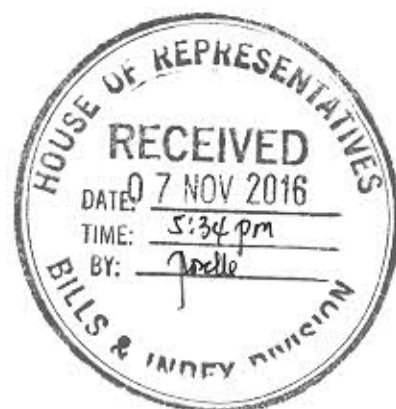


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4275



Introduced by Hon. John Marvin "Yul Servo" C. Nieto and

Hon. Edward Vera Perez Maceda

EXPLANATORY NOTE

Our Constitution provides under Article XIV, Section 10:

"Science and technology are essential for national development and progress. The State shall give priority to research, development, invention, innovation, and their utilization; and to science and technology education, training and services.xxx"

The study of space and the utilization of its technologies have been proven to develop and improve the quality and efficiency of several facets in our society. Satellites, an example of technology brought about by the constant efforts to study space, have become the backbone of today's communication and navigation systems. The development of these two systems have undoubtedly paved way to our modern ways of monitoring the environment, whose purpose is not only for disaster and risk assessment, but also for the general maintenance of security of our country. Moreover, the technology has also enabled the ordinary Filipino citizen to exercise informed life decisions by providing accessible platforms for easy and efficient communication, navigation, and environmental observation.

The idea of establishing a national space and aeronautic program as a beacon of economic and developmental hope for the people has been around for some time, especially among our neighboring ASEAN countries. In light of this, our fellow developing countries, namely Indonesia, Malaysia, Vietnam, and Thailand, have already established their respective centralized space agencies that aim to develop their independent space capabilities through their own expertise.

The same vision is shared by the Filipino astronomers—a progressive and self-reliant space agency that will greatly contribute to the scientific, economic, and social advancement of the nation. The creation of a national space policy will ensure that the country sustains its progress in the areas of national security and development, hazard management and climate studies, space research and development, space industry capacity building, space education and awareness, and international cooperation.

Furthermore, it will provide a strategic framework for space development that will assist the country in achieving its goal: becoming a space-capable and space-faring nation. Moreover, it will enable the Philippines to be a significant member and contributor to the global space community in

the future, which will strengthen our international relations and possibly pave way for greater opportunities.

The Philippine Space Agency will serve as the central government agency that addresses all national issues and activities related to space science and technology applications.

The Philippine Space Agency will 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 space program in line with the Philippines Space Policy.

In view of the foregoing considerations, immediate approval of this measure is sought.



JOHN MARVIN "YUL SERVO" C. NIETO
REPRESENTATIVE, 3rd DISTRICT OF
MANILA



EDWARD VERA PEREZ MACEDA
REPRESENTATIVE, 4th DISTRICT OF
MANILA

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HOUSE BILL NO. 4275

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AN ACT
ESTABLISHING THE PHILIPPINE SPACE DEVELOPMENT AND UTILIZATION POLICY AND
CREATING THE PHILIPPINE SPACE AGENCY (PSA) AND DEFINE THE PURPOSE AND
SCOPE OF ITS ACTIVITIES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Short Title. This Act shall be known as the "Philippine Space Act of 2016," (PhilSA)."

SECTION 2. Declaration of Policy. – It is hereby declared the policy of the State:

- (a) To safeguard Philippine sovereignty, territorial integrity, Philippine interest, and the right to self-determination as mandated by the Article II Section 7 of the 1987 Philippine Constitution;
- (b) To support and commit to the development of science and technology that will foster patriotism and nationalism and accelerate social progress, such as the development of space technology and applications for its security and for the benefit of its citizens;
- (c) To ensure access to space and its environs as a sovereign right and stipulates the need to create a national strategy for space development;
- (d) To recognize that there is an urgent need to create a coherent and unified strategy for space development and utilization to keep up with other nations in terms of space science and technology;
- (e) To ensure that the Philippines has official representation in the international space community for establishing cooperation agreements and linkages on space development;
- (f) To ensure that the Philippines abides by the various international space treaties and principles promulgated by the United Nations and is an active participant in the international space community;

