



Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

**TWENTIETH CONGRESS**  
First Regular Session

HOUSE BILL NO. 953



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**Introduced by Representative Crispin Diego “Ping” D. Remulla**

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**AN ACT  
ESTABLISHING INFORMATION AND COMMUNICATIONS TECHNOLOGY  
HUBS NATIONWIDE**

**EXPLANATORY NOTE**

Information and Communications Technology (ICT) continues to transform the way Filipinos access education, healthcare, employment, and government services. With digital tools becoming more essential in daily life, it is crucial to ensure that all communities, especially those in remote and underserved areas, have equitable access to these technologies.

In 2023, the digital economy contributed approximately 8.4% to the country’s Gross Domestic Product (GDP), according to the Philippine Statistics Authority (PSA), highlighting the growing role of ICT in national development. However, digital access and skills remain uneven across the country, limiting opportunities for many.

This proposed measure aims to establish ICT hubs across the country. These centers will give communities access to computers, internet services, and digital training.

Moreover, the Philippine Statistics Authority (PSA) has initiated the 2023 National Information and Communications Technology Household Survey (NICTHS) to gather comprehensive data on ICT access and usage among households. This data will help inform

future policy directions and ensure that efforts, such as the proposed ICT hubs, address actual gaps and needs in digital inclusion.

In view of the foregoing, the approval of this measure is earnestly sought.

A handwritten signature in black ink, appearing to read 'Crispin D. Remulla', with a stylized flourish at the end.

**CRISPIN DIEGO "PING" D. REMULLA**



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

- 1           **SECTION. 1. Short Title.** – This Act shall be known as the “ICT Hubs Act.”
- 2           **SEC. 2. Declaration of Policy.** – The State recognizes the vital role of information and  
3 communication in the development and promotion of growth in the countryside. To this end,  
4 the State shall encourage the expansion of information and communications technology (ICT)  
5 and infrastructure throughout the country to facilitate the access of the citizenry to goods and  
6 services. Pursuant thereto, the State shall establish ICT hubs throughout the country in  
7 accordance with the National ICT Roadmap and National ICT Plan.
- 8           **SEC. 3. Definition of Terms.** – As used in this Act;
- 9 (a)       Bandwidth refers to the amount of data that can be transmitted over a network  
10 connection over a period of time;
- 11 (b)       Broadband refers to a high-capacity transmission technique using a wide range of  
12 frequencies which enables a large number of messages to be communicated simultaneously. In  
13 the context of internet access, it refers to the access that is continuing and unhindered and faster  
14 than the traditional dial-up mode;
- 15 (c)       Broadband network refers to a network able to transmit signals with a high bit rate and  
16 a transmission channel being equal to or greater than two megabits per second (2 Mbps);

- 1 (d) Committed information rate refers to the information rate guaranteed by public  
2 telecommunications entity (PTE). The bandwidth cannot fall below the committed rate of  
3 ninety-eight point five percent (98.5%) of the time;
- 4 (e) Cyber skills learning hub or Digital transformation center refers to a facility specifically  
5 designed for cyber-education and digital literacy and that provides knowledge, skills,  
6 theoretical and practical experiences, and access to technologies for all learners to become  
7 information and technology proficient;
- 8 (f) Data farm refers to a physical facility that houses servers, network equipment,  
9 personnel like information technology specialists, and network technicians for business-critical  
10 support such as online data storage, data processing, core computing services, data and  
11 application backup services, and distributing large amounts of data from remote data facilities.  
12 The operation and management thereof shall be subject to pertinent laws and policies on data  
13 security to prevent, detect and intercept unauthorized access of data, especially on matters of  
14 national security;
- 15 (g) Digital innovation hub refers to specialized business incubation and acceleration  
16 facility offering physical workspace, mentoring and coaching, and devices for technical  
17 application testing or experimenting and training. It is a one-stop-shop, usually but not always  
18 affiliated with educational institutions, that helps companies including start-ups to become  
19 more competitive with regard to their business production processes, products or services using  
20 digital technologies by providing access to the latest knowledge, expertise and technology to  
21 support them;
- 22 (h) Information and communications technology (ICT) refers to the totality of electronic  
23 means to access, create, collect, store, process, receive, transmit, present, and disseminate  
24 information;
- 25 (i) Information and communications technology hub (ICT hub) refers to a location where  
26 a PTE may provide ICT services with at least the minimum internet speed required by the  
27 National Telecommunications Commission (NTC). Such services may include  
28 telecommunications services, broadband and convergence services, business processing, and  
29 data management;
- 30 (j) Information technology and business processing management hub refers to a location  
31 that caters to and offers support mechanisms for companies and enterprises engaged in IT  
32 services and business process management and operations;

1 (k) Public telecommunications entity (PTE) refers to any person, natural or juridical,  
2 government or privately engaged in providing telecommunications services to the public for  
3 compensation.

