



DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
KAGAWARAN NG KAPALIGIRAN AT LIKAS YAMAN



MEMORANDUM

FOR : **The Directors**
Legal Affairs Service
Policy and Planning Service
Climate Change Service
Knowledge and Information Systems Service

The Bureau Directors
Environmental Management Bureau
Land Management Bureau
Forest Management Bureau
Biodiversity Management Bureau
Ecosystems Research and Development Bureau

The Officer-In-Charge
Mines and Geosciences Bureau

All Regional Executive Directors

FROM : **The Director**
Legislative Liaison Office

SUBJECT : **INVITATION TO COMMITTEE HEARING AND REQUEST FOR COMMENTS ON HOUSE BILLS 7396, 7913, 7983, AND 9448 AND HOUSE RESOLUTIONS 270 AND 1177 RE: ARTIFICIAL INTELLIGENCE DEVELOPMENT AND REGULATION ACT OF THE PHILIPPINES FROM THE COMMITTEE ON INFORMATION AND COMMUNICATIONS TECHNOLOGY OF THE HOUSE OF REPRESENTATIVES**

DATE : 15 March 2024

In reference to the electronic mail received by our Office, the Committee on Information and Communications Technology of the House of Representatives is inviting the Department to a meeting on **20 March 2024, Wednesday, 01:30 PM** at the **Conference Rooms 3 and 4, Ramon V. Mitra Building, House of Representatives** to discuss the following legislative measures:

- **House Bill No. 7396** - "AN ACT PROMOTING THE DEVELOPMENT AND REGULATION OF ARTIFICIAL INTELLIGENCE IN THE PHILIPPINES" by Representative Robert Ace S. Barbers;
- **House Bill No. 7913** - "AN ACT ESTABLISHING A REGULATORY FRAMEWORK FOR A ROBUST, RELIABLE, AND TRUSTWORTHY DEVELOPMENT, APPLICATION, AND USE OF ARTIFICIAL INTELLIGENCE (AI) SYSTEMS, CREATING THE PHILIPPINE COUNCIL ON ARTIFICIAL

INTELLIGENCE, DELINEATING THE ROLES OF VARIOUS GOVERNMENT AGENCIES, DEFINING AND PENALIZING CERTAIN PROHIBITED ACTS” by Representative Keith Micah D.L. Tan;

- **House Bill No. 7983** - “AN ACT PROVIDING A NATIONAL STRATEGY FOR THE DEVELOPMENT OF ARTIFICIAL INTELLIGENCE, CREATING FOR THE PURPOSE THE NATIONAL CENTER FOR ARTIFICIAL INTELLIGENCE RESEARCH, AND APPROPRIATING FUNDS THEREFOR” by Representative Keith Micah D.L. Tan;
- **House Bill No. 9448** - “AN ACT REGULATING THE USE OF ARTIFICIAL INTELLIGENCE AND AUTOMATION SYSTEMS IN THE LABOR INDUSTRY AND FOR OTHER PURPOSES” by Representative Juan Carlos "Arjo" C. Atayde;
- **House Resolution No. 270** - “RESOLUTION DIRECTING THE APPROPRIATE COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE PROLIFERATION OF ARTIFICIAL INTELLIGENCE-SYTHESIZED AUDIOVISUAL MATERIALS, OTHERWISE KNOWN AS DEEPPAKES, WITH THE END IN VIEW OF STRENGTHENING GOVERNMENT MECHANISMS TO IMPLEMENT CYBERCRIME AND DATA PRIVACY LAWS, SAFEGUARDING THE PRIVACY, INFORMATION AND IDENTITY OF ALL FILIPINOS AND PROTECTING THE INTEGRITY OF PHILIPPINE SOCIAL, POLITICAL, ECONOMIC AND FINANCIAL INSTITUTIONS” by Representative Ralph G. Recto; and
- **House Resolution No. 1177** - “A RESOLUTION URGING THE ESTABLISHMENT OF GUIDELINES AND REGULATIONS FOR THE ETHICAL AND RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE (AI) IN THE PHILIPPINES ” by Representative David C. Suarez and Representative Anna Marie Villaraza-Suarez.

In this regard, may we request **comments/recommendations on the abovementioned legislative measures**, in preparation for the Committee meeting, as requested by the Committee. Kindly send them **on or before 19 March 2024, at 5 PM** via email at denrilo@denr.gov.ph. Further, kindly inform us of the name/s of the representative/s from your office who will participate in the meeting so we may include him/her/them as resource person/s.

Attached herewith are the Letter-Invitation, Agenda, Bill Matrix and copies of the House bills and resolutions that can be accessed through this link bit.ly/3IBafGT for your reference.


ROMIROSE B. PADIN

cc: Undersecretary for Special Concerns and Legislative Affairs



Republic of the Philippines
House of Representatives
Quezon City

COMMITTEE ON INFORMATION AND COMMUNICATIONS TECHNOLOGY

14 March 2024

MA. ANTONIA "TONI" YULO-LOYZAGA
Secretary

Department of Environment & Natural Resources (DENR)
2F DENR Building, Visayas Avenue, QC

Dear **Secretary Yulo-Loyzaga**:

The Committee on Information and Communications Technology has scheduled for initial consideration **House Bills Numbered 7396, 7913, 7983, 9448, and House Resolutions Numbered 270 and 1177 re: ARTIFICIAL INTELLIGENCE DEVELOPMENT AND REGULATION ACT OF THE PHILIPPINES** introduced by Reps. Robert Ace S. Barbers, Keith Micah "Atty.Mike" D.L. Tan, Juan Carlos "Arjo" C. Atayde, Ralph G. Recto, David "Jay-Jay" C. Suarez and Anna Marie Villaraza-Suarez, respectively.

In this regard, we would like to invite Your Honor and/or your authorized representative to the meeting of the Committee to share your views, comments and recommendations on the matter. The meeting is scheduled on **20 March 2024 (Wednesday), 1:30 PM at the Conference Rooms 3 and 4, Ramon V. Mitra Building**, House of Representatives, Quezon City.

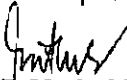
Attached herewith are the Agenda and copy/matrix of the bills for your ready reference. May we also request that your position paper be submitted and confirm your attendance to the Committee before the scheduled meeting. For any concern, please do not hesitate to contact the Committee Secretariat at 895-14320 or 8931-5001 local 7192 or email us at committee.ict@house.gov.ph.

Thank you for your usual support and cooperation.

Very truly yours,

TOBIAS "Toby" M. TIANGCO
Chairperson

For the Chairperson:


RANIER M. ALVARADO
Committee Secretary



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

COMMITTEE ON INFORMATION AND COMMUNICATIONS TECHNOLOGY

A G E N D A

18th Regular Meeting
20 March 2024, Wednesday 1:30 PM
Conference Rooms 3 & 4, Ramon V. Mitra Bldg., House of Representatives

- I. CALL TO ORDER / ROLL CALL**
- II. APPROVAL OF THE MINUTES OF THE JANUARY 30, 2024 MEETING**
- III. ACKNOWLEDGMENT OF MEMBERS AND RESOURCE PERSONS**
- IV. PRELIMINARY REMARKS BY THE CHAIRPERSON**

HON. TOBIAS 'TOBY' M. TIANGCO
Lone District, Navotas City

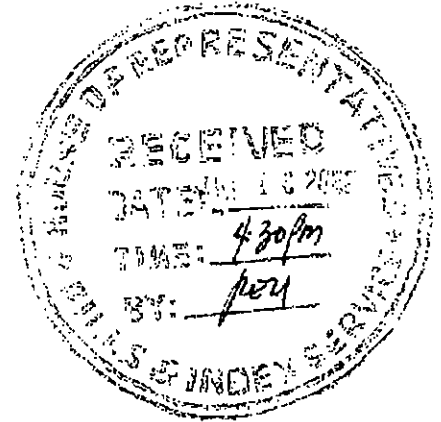
- V. Initial Consideration of House Bills Numbered 7396, 7913, 7983, 9448, and House Resolutions Numbered 270 and 1177 re: **ARTIFICIAL INTELLIGENCE DEVELOPMENT AND REGULATION ACT OF THE PHILIPPINES** introduced by Reps. Robert Ace S. Barbers, Keith Micah "Atty.Mike" D.L. Tan, Juan Carlos "Arjo" C. Atayde, Ralph G. Recto, David "Jay-Jay" C. Suarez and Anna Marie Villaraza-Suarez, respectively.**
- VI. OTHER MATTER**
- VII. ADJOURNMENT**

