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# [REPUBLIC ACT NO. 11904]

## AN ACT PROVIDING FOR THE DEVELOPMENT AND PROMOTION OF THE PHILIPPINE CREATIVE INDUSTRIES, AND APPROPRIATING FUNDS THEREFOR

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

#### CHAPTER I

#### PRELIMINARY PROVISIONS

SECTION 1. Short Title. – This Act shall be known as the "Philippine Creative Industries Development Act".

SEC. 2. Declaration of Policy. – It is the policy of the State to promote and support the development of Philippine creative industries by protecting and strengthening the rights and capacities of creative firms, artists, artisans, creators, workers, indigenous cultural communities, content providers, and stakeholders in the creative industries as defined in this Act.

To this end, the State shall establish a creative industries development council mandated to implement a long-term plan for the development and promotion of the Philippine creative industries, with programs aimed at creating opportunities and employment, nurturing human resources, ensuring financial-enabling mechanisms, and providing incentives to encourage and sustain Filipino excellence in the creative industries.

SEC. 3. Definition of Creative Industries. – As used in this Act, creative industries are trades involving persons, whether natural or juridical, that produce cultural, artistic, and innovative goods and services originating in human creativity, skill, and talent and having a potential to create wealth and livelihood through the generation and utilization of intellectual property.

Creative industries include those directly or indirectly involved in the creation, production and manufacturing, performance, broadcasting, communication and exhibition, or distribution and sale of works and other subject matter, in accordance with existing laws, rules and regulations on intellectual property rights protection.

Creative industries include the following domains, with a non-exhaustive list of industries belonging under each:

(a) Audiovisual Media Domain refers to recorded and live audio and audiovisual content that are distributed via broadcast media such as television, radio, cable, satellite broadcasts, digital streaming platforms, or exhibited in cinema theaters, including films, television content, animated film productions, vlogs, and other content that utilize motion graphics, two-dimensional, and three-dimensional design technology and animatronics, recorded music, music scores, compositions ready for recording, podcasts, and entertaining audio or audiovisual material or content developed for educational purposes or educainment content;

(b) Digital Interactive Media Domain refers to digital software programs, mobile applications and games created for and operated on inter-active digital devices where user input is essential to the experience, including software and mobile apps, video games, computer games, mobile games, virtual augmented or mixed reality games, and digitalized creative content;

(c) Creative Services Domain refers to demand-driven commercial creative service work done on behalf of commissioning clients for complete creative output or partial outsourcing work, including advertising and marketing, creative research and development, cultural and recreational services, and live creative experiences, which refer to predesigned, real-time artistic performances and experiences aimed at specific audiences, with management and technical services provided to enhance the delivery of the performance and experience;

(d) Design Domain refers to the process of envisioning, planning, creation, and manufacturing of symbols, images, and products, whether for industrial or aesthetic purposes, spaces and systems, whether static or for interactive experiences, at the heart of which is creating solutions that address a need or a problem in various fields such as architecture, urban landscaping, interior and spatial planning, fashion and accessory making, textile development, furniture making, jewelry making, footwear making, and toy making;

(e) Publishing and Printed Media Domain refers to the creation, publication, and distribution of artistic, journalistic, and commercial literature in traditional print and digital format, including books, blogs, comics, graphic novels, editorials and commentaries, magazines, and other published media;

(f) Performing Arts Domain refers to all activities involved in the training of performers, the creation, promotion,

distribution, exhibition, and preservation of artistic shows, performances and such other art forms including live music, theatre, musical theatre, dance, opera, circus, spoken word, and puppetry;

(g) Visual Arts Domain refers to all activities pertaining to the creation, promotion, distribution, and preservation of works that are primarily visual in nature, including paintings, drawings, sculptures, photographs, antiques, performance art, art toys, multimedia art collages, or other similar material;

(h) Traditional Cultural Expressions Domain refers to tangible products and intangible customs, practices and expressions of traditional Filipino culture and heritage, including arts and crafts, gastronomy and culinary practices, cultural festivals, and celebrations;

(i) Cultural Sites Domain refers to the physical human-made locations, sites, and monuments that are of vital significance to the objective of promoting Philippine culture, including historic buildings and town sites, important archaeological sites, and works of monumental sculptures or paintings. This domain encompasses the strategic role and activities of museums, libraries, creative cities, performing arts venues, and cultural exhibitions to promote the country's cultural assets; and

(j) Other such domains and industries as the Council may determine, subject to guidelines and criteria issued by the Council.

