

SEVENTEENTH CONGRESS  
OF THE REPUBLIC OF THE PHILIPPINES  
*First Regular Session*

HOUSE OF REPRESENTATIVES

House Bill No. **3052**

HOUSE OF REPRESENTATIVES

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Introduced by Representative Victor A. Yap

EXPLANATORY NOTE

The National Telecommunications Commission (NTC) was created under Executive Order No. 546 promulgated on July 23, 1979, and conferred with regulatory and quasi-judicial functions taken over from the Board of Communications and the Telecommunications Control Bureau, which were abolished in the same Order.

Primarily, the NTC is the sole body that exercises jurisdiction over the supervision, adjudication and control over all telecommunications services throughout the country. For the effective enforcement of this responsibility, it adopts and promulgates such guidelines, rules, and regulations relative to the establishment operation and maintenance of various telecommunications facilities and services nationwide.

The National Telecommunications Commission has adopted a "hands off" since 1995 with the passage of Republic Act No. 7925 that effectively deregulated and privatized the telecom industry. It is argued, that the "hands off" approach resulted in the Philippines having one of the slowest Internet in Asia. NTC itself stated the said law as "reason why the government has difficulty in regulating internet service today".

The present legislative framework however is no longer sufficient to meet the needs of Filipino industries utilizing Information Communication Technology extensively, and neither is it responsive to the needs of Filipino consumers. In view of this, this Bill expands the NTC's powers and capacity to regulate Telecommunications Companies (Telcos) and other industry related entities. This will allow the NTC to ensure quality, safety, reliability security, compatibility and inter-operability of Telco facilities and services while upholding consumer welfare and a fair competitive market.

A vital concern is to place Quality of Service (QoS) Standards in place to ensure a fair degree of consumer satisfaction and to maintain a level of service adequate for business and commerce. The QoS shall serve as a common reference of acceptable levels of quality for regulators, providers and consumers.

Another important addition to the NTC mandate under this bill is the power to review and approve the interconnection of Telcos and Internet Service Providers. This strengthens and encourages interconnection and interoperability of telecommunications and the Internet. To this end, the bill provides necessary legal definitions and delineations to clarify and establish an adequate legal regime for sound administration.

Finally, the proposed measure provides for an expanded NTC jurisdiction to cover data services and networks once classified as Value-Added Services (VAS). This ultimately allows the NTC to regulate and ensure quality Internet services.

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



**VICTOR A. YAP**  
Representative, 2nd District of Tarlac

HOUSE OF REPRESENTATIVES

House Bill No. **3052**

Introduced by Representative Victor A. Yap

AN ACT

EXPANDING THE COVERAGE AND STRENGTHENING THE POWERS OF THE NATIONAL TELECOMMUNICATIONS COMMISSION AMENDING FOR THE PURPOSE REPUBLIC ACT 7925, OTHERWISE KNOWN AS "THE PUBLIC TELECOMMUNICATIONS ACT OF THE PHILIPPINES"

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

**SECTION 1.** *Amendments to Republic Act No. 7925 or the Public Telecommunications Policy Act of the Philippines* – Jurisdiction over the provision and regulation of internet and information and communications technology services shall be vested with the National Telecommunications Communications, in accordance with the succeeding provisions.

**SEC. 2.** Article I, Section 3, subparagraph (h) of the same Act is hereby amended to read as follows:

“ x x x

h) *Value-added service provider (VAS)* – an entity, which relying on the transmission, switching and local distribution facilities of the local exchange and inter-exchange operators, overseas carriers, offers [enhanced services beyond those ordinarily provided for such carriers] **SERVICES THAT ARE OVER AND ABOVE THE CORE SERVICE OF A TELECOMMUNICATIONS SEGMENT, AND ARE NOT CORE SERVICES OF OTHER TELECOMMUNICATIONS SEGMENTS.**

x x x”