4 **SEC. 4. Establishment of Information and Communications Technology Hubs.** –  
5 There shall be established ICT hubs all over the country in accordance with a National ICT  
6 Plan to be prepared by the Department of Information and Communications Technology  
7 (DICT).

8 The ICT Plan shall assess the needs of every province in the country and identify the  
9 appropriate types and the number of ICT hubs to be developed therein. Every province shall  
10 have at least one (1) of the following classifications of ICT hubs based on the type of activity  
11 that it hosts:

- 12 (a) Data Farms;
- 13 (b) Information Technology (IT) and Business Processing Management (BPM) Hub;
- 14 (c) Cyber Skills Learning Hub and Digital Transformation Center (DTC);
- 15 (d) Digital Innovation Hub; and,
- 16 (e) Any other ICT hub that may arise in the future.

17 Pursuant to the ICT Plan and the national, provincial, city, or municipal spatial  
18 development plans, the DICT and the local government units (LGU) shall identify the areas  
19 where the ICT hubs shall be established based on geographical area and population: *Provided,*  
20 That ICT hubs shall be developed in geographically equitable and accessible locations  
21 throughout the province: *Provided, further,* That the area or site of an ICT hub shall be on a  
22 property owned by an LGU.

23 The private sector shall be encouraged to establish ICT hubs in accordance with the  
24 standards set forth by the DICT. The DICT shall employ the latest and emerging technologies  
25 available to serve commercially unviable areas.

26 **SEC. 5. Role of the Department of Information and Communications Technology**  
27 **(DICT).** – The DICT shall formulate a National ICT Plan based on the National ICT Roadmap,  
28 which shall include the development of a national broadband network, provision of incentives  
29 to encourage private sector participation, and promotion of competition. The Cybercrime  
30 Investigation and Coordinating Center of the DICT shall formulate, oversee, and validate the  
31 ICT cyber plan of the ICT hubs.

32 The DICT shall update the National ICT Plan and shall submit the same on or before  
33 the 15th of April of every year to the Office of the President of the Republic of the Philippines,

1 the National Economic and Development Authority (NEDA), and the ICT Joint Congressional  
2 Oversight Committee established under this Act.

3 **SEC. 6. Advisory Committee.** – There is hereby created an Advisory Committee that  
4 shall solicit inputs towards the shaping of policy directions of the National ICT Plan, including  
5 the supervision of ICT hubs and the coordination to be undertaken with the private sector and  
6 other agencies and instrumentalities of the government. The DICT shall determine the  
7 composition of the Advisory Committee and ensure the equal representation of the (a)  
8 government, (b) the service providers, (c) the end users, and (d) other industry stakeholders.

9 **SEC. 7. Role of the National Telecommunications Commission (NTC).** – The NTC,  
10 through the exercise of its quasi-legislative and quasi-judicial powers, shall be the primary  
11 infrastructure regulator to ensure the monitoring and implementation of this Act. The NTC  
12 shall approve proposed ICT hub telecommunications projects through an administrative  
13 process prescribed for the purpose and shall ensure the compliance of PTEs with the required  
14 and committed information rate and quality of service. All PTEs shall regularly submit the  
15 necessary data and reports as required by the NTC.

16 **SEC. 8. Incentives.** – Any registered business enterprise in the ICT hub may be granted  
17 incentives provided under Title XIII of the National Internal Revenue Code of 1997, as  
18 amended: *Provided, That*, these incentives shall be granted in addition to the incentives given  
19 by the LGU where such ICT hubs are located.

20 The eligibility of the ICT hubs for the incentives provided herein should be within the  
21 boundaries of a performance-based, time-bound, and transparent system of incentives tailor-fit  
22 for highly desirable ICT investments and shall be subject to compliance monitoring by the  
23 Fiscal Incentives and Review Board and the respective LGU where such ICT hubs are located.

24 **SEC. 9. Digital Skills Development.** – The DICT, together with the Department of  
25 Education, Commission on Higher Education, and the Technical Education and Skills  
26 Development Authority, shall establish a program on digital skills development for all learners  
27 to enhance their competitiveness, adaptability, and employability in the emerging digital  
28 economy, which shall be integrated into the pertinent programs of the ICT hubs.

29 **SEC. 10. Digital Network Infrastructure.** – A digital network infrastructure shall be  
30 established to connect the local ICT hubs to the National Broadband Program through a core  
31 backbone network of the DICT, to be funded from the spectrum users' fees.

32 The DICT is hereby authorized to classify the funds for capital outlay, and such shall  
33 be furnished to and duly reflected by the Department of Budget and Management in its records.

