

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 7913



Introduced by: Hon. Keith Micah "Atty. Mike" D.L. Tan

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

EXPLANATORY NOTE

In a controversial move, notable personalities including Elon Musk, Steve Wozniak, Tristan Harris, and leading AI researchers have signed an open letter that was posted online on 29 March 2023 that calls on "all AI labs to immediately pause for at least 6 months the training of AI systems more powerful than GPT-4."

The letter says that:

"AI systems with human-competitive intelligence can pose profound risks to society and humanity, as shown by extensive research and acknowledged by top AI labs. As stated in the widely-endorsed Asilomar AI Principles, Advanced AI could represent a profound change in the history of life on Earth, and should be planned for and managed with commensurate care and resources. Unfortunately, this level of planning and management is not happening, even though recent months have seen AI labs locked in an out-of-control race to develop and deploy ever more powerful digital minds that no one – not even their creators – can understand, predict, or reliably control.

Contemporary AI systems are now becoming human-competitive at general tasks, and we must ask ourselves: Should we let machines flood our information channels with propaganda and untruth? Should we automate away all the jobs, including the fulfilling ones? Should we develop nonhuman minds that might eventually outnumber, outsmart, obsolete and replace us? Should we risk loss of control of our civilization? Such decisions must not be delegated to unelected tech leaders. Powerful AI systems should be developed only once we are confident that their effects will be positive and their risks will be manageable. This confidence must be well justified and increase with the magnitude of a system's potential effects. OpenAI's recent statement regarding artificial general intelligence, states that "At some point, it may be important to get independent review before starting to train future systems, and for the most advanced efforts to agree to limit the rate of growth of compute used for creating new models." We agree. That point is now.

Therefore, we call on all AI labs to immediately pause for at least 6 months the training of AI systems more powerful than GPT-4. This pause should be public and verifiable, and include all key actors. If such a pause cannot be enacted quickly, governments should step in and institute a moratorium.

AI labs and independent experts should use this pause to jointly develop and implement a set of shared safety protocols for advanced AI design and development that are rigorously audited and overseen by independent outside experts. These protocols

should ensure that systems adhering to them are safe beyond a reasonable doubt. This does not mean a pause on AI development in general, merely a stepping back from the dangerous race to ever-larger unpredictable black-box models with emergent capabilities.

AI research and development should be refocused on making today's powerful, state-of-the-art systems more accurate, safe, interpretable, transparent, robust, aligned, trustworthy, and loyal.

In parallel, AI developers must work with policymakers to dramatically accelerate development of robust AI governance systems. These should at a minimum include: new and capable regulatory authorities dedicated to AI; oversight and tracking of highly capable AI systems and large pools of computational capability; provenance and watermarking systems to help distinguish real from synthetic and to track model leaks; a robust auditing and certification ecosystem; liability for AI-caused harm; robust public funding for technical AI safety research; and well-resourced institutions for coping with the dramatic economic and political disruptions (especially to democracy) that AI will cause.

Humanity can enjoy a flourishing future with AI. Having succeeded in creating powerful AI systems, we can now enjoy an "AI summer" in which we reap the rewards, engineer these systems for the clear benefit of all, and give society a chance to adapt. Society has hit pause on other technologies with potentially catastrophic effects on society. We can do so here. Let's enjoy a long AI summer, not rush unprepared into a fall."¹

The letter received numerous reactions and criticisms including one from a group of well-known AI ethicists who have written a counterpoint to the letter.

On 31 March 2023, Timnit Gebru (DAIR), Emily M. Bender (University of Washington), Angelina McMillan-Major (University of Washington), and Margaret Mitchell (Hugging Face) wrote:

"The harms from so-called AI are real and present and follow from the acts of people and corporations deploying automated systems. Regulatory efforts should focus on transparency, accountability and preventing exploitative labor practices.

On Tuesday March 28, the Future of Life Institute published a letter asking for a six-month minimum moratorium on "training AI systems more powerful than GPT-4," signed by more than 2,000 people, including Turing award winner Yoshua Bengio and one of the world's richest men, Elon Musk.

While there are a number of recommendations in the letter that we agree with (and proposed in our 2021 peer-reviewed paper known informally as "Stochastic Parrots"), such as "provenance and watermarking systems to help distinguish real from synthetic" media, these are overshadowed by fearmongering and AI hype, which steers the discourse to the risks of imagined "powerful digital minds" with "human-competitive intelligence." Those hypothetical risks are the focus of a dangerous ideology called longtermism that ignores the actual harms resulting from the deployment of AI systems today. The letter addresses none of the ongoing harms from these systems, including 1) worker exploitation and massive data theft to create products that profit a handful of entities, 2) the explosion of synthetic media in the world, which both reproduces systems of oppression and endangers our information ecosystem, and 3) the concentration of power in the hands of a few people which exacerbates social inequities.

