Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City  

EIGHTEENTH CONGRESS  
First Regular Session  

HOUSE RESOLUTION No. 702  

Introduced by  
MINORITY LEADER BIENVENIDO “BENNY” M. ABANTE, JR., 6th District of  
Manila, BAYAN MUNA Reps. CARLOS ISAGANI T. ZARATE, FERDINAND R.  
GAITE and EUFEMIA C. CULLAMAT, ACT TEACHERS Party-List Rep. FRANC  
E. CASTRO, GABRIELA Women’s Party List Rep. ARLENE D. BROSAS, KABATAAN  
CHRISTOPHER BELMONTE, MARIKINA 1st District Rep. BAYANI FERNANDO,  
PROBINSYANO AKO Party-List Rep. JOSE C. SINGSON, JR., CAMARINES SUR 3rd  
District Rep. GABRIEL H. BORDADO, JR., MARIKINA 2nd District Rep. STELLA  
LUZ A. QUIMBO, APEC Party-List Rep. SERGIO DAGOOC, AGUSAN DEL NORTE  
VICTORIA UMALI, KALINGA Party-List Rep. IRENE GAY SAULOG, RECABODA  
Party-List Rep. GODOFREDO GUYA  

RESOLUTION  
DIRECTING THE HOUSE OF REPRESENTATIVES, THROUGH THE  
COMMITTEE ON GOOD GOVERNMENT AND ACCOUNTABILITY, TO  
CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE  
ALLEGED USE OF CONFIDENTIAL FUNDS OF THE DEPARTMENT OF  
INFORMATION AND COMMUNICATIONS TECHNOLOGY FOR  
SURVEILLANCE  

WHEREAS, in Republic Act No. 10844 or the Department of Information and  
Communication Technology Act of 2015, the department is mandated to be the primary policy,  
planning, coordinating, implementing, and administrative entity of the Executive Branch of the  
government that will plan, develop, and promote the national information and communication  
technology (ICT) development agenda;  

WHEREAS, on January 31, 2020, the issue of DICT’s involvement in surveillance activities was  
brought to surface when Engr. Eliseo M. Rio, Jr. resigned as Undersecretary for Operations of  
the agency. It is noted that he was also pointed as the Acting Secretary of the agency on May 8,  
2018 and March 25, 2019;¹  

WHEREAS, according to Joint Circular No. 2015-01 between the Commission on Audit  
(COA), Department of Budget and Management (DBM), Department of Interior and Local  

Government (DILG), Governance Commission for GOCCs (GCG) and the Department of National Defense (DND) dated January 8, 2015, confidential expenses refers to the expenses pertaining/related to surveillance activities in civilian government agencies that are intended to support the mandate or operations of the agency;

WHEREAS, according to the Joint Circular, confidential fund can only be used for the following:

(1) The purchase of information necessary for the formulation and implementation of program, activities and projects relevant to the national security and peace and order;
(2) Rental of transport vehicle related to confidential activities;
(3) Rentals and the incidental expenses related to the maintenance of safehouses;
(4) Purchase or rental of supplies, materials and equipment for confidential operations that cannot be done through regular procedures without compromising the information gathering activity concerned;
(5) Payment of rewards to informers (non-employee of concerned government agency) subject to the certain conditions;
(6) Uncover/Prevent illegal activities that pose a clear and present danger to agency personnel/property, or other facilities and resources under the agency protection, done in coordination with the appropriate law enforcement agencies;
(7) Others that may be authorized by the General Appropriations Act or other special law/s;

WHEREAS, the conduct of confidential activities shall, as far as practicable, be done with proper collaboration with any of the following law enforcement agencies: the Philippine National Police (PNP), the Armed Forces of the Philippines (AFP), the Philippine Drug Enforcement Agency (DND), or other agencies with law-enforcement functions;

WHEREAS, Executive Order No. 185, s. 2015 created the National Cybersecurity Inter-Agency Committee (NCIAC) chaired by the Executive Secretary and co-chaired by the National Security Adviser and Director-General of the National Security Council (NSC) and the Secretary of the Department of Science and Technology (DOST);

WHEREAS, President Rodrigo Roa Duterte reorganized the NCIAC through Executive Order No. 95, s. 2019, wherein the secretary of the DICT became a co-chair, replacing the secretary of the DOST;

WHEREAS, NSC is the principal advisory body on the proper coordination and integration of plans and policies affecting national security. One of its mandates is to evaluate and analyze all information, events and incidents in terms of the risks or threats they pose to the overall security and stability of the nation, which includes cybersecurity;

WHEREAS, DICT, on the other hand, is mandated to ensure the rights of individuals to privacy and confidentiality of their personal information, ensure the security of critical ICT infrastructures including information assets of the government, individuals and businesses and to provide oversight over agencies governing and regulating the ICT sector and ensure consumer protection and welfare, data privacy and security, foster competition and the growth of the ICT sector;