INVITED GUESTS / RESOURCE PERSONS

Office of the President (OP)
Department of Information and Communications Technology (DICT)
DICT - ICT Industry Development Bureau (DICT- IIDB)
Department of Justice - Office of Cybercrime (DOJ- OC)
Department of Budget and Management (DBM)
Department of Education (DepEd)
Department of Agriculture (DA)
Department of Environment and Natural Resources (DENR)
Department of Health (DOH)
Department of Energy (DOE)
Department of Transportation (DOTr)
Department of National Defense (DND)

Department of the Interior and Local Government (DILG)
Department of Labor and Employment (DOLE)
Department of Science and Technology (DOST)
DOST - Advanced Science and Technology (ASTI)
DOST - Philippine Council for Industry, Energy and Emerging Technology Research and Development (PCIEERD)
National Privacy Commission (NPC)
National Telecommunications Commission (NTC)
Securities and Exchange Commission (SEC)
National Intelligence Coordinating Agency (NICA)
Armed Forces of the Philippines (AFP) - Cyber Command
Philippine National Police Anti-Cybercrime Group (PNP-ACG)
Commission on Higher Education (CHED)
Technical Education and Skills Development Authority (TESDA)
Department of Trade and Industry (DTI)
Intellectual Property Office of the Philippines (IPOPHIL)
Philippine Information Agency (PIA)
Commission on Human Rights (CHR)
National Innovation Council – National Economic and Development Authority (NIC-NEDA)
Department of Computer Science – University of the Philippines (UP-Diliman QC)

NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session



HOUSE OF REPRESENTATIVES
House Resolution No. 270

Introduced by Representative Ralph G. Recto

RESOLUTION

DIRECTING THE APPROPRIATE COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE PROLIFERATION OF ARTIFICIAL INTELLIGENCE-SYNTHESIZED AUDIOVISUAL MATERIALS, OTHERWISE KNOWN AS *DEEPAKES*, WITH THE END IN VIEW OF STRENGTHENING GOVERNMENT MECHANISMS TO IMPLEMENT CYBERCRIME AND DATA PRIVACY LAWS, SAFEGUARDING THE PRIVACY, INFORMATION AND IDENTITY OF ALL FILIPINOS AND PROTECTING THE INTEGRITY OF PHILIPPINE SOCIAL, POLITICAL, ECONOMIC AND FINANCIAL INSTITUTIONS

1 WHEREAS, the 1987 Constitution recognizes science and technology as an
2 essential component for national development and progress;

3 WHEREAS, the 1987 Constitution mandates the State to give priority to
4 research and development, invention, innovation, and their utilization, and to science
5 and technology education, training, and services; and to support indigenous,
6 appropriate, and self-reliant scientific and technological capabilities, and their
7 application to the country's productive systems and national life;

8 WHEREAS, the modern-day advances in computer hardware, artificial
9 intelligence (AI) and machine learning have ushered the creation of valuable devices
10 and systems especially in the field of medicine, sports and fitness, business and
11 communications, among others;

12 WHEREAS, the extensive use of the Internet and social media platforms made
13 it possible to share news and information materials with millions of people in a short
14 period of time;

1 WHEREAS, the widespread use of more powerful computing devices and more
2 sophisticated AI and machine learning algorithms have ushered in the production of
3 AI-synthesized audiovisual materials, otherwise known as *deepfakes*, in a manner that
4 is inexpensive, simple, accessible and most importantly, compelling;

5 WHEREAS, AI-synthesized materials have been used today for various intents
6 and purposes, ranging from the benign, such as simple satires and film tweaks, to the
7 malevolent, including targeted harassment and pornography;

8 WHEREAS, there is a growing concern that digital content manipulation may
9 become too ubiquitous and too accurate that the disparity between altered videos and
10 reality become too minute for the human eyes and ears to perceive;

11 WHEREAS, hyper-realistic fabrication of audios and videos has the potential to
12 cast doubt and erode the decades-old understanding of truth, history, information and
13 reality;

14 WHEREAS, altered digital contents could be disseminated through social media
15 platforms and reach millions of users before being exposed as deceptive or inaccurate;

16 WHEREAS, the proliferation of fabricated audios and videos have far-reaching
17 consequences not only on the protection of identity, personal information and privacy,
18 but also on matters concerning journalism and media literacy, civil discourse, political
19 institutions, economic systems, criminal justice, law enforcement and national
20 security;

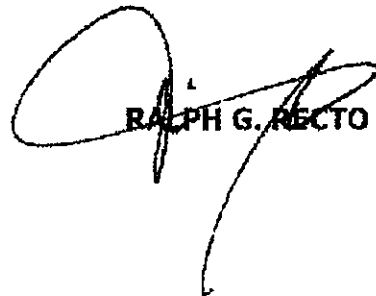
21 WHEREAS, the issues presented by AI-synthesized videos and audios cannot
22 be addressed by what Evgeny Morozov called technological solutionism, for the
23 predicaments it presents are neither "neatly defined problems with definite,
24 computable solutions" nor "transparent and self-evident processes that can be easily
25 optimized;"

26 WHEREAS, the 2019 National Information and Communications Technology
27 (ICT) Ecosystem Framework recognizes the need for transparency in automating
28 decision-making processes, in establishing control over one's personal data, and in
29 making channels available for seeking redress from the misuse and inappropriate use
30 of information;

1 WHEREAS, as the technical capabilities on AI and machine learning become
2 more sophisticated and widespread, there is a need to determine the systems and
3 policies required not only in the prevention, mitigation, detection, and investigation of
4 the malicious utilization of AI and machine learning, but more importantly, in
5 bolstering the physical and digital security of the Philippine political, economic, social
6 and financial institutions:

7 NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the
8 House of Representatives, to direct the appropriate Committee of the House of
9 Representatives to conduct an inquiry, in aid of legislation, on the proliferation of
10 Artificial Intelligence-synthesized audiovisual materials, otherwise known as
11 *deepfakes*, with the end in view of strengthening government mechanisms to
12 implement cybercrime and data privacy laws, safeguarding the privacy, information
13 and identity of all Filipinos and protecting the integrity of Philippine social, political,
14 economic and financial institutions.

Adopted,


RALPH G. RECTO

rrdg



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Second Regular Session

HOUSE RESOLUTION NO. 1177

**Introduced by Representative DAVID "Jay-Jay" C. SUAREZ and
Representative ANNA MARIE VILLARAZA- SUAREZ**

**A RESOLUTION URGING THE ESTABLISHMENT OF GUIDELINES AND REGULATIONS
FOR THE ETHICAL AND RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE (AI)
IN THE PHILIPPINES**

WHEREAS, Artificial Intelligence (AI) is an interdisciplinary field of computer science that simulates human intelligence in machines, allowing them to perform tasks that typically require human intelligence;

WHEREAS, The recent advancements in AI technology, witnessed in platforms such as ChatGPT and others, have led to a remarkable boom in the field over the past two years, resulting in transformative applications in various sectors of society;

WHEREAS, AI has found utility across a broad spectrum of tasks and fields, including but not limited to healthcare, finance, transportation, education, and governance;

WHEREAS, In the Philippine setting, AI has shown potential in improving public service delivery, streamlining bureaucratic processes, enhancing disaster response mechanisms, and facilitating data-driven decision-making for more efficient and transparent governance;

WHEREAS, The application of AI in the Philippine context has the potential to drive economic growth, increase productivity, and improve the quality of life for its citizens;

WHEREAS, However, the rapid proliferation of AI technologies also brings about potential challenges and concerns, including but not limited to data privacy breaches, algorithmic bias, job displacement, and the ethical implications of autonomous decision-making;

WHEREAS, It is imperative for this Congress to recognize the significance of AI and to ensure that its development and deployment are guided by principles of ethics, accountability, and transparency;

WHEREAS, The absence of comprehensive guidelines and regulations pertaining to AI may expose the country to risks that could undermine its economic, social, and political stability;

NOW, THEREFORE, BE IT RESOLVED, that this Congress shall take the following actions:

Section 1. Congress recognizes the transformative potential of Artificial Intelligence (AI) and acknowledges its relevance across various sectors.

Section 2. Congress encourages government agencies, private sector entities, and academic institutions to collaborate in the development and deployment of AI technologies for the betterment of society.

Section 3. Congress urges concerned government agencies, particularly the Department of Science and Technology (DOST), Department of Information and Communications Technology (DICT) and the National Privacy Commission (NPC), to lead in the formulation of ethical guidelines and regulations that govern the use of AI in the country.

Section 4. Congress emphasizes the importance of promoting AI literacy and education among citizens to foster a better understanding of its benefits, risks, and implications.

Section 5. Congress commits to holding public consultations and engaging with experts, stakeholders, and civil society organizations to ensure that the development and deployment of AI technologies prioritize human rights, inclusivity, and sustainable development.

