



NTC-DICT-DTI JOINT MEMORANDUM CIRCULAR  
No. 05-12-2017

**SUBJECT:    PRESCRIBING A ONE (1) YEAR EXPIRATION PERIOD  
                  FOR PREPAID LOADS**

*WHEREAS*, the 1987 Constitution recognizes the vital role of communication and information in nation-building;

*WHEREAS*, pursuant to Republic Act No. 7925, or otherwise known as the *Public Telecommunications Policy Act of the Philippines*, the National Telecommunications Commission (NTC) is the agency mandated to promote consumer welfare by facilitating access to telecommunications services whose infrastructure and network must be geared towards the needs of individual and business users;

*WHEREAS*, RA 7925 further states that a healthy competitive environment shall be fostered, one in which telecommunications carriers are free to make business decisions and interact with one another in providing telecommunications services, with the end in view of encouraging their financial viability while maintaining affordable rates”;

*WHEREAS*, pursuant to Republic Act No. 10884, otherwise known as the *Department of Information and Communications Technology Act of 2015*, the Department of Information and Communications Technology (DICT) is the agency mandated to formulate, recommend and implement national policies, plans, programs and guidelines that will promote the development and use of Information and Communications Technology with due consideration to the advantages of convergence and emerging technologies;

*WHEREAS*, pursuant to Republic Act No. 7394, otherwise known as the Consumer Act of the Philippines, the Department of Trade and Industry (DTI) is the agency mandated to protect the consumers against deceptive, unfair and unconscionable sales acts or practices and from misleading advertisements and fraudulent sales promotions, other than those falling under the jurisdiction of the Department of Health;

*WHEREAS*, pursuant to its mandate, NTC issued Memorandum Circular No. 03-07-2009 or otherwise known as the *Guidelines on Prepaid Loads* which provides for the expiration periods of prepaid loads depending on the amount of the loads;

*WHEREAS*, there is a need to amend Memorandum Circular No. 03-07-2009 because based on analysis conducted in 2009 when the number of subscribers was 75.57 million, the carrying cost per prepaid subscriber was around PHP3.00 per day;

*WHEREAS*, more than 90% of the costs of the networks are fixed, the carrying cost per subscriber decreases as the number of subscribers increases;

*WHEREAS*, as of end December 2016 there were around 130 million cellphone subscribers;

**NOW, THEREFORE**, pursuant to existing laws, and to afford subscribers more time to use their loads, the NTC, DICT and DTI hereby promulgate the following regulatory guidelines:

**SECTION 1. Definition of Terms.** For the purposes of this Regulation, the following terms shall be defined as follows: