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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

September 7, 2017

CUSTOMS MEMORANDUM CIRCULAR
NO. 140-2017

To: All Customs Officials & Employees

Subject: RA 10929/Free Internet Access in Public Places

Attached is the letter dated August 14, 2017 of Atty. Cesar Strait Pareja, Secretary General, House of Representatives endorsing a copy of Republic Act No. 10929 entitled: "AN ACT ESTABLISHING THE FREE INTERNET ACCESS PROGRAM IN PUBLIC PLACES IN THE COUNTRY AND APPROPRIATING FUNDS THEREFOR."

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.

ISIDRO S. LAPEÑA, PhD, CSEE
Commissioner



SEP 18 2017

Republic of the Philippines

Congress of the Philippines

Metro Manila

Seventeenth Congress

First Regular Session

Begun and held in Metro Manila, on Monday, the twenty-fifth
day of July, two thousand sixteen.

[REPUBLIC ACT NO. 10929]

AN ACT ESTABLISHING THE FREE INTERNET ACCESS
PROGRAM IN PUBLIC PLACES IN THE COUNTRY
AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Short Title.* - This Act shall be known as
the "Free Internet Access in Public Places Act".

SEC. 2. *Declaration of Policy.* - The State hereby
recognizes the vital role of information and communications
technology in nation-building, and declares its policy to
promote an environment for the development of structures
that would ensure the availability and accessibility to
reliable and secure internet access suitable to the needs
and aspirations of the nation.

S. No. 1277
H. No. 5225

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Republic of the Philippines
Congress of the Philippines
Metro Manila

Seventeenth Congress

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[REPUBLIC ACT NO. 10929]

AN ACT ESTABLISHING THE FREE INTERNET ACCESS PROGRAM IN PUBLIC PLACES IN THE COUNTRY AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Short Title.* - This Act shall be known as the "Free Internet Access in Public Places Act".

SEC. 2. *Declaration of Policy.* - The State hereby recognizes the vital role of information and communications technology in nation-building, and declares its policy to promote an environment for the development of structures that would ensure the availability and accessibility to reliable and secure internet access suitable to the needs and aspirations of the nation.

Towards this end, the State shall establish a program that will provide free access to internet service in public places throughout the country, to promote knowledge-building among citizens and enable them to participate and compete in the evolving information and communication age.

SEC. 3. *Free Public Internet Access Program.* – There is hereby created a Free Public Internet Access Program, hereinafter referred to as the Program.

Under the Program:

(a) No fees shall be collected from users to connect to the public internet access points;

(b) The free internet service provided shall be separate from the internet service used for backend computer systems and programs, databases, and/or management and information systems in government offices: *Provided*, That the shared use of infrastructure shall not be prohibited; and

(c) Technical solutions that may limit or restrict access shall only be employed when there is clear and present technical risk or breach that cannot be remedied through ordinary technical solutions: *Provided*, That technical solutions that can likewise maintain or promote ease of access shall be prioritized and pursued.

SEC. 4. *Coverage of the Program.* – Public places to be covered by this Act shall include the following:

- (a) National and local government offices;
- (b) Public basic education institutions;
- (c) State universities and colleges, and Technical Education and Skills Development Authority (TESDA) technology institutions;

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SEC. 21. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or other issuances or parts inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 22. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any two (2) newspapers of general circulation.

Approved,


PANTALEON D. ALVAREZ
Speaker of the House of Representatives


AQUILINO "KOKO" PIMENTEL III
President of the Senate

This Act which is a consolidation of Senate Bill No. 1277 and House Bill No. 5225 was finally passed by the Senate and the House of Representatives on May 24, 2017 and May 23, 2017, respectively.


CESAR STRAIT PAREJA
Secretary General
House of Representatives


LUTGARDO B. BARBO
Secretary of the Senate

Approved: **AUG 02 2017**


RODRIGO ROA DUTERTE
President of the Philippines



SEC. 16. *Annual Report.* – The DICT, in coordination with other relevant NGAs and LGUs, shall prepare an annual report on the status of the implementation of the Program, and recommend necessary policies for the effective implementation of this Act.

This report shall be submitted to the President of the Philippines, the Senate President, the House Speaker, and the Chairpersons of the Committee on Science and Technology of the Senate of the Philippines, and the Committee on Information and Communications Technology of the House of Representatives.

SEC. 17. *Free Public Internet Access Fund.* – There is hereby created a Free Public Internet Access Fund (FPIAF) under the management of the DICT to provide financing for the implementation of the Program. The FPIAF shall be funded out of the Spectrum Users Fees collected by the NTC and other sources to be identified by the Department of Budget and Management.