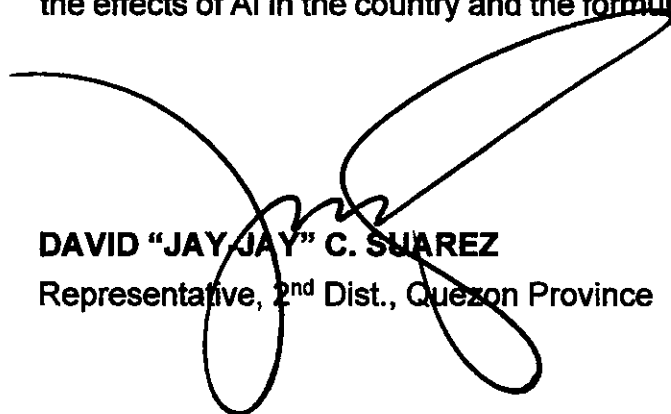
Section 6. Congress directs the appropriate committees to conduct hearings and studies to assess the current state of AI development and its potential impact on various sectors of Philippine society.

Section 7. Congress requests a report from relevant government agencies on the progress made in formulating AI guidelines and regulations within six months of the passage of this resolution.

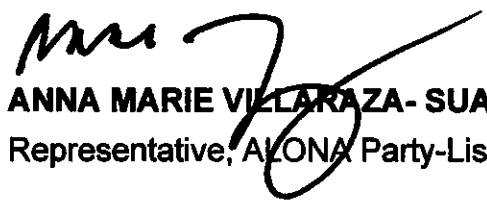
Section 8. This resolution shall take effect immediately upon approval.

RESOLVED FURTHER, that copies of this resolution be furnished to the President of the Philippines, the Secretary of the Department of Science and Technology, the Secretary of the Department of Information and Communications Technology, and the Commissioner of the National Privacy Commission, and other relevant government agencies and institutions for their information and guidance.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, to direct the Committee on Science and Technology to conduct an inquiry, in aid of legislation, on the effects of AI in the country and the formulation of guidelines and regulations for its ethical use.



DAVID "JAY JAY" C. SUAREZ
Representative, 2nd Dist., Quezon Province



ANNA MARIE VILLARAZA- SUAREZ
Representative, ALONA Party-List

**MATRIX ON ARTIFICIAL INTELLIGENCE (AI) BILLS
(HOUSE BILLS NO. 7396, 7913, 7983, and 9448)**

<p align="center">HOUSE BILL NO. 7396 Rep. ROBERT ACE S. BARBERS</p>	<p align="center">HOUSE BILL NO. 7913 Rep. KEITH MICAH "Atty. Mike" D.L. TAN</p>	<p align="center">HOUSE BILL NO. 7983 Rep. KEITH MICAH "Atty. Mike" D.L. TAN</p>	<p align="center">HOUSE BILL NO. 9448 Rep. JUAN CARLOS "Arjo" C. ATAYDE</p>	<p align="center">REMARKS</p>
<p>AN ACT PROMOTING THE DEVELOPMENT AND REGULATION OF ARTIFICIAL INTELLIGENCE IN THE PHILIPPINES</p>	<p>AN ACT ESTABLISHING A REGULATORY FRAMEWORK FOR A ROBUST, RELIABLE, AND TRUSTWORTHY DEVELOPMENT, APPLICATION, AND USE OF ARTIFICIAL INTELLIGENCE (AI) SYSTEMS, CREATING THE PHILIPPINE COUNCIL ON ARTIFICIAL INTELLIGENCE, DELINEATING THE ROLES OF VARIOUS GOVERNMENT AGENCIES, DEFINING AND PENALIZING CERTAIN PROHIBITED ACTS</p>	<p>AN ACT PROVIDING A NATIONAL STRATEGY FOR THE DEVELOPMENT OF ARTIFICIAL INTELLIGENCE, CREATING FOR THE PURPOSE THE NATIONAL CENTER FOR ARTIFICIAL INTELLIGENCE RESEARCH, AND APPROPRIATING FUNDS THEREFOR</p>	<p>AN ACT REGULATING THE USE OF ARTIFICIAL INTELLIGENCE AND AUTOMATION SYSTEMS IN THE LABOR INDUSTRY AND FOR OTHER PURPOSES</p>	
<p>SECTION 1. Short Title. This Act shall be known as the "Artificial Intelligence Development and Regulation Act of the Philippines.</p>	<p>SECTION 1. Short Title. — This Act shall be known as the "Artificial Intelligence (AI) Regulation Act"</p>	<p>SEC. 1. Short Title. — This Act shall be known as the "Artificial Intelligence Development Act"</p>	<p>SECTION 1. Short Title. - This Act shall be known as the "Protection of Labor Against Artificial Intelligence (AI) Automation Act."</p>	
<p>SECTION 2. Declaration of Policy. It is hereby declared the policy of the State to promote the development of artificial intelligence in the Philippines, while ensuring that its development and deployment are aligned with national priorities, socially responsible, and respectful of human rights. The State recognizes the potential of artificial intelligence to contribute to economic growth, social welfare, and national security, and commits to promote its development in a way that is transparent, accountable, and responsive to the needs of the</p>	<p>2. SECTION 2. Declaration of Policy. — The State recognizes that science and technology are essential for national development and progress. It shall support their application to the country's productive systems and national life and regulate the transfer and promote the adaptation of technology from all sources for national benefit. Towards this end, the State shall pursue the development of artificial intelligence (AI), including digitization and infrastructure, workforce development, research and development, and regulation with the end view of harnessing AI's potentials to uplift the lives of Filipinos, local industries, and the economy.</p>		<p>Section 2. Declaration of Policy. — It is the policy of the State to ensure protection and safeguard the livelihood and security of tenure of its citizens through regulation of the possible implementation of artificial intelligence (AI) and/or automation technologies in the workforce. The State is mandated to strike a balance between the right of business owners or employers to reasonable return on investment aided by technological advancements and the preservation of employment opportunities for the people.</p>	

<p>this Act is to promote and regulate the deployment of artificial intelligence (AI) technologies in the Philippines to ensure that AI systems are developed, deployed, and used in a manner that is consistent with ethical principles, protects human rights and dignity, and serves the public interest. This Act aims to achieve the following objectives:</p> <p>(a) Promote the development of AI technologies through research and development, innovation, and entrepreneurship.</p> <p>(b)Protect the rights and welfare of individuals and communities affected by AI technologies.</p> <p>(c) Ensure that AI technologies are developed, deployed, and used in a manner that is transparent, accountable, and fair.</p> <p>(d) Develop the necessary infrastructure and human capital to support the development and deployment of AI technologies in the Philippines; and</p> <p>(e) Foster international cooperation and collaboration in the development and use of AI technologies</p>				
<p>SECTION 4. Definitions. For the purposes of this Act, the following terms shall be defined as follows:</p> <p>(a) Artificial Intelligence (AI) refers to ability of machines or computer programs, systems or software that</p>	<p>SEC. 3. Definition of Terms. — For purposes of this Act, the following terms shall be defined as stated below:</p> <p>(c) Artificial intelligence refers to the simulation of human intelligence in machines that are programmed to</p>	<p>SEC. 3. Definition of Terms. —</p> <p>For purposes of this Act, artificial intelligence (AI) refers to the simulation of human intelligence in</p>	<p>SEC. 3. Definition of Terms. — For purposes of this Act, the following terms shall be defined as stated below:</p> <p>(a) Artificial Intelligence (AI) - refers to an interdisciplinary domain that blends computer science with</p>	