## CHAPTER II

## ORGANIZATION OF THE PHILIPPINE CREATIVE INDUSTRIES DEVELOPMENT COUNCIL

SEC. 4. Creation of the Philippine Creative Industries Development Council. – The Philippine Creative Industries Development Council, herein referred to as the Council, is hereby created to spearhead the development and promotion of the creative industries of the Philippines. The Council shall be composed of nineteen (19) members: ten (10) *ex officio* members and nine (9) regular members from the private sector.

(a) The ten (10) members who shall be *ex officio* members of the Council are:

(1) The Secretary of the Department of Trade and Industry (DTI), as Chairperson;

(2) The Secretary of the Department of Education (DepEd);

(3) The Secretary of the Department of Science and Technology (DOST);

(4) The Secretary of the National Economic and Development Authority (NEDA);

(5) The Secretary of the Department of Tourism (DOT);

(6) The Secretary of the Department of Information and Communications Technology (DICT);

(7) The Secretary of the Department of the Interior and Local Government (DILG);

(8) The Chairperson of the Commission on Higher Education (CHED);

(9) The Chairman of the National Commission for Culture and the Arts (NCCA); and

(10) The Director General of the Intellectual Property Office of the Philippines (IPOPHL).

The *ex officio* members of the Council may designate their respective next-in-rank officials as permanent alternates whose acts are considered as the acts of their principals.

(b) The nine (9) regular members of the Council are the following:

(1) Private sector representative of the Audiovisual Media Domain;

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(2) Private sector representative of the Digital Interactive Media Domain;

(3) Private sector representative of the Creative Services Domain;

(4) Private sector representative of the Design Domain;

(5) Private sector representative of the Publishing and Printed Media Domain;

(6) Private sector representative of the Performing Arts Domain;

(7) Private sector representative of the Visual Arts Domain;

(8) Private sector representative of the Traditional Cultural Expressions Domain; and

(9) Private sector representative of the Cultural Sites Domain.

Every regular member shall be appointed by the President of the Philippines from a list submitted by the DTI Secretary who, upon consultation with the other *ex officio* members of the Council and with the stakeholders engaged in each respective domain, shall nominate at least three (3) nominees for every regular member seat: *Provided*, That each of the nominees shall come from the private sector and must have at least ten (10) years of experience in the development of the creative industry domain which the nominee belongs to: *Provided, further*, That each of the nominees shall have been endorsed by a business support organization or creative workers association relative to the creative industry domain sought to be represented. The Council shall elect a co-chair among the nine (9) regular members.

The regular members of the Council shall serve for a term of six (6) years, unless sooner terminated due to death, resignation, or removal for cause, in which case their replacements shall serve only the unexpired portion of their respective terms.

Of the first set of regular members, five (5) shall hold office for a term of three (3) years and the remaining four (4) for a term of six (6) years to be determined by the President of the Philippines.

The regular members of the Council shall receive per diem every meeting in accordance with existing rules and regulations.

SEC. 5. Creative Workers' Welfare Standing Committee. - There is hereby created a Creative Workers' Welfare Committee, hereinafter referred to as the Committee, which shall be a standing committee of the Council. The Committee shall ensure that creative freelancers and creative workers have access to sustainable and dignified work in the creative industries.

