

**FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)**

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SENATE

S. NO. 178

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Introduced by Senator Antonio "Sonny" F. Trillanes IV

EXPLANATORY NOTE

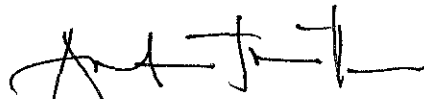
Article II, Section 24, of the 1987 Philippine Constitution declares that the State recognizes the vital role of communications and information in nation-building. Thus, the Department of Transportation and Communications was created under the Administrative Code of 1987. The DOTC aims to provide the country with efficient, effective and secured transportation and communication systems that are globally competitive, compliant with international standards and responsive to the changing times. It recognizes the role of a reliable transformation and communications system as effective instruments for national recovery and economic progress.

However, given the varying needs in the fields of transportation and communication, as well as the recent advancements made in the field of Information and Communications Technology, separate departments should be made to focus on each one of the fields to strengthen government initiatives and cope up with the demands of globalization as well as to promote Information and Communications Technology in recognition of the vital role that ICT plays in today's society.

The best way to promote ICT in our country is to create an agency, a department that shall promote and champion ICT, a department that shall provide the needed focus as well as physical and human resource infrastructure to help develop the ICT industry. Thus, this bill seeks to create the Department of Information and Communications Technology (DICT) to establish and enhance the global competitiveness of our country.

Under this proposed measure, the DICT shall primarily be the policy-making, planning, coordinating, implementing, regulating, and administrative entity of the government that will plan, promote and aid the development of the Philippines' Information and Communications Technology (ICT) sector. It shall also draw together communications-related offices dispersed among the Office of the President and the Department of Transportation and Communication (DOTC) under one department.

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



ANTONIO "SONNY" F. TRILLANES IV
Senator

10 JUL -6 A8:27

SENATE

S. NO. 178

RECEIVED BY: [Signature]

Introduced by Senator Antonio "Sonny" F. Trillanes IV

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

Be it enacted by the Senate and 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 2010.*"
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-centric
6 information and communications technology (ICT) infrastructure, systems and
7 resources as instruments of nation-building and global competitiveness;
- 8 b. To foster a policy environment that will promote a broader market-led development
9 of the ICT and ICT-enabled services sectors, a level playing field, partnership
10 between the public and the private sectors, strategic alliance with foreign
11 investors and balanced investments between high-growth and economically-
12 depressed areas;
- 13 c. To foster and accelerate the convergence of ICT facilities;
- 14 d. To ensure universal access and high-speed connectivity at fair and reasonable costs;
- 15 e. To ensure the availability and accessibility of information and communications
16 services in areas not adequately served by the private sector;
- 17 f. To promote the widespread use and development of emerging ICT;
- 18 g. To promote and assist the development of local ICT content, applications and
19 services;
- 20 h. To establish a strong and effective regulatory system that will ensure consumer
21 protection and welfare and foster a healthy competitive environment;
- 22 i. To promote the development of ICT expertise in the country's human capital to
23 enable Filipinos to compete in a fast-evolving information and communications
24 age;

- 1 j. To ensure the growth of the ICT and ICT-enabled services sectors;
- 2 k. To preserve the rights of individuals to privacy and confidentiality of their personal
3 information;
- 4 l. To encourage the use of ICT for the development and promotion of the country's
5 arts and culture, history, education, public health and safety, and other socio-civic
6 purposes;
- 7 m. To sustain the development of the national postal system as an integral component
8 of the overall development of ICT in the country;
- 9 n. To ensure the security of ICT infrastructures and assets of individuals and businesses
10 stored therein;
- 11 o. To empower, through the use of ICT, the disadvantaged segments of the population,
12 including persons with disabilities, such as the physically, emotionally or
13 mentally challenged.
- 14

