

SEVENTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

First Regular Session

17 FEB 14 P4:11

SENATE

RECEIVED BY:

S.B. No. 1330

Introduced by SENATOR SONNY ANGARA

AN ACT

ESTABLISHING A FRAMEWORK FOR FILM AND TELEVISION TOURISM IN THE PHILIPPINES, MARKETING THE INDUSTRY GLOBALLY AND PROVIDING EMPLOYMENT FOR THE SECTOR AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Film tourism is a growing phenomenon wherein a destination is visited by tourists because it was featured in a movie, television, or video. To cite as an example, New Zealand's international visitor arrival increased by 50% since the first installment showing of the trilogy, "The Lord of the Rings" in 2001, according to its tourism office.

By boosting the country's film tourism, the Philippines stands to increase the number of tourist arrival and stimulate its economy. A dollar spent by a tourist for accommodations is multiplied 2.1 times for the economy as it creates jobs and opportunities and spreads its effect in other industries as well.

Our very own local film industry has been begging attention. According to the Philippine Statistics Authority, from 1960 to 1999, the Philippines produced an average of about 140 movies each year. However, from 2000 to 2009, local film output fell to an average of 73 annually with only 11 percent of the market. Last year, only 78 local films were made.

New Zealand, through its Large Budget Screen Production and Post Digital & Visual Effects Grants, offers a cash grant equivalent to 20% of the Qualifying New Zealand Production Expenditure (QNZPE). Association with films such as The Hobbit movies also offers New Zealand a wider opportunity to enhance its international profile business. Other countries like Singapore, Malaysia, South Korea, and UK offer comparative and competitive incentive schemes to garner a market share in the lucrative international motion picture production industry.

Recognizing the potential of international and local motion picture production to create jobs, grow the economy, and raise the nation's international profile, offering production tax incentives and empowering the Film Development Council of the Philippines (FDCP) to provide additional benefits, are necessary steps our nation ought to take to seize this new opportunity as levers for growth and development.

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

SONNY ANGARA



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

1 SECTION 1. Title. - This Act shall be known as the "Philippine Film and Television

Tourism Act."

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SEC. 2. *Declaration of Policy.* – It is hereby declared to be the policy of the State to treat film and television tourism as a special investment and tourism tool for national development.

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Consistent with the national goal of creating new areas of business to generate employment opportunities as well as to recognize Filipino talent, film, and television tourism in the country is hereby made a new investment priority. It can be in the form of making the Philippines as a location shooting or filming area for various media activities, including, but not limited to making the Philippines a duplicate site. It can also be by preserving or promoting the nation's historical and cultural heritage and resources as well as artistic creations or sceneries depicted in films, and converting it into tourist attractions. It can also be in the form of championing Filipino film practitioners and artists and their participations in foreign productions.

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- 18 SEC. 3. Creation of Philippine Film and Television Tourism Authority (PFTTA). –
- 19 The affairs related to film and television tourism shall be administered by the Philippine
- 20 Film and Television Tourism Authority (PFTTA), thus replacing the Philippine Film
- 21 Export Service Office (PFESO) under the Film Development Council of the Philippines
- 22 (FDCP), organized under Executive Order No. 674, Series of 2007.

The PFTTA shall be headed by the Chief Operating Officer (COO), a position 1 which shall be equivalent to an Executive Director III position of the Film Development 2 Council and which shall be a career executive service officer position to be 3 recommended by the Chairperson of the Film Development Council of the Philippines 4 5 and appointed by the President. 6 The members of the Authority shall be composed of representatives from the 7 8 following agencies: 9 1. Department of Tourism; 10 2. Department of Trade and Industry; 3. Department of Interior and Local Government and its attached agencies; 11 12 4. Department of National Defense; 5. Department of Finance; 13 14 6. Department of Foreign Affairs; 15 7. Department of Labor and Employment; 16 8. Movie and Television Review Classification Board; 9. National Commission for the Culture and the Arts; and 17 10. Private sector representatives, one each from the movie and television 18 19 industries. The heads of the above stated departments shall designate their regular 21 representatives, based on their position in the organization, but not lower than a 22 Director-level position. The said representatives of the various government agencies 23 24

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shall, in addition to their duties in the Authority, also serve as the direct link to streamline and develop the one-stop-shop system.

