



SENATE
S.B. No. 236

'19 JUL -8 A11 :42

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Introduced by SENATOR VICENTE C. SOTTO III

**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 smart phones 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, do 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 involve 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 that 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.


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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 "SIM CARD
2 REGISTRATION ACT"

3 SECTION. 2. **Definitions.** - For purposes of this Act, the following
4 terms shall mean:

5 (A) **SIM (subscriber identity module or subscriber identification**
6 **module) Card** - is an integrated circuit chip that is intended to
7 securely store the international mobile subscriber identity (IMSI)
8 number and its related key, which are used to identify and
9 authenticate subscribers on mobile telephony devices.

10 (B) **Cellular Phone-Aided crimes** - shall mean any crime committed
11 with the use of SIM card attached to a device such as mobile phone.

12 (C) **Third party reseller** - shall mean any sale/transfer that did not
13 emanate directly from the service providers are considered third
14 party reseller.

15 SECTION 3. **Prepaid SIM Card Registration** - In order to neutralize the
16 rampancy in carrying out of cellular phone-aided crimes, such as but not
17 limited to: bombings with the use of cellular pre-paid phones to trigger the
18 defusing of bombs; text scams; unsolicited/unwanted indecent or obscene

1 messages; deceptive messages, all mobile phone service providers shall
2 require ownership registration as pre-requisite to selling pre-paid SIM cards
3 on the guidelines set forth in Section 4: Provided, however, that owners of
4 active pre-paid SIM acquired prior to the implementation of the Act shall
5 likewise undergo the same registration process before the activation of their
6 cellular services in the succeeding credit reload.

7 SECTION 4. **Registration Guidelines.** - The National
8 Telecommunications Commission (NTC) in close coordination with the
9 Department of Trade and Industry (DTI) and Telecommunication Companies
10 and in consultation with major Consumer Groups with national
11 membership, shall formulate the necessary guidelines in the proper
12 implementation of the pre-paid SIM card registration process based on the
13 following parameters:

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

30 SECTION 5. **Registration by Representatives.** - Ownership of more
31 than three (3) SIM Cards shall be allowed provided the buyer is a
32 parent/legal guardian, registering for and in behalf of his/her minor

1 children/ward; company or bulk purchases in behalf of the Corporation
2 agency.

3 SECTION 6. ***Submission of Registration Form.*** - The registration
4 form required under Section 4 of this Act shall be accomplished in triplicate,
5 and shall be forwarded by the direct seller of the SIM card to the concerned
6 mobile phone service provider. The concerned mobile phone service provider
7 shall submit a copy of the duly accomplished registration form to the
8 National Telecommunications Commission (NTC) within fifteen (15) days
9 from the date of sale or receipt of such form from their respective direct
10 sellers. The required registration form and the copies thereof shall be
11 certified by either, the President, General Manager, Treasurer, Secretary or
12 any other duly appointed officer of the mobile phone service provider or
13 direct seller, as the case may be.

14 SECTION 7. ***Submission of Verified List of Dealers or Agents.*** -
15 The mobile phone service providers shall submit to the NTC, within thirty
16 (30) days from the date of effectivity of this Act, a verified list of their current
17 authorized dealers or agents nationwide. Thereafter, the mobile phone
18 service providers shall submit to the NTC, every quarter of each year, an
19 updated list of the same.

20 SECTION 8. ***Obligation and Liabilities of Third Party Resellers*** -
21 Within three (3) days from the receipt of a completed ownership, all third
22 party resellers of pre-paid SIM cards must turn-over to the respective service
23 providers the records and accompanying documents of the buyers. Any
24 reseller that will engage in the sale of fraudulently-registered or stolen pre-
25 paid SIM cards shall be held criminally liable.

26 SECTION 9. ***Confidentiality Clause.*** - Any information in the SIM
27 card registration shall be treated as absolutely confidential, unless upon
28 written consent of the subscriber: *Provided*, That the waiver of absolute
29 confidentiality shall not be made as a condition for the approval of
30 subscription agreements with the mobile phone service providers.

31 SECTION 10. ***Disclosure of Information.*** - Notwithstanding the
32 provisions of Section 9 hereof, the mobile phone service providers shall be
33 required to provide information contained in the SIM card registration only

1 upon order of a competent court upon finding of probable cause that a
2 particular number is used in the commission of a crime or that it was
3 utilized as a means to commit an unlawful act.

4 SECTION 11. ***SIM Card Register.*** - All mobile phone service
5 providers are required to submit an updated SIM Card Register of their
6 subscribers to the NTC every six (6) months of both postpaid and prepaid
7 mobile phone users, and maintain a record containing information required
8 under Section 4 of this Act.

9 In case of loss or any change in the information after the acquisition
10 of the SIM card, the subscriber must notify the mobile phone service
11 providers within thirty (30) days from such loss or change. The concerned
12 mobile phone service provider in return must notify the NTC of such loss or
13 change in the information within fifteen (15) days from receipt of notification
14 from the subscriber.

15 All mobile phone service providers are required to keep the data of
16 their subscribers and the NTC shall see to it that this data is being kept with
17 utmost confidentiality as provided for under Section 9 of this Act and in
18 accordance with existing laws.

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

25 Failure to register within the prescribed period shall authorize the
26 mobile phone service providers to automatically deactivate its services to the
27 specific existing prepaid SIM card subscriber.

28 SECTION 13. ***Reportorial Requirements and Internal Rules and***
29 ***Regulations.*** - To ensure that all stakeholders will comply with the proper
30 enforcement of the provisions of this Act, the DTI is hereby mandated to
31 oversee its implementation for the next three (3) years and shall submit to
32 Congress report of compliance. For this purpose, the DTI and the NTC shall
33 set the guidelines for the monitoring of the proper implementation of this

1 Act and shall issue the necessary implementing rules and regulations
2 wishing thirty (30) days upon its effectivity.

3 SECTION 14. **Penalties.** - Any person or entity who violates any
4 provision of this Act shall, upon conviction, be penalized by imprisonment
5 for a maximum period of one year, or a fine of not less than P50,000 nor
6 more than P300,000; or both such fine and imprisonment at the discretion
7 of the court.

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

Approved,