MODULE (SIM) CARDS**

*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 “**Subscriber Identity Module (SIM) Card Registration Act**”.

**SEC. 2.** Declaration of Policy. – The State recognizes the vital role of information and communications technology in nation building.

The introduction of modern telecommunications technology with the view of providing the widest information dissemination is greatly encouraged but possession of the most modern technology carries with it tremendous responsibility. Thus, mechanism for its effective use for the good of all and not for an illegal or malicious purpose to benefit a few must be installed.

Towards this end, the State shall require the registration of all users of prepaid subscriber identity module (SIM) cards.

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

- (a) Direct seller refers to a person or entity, whether natural or juridical, who directly dispenses or sells a SIM card to an end user;
- (b) End user refers to any individual/subscriber who directly purchases a SIM card from a direct seller for personal use;
- (c) Postpaid mobile phone refers to a mobile phone, the service of which is provided by a prior arrangement with a public telecommunications entity and the user thereof is billed at the end of the monthly billing cycle according to the use of mobile services;
- (d) Prepaid mobile phone refers to a mobile phone for which credit is purchased in advance of service use. The purchased credit is used to pay for mobile phone services at the point the service is accessed or consumed. If there is no available credit then access to the requested service is denied;
- (e) Public Telecommunications Entity or PTE refers to any duly enfranchised and authorized public telecommunications entity that offers voice, short messaging system (SMS/text), mobile data, value-added services (VAS) or any other telecommunications services to the public for a fee;
- (f) SIM card refers to the SIM which is an integrated circuit that securely stores the international mobile subscriber identity and the related key used to identify and authenticate subscribers on mobile telephony devices, such as mobile phones and computers. A SIM card is a removable plastic card into which a SIM circuit is embedded, and can be transferred between different mobile devices; and
- (g) SIM card registration refers to the process of recording and verifying mobile phone number and personal information of a subscriber, by a PTE or other direct seller, including the subscriber's photograph, name, date of birth, gender and address.

**SEC. 4. Sale and Registration of SIM cards.** – Every direct seller shall require the end user of a SIM card to present valid identification with photo to ascertain the latter's identity. The direct seller shall further require the end user to accomplish and sign a control numbered registration form issued by the respective PTE of the SIM card being purchased. The registration form shall include an attestation by the end user that the person personally appearing before the direct seller and the identification documents presented are true and correct and that the person is one and the same who has accomplished and signed the registration form.

Except in cases where the PTE is the direct seller, the accomplished registration form must be submitted to the concerned PTE within fifteen (15) days from the date of sale. The confidentiality clause in the SIM card registration under Section 9 hereof shall start to apply at the point of sale.

An end user who does not produce valid identification with photo, and fails to accomplish a registration form in accordance with the preceding paragraph shall be refused the sale of a SIM card by the direct seller. The direct seller shall only issue the SIM card to the end user after compliance with the requirements mentioned above and in the succeeding sections.

**SEC. 5. Representative Registration of SIM Cards.** – A person who wants to purchase a SIM card but cannot personally register with the direct seller may, for valid reason, authorize another to register on that person's behalf, subject to the following conditions: (a) the representative is authorized through a duly notarized Special Power of Attorney; and (b) the principal and the representative should present an original and a true and clear copy of any of the valid identification cards with photo listed in Section 6(a) hereof.

In case the person intending to purchase a SIM card is a minor, the parents or guardian shall be required to give their express consent in writing, and submit the same with the registration form and valid identification cards with photo of both the minor and the parents or guardian.

The direct seller may deny the request for representative registration after an assessment that the reason given therefor is not valid or that the identification cards or their true copies are not authentic or sufficient.

**SEC. 6. Coverage of Registration.** – All direct sellers are hereby mandated to register pertinent data in a registration form devised for the purpose, to include the following information and requirements:

(a) Full name and complete address of the end user appearing in a valid government-issued identification document with photo. In view thereof, SIM card end users shall be required to present the original and submit a true and faithful reproduction or photocopy of any of the following government identification documents with photo:

- (1) Driver's License;
- (2) Social Security Service/Government Service Insurance System (SSS/GSIS) Card;
- (3) Passport;
- (4) Senior Citizen's Card;
- (5) Person with Disabilities Card;
- (6) National Bureau of Investigation (NBI) Clearance;
- (7) Police Clearance;
- (8) Firearms License;
- (9) Voter's Identification Card;
- (10) Taxpayer's Identification Number (TIN);
- (11) Professional Regulation Commission (PRC) Identification Card;
- (12) Government Office Identification Card;
- (13) School Identification Card (in case of a minor); and
- (14) Other Government-issued Identification Cards

The direct seller may make further inquiries or require the submission of additional identification if necessary, and withhold the sale of the SIM card pending compliance with the additional requirements.

