## [ NCC MEMORANDUM ORDER NO. 001-2010, May 07, 2010 ]

### GUIDELINES ON PROJECTS TO BE FUNDED BY THE E-GOVERNMENT FUND

WHEREAS, under Executive Order No. 269, the Commission on Information and Communications Technology (CICT) is empowered to provide an integrating framework and oversee the identification of all e-government systems and to manage and/or administer the E-Government Fund to be institutionalized and included in the annual national budget;

WHEREAS, under Chapter XLI of the General Appropriations Act of 2010, the CICT is tasked with the issuance of guidelines to define the criteria and procedures to be followed by Philippine government agencies in applying for funding through the E-Government Fund; to serve as reference for government agencies in preparing their proposals; and provide the basis for oversight agencies in monitoring and evaluating the implementation of approved projects.

NOW, THEREFORE, the CICT hereby promulgates the following guidelines:

### ARTICLE I
### Statement of Policy

It is the aim of the government to make use of ICT in government to facilitate governance – to strengthen accountability, enhance supervision and control and, in appropriate cases, facilitate collective decision-making; to improve internal administrative processes; to enhance the delivery of service; and to empower citizens to make informed decision. Towards this end, there is a need to streamline and simplify government processes, within and across agencies; integrate and eliminate redundant systems and networks thereby allowing swift exchange of information; and pave the way for conducting transactions online between government to citizens, government to business, and government to government.

### ARTICLE II
### Purpose of the E-Government Fund

The E-Government Fund was created to address the need for a more integrated approach to implementing e-government projects and a mechanism to provide financing of high priority inter-agency systems. It is an alternative funding source for mission-critical, citizen centric and cross agency ICT projects that will help actualize the e-governance vision of the Philippine Government. The fund specifically aims to:

- Expedite the implementation of critical ICT projects that would accelerate the development and implementation of e-government in the country;

- Rationalize e-government by facilitating the integration of government information systems, leading to improved, and more effective and efficient cross-agency interfaces;

- Promote multi-agency collaboration to improve the delivery of services by integrating related and complementary processes;

- Ensure access of citizens to government services across multiple government agencies and increase citizen participation in government;

- Re-engineer processes within government agencies to be more efficient to reduce costs and burdens for the citizens and businesses and even with other government agencies;

- Promote informed decision making of policy makers; and,

- Promote transparency and accountability within government.

## ARTICLE III
## Definition of Terms

1. **Application System** – refers to a group of related activities or processes designed to support a very specific function (e.g. DOH Hospital Management System, e-TIN, Electronic Filing and Payment System etc.) within an organizational unit. It also refers to a system prepared for an organization to process tasks that are unique to its particular needs.

2. **Chief Information Officer (CIO)** – is the highest ranking official who is responsible for the strategic use of information and communications technology in a department, bureau or GOCC/GFI, including legislative, judicial and constitutional offices. He/She is responsible for the development and maintenance of the IT and computer systems that support the goals of the organization.

3. **CICT** – Refers to the Commission on Information and Communications Technology singly, or any of its attached agencies, or both CICT and its attached agencies.

4. **Citizen-centric** – pertains to a project which is: a) Citizen-Focused – directly meets & satisfies service and information needs of citizens (i.e., frontline functions are computerized such as application for licenses, certificates, clearances, etc.); and b) Citizen-Friendly – can be accessed or used with ease.

5. **Collaborative process** – means that implementing agencies work together towards the delivery of public sector services that cut across several agency functions or jurisdiction. These are seamless services that are citizen centered, e.g. single window service, one-stop delivery, one-stop access, service clustering or multiple-service delivery channels.

6. **Concept Plan** – is the first document developed to introduce an EGF project. It broadly defines the scope of the proposed project (objectives, outcomes, outputs, components, benefits and timeframe), and provides an estimate of the resourcing and time associated with progressing the initiative. It should specifically identify what government processes or services are being proposed for computerization, and in broad terms the general systems architecture and design of the project.

7. **Content Development** – refers to the process of researching, writing, gathering, organizing, creating and editing information. It includes the process of addition, production, management, modeling, conversion, use and repurposing for wider usefulness and portability (across systems, networks, and organizations, time). It may consist of prose, graphics, pictures, recordings, movies, or other media sets that could be distributed electronically/digitally. Some example of content are research databases, educational materials, national heritage collections, government information and other resources on history and entertainment. Other examples are animation, comics, edutainment, mobile content, character design, games, music, films, performance and broadcasting.

8. **Cross-agency** – refers to an initiative wherein two or more (multi) agencies commit to undertake an EGF project which is characterized by the following: interconnectivity and interoperability, resource sharing, and collaborative processes.

9. **DBM** – refers to the Department of Budget and Management.

10. **E-Governance** – is the use of ICT to effect good governance through more efficient delivery of services to the citizens. This involves re-engineering existing processes in government to allow for connectivity of related government systems in the electronic delivery of these services direct to citizens.

11. **E-Government** – means the use by the government of web-based internet applications and other information and communications technologies combined with processes to enhance the access to and delivery of government services and bring about improvements in, among other things, effectiveness, efficiency, service quality, or transformation of government operations.

12. **E-Government Fund (EGF)** – refers to the fund allocated under the General Appropriations Act that shall be used to finance strategic ICT projects.

