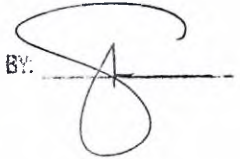


*22 JUL 25 A10 :31

SENATE

S. No. 802

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Introduced by Senator Jinggoy Ejercito Estrada

**AN ACT
TO ERADICATE MOBILE PHONE-AIDED TERRORISM AND CRIMINAL
ACTIVITIES, MANDATING FOR THIS PURPOSE OWNERSHIP REGISTRATION
OF ALL SIM CARDS FOR CELLULAR PHONES**

EXPLANATORY NOTE

The importance of communication and connectivity cannot be denied in a country where 10.4 million or 10 percent (10%) of the population is based overseas¹, but their importance was put into sharper focus due to COVID-19. As societies dealt with the pandemic, connectivity became crucial for businesses to stay afloat and for families to get in touch with each other and to avail of their needs during the longest and most intensive of lockdowns. The Philippines has been dubbed the Short Messaging System (SMS) capital of the world due to the volume of SMS traffic exchange in the country. As of February 2022, 98.8% of Filipinos aged 16 to 64 own any kind of mobile phone².

While the value and role of communication and connectivity cannot be denied, especially with regard to accelerating digital adoption and e-commerce and rebuilding economies, there is a pressing need to create a space where the fundamental rights and protection of users are upheld. Along with mobile adoption came text scams ranging from winning a prize from a foundation to offering

¹ Department of Foreign Affairs Report to Congress July to December 2022

² Digital 2022: The Philippines (2022) <https://datareportal.com/reports/digital-2022-philippines>,
Accessed on 05 July 2022

nonexistent jobs, the latter taking advantage of the number of individuals desperate for income after losing their jobs due to the pandemic. Known as smishing, this is considered a cybersecurity attack carried out over SMS wherein the recipient will be manipulated into giving personal information that perpetrators can use to commit fraud or other cybercrimes, typically involving stealing money.

In a GSM Association (GMSA) study on SIM Registration 157 countries have mandatory SIM registration, and within the Association of Southeast Asian Nations (ASEAN), the Philippines remains the only member state that has not mandated SIM Registration. The same study shows that 72% of all mobile SIM Cards used globally are prepaid.

At a time of rapid digital adoption driven by COVID-19, it is important to ensure that legislation evolves with developments and changes particularly in the ways Filipinos communicate, work, engage in e-commerce, and access information and healthcare.

This version of the bill is essentially the Committee Report version reported out by the Committee on Public Services in the 18th Congress which was authored and sponsored by Senator Grace Poe.

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



JINGGOY EJERCITO ESTRADA

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

1 Section 1. *Short Title.* - This Act shall be known as the "*SIM Card Registration*
2 *Act*".

3 Sec. 2. *Declaration of Policy.* - The State recognizes the vital role of
4 communication and information in nation building and as such, it shall implement
5 measures that will provide programs suitable to the needs of the country in the face
6 of rapid acceleration of information and communications telecommunications
7 technology. In recognition of the possible risks with digital adoption, the State
8 ensures that Filipinos are accorded protection from potential mobile phone-aided
9 criminal activities.

10 Towards this end, the State shall regulate the use and sale of prepaid SIM
11 cards for users of cellular phones and other mobile devices only to persons who shall
12 comply with the requirements set forth in this Act.

13 Sec. 3. *Definition of Terms.* - For purposes of this Act, the following terms
14 shall mean:

15 a) *Public Telecommunications Entity or PTE* shall refer to any person, firm,
16 partnership or corporation, government or private, engaged in the
17 provision of telecommunications services to the public for compensation,

1 as defined under Republic Act No. 7925 or the Public
2 Telecommunications Policy Act of the Philippines;

- 3 b) *Subscriber Identity Module or Subscriber Identification Module (SIM)*
4 *Card* shall refer to an integrated circuit chip that is intended to securely
5 store the international mobile subscriber identity or IMSI number and its
6 related key, which are used to identify and authenticate subscribers on
7 mobile telephony devices;
- 8 c) *Spoofing* shall refer to the act of transmitting misleading or inaccurate
9 information about the source of the phone call or text message, with the
10 intent to defraud, cause harm, or wrongfully obtain anything of value;
- 11 d) *Subscriber* shall refer to any person, natural or juridical, who avails of
12 mobile telecommunications service from a mobile service provider; and
- 13 e) *Third-party Reseller* shall refer to agents, dealers, or anyone who sells
14 SIM cards other than the PTEs themselves.