(b) Assigned cell phone number of SIM card(s) and serial number/s.

**SEC. 7. Submission of Registration Form.** – The registration form required under Section 6 of this Act shall be accomplished in triplicate, and shall be forwarded by the direct seller to the concerned PTE. The concerned PTE shall submit a copy of the duly accomplished registration form to the National Telecommunications Commission (NTC) within fifteen (15) days from the date of sale or receipt of such form from their respective direct sellers. The required registration form and the copies thereof shall be certified by either the President, General Manager, Treasurer, Secretary or any other duly appointed officer of the PTE or direct seller, as the case may be.

**SEC. 8. Submission of Verified List of Dealers or Agents.** – The PTEs shall submit to the NTC, within thirty (30) days from the date of effectivity of this Act, a verified list of their current authorized dealers or agents nationwide. Thereafter, the PTEs shall submit to the NTC every quarter of each year an updated list of the same.

**SEC. 9. Confidentiality Clause.** – Any information in the SIM card registration shall be treated as absolutely confidential, unless upon written consent of the subscriber: Provided, That the waiver of absolute confidentiality shall not be made as a condition for the approval of subscription agreements with the PTEs.

**SEC. 10. Disclosure of Information.** – Notwithstanding the provisions of Section 9 hereof, the PTEs shall be required to provide information contained in the SIM card registration only upon order of a competent court upon finding of probable cause that a particular number is used in the commission of a crime or that it was utilized as a means to commit an unlawful act.

**SEC. 11. SIM Card Register.** – All PTEs are required to submit an updated SIM Card Register of their subscribers to the NTC every six (6) months of both postpaid and prepaid mobile phone users, and maintain a record containing information required under Section 6 of this Act. In case of loss or any change in the information after the acquisition of the SIM card, the subscriber must notify the PTEs within thirty (30) days from such loss or change. The concerned PTE in return must notify the NTC of such loss or change in the information within fifteen (15) days from receipt of notification from the subscriber.

All PTEs are required to keep the data of their subscribers and the NTC shall see to it that these data be kept with utmost confidentiality as provided for under Section 9 of this Act and in accordance with existing laws.

**SEC. 12. Registration of Existing Prepaid Mobile Phone Subscribers.** – All existing mobile phone subscribers with prepaid SIM cards are required to register with their respective PTE within one hundred eighty (180) days from the effectivity of this Act. Such deadline may be extended by the NTC but shall not be longer than one hundred twenty (120) days, upon a valid written request.

Failure to register within the prescribed period shall authorize the PTE to automatically deactivate its services to the specific existing prepaid SIM card subscriber.

**SEC. 13. Penalties.** – The following penalties shall be imposed for violation of any provision of this Act:

(a) If the offense is committed by a PTE, the President and other executive officers shall be held liable and the following penalties shall be imposed:

(1) First offense: A fine of three hundred thousand pesos (P300,000.00);

- (2) Second offense: A fine of five hundred thousand pesos (P500,000.00); and
- (3) Third and subsequent offenses: A fine of one million pesos (P1,000,000.00) for every offense.

(b) A penalty of suspension of its operation and a fine ranging from five thousand pesos (P5,000.00) to fifty thousand pesos (P50,000.00) shall be imposed on any direct seller who fails to comply with the provisions of this Act.

**SEC. 14.** Implementing Rules and Regulations (IRR). – Within ninety (90) days from the effectivity of this Act, the NTC, in coordination with concerned agencies, shall promulgate the rules and regulations and other issuances as may be necessary to ensure the effective implementation of this Act.

**SEC. 15.** Separability Clause. – Should any part of this Act be declared unconstitutional or invalid, other provisions hereof not affected thereby shall continue to be in full force and effect.

**SEC. 16.** Repealing Clause. – All laws, decrees, executive orders, proclamations, rules and regulations, and issuances or parts thereof which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

**SEC. 17.** Effectivity. – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,