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

- 17 a. “Information and Communications Technology” or “ICT” shall mean the totality of
18 electronic means to collect, store, process and present information to end-users in
19 support of their activities and services. It consists of computer systems, office systems
20 and consumer electronics, as well as networked information infrastructure, the
21 components of which include telephone, cable, wireless and satellite systems, the
22 Internet, fax machines and computers;
- 23 b. “Electronic Government” or “E-Government” shall mean the application of ICT in
24 government processes to bring about efficient, responsive, ethical, accountable and
25 transparent government service;
- 26 c. “ICT Sector” shall mean telecommunications operators, ICT equipment
27 manufacturers, ICT solution providers, Internet service providers, ICT training
28 institutions, software developers and ICT-enabled service providers;
- 29 d. “ICT-Enabled Services Sector” shall mean offshoring and outsourcing service
30 providers, including call centers, back office processing, software development,
31 medical or legal transcription, animation, game development, engineering or
32 architectural design, and other services that require the intrinsic use of a networked
33 information infrastructure;
- 34 e. “Chief Information Officer” or CIO” shall mean the title given to the board level head
35 of ICT in an organization responsible for the development and maintenance of the
36 organization's ICT systems and applications.
- 37

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

39 – There is hereby created the Department of Information and Communications Technology,
40 hereinafter referred to as the Department, which shall carry out the above-declared policy and

1 assume the communications-related powers and functions of the Department of Transportation
2 and Communications (DOTC).

3
4 **SEC. 5. *Mandate.*** – The Department shall be the primary policy, planning, coordinating,
5 implementing, regulating and administrative entity of the executive branch of the Government
6 that will plan, promote and help develop the country’s ICT sector.

7
8 **SEC. 6. *Powers and Functions.*** – The Department shall exercise the following powers
9 and functions:

- 10 a. Formulate, recommend and implement national policies, plans, programs and
11 guidelines for the ICT and ICT-enabled services sectors that will promote wider use
12 and development of ICT and provide increased and convenient access by the citizens
13 to the same;
- 14 b. Initiate, harmonize and coordinate all ICT plans and initiatives of government
15 agencies to ensure overall consistency and harmony with e-government objectives in
16 particular, and national objectives in general;
- 17 c. Represent and negotiate for Philippine interest on matters pertaining to ICT in
18 international bodies;
- 19 d. Develop and maintain national ICT development plans and establish and administer
20 comprehensive and integrated programs for ICT with due consideration to advances
21 on convergence and other emerging technologies; and for this purpose, may invite
22 any agency, corporation or organization, whether public or private, whose
23 development programs in ICT are an integral part thereof, to participate and assist in
24 the preparation and implementation of such programs;
- 25 e. Promote knowledge, information and resource sharing, database building and agency
26 networking linkages among various government agencies;
- 27 f. Ensure the development and protection of an integrated government information and
28 communications infrastructure and coordinate all relevant government entities, taking
29 into consideration the inventory of existing manpower, plans, programs, proposals,
30 software and hardware, and the installed systems and programs;
- 31 g. Provide an integrated framework *in* order to optimize all government ICT resources
32 and networks and the identification and prioritization of all e-government systems
33 and applications as provided for in the Government Information Systems Plan (GISP)
34 and the Medium Term Philippine Development Plan (MTPDP);
- 35 h. Coordinate and support the generation and acquisition of necessary resources as may
36 be appropriate for the development. Marketing, growth and competitiveness of the
37 Philippine ICT and ICT-enabled services sectors;
- 38 i. Develop, implement and improve, in coordination with concerned government
39 agencies and industry associations. the government's ICT capabilities and determine

