## THIRTEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES FIRST REGULAR SESSION

5 MAY -4 A9:46

SENATE S.B. <u>1993</u> NECEIVED IN:

## **EXPLANATORY NOTE**

Introduced by Senator Magsaysay, Jr.

According to Stephane Garellie of the Switzerland-based International Institute for Management Development (IMD), the world is moving into a knowledge-based economy and as a consequence, nations begin to develop policies to entice the best talents into their country. "The battlefield for world competitiveness is moving to Bytes and Brains. In a Darwinian world, the winners are indeed the fastest and fittest to adapt," she said.

In a recently released report, the United Nations Development Program's Human Development Index listed the Philippines among developing countries that are "dynamic adopters" in terms of technological achievements and capacities. In the UNDP's new technology advancement index (TAI), the Philippines was at the no. 44 slot among 72 countries (both developed and developing economics) surveyed under ranked no. 22 in UNDP's list of 30 leading exporters of IT and high technology products exceeding Israel, Hong Kong, Brazil and Indonesia.

With the country's base of high technology products for exports and of high level technical skills now much sough abroad, the government's vision of a newly industrialized economy has strong foundations. If these skilled individuals continue to find opportunities abroad more attractive, the vision may suffer the same fate that other good intentions in previous government encountered.

In the 2003 World Competitiveness Yearbook of the IMD, it noted that the Philippines has been one of the few countries losing its technically trained people to the United States. The IMD report said that between 1994 and 1995, some 57,000 Filipinos who hold higher education degrees were "imported" by the U.S. The average is nearly a thousand highly skilled individuals per year.

Every year, more than 800,000 Filipinos leave for jobs abroad, according to data from the Philippine Overseas Employment Administration (POEA), and the share of persons with higher education or with sophisticated technical skills has been growing in recent years. The Philippine economy benefits substantially from these through dollar remittances of Filipinos employed abroad. However, although remittances are a significant source of foreign exchange, the money is typically spent on consumer goods and adds little to an economy's productive capacity.

The proposed bill aims to tap the expertise of the overseas Filipino professionals to help accelerate economic development of the country in order to meet the goals for the next millennium. It provides for the methodologies by which these overseas Filipinos may effectively assist in Philippine development, notably in the areas of transfer and

exchange of technology. Moreover, it is worth mentioning that their desire to come back to their land of birth is coupled with a desire to contribute their share in the development and progress of the country. Hence, by allowing them to practice in the Philippines, we give them an opportunity to render service to the country where their skills and expertise will be most needed and welcomed.

Early cognizance of this bill is earnestly sought.

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## AN ACT

PROVIDING FOR THE TRANSFER OF SCIENCE AND TECHNOLOGY AND THE PRACTICE OF PROFESSION IN THE PHILIPPINE BY OVERSEAS FILIPINO PROFESSIONALS

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

SECTION 1. Policy Declaration - Science and technology is essential in national development and progress. In pursuance of this objective, the government shall enlist the participation of Filipinos overseas, particularly high-level scientists, engineers, information and communications technology experts, and other professionals in various technical fields, and shall provide proper incentives and programs so as to secure their services in priority development areas of the public and private sectors, with the view of promoting information exchange and contributing to the modernization and industrialization of the country.

- SEC. 2. Incentives Given the significance of upgrading technologies and productivity of the people in pursuit of national economic development, the Government shall develop and provide adequate incentives to Filipino expatriates whose expertise and training can play a vital role in the industrialization efforts of the country. Among the incentives to be provided shall be, but not limited to, the following:
  - a. Exemption from payment of the travel tax for grantee;
  - b. Availment of the privilege granted under Section 105(g) of the Tariff and Customs Code of the Philippines (TCCP) which provides for the conditionally-free importation of wearing apparel, articles of personal adornment, toilet articles, portable tools and instruments, theatrical costumes and similar effects which are necessary and appropriate for the wear and use of such persons but not for barter, sale or hire; and
  - c. Financial support for research and development projects approved by the Secretary of the Department of Science and Technology.

- SEC. 3. Implementation The Department of Science and Technology and the Department of Foreign Affairs shall develop and implement appropriate measures to ensure attainment of this Act, to include the Balik Scientist Program under Executive Order No. 143, as certified by the Department of Science and Technology.
- SEC. 4. Practice of Overseas Professionals in the Philippines The Professional Regulation Commission, may upon recommendation of the concerned Professional Regulatory Board, authorize the registration without examination, and the issuance of a certificate of registration and a professional license to any Filipino, whether or not he has lost his citizenship when he was overseas, who has been in the practice of his profession in a foreign country or state, subject to the provisions of this Act.

The application for registration without examination, and the issuance of a certificate of registration and a professional license may also be granted to any Filipino who, prior to his departure abroad, has already been granted certificate of registration and a professional license, by appropriate Philippine professional regulatory board to practice his profession, but said registration or license has expired while he was overseas.

- SEC. 5. Qualifications For the registration without examination and the issuance of a certificate of registration and a professional license under the Act, the applicant must submit proof that:
  - a. He is a present or former Filipino citizen, as shown by his birth certificate or other documentation as may be required;
  - b. He is at least twenty seven (27) years of age;
  - c. He is registered and holder of a valid certificate of registration and/or valid professional license to practice his profession issued by the appropriate Philippine regulatory commission prior to his departure abroad, or by a government body concerned in a foreign country or state whose requirements for registration or licensing are substantially the same as those required and contemplated by Philippine laws;
  - d. He is a person of good moral character, he has not been convicted of any crime involving moral turpitude nor sanctioned administratively by any government instrumentality including the body that regulates the practice of his profession.

- SEC. 6. Requirements The applicant shall file an application under oath stating his personal circumstances, his intention to practice in the Philippines and the office address that he will be using, and his undertaking to abide by all regulations pertaining to the practice of the profession in the Philippines.
- SEC. 7. Implementing Guidelines The Department of Science and Technology, Department of Foreign Affairs, and the Professional Regulation Commission, in coordination with other concerned government agencies, shall within ninety (90) days upon the approval of this Act, promulgate the necessary guidelines to put into effect the purposes and provisions of this Act.
- SEC. 8. Repealing Clause All laws which are inconsistent and contrary to the provisions of this Act are hereby repealed or amended.
- SEC. 9. Effectivity This Act shall take effect fifteen (15) days following its complete publication in the Official Gazette or at least two (2) newspaper of general circulation, whichever comes first.

Approved,