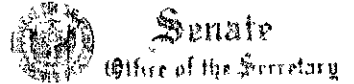


SIXTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



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SENATE  
S. No. 2144

RECEIVED 151 *ji*

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Introduced by SENATOR TEOFISTO "TG" GUINGONA III

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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

EXPLANATORY NOTE

This bill seeks to reorganize the Department of Transportation and Communication by creating a Department of Information and Communications Technology (DICT) that is a separate and distinct entity from the department that would handle the transportation sector.

Section 24, Article II of the 1987 Philippine Constitution declares that "The State recognizes the vital role of communications and information in nation-building." It is imperative upon the state, therefore to establish a department that would exclusively focus on issues relating information and communications technology (ICT). The need to have such a department is highlighted by our globalized environment, where the internet, the biggest innovation of modern times, has allowed us to connect with one another instantly and beyond borders.

Under this proposed measure, the Department of Information and Communications shall be the primary policy, planning, coordinating, implementing, regulating and administrative entity of the executive branch of the Government that will promote, develop, and regulate integrated and strategic ICT systems and reliable and cost-efficient communication facilities and services.

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

  
TEOFISTO "TG" GUINGONA III  
Senator

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AND FOR OTHER PURPOSES

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

- 1           **SECTION 1.** *Short Title.* This Act shall be known as the "Department of Information  
2 and Communications Technology Act of 2014."
- 3           **SEC. 2.** *Declaration of Policy.* It is hereby declared the policy of the State:
- 4           a. To ensure the provision of a strategic, reliable, cost-efficient and citizen-centric  
5 information and communications technology (ICT) infrastructure, systems and  
6 resources as instruments of nation-building and global competitiveness;
- 7           b. To foster a policy environment that will promote a broader market-led development  
8 of the ICT and ICT-enabled services sectors, a level playing field, partnership  
9 between the public and the private sectors, strategic alliance with foreign investors  
10 and balanced investments between high-growth and economically-depressed areas;
- 11           c. To foster and accelerate the convergence of ICT facilities;
- 12           d. To ensure universal access and high-speed connectivity at fair and reasonable costs;

- 1 e. To ensure the availability and accessibility of information and communications  
2 services in areas not adequately served by the private sector;
- 3 f. To promote the widespread use and development of emerging ICT;
- 4 g. To promote and assist the development of local ICT content, applications and  
5 services;
- 6 h. To establish a strong and effective regulatory system that will ensure consumer  
7 protection and welfare and foster a healthy competitive environment;
- 8 i. To promote the development of ICT expertise in the country's human capital to  
9 enable Filipinos to compete in a fast evolving information and communications age;
- 10 j. To ensure the growth of the ICT and ICT-enabled services sectors;
- 11 k. To preserve the rights of individuals to privacy and confidentiality of their personal  
12 information;
- 13 l. To encourage the use of ICT for the development and promotion of the country's  
14 arts and culture, history, education, public health and safety, and other socio-civic  
15 purposes;
- 16 m. To sustain the development of the national postal system as an integral component  
17 of the overall development of ICT in the country;
- 18 n. To ensure the security of ICT infrastructures and assets of individuals and  
19 businesses stored therein;
- 20 o. To empower, through the use of ICT, the disadvantaged segments of the  
21 population, including persons with disabilities, such as the physically, emotionally or  
22 mentally challenged.

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

- 25 a. "Information and Communications Technology" or "ICT" shall mean the totality of  
26 electronic means to collect, store, process and present information to end-users in  
27 support of their activities and services. It consists of computer systems, office systems  
28 and consumer electronics, as well as networked information infrastructure, the

1 components of which include telephone, cable, wireless and satellite systems, the  
2 Internet, fax machines and computers;

3 b. "Electronic Government" or "E-Government" shall mean the application of ICT in  
4 government processes to bring about efficient, responsive, ethical, accountable and  
5 transparent government service;

6 c. "ICT Sector" shall mean telecommunications operators, ICT equipment  
7 manufacturers, ICT solution providers, Internet service providers, ICT training  
8 institutions, software developers and ICT-enabled service providers;

9 d. "ICT-Enabled Services Sector" shall mean offshoring and outsourcing service  
10 providers, including call centers, back office processing, software development,  
11 medical or legal transcription, animation, game development, engineering or  
12 architectural design, and other services that require the intrinsic use of a networked  
13 information infrastructure;

14 e. "Chief Information Officer" or "CIO" shall mean the title given to the board level  
15 head of ICT in an organization responsible for the development and maintenance of  
16 the organization responsible for the development and maintenance of the  
17 organization's ICT systems and applications.

18 **SEC. 4. *Creation of the Department of Information and Communications Technology.***

19 There is hereby created the Department of Information and Communications Technology,  
20 hereinafter referred to as the Department, which shall carry out the above-declared policy and  
21 assume the communications-related powers and functions of the Department of  
22 Transportation and Communications. (DOTC).

23 **SEC. 5. *Mandate.*** The Department shall be the primary policy, planning,  
24 coordinating, implementing, regulating and administrative entity of the executive branch of  
25 the Government that will plan, promote and help develop the country's ICT sector.