- 1 the personnel qualifications and other standards essential to the effective development
2 and operation of government information and communications infrastructure;
- 3 j. Encourage and establish guidelines for the use of public-private partnerships in the
4 implementation of ICT projects for government agencies in order to fast-track said
5 projects and provide reasonable return-on-investment for the private sector, including
6 but not limited to Build-Operate-Transfer (BOT) mechanisms;
- 7 k. Assess, review and support ICT research and development programs of the
8 government in coordination with the Department of Science and Technology and
9 other institutions concerned;
- 10 l. Establish and prescribe rules and regulations for the establishment, operation and
11 maintenance of ICT infrastructure in unserved and underserved areas, in consultation
12 with the private sector, local government units (LGUs) and the academe;
- 13 m. Provide policy-direction and guidance in ICT-related aspects for the operation and
14 maintenance of a nationwide postal system that shall include mail processing,
15 delivery services, and money remittance and payment services;
- 16 n. Assist and provide technical expertise in the development of guidelines to the
17 Intellectual Property Office (IPO) in the enforcement and administration of laws,
18 standards, rules, and regulations governing ICT;
- 19 o. In coordination with concerned agencies, the private sector and relevant international
20 bodies, ensure consumer protection and welfare, and protect the rights of consumer
21 and business users to privacy, security and confidentiality;
- 22 p. Harmonize, synchronize and coordinate with appropriate agencies all ICT and e-
23 commerce policies, plans and programs;
- 24 q. Coordinate with the Department of Trade and Industry in the promotion of trade and
25 investment opportunities and protection of investor interests in the ICT and ICT-
26 enabled services sectors;
- 27 r. In coordination with concerned agencies, promote strategic partnership and alliances
28 among and between local and international ICT firms and institutions, research and
29 development, educational and training institutions, and technology providers,
30 developers and manufacturer, to speed up industry growth and enhance global
31 competitiveness;
- 32 s. In coordination with concerned agencies, plan and implement such activities as may
33 be appropriate to enhance the competitiveness of Philippine workers, firms, and small
34 and medium enterprises in the global markets for ICT and ICT-enabled services;
- 35 t. In coordination with concerned agencies, establish and recommend the adoption or
36 qualification standards and enhance the career opportunities of ICT workers in
37 government;
- 38 u. In coordination with the Department of Education, Commission on Higher Education
39 and Technical Education and Skills Development Authority, formulate policies and
40 initiatives to promote ICT and ICT-enabled services education and the development,

1 promotion and application of ICT in education in a manner that is consistent with the
2 national goals and objectives and responsive to the human resource needs of the ICT
3 and ICT-enabled services sectors;

- 4 v. Facilitate the creation of the Chief Information Officer (CIO) Council, which shall
5 consist of CIOs of national government agencies (NGAs) with at least the rank of
6 Assistant Secretary, with the Secretary serving as the Chairman, to assist the
7 Department in implementing e-government initiatives;
- 8 w. Administer the E-Government Fund as specified in Section 15 and, in coordination
9 with the Department of Budget and Management, establish guidelines for the
10 disbursement and management of the E-Government Fund, including the monitoring
11 and evaluation system of projects funded under the said fund.

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

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

20 The Secretary shall have the following functions:

- 21 a. Provide executive direction and supervision over the entire operations of the
22 Department and its attached agencies;
- 23 b. Establish policies and standards for the effective, efficient and economical operation of
24 the Department, in accordance with the programs of the Government;
- 25 c. Rationalize delivery systems necessary for the effective attainment of the objectives of
26 the Department in accordance with the programs of the Government;
- 27 d. Review and approve request Tor financial and manpower resources of all operating
28 offices of the Department;
- 29 e. Designate and appoint officers and employees of the Department, excluding the
30 Undersecretaries, Assistant Secretaries, and Regional and Assistant Regional Directors, in
31 accordance with the Civil Set-vice laws, rules and regulations;
- 32 f. Coordinate with LGUs, other agencies and public and private interests groups,
33 including non-government organizations (NGOs) and people's organizations (POs) on
34 Department policies and initiatives;
- 35 g. Advice the President on the promulgation of executive and administrative orders and
36 regulatory and legislative proposals on matters pertaining to ICT development;
- 37 h. Serve as a member of the Government Procurement Policy Board as established by
38 Republic Act No. 9184;
- 39 i. Serve as the Chairman of the Board of the Philippine Postal Corporation in accordance
40 with Republic Act No. 7354 and the Corporation Law;

1 j. Formulate such rules and regulations and exercise such other powers as may be
2 required to implement the objectives of this Act;

3 k. Perform such other tasks as may be provided by Law or assigned by the President from
4 time to time.