**SEC. 3.** Article III, Section 5 of the same Act is hereby amended to read as follows:

"SEC. 5. *Responsibilities of the National Telecommunications Commissions.* – The National Telecommunications Commission (Commission) shall be the principal administrator of this Act and as such shall take the necessary measures to implement the policies and objectives set forth in this Act. Accordingly, in addition to its existing functions, the Commission shall be responsible for the following:

a) Adopt an administrative process which would facilitate the entry of qualified service providers and adopt a pricing policy which would generate sufficient returns to

encourage them to provide basic telecommunications, **NETWORK, AND INTERNET** services in unserved and underserved areas;

b) Mandate a fair and reasonable interconnection of facilities of authorized public network operators and other providers of telecommunications, **NETWORK, AND INTERNET** services in conformity with standards and specifications set by international radio, telecommunications, **NETWORK, AND INTERNET** organizations to which the Philippines is a signatory;

c) Mandate a fair and reasonable interconnection of facilities of authorized public network operators and other providers of telecommunications, **NETWORK, AND INTERNET** services through appropriate modalities of interconnection and at a reasonable and fair level of charges, which make provision for the cross-subsidy to unprofitable local exchange service areas so as to promote telephone, **MOBILE PHONE, NETWORK, AND BROADBAND** density, and provide the most extensive access to basic telecommunications, **NETWORK, AND INTERNET** services available at affordable rates to the public;

d) Foster fair and efficient market conduct through, but not limited to, the protection of telecommunications entities from unfair trade practices of other carriers;

e) Promote consumers welfare by facilitating access to telecommunications, **NETWORK, AND INTERNET** services whose infrastructure and network must be geared towards the needs of individual and business users, **AND BY DEVELOPING AND IMPLEMENTING STANDARDS, PLANS, POLICIES, PROGRAMS, MEASURES, AND MECHANISMS, INCLUDING ARBITRATION, QUASI-JUDICIAL, AND PROSECUTORIAL MECHANISMS, TO PROTECT THE WELFARE OF CONSUMERS AND USERS OF TELECOMMUNICATIONS, NETWORK, AND INTERNET SERVICES;**

x x x”

**Sec. 4.** Article III, Section 6 of the same Act is hereby amended to read as follows:

“**SEC. 6. Responsibilities of and Limitations to Department Powers.** – The Department of [Transportation and Communications (DOTC)] **INFORMATION AND COMMUNICATIONS TECHNOLOGY (DICT)** shall not exercise any power which will tend to influence or effect a review or a modification of the Commission’s quasi-judicial functions.

“x x x

c) the representation and promotion of Philippine interests in international bodies, and the negotiation of the nation’s rights and obligations in international [telecommunications] **INFORMATION TECHNOLOGY, COMMUNICATIONS, NETWORK, AND INTERNET** matters; and

d) the operation of a national consultative forum to facilitate interaction amongst the [telecommunications industries] **INFORMATION, COMMUNICATIONS, NETWORK,**

1 AND INTERNET INDUSTRIES, user groups, academic and research institutions in the  
2 airing and resolution of important issues in the field of [communications]  
3 TELECOMMUNICATIONS AND THE INTERNET.”

4 Sec. 5. A new Section 9 shall be inserted between Sections 8 and 9 of the same Act which  
5 shall read as follows:

6 SEC. 9. *LOCAL INTERNET SERVICE PROVIDER. – LOCAL INTERNET*  
7 *SERVICE PROVIDER SHALL:*

8 (A) PROVIDE UNIVERSAL INTERNET CONNECTION SERVICE TO ALL  
9 SUBSCRIBERS WHO APPLIED FOR SUCH SERVICE, WITHIN A REASONABLE  
10 PERIOD AND AT SUCH STANDARDS AS MAY BE PRESCRIBED BY THE  
11 COMMISSION AND AT SUCH PROFIT MARGIN AS TO SUFFICIENTLY  
12 PROVIDE A FAIR RETURN ON INVESTMENTS;

13 (B) BE PROTECTED FROM UNCOMPENSATED BYPASS OR  
14 OVERLAPPING OPERATIONS OF OTHER TELECOMMUNICATIONS ENTITIES  
15 IN NEED OF PHYSICAL LINKS OR CONNECTIONS TO ITS CUSTOMERS IN  
16 THE AREA EXCEPT WHEN IT IS UNABLE TO PROVIDE, WITHIN A  
17 REASONABLE PERIOD AND AT THE DESIRED STANDARD, THE  
18 INTERCONNECTION ARRANGEMENTS REQUIRED BY SUCH ENTITIES;

19 (C) HAVE THE FIRST OPTION TO PROVIDE PUBLIC OR PRIVATE  
20 NETWORK ACCESS OR INTERNET ACCESS NODES OR ZONES IN THE AREA  
21 COVERED BY ITS NETWORK;