26 **SEC. 6. *Powers and Functions.*** The Department shall exercise the following powers  
27 and functions:

28 a. Formulate, recommend and implement national policies, plans, programs and  
29 guidelines for the ICT and ICT-enabled services sectors that will promote wider use

1 and development of ICT and provide increased and convenient access by the citizens  
2 to the same;

3 b. Initiate, harmonize and coordinate all ICT plans and initiatives of government  
4 agencies to ensure overall consistency and harmony with e-government objectives in  
5 particular, and national objectives in general;

6 c. Represent and negotiate for Philippine interest in matters pertaining to ICT in  
7 international bodies;

8 d. Develop and maintain national ICT development plans and establish and administer  
9 comprehensive and integrated programs for ICT with due consideration to advances  
10 on convergence and other emerging technologies; and for this purpose, may invite any  
11 agency, corporation or organization, whether public or private, whose development  
12 programs in ICT are an integral part thereof, to participate and assist in the  
13 preparation and implementation of such programs;

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

16 f. Ensure the development and protection of an integrated government information  
17 and communications infrastructure and coordinate all relevant government entities,  
18 taking into consideration the inventory of existing manpower, plans, programs,  
19 proposals, software and hardware, and the installed systems and programs;

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

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

27 i. Develop, implement and improve, in coordination with concerned government  
28 agencies and industry associations, the government's ICT capabilities and determine  
29 the personnel qualifications and other standards essential to the effective development  
30 and operation of government information and communications and infrastructure;

- 1 j. Encourage and establish guidelines for the use of public-private partnerships in the  
2 implementation of ICT projects for government agencies in order to fast-track said  
3 projects and provide reasonable return-on-investment for the private sector, including  
4 but not limited to Build-Operate-Transfer (BOT) mechanisms;
- 5 k. Assess, review and support ICT research and development programs of the  
6 government in coordination with the Department of Science and Technology and  
7 other institutions concerned;
- 8 l. Establish and prescribe rules and regulations for the establishment, operation and  
9 maintenance of ICT infrastructure in unserved and underserved areas, in consultation  
10 with the private sector, local government units (LGUs) and the academe;
- 11 m. Provide policy-direction and guidance in ICT-related aspects for the operation and  
12 maintenance of a nationwide postal system that shall include mail processing, delivery  
13 services, and money remittance and payment services;
- 14 n. Assist and provide technical expertise in the development of guidelines to the  
15 Intellectual Property Office (IPO) in the enforcement and administration of laws,  
16 standards, rules, and regulations governing ICT;
- 17 o. In coordination with concerned agencies, the private sector and relevant  
18 international bodies, ensure consumer protection and welfare, and protect the rights of  
19 consumer and business users to privacy, security and confidentiality;
- 20 p. Harmonize, synchronize and coordinate with appropriate agencies all ICT and e-  
21 commerce policies, plans and programs;
- 22 q. Coordinate with the Department of Trade and Industry in the promotion of trade  
23 and investment opportunities and protection of investor interests in the ICT and ICT-  
24 enabled services sectors;
- 25 r. In coordination with concerned agencies, promote strategic partnership and  
26 alliances among and between local and international ICT firms and institutions,  
27 research and development, educational and training institutions, and technology  
28 providers, developers and manufacturers, to speed up industry growth and enhance  
29 global competitiveness;

1 s. In coordination with concerned agencies, plan and implement such activities as may  
2 be appropriate to enhance the competitiveness of Philippine workers, firms, and small  
3 and medium enterprises in the global markets for ICT and ICT-enabled services;

4 t. In coordination with concerned agencies, establish and recommend the adoption of  
5 qualification standards and enhance the career opportunities of ICT workers in  
6 government;

7 u. In coordination with the Department of Education, Commission on Higher  
8 Education and Technical Education and Skills Development Authority, formulate  
9 policies and initiatives to promote ICT and ICT-enabled services education and the  
10 development, promotion and application of ICT in education in a manner that is  
11 consistent with the national goals and objectives, and responsive to the human  
12 resource needs of the ICT and ICT-enabled services;

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

17 w. Administer the E-Government Fund as specified in Section 15 and, in coordination  
18 with the Department of Budget and Management, establish guidelines for the  
19 disbursement and management of the E-Government Fund, including the monitoring  
20 and evaluation system of projects funded under the said fund.

21 **SEC. 7. *Composition.*** The Department of Information and Communications  
22 Technology shall be headed by a Secretary. The Department proper shall be composed of the  
23 Office of the Secretary, the offices of the Undersecretaries and the Assistant Secretaries.

24 **SEC. 8. *Secretary of Information and Communications Technology.*** The Secretary  
25 shall be appointed by the President, subject to confirmation by the Commission on  
26 Appointments.

