

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*

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SENATE

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S. B. No. <u>634</u>

Introduced by Senator SONNY ANGARA

AN ACT

TO STRENGTHEN THE PHILIPPINE CREATVE INDUSTRY THROUGH EXPANDING THE COVERAGE OF THE BALIK SCIENTIST ACT, AMENDING FOR THE PURPOSE, REPUBLIC ACT NO. 11035, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Filipinos are recognized globally, not just for our warmth and hospitality, but also for our creativity, ingenuity, and artistry. Indeed, many individuals of Filipino descent—whether born in the Philippines or elsewhere—have achieved worldrenowned success for their work in the creative arts.

For instance, there are comicbook artists like Leinil Francis Yu, Carlo Pagulayan, Gerry Alanguilan and Whilce Portacio who have served as pencillers and inkers in some of the main storylines of Marvel and DC Comics and have also published original work. There are also animators, concept and storyboard artists like Ronnie Del Carmen, who co-directed the Disney/Pixar movie Inside Out (2015); Anthony Francisco, who was the main designer of Marvel Studios characters Baby Groot (Guardians of the Galaxy), Loki (Thor), and the Dora Milaje of Wakanda (Black Panther); and, Jay Oliva, who rose through the ranks of animation studios in the United States before being tapped by Netflix to serve as executive producer for the animated series Trese, the first Filipino-themed anime to be streamed globally.

In the performing arts, there are the likes of Rachelle Ann Go, Jon Jon Briones, and of course Lea Salonga, among countless others who have all made their mark in the international scene for musical theater. There is also the American with Filipino descent composer and songwriter Robert Lopez, who penned such

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musicals as Avenue Q and the Book of Mormon and songs "Let it Go" (from the animated film Frozen) and "Remember Me" (from the animated film Coco, which ultimately earned him an Academy Award for Best Original Song).

And then in the world of photography, there are individuals like National Geographic photojournalist Hannah Reyes Morales and award-winning street photographer Xyza Cruz Bacani.

Truly, Filipinos and individuals of Filipino descent are earning recognition for their achievements in the fields mentioned above as well as in other creative pursuits. These people hold immense talent and know-how, which could be tapped by Filipinos back home as a resource for knowledge-sharing and technology transfer.

Their expertise could also be leveraged by ongoing efforts to jumpstart the development of our the country's so-called creative economy, which according to the 2018 Creative Economy Outlook and Country Profile¹ of the United Nations Conference on Trade and Development (UNCTAD) exported an estimated US\$915 million worth of "creative goods" in 2014. Although the creative economy contracted by US\$750 billion in gross value added (GVA) due to the pandemic, 2021 data show that in Southeast Asia trade values in creative goods recorded an average annual growth rate of 11% between 2003 and 2015.²

It is with this in mind that we are proposing this measure, which seeks to expand the coverage of the existing Balik Scientist Program, institutionalized under Republic Act No. 11035, to include individuals who are engaged in "creative arts and technology" This largely means that individuals of Filipino descent with demonstrated expertise in the creative arts may be tapped and thereby incentivized by the government to conduct activities that advance their respective fields here in the Philippines.

The measure likewise proposes that while the program shall remain largely under the ambit of the Department of Science and Technology (DOST), close coordination will be required with the Department of Trade and Industry (DTI), the National Commission on Culture and Arts (NCCA), and other relevant government

¹ https://unctad.org/system/files/official-document/ditcted2018d3_en.pdf

² https://asean.org/wp-content/uploads/2021/11/The-ASEAN-Oct-Nov-2021-Digital-v1.pdf

agencies when it comes to any future engagement with the so-called homecoming creatives.

The creative sector in the Philippines were among the hardest-hit amid the pandemic, and therefore should be included in any efforts to jumpstart the country's economic recovery. We believe this measure is one way of accomplishing this. Hence, the swift passage of this measure is earnestly sought.

