



HOUSE OF REPRESENTATIVES

H. No. 7652

BY REPRESENTATIVES YAP (V.), VELASCO, GATCHALIAN, ZARATE, VARGAS, VILLAFUERTE, NIETO, MATUGAS, BELMONTE (R.), UY (J.), CATAMCO, SY-ALVARADO, TAMBUNTING, ARENAS, HOFER, ROA-PUNO, PINEDA, BIAZON, LACSON, ONG (H.), VELARDE, COJUANGCO, VIOLAGO, CUA, ROMUALDO, MACAPAGAL-ARROYO, ANDAYA, PRIMICIAS-AGABAS, DALIPE AND AMANTE, PER COMMITTEE REPORT NO. 732

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

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
2 “Mobile Number Portability Act”.

3 SEC. 2. *Declaration of Policy.* – It is the declared policy of
4 the State to recognize the primary role of the private sector
5 as an engine of economic growth and to guarantee the right of
6 individuals and private entities to own, establish, and operate
7 economic enterprises. The Constitution provides that the use of
8 property bears a social function where all economic agents shall
9 contribute to the common good. The right of private entities is
10 therefore subject to the duty of the State to intervene when

1 the common good so requires, including the duty to regulate the
2 acquisition, ownership, use and disposition of private property
3 through the prohibition of monopolies and combinations thereof
4 in restraint of trade or unfair competition.

5 SEC. 3. *Guiding Principles for Implementation.* – The
6 following shall serve as guiding principles in the implementation
7 of this Act:

8 (a) The basic premise behind a nationwide Mobile Number
9 Portability system is to promote consumer welfare as it fosters
10 the freedom to choose and to respond to quality, price, and other
11 relevant considerations without the consumers having to change
12 their mobile numbers whenever they change service providers;

13 (b) Mobile Number Portability is envisioned to encourage
14 public telecommunications entities to compete with each other
15 to provide consumers with the best overall value that they
16 can offer, thus encouraging technological innovation that will
17 stimulate even greater demand for telecommunications products
18 and services and lead to a virtuous cycle of economic growth;
19 and

20 (c) Mobile Number Portability represents an opportunity to
21 rebalance the relationship between public telecommunications
22 entities and consumers, in a vibrant economy and a well-served
23 consumer sector.

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

25 (a) *Cutover period* refers to the date and time when a
26 subscriber who submitted a porting application will have no
27 mobile service while the porting process is being completed;

1 (b) *Donor provider* refers to the public telecommunications
2 entity to whose network the mobile number belongs at the time the
3 subscriber submits a porting application;

4 (c) *Mobile number* refers to the number series assigned by a
5 public telecommunications entity to its subscribers;

6 (d) *Mobile Number Portability (MNP)* refers to the ability
7 of a mobile postpaid or prepaid subscriber, who has no existing
8 financial obligation to the donor provider, to retain an existing
9 mobile number despite having shifted from one (1) public
10 telecommunications entity to another, or to change the type of
11 subscription, from postpaid to prepaid or vice versa;

12 (e) *Mobile postpaid subscriber* refers to any person, natural
13 or juridical, who avails of the mobile telecommunications service
14 under a prior arrangement with a public telecommunications entity.
15 The subscriber is billed after the fact, according to the use of
16 mobile services at the end of the monthly billing cycle;

17 (f) *Mobile prepaid subscriber* refers to any person, natural
18 or juridical, who avails of the mobile telecommunications
19 service from a telecommunications entity by purchasing credit
20 in advance of service use. The purchased credit is used to pay
21 for mobile telecommunications services at the point the service
22 is accessed or consumed;

23 (g) *Porting application* refers to an application made by a
24 subscriber to a public telecommunications entity to avail of
25 Mobile Number Portability;

26 (h) *Porting process* refers to the process by which a donor
27 provider moves a mobile number to a recipient provider or

1 changes the type of subscription from postpaid to prepaid or
2 vice versa;

3 (i) *Public Telecommunications Entity* or *PTE* refers to any
4 duly authorized public telecommunications entity that offers
5 voice, short messaging system (SMS or text), mobile data, value
6 added services (VAS) or any other mobile telecommunications
7 services to the public for a fee;

8 (j) *Recipient provider* refers to the public telecommunications
9 entity that shall provide mobile telecommunications service to a
10 subscriber after the porting process;

11 (k) *Subscriber* refers to any person, natural or juridical,
12 who avails of mobile telecommunications service from a public
13 telecommunications entity;

14 (l) *Value-Added Service (VAS) provider* refers to an entity
15 which, relying on the transmission, switching and local distribution
16 facilities of a public telecommunications entity, and overseas
17 carriers, offers enhanced services beyond those ordinarily provided
18 for by such carriers; and

19 (m) *Virtual Network Operator (VNO)* refers to an entity
20 that offers a telecommunications service to the public under its
21 own brand, but utilizes the network of another authorized
22 public telecommunications entity. A VNO offering mobile services
23 is called a Mobile Virtual Network Operator (MVNO).

24 SEC. 5. *Interpretation.* – Any doubt in the interpretation of
25 any provision of this Act and its implementing rules and regulations
26 shall be liberally interpreted in a manner mindful of the rights
27 and interests of the mobile subscriber availing of MNP.

