

ARTA affirms thru COA validity of electronic/digital signatures and online payments in gov't transactions

21 December 2020 – Pursuant to the Anti-Red Tape Authority (ARTA) Memorandum Circular No. 2020-06 or the Guidelines for the Issuance and/or Reinstitution of Permits and Licenses Under the New Normal, ARTA is pushing for are online payment and the use of electronic signatures, particularly the Philippine National Public Key Infrastructure or PNPKI of the Department of Information and Communications Technology (DICT).

Through consulting with the Commission on Audit (COA), ARTA sought to allay all apprehensions raised by government agencies during the said Memorandum Circular's roll-out last week on the validity of these measures insofar as the Commission is concerned.

“The future of government services will all be online. Digital payments and digital signatures are two of the critical aspects that government offices should learn to embrace and adopt to enable the complete online performance of government services in their agencies. COA's affirmation on the validity and acceptability of these digital solutions for government services would allow agencies to decisively proceed with their automation programs”, said Director General Jeremiah Belgica.

In a response letter sent by COA to ARTA, dated 11 December 2020, the Commission confirms that electronic signatures and digital signatures can be used, provided that they comply with the requirements under the Republic Act 8792 or the Electronic Commerce Act and with the pertinent rules and regulations issued by the DICT. State auditors had also been instructed, through an internal memorandum, to allow the use of digital or electronic signatures in all procurement related documents, said the COA in same letter.

The COA, however, advises that any agency intending to utilize digital signatures must adopt internal rules and controls on the use of digital signatures including the duties and responsibilities of the users of the digital certificates, accountabilities of its users, and penalties associated for its improper use and negligence, among others. At a minimum, the controls should ensure authentication of documents, non-repudiation of the signatures, and integrity of documents.

In addition, the COA affirmed that the use of electronic transactions in government is promoted under the Electronic Commerce Act, including the acceptance of payments and issuance of receipts using electronic data messages and electronic documents.

Nonetheless, ARTA clarifies that digital payment options should be provided by agencies as an alternative mode of payment and that while these are highly encouraged, no one should be forbidden to pay in cash or check especially if they do not have the means to effect payment electronically.



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