



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

'17 DEC 12 P8:30

SENATE

RECORDED BY: *J.*

COMMITTEE REPORT NO. 213

Submitted by the Committee on Economic Affairs DEC 12 2017.

Re: Senate Bill No. 1636

Recommending its approval in substitution of **Senate Bill No. 1237**

Sponsor: **Senator Sherwin T. Gatchalian**

MR. PRESIDENT:

The Committee on Economic Affairs, to which was referred **Senate Bill No. 1237**, introduced by Senator Gatchalian, entitled:

"AN ACT REQUIRING PUBLIC TELECOMMUNICATIONS ENTITIES TO PROVIDE NATIONWIDE MOBILE NUMBER PORTABILITY TO SUBSCRIBERS"

has considered the same and has the honor to report it back to the Senate with the recommendation that the attached bill, **Senate Bill No. 1636** entitled:

"AN ACT REQUIRING PUBLIC TELECOMMUNICATIONS ENTITIES TO PROVIDE NATIONWIDE MOBILE NUMBER PORTABILITY TO SUBSCRIBERS"

be approved in substitution of **Senate Bill No. 1237**, with **Senator Gatchalian** as author thereof.

Respectfully submitted:

CHAIRPERSON:



SHERWIN T. GATCHALIAN
Committee on Economic Affairs

VICE CHAIRPERSONS:



JUAN MIGUEL "Migz" ZUBIRI
Committee on Economic Affairs



JOEL VILLANUEVA
Committee on Economic Affairs

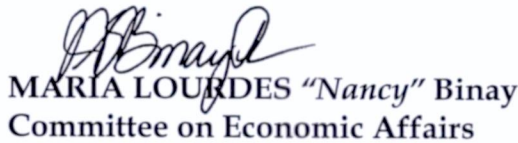


RICHARD J. GORDON
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MARIA LOURDES "Nancy" Binay
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FRANCIS "Chiz" G. ESCUDERO
Committee on Economic Affairs

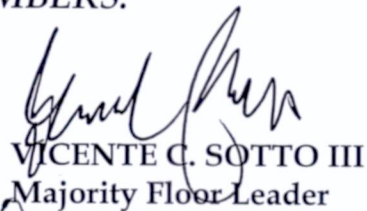


ANTONIO "Sonny" F. TRILLANES IV
Committee on Economic Affairs

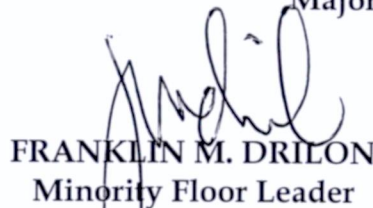
FRANCIS "Kiko" PANGILINAN
Committee on Economic Affairs

EX-OFFICIO MEMBERS:

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President Pro-Tempore



VICENTE C. SOTTO III
Majority Floor Leader



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President
Senate of the Philippines



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SENATE BILL No. 1636
(In Substitution of Senate Bill No. 1237)

RECEIVED BY: 

Prepared and submitted by the Committee on Economic Affairs, with Senator Gatchalian as author thereof

AN ACT
REQUIRING PUBLIC TELECOMMUNICATIONS ENTITIES TO PROVIDE
NATIONWIDE MOBILE NUMBER PORTABILITY TO SUBSCRIBERS

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

1 **SECTION. 1. Short Title.** – This Act shall be known as the “Lifetime
2 Cellphone Number Act.”
3

4 **SEC. 2. Declaration of Policy.** – It is the declared policy of the State to
5 recognize the primary role of the private sector as engine of economic growth and
6 guarantees the right of individuals and private groups, including corporations,
7 to own, establish and operate economic enterprises. Along with this recognition,
8 the 1987 Constitution under its provisions on National Economy and Patrimony
9 states that the use of property bears a social function where all economic agents
10 shall contribute to the common good. The right of corporations to own, establish
11 and operate economic enterprises is therefore subject to the duty of the State to
12 intervene when the common good so demands – including the duty to regulate
13 the acquisition, ownership, use and disposition of private property through the
14 regulation or prohibition of monopolies and combinations in restraint of trade or
15 unfair competition.
16

17 **SEC. 3. Guiding Principles for Implementation.** – This Act declares the
18 following as guiding principles:

19 a. The basic premise behind a nationwide mobile number portability system
20 is to promote competition between and among public telecommunications
21 entities by giving consumers the freedom to choose and to respond to quality,
22 price and other relevant considerations without changing their mobile numbers
23 whenever they change service providers.