<p>are designed to perform tasks that simulate human intelligence, such as reasoning, learning, perception, and problem-solving.</p> <p>(b) AI system refers to a computer system or software application that utilizes AI technologies and techniques to perform a task or make a decision, such as machine learning, deep learning, natural language processing, and robotics.</p> <p>(c) AI developer refers to any person, entity, or organization that develops AI technologies including software and hardware. The development of AI technologies includes among others the design, development, testing, or deployment of AI systems.</p> <p>(d) AI user refers to any person, entity, or organization that utilizes or benefits from AI systems, including but not limited to government agencies, private companies, and individuals.</p> <p>(e) AI regulator refers to any government agency or regulatory body that is responsible for overseeing the development and deployment of AI systems.</p>	<p>think like humans and mimic their actions.</p> <p>(e) Artificial Intelligence system refers to a computer system or software application that utilizes AI technologies and techniques to perform a task or make a decision such as machine learning, deep learning, natural language processing, and robotics;</p>	<p>machines that are programmed to think like humans and mimic their actions.</p>	<p>extensive datasets to facilitate problem-solving. It encompasses subdomains like machine learning and deep learning, which are often discussed in association with AI. These subfields involve AI algorithms designed to develop expert systems capable of making predictions or classifications using input data means systems that can:</p> <p>(a) perceive an environment through data acquisition, process and interpret the derived information, and take actions or imitate intelligent behavior to achieve a specified goal; and (b) learn from past behavior and results and adapt their behavior accordingly;</p>	
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<p>(f) Access refers to the instruction, communication with, storing data in, retrieving data from, or otherwise making use of any resources of a computer system or communication network.</p> <p>(g) Alteration refers to the modification or change, in form or substance, of an existing computer data or program.</p> <p>(h) Computer refers to an electronic, magnetic, optical, electrochemical, or other data processing or communications device, or grouping of such devices, capable of performing logical, arithmetic, routing, or storage functions, and which includes any storage facility or equipment, or communications facility or equipment directly related to or operating in conjunction with such device. It covers any type of computer device, including devices with data processing capabilities like mobile phones, smart phones, computer networks and other devices connected to the internet.</p> <p>(i) Computer program or Application refers to a set of instructions executed by the computer to achieve intended results.</p> <p>(j) Computer system refers to any device or group of interconnected or related devices, one or more of which, pursuant to a program, performs automated processing of data. It covers any type of device with data processing capabilities, including, but not limited to,</p>				
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<p>computers and mobile phones. The device consisting of hardware and software may include input, output, and storage components, which may stand alone or be connected to a network or other similar devices. It also includes computer data storage devices or media.</p> <p>(k) Critical infrastructure refers to the computer systems, and/or networks, whether physical or virtual, and/or the computer programs, computer data and/or traffic data that are so vital to this country that the incapacity or destruction of or interference with such system and assets would have a debilitating impact on security, national or economic security, national public health and safety, or any combination of those matters.</p> <p>(l) Cybersecurity refers to the collection of tools, policies, risk management approaches, actions, training, best practices, assurance, and technologies that can be used to protect the cyber environment, and organization and user's assets.</p> <p>(m) Transparency means the quality or state of being open, accountable, and easily understood.</p>	<p>(a) Algorithm refers to a process or set of rules to be followed in calculations or other problem-solving operations, especially by a computer;</p> <p>(b) Algorithmic decisions refer to the analysis of large amounts of personal data to infer correlations</p>			
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	<p>or, more generally, to derive information deemed useful to make decisions;</p> <p>(d) Artificial intelligence eco-system refers to a group of AI systems which are coupled together to some extent to achieve a common goal. The most common goal of establishing an AI ecosystem is automation via applied machine learning. This is generally achieved by putting AI systems in both real-time as well as historical scenarios and generating intelligence out of it;</p> <p>(f) Augmentation refers to the process of allowing human collaboration with machines to perform a task;</p> <p>(g) Automated decision refers to the process of making a decision by automated means without any human involvement;</p> <p>(h) Automation refers to the creation and application of technologies to produce and deliver goods and services with minimal human intervention;</p> <p>(i) Innovation refers to the creation of new ideas that results in the development of new or improved policies, products, processes, or services which are then spread or transferred across the market;</p> <p>(j) Lethal autonomous weapons</p>		<p>(c) Automation - refers to the use of technology and machinery to perform tasks or processes with minimal human intervention. It involves the design, development, and implementation of systems and software that can carry out repetitive or complex actions automatically, efficiently, and accurately; and</p>	
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	<p>systems (LAWS) refer to weapons that use artificial intelligence to identify, select, and kill human targets without human intervention;</p> <p>(k) Regulatory sandbox refers to a regulatory approach, typically summarized in writing and published, that allows live, time-bound testing of innovations under a regulator's oversight; and</p> <p>(l) Social scoring refers to the act of rating a person's level of influence based on evaluating one's followers, friends, and postings on social networks such as Twitter and Facebook.</p>		<p>(b) Automated Systems - refers to technologies or software that rely on algorithms and data-driven processes which shall in effect make the hiring decision without significant human intervention.</p> <p>(d) Human Workers - refers to any human personnel engaged by an employer regardless of employment status.</p>	
<p>SECTION 5. Establishment of AI Development Authority (AIDA). An artificial intelligence body to be known as Artificial Intelligence Development Authority (AIDA) is hereby created and established to oversee the development and deployment of AI technologies, ensuring compliance with AI ethics principles and guidelines, and protecting the rights and welfare of</p>	<p>SEC. 9. Creation of the Artificial Intelligence Board. - To carry out the provisions of this Act, an agency shall be created to be called the Artificial Intelligence Board (AIB) and shall be composed of the Secretary of Science and Technology (DOST) as chairman, the Secretary of the Department of Information and Communications Technology (DICT), the Secretary of the Department of</p>	<p>SEC. 4. Establishment of the National Center for Artificial Intelligence Research. - There is hereby established a National Center for Artificial Intelligence Research (NCAIR), which shall be attached to the Department of Science and Technology (DOST) for policy and program coordination and shall be headed by a Board composed of the following</p>		

<p>individuals and communities affected by AI technologies.</p> <p>Composition. The Artificial Intelligence Development Authority (AIDA), under the administrative supervision of the office of the President, shall be governed by a Board of Trustees composed of permanent and ex-officio members, as follows:</p> <p>1. Permanent Board Members. The permanent members include the following:</p> <p>a. Executive Director of the Department of Science and Technology - Information and Communications Technology office (DOST-ICTO) as Chairman</p> <p>b. Head of the ICT Industry Development Bureau of the Department of Information and Communications Technology (DICT-IIDB) as Vice-Chairman</p> <p>c. Head of the National Computer Center.</p> <p>d. One (1) representative from the private sector who should be experts in the fields of information technology specializing artificial intelligence, law, ethics, social science, and other relevant disciplines.</p> <p>e. One (1) representative from the academe who should be experts in the fields of information technology specializing artificial intelligence, law, ethics, social science, and other relevant disciplines.</p> <p>2. Ex-officio Members. The ex-officio</p>	<p>Trade and Industry (DTI), the Director General of the Intellectual Property office of the Philippines (IPOPIL), and the Commissioner of the National Privacy Commission (NPC), as members. The AIB shall act unanimously in the discharge of its functions as defined hereunder:</p> <p>(a) to exercise regulatory and supervisory authority over the development, application, and use of AI systems;</p> <p>(b) to investigate motu proprio or upon report of any person, impose and collect fines and penalties, initiate and resolve the necessary administrative action, or initiate the necessary criminal case against the responsible persons for any violation of this Act;</p> <p>(c) to issue subpoena and subpoena duces tecum in relation to its investigation provided that the subpoena shall state the nature and purpose of the investigation, shall be directed to the person whose attendance is required, and in the case of a subpoena duces tecum, it shall contain a reasonable description of books, documents, or things demanded which must be relevant to the investigation;</p> <p>(d) to exercise visitorial powers by itself or in coordination with other competent agencies of the government to ensure the effective implementation of this Act, which shall include the power to scrutinize</p>	<p>members:</p> <p>(a) The Secretary of the Department of Science and Technology, who shall act as the chairperson;</p> <p>(b) The Secretary of the Department of Trade and Industry as co-chairperson;</p> <p>(c) One (1) representative from the Department of Information and Communications Technology;</p> <p>(b) One (1) representative from the Department of Labor and Employment;</p> <p>(c) One (1) representative each from the Department of Education and the Commission on Higher Education;</p> <p>(d) One (1) representative from the Department of Computer Science, University of the Philippines-Diliman;</p> <p>(e) Three (3) members representing professional or industrial artificial intelligence or information communications technology (ICT) organizations to be selected by the chairperson from among the list of nominees submitted by Philippines-based ICT professional organizations; and</p> <p>(f) Three (3) members representing</p>		
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<p>members include the heads or their deputies, assistants, or next-in-rank of the following agencies:</p> <ul style="list-style-type: none"> a. National Privacy Commission (NPC) b. Department of Justice-office of Cybercrime (DOJ-OC) c. National Intelligence Coordinating Agency (NICA) d. Armed Forces of the Philippines (AFP) Cyber Command e. Philippine National Police Anti-Cybercrime Group (PNP-ACG) f. National Telecommunications Commission (NTC) g. Securities and Exchange Commission h. Such other offices, agencies and/or units, as may be necessary <p>Meetings of the Board. The Board of Trustees of the Artificial Intelligence Development Authority (AIDA) shall meet once a week or as often as necessary at the discretion of the Chairman or at the call of any three (3) other members. The presence of majority of the permanent members and of the ex-officio members shall constitute a quorum.</p>	<p>the records of AI companies and laboratories, except trade secrets and proprietary information, and to inspect their premises. Provided, That trade secrets and proprietary information shall be defined in this Act implementing rules and regulations;</p> <ul style="list-style-type: none"> (e) to appoint automation auditors with the power to probe and review the behavior of the algorithm; (f) to require AI companies and laboratories to submit written or electronic forms or reports as it may deem necessary and reasonable; (g) to create, maintain, and regularly update a central database of AI companies and laboratories; (h) to conduct a nationwide information campaign with the Philippine Information Agency (PIA) that shall inform the public on the responsible development, application, and use of AI systems to enhance awareness among end-consumers; (i) to enlist the assistance of any branch, department, bureau, office, agency or instrumentality of the government, including government-owned and -controlled corporations, in undertaking any and all operations, which may include the use of its personnel, facilities and resources for the more resolute prevention, detection and investigation of offenses and prosecution of offenders; and (j) to implement such measures as 	<p>non-governmental ICT or artificial intelligence advocacy organizations to be selected by the chairperson from among the list of nominees submitted by the country's non-governmental ICT organizations.</p> <p>The Board may avail itself of the expertise and services of local or international resource persons who are of known expertise, knowledge, and/or skill during deliberative sessions.</p> <p>The Board and its resource persons shall be entitled to such reasonable per diems, allowances, and honoraria as may be allowed under existing laws, rules, and regulations.</p>		
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	<p>may be necessary and justified under this Act;</p>			
<p>SECTION 6. Secretariat. The AIDA Secretariat serves as the implementing arm of the Board and shall be responsible for the efficient and effective enforcement of all the provisions of this Act. It shall be headed by the Executive Director and two (2) Deputy Executive Directors. The Board shall recommend to the President of the Philippines the appointment of an Executive Director who shall be the Secretary of the Board and at the same time the executive officer having direct control and supervision of the AIDA. He/she must possess adequate knowledge, training, and experience for at least seven (7) years in the field of information technology and recently on artificial intelligence.</p> <p>Two Deputy Executive Directors for administration and for operations shall also be appointed by the President upon recommendation of the Board. They shall possess the same qualifications as those of the Executive Director. They shall receive a salary corresponding to their position as prescribed by the Salary Standardization Law as a Career Service officer.</p>	<p>SEC. 10. Creation of a Secretariat. - The AIB is hereby authorized to establish a secretariat to be headed by an Executive Director who shall be appointed by the Council for a term of five (5) years. He or she must be a member of the Philippine Bar, at least thirty-five (35) years of age and of good moral character, unquestionable integrity and known probity. All members of the Secretariat must have served for at least five (5) years in any of the member agencies and shall hold full-time permanent positions within the said agencies.</p>			
<p>SECTION 7. Regulation of AI Development and Deployment. The AIDA shall have the general mandate and power to oversee the</p>		<p>"SEC. 5. Functions of the NCAIR. - The NCAIR shall be the primary policy- making and research body concerned with the development of</p>		

