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3 **DEPARTMENT CIRCULAR NO. ____**

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5 **SUBJECT: IMPLEMENTING RULES AND REGULATIONS OF THE PHILIPPINE**
6 **BUSINESS DATABANK (PBD)**
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10 **WHEREAS**, under paragraph 1 of Section 14 of Republic Act No. 9485 as amended by Republic
11 Act No. 11032, the Department of Information and Communications Technology (DICT), in
12 coordination with the concerned agencies, shall establish, manage and maintain a Philippine
13 Business Databank (PBD) which shall provide concerned national government agencies (NGAs)
14 and local government units (LGUs) access to data and information of registered business entities
15 for the purposes of verifying the validity, existence of and other relevant information pertaining to
16 business entities; and
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18 **WHEREAS**, under paragraph 2 of the same Section, the DICT, in consultation with the
19 Department of Trade and Industry (DTI), Securities and Exchange Commission (SEC),
20 Cooperative Development Authority (CDA), National Privacy Commission (NPC), Department of
21 Interior and Local Government (DILG), Local Government Units (LGUs), and other concerned
22 agencies shall issue the Implementing Rules and Regulations on the development, management,
23 operation and maintenance of the PBD;
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25 **WHEREFORE**, the following rules are hereby promulgated:
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28 **PART I**
29 **GENERAL PROVISIONS**

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31 **SECTION 1. Title.** These rules shall be referred to as the “PBD Rules” or hereinafter the “Rules”.
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33 **SECTION 2. Definition of terms.** For the purposes of these Rules, the following terms are
34 defined as follows:
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- 36 1. “Act” refers to Republic Act No. 9485, otherwise known as the “Anti-Red Tape Act of 2007”,
37 as amended by Republic Act No. 11032, otherwise known as the “Ease of Doing Business
38 and Efficient Government Service Delivery Act of 2018”.
- 39 2. “Administrator” shall refer to the DICT.
- 40 3. “Application Programming Interface” or “API” refers to a set of code and programming
41 rules which allow software to connect with systems.
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45 4. “Business Registration Number” shall refer to the unifying identification number that will
46 pertain to each business entity submitting Entity Data.
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48 5. “Common Entity Data” refers to information or documents of a business entity required
49 and collected by all PBD Participants pursuant to business-related transactions or
50 government services.
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52 6. “CDA” refers to the Cooperative Development Authority.
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54 7. “Council” refers to the PBD Advisory Council as created under these Rules;
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56 8. “DILG” refers to the Department of the Interior and Local Government.
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58 9. “DICT” refers to the Department of Information and Communications Technology.
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60 10. “DTI” refers to the Department of Trade and Industry.
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62 11. “Entity Data” refers to information or documents of a business entity required and collected
63 by PBD Participants pursuant to a business-related transaction or government service.
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65 12. “Entity Data Guidelines” refers to the issuances of the Administrator relevant to the data
66 fields and deadlines of submission by the business entities.
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68 13. “Go-Live” means that the PBD has completed all necessary tests, is fully operations and
69 can be used.
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71 14. “LGU System” refers to the software to be used by local government units for the
72 computerization the business permit and licensing system.
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74 15. “LGU” shall refer to the local government units.
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76 16. “NGA” refers to National Government Agency.
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78 17. “NPC” refers to the National Privacy Commission.
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80 18. “Philippine Business Databank System”, or “PBD” is the database of Entity Data
81 developed, operated, managed and maintained by the DICT to provide concerned national
82 government agencies (NGAs) and local government units (LGUs) access to data and
83 information of registered business entities for the purposes of verifying the validity,
84 existence of and other relevant information pertaining to business entities.
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86 19. “PBD Administrator” or “Administrator” refers to the DICT acting pursuant to its mandate
87 to establish, manage and maintain the PBD.