1 b. In addition to promoting consumer welfare, mobile number portability will
2 stimulate public telecommunications entities to provide consumers with the best
3 overall value that they can offer. It will also foster technological innovation that
4 will lead to even greater demand for telecommunications products and services
5 and lead to a virtuous cycle of economic growth.
6

7 **SEC. 4. Definition of Terms.** – As used in this Act:

- 8 a. *Donor Provider* refers to the public telecommunications entity to whose
9 network the mobile number belongs at the time the subscriber makes an
10 application for porting.
- 11 b. *Mobile Number* refers to the number series assigned by a public
12 telecommunications entity to its postpaid and/or prepaid subscribers.
- 13 c. *Mobile Number Portability or MNP* refers to the ability of a postpaid
14 subscriber who has no existing financial obligation to the Donor Provider arising
15 from a subscription contract under a postpaid plan, or a prepaid subscriber, to
16 either retain an existing mobile number when moving from one public
17 telecommunications entity to another, or to change subscription from postpaid
18 to prepaid or from prepaid to postpaid, without impairment of the standards of
19 quality, reliability or convenience prescribed by the National
20 Telecommunications Commission.
- 21 d. *Mobile Postpaid Subscriber* refers to any person, natural or juridical, who
22 avails of the mobile telecommunications service under a prior arrangement with
23 a public telecommunications entity. The subscriber is billed after the fact,
24 according to the use of mobile services at the end of the monthly billing cycle.
- 25 e. *Mobile Prepaid Subscriber* refers to any person, natural or juridical, who
26 avails of the mobile telecommunications service from a public
27 telecommunications entity by purchasing credit in advance of service use. The
28 purchased credit is used to pay for mobile phone services at the point the service
29 is accessed or consumed.
- 30 f. *Porting Application* refers to an application made by a mobile subscriber to
31 the Recipient Provider to move a mobile number from the Donor Provider.
- 32 g. *Porting Process* refers to the process by which a subscriber moves a mobile
33 number from a Donor Provider to a Recipient Provider. In no case shall the entire
34 porting process take more than twenty-four (24) hours.
- 35 h. *Public Telecommunications Entity or PTE* refers to any duly enfranchised
36 and authorized public telecommunications entity that offers voice, short

1 messaging system (SMS or text), mobile data, value added services (VAS) or any
2 other telecommunications services to the public for a fee.

3 i. *Recipient Provider* refers to the public telecommunications entity that will
4 be providing mobile telecommunications service to the subscriber after porting.

5 j. *Subscriber* refers to any person, natural or juridical, who avails of the
6 mobile telecommunications service from a public telecommunications entity.
7

8 **SEC. 5. *Obligation of Public Telecommunications Entities to Provide***
9 ***Mobile Number Portability; Limitation.*** – It shall be the obligation of every PTE
10 to provide nationwide MNP to all mobile subscribers, whether postpaid or
11 prepaid. In no case, under penalty of law as provided hereunder, shall the
12 benefits of MNP to a mobile subscriber who has decided to either switch from
13 one PTE to another, or to change subscription from postpaid to prepaid or from
14 prepaid to postpaid, be delayed, withheld, refused or otherwise not delivered by
15 more than twenty-four (24) hours from the time such mobile subscriber
16 completes his or her porting application. *Provided*, that a subscriber shall be
17 allowed to port the same number from one PTE to another only after the lapse of
18 sixty (60) days from the completion of the last porting process.
19

20 **SEC. 6. *Obligation of Public Telecommunications Entities to Set Up***
21 ***a Mechanism for Mobile Number Portability.*** – Every PTE shall, within six (6)
22 months from the promulgation of the implementing rules and regulations of this
23 Act, set up a mechanism for the purpose of implementing MNP. It shall
24 interconnect directly or indirectly with the infrastructure, facilities, systems or
25 equipment of other PTEs and not install network features, functions or
26 capabilities that will impede the implementation of a nationwide MNP system. It
27 shall also provide subscribers sufficient and relevant information on MNP
28 including, but not limited to, its features, the porting application requirements,
29 and the porting process.
30

31 **SEC. 7. *Obligation of the Recipient Provider.*** – The Recipient Provider
32 shall complete the porting process within a period of twenty-four (24) hours from
33 the time of receipt of the mobile number porting application from the subscriber.
34 Within such 24-hour period, it must transmit the mobile number porting
35 application to the Donor Provider for the purpose of clearing the mobile number
36 for porting. Upon notification that the mobile number has been cleared for

1 porting, it shall immediately activate the subscriber's ported number under its
2 network.

