

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



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SENATE

SENATE BILL NO. 1073

RECEIVED BY: *[Signature]*

INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

**AN ACT
TO PROMOTE AND GOVERN THE DEVELOPMENT
OF VOICE OVER INTERNET PROTOCOL IN THE PHILIPPINES**

EXPLANATORY NOTE

Philippine has now becoming a base for BPO all over the world and known for having sizeable citizens working abroad. These situations prompt the widespread use and deployment of Voice Over Internet Protocol (VOIP) as an aid in lowering communication costs for the benefit of most of Filipinos and as support to the country's economic viability.

In the early 21st century, the VOIP emerged as a welcome enhancement to traditional voice service. It enables users from different parts of the world to engage in voice conversations without having to pass through circuit switched facilities of telecom companies. The VOIP technology will increase competition and competitiveness and introduce borderless technology on the part of the telecommunication industry,

Moreover, this bill addresses the need to protect consumers, provide them wider choices and promote their welfare, apart from the recognition of the indispensable need to enhance the innovation, development and deployment of VOIP through promotion of free and equitable competition and by encouraging investments and innovation in the ICT sector.


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

JOSEPH VICTOR G. EJERCITO

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

**ARTICLE I
GENERAL PROVISIONS**

1 **SECTION 1. *Short Title*** - This Act shall be known as the "*Philippine VOIP*
2 *Act of 2016*".
3

4 **SEC. 2. *Scope and Application***. - This Act shall apply to any person or
5 entity seeking to provide Voice Over Internet Protocol (VOIP) services to the
6 public for compensation.
7

8 **SEC. 3. *Definitions***. - For purposes of this Act, the following terms,
9 where used shall have the following meaning:
10

11 (a) ***Public telecommunications entity (PTE)*** - any person, firm,
12 partnership or corporation, government or private, engaged in the provision
13 of telecommunications services to the public for compensation;
14

15 (b) ***Value-added service (VAS)*** - enhanced services beyond those
16 ordinarily provided for by local exchange and inter-exchange operators, and
17 overseas carriers, where "ordinarily provided" services shall mean voice
18 services offered through circuit switched networks;

1
2 (c) *Voice Over Internet Protocol (VOIP)* - provision of voice
3 communication using Internet Protocol (IP) technology, instead of traditional
4 circuit switched technology:
5

6 (d) *Customer Premises Equipment (GPE)* - equipment located in the
7 premises of a customer which is not part of but connected to the system or
8 network of the PTE.
9

10
11 **ARTICLE II**
12 **POLICY AND OBJECTIVES**

13 **SEC. 4. *Declaration of National Policy.*** - It is the policy of the State to
14 recognize the role and contribution of communications in nation building. It
15 is likewise the policy of the State to recognize the need to (1) provide for the
16 emergence of communications structure suitable to the needs and aspirations
17 of the nation, and (2) encourage the development of new applications and
18 services that can enhance Philippine competitiveness in the global
19 information and communications technology (ICT) market.
20

21 The growth and development of voice over Internet protocol shall be
22 pursued in accordance with the following objectives:
23

24 (a) To protect, promote and develop any and all modes, means and
25 forms of communications, and make the same available and accessible to the
26 general public;
27

28 (b) To encourage the growth, development and sustenance of VOIP as
29 an alternative mode of communications; and
30

31 (c) To foster a healthy competitive environment in which
32 telecommunication companies and internet service providers are free to
33 interact with one another in providing VOIP while maintaining affordable
34 rates and ensuring their financial viability.
35

36 **ARTICLE III**
37 **ADMINISTRATION**
38

39 **SEC. 5. *Responsibilities of the National Telecommunications***
40 ***Commission (NTC).*** The National Telecommunications Commission (NTC)
41 shall be the principal administrator of this Act and as such shall take the

1 necessary measures to implement the policies and objectives set forth in this
2 Act.

3
4 **SEC. 6. *Registration.*** - Any person or entity seeking to provide VOIP
5 for use by the public for compensation shall register as such with the NTC
6 prior to operation as VOIP provider.

7
8 **SEC. 7. *Interconnection.*** - No value-added service provider shall
9 provide VOIP services which require access to and/or use of a network
10 provider's network, facilities and/or equipment unless it has entered into an
11 agreement with such network provider as to the term and conditions of fair
12 and reasonable access and or interconnection charges for such access and/or
13 use.

14
15 In cases where the VAS provider and network provider refuse to
16 negotiate or are unable to come to an agreement on the interconnection of
17 their network, the NTC shall, upon the complaint of any interested party or
18 upon its own initiative, intervene and assume jurisdiction over the matter and
19 immediately direct physical interconnection of the network of the parties
20 under such terms and conditions it may deem proper under the
21 circumstances.

22
23 Nothing in this Act shall, however, prevent the parties from
24 negotiating and executing an interconnection agreement and submitting the
25 same to the NTC for approval.

26
27 For this purpose, the parties shall be given a period of ninety (90) days
28 from receipt of notice of the filing of the complaint within which to negotiate
29 and execute an interconnection agreement; *Provided*, that until an
30 interconnection agreement is executed the interconnection mandate adverted
31 to in the immediately preceding paragraph shall remain
32 in full force and effect.

33
34 **SEC. 8. *Equal Access.*** - Network providers shall ensure equal access in
35 terms of quantity and quality, at the same prices for substantially similar
36 service to VAS providers, and shall not discriminate between VAS providers.
37 The parties shall submit a copy of their agreements on these matters for
38 purposes of monitoring and supervision by the NTC.

39
40 No public telecommunications entity, network provider or other entity
41 providing internet access to subscribers and VAS providers shall impede or
42 degrade the access of such subscribers and VAS providers to the internet

1 content of another application or service providers, except where such access
2 demonstrably threatens the integrity of their network or facilities.

3
4 **SEC. 9. *Customer Premises Equipment.*** - The sale, lease, importation,
5 distribution And/or provision of CPE designed to enable or ease the use of
6 VOIP shall be governed by the existing rules and regulations on CPEs. CPEs
7 and/or accessories designed to enable or ease the use of VOIP not directly
8 connected to the networks of PTEs shall not require type approval or
9 acceptance except when the VOIP equipment and/or accessories use radio
10 spectrum.

11
12 **SEC. 10. *Subscribers' Rights.*** - Network and/or internet service
13 providers shall not require subscribers to purchase or use or to refrain from
14 purchasing or using any IP-enabled service as a precondition to obtaining
15 their broadband service.

16
17 **SEC. 11. *Separability Clause.*** - If any part or provision of this Act shall
18 be held unconstitutional or invalid, other provisions hereof that are not
19 affected thereby shall continue to be in full force and effect.

20
21 **SEC. 12. *Repealing Clause.*** -All laws, presidential decrees, executive
22 orders, rules and regulations, or parts thereof, which are not consistent with
23 this Act, are hereby repealed, amended or modified accordingly.

24
25 **SEC. 13. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days
26 after its publication in at least two (2) newspapers of general circulation.

Approved,