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## SENATE

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P. S. Res. No. 464

Introduced by Senator MANUEL "LITO" M. LAPID

## RESOLUTION

DIRECTING THE SENATE COMMITTEE ON PUBLIC SERVICES AND OTHER APPROPRIATE COMMITTEE/S TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, WITH THE INTENT OF DETERMINING PROPER AND REASONABLE REGULATIONS FOR THE PRACTICE OF TELECOMMUNICATIONS COMPANIES AND INTERNET SERVICE PROVIDERS IN IMPOSING MOBILE DATA/INTERNET CAPS OR LIMITS, OR FAIR USAGE/FAIR USE POLICIES, ESPECIALLY IN LIGHT OF THE "NEW NORMAL" BROUGHT ABOUT BY THE COVID-19 PANDEMIC

*WHEREAS,* Based on the May 2020 Speedtest Global Index Rankings<sup>1</sup>, the Philippines is currently ranked 121<sup>st</sup> out of 138 countries in terms of mobile internet connection. We are dead last in the rankings in relation to our ASEAN neighbors<sup>2</sup> – Singapore (13<sup>th</sup>), Vietnam (60<sup>th</sup>), Thailand (63<sup>rd</sup>), Myanmar (79<sup>th</sup>), Malaysia (89<sup>th</sup>), Laos (91<sup>st</sup>), Cambodia (109<sup>th</sup>), and Indonesia (115<sup>th</sup>). In a 2017 survey on the state of internet connectivity across various countries, the Philippines is 100<sup>th</sup> out of 149 nations included in the study, in terms of average connection speed<sup>3</sup>;

**WHEREAS**, This dismal internet speed ranking is exacerbated by the fact that the average price of 1GB internet connection (converted to US Dollars for comparison) in our country is higher than those in Thailand, Malaysia, Myanmar, Indonesia and

<sup>&</sup>lt;sup>1</sup> https://www.speedtest.net/global-index

<sup>&</sup>lt;sup>2</sup> Brunei was not rated in the Speedtest Global Index Rankings.

<sup>&</sup>lt;sup>3</sup> https://oxfordbusinessgroup.com/news/role-philippines-digital-economy-amid-covid-19-pandemic

Vietnam<sup>4</sup>. Beyond Southeast Asia, 1GB of internet connection in our country is still more expensive than in India, Sri Lanka, Bangladesh, Bhutan and Mongolia, to name a few<sup>5</sup>;

**WHEREAS**, This paradox of high cost of internet connection yet slow speed is an issue that must be the subject of legislative scrutiny, considering that in today's modern world, internet connection is no longer considered a luxury – instead, it is a resource that demands to be universally accessible;

*WHEREAS*, One of the practices of telecommunications companies and internet service providers that must be inquired and investigated into is the imposition of data caps or limits to internet subscriptions;

*WHEREAS*, Data caps are defined as "monthly limits on the amount of data you can use over your Internet connection."<sup>6</sup> When a subscriber goes over the limit, internet service providers employ actions that hamper the usage of the service, such as "slowing down data speeds, charging overage fees, and even disconnecting a subscriber."<sup>7</sup> These data caps are usually referred to as "fair use policy,"<sup>8</sup> <sup>9</sup> or "fair usage policy"<sup>10</sup>;

*WHEREAS*, an investigation into these practices and policies is particularly relevant today in the context of the COVID-19 pandemic as employers and businesses shift to work-from-home arrangements and transform their business processes to online platforms and videoconferencing, and as most schools adopt online educational systems and virtual classrooms. This is because data caps and limits may turn out to

<sup>10</sup> http://smart.com.ph/Postpaid/signature-

terms#:~:text=Unlimited%20call%20and%20text%20services,180%20minutes%20pe r%20call%20transaction

<sup>&</sup>lt;sup>4</sup> https://www.cable.co.uk/mobiles/worldwide-data-pricing/#resources

<sup>&</sup>lt;sup>5</sup> ld.

<sup>&</sup>lt;sup>6</sup> https://www.publicknowledge.org/issues/data-caps/

<sup>&</sup>lt;sup>7</sup> ld.

<sup>&</sup>lt;sup>8</sup>https://www1.globe.com.ph/surf/fup#:~:text=Globe%20is%20committed%20to%20p roviding,of%20traffic%20on%20your%20network.

<sup>&</sup>lt;sup>9</sup>https://suncellular.com.ph/broadband/termsandconditions#:~:text=3.0%20Fair%20U se%20Policy&text=in%20any%20manner%20which%20is,purposes%20or%20reselli ng%20the%20service.

be too low and inadequate given the demands of the above-mentioned changes caused by the pandemic. For example, Zoom, which is a commonplace application during this pandemic used for group meetings and teleconferences, typically eats up 810 MB to 2.4GB of mobile data per hour, depending on the streaming quality<sup>11</sup>. If class lectures are uploaded or streamed in YouTube or if a student is assigned to watch an educational video in YouTube Learning, a standard quality video consumes about 0.7GB per hour of mobile data, while HD quality can range from 0.9GB to as high as 3GB per hour. A data cap of 1GB per day or even 60GB per month (for some postpaid subscriptions) will be surely reached, especially if Zoom and YouTube are used almost every work or school day for more than an hour, along with data usage from other applications or websites;

*WHEREAS,* it is therefore imperative to determine whether or not our internet consumers are being short-changed by the imposition of these data caps or fair use policies, especially if promos and plans are advertised as having "unlimited" internet surfing features;

*WHEREAS*, it is necessary to investigate these policies and practices in order to craft the proper and reasonable form of laws and regulations that will protect the welfare and interests of the internet subscribers;

*NOW, THEREFORE, BE IT RESOLVED*, that the Senate Committee on Public Services and other appropriate Senate Committee/s conduct an inquiry, in aid of legislation, with the intent of determining proper and reasonable regulations for the practice of Telecommunications Companies and Internet Service Providers of imposing mobile data/internet caps or limits, or fair usage/fair use policies, especially in light of the "new normal" brought about by the COVID-19 pandemic.

Adopted,

Senator

<sup>&</sup>lt;sup>11</sup> https://www.reviews.org/internet-service/how-much-data-does-zoom-use/