SEC. 18. *Appropriations.* – The amount necessary for the immediate and effective implementation of this Act shall be charged against any available funds of the DICT, the NTC, and the National Privacy Commission. Thereafter, such sums as may be necessary for the implementation of this Act shall be sourced from the FPIAF.

Any deficiency in the budgetary requirements for the implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 19. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of this Act, the DICT, in coordination with relevant agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 20. *Separability Clause.* – Should any provision herein be declared unconstitutional, the same shall not affect the validity of the other provisions of this Act.

(d) Public hospitals, health centers, and rural health units;

(e) Public parks, plazas, libraries, and barangay reading centers;

(f) Public airports, and seaports; and

(g) Public transport terminals.

At the minimum, the Program shall be made available in areas within the foregoing public places where maximum use and access to the benefits shall be ensured such as, but not limited to, computer laboratories and libraries in public basic education institutions and state universities and colleges, main lobbies and hallways of public buildings or transport terminals, and at main assembly points in public parks, hospitals, and health centers. Appropriate signage shall be placed in conspicuous areas of sites with access to the free internet service provided by the Program.

The Department of Information and Communications Technology (DICT) shall be authorized to set standards and qualifications in determining which public places shall be included and prioritized for the rollout of the Program.

SEC. 5. *Lead Implementing Agency.* – The DICT shall be the lead implementing agency that will oversee the effective and efficient implementation of this Act.

For purposes of administering the provisions of this Act, the DICT shall:

(a) Within one (1) year from the effectivity of this Act, develop a comprehensive plan for the timely and effective implementation and propagation of the Program;

(b) Coordinate with national government agencies (NGAs), local government units (LGUs), private sector, and concerned organizations to ensure that the comprehensive

plan is integrated with the plans and budgets of all agencies mandated to provide free internet access under this Act;

(c) Prescribe policies and regulations, and coordinate the timely and effective implementation of this Act;

(d) Enter into contracts to undertake the implementation of this Act subject to existing laws and regulations;

(e) Arrange funding for the Program from any source, whether private, government, foreign, or domestic, including official development assistance and bilateral and multilateral loans, subject to existing laws and regulations;

(f) Ensure that the minimum internet speed per user is two megabits per second (2 Mbps) or as prescribed by the National Broadband Plan, whichever is higher;

(g) Undertake the creation, establishment, installation, maintenance, and operation of infrastructure, equipment, systems, platforms, applications, and such other Program requirements necessary to effectively provide free internet access in public places throughout the country;

(h) Train its personnel, and institute accounting and fiscal practices for the operation of the Program, including in instances where the operation of the Program is outsourced to a qualified private party; and

(i) Prescribe regulations or subscribe to acceptable standards in the installation, construction, maintenance, and operation of infrastructure and equipment.

Provided, however, That nothing in this Act shall prohibit the DICT from providing internet connectivity by installing equipment and establishing infrastructure.

SEC. 6. Public-Private Participation. – To promote an efficient and cost-effective delivery of the free internet

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of government-owned or -controlled properties for the construction of infrastructure and installation of equipment necessary for the immediate and effective implementation of the Program: *Provided,* That the fees to be collected should be just and reasonably sufficient to cover the costs of supervision and regulation. The revenue collected from local fees, charges, and other local impositions shall inure solely to the benefit of, and be subject to, disposition by the LGUs.

The DICT shall coordinate with the concerned NGAs and LGUs, and conduct the necessary consultations with civil society organizations and other stakeholder groups in the development of the implementing rules and policies for the permitting and certification process.

Failure on the part of the issuing agency to release the applied license without informing the applicant business entity of the errors, omissions, or additional documents required shall mean automatic approval of the license or permit applied for within seven (7) days after submission of the applicant business entity of the complete requirements and payment of the corresponding fees: *Provided, however,* That in case where the cause of delay is due to *force majeure* or natural or man-made disaster which may result to damage or destruction of documents, the prescribed processing time shall be suspended and appropriate adjustments shall be made.

No additional steps, permits, certificates, or fees shall be required from any applicant other than the requirements stipulated by the DICT.

Initial issuances and agreements necessary to facilitate the implementation of the streamlined process shall be issued or released within three (3) months from the effectivity of this Act.

The DILG shall be responsible for monitoring the compliance of concerned LGUs with the requirements of the Program.

and regulations of Republic Act No. 7160, otherwise known as the "Local Government Code of 1991".

SEC. 14. *Role of National Government Agencies and Local Government Units.* - For the purposes of this Act, the concerned NGAs and LGUs shall:

(a) Coordinate with the DICT and the Department of the Interior and Local Government (DILG) in the streamlining of the application, renewal, and approval of permits and certificates, and the regulation, standardization, and implementation of fees pertinent to the effective implementation of the Program;

(b) Facilitate the access of telecommunications companies in government or government-owned or -controlled properties and facilities for the deployment and temporary storage of equipment and property needed to construct infrastructure or install equipment necessary for the implementation of this Act;

(c) Align or enroll their respective programs providing free access to internet service with that provided in this Act;

(d) Ensure the security of installed equipment; and

(e) Assign a designated personnel who can act as site coordinator as needed.