22 (D) BE ENTITLED TO A FAIR AND EQUITABLE REVENUE SHARING  
23 ARRANGEMENT WITH THE INTERNET EXCHANGE, INTERNET DATA  
24 CENTER, INTERNET GATEWAY FACILITY, OR SUCH OTHER CARRIERS  
25 CONNECTED TO ITS BASIC NETWORK: PROVIDED, THAT THE SERVICE IT  
26 PROVIDES IS SOLELY DEPENDENT ON EXISTING NETWORKS BEING  
27 OPERATED AND MAINTAINED BY AT LEAST ONE OTHER  
28 TELECOMMUNICATIONS ENTITY: PROVIDED, FURTHER, THAT A LOCAL  
29 INTERNET SERVICE PROVIDER NEED NOT SECURE A FRANCHISE.

30 A CABLE TV FRANCHISE MAY PROVIDE LOCAL INTERNET  
31 CONNECTION, NETWORK, OR DATA TRANSMISSION SERVICES WITHOUT A  
32 SEPARATE FRANCHISE: PROVIDED, THAT THE OPERATION OF INTERNET  
33 CONNECTION, NETWORK, OR DATA TRANSMISSION SERVICE BY THE  
34 CABLE TV FRANCHISE SHALL BE GOVERNED BY THIS ACT AND OTHER  
35 RELEVANT LAWS.

36 THE PROVISION OF INTERNET CONNECTION, NETWORK, OR DATA  
37 TRANSMISSION SERVICES SHALL ALSO BE GOVERNED BY THE PUBLIC



SERVICE ACT, AS AMENDED, AND OTHER RELEVANT LAWS GOVERNING UTILITIES.

Sec. 6. Section 9 of the same Act is hereby renumbered as Section 10.

Sec. 7. A new Section 11 shall be inserted after the renumbered Section 10 of the same Act which shall read as follows:

SEC. 11. *INTERNET EXCHANGE* – THE NUMBER OF ENTITIES AUTHORIZED TO PROVIDE INTERNET EXCHANGE SERVICES SHALL, WHERE IT IS ECONOMICALLY VIABLE, BE AT LEAST TWO (2) INTERNET EXCHANGES: *PROVIDED*, THAT A LOCAL INTERNET SERVICE PROVIDER SHALL NOT BE RESTRICTED FROM OPERATING ITS OWN INTERNET EXCHANGE SERVICE IF ITS VIABILITY IS DEPENDENT THERETO: *PROVIDED, FURTHER*, THAT SUCH INTERNET EXCHANGE SHALL HAVE THE FOLLOWING OBLIGATIONS:

(A) IT SHALL INTERCONNECT WITH ALL OTHER INTERNET EXCHANGES IN THE SAME CATEGORY AND WITH ALL LOCAL INTERNET SERVICE PROVIDERS AND OTHER TELECOMMUNICATIONS ENTITIES, UPON APPLICATION AND WITHIN A REASONABLE PERIOD, AND UNDER FAIR AND REASONABLE LEVEL CHARGES, IN ORDER THAT INTERNET AND NETWORK SERVICES ARE MADE AVAILABLE;

(B) IT SHALL HAVE THE RIGHT TO ESTABLISH AND OPERATE ITS OWN NETWORK FACILITIES THROUGH WHICH INTERNATIONAL NETWORKS OR INTERNATIONAL GATEWAY FACILITIES SHALL BE ABLE TO COURSE THEIR MESSAGES OR SIGNALS; AND

(C) IT SHALL COMPLY WITH INTERNATIONAL AND GENERIC ENGINEERING REQUIREMENTS AND STANDARDS OF OPERATION FOR INTERNET EXCHANGES.

Sec. 8. A new Section 12 shall be inserted after the new Section 11 of the same Act which shall read as follows:

SEC. 12. *INTERNET DATA CENTER* – THE NUMBER OF ENTITIES AUTHORIZED TO PROVIDE INTERNET DATA CENTER SERVICES SHALL, WHERE IT IS ECONOMICALLY VIABLE, BE AT LEAST TWO (2) INTERNET DATA CENTERS: *PROVIDED*, THAT A LOCAL INTERNET SERVICE PROVIDER OR CONTENT PROVIDER SHALL NOT BE RESTRICTED FROM OPERATING ITS OWN INTERNET DATA CENTER IF ITS VIABILITY IS DEPENDENT THERETO: *PROVIDED, FURTHER*, THAT SUCH INTERNET DATA CENTER SHALL HAVE THE FOLLOWING OBLIGATIONS:

