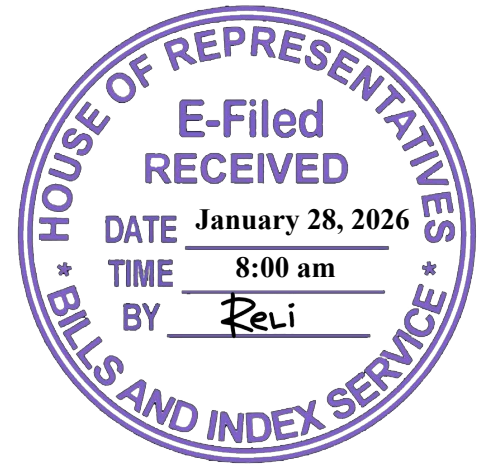




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7450



Introduced by Representative **ANTONINO B. ROMAN III**

EXPLANATORY NOTE

The Constitution mandates transparency, accountability, and responsible stewardship of public funds. While existing laws require disclosure of government expenditures, gaps remain in the visibility of revenue collection, foreign-assisted programs, and the final stages of fund disbursement.

This measure strengthens the Senate-approved CADENA Act by completing the public financial lifecycle. It extends disclosure to revenue-generating and revenue-administering agencies, ensuring that citizens may trace public funds from source to outcome. The bill closes long-recognized transparency gaps in foreign-assisted and donor-managed programs while respecting binding international agreements ratified by the Senate.

The measure further strengthens enforcement by clarifying that public fund disbursements are not deemed complete unless properly recorded and published in the CADENA. It refines digital accountability through verifiable authorship and attestation, ensuring responsibility without impairing operational efficiency.

To protect national data sovereignty, the bill limits offshore hosting of public financial data strictly to contingency situations, subject to joint certification and sunset provisions. It also introduces governance guardrails for the National Budget Transparency and Accountability Council to preserve technology neutrality, proportionality, and public participation.

These enhancements do not create new taxes, expand bureaucracy, or delay implementation. They ensure that transparency mechanisms are enforceable, resilient, and aligned with constitutional principles of public accountability.

Immediate passage of this bill is earnestly sought.

ANTONINO B. ROMAN III



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TWENTIETH CONGRESS
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HOUSE BILL NO. 7450

Introduced by Representative **ANTONINO B. ROMAN III**

AN ACT
MANDATING THE FULL DISCLOSURE OF GOVERNMENT REVENUE AND
TRANSACTIONS THROUGH THE ESTABLISHMENT OF A DIGITAL BUDGET
PORTAL TO ENHANCE TRANSPARENCY, ACCOUNTABILITY, AND PUBLIC
PARTICIPATION IN THE PHILIPPINE BUDGET PROCESS

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 “CADENA Act.”

SEC. 2. Declaration of Policy. – It is the policy of the State to uphold transparency, accountability, and good governance in the management and disbursement of public funds. The State shall maintain honesty and integrity in public service, adopt effective measures against graft and corruption, and institutionalize public disclosure through open, verifiable, and citizen-accessible digital systems. To this end, the government shall establish a digital platform that provides timely, accurate, tamper-resistant, interoperable, and traceable publication of government budget transactions.

The State recognizes that transparency and accountability in public finance require full visibility over both the collection and use of public funds. Accordingly, disclosure under this Act shall cover the entire public financial lifecycle, including revenue generation, assessment, collection, remittance, allocation, obligation, disbursement, and liquidation.

In pursuit of a forward-looking, resilient, and future-ready governance framework, the State shall apply futures thinking and anticipatory governance in the design, implementation, and continuous enhancement of digital budget disclosure systems.

SEC. 3. Definition of Terms. – As used in this Act:

- (a) *Public Financial Management Process* refers to the entire cycle of planning, legislation, execution, and accountability through which public funds are proposed, authorized, released, disbursed, and reported; and shall likewise include the assessment, collection, remittance, and reconciliation of public revenues.

