

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**TWENTIETH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 5169**



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Introduced by **HON. VINCENZO RENATO LUIGI R. VILLAFUERTE AND**  
**HON. MIGUEL LUIS R. VILLAFUERTE**

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### **EXPLANATORY NOTE**

This bill aims to establish a national network of Public Data Centers in all provinces nationwide to ensure a secure, reliable, and energy-efficient data infrastructure as part of the country's critical digital public works. It seeks to improve connectivity among citizens and government entities, and promote open access to data for transparency and efficiency.

The emergence of information and communications technology has proven its immense convenience, particularly through the speed and efficiency of communication and access to information. In fact, the Philippines is among the heaviest internet users in Southeast Asia, with an estimated 85 million users in 2023, representing around 75% of the total population.

Recognizing this, the national government has sought to maximize the potential of the internet by modernizing public service delivery through Republic Act No. 12254, otherwise known as the *E-Governance Act*. However, we cannot simply rely on private service providers for connectivity and data security. The Philippines has already experienced several data breaches affecting government agencies, healthcare institutions, and the private sector.

Thus, the country's digital transformation requires secure, energy-efficient computing capacity distributed beyond Metro Manila. This can be achieved by establishing at least one Provincial Public Data Center per province. This initiative aims to strengthen e-governance and data sovereignty, catalyze local economies through jobs and connectivity, reduce latency for education, health, agriculture, disaster response, and AI/IoT applications, and anchor green industrial investments by aligning data infrastructure with renewable energy and efficiency targets.

In view of the foregoing, the early approval of this bill is earnestly requested.

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**HON. VINCENZO RENATO LUIGI R. VILLAFUERTE**

A stylized, handwritten signature in black ink, featuring a large, sweeping loop and a long horizontal stroke.

**HON. MIGUEL LUIS R. VILLAFUERTE**

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**AN ACT**  
**ESTABLISHING A NATIONAL NETWORK OF PUBLIC DATA CENTERS IN ALL**  
**PROVINCES, PROMOTING SECURE, GREEN, AND RESILIENT DIGITAL**  
**INFRASTRUCTURE, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER**  
**PURPOSES**

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

**SECTION 1. *Short Title.*** – This Act shall be known as the "*Public Data Centers Act of 2025.*"

**SECTION 2. *Declaration of Policy.*** – It is the policy of the State to ensure a secure, reliable, and energy-efficient data infrastructure nationwide as part of the country's critical digital public works, as well as to support and reinforce e-governance, digital services, artificial intelligence, research, fintech, and local industries, while protecting the citizens' personal data in accordance with Republic Act No. 10173, otherwise known as the *Data Privacy Act of 2012*.

It is further the policy of the State to promote and strengthen regional development by establishing public data centers in every province to further improve connectivity, expand access to online services, and advance sustainable energy transition by prioritizing renewable energy and efficiency in data center operations.

**SECTION 3. *Definition of Terms.*** – As used in this Act, the following shall be defined as follows:

- (a) *Data Residency* – refers to the physical location of Public Data Center (PDC) and Provincial Public Data Center (PPDC) which stores collected data;
- (b) *Green Performance Metrics* – refers to the measurement used to evaluate the sustainability of a process or system, including Power Usage Effectiveness (PUE) and other internationally recognized indicators consistent with the European Union (EU) Code of Conduct for Data Centres and subsequent DICT rules;
- (c) *Meet-Me Room (MMR)* – refers to the area within a data center where telecommunication companies, cable companies, internet service providers (ISPs), and other service providers may connect and transfer data efficiently;
- (d) *National Public Data Center Network (N-PDCN)* – refers to the logically meshed network interconnecting all PPDCs and national or metro core PDCs, to be managed by the DICT;

- (e) *Public Data Center (PDC)* – refers to a facility established and accredited by the Department of Information and Communications Technology (DICT) that provides computation, storage, network, interconnect, and related services for government agencies, Local Government Units (LGUs), State Universities and Colleges (SUCs), and for private entities through open access rules and standard contracts with the DICT; and
- (f) *Provincial Public Data Center (PPDC)* – refers to PDCs physically located within a province, easily accessible to its LGUs, which shall be part of the National PDC Network.