5
6 **SEC. 9. *Undersecretaries.*** - The Secretary shall be assisted by three (3) Undersecretaries,
7 who shall be appointed by the President upon the recommendation of the Secretary: provided
8 that one (1) of the Undersecretaries shall be a career officer coming from ranks of existing
9 government information and communications agencies and offices or qualified ICT professionals
10 in the private sector.

11
12 **SEC. 10. *Assistant Secretaries.*** - The Secretary shall be assisted by three (3) Assistant
13 Secretaries who shall be career officers appointed by the President upon the recommendation of
14 the Secretary.

15
16 **SEC.11. *Qualifications.*** - No person shall be appointed Secretary, Undersecretary or
17 Assistant Secretary of the Department unless he is a citizen and resident of the Philippines of
18 good moral character, and of proven integrity.

19
20 **SEC. 12. *Regional Offices.*** - The Department shall be authorized to establish, operate,
21 and maintain Regional Office in each of the administrative regions of the country as the need
22 arises. The regional office shall be headed by a Regional Director, who may be assisted by one
23 (1) Assistant Regional Director. The Regional Offices shall have, within their respective
24 administrative regions, the following functions:

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

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

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

29 d. Coordinate with LGUs;

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

31
32 **SEC. 13. *Transfer of Agencies and Personnel*** -

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

36 1. All operating units currently existing in the Commission on Information and
37 Communications Technology (CICT);

38 2. National Computer Center (NCC);

39 3. Telecommunications Office (TELOF);

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

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

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

9 1. National Telecommunications Commission;

10 2. Philippine Postal Corporation.

11 c. The laws and rules on government reorganization as provided for in Republic Act No.
12 6656, otherwise known as the Reorganization Law, shall govern the reorganization process of
13 the Department.

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

18
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 shall be
22 used to support and co-finance projects that enable the government to expand its ability to
23 conduct activities electronically and provide frontline services through the development and
24 implementation of innovative uses of the Internet or other emerging technologies. However,
25 internal IT systems meant to support the agencies' IT operations shall be charges against the
26 agencies' own budgetary allocation.

27
28 **SEC. 16. *Implementation of the RPWeb.*** - In consonance with the objectives of
29 Administrative Order No. 332 and Republic Act No. 8792, the primary responsibility over the
30 implementation of the RPWeb or the electronic online network of the government which shall
31 serve as initial platform of the Government Information Infrastructure (GII) is hereby transferred
32 to the Department. For this purpose, the Department shall continue utilization of all funds,
33 monies, interests and properties outstanding and accruing from the RP Web.

34
35 **SEC. 17. *Sectoral and Industry Task Forces.*** - The Department may create sectoral and
36 industry task forces, technical working groups, advisory bodies or committees for the furtherance
37 of its objectives. Additional private sector representatives such as from the academe and
38 federation of private industries directly involved in ICT as well as other NGAs, LGUs and
39 government owned and controlled corporations (GOCCs), may be appointed to these working

1 groups. Government IT professionals may also be tapped to partake in the work of the
2 Department through these working groups.

3
4 **SEC. 18. *Structure and Staffing Pattern.*** - The Department shall determine its
5 organizational structure and create new divisions or units as it may deem necessary, and shall
6 appoint officers and employees of the Department in accordance with the Civil Service Law,
7 rules, and regulations.

8
9 **SEC. 19. *Magna Carta.*** - Employees of the Department shall be covered by Republic
10 Act 8430, which provides a magna carta for scientists, engineers, researchers and other science
11 and technology personnel in the government.

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

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

25
26 **SEC.22. *Repealing Clause.*** - All laws, decrees, executive orders, rules and regulations
27 and other issuances or parts thereof which are inconsistent with this Act are hereby repealed,
28 amended or modified accordingly.

29
30 **SEC.23. *Separability Clause.*** - If any provision of this Act shall be declared
31 unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force
32 and effect.

33
34 **SEC. 24. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days from its
35 publication in at least two (2) papers of general circulation.

Approved,