27 The Secretary shall have the following functions:

28 a. Provide executive direction and supervision over the entire operations of the  
29 Department and its attached agencies;

- 1 b. Establish policies and standards for the effective, efficient and economical  
2 operation of the Department, in accordance with the programs of Government;
- 3 c. Rationalize delivery systems necessary for the effective attainment of the objectives  
4 of the Department, in accordance with the programs of the Government;
- 5 d. Review and approve request for financial and manpower resources of all operating  
6 offices of the Department;
- 7 e. Designate and appoint officers and employees of the Department, excluding the  
8 Undersecretaries, Assistant Secretaries, and Regional and Assistant Regional  
9 Directors, in accordance with the Civil Service laws, rules and regulations;
- 10 f. Coordinate with LGUs, other agencies and public and private interests groups,  
11 including non-government organizations (NGOs) and people's organizations (Pos) on  
12 Department policies and initiatives;
- 13 g. Advise the President on the promulgation of executive and administrative orders  
14 and regulatory and legislative proposals on matters pertaining to ICT development;
- 15 h. Serve as a member of the Government Procurement Policy Board as established by  
16 Republic Act No. 9184;
- 17 i. Serve as the Chairman of the Board of the Philippine Postal Corporation in  
18 accordance with Republic Act No. 7354 and the Corporation Law;
- 19 j. Formulate such rules and regulations and exercise such other powers as may be  
20 required to implement the objectives of this Act;
- 21 k. Perform such other tasks as may be provided by Law or assigned by the President  
22 from time to time.

23 **SEC. 9. Undersecretaries.** The Secretary shall be assisted by three (3)  
24 Undersecretaries, who shall be appointed by the President upon the recommendation of the  
25 Secretary: provided that one (1) of the Undersecretaries shall be a career officer coming from  
26 ranks of existing government information and communications agencies and officers or  
27 qualified ICT professionals in the private sector.



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

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

7           **SEC. 12. *Regional Offices.*** The Department shall be authorized to establish, operate,  
8 and maintain Regional Office in each of the administrative regions of the country as the need  
9 arises. The regional office shall be headed by a Regional Director, who may be assisted by  
10 one (1) Assistant Regional Director. The Regional Offices shall have, within their respective  
11 administrative regions, the following functions:

12           a. Implement laws, policies, plans, programs, projects, rules and regulations of the  
13 Department;

14           b. Provide efficient and effective service to the people;

15           c. Coordinate with regional offices of other departments, offices, and agencies;

16           d. Coordinate with LGUs;

17           e. Perform such other functions as may be provided by law or assigned by the  
18 Secretary.

19           **SEC. 13. *Transfer of Agencies and Personnel.***

20           a. The following agencies are hereby abolished, and their powers and functions,  
21 applicable funds and appropriations, records, equipment, property, and personnel  
22 transferred to the Department:

23                   1. All operating units currently existing in the Information and  
24 Communications Technology Office (ICTO);

25                   2. National Computer Center (NCC);

26                   3. Telecommunications Office (TELOF); and

1           4. All operating units of the Department of Transportation and  
2           Communications (DOTC) with functions and responsibilities dealing with  
3           communications.

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

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

11                   1. National Telecommunications Commission;

12                   2. Philippine Postal Corporation.

13          c. The laws and rules on government reorganization as provided for in Republic Act  
14          No. 6656, otherwise known as the Reorganization Law, shall govern the  
15          reorganization process of the Department.

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

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

27          **SEC. 16. *Implementation of the RPWeb.*** In consonance with the objectives of  
28          Administrative Order No. 332 and Republic ACT No. 8792, the primary responsibility over  
29          the implementation of the RPWeb or the electronic online network of the government which  
30          shall serve as initial platform of the Government Information Infrastructure (GII), is hereby

1 transferred to the Department. For this purpose, the Department shall continue utilization of  
2 all funds, monies, interests, and properties outstanding and accruing from the RPWeb.

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

10 **SEC. 18. Structure and Staffing Pattern.** The Department shall determine its  
11 organizational structure and create new divisions or units as it may deem necessary, and shall  
12 appoint officers and employees of the Department in accordance with the Civil Service Law,  
13 rules, and regulations.

14 **SEC. 19. Magna Carta.** Employees of the Department shall be covered by Republic  
15 Act 8439, which provides a magna carta for scientists, engineers, researchers and other  
16 science and technology personnel in the government.

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

22 **SEC. 21. Appropriation.** The amount needed for the initial implementation of this Act  
23 shall be taken from the current fiscal year's appropriation of the Information and  
24 Communications Technology Office (ICTO) through the Office of the Presidency and all  
25 agencies herein absorbed by or attached to the Department. Thereafter, the amount needed for  
26 the operation and maintenance of the Department shall be included in the General  
27 Appropriations Act, provided that for the next fiscal year, the amount shall be One Billion  
28 Two Hundred Million Pesos (P1,200,000,000.00)

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

1           **SEC. 23. *Separability Clause.*** If any provision of this Act shall be declared  
2 unconstitutional or invalid, the other provisions not otherwise affected shall remain in full  
3 *force and effect.*

4           **SEC. 24. *Effectivity Clause.*** This Act shall take effect fifteen (15) days from its  
5 publication in at least two (2) papers of general circulation.

6

7           Approved,