

[MEMORANDUM CIRCULAR NO. 03-04-2018, May 02, 2018]

GUIDELINES ON ELECTRONIC BILLING (E-BILLING)

Adopted: 06 April 2018

Date Filed: 02 May 2018

WHEREAS, Section 9, Art. XVI (General Provisions) of the 1987 Philippine Constitution provides that "The State shall protect consumers from trade malpractices and from substandard or hazardous products";

WHEREAS, Republic Act No. 7394 otherwise known as the "Consumer Act of the Philippines" was enacted to empower consumers and promote their general welfare with the following objectives - Protection against hazards to health and safety; Protection against deceptive, unfair and unconscionable sales acts and practices; Provision of information and education for sound choice by consumers; Provision of adequate rights and means of redress; and Representation of Consumers in social and economic policy formulation;

WHEREAS, Republic Act No. 7925 otherwise known as "Public Telecommunications Policy Act of the Philippines", outlines the responsibilities of the National Telecommunications Commission which includes, among others, the promotion of consumers welfare by facilitating access to telecommunications services whose infrastructure and network must be geared towards the needs of individual and business user and protection of consumers against misuse of a telecommunications entity's monopoly or quasi-monopolistic powers by, but not limited to, the investigation of complaints and exacting compliance with service standards from such entity;

WHEREAS, Republic Act No. 8792, otherwise known as "Electronic Commerce Act of 2000", the State recognizes the vital role of information and communications technology (ICT) in nation-building; the need to create an information-friendly environment which supports and ensures the availability, diversity and affordability of ICT products and services; the primary responsibility of the private sector in contributing investments and services in telecommunications and information technology; the need to develop, with appropriate training programs and institutional policy changes, human resources for the information technology age, a labor force skilled in the use of ICT and a population capable of operating and utilizing electronic appliances and computers; its obligation to facilitate the transfer and promotion of technology; to ensure network security, connectivity and neutrality of technology for the national benefit; and the need to marshal, organize and deploy national information infrastructures, comprising in both telecommunications network and strategic information services, including their interconnection to the global information networks, with the necessary and appropriate legal, financial, diplomatic and technical framework, systems and

facilities;

WHEREAS, pursuant to Commonwealth Act No. 146 otherwise known as the "Public Service Act", as amended, the National Telecommunications Commission (NTC) is vested with the power to fix just and reasonable standards, classifications, regulations, practices, measurements or services to be furnished, imposed, observed and followed thereafter by any public service;

WHEREAS, NTC Memorandum Circular No. 05-06-2007 provides that a subscriber can only be charged according to the rates, terms and conditions he has agreed to;

WHEREAS, NTC Memorandum Circular No. 05-06-2007 further provides that a subscriber shall be sent notice, which shall be in written form, if practicable, at least thirty (30) days in advance of any intended change that may affect his service agreements or non-term contracts. Notices to post-paid subscribers shall be individual while those for prepaid subscribers may be done through publication in a newspaper of general circulation. No Public Telecommunications Entity (PTE) provider-initiated change may take effect without such prior notice and unless allowed by applicable law, NTC rules and regulations;

WHEREAS, we are in a technology-driven generation moving towards increased reliance on the internet each day. This growth in internet-based transactions has automated almost every aspect of our daily lives. Most people are transacting in electronic form. One such activity is the electronic billing system;

WHEREAS, electronic billing service (e-billing) is the process of delivering bills and invoices in electronic form (e.g. via online portal or website, or sent to the customer through email or push messaging, and/or other electronic forms). It offers a paperless mode of transaction that is environment-friendly and clutter-free for both the receiver and sender of the electronic billing;

NOW, THEREFORE, pursuant to the above mentioned laws, rules and regulations, in order to reinforce consumer protection and promote the interest of consumers/end-users of telecommunication services, the National Telecommunications Commission (NTC) hereby promulgates the following regulatory guidelines on e-billing:

1. PTEs may offer to send bills electronically to their subscribers in accordance with these rules and regulations.

PTEs shall adopt their own rules and procedures on e-billing, subject to publication in a newspaper of general circulation prior to its effectivity and provided it does not contravene the provisions of existing laws, rules and regulations.

PTEs' adopted rules and regulations on e-billing shall become effective upon submission of the same to NTC, provided however, that implementation thereof may be suspended if NTC finds that said procedures are inconsistent with existing laws, rules and regulations

2. All subscribers shall be given the option to receive electronic bills in lieu of paper bills. Upon election to receive electronic bills, the subscriber