- (b) *Citizen Access and Disclosure of End-to-end National Accounts (CADENA)* refers to the digital budget portal established under this Act, covering both expenditures and revenues.
- (c) *Cryptographic* refers to the use of mathematical methods or algorithms to secure and verify digital data or transactions, ensuring their integrity and authenticity.
- (d) *Data Embassy* refers to a secure server or storage facility located outside the Philippines but placed under Philippine ownership, jurisdiction, and control, for data backup and continuity of critical fiscal systems.
- (e) *Data Integrity* refers to the accuracy, consistency, and reliability of data throughout its life-cycle.
- (f) *Data Minimization* refers to the principle that only data necessary and proportionate to the purpose of disclosure shall be collected and published.
- (g) *Data Sovereignty* refers to the principle that all public budget data under this Act shall remain the property of the Filipino people and governed by Philippine laws.
- (h) *Digital Budget Portal* refers to a digital platform that records, organizes, and publishes government transactions in an open-source, interoperable, and tamper-resistant format.
- (i) *Digital Signature* refers to an electronic method of authentication using cryptographic algorithms.
- (j) *Disclosure* refers to the process of recording, certifying, and publishing public budget data.
- (k) *Distributed Ledger Technology* refers to a shared database architecture ensuring verifiability and resistance to tampering.
- (l) *Interoperability* refers to the capability of systems to exchange and use information securely.
- (m) *Mirror Site* refers to an accredited independent copy of the CADENA.
- (n) *Open Application Programming Interface (API)* refers to a publicly documented interface allowing data access under defined controls.
- (o) *Open-source* refers to software whose source code is publicly accessible.
- (p) *Publicly Accessible* refers to data made available online without prior authorization.
- (q) *Public Budget Data* refers to all information, documents, datasets, and transaction records generated or required to be disclosed under Section 5 of this Act, including Public Revenue Data unless the context clearly indicates otherwise.
- (r) *Public Revenue Data* refers to all records, reports, datasets, and transaction-level information relating to the assessment, collection, remittance, reconciliation, and disposition of public revenues, including taxes, fees, duties, contributions, premiums, tolls, penalties, and other government income.

- (s) *Record and Publish* refers to the process of uploading, certifying, and making public data available through CADENA.
- (t) *Redundancy* refers to the establishment of multiple independent systems.
- (u) *Responsible Agency and Accountable Officer* refers to the entity and official responsible for disclosure.
- (v) *Structured Digital Format* refers to machine-readable formats.
- (w) *Tamper-resistant* refers to safeguards making unauthorized alteration detectable.
- (x) *Unified Accounts Code Structure (UACS)* refers to the government-wide coding framework.

SEC. 4. Coverage. – This Act shall apply to all National Government departments, bureaus, offices, agencies, and instrumentalities, including government-owned or -controlled corporations (GOCCs), and their subsidiaries; all projects and programs funded through public-private partnerships (PPPs); foreign-assisted programs insofar as they utilize, disburse, or account for public funds through national government agencies or mechanisms; official development assistance (ODA); bilateral or multilateral grants; concessional loans; technical assistance; and in-kind contributions implemented by or in coordination with national government agencies, GOCCs, or special purpose entities, whether such assistance is disbursed through national treasury systems, donor-managed financial systems, or parallel implementation arrangements, without prejudice to obligations arising from binding international agreements ratified by the Senate.

Local government units are not covered by this Act but are encouraged to adopt similar mechanisms.

SEC. 5. Disclosure of Public Financial Management Data. – All required public budget data shall be digitally certified and presented in a structured digital format. All required public budget data shall be disclosed within seven (7) working days from the applicable triggering event.

No disbursement, fund release, or payment of public funds shall be deemed complete, final, or duly liquidated unless the corresponding disbursement record, proof of payment, and required supporting documents have been recorded, digitally certified, and published in the CADENA in accordance with this Act.

SEC. 6. Data Quality Standards. – The NBTAC shall determine data quality, formatting, and metadata standards for the CADENA.

SEC. 7. Establishment of the CADENA. – The CADENA shall serve as the official and publicly accessible portal for all public budget and revenue data required under this Act.

SEC. 8. Core Features of the CADENA. – The CADENA shall, at a minimum, ensure data integrity, transparency, redundancy, traceability, programmability, security, interoperability, auditability, citizen participation, scalability, and outcome-based metrics.

SEC. 8-A. Verifiable Authorship and Digital Attestation. – All public budget and revenue data, documents, and transactions published under this Act shall include verifiable digital attestation identifying the responsible public officer or authorized government system that generated, approved, certified, or released the record. Such attestation shall be identity-

bound, timestamped, cryptographically verifiable, tamper-evident, and shall form part of the immutable audit trail of the CADENA. Digital attestation shall have the same legal effect as physical signatures or notarization and shall not require manual or wet signatures for validity.

SEC. 9. Data Sovereignty and Custodianship. – All fiscal data collected and processed under this Act are property of the Filipino people. All hosting and data infrastructure utilized under this Act shall remain under Philippine jurisdiction.

The establishment or use of any Data Embassy or extraterritorial hosting arrangement shall be permitted only as a contingency measure in cases of national emergency, force majeure, or demonstrable insufficiency of domestic infrastructure, as jointly certified by the DICT, Department of National Defense, and National Privacy Commission. Such arrangement shall be temporary, subject to strict access controls, full Philippine jurisdiction, and a clearly defined sunset period, and shall not be used as a default or primary hosting environment.