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The Secretariat of the PFTTA shall be based in the Film Development Council of the Philippines for financial and administrative support. It shall be composed of eight (8) regular plantilla positions already approved and to be augmented by the Department of Budget and Management, including existing positions in the Philippine Export Services

30 Office of the FDCP.

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SEC. 4. Functions of PFTTA. - The PFTTA shall facilitate the One-Stop-Shop System for foreign film or television production entities. It shall undertake the following:

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1. Facilitate the promotion and marketing of the Philippines as location site for the production of international films and television programs, such as but not limited to: creating and maintaining a website and/or a manual of Philippine Film and Television Tourism sites for overseas contract

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workers; participating and exposure in World Expo, recognized international film festivals, activities for cinema and television with global market penetration, tourism fairs of international significance: Provided, that in case a Filipino film is considered in a competition, nominated for excellence or cinema prizes, or to be exhibited in recognition of its achievement in arts in a recognized international film festival, its Production Team including, but not limited to its Director, Producer, Writers and Actors shall be provided with full government support, such as but not limited to, financial assistance, security and ease in document processing to attend the said festival. Provided further, that the PFTTA shall endeavour to put a premium on promoting, marketing, and distributing Filipino films, television programs of local content, MTVs, short films and similar other remarkable art works. Provided, finally, that in the case of expositions or fairs showcasing outstanding films and TV programs, a single unified Philippine booth must be endeavoured with all relevant stakeholders as participants.

- Assist in the implementation of a reward and incentive package for foreign film / television entities interested in shooting films / television programs in the country and submit recommendations related thereon;
- Assist foreign film production entities in processing pertinent documents and various requirements relative to the production of international films / television programs in the country and in complying with environmental regulations;
- Coordinate with various government agencies and local government units in assisting the entry and exit of a foreign film / television production team, such as but not limited to producers, artists and production crew;
- 5. Provide direct link between foreign production entities, producers, filmmakers and artists with local production manpower services, local artists, bit players and technical crew, facilities and the like;
- Utilize the services of tourism attaches abroad, through the Department of Tourism, in the promotion and marketing of Philippine locations sites/resources and local film production manpower;
- 7. Maintain an inventory of areas in the country that may be utilized as a film and television tourism site and a registry of sectors including artists, film practitioners, technical personnel and other for ready referrals;
- 8. Identify key film and television tourism sites used by international or local filmmakers and establish a PFTTA mark;

| 1 | Keep a progress report and actual impact of the initiative taking into |
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| 2 | consideration the increase in the number of film tourists and its |
| 3 | contribution to the economy; and |
| 4 | 10. Implement the Comprehensive Plan of the inter-agency committee. |
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| 6 | SEC. 5. Powers of the PFTTA The PFTTA shall have the power to issue a One-Stop |
| 7 | Shop authenticated security seal, which shall be recognized by the various government |
| 8 | agencies related to facilitating the processing of pertinent documents such as, but no |
| 9 | limited to work permits, visa applications, ATA Carnets-type document. |
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| 11 | SEC. 6. Creation of Inter-Agency Committee on Film and Television Tourism. – An |
| 12 | Inter-Agency Committee on Film and Television Tourism hereinafter referred to as (IAC- |
| 13 | FTT) is hereby created. It shall be the governing Board and policy – making body of the |
| 14 | PFTTA. |
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| 16 | SEC. 7. Composition of the IAC-FTT The Film Development Council of the |
| 17 | Philippines (FDCP) Chairperson shall act as the Administrator. The Department of |
| 18 | Tourism Secretary or his representative shall act as Co-Chair. The inter-agency |
| 19 | committee shall have six members; three (3) each from the private and public sector |
| 20 | representative but not limited to business and investments, league of local government |
| 21 | units, artists and film practitioners, travel and airline sector, historical and cultural |
| 22 | heritage, overseas Filipino workers, film and television groups and other relevant |
| 23 | partners, to be determined by the Chairperson and Co-Chair. |
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| 25 | The Chairperson, Co-Chairperson and the members of the IAC-FTT shall be |
| 26 | entitled to allowances and per diems, in accordance with existing policies, rules and |
| 27 | regulations on the matter. |
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| 29 | The IAC-FTT shall automatically cease to operate upon the submission of the |
| 30 | Comprehensive Plan to Congress, or within five (5) years from the approval of this Act, |
| 31 | whichever comes earlier. The IAC-FTT will automatically cease to exit upon the |
| 32 | expiration of the five (5) years, unless otherwise extended by Resolution of both Houses |
| 33 | of Congress. |

