

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

EIGHTEENTH CONGRESS  
FIRST REGULAR SESSION

House Bill No. 3563



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INTRODUCED BY REPRESENTATIVE LUIS JOSE ANGEL N. CAMPOS, JR.

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EXPLANATORY NOTE

Time and time again, the United Nations General Assembly has declared that internet access is a basic human right which enables people to "exercise their right to freedom of opinion and expression".

In a special report from the Human Rights Council, it emphasized the importance of "applying a comprehensive human rights based approach when providing and expanding access to the internet and for the internet to be open, accessible and nurtured".

Article III, Section 2, of our Constitution declares that "the right of the people to information on matters of public concern shall be recognized".

Internet access, as a right, is a modern concept, but it is nonetheless equated with other traditional human rights by the international community of nations. It is a tool through which people can not only express themselves but also avail of basic and much needed services. Its power and effect upon the lives of people is vast enough to influence elections and certain governments are forced to disable internet access to prevent uprisings.

In line with the foregoing, the quality of internet must be maintained. However, in supplying sufficient internet services the price of the same must not be subject to the capricious whim of a monopoly with significant market power.

This bill seeks to strengthen and enhance the powers of the National Telecommunications Commission so that it may adequately safeguard the Filipinos' access to the internet, considering both financial and technical concerns.

For the foregoing reasons the passage of this bill is earnestly sought.

  
REP. LUIS JOSE ANGEL N. CAMPOS, JR.

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AN ACT  
ENHANCING THE POWERS OF THE NATIONAL TELECOMMUNICATIONS  
COMMISSION, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7925,  
OTHERWISE KNOWN AS THE PUBLIC TELECOMMUNICATIONS POLICY  
ACT OF THE PHILIPPINES

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

1       SECTION 1. Section 3 of Republic Act 7925, otherwise known as the "Public  
2 Telecommunications Policy Act of the Philippines", is hereby amended to read as  
3 follows:

4               "Sec. 3. *Definitions and Interpretations.* - For purposes of this Act, the  
5 following terms shall be used:

6               XXX

7               (L) SIGNIFICANT MARKET POWER - THE ABILITY OF A PUBLIC  
8 TELECOMMUNICATIONS ENTITY TO AFFECT PRICE, SUPPLY, OR  
9 INNOVATION IN THE TELECOMMUNICATIONS INDUSTRY OR ANY  
10 PART THEREOF, AS A RESULT OF EITHER ITS CONTROL OVER  
11 ESSENTIAL FACILITIES OR THE USE OF ITS POSITION IN ANY  
12 MARKET IN THE TELECOMMUNICATIONS INDUSTRY OR ANY  
13 MARKET RELATED THERETO.

14              FURTHER, THE COMMISSION IS MANDATED TO ADOPT  
15 STANDARDIZED DEFINITIONS OF THE INTERNATIONAL  
16 TELECOMMUNICATIONS UNION (ITU), THE INTERNET  
17 ENGINEERING TASK FORCE (IETF), THE WORLD WIDE WEB  
18 CONSORTIUM (WWWC), AND THE INTERNET CORPORATION FOR  
19 ASSIGNED NUMBERS AND NAMES (ICANN), AND OTHER  
20 INTERNATIONAL AND TRANSNATIONAL AGENCIES GOVERNING  
21 THE DEVELOPMENT, USE, AND STANDARDIZATION OF THE



1 INTERNET AND INFORMATION AND COMMUNICATIONS  
2 TECHNOLOGY, SUBJECT TO REFINEMENTS OF THESE  
3 INTERNATIONAL STANDARDS AS MAY BE PRESCRIBED BY  
4 REGIONAL TELECOMMUNICATION BODIES TAKING INTO  
5 CONSIDERATION THE SPECIAL CIRCUMSTANCES APPLICABLE  
6 ONLY TO THE REGION.”  
7

8 SEC. 2. Section 5 of the same Act is hereby amended to read as follows:

9 “Sec. 5. *Responsibilities of the National Telecommunications Commission.* –  
10 The National Telecommunications Commission (here after referred to as the  
11 “Commission”) shall be the principal administrator of this Act and as such  
12 shall take the necessary measures to implement the policies and objectives set  
13 forth in this Act. Accordingly, in addition to its existing functions, the  
14 Commission shall be responsible for the following:

