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REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



Senate  
Office of the Secretary

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SENATE

S.B. No. 358

RECEIVED BY: 

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Introduced by Senator Loren Legarda

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#### EXPLANATORY NOTE

Section 24, Article II of the 1987 Philippine Constitution stipulates that the State "recognizes the vital role of communications and information in nation-building." The implementation of this State policy lies in the hands of the Department of Transportation and Communications, which was created under the Administrative Code of 1987.

Considering that both transportation and communication diverge in different aspects, it is incumbent that a single department should focus on each in order to cater to their respective needs.

With this legislative measure, a Department of Information and Communications is created. This new agency will be tasked to plan, strategize, coordinate, implement and develop Information and Communication Technology systems and further enhance communication services, thus providing the ICT sector with more attention and more prioritization.

In view of the foregoing, immediate passage of the bill is earnestly sought.



LOREN LEGARDA  
Senator



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AN ACT  
CREATING THE DEPARTMENT OF INFORMATION AND  
COMMUNICATIONS TECHNOLOGY, DEFINING ITS POWERS AND  
FUNCTIONS, APPROPRIATING FUNDS THEREFORE, AND FOR OTHER  
PURPOSES

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

1       **SECTION 1. Title.** This Act shall be known as the "Department of  
2 **Information and Communications Technology Act of 2013."**

- 3
- 4       **SEC. 2. Declaration of Policy.** It is hereby declared the policy of the State:
- 5       a. To ensure the provision of a strategic, reliable, cost-efficient and citizen-  
6       centric information and communications technology (ICT) infrastructure,  
7       systems and resources as instruments of nation-building and global  
8       competitiveness;
  - 9       b. To foster a policy environment that will promote a broader market-led  
10      development of the ICT and ICT-enabled services sectors, a level playing  
11      field, partnership between the public and the private sectors, strategic alliance  
12      with foreign investors and balanced investments between high-growth and  
13      economically depressed areas;
  - 14      c. To foster and accelerate the convergence of ICT facilities;
  - 15      d. To ensure universal access and high-speed connectivity at fair and reasonable  
16      costs;
  - 17      e. To ensure the availability and accessibility of information and  
18      communications services in areas not adequately served by the private sector;
  - 19      f. To promote the widespread use and development of emerging ICT;
  - 20      g. To promote and assist the development of local ICT content, applications and  
21      services;

- 1 services;
- 2 h. To establish a strong and effective regulatory system that will ensure  
3 consumer protection and welfare, and foster a healthy competitive  
4 environment;
- 5 i. To promote the development of ICT expertise in the country's human capital  
6 to enable Filipinos to compete in the fast-evolving information and  
7 communications age;
- 8 j. To ensure the growth of the ICT and ICT-enabled services sectors;
- 9 k. To preserve the rights of individuals to privacy and confidentiality of their  
10 personal information;
- 11 l. To encourage the use of ICT for the development and promotion of the  
12 country's arts and culture, history, education, public health and safety, and  
13 other socio- civic purposes;
- 14 m. To sustain the development of the national postal system as an integral  
15 component of the overall development ICT in the country;
- 16 n. To ensure the security of ICT infrastructures and assets of individuals and  
17 businesses stored therein; and
- 18 o. To empower, using ICT, the disadvantaged segments of the population,  
19 including persons with disabilities, such as the physically, emotionally or  
20 mentally challenged.