SEC. 6. *Meetings.* – The Council shall meet at least once every quarter or as often as necessary at the call of the Chairperson or majority of the members. Members of the Council who cannot physically attend or vote at Council meetings can participate and vote through remote communication technologies including videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate. A majority of the incumbent members of the Council shall constitute a quorum to do business.

SEC. 7. *Mandate, Powers, and Functions of the Council.* – The Council shall exercise the following powers and functions:

# A. PLANNING AND POLICY FORMULATION

(1) Formulate and implement a Philippine Creative Industries Development Plan that shall define economic goals and key performance indicators for the creative industries including value creation, contribution to gross domestic product, job creation, market creation and expansion, whether domestic or international, investment targets, and creative intellectual property targets, and such other strategies and activities provided for under Section 8 of this Act;

(2) Review all existing policies, plans, programs, and projects of the government and formulate, in coordination with government agencies, nongovernment organizations, business support organizations and creative workers associations, national policies, plans, and programs that support the creative industries; and

(3) Create a classification of the creative industries into subsectors based on strategic considerations, and create technical panels, working groups, or task forces that will assist the Council in the performance of its functions, in coordination with the Philippine Statistics Authority (PSA) for its integration in the Philippine Standard Industry Classification.

# **B.** PRIVATE SECTOR PARTICIPATION

(1) Issue guidelines and criteria in identifying the persons and stakeholders in the creative industries who may receive aid from the State in times of national emergencies;

(2) Issue guidelines for the accreditation of business support organizations and creative workers associations that may be entitled to the programs of the Council under this Act, as well as create programs that will assist the creative industry stakeholders in establishing such business support organizations and creative workers associations;

(3) Encourage persons in the creative industries to join business support organizations and/or creative workers associations in their respective fields; and (4) Establish and promote a culture and mechanism of continuing dialogue between government, business support organization and creative workers association within the creative industries, and the academe on proper planning and evaluation of policies, programs, and projects affecting its stakeholders.

#### C. MARKETING AND PROMOTION

(1) Develop and sustain cooperative exchanges, partnerships, and collaborations with and among government agencies, creative entities, organizations, and associations, locally and overseas, whether from the public or private sector, and coordinate with the Department of Foreign Affairs (DFA) and other pertinent government agencies for overseas cooperative exchanges, partnerships, and collaborations;

(2) Endorse to the DTI prospective multi- and bilateral international trade agreements that will benefit the Philippine creative industries, as well as the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Educational, Scientific and Cultural Organization (UNESCO) creative economic activities, conferences, and events for possible country representation, in coordination with the Philippine National Commission for UNESCO (UNACOM);

(3) Ensure the promotion, marketing, distribution, export, and consumption of creative industry outputs in both local and international markets in coordination with the Board of Investments (BOI), Export Management Bureau (EMB), Foreign Service Trade Corps (FSTC), and the Center for International Trade, Expositions, and Missions (CITEM), among other pertinent government agencies: *Provided*, That the programs dealing with cultural properties shall be coordinated with the NCCA, pursuant to Republic Act No. 10066 or the "National Cultural Heritage Act of 2009";

(4) Support local and international creative festivals, exhibitions, trade shows, and other similar activities for the purpose of promoting the broadest dissemination and consumption of Filipino creativity as a tool for sociocultural and economic development; and

(5) Assist the DOT pertaining to the integration of the Philippine creative industries in the national tourism development plan.

D. CAPACITY-BUILDING

(1) Assist in the monitoring and protection of intellectual property rights of Filipino creative industry stakeholders;

(2) Assist in the protection of the indigenous traditional cultural properties that are being utilized for commercial purposes, in coordination with the National Commission for Indigenous Peoples (NCIP); and

(3) Provide training, capacity-building, and support to stakeholders in the Philippine creative industries in areas such as business development, financial literacy, ethics, digital skills, taxation, design thinking, contracts, negotiations, and entrepreneurship, in partnership with the private sector.