15 XXX

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

23 XXX

24 (f) Protect consumers against misuse of a telecommunications entity's  
25 monopoly or quasi-monopolistic powers by, but not limited to, the  
26 investigation of complaints and requiring strict compliance with service  
27 standards from such entity; [and]

28 (g) In the exercise of its regulatory powers, continue to impose such fees  
29 and charges as may be necessary to cover reasonable costs and expenses for the  
30 regulation and supervision of the operations of telecommunications entities [.];

31 AND

32 (H) IN THE EXERCISE OF ITS REGULATORY POWERS, IMPOSE  
33 FINES AGAINST PUBLIC TELECOMMUNICATION ENTITIES WITHIN  
34 THE SCOPE OF ITS REGULATION, WHICH ARE FOUND TO HAVE  
35 VIOLATED, VIOLATING, OR THOSE WHICH HAVE FAILED OR ARE  
36 FAILING TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS

1 ACT, ANY CERTIFICATE, OR ANY ORDER, DECISION OR  
2 REGULATION OF THE COMMISSION.

3 THE ERRING PUBLIC TELECOMMUNICATION ENTITY SHALL  
4 BE SUBJECT TO A FINE AMOUNTING TO THE TOTAL ACTUAL LOSS  
5 OR OVERCHARGING AS DETERMINED BY THE COMMISSION FOR  
6 EVERY DAY DURING WHICH SUCH DEFAULT OR VIOLATION  
7 CONTINUES, OR IF IT IS NOT FEASIBLE TO QUANTIFY THE OFFENSE,  
8 TO A FINE AMOUNTING TO ONE MILLION PESOS (PHP1,000,000.00)  
9 FOR EVERY DAY DURING WHICH SUCH DEFAULT OR VIOLATION  
10 CONTINUES UNTIL THE AMOUNT IS FULLY PAID: *PROVIDED*, THAT,  
11 IF THE TELECOMMUNICATION ENTITY HAS A GROSS ANNUAL  
12 INCOME NOT EXCEEDING TEN MILLION PESOS (PHP10,000,000.00),  
13 THE PENALTY THAT MAY BE IMPOSED SHALL BE EQUIVALENT TO  
14 ONE PERCENT (1%) TO TWO PERCENT (2%) OF ITS GROSS ANNUAL  
15 INCOME. THE COMMISSION IS HEREBY AUTHORIZED AND  
16 EMPOWERED TO IMPOSE SUCH FINE, AFTER DUE NOTICE AND  
17 HEARING. THE ERRING TELECOMMUNICATION ENTITY IS ALSO  
18 MANDATED TO REFUND TO CONSUMERS THE CHARGES IT  
19 ERRONEOUSLY IMPOSED UPON ITS SUBSCRIBERS.

20 THE COMMISSION IS FURTHER AUTHORIZED TO IMPOSE A  
21 FINE OF ONE MILLION PESOS (PHP1,000,000.00) FOR EVERY DAY THAT  
22 A VIOLATION OF SECTIONS 18 AND 19 HEREOF IS COMMITTED, AND  
23 UNTIL SUCH TIME THAT THE ERRING TELECOMMUNICATION  
24 ENTITY FULLY COMPLIES WITH THE TERMS AND CONDITIONS OF  
25 THE ACT, ANY CERTIFICATE, OR ANY ORDER, DECISION, OR  
26 REGULATION OF THE COMMISSION: *PROVIDED*, THAT, IF THE  
27 TELECOMMUNICATION ENTITY HAS A GROSS ANNUAL INCOME  
28 NOT EXCEEDING TEN MILLION PESOS (PHP10,000,000.00), THE  
29 PENALTY THAT MAY BE IMPOSED SHALL BE EQUIVALENT TO ONE  
30 PERCENT (1%) TO TWO PERCENT (2%) OF ITS GROSS ANNUAL  
31 INCOME.

32 (I) THE COMMISSION SHALL REQUIRE PUBLIC  
33 TELECOMMUNICATION ENTITIES WITH SIGNIFICANT MARKET  
34 POWER AS DETERMINED BY THE PHILIPPINE COMPETITION  
35 COMMISSION (PCC) TO PROVIDE TIMELY ACCESS TO ITS NETWORK,  
36 FACILITIES OR EQUIPMENT TO ACCESS SEEKERS ON A FAIR,



1 REASONABLE AND NON-DISCRIMINATORY TERMS AND  
2 CONDITIONS.”

3  
4 SEC. 3. Sections 10 of the same Act is hereby amended to read as follows:

5 “Sec.10. *International Carrier.* - Only entities which [will provide local  
6 exchange services and] can demonstrably show technical and financial  
7 capability to install and operate an international gateway facility shall be  
8 allowed to operate as an international carrier.