SEC. 10. National Budget Transparency and Accountability Council. – There is hereby created a National Budget Transparency and Accountability Council (NBTAC).

SEC. 11. Functions of the NBTAC. – The NBTAC shall formulate policies, standards, interoperability protocols, and governance guidelines for the CADENA. In the exercise of its functions, the NBTAC shall be guided by the principles of transparency, proportionality, technology neutrality, and avoidance of undue centralization of control. All material policies, technical standards, and determinations affecting public access, data scope, or system architecture shall be subject to public consultation and prior publication.

SEC. 12. Implementation Timeline. – The establishment and operationalization of CADENA shall be in phases, ensuring that transparency mechanisms are rolled out in a manner consistent with agency readiness, data integrity, and fiscal process priorities, as follows:

- (a) *Phase 1 – Immediate Disclosure through Agency Websites.* Within nine (9) months from the effectivity of this Act, all National Government departments, bureaus, offices, agencies, and instrumentalities shall record and publish in their respective official websites all public documents referred to under Section 5 of this Act: Provided, That during this phase, the publication requirement for Infrastructure and Procurement-Related Documents under Section 5(d) shall apply only to projects or contracts with an approved cost exceeding Two million pesos (₱2,000,000).

All published documents shall be in digitally structured format, searchable, and officially certified. All agency disclosure systems shall adopt interoperable formats to facilitate continuity and integration.

- (b) *Phase 2 – Integration with Top Spending Agencies and Top Revenue Bureaus.* Within twenty-four (24) months from the effectivity of this Act, the CADENA shall be deployed and fully integrated with the financial management, accounting, and procurement systems of top-spending agencies identified by the NBTAC, including, but not limited to, the Department of Agriculture, Department of Education (DepEd), the Department of Public Works and Highways (DPWH), Department of Health (DOH), Department of the Interior and Local Government (DILG), and the Department of Transportation (DOTr), Bureau of Internal Revenue (BIR), Bureau of Customs, PhilHealth.

During this phase, these agencies shall record and publish all documents enumerated under Section 5 in open-source, interoperable, tamper-resistant, and in structured digital format, including all Infrastructure and Procurement-Related Documents under Section 5(d), regardless of project cost, through the CADENA.

- (c) *Phase 3 – Full Government-Wide Implementation.* Within three (3) years from the effectivity of this Act, the CADENA shall be expanded to cover all other national government agencies, GOCCs, and their subsidiaries. All National Government departments, agencies, GOCCs, and other covered entities shall fully comply with the disclosure requirements under Section 5, through CADENA, including the disclosure of all Infrastructure and Procurement-Related Documents under Section 5(d) of this Act for all projects, regardless of amount or classification. Nothing in this section shall preclude any department, agency, or GOCC from complying with the requirements of this Act ahead of schedule or from undertaking parallel implementation of succeeding phases.

SEC. 13. Capacity-Building and Technical Support. – During the initial implementation period, the DICT shall provide capacity-building programs, systems integration assistance, and technical support to ensure the readiness of all covered entities for full adoption of the CADENA. DICT, DBM, and DILG may provide technical assistance, shared hosting infrastructure, and training to LGUs that voluntarily adopt the CADENA or develop similar systems.

SEC. 14. Progress Reports. – The DICT shall submit to the Joint Congressional Oversight Committee (JCOC) a written progress report within sixty (60) working days after the conclusion of each implementation phase of this Act. The report shall include, at a minimum, the following:

- (a) *Agency Compliance Levels* – The percentage of required documents and structured digital records disclosed by covered entities within prescribed timelines;
- (b) *System Performance* – Metrics on the CADENA uptime, posting speed, interoperability, and cybersecurity safeguards, including results of independent audits conducted under this Act;
- (c) *Citizen Access and Participation* – Data on unique users, frequency of public access, number of downloads, citizen feedback submissions, and government response actions;
- (d) *Governance and Oversight Metrics* – Reports on NBTAC activities, meetings, and decisions relating to budget transparency, data integrity, and open-source collaboration;
- (e) *Challenges Encountered* – Technical, institutional, budgetary, or legal barriers to compliance, and recommended solutions; and
- (f) *Recommendations* – Proposed measures to strengthen transparency, accountability, data security, and citizen engagement. All progress reports and accompanying datasets shall be published in open, structured digital formats through the CADENA, mirrored by accredited independent institutions and civil-society partners for public verification and long-term archival.

SEC. 15. Evidentiary Value of CADENA Records. – All records, data, and transactions stored in CADENA shall be considered *prima facie* evidence of the facts stated therein and

shall be admissible in all judicial, quasi-judicial, and administrative proceedings: Provided, That the record: (a) Bears a digital timestamp; (b) Is cryptographically signed or verified through the digital portal; and (c) Has not been altered without authorization, as verified by CADENA's integrity controls.