WHEREAS, according to RA 10844, Cybercrime Investigation and Coordination Center (CICC) was attached to the DICT and all the powers and function related to cybersecurity, including the formulation of National Cybersecurity Plan, establishment of the National...
Computer Emergency Response Team (NCERT) and the facilitation of the international cooperation on intelligence regarding cybersecurity matters are transferred to the agency;

WHEREAS, the cybersecurity office of the DICT is not created for surveillance of civilians; it was created instead to secure the nation’s cyber space from cyber threats;

WHEREAS, the conduct of surveillance and intelligence activities is nowhere to be found in the DICT charter, which questions the use of P400 million of the confidential funds allocated on the agency for Fiscal Year 2019;”

WHEREAS, it is one of the functions of the NCIAC, under Section 2 of the Executive Order 185, s. 2015, to serve as the country’s coordinating arm between the intelligence gathering of the NSC and the NCERT of the DICT. The DICT has absolutely no need for any confidential and intelligence fund and the alleged conduct of the surveillance activities of the DICT is a useless duplication of the activities done by intelligence-gathering agencies;

WHEREAS, the following shows the actual expenditure and/or appropriation of the confidential fund under DICT according to National Expenditure Program 2019 to 2020 and General Appropriations Act for Fiscal Years 2017 to 2020:

<table>
<thead>
<tr>
<th>Appropriations (GAA)</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tbody>
<tr>
<td>OS</td>
<td></td>
<td></td>
<td>400,000</td>
<td>800,000</td>
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<tr>
<td>NPC</td>
<td>600</td>
<td>600</td>
<td></td>
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</table>

In thousand pesos
OS – Office of the Secretary
NPC – National Privacy Commission

WHEREAS, Engr. Rio cited “conflicting views” with other officials and the confidential funds lodged in the agency as the reasons why he left his post. Rio claimed the other undersecretaries and assistant secretaries did not involve him in decision-making despite being the Undersecretary for Operations;

WHEREAS, the Department of Budget Management confirmed that in the General Appropriations for Fiscal Year 2019, DICT received P803 million for confidential, extraordinary and miscellaneous, and intelligence expenses. Of which, P800 million is appropriated for confidential expenses of the DICT – Office of the Secretary;

WHEREAS, Audit Observation Memorandum No. 2020-001 (2019) of the Commission on Audit dated January 20, 2020 red flagged the disbursement P300 million of the confidential fund in the form of three cash advances of P100 million each granted on November 8, December 3 and December 17, 2019. As of January 20, the cash advances granted on December 2019 are not yet liquidated;

WHEREAS, news reports claim that the P400 million confidential fund was inserted in the Senate at the time when current DICT Secretary Gregorio B. Honasan II was still a senator;
WHEREAS, the allocation of very huge confidential fund for DICT is just part of the unprecedented increase of the confidential and intelligence fund of the different department and agencies under the present administration. With the current expose of former DICT Undersecretary Engr. Rio of suspected misuse of such funds, it behooves upon Congress to exercise its oversight powers and scrutinize how this funds are being expended.

NOW, THEREFORE BE IT RESOLVED, that the House of Representatives, through the Committee on Good Government and Accountability, to conduct an investigation, in aid of legislation, on the alleged use of confidential funds of the Department of Information and Communication Technology for surveillance.

Adopted,
FOR THE SECRETARY GENERAL:

Please include the undersigned as co-author/sponsor of HOUSE RESOLUTION No ____

"RESOLUTION DIRECTING THE HOUSE OF REPRESENTATIVES, THROUGH THE COMMITTEE ON GOOD GOVERNANCE AND GOVERNMENT AND ACCOUNTABILITY, TO CONDUCT AN INVESTIGATION, IN AID OF LEGISLATION, ON THE ALLEGED USE OF CONFIDENTIAL FUNDS OF THE DEPARTMENT OF INFORMATION AND COMMUNICATIONS TECHNOLOGY FOR SURVEILLANCE."

Rep. BENVENIDO "BENNY" M. ABANTE JR
Minority Leader

Rep. JANETTE GARIN
Rep. BAYANI FERNANDO
Rep. JOSE SINGSON
Rep. CARLOS ZARATE
Rep. FRANCE CASTRO
Rep. ARNOLFO TEVES JR
Rep. ISAGANI AMATONG
Rep. ANGELICA CO
Rep. SERGIO DAGOOC
Rep. LAWRENCE FORTUN
Rep. GODOFREDO GUZA
Rep. MA. VICTORIA UMALI

Rep. JOSE CHRISTOPHER BELMONTE
Rep. JOSEPH STEPHEN PADUANO
Rep. SHAREE/ANN TAN
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Rep. SABAH JANE ELAGO
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Rep.IRENE GAY SAULOLOG