(A) IT SHALL INTERCONNECT WITH ALL OTHER INTERNET DATA CENTERS IN THE SAME CATEGORY AND WITH ALL LOCAL INTERNET

SERVICE PROVIDERS AND OTHER TELECOMMUNICATIONS ENTITIES, UPON APPLICATION AND WITHIN A REASONABLE TIME PERIOD, AND UNDER FAIR AND REASONABLE LEVEL CHARGES, IN ORDER THAT INTERNET AND NETWORK SERVICES ARE MADE AVAILABLE;

(B) IT SHALL HAVE THE RIGHT TO ESTABLISH AND OPERATE ITS OWN NETWORK FACILITIES THROUGH WHICH INTERNATIONAL NETWORKS OR INTERNATIONAL GATEWAY FACILITIES SHALL BE ABLE TO COURSE THEIR MESSAGES OR SIGNALS; AND

(C) IT SHALL COMPLY WITH INTERNATIONAL GENERIC ENGINEERING REQUIREMENTS AND STANDARDS OF OPERATION FOR NETWORK AND DATA CENTERS.

**Sec. 9.** Section 10 of the same Act is hereby renumbered as Section 13.

**Sec. 10.** A new Section 14 shall be inserted after the renumbered Section 13 of the same Act which shall read as follows:

**SEC. 13. *INTERNET GATEWAY FACILITY.*** – ONLY ENTITIES WHICH WILL PROVIDE INTERNET EXCHANGE SERVICES OR INTERNET DATA CENTER SERVICES, AND CAN DEMONSTRABLY SHOW TECHNICAL AND FINANCIAL CAPABILITY TO INSTALL AND OPERATE AN INTERNATIONAL GATEWAY FACILITY, SHALL BE AUTHORIZED TO OPERATE AS AN INTERNET GATEWAY FACILITY.

THE AUTHORIZED ENTITY SHALL BE REQUIRED TO PRODUCE A FIRM CORRESPONDENT OR INTERCONNECTION RELATIONSHIPS WITH MAJOR OVERSEAS TELECOMMUNICATIONS AUTHORITIES, CARRIERS, OVERSEAS INTERNET GATEWAYS, NETWORKS, AND INTERNET SERVICE PROVIDERS WITHIN ONE (1) YEAR FROM THE GRANT OF THE AUTHORITY.

THE INTERNET GATEWAY FACILITY SHALL ALSO COMPLY WITH ITS OBLIGATIONS TO PROVIDE INTERNET EXCHANGE SERVICES IN UNSERVED OR UNDERSERVED AREAS WITHIN THREE (3) YEARS FROM THE GRANT OF THE AUTHORITY AS REQUIRED BY EXISTING REGULATIONS: *PROVIDED*, THAT SAID INTERNET GATEWAY FACILITY SHALL BE DEEMED TO HAVE COMPLIED WITH THE SAID OBLIGATION IN THE EVENT THAT IT ALLOWS AN AFFILIATE THEREOF TO ASSUME SUCH OBLIGATION AND WHO COMPLIES THEREWITH.

FAILURE TO COMPLY WITH THE ABOVE OBLIGATION SHALL BE A CAUSE TO CANCEL ITS AUTHORITY OR PERMIT TO OPERATE AS AN INTERNET GATEWAY FACILITY.

**SEC. 11.** A new Section 15 shall be inserted after the new Section 14 of the same Act which shall read as follows:

1           **SEC. 15. CONTENT PROVIDER. – EXCEPT FOR BUSINESS PERMITS AND**  
2           **OTHER REGULATORY REQUIREMENTS, AS PROVIDED FOR BY THE**  
3           **CONSUMER ACT OF THE PHILIPPINES, AS AMENDED, AND OTHER**  
4           **RELEVANT LAWS, AND PROVIDED THAT THE TRANSMISSION OF ITS**  
5           **CONTENT IS SOLELY DEPENDENT ON EXISTING NETWORKS BEING**  
6           **OPERATED AND MAINTAINED BY AT LEAST ONE OTHER**  
7           **TELECOMMUNICATION ENTITY, A CONTENT PROVIDER FOR**  
8           **COMMERCIAL OR NON-COMMERCIAL PURPOSES NEED NOT SECURE A**  
9           **FRANCHISE, LICENSE, OR PERMIT TO OPERATE IN THE PHILIPPINES.**