**SECTION 4. Creation of the National Public Data Center Network (N-PDCN).** – There is hereby created at least one (1) National Public Data Center Network (N-PDCN) in every province, which shall be regulated and operated by DICT.

The DICT shall designate core, regional, and provincial nodes and ring/mesh topologies with diverse backhaul to multiple carriers and government backbone networks.

**SECTION 5. Functions of the N-PDCN.** – The N-PDCN shall:

- (a) Provide colocation, cloud and edge services;
- (b) Host e-government platforms;
- (c) Offer inter-agency shared services; and
- (d) Provide wholesale neutral interconnection to carriers/ISPs, research networks, and cloud/on-prem systems.

**SECTION 6. Green, Resilient, and Secure Standards.** – The following shall govern the operation of PDCs, PPDCs and N-PDCNs:

- (a) *Energy and Efficiency* – PDCs shall meet DICT-set targets, including a trajectory toward competitive PUE benchmarks, adoption of free-cooling where feasible, heat-reuse where practicable, and participation in demand-response programs. DICT shall reference international best practices such as the EU Code of Conduct for Data Centres;
- (b) *Renewables* – Operators shall prioritize renewable supply via Green Energy Auction Program (GEAP) or other DOE programs consistent with Republic Act No. 9513 otherwise known as the *Renewable Energy Act of 2008*;
- (c) *Resilience* – Minimum resilience requirements (e.g., diverse feeds, flood/typhoon design, seismic bracing, multipath fiber) shall be defined by DICT and the Department of Public Works and Highways (DPWH) with reference to related national building codes; and
- (d) *Cybersecurity and Privacy* – All PDCs and PPDCs shall implement security controls, Security Operations Center (SOC) capabilities, and privacy-by-design compliant with Republic Act No. 10173 (R.A. No. 10173) otherwise known as *Data Privacy Act of 2012* and DICT or National Privacy Commission (NPC) issuances.

**SECTION 7. One-Stop Shop Permitting and Time-Bound Service Levels.** – The DICT, in coordination with pertinent national agencies, shall institutionalize the following:

- (a) *PDC One-Stop Shop Permitting* – The DICT, in coordination with the Anti-Red Tape Authority (ARTA), shall establish a PDC One-Stop Shop Permitting with the usual standard checklist, parallel processing, and maximum processing duration under Republic Act No. 11032 otherwise known as the *Ease of Doing Business and Efficient Government Service Delivery Act of 2018*;
- (b) *Energy-Related Permits* – All energy-related clearances (e.g. electrical permit, building permit, Certification of Installation, etc.) shall be processed through the Energy Virtual One-Stop Shop under the supervision of the Department of Energy (DOE); and
- (c) *National Priority Infrastructure* – All PPDCs accredited by the DICT shall be deemed a priority in digital public infrastructure for purposes of right-of-way, expedited local clearances, and interconnection.

**SECTION 8. *Development and Procurement of PPDCs.*** – The DICT and LGUs may develop and procure their PPDCs through any of the following:

- (a) Public procurement;
- (b) Public-Private Partnerships (PPP) modalities; and
- (c) Joint Venture with LGUs, subject to PPP and procurement laws and statutes, and DICT accreditation standards.

**SECTION 9. *Priority of Core Capacity.*** – The core capacity of N-PDCN shall prioritize government workloads and national platforms. Excess capacity, if any, may be offered to the private sector through a competitive government bidding process.

**SECTION 10. *Domestic Data Residency for Critical Systems.*** – Critical government systems and sensitive datasets identified by the DICT, in compliance with sector-specific residency rules, shall be stored in accredited PPDCs, without prejudice to lawful cross-border transfers compliant with R.A. No. 10173.