SECTION 3. Definition of Terms. – As used in this Act the following terms are defined as follows:

- (a) PhilSA shall refer to the Philippine Space Agency created by virtue of this Act.
- (b) Space Science and Technology Applications or SSTA shall mean the scientific principles and their applications to space science, engineering and other allied fields.
- (c) Satellites include all objects launched into Earth orbit and artificial objects to be placed in orbit of celestial bodies or conduct space exploration.

SECTION 4. The Philippine Space Development and Utilization Policy. The Philippine Space Development and Utilization Policy, or the Philippine Space Policy, will serve as the country's primary strategic roadmap for space development and embodies the country's central goal of becoming a space-capable and space-faring nation within the next decade. It shall focus on areas of SSTA that would address national issues, promote the efficient utilization of space assets and resources, establish capacity-building measures for human resources development and enhance international cooperation.

SECTION 5: Framework of the Space Policy. The Philippine Space Policy will focus on six (6) Key Development Areas (KDA) for SSTA development to ensure the State's sustained progress:

- a) National Security and Development – The Philippines will focus on space applications that can preserve and enhance the country's national security and promote development that is beneficial to all Filipinos;
- b) Hazard Management and Climate Studies – The Philippines will develop and utilize space science and technology applications to enhance its hazard management and disaster mitigation strategy as well as ensure the nation's resiliency to climate change;
- c) Space Research and Development – To spur rapid scientific growth, the Philippines will focus on conducting research and development endeavors in vital areas of space science, technology and allied fields;
- d) Space Industry Capacity Building – The Philippines will create a robust and thriving space industry to support the country's space program through private sector involvement and cooperation;
- e) Space Education and Awareness – The Philippines aims to establish a sustainable pool of trained space scientists, engineers and communicators that will be critical for the country's future space program and increasing public awareness on its value and benefits;
- f) International Cooperation – Through international partnerships and collaborations, the Philippines will become a key player in the ASEAN and global space community by providing significant contributions and capabilities on space science and technology applications;

SECTION 6. Creation of the Philippine Space Agency (PSA). – A Philippine Space Agency, hereinafter referred to as the "PhilSA", is hereby established as the central government agency addressing all national issues and activities related to space science and technology applications.

SECTION 7. Mandate – The PhilSA shall 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 space program in line with the Philippine Space Policy.

SECTION 8. Powers and Functions. – The PhilSA shall exercise the following powers and functions:

- I. Policy and Planning and Coordination
 - a. Assist the State in the creation, development and implementation of national and international space policies;
 - b. Plan, direct, manage and implement programs and projects relating to scientific space research and development and the application of space technology;
 - c. Take hold of money, securities or other personal or moveable property by gift or bequest and expend, administer or dispose of any such money, securities or property subject to the terms, if any, on which the gift or bequest was made in such manner as shall best promote the PhilSA's objectives;
 - d. Implement the Philippine Space Development and Utilization Policy;
 - e. Coordinate all space activities of various sectors and stakeholders in the Philippines;

- f. Provide appropriate and accurate advice to the President of the Philippines and other government agencies on space-related issues and concerns;

II. Improved Public Access and Resource-Sharing

- a. Develop, construct, acquire, manage, maintain and operate space research, development and operation facilities and systems on behalf of the Philippine government for use of various government agencies;
- b. Assist Departments and other agencies of the State in the utilization of SSTA to aid in the performance of their respective mandates and duties;

III. Research and Development

- a. Perform basic and applied research and development relating to SSTA in collaboration with universities, industries and other institutions;
- b. Design, develop and construct space systems and facilities necessary thereof, as well as launch, track and operate the satellites on behalf of the Philippine government;
- c. Promote the growth of space science and technology through research and development;