10           **SUBJECT TO THE NATURE OF THE CONTENT THAT IS PROVIDED BY**  
11           **THE CONTENT PROVIDER FOR COMMERCIAL PURPOSES, LAWS SUCH AS**  
12           **THE PAGCOR CHARTER, AS AMENDED, THE MTRCB CHARTER, AS**  
13           **AMENDED, AND OHER RELEVANT LAWS, SHALL BE DEEMED APPLICABLE**  
14           **TO THE CONTENT PROVIDER.**

15           **SEC. 12.** Section 11 of the same Act is hereby renumbered as Section 16 and shall be  
16 amended to read as follows:

17           “SEC. [11] 16. *Value-added Service Provider (VAS).* – [Provided that it does not put  
18 up its own network] **IF THE SERVICE OF THE VAS PROVIDER IS SOLELY**  
19           **DEPENDENT ON EXISTING NETWORKS BEING OPERATED AND**  
20           **MAINTAINED BY AT LEAST ONE OTHER TELECOMMUNICATIONS ENTITY, a**  
21           VAS provider need not secure a franchise. A VAS provider shall be allowed to competitively  
22 offer its services and/or expertise, and lease or rent telecommunications equipment and  
23 facilities necessary to provide such specialized services, in the domestic and/or international  
24 market in accordance with network compatibility.

25           Telecommunications entities may provide VAS, subject to the additional  
26 requirements that:

27           (a) prior approval of the Commission is secured to ensure that such VAS offerings are  
28 not cross-subsidized from the proceeds of their utility operations;

29           (b) other providers of VAS are not discriminated against in rates nor denied equitable  
30 access to their facilities; and

31           (c) separate books of accounts are maintained for the VAS.

32           **THE PROVISION OF HIGH SPEED OR HIGH-VOLUME INTERNET**  
33           **CONNECTION OR DATA TRANSMISSION SERVICES AS A SERVICE**  
34           **SEPARATE FROM NORMAL INTERNET CONNECTION OR DATA**  
35           **TRANSMISSION SERVICES SHALL NOT BE CLASSIFIED AS A VALUE-ADDED**  
36           **SERVICE.”**

37           **SEC. 13.** The succeeding sections of the same Act are hereby renumbered accordingly.





1           [(d)] E) Thorough and prompt investigation of, and action upon complaints. The  
2 utility shall endeavor to allow complaints to be received [over the telephone] **BY POST**  
3 **AND OVER MEANS USING TELECOMMUNICATIONS FACILITIES OR THE**  
4 **INTERNET, INCLUDING BUT NOT LIMITED TO VOICE CALLS, SHORT**  
5 **MESSAGE SERVICE (SMS) MESSAGES, MULTIMEDIA MESSAGE SERVICE**  
6 **(MMS) MESSAGES OR E-MAIL,** and shall keep record of all [written or phoned-in]  
7 complaints **RECEIVED AND THE ACTION TAKEN TO ADDRESS THESE**  
8 **COMPLAINTS.**

9           **SUBJECT TO THE FILING OF A FORMAL REQUEST TO THE UTILITY, A**  
10 **USER MAY REQUEST THE IMMEDIATE TERMINATION OF SERVICE**  
11 **WITHOUT THE IMPOSITION OF FEES OR PENALTIES, AND WITH THE**  
12 **REFUND OF ANY FEES OR CHARGES ALREADY PAID BY THE USER, SHOULD**  
13 **A UTILITY NOT CONSISTENTLY COMPLY WITH PRECEDING PARAGRAPHS**  
14 **(A), (D), (E), (F), OR ANY OTHER MINIMUM PERFORMANCE STANDARDS SET**  
15 **BY THE COMMISSION.**

16           **SUBJECT TO STANDARDS SET BY THE COMMISSION, REASONABLE**  
17 **FEES OR PENALTIES MAY BE IMPOSED BY THE UTILITY, OR MAY BE**  
18 **DEDUCTED FROM ANY FEES OR CHARGES ALREADY PAID BY THE USER,**  
19 **SHOULD A USER REQUEST THE IMMEDIATE TERMINATION OF SERVICE:**  
20 ***PROVIDED, THAT:***

