

REPUBLIC ACT NO. 103031

**AN ACT INSTITUTING ETHICAL STANDARDS IN DATA, MACHINE LEARNING, AND
ARTIFICIAL INTELLIGENCE (AI) USAGE IN THE PHILIPPINES**

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

CHAPTER I

General Provisions

SECTION 1. Title. — This Act shall be known as the "Data Machine Learning and AI Ethics Act of 2024."

SECTION 2. Declaration of Policy. — It shall be the policy of the State to promote the responsible and transparent development and deployment of data, machine learning, and artificial intelligence technologies to protect the rights and well-being of its citizens. In the pursuit of this policy, this Act shall have the following objectives:

- (a) to encourage and uphold ethical practices in the design, development, and deployment of data, machine learning, and artificial intelligence technologies;
- (b) to safeguard the fundamental human rights of individuals affected by data, machine learning, and AI technologies;
- (c) to foster an environment that promotes innovation in the field of data, machine learning, and artificial intelligence while concurrently supporting responsible research and development initiatives that contribute to the nation's technological progress;
- (d) to enhance public awareness and understanding of the ethical considerations surrounding data, machine learning, and AI technologies;

(e) to establish a robust regulatory framework that empowers the National Data and Artificial Intelligence Ethics Board (NDAIEB) to enforce ethical standards, conduct assessments, and take appropriate measures against entities found in violation of the principles outlined in this Act.

(f) to provide a legislative framework that is flexible and adaptive to the evolving landscape of data, machine learning, and artificial intelligence.

SECTION 3. Scope of Application. — The provisions of this Act shall apply to all entities operating within the jurisdiction of the Republic of the Philippines that are involved in the development, deployment, or utilization of data, machine learning, and artificial intelligence technologies, regardless of their nature, size, or ownership. More specifically:

(a) Entities covered by this Act include, but are not limited to, government agencies, private corporations, research institutions, and individuals engaged in activities related to data, machine learning, and artificial intelligence.

(b) This Act shall encompass all phases of the data, machine learning, and AI lifecycle, including data collection, processing, analysis, model training, deployment, and post-deployment monitoring.

(d) The provisions of this Act shall be applicable to both existing and emerging technologies within the field of data, machine learning, and artificial intelligence.

(e) International entities engaging in data, machine learning, and AI activities within the jurisdiction of the Republic of the Philippines shall also be subject to the ethical standards outlined in this Act.

(f) Nothing in this Act shall be construed to limit the powers of existing regulatory bodies or authorities that oversee specific sectors, provided that such entities also adhere to the ethical principles set forth in this legislation.

CHAPTER II

Definition of Terms

SECTION 4. Definition of Terms. — As used in this Act, the term:

- (a) "Accountability" refers to entities taking responsibility for consequences and addressing ethical violations.
- (b) "Artificial Intelligence (AI)" refers to the capability of a machine to imitate intelligent human behavior.
- (c) "Data" refers to any information, structured or unstructured, that is processed or stored by electronic means.
- (d) "Entity" refers to any organization or individual involved in data, machine learning, and AI activities.
- (e) "Equitable Access and Benefit Sharing" refers to the fair distribution of benefits from AI technologies across society.
- (f) "Ethical Assessment" refers to the NDAIEB's evaluation of entity compliance with ethical principles.
- (g) "Fairness" refers to preventing bias and ensuring equitable treatment in AI development.
- (h) "Machine Learning" refers to the field of artificial intelligence that enables systems to learn and improve from experience without being explicitly programmed.
- (i) "Privacy" refers to protecting individuals' rights to control personal information.
- (j) "Transparency" refers to open communication about the purpose, nature, and impact of AI systems.

CHAPTER III

Ethical Principles

SECTION 5. Ethical Principles. — All entities developing, deploying, or using data, machine learning, and AI technologies shall adhere to the following ethical principles:

- (a) Transparency: Ensure openness about the purpose, nature, and impact of data, machine learning, and AI systems.
- (b) Accountability: Establish mechanisms for accountability in the event of unintended consequences or ethical violations.
- (c) Fairness: Avoid bias and ensure equitable treatment in the development and deployment of AI technologies.
- (d) Privacy: Safeguard individuals' privacy rights and protect sensitive data.