IV. Education and Capacity Building

- a. Establish programs that would develop space education and promote public awareness;
- b. Provide grants and contributions in support of programs or projects relating to scientific or industrial space R&D and application of space technology;
- c. Provide services and facilities for the use by entities conducting academic R&D relating to SSTA;

V. Industry Development

- a. Promote the development of a robust and vibrant local space industry and economy;
- b. Promote the transfer and diffusion of space technology throughout the Philippine industry;
- c. Encourage the commercial exploitation of space capabilities, technology, information, facilities and systems.
- d. License, sell or otherwise make available any patent, copyright, industrial design, trademark, trade secret or other like property controlled;
- e. Disseminate the results of R&D activities and promote the utilization thereof, except when information is deemed confidential for national welfare and security and for the protection of intellectual property rights;

VI. International Cooperation

- a. Cooperate with space-related agencies of other countries in the peaceful use and development of space;
- b. Enter into contracts, memoranda of understanding/agreement or other arrangements in behalf of the State;
- c. Establish and maintain linkages with other national space agencies and organizations;

SECTION 9. Composition. – The PhilSA shall be an attached agency of the Office of the President for purposes of policy and program coordination, to ensure alignment in national policies and priorities. It shall be headed by a Director General. The PhilSA proper shall be composed of the Office of the Director General, the Offices of the Deputy Directors and various Divisions to be created as deemed necessary.

SECTION 10. Director General of the PhilSA. – The Director General shall have the rank and compensation of a Cabinet Secretary and shall be appointed by the President, subject to the

confirmation by the Commission on Appointments. The Director General shall have the following functions:

- a) Provide executive direction and supervision over the entire operations of the PhilSA and its attached units;
- b) Establish policies and standards for the effective, efficient and economical operation of the PhilSA, in accordance with the programs of the government;
- c) Review and approve requests for financial and manpower resources of all operating offices of the PhilSA;
- d) Designate and appoint officers and employees of the PhilSA, excluding the Deputy Directors, in accordance with the civil service laws, rules and regulations;
- e) Exercise disciplinary powers over officers and employees of the PhilSA in accordance with law, including their investigation and the designation of a committee or officer to conduct such investigation;
- f) Coordinate with other Departments, agencies and public and private interest groups, including non-government organizations (NGOs) and people's organizations (POs) on PhilSA policies and initiatives;
- g) Prepare and submit to the President through the Department of Budget and Management (DBM) an estimate of the necessary expenditures during the next fiscal year, on the basis of the reports and estimates submitted by the divisions and offices under him/her;
- h) Serve as a member of the Government Procurement Policy Board (GPPB) as established by Republic Act No. 9184;
- i) Serve as the Presidential Adviser on Space Matters and advise the President on the promulgation of executive and administrative orders and formulation of regulatory and legislative proposals on matters pertaining to SSTA development;
- j) Formulate such rules and regulations and exercise such other powers as may be required to implement the objectives of this Act: and
- k) Perform such other tasks as may be provided by law or assigned by the President.

SECTION 11. Deputy Directors. – The Director General shall be assisted by three (3) Deputy Directors with the rank and compensation of a Department Undersecretary who shall be appointed by the President upon the recommendation of the Director General: Provided, that two (2) of the Deputy Directors shall be career executive officers.

SECTION 12. Qualifications. – No person shall be appointed Director General or Deputy Director of the PhilSA unless he or she is a citizen and resident of the Philippines, of good moral character, of proven integrity, with an advanced degree in Space Science, Astronomy, Physics, Engineering or related fields of study, with at least five (5) years of competence and expertise in any of the following: astrophysics, space science, aerospace engineering, space systems engineering, remote sensing space industry, or human capital development in the SSTA sector.