3
4 **SEC. 8. *Obligation of the Donor Provider.*** – The Donor Provider shall,
5 within the same 24-hour period provided under Section 7 of this Act, clear the
6 mobile number for porting. It shall however continue to provide all subscribed
7 telecommunications services to the subscriber until the mobile number has been
8 completely ported to the Recipient Provider. The porting process shall be deemed
9 complete upon the subsequent activation of the mobile number under the
10 network of the Recipient Provider.

11 If the mobile number sought to be ported has any pre-existing obligation
12 arising from a subscription contract with the Donor Provider, such provider shall
13 give the subscriber a period of not more than three (3) days from the time of
14 receipt of the mobile number porting application to settle the outstanding
15 obligation. Upon full payment, the Donor Provider shall immediately notify the
16 Recipient Provider that the mobile number is cleared for porting.

17
18 **SEC. 9. *Cost of Mobile Number Portability.*** – Every PTE shall provide
19 mobile number portability to subscribers completely free of charge.

20
21 **SEC. 10. *Privacy of Data.*** – PTEs and other third party entities to whom
22 mobile numbers, or other classes of personal information have been disclosed,
23 shall maintain the confidentiality of the information obtained, and shall not
24 monitor or disclose the contents of any usage transaction contained within the
25 databases under its control, except to the extent necessary for the purpose of
26 maintaining compliance with the provisions of this Act and its implementing
27 rules and regulations.

28 The information gathered by PTEs and other third party entities under the
29 provisions of this Act shall be subject to the provisions of Republic Act No. 10173,
30 otherwise known as the Data Privacy Act of 2012, and its implementing rules
31 and regulations.

32
33 **SEC. 11. *Penalties.*** – For every failure to comply with, or for every
34 instance of violation of any provision of this Act, the PTE shall pay a fine of not
35 less than One Hundred Thousand Pesos (₱100,000.00) up to Three Hundred
36 Thousand Pesos (₱300,000.00) for the first offense, and a fine of not less than
37 Four Hundred Thousand Pesos (₱400,000.00) up to Six Hundred Thousand

1 Pesos (₱600,000.00) for the second offense. In case of a subsequent offense, the
2 penalty shall be a fine of not less than Seven Hundred Thousand Pesos
3 (₱700,000.00) up to One Million Pesos (₱1,000,000.00) and revocation of the
4 PTE's franchise to operate.

5
6 **SEC. 12. Implementing Rules and Regulations (IRR).** – Within ninety
7 (90) days from the effectivity of this Act, the National Telecommunications
8 Commission, as the government entity mandated to implement nationwide MNP,
9 shall coordinate with the Department of Information and Communications
10 Technology, the National Privacy Commission, the Philippine Competition
11 Commission, and other concerned agencies, and promulgate rules and
12 regulations and other issuances as may be necessary to ensure the effective
13 implementation of this Act.

14 Within six (6) months from the promulgation of the rules and regulations,
15 the PTEs shall comply with the provisions of this Act and set up a mechanism
16 for the purpose of implementing nationwide MNP.

17 The rules and regulations shall provide an expeditious framework to
18 govern all relevant aspects of MNP including, but not limited to, the following
19 factors: 1) the most appropriate, efficient and cost-effective porting scheme to be
20 adopted; 2) the specific rights and obligations of mobile subscribers, the Donor
21 and Recipient Providers, and other parties to the porting process; 3) the
22 coordinated procedure to be followed by each party in processing a mobile
23 number porting application, including the specific time limits given to every party
24 to complete the required steps in the entire porting process which process shall,
25 in no case, exceed twenty-four (24) hours; and, 4) the measures to ensure the
26 least amount of disruption of service to the consumer when implementing mobile
27 number portability.

28
29 **SEC. 13. Separability Clause.** – If any provision of this Act is held invalid
30 or unconstitutional, the other provisions not affected thereby shall remain in full
31 force and effect.

32
33 **SEC. 14. Repealing Clause.** – All laws, decrees, executive orders,
34 proclamations, rules and regulations, and issuances, or parts thereof which are
35 inconsistent with the provisions of this Act, are hereby repealed, amended or
36 modified accordingly.

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

4

5 Approved,