

Comments on the House Bill No. 7864: “An Act Establishing the Basic Regulatory Framework for Blockchain Technology in the Philippines, providing for its Use in Government Service Delivery, and for Other Purposes”, introduced by Rep. Joey Sarte Salceda

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The PIDS strongly supports harnessing technology for economic and social development. The 4th Annual Public Policy Conference organized by PIDS in 2018 focused on the Fourth Industrial Revolution and its implications for Philippine industries, workforce, and educational systems. The 5th Annual Public Policy Conference held last year looked at new forms of globalization driven by new technologies and innovations. In the 2019 conference, McQuinn (2020) discussed how blockchain technology can improve trust in government services and identified four types of applications, namely:

- (1) Applications that use blockchain ledgers to create a repository of data that users can access, add to, and extract insights from such as shared data services for supply chain and logistics, asset tracking, real estate and title registry.
- (2) Smart contract applications that use blockchain to automate functions which could have an impact on government-required intermediary services, such as escrow and notaries.
- (3) Use of the distributed ledger and its tokens to create an easily verifiable audit trail to establish the authenticity of goods or data.
- (4) Using blockchain applications to establish digital identity.

These are promising applications with potentially significant benefits.

PIDS Support

PIDS welcomes the mandate, if approved, to conduct a study on the use of blockchain technology for more efficient delivery of government services, including social welfare programs and benefits. However, as this is a new and highly technical topic, PIDS will need to undertake the study jointly with technology experts.

Bibliography

McQuinn, Alan. 2020. "How Blockchain Applications Can Improve Trust in Public Sector Institutions." *Navigating the New Globalization: Local Actions for Global Challenges Proceedings of the Fifth Annual Public Policy Conference 2019*. Quezon City: Philippine Institute for Development Studies.

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