

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



23 APR 17 P2 :43

SENATE

S. No. 2074

RECEIVED BY: _____

Introduced by Senator Jinggoy Ejercito Estrada

AN ACT
AMENDING REPUBLIC ACT NO. 7925, OTHERWISE KNOWN AS THE "PUBLIC TELECOMMUNICATIONS POLICY ACT OF THE PHILIPPINES", BY REQUIRING PUBLIC TELECOMMUNICATIONS ENTITIES AND INTERNET SERVICE PROVIDERS TO INSTITUTE A REFUND MECHANISM FOR SERVICE OUTAGES AND DISRUPTIONS

EXPLANATORY NOTE

Over the years, the use of internet services in the country has greatly increased in various sectors and industries such as manufacturing, services, education and even in the public sector. The dependence on internet in conducting daily activities was accelerated when COVID-19 pandemic struck and the default mode of doing things was online and virtual.

Republic Act No. 7925, otherwise known as the "Public Telecommunications Policy Act of the Philippines" was approved in 1995 to develop and administer the telecommunications industry in the country, giving priority to improving and extending basic services to unserved and underserved areas at affordable rates. The provision of internet connection is governed by this law.

At present, one of the most pressing concerns regarding internet connection is its accessibility. While addressing accessibility primarily refers to the provision of internet connection to all areas in the country, it also concerns the availability of reliable connection at all times. Hence, genuine accessibility can only be achieved if

the connection to internet services is regular, reliable, consistent, uninterrupted and fast that will allow continuity of activities and interconnectivity among different users.

Another aspect of accessibility of internet services is its cost. Unfortunately, the Philippines was identified as one of the countries with the most expensive fixed broadband in Asia in a survey conducted by analysts at British firm, Cable.co.uk in 2020.¹ Related to this, the country's ranking in the 2022 Digital Quality of Life Index (DQLI) by the cybersecurity firm, Surfshark, declined by seven (7) notches compared to its ranking in the previous year. The Philippines ranked 55th out of 117 countries in the world and 14th out of 34 countries in Asia. The criterion that caused the said decline are internet affordability, time to work to afford the cheapest broadband internet, internet quality, electronic infrastructure, and electronic security.

The link among accessibility, quality and cost are essential to the consumers. It is important, therefore, that they receive the service that is worth every cent that they pay.

This measure intends to implement fair charging of internet service to the consumers. It seeks to amend Republic Act No. 7925 to require public telecommunication entities and internet service providers to institute a mechanism that will enable them to automatically refund or adjust the bills of their postpaid and prepaid subscribers whenever there are service outages and disruptions for an aggregate period of at least twenty-four (24) hours in a month. This will ensure that the consumers will not pay for the service that they were not able to avail of.

In view of the foregoing, the swift passage of this measure is highly recommended.


JINGGOY EJERCITO ESTRADA


¹ PH's fixed broadband found to be one of the most expensive in Asia • I!fe • The Philippine Star (philstarlife.com)

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

1 Section 1. *Short Title.* – This Act shall be known as "*Refund for Internet and*
2 *Telecommunications Service Outages and Disruptions Act*".

3 Sec. 2. A new Section 20-A is hereby added to Republic Act No. 7925, otherwise
4 known as the "Public Telecommunications Policy Act of the Philippines", to read as
5 follows:

6 **"SEC. 20-A. REFUNDS FOR INTERNET AND**
7 **TELECOMMUNICATIONS SERVICE OUTAGES AND**
8 **INTERRUPTIONS. – (A) PUBLIC**
9 **TELECOMMUNICATIONS ENTITIES, INCLUDING**
10 **INTERNET SERVICE PROVIDERS (ISPS), SHALL, ON A**
11 **PRO-RATED BASIS, PROVIDE A REFUND CREDIT TO A**
12 **CUSTOMER, OR ADJUST A CUSTOMER'S BILL, WHO**
13 **HAS EXPERIENCED A SERVICE OUTAGE OR**
14 **DISRUPTION FOR AN AGGREGATE PERIOD OF**
15 **TWENTY-FOUR (24) HOURS OR MORE – WITHIN A**

1 **MONTH. THE ISPS AND PUBLIC**
2 **TELECOMMUNICATIONS ENTITIES CONCERNED**
3 **SHALL NOT REQUIRE THE CUSTOMER TO TAKE ANY**
4 **ACTION IN ORDER TO RECEIVE A REFUND CREDIT OR**
5 **BILL ADJUSTMENT UNDER THIS SECTION; (B) THE**
6 **REFUND CREDIT GRANTED UNDER THE**
7 **CIRCUMSTANCES MENTIONED ABOVE SHALL**
8 **LIKewise BE GRANTED TO CUSTOMERS**
9 **SUBSCRIBING TO A SERVICE ON A PREPAID BASIS.”**

10 Sec. 3. *Separability Clause.* – If any provision or part hereof is held
11 invalid or unconstitutional, the remainder of the law or the provision or part
12 not otherwise affected shall remain valid and subsisting.

13 Sec. 4. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or
14 parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

15 Sec. 5. *Effectivity.* – This Act shall take effect fifteen (15) days after its
16 publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,