




DIGITAL IDENTITY, E-COMMERCE and E-GOVERNANCE

in the Philippines and ASEAN



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National Privacy Commission, PH





Regulating Privacy in the Fourth Industrial Revolution





THE PHILIPPINES

ASEAN Member Countries



From 2005 to 2015, cross-border data flow grew 45 times.



**Roughly 210 terabits
per second in 2017**

Digital Economy Statistics (Internet)

Highest Internet Use, Social Media Worldwide
(HootSuite and We Are Social)



124.2 million

(116% of the population)

Filipinos with mobile subscription



76 million

(71% of the population)

Are active internet users



72 million

(67% of the population)

Mobile Social Media Users



10 hours daily

Average Internet use

Basic E-Commerce Statistics

% of population aged 15



4.5%

Have a mobile money account



9.9%

Make online purchases and/or pay bills



1.9%

Have a credit card





34%

Have an account with a financial institution

Key Findings: State of Digital Payments in the Philippines

It is estimated that **10%** of all payment transactions are digital in 2018, corresponding to **20%** digitization by value; this is a significant shift since 2013

	2018	2013
 By volume of transactions	8-11%	1.0%
 By value of transactions	18-21%	8.0%

Forecast for eCommerce in the Philippines

Gross Merchandise Value (GMV): expected to grow from **\$7.1B** in 2019 to **\$25B** in 2025.



INTERNET RETAIL (ECOMMERCE)*

- Expected to grow from **\$2.5B in 2019 to \$12B in 2025**



ONLINE TRAVEL*

- Expected to grow **from \$2.1B in 2019 to \$5B IN 2025.**



ONLINE MEDIA*

- Expected to grow **from \$1.7B in 2019 to \$4B in 2025.**



RIDE HAILING*

- Expected to grow **from \$0.8B in 2019 to \$4B in 2025.**



DIGITAL FINANCIAL SERVICES

- BSP target share of digital payments to 20% by 2020



Philippine Development Plan 2040

By 2022 to lay down the foundation for inclusive growth, a high-trust and resilient society, and a globally-competitive knowledge economy.



The eCommerce Philippines 2022 Roadmap



PHASE 1: Engagement

consists of series of focused group discussions and similar sessions organized to consult the private sector on current and future issues, validate the strategies of government, and revisit the metrics and targets



Focused Group Discussions
with eCommerce ecosystem in Digital Platforms, ePayment Gateways, Logistics service Providers, Service seekers (online sellers/merchants/consumers); Service providers (advertising companies, banks financial institutions/telcos); Government agencies



Brown Bag Brigade
with designed to tackle specific eCommerce themes or topics i.e. consumer protection, taxation, digital media/online piracy, data privacy, ease of doing business



Special Meetings
with meetings with specific stakeholders/specialized topics



Baseline Survey of MSMEs

this project proposes a baseline study to gain an understanding of Philippine micro, small and medium enterprises MSMEs based on the three categories developed by the ASEAN SME digitalization study i.e. All digitalized MSMEs can be categorized into three levels: Basic, Intermediate, and Advanced.



Basic level - uses basic digital tools (e.g. Microsoft Office, email, WhatsApp, personal computers, mobile phones)



Intermediate - have online presence (e.g. Website, social media, e-commerce sites, tablets, printers)



Advanced - uses advanced digital tools, or digitalization is part of the core business model (e.g. ERP, CRM, analytics, big data, automation, pure online business, scanners, bank card readers, central servers, imaging devices)

Ecommerce Philippines 2022 roadmap

Write-shops/drafting committee Meetings

PHASE 2: Roadmap Formulation

The categorization will allow government and private sector to develop the appropriate technology tools to encourage the adoption of digital technologies. In addition, the baseline study will provide an information base against which to monitor and assess the progress of the capacity building programs. Results from the baseline study will provide the bases of interventions and related material required by the MSMEs. It is envisioned that the results of the baseline survey will be supplemental to the updated roadmap.

Defining the eCommerce legislative and regulatory framework – a critical aspect of the roadmap is to define the legal and regulatory framework for the doing eCommerce in the Philippines. A review of the eCommerce act of 2000, its implementing rules and regulations (IRR), shall be a priority, however a review of pertinent rules and regulations need to be revisited together with other relevant bills filed in Congress. A critical component of the updated roadmap is to identify the regulatory environment particularly the identification of regulators.