21           **(I) THE UTILITY IS ABLE TO SHOW THAT THE REQUEST IS NOT**  
22 **BASED ON NON-COMPLIANCE WITH PRECEDING PARAGRAPHS (A), (C), (D),**  
23 **(E), OR ANY OTHER MINIMUM PERFORMANCE STANDARDS SET BY THE**  
24 **COMMISSION; OR**

25           **(II) THE UTILITY HAS EVIDENCE THAT THE NON-COMPLIANCE HAS**  
26 **NOT RECURRED, IS NOT RECURRING, NOR WILL RECUR IN THE FUTURE;**  
27 **OR**

28           **(III) THE UTILITY HAS EVIDENCE THAT THE NON-COMPLIANCE WAS**  
29 **DUE TO FACTORS BEYOND ITS CONTROL; OR**

30           **(IV) THE UTILITY HAS PROVIDED IMMEDIATE REFUND OR REBATE**  
31 **TO THE USER UPON DETERMINATION OF THE NON-COMPLIANCE; OR**

32           **(V) THE UTILITY HAS EVIDENCE THAT IT HAS EXERTED ITS BEST**  
33 **EFFORTS TO RESOLVE THE NON-COMPLIANCE AND RESTORE THE**  
34 **SERVICE TO THE LEVEL AGREED BETWEEN THE UTILITY AND THE USER**  
35 **WITHIN (7) DAYS OF THE REQUEST FOR IMMEDIATE TERMINATION;**  
36 ***PROVIDED, THAT THE UTILITY SHALL COMPLY WITH IMMEDIATE***  
37 **TERMINATION OF SERVICE, WITHOUT THE IMPOSITION OF FEES OR**  
38 **PENALTIES, AND REFUND ANY FEES OR CHARGES ALREADY PAID BY THE**

1 USER WITHOUT NEED FOR DEMAND SHOULD THE SERVICE NOT BE  
2 RESTORED WITHIN THE SEVEN (7) DAY PERIOD, WITHIN THREE (3) DAYS  
3 AFTER THE TERMINATION OF SERVICE.

4 SUBJECT TO STANDARDS SET BY THE COMMISSION, PENALTIES  
5 MAY BE IMPOSED ON A UTILITY THAT IS UNABLE TO COMPLY WITH  
6 PRECEEDING PARAGRAPH (B). THE COMMISSION MAY IMPOSE  
7 ADDITIONAL PENALTIES IF THE UTILITY DOES NOT REFUND ANY  
8 DEPOSIT, FEES, OR CHARGES ALREADY PAID BY THE USER WITHOUT  
9 NEED FOR DEMAND WITHIN THREE (3) DAYS AFTER THE DEADLINE  
10 AGREED UPON BETWEEN THE USER AND THE UTILITY.”

11 SEC.16. A new Section 26 shall be inserted after the renumbered Section 25 of the same Act  
12 which shall read as follows:

13 SEC 26. *QUALITY OF SERVICE AND NETWORK FAIR USE.* – (A) NO  
14 INTERNET SERVICE PROVIDER, INTERNET EXCHANGE, INTERNET DATA  
15 CENTER, INTERNET GATEWAY FACILITY, TELECOMMUNICATIONS  
16 ENTITY, OR PERSON PROVIDING INTERNET CONNECTION, NETWORK, OR  
17 DATA TRANSMISSION SERVICES SHALL:

18 (I) FAIL TO PROVIDE A SERVICE, OR NETWORK SERVICES ON  
19 REASONABLE, NON-DISCRIMINATORY TERMS AND CONDITIONS SUCH  
20 THAT ANY PERSON CAN OFFER OR PROVIDE CONTENT, APPLICATIONS OR  
21 SERVICES TO OR OVER THE NETWORK IN A MANNER THAT IS AT LEAST  
22 EQUAL TO WHAT THE PROVIDER OR ITS AFFILIATES OFFER IN CONTENT,  
23 APPLICATIONS, AND SERVICES FREE OF ANY SURCHARGE;

24 (II) REFUSE TO INTERCONNECT FACILITIES WITH OTHER  
25 FACILITIES OF ANOTHER PROVIDER OF NETWORK SERVICES ON  
26 REASONABLE, AND NON-DISCRIMINATORY TERMS OR CONDITIONS;