21

22 **SEC. 3. *Definition of Terms.*** As used in this Act, the following terms are  
23 defined as follows:

- 24
- 25 a. "Information and Communications Technology" or "ICT" shall mean the  
26 totality of electronic means to collect, store, process and present information  
27 to end-users in support of their activities and services. It consists of computer  
28 systems, office systems and consumer electronics. as well as networked  
29 information infrastructure, the components of which include telephone, cable.  
30 wireless and satellite systems, the Internet, fax machines and computers;
- 31 b. "Electronic Government" or "E-Government" shall mean the application of  
32 ICT in government processes to bring about efficient, responsive, ethical,  
33 accountable and transparent government service;
- 34 c. "ICT Sector" shall mean telecommunications operators, ICT equipment  
35 manufacturers, ICT solution providers, Internet service providers, ICT

- 1 training institutions, software developers and ICT-enabled service providers;
- 2 d. "ICT-Enabled Services Sector" shall mean offshoring and outsourcing service
- 3 providers, including call centers, back office processing, software
- 4 development, medical or legal transcription, animation, game development,
- 5 engineering or architectural design, and other services that require the
- 6 intrinsic use of a networked information infrastructure;
- 7 e. "Chief Information Officer" or "CIO" shall mean the title given to the board
- 8 level head of ICT in an organization responsible for the development and
- 9 maintenance of the organization's ICT systems and applications.

10

11 **SEC. 4. *Creation of the Department of Information and Communications***

12 ***Technology.*** There is hereby created the Department of Information and

13 Communications Technology, hereinafter referred to as the Department, which shall

14 carry out the above-declared policy and assume the communications-related powers

15 and functions of the Department of Transportation and Communications (DOTC).

16

17 **SEC. 5. *Mandate.*** The Department shall be the primary policy, planning,

18 coordinating, implementing, regulating and administrative entity of the executive

19 branch of the Government that will plan, promote and help develop the country's

20 ICT sector.

21

22 **SEC. 6. *Powers and Functions.*** The Department shall exercise the following

23 powers and functions:

- 24
- 25 a. Formulate, recommend and implement national policies, plans, programs
- 26 and guidelines for the ICT and ICT-enabled services sectors that will promote
- 27 wider use and development of ICT and provide increased and convenient
- 28 access by the citizens to the same;
- 29 b. Initiate, harmonize and coordinate all ICT plans and initiatives of
- 30 government agencies to ensure overall consistency and harmony with e-
- 31 government objectives in particular, and national objectives in general;
- 32 c. Represent and negotiate for Philippine interest on matters pertaining to ICT
- 33 in international bodies;
- 34 d. Develop and maintain national ICT development plans and establish and
- 35 administer comprehensive and integrated programs for ICT with due

1 consideration to advances on convergence and other emerging technologies;  
2 and for this purpose, may invite any agency, corporation or organization,  
3 whether public or private, whose development programs in ICT are an  
4 integral part thereof, to participate and assist in the preparation and  
5 implementation of such programs;

6 e. Promote knowledge, information and resource sharing, database building  
7 and agency networking linkages among various government agencies;

8 f. Ensure the development and protection of an integrated government  
9 information and communications infrastructure and coordinate all relevant  
10 government entities, taking into consideration the inventory of existing  
11 manpower, plans, programs, proposals, software and hardware, and the  
12 installed systems and programs;

13 g. Provide an integrated framework in order to optimize all government ICT  
14 resources and networks and the identification and prioritization of all e-  
15 government systems and applications as provided for in the Government  
16 Information Systems Plan (GISP) and the Medium Term Philippine  
17 Development Plan (MTPDP);

18 h. Coordinate and support the generation and acquisition of necessary resources  
19 as may be appropriate for the development, marketing, growth and  
20 competitiveness of the Philippine ICT and ICT-enabled services sectors;

21 i. Develop, implement and improve, in coordination with concerned  
22 government agencies and industry associations, the government's ICT  
23 capabilities and determine the personnel qualifications and other standards  
24 essential to the effective development and operation of government  
25 information and communications infrastructure;

26 j. Encourage and establish guidelines for the use of public-private partnerships  
27 in the implementation of ICT projects for government agencies in order to  
28 fast-track said projects and provide reasonable return-on-investment for the  
29 private sector, including but not limited to Build-Operate-Transfer (BOT)  
30 mechanisms;

