

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



Senate
Office of the Secretary

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SENATE
S. No. 1242

RECL. BY: *Jia*

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Articles 14, Sections 14 and 15 read:

Section 14. The State shall foster the preservation, enrichment, and dynamic evolution of a Filipino national culture based on the principle in unity in diversity in a climate of free artistic and intellectual expression.

Section 15. Arts and letters shall enjoy the patronage of the State. The State shall conserve, promote, and popularize the nation's historical and cultural heritage and resources, as well as artistic creations.

Our independent film industry has created a growing international interest in Filipino works, borne out of the increasing number of awards garnered by our filmmakers at prestigious film festivals. Some of these recent winners include *Ang Pagdadalaga ni Maximo Oliveros*, which won 15 international awards, including three awards at the Berlinale (The Teddy award, International Jury Prize at the Kinderfest and Special Mention from the Children's Jury of the Kinderfest). It was also the first Philippine film nominated for Best Foreign Film at the Independents' Spirit Awards in the U.S. *Kubrador* was honored with the International Critic's Award by the FIPRESCI (short for Fédération Internationale de la Presse Cinématographique, in English, known as International Federation of Film Critics) during the 2006 Moscow International Film Festival; and in 2007, it was nominated Best ASEAN film in the Bangkok International Film Festival. *Rigodon* won the best feature film award in the international competition category at the eighth International Panorama of Independent Filmmakers in Athens, Greece in 2006. *Rigodon* was also invited to screen at the Museum of Modern Art (MoMA) in 2007. *Neo-Lounge*, an outstanding documentary, was adjudged Best Documentary Film in the 34th Brussels International Independent Film Festival in 2007.

Independent films are called such because they were not produced by the established film companies, and by necessity, finished on much smaller budgets. Their independence allows them to challenge the status quo, tackling heretofore unexplored subject matter, inviting the audience not only to feel but to think. They present a genuine alternative cinema to the current crop of mainstream productions in movies and television, which are primarily geared towards profit, and as such, are dictated by the usual commercial formulas.

Currently, the government supports independent films through the Film Development Council of the Philippines (FDCP) and through programs such as the Cinemalaya Philippine Independent Film Festival.

However, this is not enough. In 1999, figures from the FDCP showed that the Philippines produced 199 films. But it took a dive in 2004, producing only 55 films. Nestor Jardin, president of the Cinemalaya in 2005, and a board member of the Film Development Council, said that this decline could be attributed to a lot of things; one of which was the high production costs that come with putting together a film as well as high amusement taxes imposed here in the Philippines.

Thus, if not given financial support, independent filmmakers may soon fall into the trap of pandering to the audience in order to sell their movies. Since these films cannot and should not rely on box office receipts to recoup their production costs, the state should take steps to encourage these filmmakers to maintain their independence by rewarding those films which performed well in prestigious film competitions. These filmmakers can use these grants to offset their costs and use the rest as seed money for their next note-worthy project.*

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MIRIAM DEFENSOR SANTIAGO

* This bill was originally filed in the Fourteenth Congress, Second Regular Session.



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1 AN ACT
2 ENCOURAGING THE PRODUCTION OF PHILIPPINE INDEPENDENT FILMS BY
3 PROVIDING INCENTIVES TO FILMMAKERS WHO ARE GIVEN HONORS IN
4 CREDIBLE INTERNATIONAL FILM COMPETITIONS

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

5 SECTION 1. *Short Title.* – This Act shall be known as the “Philippine Independent Films
6 Act.”

7 SECTION 2. *Declaration of Policy.* – It is the policy of the State to promote and support
8 the development and growth of the local film industry, in general, and the production of
9 independent films, in particular. The State shall endeavor to discover, encourage, and honor the
10 cinematic works of Filipino filmmakers that boldly articulate and freely interpret the Filipino
11 experience with fresh insight and artistic integrity.

12 SECTION 3. *Grants for Award-Winning Films.* – To achieve this law’s purpose,
13 Philippine independent films that have been awarded the Best Film prize or its equivalent,
14 including those that merited recognition for technical excellence, in respected international film
15 competitions or cinema festivals, shall be given the following incentives:

16 3.1 A grant of five million pesos (₱5,000,000.00) to the film production or entity that
17 produced the award winning full-length feature or documentary film;

18 3.2. A grant of three million pesos (₱3,000,000.00) to the film production or entity that
19 produced the award winning short feature or documentary film;

20 3.3. Full tax exemptions relevant to the screening of the film and its commercial
21 exhibition, including those levied by local government units (LGUs);

1 3.4. The award winning film shall be given an automatic rating of an “A” film by the
2 Cinema Evaluation Board.

3 SECTION 4. *Implementing Agency.* — The National Commission for Culture and the
4 Arts (NCCA) is hereby authorized and directed to adopt a system to implement and carry out the
5 provisions of this Act. The NCCA shall, within sixty (60) days from the effectivity of this Act,
6 promulgate rules and regulations to carry out and enforce the provisions of this Act.

7 SECTION 5. *Appropriations.* – A special fund amounting to fifty million pesos
8 (P50,000,000.00), which shall be sourced from the funds of the Philippine Amusement and
9 Gaming Corporation (PAGCOR), is hereby created to carry out the provisions of this Act.
10 Other amounts as may be necessary to carry out the provisions of this Act are hereby authorized
11 to be appropriated from the National Treasury.

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13 SECTION 6. *Separability Clause.* – If any provision or part hereof is held invalid or
14 unconstitutional, the remainder of the Act or the provision not otherwise affected shall remain
15 valid and subsisting.

16 SECTION 7. *Repealing Clause.* - Any law, presidential decree or issuance, executive
17 order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent
18 with the provisions of this Act is hereby repealed, modified, or amended accordingly.

19 SECTION 8. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its
20 publication in at least two (2) newspapers of general circulation.

Approved,