**SECTION 11. *Open Access, Interconnection, and Peering.*** – The following shall be secured to ensure open access, interconnection, and peering within their respective jurisdictions:

- (a) *PPDCs* – provide equitable access to meet-me rooms, Internet exchange points (IXPs), and research/education networks for service providers; and
- (b) *DICT* – promote regional IXPs at PPDCs to localize traffic.

**SECTION 12. *Environmental Compliance and Community Standards.*** – The DICT, in coordination with LGUs where a PPDC is located, shall ensure environmental compliance with noise, heat plume, water use, and e-waste plans. Furthermore, the DICT shall submit a collective sustainability report or plan of all LGUs concerned to the Office of the President and to Congress to determine its efficiency and effectiveness in aid of legislation.

**SECTION 13. *Public Data Centers Fund.*** – There is hereby created a Public Data Centers Fund to be managed by DICT for the following purposes:

- (a) Operation, maintenance, and regulation of PDCs and PPDCs;
- (b) Permits and certifications necessary for its operations;

(c) Finance workforce training and skills development of operators; and

(d) Finance research and development on PDC and PPDC effectiveness and efficiency;

**SECTION 14. *Investment Promotion of PDCs.*** – The Board of Investment (BOI), in consultation with the DICT and DOE, may recommend inclusion of PPDCs and critical components (e.g., cooling, backup systems, battery energy storage, on-site renewables) as strategic investments or pioneer activities for purposes of existing investment laws, subject to fiscal space and performance conditions.

**SECTION 15. *Incentives from the Local Government.*** – Local government units (LGUs) may grant incentives to business enterprises that intend to use or invest in their PPDCs to encourage business investments within their localities, consistent with the Local Government Code and national fiscal policy.

**SECTION 16. *Monitoring and Transparency of PPDCs.*** – The DICT shall maintain a digital and physical dashboard on PPDC sites, capacity, uptime, energy mix, and service levels, except for sensitive security details, accessible to the public and to stakeholders.

**SECTION 17. *Scholarship for Tertiary Education and Technical-Vocational Education.*** – The DICT, TESDA, and SUCs shall institutionalize scholarship and certification programs focused on data center operations, electrical and mechanical systems, fiber technology, cybersecurity, and cloud operations.

**SECTION 18. *Tariffs for Public Sectors and State Universities and Colleges (SUCs).*** – Public Sectors and SUCs who intend to connect with their respective PPDCs shall be subject to tariff guidelines, that shall form part of the Public Data Centers Fund mentioned herein to ensure cost recovery, efficiency incentives, and affordability.

**SECTION 19. *Implementing Agencies.*** – The following government agencies shall be mandated to perform the following functions:

(a) *Department of Information and Communications Technology (DICT)* – Plan, procure, accredit, and operate all PDCs and PPDCs nationwide, and set technical, cybersecurity, and green standards;

(b) *National Privacy Commission (NPC)* – Ensure compliance with R.A. No. 10173 and its Implementing Rules and Regulations (IRR), and accredit privacy-by-design and cross-border transfer safeguards where applicable;

(c) *Department of Energy (DOE)* – Fast-track power connections and energy permits using EVOSS, and facilitate renewable energy supply in compliance with Republic Act No. 9513; and

(d) *Local Government Units (LGUs)* – Designate sites for the establishment of PPDCs, issue local permits for PPDCs operations, and invest in Public-Private Partnerships, in compliance with Republic Act No. 11032.

**SECTION 20. *Implementing Rules and Regulations.*** – The DICT, in coordination with the NPC, DOE, BOI, ARTA, TESDA, SUCs, and LGUs, shall formulate the implementing rules and regulations of this Act within ninety (90) days after its approval.

**SECTION 21. *Appropriations.*** – The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the year following its enactment into law

and thereafter.

**SECTION 22. *Separability Clause.*** – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

**SECTION 23. *Repealing Clause.*** – All laws, executive orders or issuances or any part thereof, which are inconsistent herewith, are hereby repealed or amended accordingly.

**SECTION 24. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

*Approved,*