

11 February 2020

**SENATOR AQUILINO PIMENTEL III**

Chairperson

Committee on Trade, Commerce, and Entrepreneurship

Senate of the Philippines

GSIS Financial Complex, Roxas Boulevard

Pasay City, Philippines

Dear **Senator Pimentel**:

We are pleased to submit the Department's position on Senate Bill No. 170, entitled:

**An Act Promoting Consumer Protection and Fostering Competition in the Telecommunications Industry by Mandating the Unlocking of Mobile Wireless Devices**

This is without prejudice to the Department's submission of additional inputs.

With my best regards.

Very truly yours,



  
**RAMON M. LOPEZ**  
Secretary

**OFFICE OF THE SECRETARY**

DTI Position on

**Senate Bill No. 170**

**An Act Promoting Consumer Protection and Fostering Competition in the Telecommunications Industry by Mandating the Unlocking of Mobile Wireless Devices**

The Department recognizes the objective of the proposed bill in mandating the unlocking of mobile wireless devices to foster a more dynamic telecommunications marketplace by promoting consumer choice and fair wireless business competition.

The passage of the bill would enable consumers to have greater freedom and flexibility to change telecommunication companies (telcos) service providers without voiding the warranty of the mobile device.

The DTI notes that Memorandum Circular (MC) No. 01-05-2019<sup>1</sup> of the National Telecommunications Commission (NTC) already mandates telcos to unlock mobile devices or provide the necessary information to unlock devices upon request of the consumer, subject to rules and regulations.<sup>2</sup> However, we also acknowledge that making the current policy a law would give it more teeth and allow for more definite sanctions against telcos that fail to comply.

While imposing a lock-in period for both subsidized and unsubsidized mobile devices does not preclude consumers from practicing their right to information and choice among various products/services, the DTI maintains that compliance of businesses to regulations should be strengthened to empower consumers.

While the DTI vows to continuously uphold its two-pronged thrust of enabling businesses and empowering consumers, we defer to the National Telecommunications Commission (NTC) given their knowledge and expertise on the matter.

*Rafael Tinchoy*

**Bureau of Trade and Industrial Policy Research**

**11 February 2020**

Ref: BTIPR-122019-225

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<sup>1</sup> Rules and Regulations on Unlocking of Mobile Phones and Devices

<sup>2</sup> Rules differ for postpaid and prepaid subscribers.