


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

7 JUL -5 AM 2015

SENATE

RECEIVED BY: 

S. No. 1185

INTRODUCED BY THE HONORABLE MAR ROXAS

EXPLANATORY NOTE

This bill seeks to promote the widespread use and deployment of Voice Over Internet Protocol (VOIP) as an aid in lowering communication costs so that overseas Filipino workers (OFWs) can easily and more frequently contact their families and so that local companies such as business process outsourcing (BPO) firms can enhance their competitiveness in the global economy.

VOIP has emerged as a welcome enhancement to traditional voice service in the early 21st century. 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. In the end, this would translate to lower communication costs on the part of the consumer, value for their money on the part of OFWs, and lower costs of communicating with overseas clients on the part of exporters and BPOs. On the part of the telecommunication industry, the VOIP technology will increase competition and competitiveness and introduce borderless technology.

While it is imperative to enhance the innovation, development and deployment of VOIP by promoting free and equitable competition and encouraging investments and innovation in the ICT sector, there is a need to protect consumers, provide them wider choices and promote their welfare, which is addressed as well by this bill.


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


M A R ROXAS
Senator

FOURTEENTH CONGRESS OF THE)
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AN ACT
AN ACT TO PROMOTE AND GOVERN THE DEVELOPMENT
OF VOICE OVER INTERNET PROTOCOL IN THE PHILIPPINES

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 Act of
2 2007”.

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

5 SEC. 3. *Definitions.* – For purposes of this Act, the following terms, where used shall
6 have the following meaning:

7 (a) Public telecommunications entity (PTE) – any person, firm, partnership or
8 corporation, government or private, engaged in the provision of telecommunications services
9 to the public for compensation;

10 (b) Value-added service (VAS) – enhanced services beyond those ordinarily provided
11 for by local exchange and inter-exchange operators, and overseas carriers, where “ordinarily
12 provided” services shall mean voice services offered through circuit switched networks;

1 (c) Voice Over Internet Protocol (VOIP) – provision of voice communication using
2 Internet Protocol (IP) technology, instead of traditional circuit switched technology:

3 (d) Customer Premises Equipment (GPE) – equipment located in the premises of a
4 customer which is not part of but connected to the system or network of the PTE.

ARTICLE II
POLICY AND OBJECTIVES

5 **SEC. 4. Declaration of National Policy.** – It is the policy of the State to recognize the
6 role and contribution of communications in nation building. It is likewise the policy of the
7 State to recognize the need to (1) provide for the emergence of communications structure
8 suitable to the needs and aspirations of the nation, and (2) encourage the development of
9 new applications and services that can enhance Philippine competitiveness in the global
10 information and communications technology (ICT) market.

11 The growth and development of voice over internet protocol shall be pursued in
12 accordance with the following objectives:

13 (a) To protect, promote and develop any and all modes, means and forms of
14 communications, and make the same available and accessible to the general
15 public;

16 (b) To encourage the growth, development and sustenance of VOIP as an alternative
17 mode of communications; and

18 (c) To foster a healthy competitive environment in which telecommunication
19 companies and internet service providers are free to interact with one another in
20 providing VOIP while maintaining affordable rates and ensuring their' financial
21 viability.

ARTICLE III
ADMINISTRATION

1 *SEC. 5. Responsibilities of the National Telecommunications Commission (NTC).* The
2 National Telecommunications Commission (NTC) shall be the principal administrator of this
3 Act and as such shall take the necessary measures to implement the policies and objectives
4 set forth in this Act.

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

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

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

18 Nothing in this Act shall, however, prevent the parties from negotiating and
19 executing an interconnection agreement and submitting the same to the NTC for approval.
20 For this purpose, the parties shall be given a period of ninety (90) days from receipt of notice
21 of the filing of the complaint within which to negotiate and execute an interconnection
22 agreement; *Provided*, that until an interconnection agreement is executed the

1 interconnection mandate adverted to in the immediately preceding paragraph shall remain
2 in full force and effect.

3 **SEC. 8. *Equal Access.*** – Network providers shall ensure equal access in terms of
4 quantity and quality, at the same prices for substantially similar service to VAS providers,
5 and shall not discriminate between VAS providers. The parties shall submit a copy of their
6 agreements on these matters for purposes of monitoring and supervision by the NTC.

7 No public telecommunications entity, network provider or other entity providing
8 internet access to subscribers and VAS providers shall impede or degrade the access of such
9 subscribers and VAS providers to the internet content of another application or service
10 providers, except where such access demonstrably threatens the integrity of their network or
11 facilities.

12 **SEC. 9. *Customer Premises Equipment.*** – The sale, lease, importation, distribution
13 and/or provision of CPE designed to enable or ease the use of VOIP shall be governed by the
14 existing rules and regulations on CPEs. CPEs and/or accessories designed to enable or ease
15 the use of VOIP not directly connected to the networks of PTEs shall not require type
16 approval or acceptance except when the VOIP equipment and/or accessories use radio
17 spectrum.

18 **SEC. 10. *Subscribers' Rights.*** – Network and/or internet service providers shall not
19 require subscribers to purchase or use or to refrain from purchasing or using any IP-enabled
20 service as a precondition to obtaining their broadband service.

21 **SEC. 11. *Separability Clause.*** – If any part or provision of this Act shall be held
22 unconstitutional or invalid, other provisions hereof that are not affected thereby shall
23 continue to be in full force and effect.

1 **SEC. 12. *Repealing Clause.*** – All laws, presidential decrees, executive orders, rules and
2 regulations, or parts thereof, which are not consistent with this Act, are hereby repealed,
3 amended or modified accordingly.

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

Approved,