



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF INFORMATION AND
COMMUNICATIONS TECHNOLOGY

MEMORANDUM ORDER

NO. 004

Series of 2018

**Subject: MANDATORY UNLOCKING OF MOBILE PHONES AND
DEVICES AFTER LOCK-IN PERIOD AND COMPLIANCE
WITH TERMS AND CONDITIONS CONTAINED IN
SUBSCRIPTION AGREEMENTS**

WHEREAS, Sec. 2(n) and Sec. 15(b) of Republic Act (RA) No. 10844, known as the
"Department of Information and Communications Technology Act of 2015" provides:

Sec. 2. Declaration of Policy. – It is hereby declared the policy of the State:

xxx

(n) To provide oversight over agencies governing and regulating the ICT
sector and ensure consumer protection and welfare, data privacy and
security, foster competition and the growth of the ICT sector.

xxx

Sec. 15. Transfer of Agencies and Personnel. –

(b) The following agencies are hereby attached, to the Department for policy
and program coordination, and shall continue to operate and function in
accordance with the charters, laws or orders creating them, insofar as they
are not inconsistent with this Act:

(1) National Telecommunications Commission;

xxx"

WHEREAS, RA 7925 Sec. 5(e & f) and Sec. 20(a) provides:

"Sec. 5. Responsibilities of the National Telecommunications Commission. -

xxx

(e) Promote consumers welfare by facilitating access to telecommunications
services whose infrastructure and network must be geared towards the
needs of individual and business users;

xxx

Section 20. Rights of End-Users. - The user of telecommunications service
shall have the following basic rights:

(a) Entitlement of utility service which is non-discriminatory, reliable and conforming with minimum standards set by the Commission;

xxx.”

WHEREAS, mobile phones and device locks are meant to ensure that devices can only be used on the networks of specific service providers;

WHEREAS, Public Telecommunications Entities (PTEs) with wireless or mobile services offer their subscribers mobile phones and devices, free-of-charge or at subsidized cost, in exchange for a fixed lock-in period;

WHEREAS, mobile phone and device users, after having complied with the terms and conditions of the subscription agreement within the agreed lock-in period, should have the option of changing between compatible wireless service providers giving the consumer greater freedom and flexibility while increasing incentives for service providers to innovate;

NOW, THEREFORE, pursuant to RA 10844, RA 7925, Executive Order No. 546 series of 1979, the Department issues this Memorandum Order to govern the issuance by the NTC of the appropriate rules and regulations, i.e. a Memorandum Circular, in order to effect the Policy contained in this Order.

Section 1. Policy Declaration. Mobile phone and device users or subscribers, after having complied with the terms and conditions of their subscription agreements within the contracted lock-in periods should have the option of changing between compatible wireless service providers to provide the user or subscriber greater freedom and flexibility;

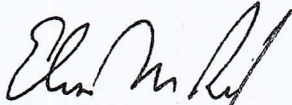
Section 2. Mandatory Unlocking. PTEs and/or wireless service providers who offer their subscribers mobile phones and devices, free-of-charge or at subsidized cost, in exchange for an agreed fixed lock-in period should provide their subscribers convenient sites, facilities and processes to unlock the mobile phone or devices of subscribers who wish to change between compatible wireless service providers provided said subscribers have completed such lock-in periods and have no outstanding obligations on their subscription contracts;

Section 3. Issuance of a Memorandum Circular. The NTC is hereby directed to draft the appropriate rules and regulations, i.e. Memorandum Circulars, in coordination with the DICT and in observance of the requisites of rule-making, i.e. publication, public consultation and hearings, for the attainment of the provisions of this Memorandum Order.

Section 4. Saving and Separability Clause. If any provision of this Memorandum Order is declared invalid, the other provisions not affected thereby shall remain valid and subsisting.

Section 5. Effectivity Clause. This Order shall take effect immediately.

DONE, in Quezon City, this 14th day of December, in the year Two Thousand and Eighteen.



ELISEO M. RIO, JR.
Acting Secretary

