

SIXTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
SECOND REGULAR SESSION )



Senate  
Office of the Secretary

15 MAR -3 P3:45

**SENATE**  
**Senate Bill No. 2677**

RECEIVED: *Jc*

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INTRODUCED BY **SENATOR VICENTE C. SOTTO III**

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AN ACT  
TO ERADICATE MOBILE PHONE-AIDED TERRORISM AND CRIMINAL  
ACTIVITIES MANDATING FOR THIS PURPOSE OWNERSHIP  
REGISTRATION OF ALL PRE-PAID SIM CARDS FOR CELLULAR  
PHONES

**EXPLANATORY NOTE**

Mobile phone technology evolved over the years since its inception using analogue system that started wireless telephony until it turned digital. Such revolution in the technology continues to advance with the emergence of smartphones that brings out not only the delivery of better services for telecommunication producing crisp voice reception, real time SMS delivery, but countless of other digital services like Long Term Evolution (LTE) or 4G capable of handling and transferring large size of data; making remote access to bank accounts, payment facilities and countless of other remote technological innovations, integrated into a digital sim card utilized by mobile phones, at everyone's fingertips.

The benefits of having this kind of technology however, does not always work for the betterment of the society. It has become a common practice for modern-day criminals and terrorists to take advantage of the mobile phone technology in carrying out their illegal activities, particularly phones using pre-paid sim cards due to their nature of being unregistered and untraceable.

The use of pre-paid sim in this country has flourished considering that this can be purchased practically anywhere by

anybody without any required identification and credit background restrictions, making it very convenient to avail of cellular services in an instant.

In the Philippines, subscriber base of pre-paid sim cards grew dramatically each year reaching an estimated number of almost 100 million, which comprise about 90% of the entire cellular phone service market. This definitely makes such technology as a favored tool in the commission of crimes by both the organized and small-scale criminals alike.

It has been confirmed by investigators in the Philippine National Police in their number of reports over the recent years that perpetrators of bombings in public places in various parts of the country made use of cellular pre-paid phones to trigger the defusing of bombs that killed and injured many innocent victims.

This kind of threat has alarmed our law enforcers compelling them to work with major telecommunication companies to either shut down or weaken the transmission of cellular phone signals in certain areas during major social events, that can draw the gathering of thousands to millions of crowds, in order to avoid remote defusing of bombs using cellular phones. Such occasions of restricting cellular signals were enforced during the Black Nazarene procession in Quiapo and the recent Papal visit in the country, to name a few.

Moreover, events of kidnappings involves the use of prepaid cellular phones to get in touch with families of the victims as well as law enforcers to communicate and relay demands, and each call maintained anonymity.

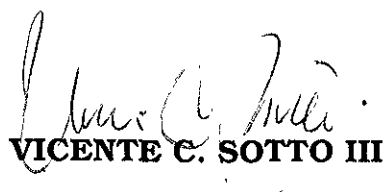
It won't be long that financial frauds, as another form of criminal activity utilizing pre-paid sim cards, will soon emerge to victimize the

public as newly developed sim cards now come with an e-wallet service than can be used to purchase cellular credit loads, pay utility bills, order food in restaurants, and shop in establishments.

Criminal use of wireless technology is a global problem, in other countries wherein the use of prepaid mobile lines are likewise rampant, have started requiring not only ownership registration but also mandating service providers to integrate security devices to counter criminal activities.

This piece of legislation primarily intends to be an effective remedial measure to mandate cellular service providers to require the registration of all prepaid cell phone subscribers by asking valid ID at purchase, and in turn start build databases and come up with profiles of these buyers the same way police detectives profile criminal suspects to easily detect criminal perpetrators.

I therefore urge my colleagues to support the passage of this important measure as viable means of eradicating pre-paid cellular-aided crimes.

  
**VICENTE C. SOTTO III**

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*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  
2       "CELLPHONE REGISTRATION ACT OF 2015"

3

4       **SECTION 2. Prepaid Sim Card Registration-** In order to  
5       neutralize the rampancy in carrying out of cellular phone-aided  
6       crimes, all mobile phone service providers shall require ownership  
7       registration as prerequisite to selling pre-paid sim cards on the  
8       guidelines set forth in Sec. 2: Provided, however, that owners of  
9       active pre-paid sim acquired prior to the implementation of this Act,  
10      shall likewise undergo the same registration process, before the  
11      activation of their cellular services on the succeeding credit reload.

12

13      **SECTION 3. Registration Guidelines** - The National  
14      Telecommunications Commission (NTC) in close coordination with the  
15      Department of Trade and Industry (DTI) and Telecommunication  
16      Companies and in consultation with major Consumer Groups with

1 national membership, shall formulate the necessary guidelines in the  
2 proper implementation of the pre-paid sim card registration  
3 processbased on the following parameters:

- 4 1. Submission of duly accomplished owner's registration form;
- 5 2. Submission of government issued identification cards and/or  
6 other valid IDs or other similar forms of government issued  
7 documents that will duly identify the pre-paid sim card  
8 buyer, and in case of an alien tourist, a copy of his/her  
9 passport;
- 10 3. Each buyer can only register up to three (3) pre-paid SIM  
11 cards across all service providers; owners of more than 3 pre-  
12 paid sim cards prior to the implementation of this Act will be  
13 given the option to either discontinue or transfer the  
14 ownership of the excess pre-paid sim;
- 15 4. Active pre-paid sim cards acquired prior to the  
16 implementation of this act, that fail to be registered within  
17 fifteen (15) days from its intended credit reload as provided  
18 for in Sec. 1, shall automatically be deactivated by the  
19 concerned cellular service provider; and
- 20 5. A registered sim card owner should at least be fifteen (15)  
21 years of age.

22  
23 **SECTION 4. Obligations and Liabilities of Third Party**

24 **Resellers** - Within three days from the receipt of a completed  
25 ownership, all third party resellers of pre-paid sim cards must turn-  
26 over to the respective service providers the records and accompanying  
27 documents of the buyers. Reseller that will engage in the selling of  
28 fraudulently-registered or stolen pre-paid sim cards shall be held  
29 criminally liable;

30  
31 **SECTION 5. Reportorial Requirements and Internal Rules**

32 **and Regulations** – To ensure that all stakeholders will comply with  
33 the proper enforcement of the provisions of this act, the DTI is hereby

1 mandated to oversee its implementation for the next three (3) years  
2 and shall submit to Congress report of compliance. For this purpose,  
3 the DTI and the NTC shall set the guidelines for the monitoring of the  
4 proper implementation of this Act and shall issue the necessary  
5 implementing rules and regulations within thirty (30) days upon its  
6 effectivity.

7

8       **SECTION 6. Penalties** – Any person or entity who violates any  
9 provision of this Act shall, upon conviction, be penalized by  
10 imprisonment for a maximum period of one year, or a fine of not less  
11 than P50,000 nor more than P300,000; or both such fine and  
12 imprisonment at the discretion of the court.

13

14       **SECTION 6. Effectivity** - This Act shall take effect fifteen (15)  
15 days after its publication in the *Official Gazette* and at least two (2)  
16 national newspapers of general circulation.

*Approved,*