SEC. 15. *Permitting and Certification.* - The DICT shall streamline the process for the application, renewal and release of permits, licenses, and clearances needed for the construction of infrastructure or installation of equipment in coordination with concerned national and local government agencies, instrumentalities, and departments for the effective implementation of this Act.

The DICT shall also standardize and regulate fees for the facilitation of permits, certificates, and the rental rates

access for public places, the DICT may partner with the private sector in the implementation of the Program.

The excess capacity of private sector partners may be offered to deliver supplemental internet access service for a reasonable fee to the users in the areas where Program facilities are located: *Provided*, That said individuals or entities register to the National Telecommunications Commission (NTC) as value-added service providers.

In order to lower costs, increase and improve the free internet access for public places, private service providers are encouraged to exchange data traffic at domestic internet protocol (IP) exchanges, which may be designated by the DICT.

Internet service providers (ISPs) shall be allowed to acquire and utilize internet connectivity directly from satellites and other emerging technologies to ensure universal coverage, which when used to provide internet connectivity shall be considered value-added services.

SEC. 7. *Exclusivity Arrangements.* - Any unfair methods of competition and exclusivity arrangements in favor of a single telecommunications entity shall be prohibited to promote the free and unrestricted access to public places covered under this Act for the purpose of installation and operation of broadband facilities. The DICT, in coordination with the Philippine Competition Commission (PCC), shall issue the appropriate rules and guidelines to enforce this provision. Any violation of said prohibition shall subject the concerned government officials and employees to administrative penalties under existing civil service laws, rules and regulations.

SEC. 8. *Use of Available or Unassigned Spectrum.* - The DICT, in coordination with the NTC, shall be assigned such frequencies as it shall require for the Program: *Provided*, That this shall not cause interference to other

private operators of the Program, or hinder the development of, the broadcast, telecommunications, internet service, or value-added services authorized by or registered with the NTC.

The use of available or unassigned spectrum may be granted to other agencies and private entities subject to transparent, fair, reasonable, and nondiscriminatory terms and conditions as specified in the guidelines jointly issued by the DICT, the NTC, and the PCC after public stakeholder consultations.

Within one (1) year from the effectivity of this Act, the DICT, in consultation with the NTC and the PCC, shall issue the guiding principles and policy direction for the open and shared use of spectrum, especially for the implementation of the Program.

SEC. 9. Data Collection and Monitoring. – Within one (1) year from the effectivity of this Act, the NTC shall issue rules on minimum standards for quality of service, including, but not limited to, download speed, latency, packet loss, and jitter for public free internet service. The minimum quality of service standards for the Program shall not be lower than the minimum quality of service standards provided for retail basic internet connectivity services offered to the public.

The DICT shall periodically collect, update, and publish such information on the cost, performance, service quality, and compliance with the minimum standards on free public internet access points set by the NTC.

The DICT shall impose penalties upon ISPs that do not comply with the minimum standards set by the NTC, and the agreed quality of service as specified in their contract with the DICT.

The government shall respect the privacy of persons who use the Program. In no case shall the administrator

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or manager of the said Program engage in the collection, use, or disclosure of user data, including the collection of anonymous traffic data, in accordance with the provisions of Republic Act No. 10173, otherwise known as the "Data Privacy Act of 2012".

SEC. 10. Prohibition on Access to Pornography. – Access to pornographic websites shall be prohibited under the Program.

SEC. 11. Protection of Children. – The DICT, in coordination with the Inter-Agency Council Against Child Pornography, and in consultation with telecommunications companies and civil society organizations, shall develop standards and mechanisms for the protection of children online, consistent with existing laws on the rights and protection of the welfare of children.

SEC. 12. Public Safety Warning. – The DICT and the telecommunications companies shall ensure that facilities, such as relay stations, repeaters, boosters, and telecommunication towers shall, where warranted, bear appropriate warning signage when close and constant contact with such facilities may be harmful or hazardous.

SEC. 13. Private Property Ownership. – The right to private property shall be respected in the implementation of the Program. In case the construction of any infrastructure or installation of equipment should involve or affect privately owned land or property, the DICT shall ensure that the necessary public consultations are held with affected or concerned parties, such as homeowners and homeowners associations, nongovernment organizations and people's organizations, and LGUs, before the Program is implemented in their respective jurisdiction. Such public consultations shall conform to the manner as stated in Republic Act No. 9904, otherwise known as the "Magna Carta for Homeowners and Homeowners' Associations", and as specified in Rule XI, Article 54 of the implementing rules