1 The release of funds shall be subject to applicable laws and existing budgeting, accounting,  
2 and auditing rules and regulations.

3 **SEC. 11. Local Government Responsibility.** – The issuance of licenses and permits  
4 for ICT-related activities and infrastructure construction projects shall not be delayed and  
5 hampered and shall further be prioritized, subject to the provisions of Republic Act No. 11032,  
6 otherwise known as the “Ease of Doing Business and Efficient Government Service Delivery  
7 Act of 2018”.

8 The Department of the Interior and Local Government (DILG) shall include ICT  
9 competitiveness and ICT integration as a criterion of governance under the Seal of Good Local  
10 Governance program.

11 **SEC. 12. Support for Connectivity in Geographically Isolated and Disadvantaged**  
12 **Areas.** – The DICT shall coordinate with LGUs and barangays to extend services from  
13 provincial ICT hubs to barangay digital access points or satellite centers to maximize reach in  
14 geographically isolated and disadvantaged areas.

15 **SEC. 13. Private Sector Support and Public-Private Partnership.** – The LGUs may  
16 engage the private sector through PPP agreements targeted toward financing, designing,  
17 implementing, and operating infrastructure facilities and services for the ICT hub to maximize  
18 costs and allow for the sharing of revenue, subject to the provisions of Republic Act No. 6957,  
19 otherwise known as “An Act Authorizing the Financing, Construction, Operation and  
20 Maintenance of Infrastructure Projects by the Private Sector and for Other Purposes,” as  
21 amended.

22 **SEC. 14. Prohibition Against Exclusivity.** – All ICT hubs established under this Act  
23 are hereby declared free zones within which any PTE may operate. Any agreement or  
24 arrangement designating a PTE or any of its subsidiaries or affiliates as an exclusive PTE  
25 within an ICT hub shall be void and unenforceable. The domestic internet exchanges shall be  
26 interconnected. The interconnection agreement between the PTEs shall be submitted to the  
27 NTC for approval. If the parties fail to reach an agreement within ninety (90) days from the  
28 start of the negotiation, the NTC shall intervene and prescribe the terms and conditions of the  
29 interconnection.

30 **SEC. 15. Penalties.** – In the exercise of its quasi-judicial power, the NTC shall impose  
31 a fine of Five Hundred Thousand Pesos (Php 500,000.00) for (a) non-disclosure, (b) non-  
32 interconnection, or (c) non-compliance with the committed information rate and quality of  
33 service.

1 The NTC shall increase the amount of fine every five (5) years subject to a certification from  
2 the NEDA on the computation of the cost of money based on the current consumer price index.

3 **SEC. 16. Implementing Rules and Regulations.** – Within sixty (60) days from the  
4 effectivity of this Act, the DICT as the lead agency, together with NEDA, DILG, the League  
5 of Provinces and the Leagues of LGUs, the Board of Investments, the Philippine Economic  
6 Zone Authority, and the Advisory Committee shall issue the necessary rules and regulations  
7 for the effective implementation of this Act.

8 **SEC. 17. ICT Joint Congressional Oversight Committee.** – An ICT Joint  
9 Congressional Oversight Committee (ICTJCOC) is hereby created to monitor the effective  
10 implementation of this Act, recommend the necessary remedial legislative or administrative  
11 measures and perform such other duties and functions as may be necessary to attain the  
12 objectives of this Act. It shall be composed of the Chairpersons of the House Committee on  
13 Information and Communications Technology and Senate Committee on Science and  
14 Technology and two (2) members from each of the Senate and the House of Representatives  
15 who shall be designated by the Senate President and the Speaker of the House of  
16 Representatives, respectively: *Provided, That* one (1) member from each House shall be  
17 nominated by their respective Minority Leaders.

18 The Chairpersons of the House Committee on Information and Communications  
19 Technology and the Senate Committee on Science and Technology shall serve as Chairperson  
20 and Vice Chairperson or vice versa of the ICTJCOC on a rotational basis every six (6) months.  
21 The Secretariat of the ICTJCOC shall be the existing secretariat personnel of the concerned  
22 Committees of the House of Representatives and the Senate.

23 **SEC. 18. Separability Clause.** – If any provision of this Act shall be declared  
24 unconstitutional or invalid, the other provisions not affected shall remain in full force and  
25 effect.

26 **SEC. 19. Repealing Clause.** – All laws, decrees, executive orders, rules and  
27 regulations, issuances, or parts thereof inconsistent with the provisions of this Act are hereby  
28 repealed, amended, or modified accordingly.

29 **SEC. 20. Effectivity Clause.** – This Act shall take effect fifteen (15) days after its  
30 complete publication either in the Official Gazette or in at least two (2) newspapers of general  
31 circulation.

Approved,