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89 20. "PBD Participants" refers to NGAs or LGUs engaged in business-related transactions and
90 government services as defined under the Act.
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92 21. "PCCI" shall refer to the Philippine Chamber of Commerce and Industry.
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94 22. "SEC" shall refer to the Securities and Exchange Commission.
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96 23. "ULAP" refers to the Union of Local Authorities of the Philippines.
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98 In addition, the definitions found under Section 4 of the Act are also adopted.
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101 **PART II**
102 **THE PBD ADMINISTRATOR**
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104 **SECTION 3. PBD Administrator Roles and Responsibilities.** The Administrator shall be the
105 DICT and shall have the following functions:
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- 107 1. To design, build and make available, through the PBD, Entity Data which have been
108 submitted to it by PBD Participants;
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110 2. To maintain the PBD and ensuring service availability, by itself or through a contractor;
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112 3. To secure the PBD and ensure confidentiality, integrity and availability of the Entity Data
113 contained therein as updated from time-to-time;
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115 4. To coordinate between and consult with LGUs and NGAs in relation to the orderly
116 development, maintenance, operation and management of the PBD;
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118 5. To decide:
119 5.1. On system infrastructure, such as software or hardware upgrades; and
120 5.2. On adding, removing or otherwise modifying functionalities of the PBD;
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122 6. To set and promulgate IT, technical, economic or other standards, relating to the use of
123 the PBD. Such standards may cover data collection, data format, access protocols, access
124 pricing, and system connectivity;
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126 7. To determine access rights to the PBD and the Entity Data contained therein;
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128 8. To ascertain the members of the Council;
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130 9. To effect the data privacy sharing and processing arrangements necessary for the lawful
131 exchange of information among PBD Participants through the PBD;

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133 10. To create and maintain records of PBD usage, including login data, changes made to the
134 system and other metadata;
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136 11. To secure the necessary funding to develop, manage and operate and maintain the PBD
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138 12. To charge reasonable fees for the usage of the PBD;
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140 13. To enforce the Act vis-a-vis the PBD;
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142 14. To implement and give effect to the One Submission Policy found under the third
143 paragraph of Section 14 of the Act which provides that documents already submitted by
144 an applicant or requesting party to an agency which has access to the PBD shall no longer
145 be required by other NGAs and LGUs having the same access. Documents or information
146 shall be crosschecked and retrieved in the PBD. This shall be implemented through
147 standards and technology used in the PBD; and
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149 15. To ensure compliance with laws that affect the operation and maintenance of the PBD,
150 such as those on freedom of information, data privacy and cybercrime.
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152 Unless otherwise provided, the functions of the Administrator shall be performed by an
153 Undersecretary of the DICT, or as the Secretary thereof may determine.
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155 **SECTION 4. Administrative issuances.** In consultation with the PBD Advisory Council, the
156 Administrator shall issue regulations, memorandum circulars, guidelines, standards, protocols
157 and other administrative issuances necessary to carry out its functions under the Act and these
158 Rules.
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161 **PART III**
162 **THE PBD ADVISORY COUNCIL**
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164 **SECTION 5. PBD Advisory Council.** There shall be created a PBD Advisory Council, hereinafter
165 referred to as the Council, which shall be chaired by the Anti-Red Tape Authority created under
166 Section 17 of the Act.
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168 The Council shall be composed of representatives from each of the PBD Participants, which shall
169 include the Department of Trade and Industry (DTI), the Securities and Exchange Commission
170 (SEC), the Cooperative Development Authority (CDA), the National Privacy Commission (NPC),
171 the Department of the Interior and Local Government (DILG) and local government units as
172 represented by the [Union of Local Authorities of the Philippines (ULAP)], as well as the Philippine
173 Chamber of Commerce and Industry (PCCI). The Council shall be a sub-entity of and constituted
174 from the Ease of Doing Business and Anti-Red Tape Advisory Council created under Section 19
175 of the Act.

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177 Each PBD Participant shall name its representative and alternate in performance of its duties and
178 responsibilities for the successful development and operation of PBD within fifteen (15) days from
179 the effectivity of these Rules.

