

EIGHTEENTH CONGRESS)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



HOUSE OF REPRESENTATIVES

House Bill No. 4692

Introduced by Representative VICTOR A. YAP

EXPLANATORY NOTE

By year 2030, the Philippines aims to become the leading creative economy in Southeast Asia through developing the creative industries of advertising, film, animation, game development and design. Pursuant to this, the Department of Trade and Industry (DTI), in close coordination with the Creative Economy Council of the Philippines (CECP), a non-government organization whose purpose is to help the Philippines become a globally competitive creative economy, has been formulating the country's Creative Economy Roadmap which furthers the cultivation of creative industries that provide major contributions to the country's Gross Domestic Product (GDP) and which acts as an important source of trade and investment opportunities especially for Micro, Small and Medium Enterprises (MSMEs).

According to the United Nations Conference on Trade and Development, the Philippines exported \$915.45 million worth of creative goods in 2014, nearly 18% higher than the \$775.83 million exported in 2005. However, despite the increasing contribution of the creative industries to the economy, Filipino creators are often undercompensated due to the lack of appreciation to their work and inadequate support systems coming from government.

Article XIV, Section 10 of the Constitution provides that the State shall give priority to research and development, invention, innovation, and their utilization, while Section 13 of the same Article declares that the State shall protect and secure the exclusive rights of scientists, inventors, artists, and other gifted citizens to their intellectual property and creations, particularly when beneficial to the people.

In line with these Constitutional provisions, this bill seeks to establish a Creative Industries Development Council to formulate and implement the development and promotion of original Filipino content and the protection and commercialization of Filipino intellectual property. This measure likewise seeks to stimulate the Philippine Creative Industry by protecting, securing and promoting the rights of our scientists, inventors, and other gifted citizens over their creations, as well as providing them formal and institutional support and assistance from government.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


VICTOR A. YAP

Representative, 2nd District of Tarlac

HOUSE OF REPRESENTATIVES

House Bill No. 4692

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AN ACT
TO DEVELOP AND PROMOTE THE CREATIVE INDUSTRIES OF THE
PHILIPPINES

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

SECTION 1. *Short Title.* This Act shall also be known as the "Creative Industries Charter of 2019".

SEC. 2. *Declaration of State Policy.* - It shall be the policy of the State to promote all economic activities having their origin in creative skill and talent through the exploitation of intellectual property, in pursuance of the Constitution's emphasis on technology, arts, and culture. Likewise, the Creative Industries Charter seeks to protect and secure the exclusive rights of scientists, inventors, artists, and other gifted citizens to their intellectual property and creations.

In pursuit of encouraging and promoting a creative economy in the Philippines, this Act seeks to develop and promote the creative industries to protect and strengthen the rights of creative corporations, artists, content providers, and to establish a Creative Industries Development Council that will ensure the implementation of this Act.

SEC. 3. *Creative Industries.* - These shall include the following:

- a. Advertising and Marketing
- b. Animation and Game Development
- c. Architecture and Interior Design
- d. Broadcast Arts including Film, Television, Radio and Photography
- e. Information Technology, Software and Computer Services
- f. Publishing
- g. Museums, Galleries and Libraries
- h. Heritage Crafts and Activities, including Gastronomy
- i. Music and Performing Arts
- j. Visual Arts k. Product, Graphic and Fashion Design

SEC. 4. *Creative Industries Development Council (CIDC).* -There is hereby created a Creative Industries Development Council (CIDC) that shall formulate and implement the development and promotion of original Filipino content and the protection and commercialization of Filipino intellectual property.

1 The CIDC shall be composed of a Chairperson and four (4) permanent council members
2 who shall all be appointed by the President of the Philippines. They shall be Filipino citizens, at
3 least twenty-five (25) years of age, and of good moral character; *Provided*, That at least one (1)
4 permanent members shall be a member of the Philippine Bar, and at least two (2) members shall
5 be from the private sector creative industries.

6 The Chairperson and Members shall serve for a term of three (3) years, subject to
7 reappointment for another three-year term. The first two (2) members shall be appointed for a
8 term of two (2) years and the other two (2) members for a term of one (1) year. Thereafter, their
9 successors shall be appointed for a term of three (3) years.

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11 **SEC. 5. Powers and Functions of the Council.** - The Chairperson shall be chief Executive
12 officer of the CIDC and shall be assisted by four (4) permanent and full time members. The
13 Council shall have the following powers and functions;