13. **E-Government Fund Technical Working Group (EGF-TWG)** – refers to the inter-agency committee created to perform the review of EGF project proposals in accordance with these Guidelines and identify opportunities for cross-agency projects.

14. **Implementing Agencies** – are those agencies directly executing the EGF project. These agencies may either be a national government agency, a constitutional commission, a government owned and controlled corporation (GOCC), a State University and College (SUC), or a local government unit (LGU). The implementing agencies may also be referred to as **participating agencies**.

15. **Information and Communications Technology (ICT)** – is defined as the totality of electronic means to collect, store, process, disseminate, propagate and present information to end-users in support of their activities. It consists, among others, of computer systems, office systems and consumer electronics, as well as networked information infrastructure, the components of which include the telephone system, the internet, fax machines and computers.

16. **Information System** – refers to a system of major processes or operations which facilitates the collection, storage, processing, retrieval of data and the generation of information for decision-making, planning, controlling and monitoring purposes. It also refers to a group of related processes designed to generate information for the exclusive support of a major functional area of an organization

(e.g. National Government Accounting System, Case Monitoring System, Geodetic Surveying Information System, etc.).

17. **Interconnectivity** – refers to the interconnection and interdependency of all parts of a system.

18. **Interoperability** – The ability to transfer and use information in a uniform and efficient manner across multiple organizations and information (and communications) technology systems. It enables the many different applications of end users to be accomplished using the different varieties of computer systems, software packages, and databases provided by a variety of interconnected networks.[1]

19. **Lead Agency** – is either a national government agency or a constitutional commission which shall be responsible for the overall management of the EGF project. It shall also receive and manage the fund given to the approved EGF project. The lead agency should be an implementing agency and thus will directly execute the EGF project.

20. **Monitoring and Evaluation (M & E)** – refers to the results-based framework, concept and tools adopted by CICT in monitoring and evaluating EGF projects to ensure that targeted results are achieved by project proponents.

21. **Outsourcing** – is the contracting out of the management and operation of certain agency functions, processes and activities to the private sector, or to another government agency which has a mandate to be a service provider for other government agencies but with accountability remaining with it. Outsourcing aims to increase efficiency and reduce costs, and enables the agency to concentrate on core functions and activities.

22. **Performance Measurement Framework (PMF)** – is a structured plan for the collection and analysis of performance information over the lifetime of the project to assess and demonstrate progress made in achieving expected results. It documents the major elements of the monitoring system and ensures the performance information is collected in a regular basis. It also contains information on baseline, targets and the responsibility for data collection.

23. **Project Plan** – is the management document for the project. It expands upon the Concept Plan. It explains in detail the objective, scope, governance, budget, work plan and milestones of the EGF project. It also explains the project and quality management processes to be used throughout the implementation of the project.

24. **Resource Sharing** – is the sharing among the implementing agencies of their physical, financial, manpower and information resources (e.g., databases, networked resources, data center, etc.), among others.

25. **Stakeholder** – refers to any person, group, organization, institution or agency that (a) is affected by the implementation of the EGF project; (b) is responsible for the delivery of the EGF Project; (c) will be required to implement and utilize the EGF Project; (d) has influence/power over the EGF Project; (e) has an interest in the successful or unsuccessful implementation of the EGF project; or, (f) needs to review (or audit) the EGF project.

# ARTICLE IV
## Types of Funding

There are three types of funding that CICT may provide to agencies:

1. ***Project Plan Preparation (3P)*** – given to agencies that have submitted a concept paper and have passed the evaluation process of the CICT. This funding assistance is primarily used to finance the preparation of the project plans of E-Government Fund projects to ensure their successful implementation.

2. ***Project Development*** – given to agencies that have submitted their project plan and have passed the evaluation process of the CICT. This funding assistance is primarily used to finance the development of application systems, information systems and content development (i.e. elearning, sectoral portal development) that strictly meet all of the criteria determined by the CICT.

3. ***Research Grant*** – given to agencies to finance strategic e-government related studies and researches on areas such as those supporting e-government fund innovation in service delivery, identifying and removing common barriers to e-government, highlighting relevant best practices and leveraging shared solutions, and for evaluating the e-government strategy and/or oversight process.

The allocation for 3P assistance and research grants combined shall not exceed 10% of the entire E-Government Fund allotted for a specific year.

# ARTICLE V
## General Guidelines

1. **Eligibility.** Only national government agencies and constitutional commissions are eligible to apply for the E-Government Fund.

2. **Limitations on Project Approval.** There is no limit on the number of project proposals that a proponent agency may submit for funding. However, no approvals shall be made for new or follow-on projects until the previous one is completed.

3. **Hiring of personnel.** Where there is no existing expertise and skills within the lead and/or implementing agencies, the lead agency can use the funds to hire consultants or personnel on a contractual basis, subject to existing laws, rules and regulations. Said contractual services shall be co-terminus with the duration of the project.

4. **Granting of honoraria** to Program Managers/Directors/personnel is subject to existing laws, rules and regulations.

5. **Provision of Counterpart Funds.** All project proposals should include a counterpart fund from the implementing agencies. The following prescribes the percentage of counterpart fund required from the implementing agencies:

| *Project Cost* | *% of Counterpart Fund* |
|---|---|
| *Less than P50M* | *10%* |
| *P50M – less than P100M* | *8%* |
| *P100M – less than P150M* | *6%* |
| *More than P150M* | *4%* |