27 (III) BLOCK, IMPAIR, DISCRIMINATE AGAINST, OR INTERFERE WITH  
28 THE ABILITY OF ANY PERSON TO USE A NETWORK SERVICE TO ACCESS,  
29 USE, SEND, RECEIVE OR OFFER LAWFUL CONTENT, APPLICATIONS OR  
30 SERVICES OVER THE INTERNET;

31 (IV) IMPOSE A SURCHARGE OR OTHER CONSIDERATION FOR THE  
32 PRIORITIZATION OR OFFER OF ENHANCED QUALITY OF SERVICE TO  
33 DATA OR PROTOCOL OF A PARTICULAR TYPE, AND MUST PROVIDE EQUAL  
34 QUALITY OF SERVICE TO ALL DATA OR PROTOCOL OF THAT TYPE  
35 REGARDLESS OF ORIGINS OR OWNERSHIP.

36 (B) NOTHING IN THIS SECTION SHALL BE CONSTRUED AS TO  
37 PREVENT AN INTERNET SERVICE PROVIDER, INTERNET EXCHANGE,  
38 INTERNET DATA CENTER, INTERNET GATEWAY FACILITY,

1 TELECOMMUNICATIONS ENTITY OR PERSON PROVIDING INTERNET  
2 CONNECTION, NETWORK, OR DATA TRANSMISSION SERVICES FROM  
3 TAKING REASONABLE AND NON-DICRIMINATORY MEASURES:

4 (I) TO MANAGE THE FUNCTION OF A NETWORK ON A SYSTEM-WIDE  
5 BASIS, SUCH THAT THE MANAGEMENT FUNCTION DOES NOT RESULT IN  
6 THE DISCRIMINATION BETWEEN CONTENT, APPLICATION, OR SERVICES  
7 OFFERED BY THE PROVIDER OR USER;

8 (II) TO GIVE PRIORITY TO EMERGENCY COMMUNICATIONS;

9 (III) TO PREVENT A VIOLATION OF LAW OR TO COMPLY WITH AN  
10 ORDER OF THE COURT ENFORCING SUCH LAW;

11 (IV) TO OFFER CONSUMER PROTECTION SERVICES SUCH AS  
12 PARENTAL CONTROLS, WHEREIN USERS MAY REFUSE TO ENABLE SUCH  
13 SERVICES, OR OPT-OUT; OR,

14 (V) TO OFFER SPECIAL PROMOTIONAL PRICING OR OTHER  
15 MARKETING INITIATIVES.

16 (C) AN INTERNET SERVICE PROVIDER, INTERNET EXCHANGE,  
17 INTERNET DATA CENTER, INTERNET GATEWAY FACILITY,  
18 TELECOMMUNICATIONS ENTITY, OR PERSON PROVIDING INTERNET  
19 CONNECTION, NETWORK, OR DATA TRANSMISSION SERVICES MAY  
20 PROVIDE FOR DIFFERENT LEVELS OF AVAILABILITY, UPTIME OR OTHER  
21 SERVICE QUALITY STANDARDS SET BY THE COMMISSION FOR SERVICES  
22 USING PREPAID, POSTPAID, OR OTHER MEANS OF PAYMENT: *PROVIDED*,  
23 THAT MINIMUM LEVELS OF AVAILABILITY, UPTIME, AND OTHER SERVICE  
24 QUALITY STANDARDS SET BY THE COMMISSION SHALL NOT BE  
25 DIFFERENT BETWEEN SERVICES USING PREPAID, POSTPAID, OR OTHER  
26 MEANS OF PAYMENT.”

27 **SEC. 17. *Implementing Rules and Regulations.*** Within sixty (60) days from the approval of  
28 this Act, the NTC and the DICT shall promulgate the rules and regulations to effectively implement  
29 the provisions of this Act.

30 **SEC. 18. *Separability Clause.*** – Should any part of this Act be declared unconstitutional, the  
31 validity of the remaining provisions hereof shall remain in full force and effect.

32 **SEC. 19. *Repealing Clause*** – The provisions of other laws, decrees, executive orders, rules  
33 and regulations inconsistent with this Act are hereby repealed, amended or modified accordingly.

34 **SEC. 20. *Effectivity*** – This Act shall take effect fifteen (15) days after its publication in the  
35 Official Gazette or in at least two (2) national newspapers in general circulation.

36  
37 Approved,