- 14 a. To formulate and implement a National Creative Economy Development Plan, in
15 consultation with Department of Tourism (DOT), Department of Finance (DOF),
16 Department of Trade and Industries (DTI), National Commission for Culture and
17 the Arts (NCCA), Cultural Center of the Philippines (CCP), National Historical
18 Commission of the Philippines (NHCP), Business Processing Association of the
19 Philippines (BPAP) and other creative business groups, the Commission on
20 Higher Education (CHED) through the state universities and colleges, private
21 schools, software designs, artists, cooperatives, game and software laboratories
22 and other stakeholders;
- 23 b. Coordinate with other agencies and entities of the government to ensure the
24 effective and efficient implementation of creative development programs;
- 25 c. Formulate programs and projects to protect, preserve, develop, and acquire
26 historical, significant, and emerging creative properties and content;
- 27 d. Ensure the enforcement of intellectual property laws, as well as, conduct research
28 for the inclusion of new technologies, design, storytelling, software and other
29 creative content;
- 30 e. Strengthen institutions involved in creative education and training;
- 31 f. Support the training of a creative workforce in order to expand employment
32 opportunities through scholarships, artists-in-residence programs, workshops
33 apprenticeship, networking events, and subsidized studios and living spaces;
- 34 g. Encourage investments in creative start-ups by granting of loans and seed capital,
35 financing equipment and tools, accessing tax incentives and providing other
36 subsidies;
- 37 h. Assist in the registration, patent, titling and such other legal procedures as would
38 exercise and monetize Filipino ownership over creative content;
- 39 i. Ensure the enforcement of Filipino intellectual property rights domestically and
40 overseas;
- 41 j. Encourage the production of events, activities, competitions, and other cultural
42 activities included in tourism, heritage and national park promotion programs;
- 43 k. Promote and market creative industry products, events, activities, and the cultural
44 heritage of the Philippines, both in the local and international market;

- 1 l. Develop and sustain cooperative exchanges and partnerships, among creative
2 entities, organizations, institutions and practitioners both in the Philippines and
3 abroad;
- 4 m. Promulgate rules, regulations and other issuances necessary in carrying out the
5 mandate, goals, plans and programs of the CIDC;
- 6 n. Exercise control and supervision, including disciplinary powers over officers
7 and employees of the CIDC in accordance with law; and
- 8 o. Such other functions, as may be deemed necessary for the development of a
9 Philippine Creative Economy.

10 **SEC. 6. *Support to Creative Entrepreneurs.*** - In consultation with all stakeholders and in
11 pursuance of the National Creative Industries Plan, the Council shall provide start-up capital,
12 facilitate preferential loan, subsidized rentals for studio and venue, collocation, and shared
13 workspaces, facilities and hardware, and such other forms of support as may be required by the
14 creative entrepreneurs, companies and artists.

15 **SEC. 7. *Additional Creative Content Rights.*** - In addition to the rights and protection
16 provided in R.A. No. 8293 otherwise known as the "Intellectual Property Code of the Philippines",
17 this Act shall endow ownership to the creator of working drawings for industrial and fashion
18 design; detailed sequence and shot guides for movies and games; original character, background,
19 and tool designs; executable source codes for game and software; and such other forms of creative
20 content in their beta testing and development, pre-distribution, or incomplete formats but capable
21 of final production and reproduction.

22 **SEC. 8. *Private Sector Participation.*** - The Council shall, at all times, consult closely
23 and coordinate with creative industry corporations, artists, content providers, schools, event
24 managers and other stakeholders for the creation of jobs and employment for creative artists,
25 entrepreneurs workers.

26 **SEC. 9. *Local Government Participation.*** - The Council shall work with the local
27 government units for the establishment of Local Creative Industry Councils based on the National
28 Creative Industry Plan data mapping to include Quezon City as the national broadcast center,
29 game development and software hubs such as Taguig and Makati, and design and music capitals
30 such as Cebu and Davao City. These units shall be the primary implementors of the programs and
31 projects of the Council at the local level.

32 **SEC. 10. *One-Stop Registration Center.*** - The Council shall establish a one-stop
33 registration center in every region to assist the creative industries register, acquire, market, or
34 otherwise exercise legal ownership, over their creative content utilizing their patents, trademarks,
35 service marks, trade names, copyrights and other legal title.

36 **SEC. 11. *Reorganization.*** - For efficiency and economy, the reorganization of concerned
37 agencies, such as NHCP, NCCA, DOT, DOF, DTI, Film Development Council of the Philippines
38 (FDCP), Movie and Television Review and Classification Board (MTRCB), National Film
39 Archive of the Philippines (NFAP), National Parks Development Committee (NPDC), National
40 Museum, Optical Media Board (OMB), Kapisanan ng mga Broadkaster ng Pilipinas (KBP), as
41 well as necessary linkages with their subdivisions, shall be undertaken.

42 **SEC. 12. *Appropriations.*** - The amount of Five Hundred Million Philippine Pesos
43 (Php500,000.00) shall be appropriated for the initial implementation of the Act. Thereafter, such
44 sums as may be necessary for the continued implementation of the Act shall be included in the
45 Annual General Appropriations Act.

1 **SEC. 13. *Implementing Rules and Regulations.*** - Within ninety (90) days after the
2 effectivity of this Act, the implementing Rules and Regulations shall be promulgated by the CIDC
3 in coordination with the concerned Departments of the National Government.

4 **SEC. 14. *Separability Clause.*** - If, for any reason, any portion or provision of this Act
5 shall be held unconstitutional or invalid, the remaining provisions not affected thereby shall
6 continue to be in full force and effect.

7 **SEC. 15. *Repealing Clause.*** - All laws, executive orders, proclamations, rules,
8 regulations and other issuances or parts thereof which are inconsistent with the provisions of this
9 Act are hereby repealed or amended accordingly.

10 **SEC. 16. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in
11 the Official Gazette or in any newspaper of general circulation.

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13 *Approved.*