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

10 [The international carrier shall XXX complies therewith.]

11 [Failure to comply with XXX international carrier.]”

12  
13 SEC. 4. Section 12 of the same Act is hereby amended to read as follows:

14 “Sec. 12. *Mobile Radio Services.* - [In a local telephone exchange area, ]  
15 More than one duly enfranchised provider of mobile radio services, distinct  
16 and separate from the local exchange carrier, may be allowed to operate.  
17 However, such entities shall secure prior authority from the Commission and,  
18 in addition, comply with the [conditions imposed on VAS and with the] norms  
19 on radio frequency spectrum utilization.

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

21  
22 SEC. 5. Section 15 of Republic Act 7925 is hereby amended to read as follows:

23 “Sec.15. [Radio Frequency Spectrum.] **USE OF AVAILABLE OR**  
24 **UNASSIGNED SPECTRUM.** - The radio frequency spectrum allocation and  
25 assignment shall be subject to **AN ANNUAL REVIEW. THE USE THEREOF**  
26 **SHALL BE SUBJECT TO** reasonable spectrum user fees. Where demand for  
27 specific frequencies exceed availability, the Commission shall hold open  
28 tenders for the same and ensure wider access to this limited resource.

29 **WITHIN ONE (1) YEAR FROM THE EFFECTIVITY OF THIS ACT,**  
30 **THE DEPARTMENT OF INFORMATION AND COMMUNICATIONS**  
31 **TECHNOLOGY (DICT), IN CONSULTATION WITH THE COMMISSION**  
32 **AND THE PCC, SHALL ISSUE THE GUIDING PRINCIPLES AND POLICY**  
33 **DIRECTION FOR THE USE OF SPECTRUM.”**

1        **SEC. 6.** Section 18 of the same Act is hereby amended to read as follows:

2                *"Sec.18. Access Charge/Revenue Sharing.* - The access charge/revenue  
3 sharing arrangements between all interconnecting carriers shall be negotiated  
4 between the parties and the agreement between the parties shall be submitted  
5 to the Commission **FOR REVIEW AND APPROVAL**. In the event the parties  
6 fail to agree thereon within a reasonable period of time, the dispute shall be  
7 submitted to the Commission for resolution.

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

14  
15        **SEC. 7.** A new Section shall be inserted after Section 18 of the same Act to read  
16 as follows:

17                **"SEC. 18-A TRANSPARENCY. - ALL INTERCONNECTING**  
18 **CARRIERS SHALL PROVIDE TO THE COMMISSION ALL TERMS AND**  
19 **CONDITIONS, INCLUDING RATES, OF ACCESS CHARGE/REVENUE**  
20 **SHARING ARRANGEMENTS SUCH CARRIERS HAVE ENTERED INTO.**

21                **ALL TELECOMMUNICATIONS SERVICE PROVIDERS SHALL**  
22 **OPEN THEIR BOOKS OF ACCOUNT TO THE COMMISSION, WHO IS**  
23 **EMPOWERED TO DEMAND COPIES THEREOF."**

24                **""SEC. 18-B PUBLIC INFORMATION. - ANY FILIPINO CITIZEN**  
25 **MAY REQUEST FOR THE INFORMATION IN THE IMMEDIATELY**  
26 **PRECEEDING PARAGRAPH. SUCH REQUEST SHALL BE FILED WITH**  
27 **THE COMMISSION AND SHALL BE GRANTED WHEN PUBLIC**  
28 **INTERESTS WARRANT."**

29  
30        **SEC. 8. Separability Clause.** – Should any provision herein be declared  
31 unconstitutional, the other provisions not affected shall remain in full force and effect.  
32

33        **SEC. 9. Repealing Clause.** – Relevant Sections of Republic Act 7925 *Equality of*  
34 *Treatment in the Telecommunications Industry* are hereby repealed. All laws, orders,  
35 issuance, rules and regulations or part thereof inconsistent with the provisions of this  
36 Act are hereby repealed, amended or modified accordingly.

1

2       **SEC. 10. Effectivity.** - This Act shall take effect fifteen (15) days after its  
3 publication in the Official Gazette or in any newspaper of general circulation.

4       Approved,