SONNY ANGARA



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

Section 1. Section 2 of Republic Act (R.A.) No. 11035 or the Balik Scientist
 Act is hereby amended to read as follows:

"Section 2. Declaration of Policy. - The State recognizes that the 3 4 utilization of the expertise of science, technology or innovation experts of Filipino descent is a vital component of the national political, 5 economic, and social development efforts. Hence, it is hereby declared 6 7 the policy of the State to support the participation of science, 8 technology or innovation experts of Filipino descent in research and 9 development initiatives for our country. Towards this end, science, technology or innovation experts, such as scientists, professionals, 10 11 educators, technicians, researchers, engineers, innovators, 12 technologists, technology entrepreneurs, THOSE ENGAGED IN 13 CREATIVE ARTS AND TECHNOLOGY, or any person with special 14 skills or expertise, who is of Filipino descent, shall be accorded with 15 benefits, incentives and privileges under this Act to encourage and 16 support their participation in strengthening the scientific and 17 technological human resources of public or private institutions and

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industry in our country to accelerate the development of new or
 strategically important technologies that that are vital to our national
 development progress."

4 **SEC. 2.** Section 3 of R.A. No. 11035 or the Balik Scientist Act is hereby 5 amended to read as follows:

6 "Section 3. Balik Scientist Program. - There is hereby created a Balik 7 Scientist Program, hereinafter referred to as the "Program", to be 8 administered by the Department of Science and Technology (DOST). 9 IN CASE OF BALIK SCIENTISTS ENGAGED FOR THEIR EXPERTISE IN THE CREATIVE ARTS AND TECHNOLOGY, THE 10 11 DOST SHALL COORDINATE WITH THE DEPARTMENT OF 12 TRADE AND INDUSTRY (DTI), DEPARTMENT OF LABOR AND 13 EMPLOYMENT (DOLE), THE NATIONAL COMMISSION FOR 14 CULTURE AND THE ARTS (NCCA), AND OTHER RELEVANT 15 GOVERNMENT AGENCIES FOR THE ADMINISTRATION OF THE 16 PROGRAM.

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Under the Program, the DOST shall:

- (a) Survey and identify scientific, [and] technological AND
 CREATIVE ARTS expertise absent or limited locally which may be addressed by a Balik Scientist in coordination with the host institution(s);
 - (b) x x x;
- (c) Provide and facilitate the release of the appropriate benefits
 and incentives provided under this Act to Balik Scientist who
 have passed the application process of the DOST in
 coordination with the respective host institution(s).
- 27 "IN CASE OF THE BALIK SCIENTIST ENGAGED FOR 28 THEIR EXPERTISE IN THE CREATIVE ARTS AND 29 TECHNOLOGY, THE APPLICATION FOR BENEFITS 30 AND INCENTIVES SHALL **BE PROCESSED** IN 31 ACCORDANCE WITH THE RULES AND REGULATIONS 32 ADOPTED BY DOST, DTI, DOLE, NCCA AND OTHER

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RELEVANT GOVERNMENT AGENCY IN COORDINATION WITH THE RESPECTIVE HOST INSTITUTION;"

4 **SEC. 3.** The first paragraph of Section 4 of R.A. No. 11035 or the Balik 5 Scientist Act is hereby amended to read as follows:

6 "Section 4. *General Program Objectives.* - The Program shall aim to 7 strengthen the scientific, [and] technological, **INNOVATIVE AND** 8 **CREATIVE** human resources of the academe, public and private 9 institutions, including locally registered enterprises in order to promote 10 knowledge sharing and accelerate the flow of new technologies into 11 the country."

SEC. 4. Section 5 (a) of R.A. No. 11035 or the Balik Scientist Act is hereby
 amended to read as follows:

14 "Section 5. Definition *of Terms.* - For the purpose of this Act:

(a) Balik Scientist. - a science, technology or innovation expert or 15 16 professional, as certified by the DOST, who is a Filipino citizen or a 17 foreigner of Filipino descent, accorded with benefits and incentives under this Act to undertake **ACTIVITIES IN** science, [and] 18 19 technology, INNOVATION, AND CREATIVE ARTS THAT ARE 20 [activities] along his or her field of expertise with a host institution 21 under short-term, medium-term, or long-term engagement, who is 22 either:

