



Republic of the Philippines SENATE Office of the Secretary Quezon City

NINETEENTH CONGRESS First Regular Session

S.B. No. 2310

Introduced by SENATOR MIGUEL JERIKO T. HO

AN ACT

AMENDING THE AMENDMENT OF SENATOR IMEE R. MARCOS ON REPUBLIC ACT NO. 10173, OTHERWISE KNOWN AS THE "DATA PRIVACY ACT OF 2012", AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The present digital world is shaped by data and artificial intelligence (AI), which are influencing economies, society, and industries. As a senator with a background in and expertise in data visualization, I recognize the growing significance of integrating ethical considerations into the development and implementation of data and machine learning technologies. The purpose of this proposed amendment is to improve the Data Privacy Act of 2012 that is now in effect in the Philippines by encouraging ethical and responsible usage of data and artificial intelligence.

The Data Privacy Act of 2012 is a Philippine law that seeks to safeguard the fundamental right to privacy while allowing information to flow freely in order to foster innovation and development. The law was signed into law on August 15, 2012, and is officially known as **Republic** Act No. 10173.

The scope of the Republic Act No. 10173 is to apply its purpose on processing of personal and sensitive information in both the public and private sectors in the Philippines.





Republic of the Philippines SENATE Office of the Secretary Quezon City

NINETEENTH CONGRESS First Regular Session

S.B. No. <u>2310</u>

Introduced by SENATOR MIGUEL JERIKO T. HO

AN ACT

AMENDING THE AMENDMENT OF SENATOR IMEE R. MARCOS ON REPUBLIC ACT NO. 10173, OTHERWISE KNOWN AS THE "DATA PRIVACY ACT OF 2012", AND FOR OTHER PURPOSES

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

SECTION 1. Section 4 of Republic Act No. 10173 is hereby amended to read as follows:

"Section 4. Scope. This Act applies to the processing of all types of personal information and to any natural and juridical person involved in personal information processing including those personal information controllers and processors who, although not found or established in the Philippines, used equipment that are located in the Philippines, or those who maintain an office, branch or agency in the Philippines subject to the immediately succeeding paragraph: Provided, That the requirements of Section 5 are complied with.

This Act does not apply to the following:

(a) xxx
(1) xxx
(2) xxx
(3) xxx
(4) xxx
(b) xxx

(d) xxx

- (e) In cases of public health emergencies or pandemics, personal information may be processed as necessary to address the health crisis. The Department of Health (DOH) shall issue guidelines for its implementation, considering the safety and welfare of the data subject. Such guidelines shall include provisions on the secure storage and disposal of collected information after the crisis has been addressed.
- (f) Concerned government agencies shall conduct periodic audits of organizations and entities handling large-scale data, including AI and machine learning applications, to ensure compliance with ethical data processing practices. Non-compliance may result in penalties as prescribed by the NPC.
- (g) Organizations and entities collecting personal information for contact tracing purposes during public health emergencies shall, within a reasonable period, de-identify or anonymize the collected data, unless otherwise required for ongoing public health monitoring purposes.
- (h) Any collection and processing of biometric information shall require explicit consent from the data subject, and organizations shall implement strict security measures to protect such sensitive information from unauthorized access.

- (i) Government agencies and private entities shall ensure that individuals are informed of the specific purpose for which their data is being collected and processed, and such purpose shall be limited to what is necessary for the function or service being provided.
- (j) Individuals shall have the right to opt-out of automated decision-making processes that significantly affect them, with mechanisms in place for human intervention and review of such decisions.
- (k) Organizations collecting personal information for marketing purposes shall provide a clear and accessible opt-out mechanism, and individuals shall have the right to refuse or withdraw consent for their data to be used for marketing activities.
- SEC 2. AI Governance and Ethical Data Principles. The main guidelines for the moral application of AI and data in the Philippines are outlined in this section:
 - (a) Accountability Organizations and individuals engaged in the creation and deployment of AI systems should take responsibility for their actions.

 Mechanisms must be in place to rectify any adverse outcomes that may arise.
 - (b) Fairness The design and implementation of AI systems should prioritize the avoidance of biases and discrimination, ensuring that all individuals are treated equitably.
 - (c) Transparency Clear explanations of data collection and AI processes must be provided by organizations. This transparency is crucial in enabling individuals to comprehend how their data is utilized.

SEC 3. Repealing Clause. - All laws, executive orders, presidential decrees, presidential proclamations, rules and regulations, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC 4. Effectivity. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation in the Philippines.

This proposed amendment reflects the evolving nature of technology and the need for legal frameworks to adapt accordingly. By integrating ethics into the Data Privacy Act of 2012, the Philippines can foster an environment that encourages innovation while safeguarding individual rights and societal values in the realm of data and AI. This proposed amendment aims to position the Philippines as a responsible and forward-thinking participant in the global digital landscape.