15 **Sec. 4. *Sim Card Registration.*** – In order to deter the proliferation of SIM
16 card-aided crimes, such as but not limited to terrorism, text scams, unsolicited,
17 indecent or obscene messages, bank fraud, and massive disinformation which cause
18 chaos and disorder, all PTEs shall require the registration of SIM cards as pre-
19 requisite to the sale thereof, in accordance with the guidelines set forth under this
20 Act.

21 All existing SIM cards subscribers with active services shall register with their
22 respective PTEs with a year from the effectivity of this Act. Failure to register within
23 the prescribed period shall authorize the PTEs to automatically deactivate or retire
24 the SIM card number.

25 **Sec. 5. *Sale and Registration Guidelines.*** – The National Telecommunications
26 Commission (NTC), in close coordination with the PTEs, the concerned agencies of
27 government including but not limited to the Department of Trade and Industry
28 (DTI), Department of Information and Communications Technology (DICT), National
29 Privacy Commission (NPC), and in consultation with major consumer groups, shall
30 formulate the necessary guidelines in the proper implementation of the SIM card
31 registration process based on the following parameters:

- 1 a. Submission of duly accomplished control-numbered owner's registration
2 form. The registration form shall include an attestation by the SIM card
3 buyer that the person personally appearing before the direct seller and the
4 identification documents presented are true and correct, and that said
5 person is the one who has accomplished and signed the registration form;
- 6 b. Presentation of valid government-issued identification cards or other
7 similar forms of documents that will verify the identity of the SIM card
8 buyer, or a valid passport in the case of aliens;
- 9 c. Active SIM cards acquired prior to the implementation of this Act that fail
10 to be registered within thirty (30) days from its intended credit reload shall
11 automatically be deactivated by the concerned PTE.
- 12 d. A buyer who fails to comply with the requirements for registration shall be
13 refused the sale of a SIM card by the seller; and
- 14 e. The sale of a SIM card to a minor shall not be prohibited: *Provided*, That
15 said minor is accompanied by a parent or legal guardian at the time of its
16 purchase and registration.

17 *Sec. 6. SIM Card Registry.* – The registration form required under this Act
18 shall be accomplished electronically and shall be forwarded by the concerned PTE to
19 a centralized database accessible to the NTC and the DICT. The successful
20 submission of the required registration form shall serve as the certification of
21 legitimate purchase by the SIM card buyer and the duly appointed agents of the PTE
22 or third-party reseller, as the case may be.

23 The NTC shall ensure that the recordkeeping of such information is in
24 accordance with the provisions of the Data Privacy Act of 2012.

25 In case of loss or any change in the information after the registration of the
26 SIM card, the subscriber must update said registration in the database through the
27 PTE's facility within seven (7) days from such loss or change.

28 *Sec. 7. Submission of Verified List of Third-Party Resellers.* - The PTEs shall
29 submit to the NTC, within ninety (90) days from the date of the effectivity of this
30 Act, a verified list of all their current authorized third-party resellers. Thereafter, the
31 PTEs shall submit to the NTC, every quarter of each year, an updated list of the
32 same.

1 *Sec. 8. Obligation and Liabilities of Third-Party Resellers.* – Any third-party
2 reseller that will engage in the sale of fraudulently-registered or stolen SIM cards
3 shall be held criminally liable under this Act.

4 *Sec. 9. Confidentiality Clause.* – Any information obtained in the SIM card
5 registration process shall be treated as absolutely confidential, in accordance with
6 the provisions of the Data Privacy Act of 2012, and cannot be disclosed to
7 unauthorized persons, except upon the written consent of the subscriber: *Provided,*
8 That the waiver of absolute confidentiality shall not be made as a condition for the
9 approval of subscription agreements with the mobile phone service providers.

