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SENATE P.S. Res. No. **974** 

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## Introduced by SENATOR CYNTHIA A. VILLAR

## RESOLUTION

DIRECTING THE COMMITTEE ON TRADE COMMERCE AND ENTREPRENEURSHIP AND OTHER APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE PROLIFERATION OF TEXT SCAMS THAT DEFRAUD CONSUMERS AND INQUIRE ON THE MEASURES BEING UNDERTAKEN BY APPROPRIATE GOVERNMENT AGENCIES AND PRIVATE TELECOMMUNICATION COMPANIES TO PUT A STOP TO THIS UNLAWFUL ACTIVITY

**WHEREAS,** Republic Act No. 7394 or the Consumer Act of the Philippines declares that it is the policy of the state to protect the interest of the consumer, promote his general welfare and to establish standards of conduct for business and industry;

WHEREAS, the same Act further declares that the State shall protect the consumer from misleading advertisements and fraudulent sales promotion practices;

WHEREAS, it is the duty of the Department of Trade and Industry (DTI) to inspect and verify the electronic device or similar contraption to be used in determining or selecting the participants and/or winner(s) or winning entries;

WHEREAS, the DTI cautions the public against text scams sent to random mobile phone numbers. The warning was issued due to complaints received by the agency from victims claiming to have received text messages indicating that their number won in an electronic raffle. Some of the messages even contained a DTI permit number, which are only issued to approve-sales promotions;

WHEREAS, another modus operandi would have perpetrators send messages offering a collateral-free loan worth at hundreds of thousands of pesos and above. The victim is then asked for advance payment as processing fee and/ or phone credits for the release of a certain prizes;

WHEREAS, the National Telecommunications Commission (NTC) which is regulating mobile services, has previously admitted the difficulty in stopping scammers because they can always replace a blocked Subscriber Identity Module (SIM) card with a new one;

WHEREAS, the NTC data reported that in the whole 2013, there were 1,179 text scam victims. And this year, from January to June alone, 967 have already been listed;

WHEREAS, there is an urgent need to address this issue and to come up with a concrete solutions to continuously protect the interest and welfare of the consumers and end this unlawful activity;

**NOW THEREFORE, BE IT HEREBY RESOLVED,** by the Philippine Senate, to direct the Committee on Trade, Commerce and Entrepreneurship to conduct an Inquiry, in Aid of Legislation, on the proliferation of text scams that defraud consumers and inquire on the measures being undertaken by appropriate government agencies and private telecommunication companies to put a stop to this unlawful activity.

Adopted,

CYNTHIA A. VILLAR

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Senator

## Sources:

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