PHASE 3: Regional Roadshows

these are public consultations on the draft eCommerce Philippines 2022 roadmap, to be held in selected Metro Areas in the Philippines



METRO DAWAO



METRO CEBU



METRO MANILA



PHASE 4: Public Launch of eCommerce Philippines 2022 Roadmap

An eCommerce Philippines 2022 Forum shall be organized to officially launch the roadmap for implementation in 2020.



PHASE 5: Communication, information and advocacy campaign on eCommerce Philippines 2022 roadmap



PHILIPPINE IDENTIFICATION SYSTEM

It shall primarily be established to provide valid proof of identity for all citizens and resident aliens in the Philippines.

Pres. Duterte signs the PhilSys Law in August 2018

The PhilSys shall serve as the link in the promotion of seamless service delivery, enhancing administrative governance, reducing corruption, strengthening financial inclusion and promoting ease of doing business.



FERDINAND MARCOS

YEAR
1973 August 24
1980 November 11

“INSTITUTING A NATIONAL REFERENCE CARD SYSTEM AND CREATING THEREFOR THE NATIONAL REGISTRATION COORDINATING COMMITTEE”

LEGAL BASIS

PRESIDENTIAL DECREE
No. 278

EXECUTIVE ORDER NO.

FIDEL RAMOS

YEAR
1996 December 12

HISTORY OF PHILIPPINES' PREVIOUS ATTEMPTS FOR A NATIONAL ID

LEGAL BASIS

ADMINISTRATIVE ORDER
No. 308

GLORIA ARROYO

YEAR
2005 April 13

LEGAL BASIS

EXECUTIVE ORDER
NO. 420

RODRIGO DUTERTE

YEAR
2018 - present

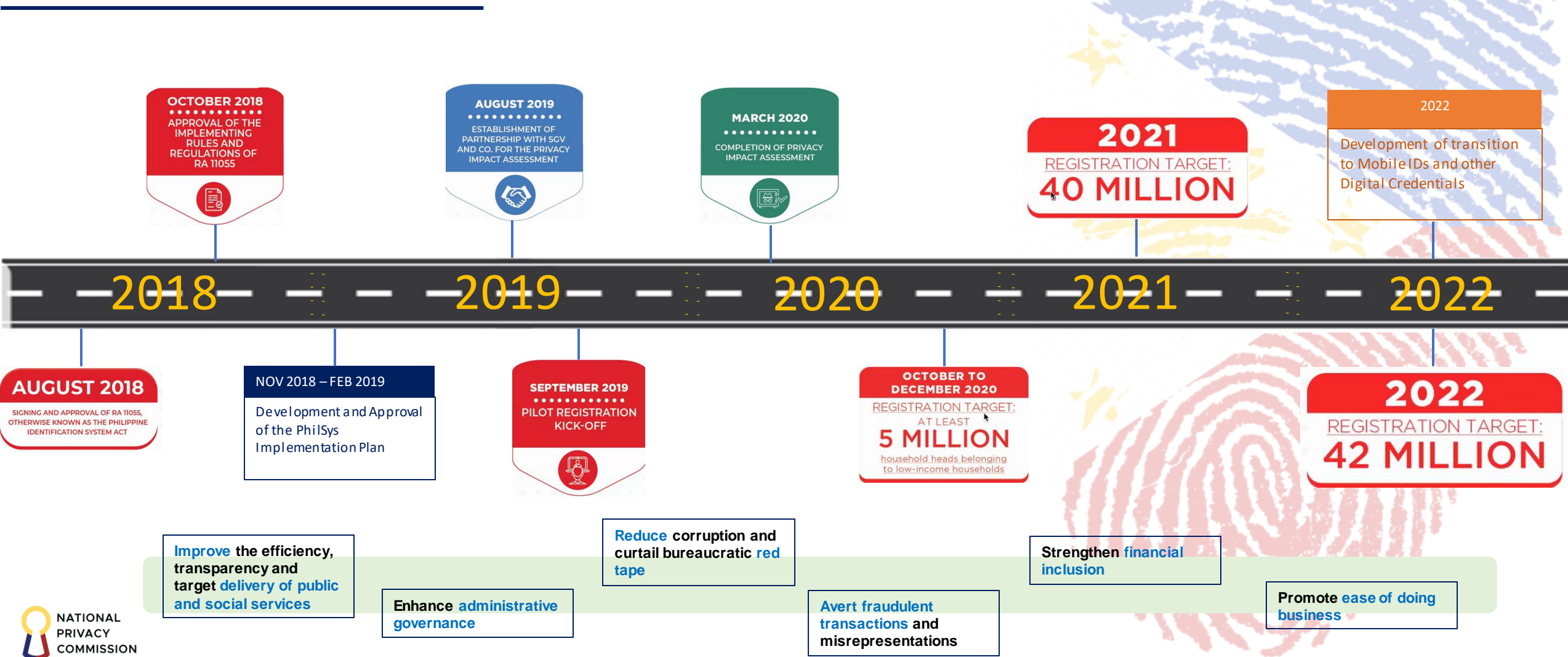
ACT ESTABLISHING THE PHILIPPINE IDENTIFICATION SYSTEM”

