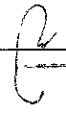


FIFTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)

1948
10 JUL 19 1958

SENATE
S. No. **1558**

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Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Information Technology (IT) industry in our country has been a breath of fresh air in so far as our economy is concerned. Not only has the IT industry placed the Philippines in the world map as one of the largest manufacturers of integrated circuit chips and other similar semiconductor products, but more importantly it has infused much needed capital into our ailing economy.

These IT companies have given direct employment to thousands of our countrymen and have also spurred employment opportunities to other related industries. As such, the business being generated by their presence within the Special Economic Zones (SEZs) of our country could not be measured solely by the number of people it has employed.

Unfortunately, individuals and/or syndicates have managed to dip their dirty hands into the IT industry's basket. Theft and pilferage of this industry's products have been on the increase due to two main reasons; the relative ease in carrying away these products because of their miniature volume plus the fact that these products are worth more than their weight in gold. Theft decreases our competitiveness in the global arena, and consequently, we might lose these investments to other countries.

There is a necessity to increase the penalties provided by the Revised Penal Code which presently pertains to theft, whether simple or qualified. This bill seeks to assure IT industries that we are very serious in protecting their economic rights while at the same time telling our countrymen that this kind of wrongdoing should not and would not be tolerated.

This is a Senate counterpart bill to the one filed in the House of Representatives by Representative Gilbert C. Rernulla.¹

Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO
ccr

¹ This bill was originally filed during the 14th Congress 1st Regular Session

SENATE
S. No. **1558**

Introduced by Senator Miriam Defensor Santiago

1 AN ACT
2 PUNISHING THE PILFERAGE OR THEFT OF ANY MATERIAL,
3 MANUFACTURED, PRODUCED, OWNED OR BELONGING TO INFORMATION
4 TECHNOLOGY ENTERPRISES LOCATED IN SPECIAL ECONOMIC ZONES
5 PRODUCT, MERCHANDISE, ARTICLE, EQUIPMENT OR BY-PRODUCT

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

6 SECTION 1. *Short Title.* - This Act shall be known as the "Anti-Pilferage of Information
7 Technology Materials in Special Economic Zones Act."

8 SECTION 2. *Definition of Terms.* -As used in this Act, the term-

9 (A) "Special Economic Zones (SEZs)" are selected areas with highly developed or which
10 have the potential to be developed into agro-industrial, industrial, tourist/ recreational,
11 commercial, banking, investment and financial centers. A SEZ may contain any or all of
12 the following: industrial estates, export processing zones, free trade zones, tourist/
13 recreational centers and information technology parks, as determined by the Philippine
14 Economic Zone Authority;

15 (B) "Information Technology (IT)" is the collective term for the various technologies
16 involved in processing and transmitting information which include computing,
17 multimedia, telecommunications, microelectronics, and their interdependencies. The term
18 IT also refers to the convergence of various information-based, broadcast and mass media
19 communication technologies;

20 SECTION 3. *Pilferage of IT Materials in SEZs.* - It is hereby declared unlawful for any
21 person to take, pilfer or steal, with intent to gain, any material, product, merchandise, article,
22 equipment or by-product manufactured, produced, owned or belonging to IT enterprises located
23 in SEZs without their consent.

1 SECTION 4. *Presumption and Prima Facie Evidence.* - The possession, control or
2 custody of any material, product, merchandise, article, equipment or by-product manufactured,
3 produced, owned or belonging to IT enterprises located in SEZs by any person who has no right
4 whatsoever to be in possession of such material, product, merchandise, article, equipment or
5 byproduct shall be *prima facie* evidence of the following:

6 (A) They took, pilfered and stole such material, product, merchandise, article, equipment
7 or by-product as defined in Section 3 hereof; and

8 (B) Such material, product; merchandise, article, equipment or by-product is the fruit of
9 the offense defined in Section 3 hereof and it may therefore be confiscated from the
10 person in possession, control or custody thereof.

11 SECTION 5. *Penalties.*- (1) Any person guilty of committing the offense defined in
12 Section 3 hereof shall, upon conviction, be punished by the penalty of reclusion temporal and a
13 fine of not less than the value of the material, product, merchandise, article, equipment or by-
14 product taken, pilfered or stolen but not more than three (3) times such value.

15 (2) If the offense defined in Section 3 is committed by an officer, employee and/ or
16 laborer of an enterprise from which such material, product, merchandise, article, equipment or
17 by-product has been taken, pilfered or stolen, the penalty shall be *reclusion perpetua* and a fine
18 of not less than the value of the material, product, merchandise, article, equipment or by-product
19 taken, pilfered or stolen but not more than three (3) times of such value.

20 SECTION 6. *Liability under the Revised Penal Code and Other Laws.* - Prosecution
21 under this Act shall be without prejudice to any liability for violation of any provision of the
22 Revised Penal Code or any other law.

23 SECTION 7. *Separability Clause.* - If any provision, or part hereof is held invalid or
24 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
25 valid and subsisting.

26 SECTION 8. *Repealing Clause.* - Any law, presidential decree or issuance, executive
27 order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent
28 with, the provisions of this Act is hereby repealed, modified, or amended accordingly.

1 SECTION 9. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its
2 publication in at least two (2) newspapers of general circulation.

3 Approved,