31 k. Assess, review and support ICT research and development programs of the  
32 government in coordination with the Department of Science and Technology  
33 and other institutions concerned;

34 l. Establish and prescribe rules and regulations for the establishment, operation  
35 and maintenance ICT infrastructure in unserved and underserved areas, in

- 1 consultation with the private sector, local government units (LGUs) and the  
2 academe;
- 3 m. Provide policy-direction and guidance in ICT-related aspects for the  
4 operation and maintenance of a nationwide postal system that shall include  
5 mail processing, delivery services, and money remittance and payment  
6 services;
- 7 n. Assist and provide technical expertise in the development of guidelines to the  
8 Intellectual Property Office (IPO) in the enforcement and administration of  
9 laws, standards, rules, and regulations governing ICT;
- 10 o. In coordination with concerned agencies, the private sector and relevant  
11 international bodies, ensure consumer protection and welfare, and protect the  
12 rights of consumer and business users to privacy, security and confidentiality;
- 13 p. Harmonize, synchronize and coordinate with appropriate agencies all ICT  
14 and e-commerce policies, plans and programs;
- 15 q. Coordinate with the Department of Trade and Industry in the promotion of  
16 trade and investment opportunities and protection of investor interests in the  
17 ICT and ICT-enabled services sectors;
- 18 r. In coordination with concerned agencies, promote strategic partnership and  
19 alliances among and between local and international ICT firms and  
20 institutions, research and development, educational and training institutions,  
21 and technology providers, developers and manufacturers to speed up  
22 industry growth and enhance global competitiveness;
- 23 s. In coordination with concerned agencies, plan and implement such activities  
24 as may be appropriate to enhance the competitiveness of Philippine workers,  
25 firms, and small and medium enterprises in the global markets for ICT and  
26 ICT-enabled services;
- 27 t. In coordination with concerned agencies, establish and recommend the  
28 adoption of qualification standards and enhance the career opportunities of  
29 ICT workers in government;
- 30 u. In coordination with the Department of Education, Commission on Higher  
31 Education and Technical Education and Skills Development Authority,  
32 formulate policies and initiatives to promote ICT and ICT-enabled services  
33 education and the development, promotion and application of ICT in  
34 education in a manner that is consistent with the national goals and  
35 objectives, and responsive to the human resource needs of the ICT and ICT-

1 enabled services sectors;

2 v. Facilitate the creation of the Chief Information Officer (CIO) Council, which  
3 shall consist of CIOs of national government agencies (NGAs) with at least  
4 the rank of Assistant Secretary, with the Secretary serving as the Chairman, to  
5 assist the Department in implementing e-government initiatives;

6 w. Administer the E-Government Fund as specified in Section 15 and, in  
7 coordination with the Department of Budget and Management, establish  
8 guidelines for the disbursement and management of the E-Government Fund,  
9 including the monitoring and evaluation system of projects funded under the  
10 said fund.

11  
12 **SEC. 7. *Composition.*** The Department of Information and Communications  
13 Technology shall be headed by a Secretary. The Department proper shall be  
14 composed of the Office of the Secretary, the offices of the Undersecretaries and the  
15 Assistant Secretaries.

16  
17 **SEC. 8. *Secretary of Information and Communications Technology.*** The  
18 Secretary shall be appointed by the President, subject to confirmation by the  
19 Commission on Appointments.

