

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

SENATE

Senate Bill No. 693



SENATE

Office of the Secretary

19 JUL 22 P3:56

Introduced by Senator FRANCIS N. PANGILINAN

RECEIVED

AN ACT

TO ERADICATE CELLULAR PHONE-AIDED TERRORISM AND CRIMINAL
ACTIVITIES MANDATING FOR THIS PURPOSE OWNERSHIP REGISTRATION
OF ALL PREPAID SIM CARDS FOR CELLULAR PHONES AND FOR OTHER
PURPOSES

EXPLANATORY NOTE

Due to technological advancements, the use of mobile phones have transcended beyond mere calling and texting. Mobile phone users can now access the internet from anywhere, capable of doing almost any transaction - mobile banking, video streaming, food delivery, to name a few - with just a few clicks of a button. However, there are some people who take advantage of mobile phone technology to do illegal activities and get away with it. Mobile phones have been used by these criminals to detonate bombs that kill numerous people. Phones have also been used in text messaging scams that victimize the unsuspecting Filipino.

Criminals who commit crimes using mobile phones often remain unpunished because they use prepaid SIM cards, which are unregistered and untraceable. Unlike postpaid SIM cards which are registered with service providers, anybody can easily purchase prepaid SIM cards and maintain his or her anonymity.

Based on the Securities and Exchange Commission documents of the two biggest telecommunications companies in the Philippines, only 4,918,210 of the total 134,591,608 subscribers or around 3.6% are postpaid subscribers. Put simply, 96.4% of the total subscribers are prepaid subscribers - unregistered and untraced.

This bill seeks to require service providers to register all their prepaid subscribers upon purchase with a view to deterring cellular phone-aided crimes. Once registered, the identity of a prepaid SIM card user may be determined upon lawful order of a court.

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

FRANCIS N. PANGILINAN

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

SECTION 1. Short Title. – This Act shall be known as the “SIM Card Registration
Act of 2019”.

SEC. 2. Definition of Terms. – For the purpose of this Act, the following terms shall
mean:

- a) *Cellular Phone-Aided Crimes* – shall mean any crime committed with the use of
a SIM card attached to a device, such as mobile phones;
- b) *Prepaid SIM Card* – shall mean a SIM card which requires its user to pre-pay
for credits before being able to use telecommunications services;
- c) *Postpaid SIM Card* – shall mean a SIM card which allows its users to make
subsequent payment for service usage. Subscribers who use Postpaid SIM
Cards are registered with the Service Provider and are billed at the end of the
billing cycle;
- d) *SIM Card Register* – shall mean a database of the Service Provider’s prepaid
and postpaid subscribers containing the information required under Section 4
of this Act;

- 1 e) *Service Provider* – shall mean a telecommunications entity providing
2 telecommunications services to its subscribers;
- 3 f) *Subscriber Identity Module Card* or *SIM Card* – is an integrated circuit chip that
4 is intended to securely store the international mobile subscriber identity (IMSI)
5 number and its related key, which are used to identify and authenticate
6 subscribers on mobile telephone devices; and
- 7 g) *Third Party Reseller* – shall mean any entity who sells Prepaid SIM Cards, other
8 than Service Providers.

9 **SEC. 3. *Prepaid SIM Card Registration.*** – In order to deter Cellular Phone-aided
10 Crimes, such as but not limited to bombings with the use of cellular prepaid phones to
11 trigger bombs, text scams, and child pornography, each person buying Prepaid SIM
12 Cards is required to register such purchase in accordance with the guidelines set forth in
13 Section 4 of this Act.

14 Owners of active Prepaid SIM Cards acquired prior to the implementation of this
15 Act shall likewise undergo the same registration process before the activation of their
16 cellular services in the succeeding credit reload.