SEC. 16. Administrative Penalties. – Any public official or employee who performs or causes the performance of the following acts shall be liable:

- (a) Failure to disclose the required public budget data within seven (7) working days from the date of approval, official issuance, receipt by the concerned agency, or completion or generation of the document or work, whichever is applicable; and
- (b) Issuance, approval, or implementation of policies, rules and regulations that are manifestly contrary or intended to circumvent the provisions of this Act, or obstructs or interferes with the publication, audit, or verification of information under CADENA.

Any violation of the preceding actions shall warrant the following penalties and liabilities:

- (a) First Offense. Administrative penalty of reprimand or up to six (6) months suspension from the service.
- (b) Second offense. Administrative penalty of dismissal from the service and perpetual disqualification from holding office.

In cases where no specific officer, employee, or unit is designated as responsible for the submission, publication, or safekeeping of documents required under this Act, the Head of the Procurement Entity (HoPE) shall be presumed responsible and held administratively liable under applicable laws. Non-compliance detected through CADENA shall trigger automatic referral to the CSC and the Ombudsman. Quarterly compliance dashboards shall be publicly displayed.

SEC. 17. Penal Provisions. –

- (a) Any public official, employee, private individual or entity who commits any of the following shall be liable:
 - (1) Fails to upload, disclose, or publish the required public budget data within thirty (30) working days, without justifiable cause, from the date of approval, official issuance, receipt by the concerned agency, or completion or generation of the document or work, whichever is applicable;
 - (2) Knowingly publishes false, or misleading information to simulate compliance with this Act; or
 - (3) Willfully denies, conceals the existence of, or destroys or causes to be destroyed, information and/or any document mandated for disclosure under this Act.

Any violation of the preceding actions shall be meted out with the penalty of imprisonment ranging from six (6) years and one (1) day to not more than fifteen (15) years and a fine of up to Three million pesos (P3,000,000).

- (b) If such act was committed to conceal or facilitate fraud, graft, or corruption involving public funds or property, the public officer or employee shall be liable as a principal or co-conspirator to crimes punishable under Republic Act No. 3019 or the “Anti-Graft and Corrupt Practices Act” and Republic Act No. 7080 or the “Anti-Plunder Act”; and
- (c) Any private individual or entity who knowingly induces or causes the commission of the foregoing acts shall be liable as principal by inducement in the prosecution of public officials or employees under this section. Criminal liability shall also be incurred through bribery, extortion, or malicious and deliberate solicitation of favors in cash or in kind. In such cases, the pertinent provisions of the Revised Penal Code and other special laws shall apply.

SEC. 18. Administrative Jurisdiction. – The administrative jurisdiction on any violation of the provisions of this Act shall be vested in either the CSC, or the Office of the Ombudsman as determined by appropriate laws and issuances.

SEC. 19. Civil and Criminal Liability, Not Barred. – The finding of administrative liability under this Act shall not be a bar to the filing of criminal, civil, or other related charges under existing laws arising from the same act or omission as herein enumerated.

SEC. 20. Implementing Rules and Regulations. – Within sixty (60) days from the effectivity of this Act, the DICT, in coordination with the DBM, COA, DOJ, and other concerned agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act. The formulation of the IRR shall be undertaken in consultation with representatives from civil society organizations, the academe, media, and relevant industry stakeholders.

SEC. 21. Joint Congressional Oversight Committee. – The JCOC is hereby constituted, to be composed of eight (8) members with the Chairpersons of the Committee on Science and Technology of the Senate and Committee on Information and Communications Technology of the House of Representatives as Co-Chairpersons; Chairpersons of the Committee on Finance of the Senate and Committee on Appropriations of the House of Representatives as members; and two (2) members from each House to be designated by the Senate President and the Speaker of the House of Representatives, respectively. The JCOC shall monitor the effective implementation of this Act, recommend the necessary remedial or administrative measures, and perform such other duties and functions as may be necessary to attain the objectives of this Act.

SEC. 22. Appropriations. – To guarantee the implementation of the provisions of this Act, a line item for digital-governance and transparency programs shall be included in the general appropriations of the Department of Information and Communications Technology. Subsequent funding requirements shall be included in the annual General Appropriations Act.

SEC. 23. Separability Clause. – If any provision of this Act is declared unconstitutional, the remainder shall remain in full force and effect.

SEC. 24. Repealing Clause. – All laws, orders, and regulations inconsistent herewith are repealed or modified accordingly.

SEC. 25. Effectivity. – This Act shall take effect after fifteen (15) days following its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,