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181 The PBD Participants that will form part of the Council may be revised by the Administrator as
182 may be necessary to ensure proper and efficient implementation of these Rules.

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184 The Council shall have the following functions:
- 185 1. To recommend policies, processes and systems to the Administrator;
 - 186 2. To advise on any matter sought for by the Administrator;
 - 187 3. To help identify problems with respect to the PBD and suggest solutions therefor;
 - 188 4. To recommend strategies or solutions to ensure the sustainability of the system.
 - 189 5. To represent the interests and concerns of its constituent PBD Participants in relation to
190 the PBD;
 - 191 6. To assist the Administrator in implementation and in securing the cooperation of its
192 constituent PBD Participants; and
 - 193 7. To conduct studies and provides updates on the necessary Common Entity Data to be
194 submitted.

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196 The Council shall enact its own internal rules of governance. In the absence thereof, the Council
197 shall convene upon the call of the Administrator, which shall preside such meetings and set the
198 agenda therefor.

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200 **PART IV**
201 **OBLIGATIONS OF PBD PARTICIPANTS**

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203 **SECTION 6. Responsibility to Provide Information.** PBD Participants shall provide the PBD
204 with Entity Data received from business entities, as provided in these Rules and in conformity with
205 standards which the Administrator may issue.

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207 **SECTION 7. Data Quality.** The PBD Participant shall be responsible for data quality. Entity Data
208 received from PBD Participants shall be made available by the Administrator on the PBD as-is-
209 where-is.

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211 **SECTION 8. Service level agreements.** In the performance of its duties above, each PBD
212 Participant shall be obliged:

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214 1. To designate a responsible person within its organization to coordinate with the
215 Administrator and who can make decisions on its behalf in relation to its obligations under
216 the Act and these Rules;
- 217 2. To conform to and abide by technical standards and administrative issuances set by the
218 Administrator;

- 219 3. To refrain from using the PBD System for intellectual property violations, hacking and
220 other unlawful activities;
- 221 4. To adopt information systems capable of reflecting Entity Data under its custody in real-
222 time, and in view thereof, to develop plans and programs to bring its information
223 technology capabilities thereto;
- 224 5. To ensure, at their level, with respect to their information systems:
- 225 5.1. Compliance with the Data Privacy Act, including securing consent of data subjects;
- 226 5.2. Appropriate information security;
- 227 5.3. Appropriate maintenance, updates, upgrades, and infrastructure; and
- 228 5.4. Front line customer support;
- 229 6. To inform the Administrator of changes in their system that affects their PBD obligations
230 such as system upgrades, change of vendors, and development of new technology
- 231 7. To arrange for their own connection to the PBD system;
- 232 8. To collaborate with the Administrator for the sustainability of the PBD; and
- 233 9. To pay for fees that may be set by the Administrator for use and maintenance of the PBD.
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236 **PART V**
237 **DEVELOPMENT OF THE PBD**

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239 **SECTION 9. Features and Functions.** The Administrator shall design and develop the PBD in
240 accordance with the requirements as indicated in the PBD System Design (or Specifications)
241 document in collaboration with the Participants. The System Design (or Specifications shall form
242 part of the Quality Manual.

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- 244 a. *Person Responsible/System Administrator:* The Participants shall nominate their own
245 System Administrator and its alternate to submit Entity Data as determined by the
246 Administrator.
- 247 b. *Data Collection.* The PBD Participants shall submit Entity Data based on the PBD System
248 Policies.
- 249 c. *Access and Examination.* The PBD shall allow PBD Participants to access Entity Data
250 submitted therein by other PBD Participants for purposes of verifying relevant information
251 pertaining to business entities. The PBD may provide information to the public and the
252 national government agencies, subject to guidelines of which shall be issued by DICT in
253 a separate circular.
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255 **SECTION 10. Business Registration Number.**