SECTION 13. Transfer of Astronomical and Space-related Functions – To consolidate the functions of PSA the following office / units shall be transferred from its parent agency;

- a) Philippines Aerospace Development Corporation, Department of Transportation and Communication (DOTC)
- b) Manila Planetarium, National Museum
- c) Philippines Space Education Institute (DOST-SEI)

Non-Diminution of Mandates – Nothing in this Act shall diminish the functions and responsibilities of the support agencies.

SECTION 14. Separation and Retirement from Service. – Employees who are separated from service within six (6) months from the effectivity of this Act as a result of consolidation and/or

reorganization under the provisions of this Act shall receive separation benefits to which they may be entitled under Executive Order No. 366, s. 2004: Provided, that those who are qualified to retire under existing retirement laws shall be allowed to retire and receive retirement benefits to which they may be entitled under applicable laws and issuances.

SECTION 15. Structure and Staffing Pattern. – Subject to the approval of the DBM, the PhilSA shall determine its organizational structure and create new divisions or units as it may deem necessary, and shall appoint officers and employees of the PhilSA in accordance with the civil service law, rules and regulations.

SECTION 16. Magna Carta. – Qualified employees of the PhilSA and its attached units shall be covered by Republic Act No. 3439, known as *magna carta for scientists, engineers, researchers and other science and technology personnel in the government*.

SECTION 17. Annual Report. – The PhilSA shall submit to the President and to both Houses of Congress, not later than March 30 of every year following the effectivity of this Act, a report giving a detailed account of the status of the implementation of this Act and recommended legislation, where applicable and necessary.

SECTION 18. Funds of the PhilSA. – The funds of the PhilSA shall consist of:

- a) the annual General Appropriation for the PhilSA;
- b) Income, fees, royalties and other revenues obtained from any other sources;

The funds shall be administered by the Director General of the PhilSA in accordance with existing government budgeting, accounting and auditing rules and regulations.

SECTION 19. Philippine Space Development Fund. – There is hereby created the Philippine Space Development Fund to be used exclusively for the PhilSA. The Philippine Space Development Fund shall be administered by the Director General of the PhilSA in accordance with existing government budgeting, accounting and auditing rules and regulations. The Philippine Space Development Fund shall be sourced from the following:

- a) The amount of ten billion pesos (P 10,000,000,000.00) to be taken from the share of the National Government in the gross income of the Philippine Amusement and Gaming Corporation (PAGCOR) and the Bases Conversion and Development Authority (BCDA). For five (5) years after the effectivity of this Act, an amount of two billion pesos (P 2,000,000,000.00) per year shall be released to the PSA. The entire amount of ten billion pesos (P 10,000,000,000.00), including any interest income thereon, shall be used exclusively for capital outlay.
- b) Income from specialized products, services, and royalties produced by the PhilSA.
- c) Loans, contributions, grants, bequests, gifts, and donations whether from local or foreign sources. Provided, that acceptance of grants, bequests, contributions and donations from foreign governments shall be subject to the approval of the President upon the recommendation of the Director General of the PhilSA and Secretary of the Department of Foreign Affairs (DFA). The Director General with the approval of the NEDA and subsequently the Department of Finance (DOF) is hereby granted the authority to enter into loan agreements with foreign financial institutions.

SECTION 20. Appropriations. – The sum of One Billion Pesos (PHP 1,000,000,000.00) is hereby appropriated as initial operating fund of the PhilSA, taken from the current fiscal year's appropriation of the Office of the President, Department of Science and Technology, and Department of National Defense. The amount needed for the operation and maintenance of the PhilSA shall be included in the General Appropriations Act thereafter.

SECTION 21. Implementing Rules and Regulations. – The PhilSA, DBM, CSC and other government agencies concerned shall issue within ninety (90) days from the effectivity of this Act the necessary rules and regulations for the effective implementation of this Act.

SECTION 22. Separability Clause. – If any provision of this Act shall be declared unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SECTION 23. Repealing Clause. – All laws, decrees, executive orders, rules and regulations and other issuances or parts thereof which are inconsistent with this Act are hereby repealed, amended or modified accordingly.

SECTION 24. Effectivity. – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

APPROVED.