<p>development and deployment of AI technologies, ensure compliance with AI ethics principles and guidelines, and protect the rights and welfare of individuals and communities affected by AI technologies. Specifically, it shall be responsible for:</p> <p>(a) Developing a national AI development and regulation strategy that aligns with national priorities and international standards including but not limited to requirements for AI impact assessments, data protection, and transparency in AI decision-making.</p> <p>(c) Conducting research and development activities to promote the advancement of AI technology in the Philippines.</p> <p>(b) Providing guidance and support to AI developers and users on ethical and responsible development and deployment of AI technologies in the Philippines.</p> <p>(a) Establishing standards and guidelines for legal, ethical, and responsible AI development, use and deployment, and enforcing them by conducting investigations and penalizing violations of said AI ethics principles, standards, and guidelines.</p> <p>(d) Establishing licensing and certification requirements for AI developers and deployers so that they shall be required to register with AIDA and comply with its</p>		<p>artificial intelligence and allied emergent technologies in the country. It shall focus on studying, harnessing, advancing and/or transferring any beneficial AI creations or systems for the upliftment of Filipino innovators, workers, industries, businesses, and Consumers. It shall also promote the education, training, and skills-development of Filipinos in this area for employment and professional advancement.</p> <p>The NCAIR shall aim to capacitate enterprises to produce new products, processes, and services using AI the NCAIR shall endeavor for AI to benefit every kind of industry to help minimize waste and spoilage, anticipate operational requirements by the use of predictive technology, enhance business decision-making through advanced analytics, and any Other similar goal the Center may determine consistent with the declared policies of this Act and the provisions of Chapter IV. "</p>		
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<p>regulations and guidelines. Failure to register or comply with the regulations and guidelines of the Council shall be considered a violation of this Act and subject to applicable administrative penalties and sanctions.</p> <p>(e) Ensuring that personal data collected, used, and processed by AI systems are protected in accordance with Republic Act 10173 otherwise known as the Data Privacy Act of 2012 and other relevant laws and regulations.</p> <p>(f) Developing data security and cybersecurity standards for AI systems to protect against cyber-attacks and hacking.</p> <p>(g) Establishing a mechanism for reporting and addressing complaints and grievances related to the deployment of AI systems in the Philippines.</p> <p>(h) Monitoring and evaluating the development and deployment of AI systems in the Philippines and, except when national security and interest is involved, it shall regularly report to the public on the state of AI development and its impact on society.</p>				
<p>SECTION 8. Promotion of AI Development. The AIDA shall establish programs and initiatives that promote AI research and development, innovation, and entrepreneurship, with a focus on developing AI technologies that</p>				

<p>address the country's most pressing social and economic challenges. It shall promote the development of AI in the country through employment of any or combination of the following measures:</p> <p>(a) Providing funding and support for AI research and development activities.</p> <p>(b) Encouraging partnerships between academic institutions, private companies, and government agencies to promote AI development.</p> <p>(c) Promoting the adoption of AI in government agencies and private companies to improve efficiency and productivity.</p> <p>(d) Providing incentives for AI developers and users who adhere to ethical and responsible AI development and deployment practices.</p> <p>(e) Promoting the development of AI talent and skills in the Philippines through education and training programs.</p>				
<p>SECTION 9. International Cooperation and Collaboration. The AIDA shall undertake international cooperation and collaboration in the development and use of AI technologies, including through partnerships with other countries, international organizations, and the private sector. It shall participate in international efforts to develop global norms and standards for the development and use of AI</p>				

<p>technologies and shall work to ensure that these norms and standards are consistent with Philippine laws, regulations, and values.</p>				
<p>SECTION 10. Appropriations. The government shall allocate funds for the implementation of this Act, including the establishment and operation of the AI regulatory authority or commission and the promotion of AI research and development.</p>	<p>SEC. 17. Appropriations. — The amounts necessary for the implementation of this Act shall be included in the annual General Appropriations Act.</p>	<p>SEC. 13. Appropriations. - The amount necessary for the initial implementation of this Act shall be sourced from the current appropriations of the Departments part of the NCAIR. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.</p>		
<p>SECTION 11. Penal Provisions. Any person or entity that violates the provisions of this Act, including the AI ethics principles and guidelines, shall be penalized in accordance with the penalties provided for under existing laws and regulations.</p>	<p>SEC 15. Penalties. — Any person who willfully or knowingly does or who shall aid, permit, or cause to be done any of the acts declared to be unlawful in the preceding section, or aids, permits, or causes such violation shall, upon conviction thereof, be punished by imprisonment for not less than six months or more than six years and with the accessory penalty of perpetual absolute disqualification from public office if the offender be a public official at the time of the commission of the offense, and, if the offender is an alien he shall be subject to deportation proceedings.</p>		<p>Section 14. Penalties. – Any person who willfully or knowingly does or permits or causes to be done any violation of this Act shall be punished with imprisonment of not less than six (6) months or more than six (6) years, and if the offender is an alien, he/she shall be subject to deportation proceedings.</p>	
<p>SECTION 12. Implementing Rules and Regulations. The AI regulatory authority shall promulgate the necessary rules and regulations for the implementation of this Act, in consultation with relevant stakeholders.</p>	<p>SEC. 18. Implementing Rules and Regulations. — The DOST, shall, tin consultation with the concerned government agencies and stakeholders, promulgate the implementing rules and regulations of this Act within ninety (90) days</p>	<p>SEC. 14. Implementing Rules and Regulations. - The National Innovation Council shall issue within sixty (60) days from the effectivity of this Act the necessary rules and regulations for the effective implementation of this Act.</p>	<p>Section 16. -Implementing Rules and Regulations. – Within six (6) months from the approval of this Act, the Department of Labor and Employment shall promulgate the Implementing Rules and Regulations (IRR) of this Act.</p>	