E. OTHER FUNCTIONS

(1) Generate and mobilize resources from domestic and foreign sources, receive and accept donations and other conveyances by gratuitous title, including funds, materials and services, and rationalize the use and the equitable distribution of such resources to the various creative industries through mechanisms including competitive grants;

(2) Enter into and carry out contracts of every kind and description with any person, firm or association or corporation, domestic or foreign, and sue or be sued relative to the contracts entered into;

(3) Acquire, utilize or dispose of, in any manner recognized by law, real or personal property in the Philippines or elsewhere necessary to carry out the purposes of this Act; (4) Raise or borrow, within the limitation provided by law, and subject to the approval or opinion of the Monetary Board of the Bangko Sentral ng Pilipinas (BSP) and the Department of Finance (DOF), as the case may be, adequate and necessary funds from local or foreign sources, to finance its projects and programs under this Act and for this purpose, issue bonds, promissory notes and other forms of securities, and secure the same by a guarantee, pledge, mortgage, deed of trust or an assignment of all or part of its property or assets;

(5) Adopt, alter, and use a corporate seal;

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(6) Delegate, from time to time, any of the powers of the Council which may be lawfully delegated pursuant to existing laws, to the Executive Director or, in the absence of the Executive Director, to any of the Deputy Executive Directors, upon such terms as may be deemed fit;

(7) Create *ad hoc* committees or technical working groups representing different creative industries and appropriate government agencies to discuss specific issues relative to each creative industry, provide sound advice, and recommend policies or programs to the Council; and

(8) Promulgate such rules and regulations and exercise such other powers and functions as may be necessary to effectively carry out the attainment of the purposes and objectives of this Act.

In the exercise of its powers and functions, the Council shall, at all times, coordinate and synergize its plans and programs with the national government agencies (NGAs) that have existing mandates in the various creative industry domains that are defined in Section 3 of this Act, as well as with NGAs that may be similarly mandated under future legislation or government reorganization, including but not limited to the following:

(a) Film Development Council of the Philippines;

(b) National Council for Children's Television;

(c) Design Center of the Philippines;

(d) Cultural Center of the Philippines;

(e) National Museum; and

(f) National Book Development Board.

To this end, the Council may invite the NGAs to present their plans, proposals, and programs during its regular meetings.

#### CHAPTER III

### THE PHILIPPINE CREATIVE INDUSTRIES DEVELOPMENT PLAN

SEC. 8. The Philippine Creative Industries Development Plan. – The Council, in coordination with the NGAs referred to in the preceding section, shall formulate the Philippine Creative Industries Development Plan, hereinafter referred to as the Plan, that sets forth the objectives, targets, strategies, and activities on the development and promotion of Philippine creative industries. The Plan must be submitted to the President of the Philippines for approval within one (1) year after the effectivity of this Act and is subject to mandatory review every three (3) years.

The Plan shall include a three-year, six-year, and ten-year development timeline for its vision, mission, goals, and milestones.

The Plan shall include the following components, among others, as may later be determined by the Council:

(a) Well-defined and measurable economic goals and key performance indicators for the creative industries including value creation, contribution to gross domestic product, job creation, market creation and expansion, whether domestic or international, investment targets, and creative intellectual property targets; (b) A review of the existing governance and policy framework under which the Plan may be implemented;

(c) Current data and findings of scientific, interdisciplinary and policy-oriented research on technological advancements, methodologies, distribution models, product lines, and value chains pertaining to creative industries in aid of the implementation of the Plan;

(d) Analyses of current and emerging trends and changes in technology, trade, consumption, demography, the environment, and health that impact the labor market for creative talent, and identification of skills gaps, in coordination with the private sector;

(e) Areas of possible strategic investments in the creative industries which will provide an enabling environment for micro, small and medium enterprises (MSMEs) to compete and sustainably grow and scale their businesses;

(f) Financial assistance programs, investments schemes, loan programs, and guarantees for MSMEs in the creative industries;

(g) Technical, technological, and financial assistance programs for the development, processing, commercialization and marketing of goods and services generated by the creative industries;