While we are not surprised to see this type of letter from a longtermist organization like the Future of Life Institute, which is generally aligned with a vision of the future in which we become radically enhanced posthumans, colonize space, and create trillions of digital people, we are dismayed to see the number of computing professionals who have signed this letter, and the positive media coverage it has received. It is dangerous to distract ourselves with a fantasized AI-enabled utopia or apocalypse which promises

¹ <https://futureoflife.org/open-letter/pause-giant-ai-experiments/> (Accessed on 04 April 2023)

either a "flourishing" or "potentially catastrophic" future [1]. Such language that inflates the capabilities of automated systems and anthropomorphizes them, as we note in Stochastic Parrots, deceives people into thinking that there is a sentient being behind the synthetic media. This not only lures people into uncritically trusting the outputs of systems like ChatGPT, but also misattributes agency. Accountability properly lies not with the artifacts but with their builders.

What we need is regulation that enforces transparency. Not only should it always be clear when we are encountering synthetic media, but organizations building these systems should also be required to document and disclose the training data and model architectures. The onus of creating tools that are safe to use should be on the companies that build and deploy generative systems, which means that builders of these systems should be made accountable for the outputs produced by their products. While we agree that "such decisions must not be delegated to unelected tech leaders," we also note that such decisions should not be up to the academics experiencing an "AI summer," who are largely financially beholden to Silicon Valley. Those most impacted by AI systems, the immigrants subjected to "digital border walls," the women being forced to wear specific clothing, the workers experiencing PTSD while filtering outputs of generative systems, the artists seeing their work stolen for corporate profit, and the gig workers struggling to pay their bills should have a say in this conversation.

Contrary to the letter's narrative that we must "adapt" to a seemingly pre-determined technological future and cope "with the dramatic economic and political disruptions (especially to democracy) that AI will cause," we do not agree that our role is to adjust to the priorities of a few privileged individuals and what they decide to build and proliferate. We should be building machines that work for us, instead of "adapting" society to be machine readable and writable. The current race towards ever larger "AI experiments" is not a preordained path where our only choice is how fast to run, but rather a set of decisions driven by the profit motive. The actions and choices of corporations must be shaped by regulation which protects the rights and interests of people.

It is indeed time to act: but the focus of our concern should not be imaginary "powerful digital minds." Instead, we should focus on the very real and very present exploitative practices of the companies claiming to build them, who are rapidly centralizing power and increasing social inequities."²

It is in the context of these grand narratives that this measure is being filed, along with the findings of the National Artificial Intelligence Strategy of the Philippines that calls for "a clear legal and regulatory framework for AI" to "protect the rights of Filipinos and spur responsible adoption of and innovations in AI."

Thus, the bill seeks to establish a regulatory framework that is guided by value-based principles with the end view of making AI solutions human-centered.

Towards this end, it aims to establish the Philippine Council on Artificial Intelligence - a policy-making and advisory body of experts under the Department of Science and Technology (DOST). Among others, its functions include the conduct of an evaluation on the impact of AI systems and development of AI economies in the country; review existing policies on AI; and the determination of the structures or parameters under which AI systems may operate in the country.

To serve as regulatory and supervisory authority over the development, application, and use of AI systems, the Artificial Intelligence Board shall also be created.

The bill penalizes the development, application, and use of AI systems that are harmful and discriminatory including lethal autonomous weapon systems (LAWS) or slaughterbots, commonly known as "killer robots", that have become an immediate cause of humanitarian concern.

² <https://www.dair-institute.org/blog/letter-statement-March2023> (Accessed on 04 April 2023)

Moreover, this measure provides a bill of rights to protect every Filipino from the impact of AI. Although AI has brought about extraordinary benefits to humanity, the great challenges that it poses to democracy today can no longer be denied and that the use of technology, data, and automated systems have the potential to threaten the fundamental rights of every Filipino.

In view of the foregoing and consistent with the legislative overtones of the National Artificial Intelligence Strategy for the Philippines, immediate consideration of this important piece of legislation is earnestly sought.


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4th District, Quezon

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

CHAPTER I
GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the “Artificial Intelligence (AI) Regulation Act”.

SEC. 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.

SEC. 3. *Definition of Terms.* – For purposes of this Act, the following terms shall be defined as stated below:

(a) *Algorithm* refers to a process or set of rules to be followed in calculations or other problem-solving operations, especially by a computer;

(b) *Algorithmic decisions* refer to the analysis of large amounts of personal data to infer correlations or, more generally, to derive information deemed useful to make decisions;

(c) *Artificial intelligence* refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions.;

(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;

(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;

(f) *Augmentation* refers to the process of allowing human collaboration with machines to perform a task;

(g) *Automated decision* refers to the process of making a decision by automated means without any human involvement;

(h) *Automation* refers to the creation and application of technologies to produce and deliver goods and services with minimal human intervention;

(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;

(j) *Lethal autonomous weapons systems (LAWS)* refer to weapons that use artificial intelligence to identify, select, and kill human targets without human intervention;

(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

(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.