LEGAL BASIS

R.A. 11055

Finally enacted into a full law!

PhilSys Implementation Roadmap



Philippine laws in place

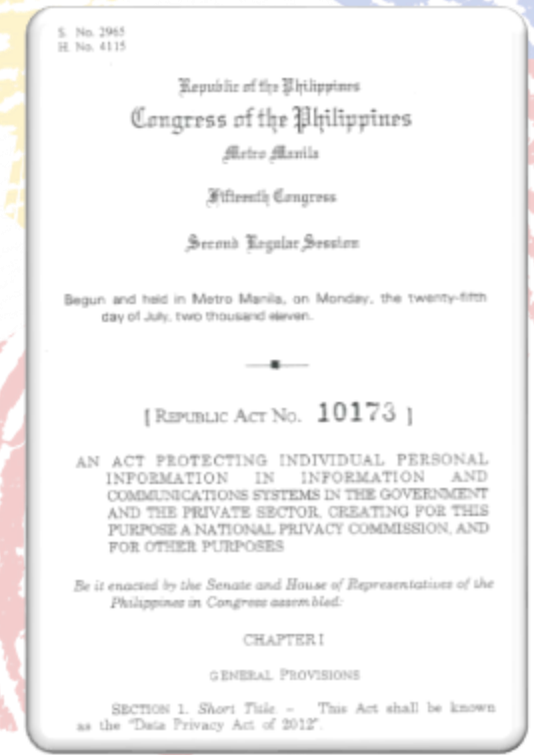
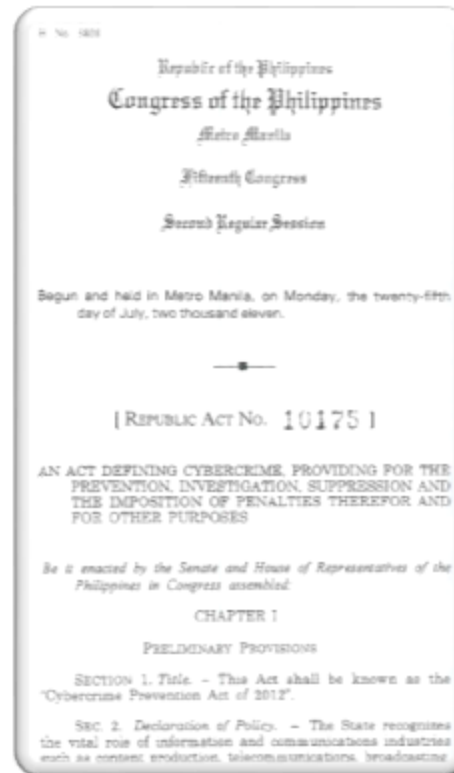
Philippines' Legal Framework: 21st Century Law for 21st Century Issues



E-Commerce Act of
2000

Cybercrime Prevention Act
of 2012

Data Privacy Act
of 2012



The Data Privacy Act of 2012

DATA PRIVACY ACT OF 2012

Republic of the Philippines
Congress of the Philippines
Metro Manila
Fifteenth Congress
Second Regular Session



Begun and held in Metro Manila, on Monday, the twenty-fifth day of July, two thousand eleven.