	from its effectivity. All guidelines, regulations, and other issuances mandated to be promulgated in this Act shall be issued within sixty (60) days from the promulgation of this Act's implementing rules and regulations.			
SECTION 13. Separability Clause. If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.	SEC 20. Separability Clause. — If, for any reason, any chapter, section, or provision of this Act shall be declared unconstitutional, illegal, or invalid, such parts not affected thereby shall remain in full force and effect.	SEC. 16. Separability Clause. - If any part or provision of this Act is held unconstitutional or invalid, other parts or provisions thereof which are not affected shall continue to remain in full force and effect.	Section 17 Separability Clause. – If any section or provision of this Act is held unconstitutional or invalid, the other sections or provisions shall not be affected.	
SECTION 14. Repealing Clause. All laws, decrees, orders, rules and regulations, or parts thereof, which are inconsistent with the provisions of this Act, are hereby repealed, amended, or modified accordingly.	SEC. 21. Repealing Clause. — All laws, decrees, executive orders, proclamations, and administrative regulations, or parts thereof inconsistent herewith are hereby repealed or modified accordingly.	SEC. 15. Repealing Clause. - All laws, executive orders, proclamations, rules, regulations and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.	Section 18. Repealing Clause. – All laws, Presidential decrees, executive orders and rules and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.	
SECTION 15. Effectivity. This Act shall take effect fifteen (15) days after its last publication in the official Gazette and at least two (2) newspapers of general circulation.	SEC. 22. Effectivity. - This Act shall take effect fifteen (15) days after its publication in the official Gazette or in any newspaper of general circulation.	SEC. 17. Effectivity. - This Act shall take effect fifteen (15) days following completion of its publication in the official Gazette or at least two (2) newspapers of general circulation.	Section 19. Effectivity. – This Act shall take effect fifteen (15) days from the date of its complete publication in at least two (2) newspapers of general circulation.	
	SEC. 4. Principles. - The development, application, and use of artificial intelligence (AI) systems shall be guided by the following principles: (a) Inclusive growth, sustainable development, and well-being. — Consistent with the provisions of Republic Act No. 11293, otherwise known as the "Philippine Innovation Act" and other existing laws, the			

	<p>development, application, and use of AI must contribute to the developmental goals of the country;</p> <p>(b) Human-centered values and fairness. — AI systems must treat people with dignity and respect,</p> <p>(c) Robustness, security, and safety. — AI must be reliable and safe and ensure that the public is protected from errors in processing and outcomes;</p> <p>(d) Accountability. — AI system must provide disclosure of information that enables monitoring, checking or criticism and allow automation auditing to ensure that entities deploying AI technologies are accountable for their consequences;</p> <p>(e) Transparency and Explainability. - Policies, rules, and regulations governing AI systems must be understandable and ensure that automated and algorithmic decisions and any associated data driving those decisions can be explained to end-users and stakeholders in non-technical terms; and</p> <p>(f) Trust. - AI systems must be transparent; accurate and reliable; provide augmentation; and protect privacy.</p>			
	<p>SEC. 5. Bill of Rights. - The development, application, and use of AI systems shall be guided by the following rights of every Filipino</p> <p>(a) Right to Protection from Unsafe and Ineffective AI Systems. — The</p>			

right of every people to be protected from harmful AI systems shall be inviolable. AI systems, tools, and technologies shall be developed with consultation from diverse communities, stakeholders, and domain experts to identify concerns, risks, and potential impacts of the system. Systems shall undergo pre-deployment testing, risk identification and mitigation, and ongoing monitoring that demonstrate they are safe and effective based on their intended use, mitigation of unsafe outcomes including those beyond the intended use, and adherence to domain-specific standards.

(b) Right Against Algorithmic Discrimination. - No person shall be discriminated by algorithms and AI systems on the basis of ethnicity, sex, related medical conditions, gender identity, religion, age, national origin, disability, genetic information, or any other classification protected by law. Designers, developers, and deployers of AI systems shall take proactive and continuous measures to protect individuals and communities from algorithmic discrimination and shall use and design systems in an equitable manner.

To protect equal rights, proactive equity assessments as part of the

	<p>system design, use of representative data and protection against proxies for demographic features, ensuring accessibility for people with disabilities in design and development, pre-deployment and ongoing disparity testing and mitigation, and clear organizational oversight shall be instituted. Independent evaluation and plain language reporting in the form of an algorithmic impact assessment, including disparity testing results and mitigation information shall be performed and made public whenever possible to confirm these protections.</p> <p>(c) Right to Privacy - Every people shall be protected from violations of privacy through design choices that ensure such protections are included by default. Data collection that conforms to reasonable expectations and that only data strictly necessary for the specific context is collected shall be ensured. Designers, developers, and deployers of AI systems shall seek permission and respect the decisions of every person regarding collection, use, access, transfer, and deletion data in appropriate ways and to the greatest extent possible. Alternative privacy by design safeguards shall be used whenever applicable. Systems shall not employ user experience and design decisions that obfuscate user choice</p>			
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or burden users with defaults that are privacy invasive. Consent shall only be used to justify collection of data in cases where it can be appropriately and meaningfully given.

(c) Right to Know. - Designers, developers, and deployers of AI systems shall provide generally accessible plain language documentation including clear descriptions of the overall system functioning and the role automation plays including notice that such systems are in use, the individual or organization responsible for the system, and explanations of outcomes that are clear, timely, and accessible. Such notice shall be kept up-to-date, and people impacted by the system shall be notified of significant use case or key functionality changes.

(d) Right to Remedy. - Every people shall be given an opportunity to opt out from AI systems in favor of a human alternative, where appropriate. They shall have access to timely human consideration and remedy through a fallback and escalation process if an automated system fails or produces an error. The right to appeal or contest AI's impacts on every person shall not be denied. Human consideration and fallback shall at all times be accessible, equitable, effective,

	<p>maintained and shall not impose an unreasonable burden to the public.</p> <p>SEC. 6. Creation of the Philippine Council on Artificial Intelligence. - There is hereby established a policy-making and advisory body of experts under the Department of Science and Technology (DOST) to be known as the Philippine Council on Artificial Intelligence (PCAI), herein after referred to as the Council.</p> <p>The core committee, which shall elect from among themselves its Chairperson, shall be composed of an AI researcher; robotics specialist; a machine learning expert; a data science specialist; a technology expert; an ethicist; a sociologist or anthropologist; a psychologist; a public health expert; a security analyst; a legal scholar; a human rights advocate; a citizens' representative; and such other experts that the President of the Philippines may appoint.</p> <p>The committee shall create subcommittees or technical working groups (TWGs) as maybe necessary for the effective and efficient performance of its powers and duties as the public interest may require.</p> <p>The Council shall engage AI expertise and may call upon technical resource persons from the agencies of government, the private</p>			
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	<p>sector, and civil Society organizations.</p> <p>It may call upon any official, agent, employee, agency, or instrumentality of the government for any assistance that they may deem necessary to carry out the purposes of this Act and said agency or instrumentality of the government shall, with the approval of the President, assign the official, agent, or employee and provide the assistance requested by the Council.</p> <p>The Council's core committee members shall be appointed by the President for a term of three (3) years except for the AI researcher, robotics specialist, machine learning expert, data science specialist, technology expert, and ethicist who shall serve for a term of four (4) years: Provided, That no member shall serve for more than three (3) consecutive terms: Provided, further, That the members of the Council shall receive an honorarium in accordance with existing policies: Provided, furthermore, That the DOST shall promulgate the nomination process for all Council members with a clear set of qualifications, credentials and recommendations from the sectors concerned.</p>			
	<p>SEC. 7. Powers and Functions. — The Council shall have the following powers and functions:</p>			