(h) Programs that promote stronger linkages and collaborations among stakeholders in the creative industries and government;

(i) Programs and areas of investment to incubate, encourage, and promote the development of original creative content and talent in the relevant creative industry domains;

(j) Strategies that allow creative industries to develop greater capacity and greater access to both national and international markets and harness their talents, skills, and know-how in the creative industries; (k) Programs that promote the hiring and employment, occupational safety, and welfare of workers in the creative industries, in coordination with the Department of Labor and Employment (DOLE) and creative workers associations;

(1) Policies that ensure access of workers in the creative industries to sustainable and dignified work, and protection of their rights and welfare in accordance with law;

(m) Programs that promote a stronger intellectual property ecosystem among and across creative industries;

(n) A comprehensive digital acceleration plan for Philippine creative industries;

(o) Strategies towards the creation of a creative cities network to promote an avenue of mutual support and exchange of ideas among local government units (LGUs);

(p) Programs that establish a coordinative relationship with the leading national agency on disaster risk management and resilience to ensure that players of the creative economy are covered, involved, and included in all aspects of disaster management and resilience from planning to implementation; and

(q) Guidelines, programs, and strategies for the proper management of the Creative Industry Development Fund as provided for under Section 19 of this Act.

SEC. 9. Secretariat to the Philippine Creative Industries Development Council. – A Secretariat to the Council shall be established within the DTI, herein referred to as the Secretariat, to be headed by an Executive Director IV (Salary Grade 29) who shall be appointed by the President of the Philippines.

The Executive Director IV shall be at least thirty (30) years of age at the time of appointment; must possess good moral character; be a person of proven integrity; is a

holder of a college degree in a related field of discipline; a person of proven administrative proficiency, independence, experience, knowledge, and commitment to the promotion and development of the Philippine creative industries; and who has served in a position of leadership for at least ten (10) years in at least one (1) creative industry domain prior to the date of appointment.

The Executive Director IV shall be assisted by two (2) Deputy Executive Directors IV (Salary Grade 28) and an Administrative Staff consisting of at least one (1) of each of the following officers and employees:

(a) Policy Development Manager (Salary Grade 24);

(b) Research and Analytics Manager (Salary Grade 24);

(c) International Trade Development Manager (Salary Grade 24);

(d) Domestic Creative Industries Development Manager (Salary Grade 24);

(e) Project Manager: Creative Zones (Salary Grade 24);

(f) Project Manager: Digital Shared Services (Salary Grade 24);

(g) Project Manager: Training and Development (Salary Grade 24);

(h) Intellectual Property and Legal Specialist (Salary Grade 22);

(i) Financial Services (Salary Grade 22); and

(j) Administrative Secretariat (Salary Grade 18).

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The Deputy Executive Directors shall have the same qualifications for appointment as the Executive Director.

The President of the Philippines shall appoint the Executive Director and the Deputy Executive Directors from a list of at least five (5) nominees submitted by the Council.

The Executive Director and the Deputy Executive Directors shall serve for a term of three (3) years, with reappointment for another term. In case of death, resignation, or removal for cause, their replacements shall serve only the unexpired portion of their respective terms.

Within one hundred twenty (120) days after the effectivity of this Act, the Council shall determine the organizational structure, staffing pattern, and compensation system of the Secretariat, including the duties, qualifications, responsibilities, and functions of its officers and staff members, and submit the same to the Department of Budget and Management (DBM) for approval. The officers and employees of the Secretariat shall be appointed in accordance with civil service laws, rules, and regulations.