REPUBLIC ACT NO. 10173

AN ACT PROTECTING INDIVIDUAL PERSONAL INFORMATION IN INFORMATION AND COMMUNICATIONS SYSTEMS IN THE GOVERNMENT AND THE PRIVATE SECTOR, CREATING FOR THIS PURPOSE A NATIONAL PRIVACY COMMISSION, AND FOR OTHER PURPOSES

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




R.A. 10173, the “Data Privacy Act”

❖ Law of General Application

- Applies to both Public and Private Sector

❖ Creates the **National Privacy Commission**, an independent body for the administration and implementation of the law





**“Part of our job is to build
consensus with other
policymakers, and to ensure
that those who are committed
to privacy rights have a seat at
the table when national policy
is discussed.”**

**- RAYMUND ENRIQUEZ LIBORO
Privacy Commissioner**



ENABLING OUR NATIONAL ID: Privacy by Design



PHILIPPINE
IDENTIFICATION
SYSTEM

Privacy principles herein are incorporated into tech and systems, by default into the **PhilSys Law** and its Implementing Rules and Regulations (IRR) by NPC's active participation since its inception

PURPOSE SPECIFICATION

- ✓ only for transactions that require proof of Identity
- ✓ it shall not process personal information from external databases (IRR Sec. 22)
- ✓ Information is used only with intended purpose (Sec. 21)

COLLECTION LIMITATION, DATA MINIMIZATION

- ✓ Adheres by minimizing personal data it processes
- ✓ Demographic and biometric information required are within the bounds of the law and strictly necessary for its specified purpose. (PhilSys Act, Section 8; IRR, Section 7)

USE, RETENTION & DISCLOSURE LIMITATION

- ✓ No person may disclose, collect, record, convey disseminate, publish, or use any information of registered persons with the PhilSys
- Information:**
- ✓ Not be used for other purposes which it was authorized
 - ✓ Not be divulged to any entities other than the authorized (Sec. 21)

SECURITY

- ✓ Data are classified in a manner that allows safeguards for data privacy and security, access controls and change management (Sec.6b)
- ✓ Security measures to protect against accidental or intentional loss, destruction, or damage (Sec. 22)

ACCOUNTABILITY

- ✓ The Philippine Statistics Authority (PSA) is the accountable government agency for PhilSys
- ✓ Designate a separate Data Protection Officer for the PhilSys. (Sec. 22)

ENABLING OUR NATIONAL ID: Privacy by Design



PHILIPPINE
IDENTIFICATION
SYSTEM

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OPENNESS

- ✓ applicants are adequately informed upon registration in the PhilSys on how their data will be used and how they can access their registered information and record history. All applicable rights of the registered person shall be upheld (Sec. 22)

CONSENT

- ✓ Any requesting entity shall obtain the consent of the registered person before collecting his or her identity information for the purposes of authentication. (Sec. 12)

ACCURACY

- ✓ No person shall have more than one PhilSys Number (PSN).
- ✓ In case of change in or correction in any of the registered demographic data under the PhilSys, the registered person shall update their registered information in the manner provided in the IRR. (Sec. 11)

ACCESS

- ✓ Registered persons may request the PSA to provide access to their own registered information and record history subject to the guidelines. (IRR, Section 21)

COMPLIANCE

- ✓ No person may disclose, collect, record, convey, disseminate, publish or use any information of registered persons with the PhilSys, give access or give copies including law enforcement agencies, or units of the Armed Forces of the Philippines (Sec. 21)
- ✓ Mandated to comply with the Data Privacy Act of 2012.

Public Benefit
Privacy Policy
Political Will



ASEAN: “One Vision, One Identity, One Community”

E-GOVERNANCE



ASEAN Framework on Digital Data Governance

- ✓ PH participates in this working group that aims to enhance data management, facilitate harmonization of data regulations among ASEAN Member States and promote intra-ASEAN flows of data

ASEAN Certification for Cross-Border Data Flows (“ACCDF”)

- ✓ established a system that shall be recognised as one of a selection of valid legal bases for cross-border data transfers within ASEAN, providing businesses with legal certainty when they transfer data across ASEAN jurisdictions

ASEAN Data Protection and Privacy Forum

- ✓ Philippines Chaired the first ASEAN Data Protection and Privacy Forum in Bangkok last August 2019
- ✓ It aims to share knowledge; discuss developments and governance;

ASEAN Data Protection and Privacy Forum



- The Philippines Chaired the first ASEAN Data Protection and Privacy Forum in Bangkok last August 2019
- It aims to share knowledge; discuss developments and governance; and (ii) implement relevant initiatives under the ASEAN Framework on Digital Data Governance among established data protection authorities/agencies or designated authorities/agencies that oversee national data protection matters

Privacy: Key for enabling technologies and protecting rights



The National Privacy Commission (NPC) supports the successful use of digital technologies and the processing of personal data.... in a manner that is effective and preserves and protects the data privacy rights of individuals.



THANK YOU!