23 (1) A resident of another country at the time of application; or

(2) A Philippine-resident for not more than three (3) years at the time
 of application, beginning from the most recent date of arrival from
 overseas education or employment along his or her field of expertise:

- 27 *Provided*, That those without graduate degrees equipped with
 28 exceptional expertise can be qualified under this program"
- 29 **SEC. 5.** A new subsection g is inserted in Section 5, to read as follows:
- 30 "Section 5. Definition *of Terms.* For the purpose of this Act:

31"(G) CREATIVE ARTS - INCLUDE CYCLES OF CREATION,32PRODUCTION AND DISTRIBUTION OF GOODS AND SERVICES

1 THAT USE CREATIVITY AND INTELLECTUAL CAPITAL AS 2 PRIMARY INPUTS. IT INCLUDES A WIDE ARRAY OF 3 SUBSECTORS RELATED TO SCIENCE, **TECHNOLOGY**, 4 INNOVATIONS AND EMERGING TECHNOLOGY BUT NOT 5 LIMITED TO TRADITIONAL AND CULTURAL EXPRESSIONS, 6 CULTURAL SITES, VISUAL ARTS, PERFORMING ARTS, 7 PUBLISHING AND PRINTED MEDIA, AUDIOVISUALS, DESIGN, 8 NEW MEDIA, ARCHITECTURAL SERVICES, ADVERTISING 9 SERVICES, CULTURAL AND RECREATIONAL SERVICES, 10 CREATIVE RESEARCH AND DEVELOPMENT SERVICES, AND 11 **OTHER CREATIVE-RELATED TECHNOLOGIES."**

SEC. 6. Section 6 (a) of R.A. No. 11035 or the Balik Scientist Act is hereby
 amended to read as follows:

- 14 "Section 6. *General Benefits, Incentives, and Privileges.* All Balik
 15 Scientists under the short-term, medium-term or long-term
 16 engagements shall be eligible for the following general benefits,
 17 incentives, and privileges:
- 18 (a) Exemption form the licensing or permitting requirements of the Professional Regulation Commission (PRC); Provided, That the DOST 19 20 shall submit to the PRC the list of Balik Scientists with the corresponding duration of awarded engagement[;]: **PROVIDED** 21 22 FURTHER, THAT IF AFTER THEIR SERVICE, THE BALIK SCIENTIST DECIDES TO REPATRIATE, THE DOLE AND THE 23 PRC SHALL FACILITATE HIS OR HER ENTRY TO THE 24 25 WORKFORCE AND IN THE PRACTICE OF HIS OR HER PROFESSION IN THE PHILIPPINES. THE PRC SHALL ISSUE 26 27 THE NECESSARY GUIDELINES TO IMPLEMENT THIS 28 SUBSECTION WITHIN 60 DAYS FROM APPROVAL OF THIS 29 ACT;"
- 31 (e) Tax and duty exemption in the donation of equipment,
 32 instruments, and materials to the DOST OR OTHER RELEVANT

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1GOVERNMENT AGENCIES: Provided, That the DOST OR THE2DONEE-GOVERNMENT AGENCY shall bear the freight and storage3expenses related to the importation and transportation of the donated4equipment instruments, and materials; and"

5 **SEC. 6.** *Implementing Rules and Regulations.* – Within six (6) months 6 from the effectivity of this Act, the DOST in coordination with the DTI, NCCA 7 and other relevant agencies shall promulgate the necessary rules and 8 regulations to implement the provisions of this Act.

9 The non-promulgation of the rules and regulations provided under this 10 section shall not bar the immediate implementation of this Act upon its 11 effectivity.

SEC. 7. Separability Clause. – Should any provision herein be declared
 unconstitutional the same shall not affect the validity of the other provisions of
 this Act.

SEC. 8. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or other issuances or parts inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 9. *Effectivity.* – This Act shall take effect fifteen (15) days after its
 publication in the *Official Gazette* or in a newspaper of general circulation in
 the Philippines.

Approvea,