SEC. 10. Duties and Functions of the Executive Director. - The Executive Director shall exercise the following duties and functions:

(a) Direct and manage the affairs of the Secretariat in accordance with the policies of the Council;

(b) Establish the internal organization of the Secretariat under such conditions that the Council may prescribe;

(c) Submit an annual budget and necessary supplemental budget to the Council for its approval;

(d) Maintain a database of all relevant data and information regarding the creative industries in conjunction with the PSA and such other agencies that maintain any related database;

(e) Maintain a database of accredited business support organizations and creative workers associations in the creative

industries, in coordination with the Local Culture and Arts Councils (LCAC), pursuant to Section 22 of this Act;

(f) Conduct nationwide information dissemination campaigns to promote this Act and to build awareness on creative industries;

(g) Submit within thirty (30) days after the close of each fiscal year an annual report and other reporting requirements to the Council;

(h) Submit to the Council for its approval, policies, systems, procedures, rules and regulations that are essential to the operation of the Secretariat; and

(i) Perform such other duties as may be assigned by the Council or which are necessary or incidental to the office.

#### CHAPTER IV

#### SUPPORT FOR THE CREATIVE INDUSTRIES

SEC. 11. Infrastructure Support. – Entities from the creative industries may avail of shared service facilities from the DTI and the infrastructure support programs under Republic Act No. 11293, otherwise known as the "Philippine Innovation Act".

Further, the Council shall create subsidized rental schemes for studios and venues and provide co-working spaces and other similar facilities and hardware that may be utilized by multiple creative industry stakeholders towards the creation, cultivation, and promotion of their goods or services: *Provided*, That a preference for MSMEs shall be observed and practiced in the provision of such support.

Shared service facilities refer to machinery, equipment, tools, systems, accessories and other auxiliary items, skills, and knowledge that are being provided by the DTI under a combined and collective system to its target beneficiaries. The DTI shall promulgate guidelines on availing its shared facilities, including the manner of selecting its beneficiaries, in coordination with the Council.

SEC. 12. Research and Development (R&D) and Innovation Support. – Entities from the creative industries may avail of the research and development support program of the DOST that provides financial support to research projects addressing the industry needs through science and technology interventions, accelerating the transfer and commercialization of generated technologies, and strengthening the capability of human resources and institutions to undertake research and development. Research grants may be availed of by government research and academic institutions as well as local companies and startups, subject to the evaluation and approval of the DOST.

SEC. 13. Digitalization of the Creative Industries. – Entities from the creative industries shall be granted access to digital services and digital training platforms. Technical and financial assistance programs shall also be provided to Filipino entities that endeavor to create digital content distribution platforms and other digital innovations benefitting the creative industries. Dedicated high-speed infrastructure and bandwidth shall be provided by the DICT and the National Telecommunications Commission to the entities, to ensure that such services, platforms, and programs are delivered efficiently to creative industry enterprises. The DICT shall promulgate guidelines to implement this program, including the manner of selecting its beneficiaries, in coordination with the Council.

SEC. 14. Creative Voucher System. - A Creative Voucher System shall be established to systematize the granting of support, aid, and other incentives to creative industry entities, with a preference towards MSMEs. To this end, creative vouchers shall be issued to stakeholders from business support organizations and creative workers associations in the creative industries, which entitle them to receive the support, aid, and incentives from the various government agencies. The Council shall promulgate guidelines to implement the Creative Voucher System. SEC. 15. Creative Industries Investment Priority Plan. – The Council shall create a Creative Industries Investment Priority Plan (CIIPP) that contains a list of specific activities in the creative industries that may qualify for incentives. The CIIPP must be duly supported by the studies of existing and prospective demands for such products and services in light of the level and structure of income, production, trade, prices and relevant economic and technical factors of the regions as well as existing facilities.

Enterprises engaged in creative industry activities listed in the CIIPP may be entitled to applicable fiscal incentives as provided for under Republic Act No. 11534, otherwise known as the "Corporate Recovery and Tax Incentives for Enterprises Act", and non-fiscal support as contained in the Strategic Investment Priority Plan (SIPP), subject to the requirements and limitations set and determined by the BOI, in coordination with the Fiscal Incentives Review Board.

SEC. 16. Access to Credit and Financial Instruments. – Government-owned, -controlled, or -supported financial institutions shall give priority to creative industries in providing credit assistance and guarantee schemes, subject to the rules and regulations of the concerned financial institutions.