20  
21 The Secretary shall have the following functions:

22  
23 a. Provide executive direction and supervision over the entire operations of the  
24 Department and its attached agencies;

25 b. Establish policies and standards for the effective, efficient and economical  
26 operation of the Department, in accordance with the programs of  
27 Government;

28 c. Rationalize delivery systems necessary for the effective attainment of the  
29 objectives of the Department, in accordance with the programs of  
30 Government;

31 d. Review and approve request for financial and manpower resources of all  
32 operating offices of the Department;

33 e. Designate and appoint officers and employees of the Department, excluding  
34 the Undersecretaries, Assistant Secretaries, and Regional and Assistant  
35 Regional Directors, in accordance with the Civil Service laws, rules and

1 regulations;

- 2 f. Coordinate with LGUs, other agencies and public and private interests  
3 groups, including non-government organizations (NGOs) and people's  
4 organizations (POs) on Department policies and initiatives;
- 5 g. Advise the President on the promulgation of executive and administrative  
6 orders and regulatory and legislative proposals on matters pertaining to ICT  
7 development;
- 8 h. Serve as a member of the Government Procurement Policy Board as  
9 established by Republic Act No. 9184;
- 10 i. Serve as the Chairman of the Board of the Philippine Postal Corporation in  
11 accordance with Republic Act No. 7354 and the Corporation Law;
- 12 j. Formulate such rules and regulations and exercise such other powers as may  
13 be required to implement the objectives of this Act;
- 14 k. Perform such other tasks as may be provided by Law or assigned by the  
15 President from time to time.

16  
17 **SEC. 9. *Undersecretaries.*** The Secretary shall be assisted by three (3)  
18 Undersecretaries, who shall be appointed by the President upon the  
19 recommendation of the Secretary; *Provided* that one (1) of the Undersecretaries shall  
20 be a career officer coming from ranks of existing government information and  
21 communications agencies and offices or qualified ICT professionals in the private  
22 sector.

23  
24 **SEC. 10. *Assistant Secretaries.*** The Secretary shall be assisted by three (3)  
25 Assistant Secretaries who shall be career officers appointed by the President upon  
26 the recommendation of the Secretary.

27  
28 **SEC. 11. *Qualifications.*** No person shall be appointed Secretary,  
29 Undersecretary or Assistant Secretary of the Department unless he is a citizen and  
30 resident of the Philippines, of good moral character, and of proven integrity.

31  
32 **SEC. 12. *Regional Offices.*** The Department shall be authorized to establish,  
33 operate, and maintain a Regional Office in each of the administrative regions of the  
34 country as the need arises. The regional office shall be headed by a Regional  
35 Director, who may be assisted by one (1) Assistant Regional Director. The Regional



1 Offices shall have, within their respective administrative regions, the following  
2 functions:

- 3
- 4 a. Implement laws, policies, plans, programs, projects, rules and regulations of  
5 the Department;
- 6 b. Provide efficient and effective service to the people;
- 7 c. Coordinate with regional offices of other departments, offices, and agencies;
- 8 d. Coordinate with LGUs;
- 9 e. Perform such other functions as may be provided by law or assigned by the  
10 Secretary.

11  
12 **SEC. 13. *Transfer of Agencies and Personnel.***

- 13
- 14 a. The following agencies are hereby abolished, and their powers and functions,  
15 applicable funds and appropriations, records, equipment, property, and  
16 personnel transferred to the Department:

- 17 1. All operating units currently existing in the Commission on Information  
18 and Communications Technology (CICT);
- 19 2. National Computer Center (NCC);
- 20 3. Telecommunications Office (TELOF);
- 21 4. All operating units of the Department of Transportation and  
22 Communications (DOTC) with functions and responsibilities dealing with  
23 communications.

24 All offices, services, divisions, units and personnel not otherwise covered  
25 by this Act for transfer to the Department shall be retained under the DOTC,  
26 which is hereby renamed the Department of Transportation.

- 27
- 28 b. The following agencies are hereby attached to the Department for policy and  
29 program coordination, and shall continue to operate and function in  
30 accordance with the charters, laws or orders creating them, insofar as they are  
31 not inconsistent with this Act:

- 32 1. National Telecommunications Commission;
- 33 2. Philippine Postal Corporation.

- 34
- 35 c. The laws and rules on government reorganization as provided for in Republic

1 Act No. 6656, otherwise known as the Reorganization Law, shall govern the  
2 reorganization process of the Department.