	<p>(a) Conduct an evaluation on the impact of artificial intelligence (AI) systems and development of AI economies in the country;</p> <p>(b) Review existing policies on AI;</p> <p>(c) Determine the structures or parameters under which AI systems may operate;</p> <p>(d) Develop and promulgate a governance framework based on fundamental guiding principles on the development, application, and use of AI;</p> <p>(e) Establish a code of ethics for AI developers for a progressive industry regulation;</p> <p>(f) Promulgate rules to prevent abusive and harmful applications of AI;</p> <p>(g) Prepare mitigation measures against the potential consequences and impacts of algorithms to processes and business models;</p> <p>(h) Formulate guidelines to prohibit and penalize indiscriminate and non-rights-respecting applications of AI and safeguard the health, safety, security, environmental, and quality standards for the development, application, and use of AI technologies;</p> <p>(i) Promote the responsible development, application, and use of AI;</p> <p>(j) Provide timely and comprehensive information to the public in addressing emerging issues on AI;</p> <p>(k) Build AI ecosystem conscience by</p>			
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	<p>strengthening intellectual property and data protection measures;</p> <p>(l) In consultation with the affected sectors, establish an AI risk reduction plan;</p> <p>(m) Together with the Commission on Higher Education (CHED), Department of Education (DepEd), Technical Education and Skills Development Authority (TESDA) and other education stakeholders, take the appropriate steps to revitalize the teaching of humanities in state universities and colleges (SUCs), private higher education institutions (HEIs), technical vocational institutions, and all elementary and secondary education institutions, including alternative learning systems, both public and private;</p> <p>(n) Provide effective measures to counter harmful AIS;</p> <p>(o) Provide programmatic direction in the deployment of AI in government agencies' programs and projects;</p> <p>(p) Ensure an efficient balance in the regulation of AI and consumer protection to facilitate the growth of emerging business models brought about by AI utilizing regulatory sandbox approach to reduce the cost of innovation and barriers to entry, including the collection of data and information regarding appropriate regulatory action;</p> <p>(q) Device appropriate mechanisms to protect workers and professionals from potential job losses brought</p>			
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	<p>about by automation and AI;</p> <p>(r) Guided by the legal mandates of the agencies and LGUs concerned, identify and task government agencies and LGUs that will be tasked to implement specific functions to implement the provisions of this Act;</p> <p>(s) Recommend to the President of the Philippines and the Congress all policy matters regarding AI;</p> <p>(t) Submit to the President of the Philippines, the President of the Senate and the Speaker of the House of Representatives, annual and special reports on the implementation of this Act; and</p> <p>(u) Exercise all powers and functions necessary for the objectives and purposes of this Act.</p>			
	<p>SEC 8. Secretariat to the Council. - The Philippine Council for Industry, Energy and Emerging Technology Research and Development (PCIEERD) under the DOST shall provide Secretariat support to the Council.</p> <p>The initial staffing structure and complement of the Secretariat shall be submitted by the DOST to the Department of Budget and Management (DBM) for funding.</p> <p>Pending the creation of the appropriate plantilla positions, the DOST shall constitute an interim Secretariat within one (1) month from the effectivity of this Act,</p>			

	<p>through the temporary detail of its personnel.</p>			
	<p>SEC. 11. Whole of Government Approach. - In order to effectively regulate and/or mitigate the risks and harness the potentials of AI across all areas of government policy—spanning health, infrastructure, education, training, energy, communication, industry, science and technology, defense, among others - a "whole of government approach" shall be adopted. This approach shall facilitate engagement with business, the research development and extension (RD&E) sector, and the broader community towards ensuring the full and effective implementation of this Act.</p> <p>All government agencies concerned, including the following, shall be responsible for implementing the country's policies on AI and, as such, shall observe the "whole of government approach" provided herein:</p> <ul style="list-style-type: none"> (a) Department of Science and Technology (DOST); (b) Department of Information and Communications Technology (DICT); (c) Department of Trade and Industry (DTI); (d) Department of Agriculture (DA); (e) Department of Environment and Natural Resources (DENR); (f) Department of Health (DOH); (g) Department of Energy (DOE); 			

	<p>(h) Department of Transportation (DOTr);</p> <p>(i) Department of National Defense (DND);</p> <p>(j) Department of the Interior and Local Government (DILG);</p> <p>(k) Department of Education (DepEd);</p> <p>(l) Commission on Higher Education (CHED);</p> <p>(m) Technical Education and Skills Development Authority (TESDA);</p> <p>(n) Department of Labor and Employment (DOLE); and</p> <p>(o) Commission on Human Rights (CHR).</p> <p>Government agencies shall make available for public access, a joint web portal, that will bear information pertinent to AI regulations.</p> <p>Government agencies shall submit periodic reports to the Council on their respective implementation of this Act. Reporting guidelines shall be prepared by the Council for this purpose.</p> <p>The enumeration of agencies provided herein is without prejudice to other agencies that the Council may mandate.</p>			
	<p>SEC 12. Reports and Disclosures to the AIB. — In requiring AI companies and laboratories to submit written or electronic forms or reports pursuant to section 8 of</p>			

	<p>this Act, the AIB shall be prohibited from sharing, disclosing, or making available to the public and other AI entity any information, document, plan, and report constituting trade secrets, proprietary data, and Other legitimate commercial information which are confidential or privileged in nature.</p>			
	<p>SEC. 13. Central Database of AI Industry. — The central database, which shall be open to the public, created by the AIB pursuant to Section 8 of this Act shall be updated on a monthly basis. It shall include the following information:</p> <ul style="list-style-type: none"> (a) Corporate, business, or trade name of the AI industry participant; (b) Registered trademark or trade name or logo of AI company or laboratory; (c) Violations committed and incidents relating to such violations; and (f) Other relevant information as may be determined by the Council: Provided, that it shall not include trade secrets and Other proprietary information as may be determined in this Act's implementing rules and regulations. <p>For this purpose, the AIB shall coordinate with the Intellectual Property office of the Philippines (IPOP HL) for the accurate reporting of trademarks and tradenames of AI companies or laboratories.</p>			
	<p>SEC 14. Prohibited Use of AI</p>		<p>Section 5. Prohibited Acts. -</p>	

	<p>System. — It shall be unlawful for any person to use AI system that shall cause unnecessary, unjustifiable, and indiscriminate moral or pecuniary damage to individuals. The use of lethal autonomous weapon systems (LAWS) is hereby prohibited.</p> <p>The development, application, and use of AI to manipulate, exploit or control any person beyond his or her consciousness to materially distort his or her behavior in a manner that is likely to cause him or her or another person physical or psychological harm is prohibited.</p> <p>AI based social scoring of natural persons and practices that undermine privacy rights shall also be prohibited</p>		<p>a. Employers and recruitment entities shall be prohibited from using AI or automated systems as their sole or primary basis in the hiring and termination of employees. Human evaluation, discretion and judgment shall always be a significant factor or part in the hiring and termination process. Any use of AI or automated systems during the said processes shall be directly supervised and complemented by human oversight.</p> <p>b. The use of AI and automation technologies to replace human workers resulting in displacement, loss of security of tenure, diminution of existing salaries or benefits or unemployment is hereby prohibited unless an equivalent alternative employment opportunity for affected human workers are made available.</p>	
	<p>SEC. 16. Violations by Juridical Entities. — If the violation is committed by a corporation, partnership, association, or other juridical entity, the penalty of imprisonment shall be imposed on the responsible directors or officers thereof, and the lack of corporate personality cannot be raised as a defense in case the juridical entity is unregistered</p>		<p>Section 15. Violations of Juridical Entities. — If the violation is committed by a corporation, partnership, association, or other juridical entity, the penalty of imprisonment mentioned in the preceding paragraph shall be imposed on the responsible directors or officers thereof, and the lack of corporate personality shall not be raised as a defense in case the juridical entity is unregistered.</p>	
	<p>SEC. 19. Construction and Interpretation. — Any doubt in the interpretation of any provision in</p>			

	<p>this Act shall be interpreted in favor of the interest of the general public.</p>			
		<p>SEC. 6. Personnel. - The personnel of the NCAIR shall be primarily staffed by Filipino scientists. The composition and size of such personnel shall be determined by the chairperson, who may create such offices, divisions, and units under the NCAIR as he may deem necessary, and for this purpose, the chairperson is authorized to adopt and implement the corresponding staffing patterns; Provided, however, that the positions, titles, and salaries of its officials and personnel shall be in accordance with the position classifications and salary grades in the Civil Service Rules and the Salary</p>		
		<p>SEC. 7. Role of the National Innovation Council. - The National Innovation Council (NIC) created under Republic Act NO. 11293, otherwise known as the "Philippine Innovation Act", shall give priority to the development of artificial intelligence in the National Innovation Agenda and Strategy Development.</p> <p>The NIC shall incorporate in its overall vision the strategies and objectives outlined in Chapter IV.</p>		
		<p>SEC. 8. Government-industry-Academe Synergy. - To promote synergy among the government, the private sector, and the academe, the Secretary of Science and</p>		

		<p>Technology, Director General of the National Economic and Development Authority, Secretary of Information and Communications Technology, Secretary of Trade and Industry, Secretary of Labor and Employment, Chairperson of the Commission on Higher Education, Secretary of Education, and the Executive Members of the National Innovation Council shall form an Artificial Intelligence sub- group under the NIC.</p>		
		<p>SEC. 9. Research and Development. - The State shall endeavor to accelerate innovation with AI as well as master and push its boundaries; it shall help industries innovate, nurture and support AI startups, and transform institutions by:</p> <ul style="list-style-type: none"> (a) Developing competency in AI research as measured by publications, patents, and technology disclosures; (b) Inviting international experts that can bring in new AI technologies and/or AI startup or business ideas; (c) Providing funding for AI algorithmic innovations (d) Strengthening academe-industry partnerships in AI research and development; (e) Incentivizing Higher Educational Institutions to promote AI research and development internships with local private institutions; (f) Creating quantifiable measures to track, coordinate, and improve 		