10 *Sec. 10. Disclosure of Information.* – Notwithstanding the provisions on
11 confidentiality, the PTEs shall be required to provide information obtained in the SIM
12 card registration process only upon the order of a competent court and upon finding
13 of probable cause that a specific mobile number was or is being used in the
14 commission of a crime or that it was utilized as a means to commit a malicious,
15 fraudulent, or unlawful act: *Provided,* That such written order shall only be granted
16 upon application in writing of any law enforcement agency and/or officer, and only
17 upon examination under oath or affirmation of the applicant and the witnesses he
18 may produce and upon the court being satisfied that:

- 19 1. There is reasonably ground to believe that the SIM card has been used in
20 the commission of a crime or for a malicious, fraudulent, or unlawful
21 purpose;
- 22 2. That there is reasonable ground to believe that the registered owner of
23 the said SIM card is probably the perpetrator of the same; and
- 24 3. There is no other speedy and adequate means readily available to obtain
25 such facts and information.

26 *Sec. 11. Penalties.* - The following penalties shall be imposed for violation of
27 any provision of this Act:

- 28 a) *For failure to comply with the registration requirement.* – The NTC is
29 hereby authorized to impose the following fines on any PTE or third-
30 party reseller who shall fail to comply with the SIM card registration
31 requirement under this Act:

- 1 i. A fine of ten thousand pesos (P10,000.00) in the case of a
2 third-party reseller; and
- 3 ii. A fine of one hundred thousand pesos (P100,000.00) in the
4 case of a PTE.
- 5 b) *For breach of confidentiality.* – A fine of two hundred thousand
6 pesos (P200,000.00) shall be imposed upon the PTE, or its agent or
7 employee, or third-party reseller who shall reveal or disclose any
8 information of a subscriber obtained during the SIM card registration
9 process.
- 10 c) *For using fictitious identities to register SIM cards.* – The penalty of
11 imprisonment ranging from six (6) months and one (1) day to twelve
12 (12) years, or a fine of up to two hundred thousand pesos
13 (P200,000.00), or both, shall be imposed upon anyone who uses a
14 fictitious identity to purchase and register a SIM card.
- 15 d) *For spoofing registered SIM cards.* – The penalty of imprisonment
16 ranging from six (6) months and one (1) day to twelve (12) years, or a
17 fine of up to two hundred thousand pesos (P200,000.00), or both, shall
18 be imposed upon anyone who causes to transmit misleading or
19 inaccurate information about the source of the phone call or text
20 message, with the intent to defraud, cause harm, or wrongfully obtain
21 anything of value, unless such transmission is exempted in connection
22 with:
- 23 i. Authorized activities of law enforcement agencies; or
24 ii. A court order specifically authorizing the use of caller ID
25 manipulation.
- 26 e) *Unauthorized sale of registered SIM cards.* – The penalty of
27 imprisonment ranging from six (6) months and one (1) day to twelve
28 (12) years, or a fine of two hundred thousand pesos (P200,000.00), or
29 both, shall be imposed upon third-party resellers or anyone who sells
30 or offers for sale a registered SIM card about being authorized to do
31 so.

1 Sec. 12. *Other Offenses.* – Any person who willfully attempts to commit or
2 abets or aids in the commission of any of the offenses enumerated in this Act shall
3 be held liable.

4 Sec. 13. *Liability under Other Laws.* – A prosecution under this Act shall be
5 without prejudice to any liability for violation of any provision of the Revised Penal
6 Code, as amended, or special laws.

7 Sec. 14. *Implementing Rules and Regulations and Reportorial Requirement.* –
8 The NTC, in close coordination with the DICT, DTI, NPC, and major consumer
9 groups, shall set the guidelines for the monitoring and proper implementation of this
10 Act and shall issue the necessary implementing rules and regulations within sixty
11 (60) days upon the effectivity of this Act.

12 All PTEs are required to submit to the NTC, DICT, and to both Houses of
13 Congress an annual report on the implementation of the provisions of this Act.

14 Sec. 15. *Interpretation.* – Any doubt in the interpretation of any provision of
15 this Act and its implementing rules and regulations shall be construed in a manner
16 that accords the highest respect for privacy, and liberally interpreted in a manner
17 mindful of the rights and interests of SIM card subscribers.

18 Sec. 16. *Repealing Clause.* – All laws, decrees, orders, rules and regulations
19 or other issuances or parts thereof inconsistent with the provisions of this Act are
20 hereby repealed and modified accordingly.

21 Sec. 17. *Separability Clause.* - If any portion or provision of this Act is
22 declared unconstitutional, the remainder of this Act or any provision not affected
23 thereby shall remain in force and in effect.

24 Sec. 18. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after
25 its publication in the *Official Gazette* or at least two (2) newspapers of general
26 circulation.

Approved,