SEC. 8. Functions of the IAC-FTT. – For purposes of this Act, the Inter-Agency Committee shall:

- Formulate a Comprehensive Plan detailing an inventory of film tourism sites in the country, areas for improvement, sectors to be tapped and partnerships, marketing strategies both local and international in application;
- 2. Conduct the feasibility of establishing a Film and Television Museum and study the promotion for the establishment of more Sound Stage Studios.
- 3. Coordinate with various stakeholders and market players for research and study on feasibility of a reward and incentive system, and other aspects combining tourism and film, including, but not limited to the system of categories for the application of rewards and incentives depending on the cinema grade and length of exposure of the identified Philippine Film and Television Tourism site.
- 4. Coordinate with all Embassies and Consulates of the country to promote film and television tourism.
- 5. Coordinate and partner with various associations of Filipino overseas workers abroad in marketing, disseminating and propagating information on Philippines as a film tourism destination.
- 6. Coordinate and partner with known Filipinos of international stature in promoting the country and fulfilling the implementation of this Act.

SEC. 9. *Preferential Incentives.* – International or foreign film and television production entitles may upon certification from the PFTT be granted the following:

1. Multiple Entry Visa — Foreign nationals who are members of the international film production entities, as duly endorsed by the PFTTA shall be issued a multiple entry special visa within seventy-two (72) hours upon submission of all required documents, and which shall be valid for a period of one (1) year to enter the Philippines: Provided, That a responsible officer of the applicant entity submits a duly authenticated certificate to the effect that the person who seeks entry into the Philippines is a member of the applicant entity and will work exclusively for film and television production.

The admission and stay shall be coterminous with the validity of the multiple entry special visa. The stay, however, is extendible for one hundred eighty (180) days upon submission to the Bureau of Immigration of a sworn certification by a responsible officer of the applicant entity; that its permit remains valid and subsisting, and that no other source of income has been made.

| 1 | 2. Tax and Duty Free Importation - The international or foreign film or television |
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| 2 | production entity shall enjoy tax and duty free importation of filming equipmen |
| 3 | as determined and endorsed by the PFTTA. |
| 4 | SEC. 10. Implementing Rules and Regulations The Film Development Council |
| 5 | Department of Tourism, Department of Finance and the Bureau of Immigration and |
| 6 | Deportation, shall promulgate and issue the implementing rules and regulations within |
| 7 | ninety (90) days upon approval of this Act. |
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| 9 | SEC. 11. Appropriations The amount necessary to implement the provision of this |
| 10 | Act shall be included in the Annual General Appropriations Act. |
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| 12 | SEC. 12. Separability Clause In the event that any provision or part of this Act shall |
| 13 | be declared unconstitutional, the remaining provisions shall remain valid and in full force |
| 14 | and effect. |
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| 16 | SEC. 13. Repealing Clause Section 105(j) of the Tariff and Customs Code is hereby |
| 17 | repealed, accordingly. All other laws, orders, decrees, issuances, rules and regulations |
| 18 | or parts thereof inconsistent with the provisions of this Act are hereby repealed, |
| 19 | amended or modified accordingly. |
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| 21 | SEC. 14. Effectivity This Act shall take effect fifteen (15) days after its complete |
| 22 | publication in the Official Gazette or in at least two (2) newspapers of general |
| 23 | circulation, whichever comes earlier. |
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| 25 | Approved, |