		<p>government services and policies for industries;</p> <p>(g) Strengthening technology transfer between Higher Educational Institutions or Research and Development Institutions with industry;</p> <p>(h) Identifying and prioritizing sector-specific research and development projects that can maximize the impact of AI research;</p> <p>(i) Tracking and analyzing the quality and quantity of jobs displaced, created, and/or transformed as a result of AI academe-industry partnerships;</p> <p>(j) Identifying and supporting local AI startups;</p> <p>(k) Developing state-owned venture funds to support AI startups;</p> <p>(l) Incentivizing and encouraging investors to support promising AI businesses; and</p> <p>(m) Supporting or co-hosting AI-themed competitions, events, and conventions.</p>		
		<p>SEC. 10. Digitization and Infrastructure. - The State shall improve data access and data value extraction, and build a robust networked environment by:</p> <p>(a) Making internet accessible and affordable;</p> <p>(b) Improving internet quality;</p> <p>(c) Ensuring that the internet access of enterprises is reliable, secure, and at least within global averages;</p> <p>(d) Ensuring government agencies and Other public institutions serve</p>		

		<p>as reliable areas for information access and transfer;</p> <p>(e) Ensuring that Higher Educational Institutions and Research and Development Institutions have access to reliable and secure networks;</p> <p>(f) Making public data open, freely available, and downloadable in digestible formats for ready analysis;</p> <p>(g) Building a National Data Center (NDC) with a reliable and robust infrastructure and data management system;</p> <p>(h) Encouraging government agencies, research institutions, and top universities, to maintain their Own data centers linked with the NDC;</p> <p>(i) Working with private institutions to link public and private datasets that will allow for integrated data search;</p> <p>(j) Promoting and encouraging data analysis across all functions of businesses, industries, and government agencies;</p> <p>(k) Promoting projects that would enable access to more sensitive datasets given clear social or business value; and</p> <p>(l) Undertaking extensive and up-to-date training of analysts and data scientists to extract actionable insights from publicly available data.</p>		
		<p>SEC. 11. Workforce Development. - The State shall transform education and nurture future AI talents as well</p>		

		<p>as upskill or reskill workers by:</p> <ul style="list-style-type: none"> (a) Promoting data literacy for all; (b) Ensuring the proper training of teachers in Data Science and Analytics; (c) Developing graduate programs centered on data science and AI; (d) Increasing the number of graduate students in data science, AI, and business analytics; (e) Promoting lifelong learning and design learning pathways for Out-of-school individuals; (f) Incorporating data science and analytics, including data visualization and storytelling, as general education courses in universities and colleges; (g) Working with technology companies to provide sufficient computing resources and equipment to students and teachers; (h) Incentivizing industries to offer learning and development programs that improve digital/data literacy; (i) Developing sector-specific curricula and/or stackable programs with varying degrees of specialization (low, medium, high); (j) Identifying industry-specific tools needed to help upskill the country's workforce, (k) Incentivizing industries to send employees for graduate studies that focus on research and development towards developing a scientific culture within organizations; and (l) Identifying jobs that are 		
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		<p>vulnerable to automation and other industry technologies and map the skills that need upgrading or retooling.</p>		
		<p>SEC. 12. Job Displacement Program. - In case a public or private employee is terminated due to the installation or implementation of artificial intelligence technologies or systems, rendering his or her position redundant, the worker affected shall be entitled to separation pay equivalent to at least his or her one (1) month pay or to at least one (1) month pay for every year of service, whichever is higher. A fraction of at least six (6) months shall be considered one (1) whole year. This is without prejudice to any higher benefit as may be provided by any existing law, rule, agreement, practice, or regulation.</p> <p>The worker shall also be eligible for any unemployment benefits from the Social Security System or the Government Service Insurance System.</p> <p>The Department of Labor and Employment shall create a Job Displacement Program that will aim to immediately assist and re-employ any workers involuntarily terminated due to the installation or implementation of artificial intelligence technologies or systems. The NCAIR shall always strive to improve the skills, education, and</p>	<p>Section 6. Retrenchment. – The prohibition set forth in Section 4(b) not apply in cases of retrenchment, provided, that (1) the losses incurred are substantial and not de minimis; (2) the losses are actual or reasonably imminent; (3) the retrenchment is reasonably necessary and is likely to be effective in preventing the expected losses; (4) the alleged losses, if already incurred, or the expected imminent losses sought to be forestalled, are proven by sufficient and convincing evidence; (5) the employer exercises its prerogative to retrench in good faith; and (6) the employer uses fair and reasonable criteria in ascertaining who would be retrenched or retained.</p> <p>In the event of a valid retrenchment, AI and/or automation technologies may be used for operational purposes, subject to approval of the Department of Labor, after submission of a report containing the following details:</p> <ol style="list-style-type: none"> 1. Reason/s or justification for the proposed retrenchment; 2. Proposed use of AI and/or automation systems in lieu of human workers solely for operational purposes and other 	

		<p>knowledge of employees in sectors that are prone to AI replacement to protect them from any prolonged displacement.</p>	<p>important details thereof; 3. The number of human workers likely to be affected by the proposed retrenchment; 4. The selection method of choosing retrenches which in no case be aided by AI; 5. The proposed date when retrenchment is to be effected; 6. The severance pay and other benefits to be provided to the affected workers; 7. The number of employees retrenched in the past years; and 8. The date, time, and place of consultation with the employees or their unions with proof thereof.</p>	
			<p>Section 4. Artificial Intelligence (AI) Governance Policies. – Employers may adopt AI software that they may deem useful and/or beneficial in the workplace as an administrative tool or an integrated or complementary part to process workflows, Provided that the use of AI in operations is regulated through the creation of an AI Governance Policy to provide employees with guidelines for AI adoption and usage in the workplace, how the collection, use and storage of data are compliant to the Data Privacy Act of 2012, and other important information relating thereto.</p> <p>Such AI Governance Policy may allow employees to use AI in business processes and workflows, subject to limitations made known</p>	

			<p>to the employees through said policy. Employees are enjoined to consult their policy in the event of uncertainty as to a specific application and use of AI and on the propriety of use thereof.</p> <p>Employers shall ensure the use of AI software in a legally compliant manner. They shall see to it that AI Governance Policies are periodically updated to comply with existing laws and policies.</p>	
			<p>Section 7. Industry Necessity of AI and Automation Technologies– This Act shall not apply to industries or positions where AI and automation technologies are deemed necessary for safety, efficiency, or the overall benefit of society, provided that appropriate measures are taken to mitigate job displacement.</p>	
			<p>Section 8. Reportorial Requirements. – Employers shall be required to report any planned implementation of AI or automation technologies that may lead to job displacement to the relevant labor authorities and provide documentation outlining the impact assessment and mitigation measures. The said report shall likewise come up with measures to mitigate the negative impact on human capital prior to the implementation of AI or automation technologies.</p>	
			<p>Section 9. Transition Assistance and Reskilling –</p>	

			<p>a. Employers implementing AI or automation technologies that result in permissible job displacement under this Act shall be obligated to provide transition assistance to affected human workers. Transition assistance may include severance packages, extended benefits, and support for skills development.</p> <p>b. Government agencies shall establish reskilling and upskilling programs to facilitate the transition of affected workers into new roles within the evolving job market.</p>	
			<p>Section 10. Employee Evaluations and Performance Assessments Using Artificial Intelligence. – Employers shall ensure fairness, non-discrimination, and compliance with applicable laws relating to labor in the conduct of employee evaluations and performance assessments aided by AI. They shall:</p> <p>a. Maintain transparency in the use of AI systems in employee evaluations, Provided, that employees are informed prior to the evaluation that AI technology will be used in assessing their performance with the right to request for further details regarding the evaluation process;</p> <p>b. Put in place clear procedures for the calibration, monitoring, and validation of AI systems to be used to ensure accuracy and reliability;</p> <p>c. Secure the informed consent from</p>	

			<p>the employee before the use of AI;</p> <p>d. Provide training to personnel in charge of using and administering of AI systems; and</p> <p>e. Conduct regular reviews and audits of all AI systems to assess the impact on employees.</p>	
			<p>Section 11. Right to Refuse. – Employees have the right to communicate with their employer their objection to or refusal to undergo AI-driven evaluations and may request for an alternative evaluation method. Such employees shall in no way be discriminated against for such refusal.</p>	
			<p>Section 12. Role of the Department of Labor and Employment. – The Department of Labor and Employment has the authority to oversee and compel the submission of AI Governance Policies to ensure compliance with existing laws, rules, and regulations, and are compliant with the ethical standards of business and the industry in consultation with relevant government agencies or offices. It shall likewise monitor and assess the compliance of employers with the provisions of this law.</p>	
			<p>Section 13. Data Privacy - All data collected and processed by AI systems in employee evaluations shall be handled in accordance with the Data Privacy Act of 2012. Employers are required to implement effective security measures to safeguard employee</p>	

			data from unauthorized access.	
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