3  
4 **SEC. 14. *Postal Regulatory Authority.*** The exclusive power and authority to  
5 regulate the postal delivery services industry, as provided for under Presidential  
6 Decree No. 240 and Republic Act No. 7354, is hereby transferred to the Department.

7 **SEC. 15. *E-Government Fund.*** There shall be an E-Government Fund to be  
8 administered by the Department, which is a Special Account in the General Fund,  
9 created specifically to fund cross-agency and citizen-centric government ICT  
10 projects. The Fund shall be used to support and co-finance projects that enable the  
11 government to expand its ability to conduct activities electronically and provide  
12 frontline services through the development and implementation of innovative uses  
13 of the Internet or other emerging technologies. However, internal IT systems meant  
14 to support the agencies' IT operations shall be charged against the agencies' own  
15 budgetary allocation.

16  
17 **SEC. 16. *Implementation of the RPWeb.*** In consonance with the objectives of  
18 Administrative Order No. 332 and Republic Act No. 8792, the primary responsibility  
19 over the implementation of the RPWeb or the electronic online network of the  
20 government which shall serve as initial platform of the Government Information  
21 Infrastructure (GII), is hereby transferred to the Department. For this purpose, the  
22 Department shall continue utilization of all funds, monies, interests, and properties  
23 outstanding and accruing from the RPWeb.

24  
25 **SEC. 17. *Sectoral and Industry Task Forces.*** The Department may create  
26 sectoral and industry task forces, technical working groups, advisory bodies or  
27 committees for the furtherance of its objectives. Additional private sector  
28 representatives, such as from the academe and federation of private industries  
29 directly involved in ICT, as well as other NGAs, LGUs and government owned and  
30 controlled corporations (GOCCs), may be appointed to these working groups.  
31 Government IT professionals may also be tapped to partake in the work of the  
32 Department through these working groups.

33  
34 **SEC. 18. *Structure and Staffing Pattern.*** The Department shall determine its  
35 organizational structure and create new divisions or units as it may deem necessary,

1 and shall appoint officers and employees of the Department in accordance with the  
2 Civil Service Law, rules, and regulations.

3  
4 **SEC. 19. *Magna Carta.*** Employees of the Department shall be covered by  
5 Republic Act 8430, which provides a magna carta for scientists, engineers,  
6 researchers and other science and technology personnel in the government.

7  
8 **SEC. 20. *Separation from Service.*** Employees separated from the service as a  
9 result of this reorganization shall, within ninety (90) days therefrom, receive the  
10 separation and retirement benefits to which they may be entitled under Executive  
11 Order No. 366; *Provided*, that such separation pay and retirement benefits shall have  
12 priority of payment out of the savings of the department or agency.

13  
14 **SEC. 21. *Appropriation.*** The amount needed for the initial implementation of  
15 this Act shall be taken from the current fiscal year's appropriation of the CICT  
16 through the Office of the President and all agencies herein absorbed by or attached  
17 to the Department. Thereafter, the amount needed for the operation and  
18 maintenance of the Department shall be included in the General Appropriations Act;  
19 *Provided*, that for the next fiscal year, the amount shall be One Billion Two Hundred  
20 Million Pesos (P1,200,000,000.00).

21  
22 **SEC. 22. *Repealing Clause.*** All laws, decrees, executive orders, rules and  
23 regulations and other issuances or parts thereof inconsistent with this Act are hereby  
24 repealed, amended or modified accordingly.

25  
26 **SEC. 23. *Separability Clause.*** If any provision of this Act shall be declared  
27 unconstitutional or invalid, the other provisions of this Act not otherwise affected  
28 thereby shall remain in full force and effect.

29  
30 **SEC. 24. *Effectivity Clause.*** This Act shall take effect fifteen (15) days from its  
31 publication in at least two (2) newspapers of general circulation

32  
33 Approved,