1 SEC. 6. *Obligation of Public Telecommunications Entities*
2 (PTEs). – It shall be the obligation of every PTE to:

3 (a) Provide nationwide MNP to all qualified subscribers
4 completely free of charge. In no case, under penalty of law as
5 provided hereunder, shall the benefits of MNP to a mobile
6 subscriber who has decided to avail of the MNP be delayed,
7 withheld, refused, or otherwise not delivered within the period
8 provided under this Act: *Provided*, That a PTE shall change the
9 type of subscription from postpaid to prepaid, or vice versa, within
10 twenty-four (24) hours from the time a subscriber completes the
11 porting application: *Provided, further*, That a subscriber shall
12 be allowed to port the same number only after the lapse of
13 sixty (60) days from the completion of the last porting process;

14 (b) Set up a mechanism for the implementation of MNP. It
15 shall interconnect, directly or indirectly, with the infrastructure,
16 facilities, systems or equipment of other PTEs and not install
17 network features, functions or capabilities that will impede the
18 implementation of the nationwide MNP system;

19 (c) Unlock the device of a subscriber who has requested, and
20 has complied with all the requirements for MNP;

21 (d) Facilitate the number porting process of VNOs and
22 VAS providers that it is hosting in its network, in case a
23 subscriber of such entities decides to avail of the MNP;

24 (e) Provide subscribers complete, relevant, and timely
25 information on MNP including its features, the porting
26 application requirements, the porting process, and the cutover
27 period in the number porting process;

1 (f) Maintain confidentiality of information obtained by not
2 monitoring or disclosing the contents of any usage transaction
3 contained within the databases under its control, except to the
4 extent necessary to comply with the provisions of this Act; and

5 (g) Adhere to the provisions of Republic Act No. 10173,
6 otherwise known as the "Data Privacy Act of 2012", its
7 implementing rules and regulations, and issuances of the National
8 Privacy Commission in the processing or handling of the
9 subscribers' personal data, and provide the necessary safeguards to
10 protect the same in the course of porting activities.

11 *SEC. 7. Obligation of the Recipient Provider.* – Upon receipt
12 of the MNP application, the recipient provider shall transmit the
13 same to the donor provider for the purpose of clearing the mobile
14 number for porting. It shall activate the subscriber's ported number
15 under its network within twenty-four (24) hours upon notification
16 that the mobile number has been cleared for porting. The porting
17 process shall be deemed complete upon the activation of the mobile
18 number under the network of the recipient provider.

19 *SEC. 8. Obligation of the Donor Provider.* – It shall be the
20 obligation of every donor provider to:

21 (a) Within twenty-four (24) hours upon receipt of the request
22 for porting:

23 (1) Transmit the notice of clearance to the recipient provider:
24 *Provided, That* the mobile number to be ported does not have any
25 existing financial obligation with the donor provider; or

26 (2) Notify the subscriber and the recipient provider that the
27 mobile number to be ported has an existing financial obligation with
28 the donor provider. It shall give the subscriber a period of three (3)

1 working days upon receipt of the notice to settle the outstanding
2 obligation. Upon full payment, the donor provider shall comply
3 with paragraph (1) hereof. It shall notify the recipient provider in
4 case of nonpayment after the lapse of the three (3)-day period;

5 (b) Continue to provide all mobile telecommunications
6 services to the subscriber of the number being ported, subject to a
7 cutover period, the allowable length of time of which shall be
8 provided for in the implementing rules and regulations (IRR); and

9 (c) Not to impose conditions and procedures for contract
10 termination or for completion of a porting application which have
11 the effect of serving as a disincentive or deterrent against shifting to
12 a different PTE. It shall not use the information obtained from
13 porting activities to persuade the subscriber to cancel or to delay a
14 porting application.

15 SEC. 9. *Penalties.* -- For every failure to comply with, or
16 for every instance of violation of any provision of this Act, the
17 PTE shall pay a fine of not less than One hundred thousand
18 pesos (P100,000.00) up to Three hundred thousand pesos
19 (P300,000.00) for the first offense, and a fine of not less than
20 Four hundred thousand pesos (P400,000.00) up to Six hundred
21 thousand pesos (P600,000.00) for the second offense. In case of a
22 subsequent offense, the penalty shall be a fine of not less than
23 Seven hundred thousand pesos (P700,000.00) up to One million
24 pesos (P1,000,000.00) and revocation of the PTE's franchise
25 to operate. The National Telecommunications Commission (NTC)
26 shall impose and collect the appropriate fines from the PTEs
27 who are in violation of this Act. The amount to be collected from
28 the fines shall be remitted to the National Treasury.

1 SEC. 10. *Implementing Rules and Regulations (IRR)*. – The
2 NTC shall exercise general supervision over the implementation
3 of, and ensure compliance with this Act. Within ninety (90) days
4 from the effectivity of this Act, the NTC, in coordination with
5 other concerned agencies, shall promulgate rules and regulations
6 and other issuances as may be necessary to ensure the effective
7 implementation of this Act.

8 The IRR shall provide an expeditious framework to govern
9 all relevant aspects of MNP including the following:

10 (a) The general guidelines, standards, and time frame for
11 the implementation of the MNP;

12 (b) The specific rights and obligations of subscribers, the
13 donor and recipient providers, and other parties in the number
14 porting process;

15 (c) The coordinated procedure to be followed by each party
16 in processing a porting application, including the specific time
17 limits given to every party to complete the required steps in the
18 entire porting process; and

19 (d) The measures to ensure the least amount of disruption
20 of service to the consumer when implementing MNP.

21 SEC. 11. *Separability Clause*. – If any provision of this Act
22 is held invalid or unconstitutional, the other provisions not affected
23 thereby shall remain in full force and effect.

24 SEC. 12. *Repealing Clause*. – All laws, decrees, executive
25 orders, proclamations, rules and regulations, and issuances, or parts
26 thereof which are inconsistent with the provisions of this Act, are
27 hereby repealed, amended or modified accordingly.

1 SEC. 13. *Effectivity.* – This Act shall take effect fifteen (15)
2 days after its publication in the *Official Gazette* or in any newspaper
3 of general circulation.

Approved,

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