CHAPTER IV

Implementation

SECTION 6. Implementation and Compliance Mechanisms. — To ensure the effective implementation and adherence to ethical standards in data, machine learning, and artificial intelligence, the following mechanisms will be put in place:

- (a) Establishment of the National Data and Artificial Intelligence Ethics Board (NDAIEB): The NDAIEB shall be established as an autonomous regulatory body with the authority to oversee, enforce, and promote ethical standards in data, machine learning, and artificial intelligence technologies.
 - (i) Composition: The NDAIEB shall consist of experts in the fields of data ethics, machine learning, artificial intelligence, law, and other relevant disciplines, appointed by the President of the Philippines.

(ii) Powers and Functions: The NDAIEB shall have the power to issue guidelines, conduct investigations, and impose sanctions on entities found in violation of the ethical standards outlined in this Act. Additionally, it shall facilitate collaboration with industry stakeholders, academia, and international bodies to stay abreast of emerging ethical considerations.

(iii) Ethical Assessments: The NDAIEB shall conduct regular ethical assessments of entities engaged in data, machine learning, and AI activities to ensure compliance with the principles outlined in Section 5. The assessments may include but are not limited to, audits, inspections, and consultations with relevant stakeholders.

(b) Registration and Certification Requirement:

(i) Entities Covered: All entities engaged in data, machine learning, and AI activities, as defined in Section 4, shall be required to register with the NDAIEB.

(ii) Compliance Certification: Entities demonstrating adherence to ethical principles and successfully passing the ethical assessments conducted by the NDAIEB shall be granted a compliance certification.

(iii) Sanctions for Non-Compliance: Entities found operating without proper registration or in violation of ethical standards shall face sanctions as detailed in Section 7.

(c) Public Reporting and Transparency:

(i) Annual Ethical Reports: Entities shall be required to submit annual reports to the NDAIEB detailing their ethical practices and measures taken to address any identified ethical issues.

(ii) Public Disclosure: The NDAIEB may, in the interest of transparency, disclose non-sensitive information from the annual reports to the public, encouraging open dialogue and public awareness on ethical practices.

(d) Capacity Building and Education:

(i) Ethics Training Programs: The NDAIEB shall collaborate with educational institutions and industry stakeholders to develop and promote ethics training programs for professionals involved in data, machine learning, and AI activities.

(ii) Public Awareness Campaigns: The NDAIEB shall conduct public awareness campaigns to educate citizens about the ethical considerations associated with data, machine learning, and AI technologies, fostering a culture of responsible use and awareness.

(f) Review and Continuous Improvement:

(i) Periodic Reviews: The NDAIEB shall conduct periodic reviews of its procedures, guidelines, and the effectiveness of the implementation of this Act, proposing amendments and updates as necessary.

(ii) Feedback Mechanism: The NDAIEB shall establish a feedback mechanism, allowing stakeholders, including the public, industry, and academia, to provide input on the implementation of ethical standards and recommend improvements.

SECTION 7. Penalties. — Violation of ethical standards outlined in this Act may result in fines, suspension of operations, or revocation of licenses, as determined by the NDAIEB.

(a) Fines

(i) For minor violations: A fine not exceeding Php 500,000.

(ii) For moderate violations: A fine ranging from Php 500,000 to Php 1,000,000.

(iii) For severe violations: A fine exceeding Php 1,000,000.

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(b) Suspension of Operations: Temporary suspension of operations for a duration determined by the NDAIEB, commensurate with the gravity of the violation.

(c) Revocation of Licenses: Revocation of licenses or permits granted to entities found in severe violation of ethical standards.

SECTION 8. Effectivity. — This Act shall take effect fifteen (15) days after publication in the Official Gazette or two (2) newspapers of general circulation.