CHAPTER II GUIDING PRINCIPLES

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 development, application, and use of AI must contribute to the developmental goals of the country;

(b) *Human-centered values and fairness.* – AI systems must treat people with dignity and respect;

(c) *Robustness, security and safety.* – AI must be reliable and safe and ensure that the public is protected from errors in processing and outcomes;

(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;

(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

(f) *Trust.* - AI systems must be transparent; accurate and reliable; provide augmentation; and protect privacy.

CHAPTER III AI BILL OF RIGHTS

SEC. 5. *Bill of Rights.* - The development, application, and use of AI systems shall be guided by the following rights of every Filipino:

(a) *Right to Protection from Unsafe and Ineffective AI Systems.* – The 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 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.

(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 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, maintained and shall not impose an unreasonable burden to the public.

CHAPTER IV PHILIPPINE COUNCIL ON ARTIFICIAL INTELLIGENCE

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.

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.

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.

The Council shall engage AI expertise and may call upon technical resource persons from the agencies of government, the private sector, and civil society organizations.

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.

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.

SEC. 7. *Powers and Functions.* – The Council shall have the following powers and functions:

(a) Conduct an evaluation on the impact of artificial intelligence (AI) systems and development of AI economies in the country;

(b) Review existing policies on AI;

(c) Determine the structures or parameters under which AI systems may operate;

(d) Develop and promulgate a governance framework based on fundamental guiding principles on the development, application, and use of AI;

(e) Establish a code of ethics for AI developers for a progressive industry regulation;

- (f) Promulgate rules to prevent abusive and harmful applications of AI;
- (g) Prepare mitigation measures against the potential consequences and impacts of algorithms to processes and business models;
- (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;
- (i) Promote the responsible development, application, and use of AI;
- (j) Provide timely and comprehensive information to the public in addressing emerging issues on AI;
- (k) Build AI ecosystem conscience by strengthening intellectual property and data protection measures;
- (l) In consultation with the affected sectors, establish an AI risk reduction plan;
- (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;
- (n) Provide effective measures to counter harmful AIs;
- (o) Provide programmatic direction in the deployment of AI in government agencies' programs and projects;
- (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;
- (q) Device appropriate mechanisms to protect workers and professionals from potential job losses brought about by automation and AI;
- (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;
- (s) Recommend to the President of the Philippines and the Congress all policy matters regarding AI;
- (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
- (u) Exercise all powers and functions necessary for the objectives and purposes of this Act.

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.

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. 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, through the temporary detail of its personnel.

CHAPTER V AI BOARD

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 Trade and Industry (DTI), the Director General of the Intellectual Property Office of the Philippines (IPOPHIL), 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:

(a) to exercise regulatory and supervisory authority over the development, application, and use of AI systems;

(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;

(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;

(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 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's implementing rules and regulations;

(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 may be necessary and justified under this Act;

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.

CHAPTER VI ROLE OF GOVERNMENT AGENCIES

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.

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:

- (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);
- (h) Department of Transportation (DOTr);
- (i) Department of National Defense (DND);
- (j) Department of the Interior and Local Government (DILG);
- (k) Department of Education (DepEd);
- (l) Commission on Higher Education (CHED);
- (m) Technical Education and Skills Development Authority (TESDA);
- (n) Department of Labor and Employment (DOLE); and
- (o) Commission on Human Rights (CHR).

Government agencies shall make available for public access, a joint web portal, that will bear information pertinent to AI regulations.

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.

The enumeration of agencies provided herein is without prejudice to other agencies that the Council may mandate.

CHAPTER VII MONITORING AND ENFORCEMENT MECHANISMS

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 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.

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:

- (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.

For this purpose, the AIB shall coordinate with the Intellectual Property Office of the Philippines (IPOPHL) for the accurate reporting of trademarks and tradenames of AI companies or laboratories.

CHAPTER VIII PROHIBITED ACTS AND PENALTIES

SEC 14. *Prohibited Use of AI 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.

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.

AI based social scoring of natural persons and practices that undermine privacy rights shall also be prohibited.

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.

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.

CHAPTER IX FINAL PROVISIONS

SEC. 17. *Appropriations.* – The amounts necessary for the implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 18. *Implementing Rules and Regulations.* – The DOST, shall, in consultation with the concerned government agencies and stakeholders, promulgate the implementing rules and regulations of this Act within ninety (90) days 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.

SEC. 19. *Construction and Interpretation.* – Any doubt in the interpretation of any provision in this Act shall be interpreted in favor of the interest of the general public.

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. 21. *Repealing Clause.* – All laws, decrees, executive orders, proclamations, and administrative regulations, or parts thereof inconsistent herewith are hereby repealed or modified accordingly.

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.

Approved,