SEC. 17. Creative Instruction and Education. – The following NGAs shall establish a Creative Educational Plan and other policies, programs, and strategies geared towards human resource development, audience capacity-building, and consumer empowerment in the country's creative industries, in partnership with the private sector and the academe:

(a) DepEd and the CHED shall, among others, support and develop relevant programs related to creative industries and provide scholarships to deserving basic education and college and post-graduate students, respectively, enrolled in programs and courses related to the creative industries: *Provided*, That priority shall be given to underprivileged students. The CHED shall also identify Creative Centers of Excellence and establish criteria for such identification, in partnership with the private sector and the academe; (b) The Technical Education and Skills Development Authority (TESDA), among others, shall provide talent, skills, and technical-vocational training through scholarship programs in courses related to creative industries for entrepreneurs, workers, trainees, and stakeholders in the creative industries, as well as provide continuous education, talent and skills training, and capacity-building for other stakeholders in the creative industries; and

(c) Non-formal learning modalities provided by the government and the private sector shall be entitled to technical and financial assistance from the Council, including Filipino-made online learning platforms, workshops and other capacity-building programs whether physical or online, creative arts residences, and schools of living traditions.

The DepEd, CHED, and TESDA shall also extend incentives to academic institutions that provide funds and/or grants for the research of their students and faculty on matters relating to the development and promotion of Philippine creative industries.

SEC. 18. Creative Industry Data and Information Management. – The Council and the Secretariat shall be in close coordination with the PSA and other relevant NGAs in the setting up of a satellite account for creative industries, as well as its data collection and management. The collection and management of data must be conducted diligently to maintain the accuracy of the country's national income accounting.

The Secretariat shall also develop and maintain a website that shall serve as the primary source of information on statistics, events, government programs, and benefits for Philippine creative industries. This shall involve the integration of any existing websites and content on programs implemented by the government for all creative industry domains in the country.

SEC. 19. The Creative Industry Development Fund. – There is hereby established a Special Account in the General

Fund with the National Treasury to be called the Creative Industry Development Fund, herein referred to as the Fund. The purpose of the Fund is for research and development. trade promotion, human resource development in the creative industry, and for the welfare of artists, workers and other stakeholders through business support organizations and creative workers associations. The Fund shall be capitalized and administered by the Council in accordance with existing government budgeting, accounting and auditing rules and regulations. The Fund shall be sourced from the loans, contributions, grants, bequests, gifts, and donations, whether from local or foreign sources: Provided, That acceptance of grants, bequests, contributions and donations from foreign governments shall be subject to the approval of the President upon recommendation of the DFA Secretary: Provided, further, That such grants, bequests, contributions, and donations shall be deductible for income tax purposes in accordance with the provisions of the National Internal Revenue Code, as amended.

The program of expenditure for the programs, projects, and activities to be funded by the Fund shall be itemized on a project-to-project basis and submitted annually to Congress. In the identification and prioritization of specific programs, projects, and activities, the Council shall conduct prior consultation with the representatives of the creative industry.

SEC. 20. Public-Private Partnerships. – Public-private partnerships shall be promoted towards infrastructure development for creative industries, subject to the provisions of Republic Act No. 6957, as amended, otherwise known as the "Philippine Build-Operate-Transfer (BOT) Law".

SEC. 21. The Philippine Creative Cities Network. – There is hereby established a Philippine Creative Cities Network (PCCN) which is a permanent program of the Council that shall serve as an avenue of mutual support, exchange of ideas, and collaboration among the country's cities. The PCCN shall have the following objectives:

(a) To incubate cities that want to explore their creative resources and opportunities for growth in the creative field; and

(b) To accelerate cities that are emerging as creative cities towards accreditation by the UNESCO to form part of the UNESCO Creative Cities Network.

The PCCN shall be implemented in coordination with the DFA, UNACOM, the League of Cities of the Philippines, DTI and DILG.