17 **SEC. 4. *Registration Guidelines.*** – The National Telecommunications Commission
18 (NTC), in close connection with the Department of Trade and Industry (DTI) and Service
19 Providers, after consultation with major consumer groups with national memberships,
20 shall formulate the necessary guidelines in the proper implementation of the Prepaid SIM
21 Card registration process based on the following parameters:

- 22 a) Submission of a duly accomplished registration form;
- 23 b) Submission of a government-issued identification card and/or other valid
24 identification cards or other forms of documents that will duly identify the
25 Prepaid SIM Card buyer in the case of Filipino citizens, and a copy of his or
26 her passport in the case of foreigners;

- 1 c) Each person can only register up to three (3) Prepaid SIM Cards across all
2 Service Providers. Owners of more than three (3) Prepaid SIM Cards prior to
3 the implementation of this Act shall be given the option to either discontinue
4 or transfer the ownership of the excess Prepaid SIM Cards;
- 5 d) Active Prepaid SIM Cards acquired prior to the implementation of this Act
6 that fail to be registered within the period stated in Section 10 of this Act shall
7 automatically be deactivated by the concerned Service Provider; and
- 8 e) Only persons fifteen (15) years old and above may register and/or buy Prepaid
9 SIM Cards.

10 **SEC. 5. *Submission of Registration Form.*** – The registration form, including its
11 relevant attachments and supporting documents, shall be accomplished in triplicate and
12 shall be then forwarded by the Third Party Reseller to the concerned Service Provider
13 within fifteen (15) days from the sale. Service Providers shall submit a copy of the duly
14 certified registration form, including its relevant attachments and supporting documents,
15 to the NTC within fifteen (15) days from receipt from the Third Party Reseller or from the
16 date of sale, if the sale was made directly by the Service Providers. The registration form,
17 including its relevant attachments and supporting documents, shall be certified by any
18 of the following officers of the Service Provider: President, General Manager, Treasurer,
19 Corporate Secretary, or any other duly appointed officer.

20 **SEC. 6. *Submission of Verified List of Third Party Resellers.*** – Service Providers
21 shall submit to the NTC a verified list of their current Third Party Resellers within thirty
22 (30) days from the date of effectivity of this Act. Thereafter, the Service Providers shall
23 submit an updated list of the same to the NTC every quarter of every year.

24 **SEC. 7. *Liability of Third Party Resellers.*** – Third Party Resellers who engage in
25 the sale of fraudulently-registered or stolen Prepaid SIM Cards shall be held criminally
26 liable.

1 **SEC. 8. *Confidentiality Clause.*** – Unless expressly waived in writing by the
2 subscriber or upon lawful order of a court, any information in relation to SIM card
3 registration shall be treated as confidential information. Such waiver shall not be made
4 as a condition for the approval of subscription agreements with Service Providers.

5 **SEC. 9. *SIM Card Register.*** – All Service Providers are required to submit an
6 updated SIM Card Register to the NTC every six (6) months. Service Providers shall
7 ensure that the information in their SIM Card Registers are accurate and up to date.

8 **SEC. 10. *Registration of Existing Prepaid SIM Cards.*** – All subscribers with
9 existing Prepaid SIM Cards shall register with their respective Service Providers within
10 one hundred eighty (180) days from the effectivity of this Act. Upon a valid written
11 request by the subscriber, the NTC may extend such deadline by not longer than one
12 hundred twenty (120) days.

13 Prepaid SIM Cards not registered within the prescribed period shall be
14 automatically deactivated by the Service Providers.

15 **SEC. 11. *Implementing Rules and Regulations.*** – Within sixty (60) days from the
16 date of effectivity of this Act, the DTI and the NTC shall jointly formulate the rules and
17 regulations for the proper implementation of this Act.

18 **SEC. 12. *Penalties.*** – Any person or entity who violates any provision of this Act
19 shall be penalized by imprisonment for a maximum period of one year, or a fine of not
20 less than Fifty Thousand Pesos (P50,000.00) but not more than Three Hundred Thousand
21 Pesos (P300,000.00), or both at the discretion of the court.

22 **SEC. 13. *Repealing Clause.*** – All statutory laws, orders, issuances, rules and
23 regulations, and/or parts thereof which are inconsistent with the provisions of this Act
24 are hereby repealed or modified accordingly.

25 **SEC. 14. *Separability Clause.*** – If any portion or provision of this Act is declared
26 invalid or unconstitutional, the portions or provisions which are not affected shall remain
27 valid and effective.

1 **SEC. 15. *Effectivity.*** – This Act shall take effect after fifteen (15) days following its
2 publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,