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- 257 a. *Business Registration Number.* The PBD shall electronically and correspondingly
258 generate a Business Registration Number for each business entity as provided by the
259 Participants.
- 260 b. *Issuing body.* The PBD shall issue further guidelines on the procedure and requirements
261 of securing the Business Registration Number.
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263 **SECTION 11. Entity Data.**

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265 a. *Common Entity Data.* Unless otherwise specified by the Administrator in subsequent
266 issuances, the following Entity Data shall be submitted by the business entities:
- 267 i. Business Name
 - 268 ii. Regulatory Reference ID (e.g. SEC Registration Number, etc.)
 - 269 iii. Registration Date
 - 270 iv. Expiry Date
 - 271 v. Status (e.g. Active, dissolved etc.)
 - 272 vi. Address
 - 273 vii. City/Municipality
 - 274 viii. Zipcode
 - 275 ix. Contact Number
 - 276 x. Philippine Standard Industrial Classification Reference
 - 277 xi. TIN
 - 278 xii. Agency/LGU Code (Unified Account Code Structure)
 - 279 xiii. Business Owner/s
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- 281 b. *One Submission Policy.* Entity Data already submitted by an applicant or requesting party
282 to an agency which has access to the PBD shall no longer be required by other NGAs and
283 LGUs having the same access.
- 284 c. *Guidelines.* The Administrator may issue further rules and circulars as it may deem
285 necessary for the period of submission of Entity Data (“Entity Data Guidelines”). PBD
286 Participants and business entities are enjoined to cooperate for such purpose.
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288 **SECTION 12. Standards of transmission.**

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- 290 a. *Administrator obligations.* The Administrator shall set the standards and issue the
291 guidelines for the allowable modes of transmission of Entity Data. Such modes may
292 include:
- 293 i. Submission through external storage devices; and
 - 294 ii. Submission through the use of APIs.
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- 296 b. *PBD Participants obligations.* The PBD Participants shall comply with the standards
297 issued by the Administrator for in transmitting Entity Data.
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299 **SECTION 13. LGU System.** Pursuant to Section 11 (c) of the Act, the Administrator shall make 300 available to the LGU-PBD Participants the software for the computerization of the business permit 301 and licensing system.

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- 303 a. *Development.* The Administrator shall use reasonable efforts to design, develop, and
304 implement the LGU System to allow for the computerization of the business permit and
305 licensing system. For such purpose, the Administrator will issue such further guidelines
306 specifying the timeline and deliverables.

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SECTION 21. PBD Participant Reports. PBD Participants shall submit quarterly reports in writing to the Congressional Oversight Committee, copy furnished the Administrator, under Section 28 of the Act on the status of PBD implementation and information security, including data breaches, in relation to their respective operations, systems and processes, and use of the PBD.

SECTION 22. Administrator Reports. The Administrator shall report to the same Congressional Oversight Committee regarding the development of the PBD and its operation, including downtime and other financial or technical issues. Such reports shall be made from time to time as the Administrator may deem necessary, in no case later than every six (6) months.

SECTION 23. Council Reports. The Council shall submit an annual report to the same Congressional Oversight Committee, copy furnished the Administrator, on meetings, resolutions, and other relevant matters.

**PART IX
OTHER PROVISIONS**

SECTION 24. Applicability. These Rules shall apply to all PBD Participants and the Entity Data they respectively require and collect as defined herein.

SECTION 25. Amendment. The DICT may amend these Rules at its discretion, as provided by law.

SECTION 26. Separability Clause. If any clause, sentence, provision or section of these Rules shall be held unconstitutional or otherwise invalid, the remaining part thereof shall not be affected thereby.

SECTION 27. Effectivity. These Rules shall take effect fifteen (15) days after the date of publication in a newspaper of general circulation in the Philippines.

Approved by the ... _____ Committee Department of Information and Communications Technology at Quezon City, Philippines on the ___th day of September 2018.