SEC. 22. Local Culture and Arts Councils. – All LGUs, in coordination with the Council and the DILG, shall establish a Local Culture and Art Council (LCAC). The LCAC shall exercise the following functions and powers in addition to those provided under existing statutes, memoranda, and other issuances:

(a) Support the Council in all of its functions as provided for in Section 7 of this Act;

(b) Report to the Council the development and status of the implementation of programs at the local level;

(c) Regularly maintain a database of business support organizations and creative workers associations within the territorial jurisdiction of the LGU where the LCAC is located and transmit such data to the Council;

(d) Formulate, plan, coordinate, implement, and assess policies, programs, activities, and projects that promote and develop the locality's creative industries, in coordination with the Council; and

(e) Perform such other duties and functions as the Council may direct.

SEC. 23. One-Stop Registration Center. – The Negosyo Centers in LGUs established under Republic Act No. 10644, otherwise known as the "Go Negosyo Act," shall extend its services as a one-stop shop to assist creative industry MSMEs or entrepreneurs in availing government services that are applicable to the creative industries, including intellectual property registration, product and business registration, loans, grants, and benefits programs. There shall be a special lane in all Negosyo Centers for this purpose.

The Negosyo Centers shall provide electronic means of access and registration for creative industry MSMEs or entrepreneurs, in accordance with the provisions of Republic Act No. 9485, as amended by Republic Act No. 11032 or the "Ease of Doing Business and Efficient Government Service Delivery Act of 2018".

SEC. 24. Philippine Creative Industries Month. – To promote the goods, products, and services of the Philippine creative industries, and to raise awareness on their role in nation-building and socioeconomic advancement, the celebration of "Philippine Creative Industries Month" shall be held for the whole month of September of every year.

The Secretariat is hereby mandated to ensure the successful annual celebration of the "Philippine Creative Industries Month" throughout the country, in partnership with the private sector and the academe. The mechanism, programs, and activities for the celebration shall be laid down as part of the implementing rules and regulations (IRR) of this Act.

All departments, agencies, and instrumentalities of the national government, including government-owned and -controlled corporations, LGUs, and the private sector, are directed to extend their full support and active participation in the programs and activities for this purpose.

#### CHAPTER V

#### FINAL PROVISIONS

SEC. 25. Annual Report. – The Council shall submit to the President of the Philippines and both Houses of Congress, not later than the  $30^{\text{th}}$  of April of every year following the effectivity of this Act, a report giving a detailed account of the implementation of this Act, including recommendations for legislation, if necessary. SEC. 26. Mandatory Review. - This Act shall be reviewed at least once every five (5) years or as often as may be deemed necessary by the Congress of the Philippines, with the primary objective of enacting necessary reforms to respond to emerging needs and developments in the creative industry, which may include a review of existing governance structures.

SEC. 27. Appropriations. - The amount necessary for the immediate implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 28. Implementing Rules and Regulations. – Within sixty (60) days from the effectivity of this Act, the DTI Secretary shall, in consultation with other concerned government agencies, the industry representatives and nongovernment organizations, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 29. Separability Clause. – If any provision of this Act is held invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SEC. 30. Repealing Clause. – All laws, presidential decrees, executive orders, rules and regulations and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 31. *Effectivity*. - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation in the Philippines.

VICENTE C. SOTTO III President of the Senate

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LORD ALLAN JAY Q. VELASCO Speaker of the House of Representatives

This Act which is a consolidation of House Bill No. 10107 and Senate Bill No. 2455 was passed by the House of Representatives and the Senate of the Philippines on May 31, 2022 and May 30, 2022, respectively.

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MYRA MARIE D. VILLARICA Secretary of the Senate

MARK LLA MENDOZA Secretary General of Representatives ast

Approved:

JUL 2 8 2022

vithout the signature of the Presi dent, in accordance with Article VI. Section 27 (1) of the Constitution

RODRIGO ROA DUTERTE President of the Philippines