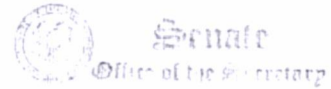


SEVENTEENTH CONGRESS OF THE }
REPUBLIC OF THE PHILIPPINES }
Second Regular Session }



'17 AUG 29 P3:07

SENATE
S.B. No. 1572

RECEIVED BY: _____

INTRODUCED BY **SENATOR VICENTE C. SOTTO III**

**AN ACT
ESTABLISHING THE PHILIPPINE SPACE DEVELOPMENT AND
UTILIZATION POLICY, PROVIDING FUNDS THEREFOR, AND FOR
OTHER PURPOSES**

EXPLANATORY NOTE

The Space Age, beginning with the launch of Sputnik 1 on October 4, 1957, is considered to be one of the crowning achievements of the 20th century. For the first time in history, mankind was able to conquer gravity and go beyond the planet, opening up a whole new universe and perspective. Space exploration became one of the landmark achievements of major superpowers such as US and Russia. However, the more important impact space has given to society are the numerous practical applications and services derived from space technology such as communications, satellite imagery, navigation, weather forecasting and surveillance, among others. Indeed, space has become ubiquitous nowadays and is now regarded as an indispensable asset of modern society.

Since the turn of the new millennium, an increasing number of countries are striving to gain a foothold in space. To date, more than 50 countries now have access to space through satellites with ten countries having demonstrated independent orbital launch capabilities. Space-faring countries have evolved from a small elite club of nations relying on strong

aerospace and defense industries, to a broader group of advanced and developing countries with very diverse capabilities. Almost all OECD countries, and even developing nations such as Nigeria and Algeria, have invested in space programs due to the reasoning that by not having a space program, even a modest one, a country might be missing out on opportunities and increase dependency on other nations. Indeed, space has become an important national capability for many nations around the world.

In the ASEAN region, six out of the ten ASEAN nations have embarked on space development programs for various applications such as disaster monitoring, maritime surveillance, agriculture and defense. This emphasizes the reality that in this day and age, space is no longer considered as a luxury, but rather a necessity that is vital for a nation's competitiveness, development and security. The lack of access to space can severely impede a nation's socio-economic growth, making it highly dependent on foreign countries for vital national capabilities. For developing nations, it underscores the need for strong bilateral and multilateral cooperation with advanced space-faring nations to reduce cost, increase access to newer technologies, and reduce development time.

In response to the growing need for secure and independent access to space, there is an urgent need for the Philippines to establish its own national space policy and agency. As a developing country and an emerging economic and political powerhouse in the Asia-Pacific region, it is necessary for the country to utilize space science and technology applications efficiently to address various national development and security issues to keep up with the rest of the world that is gradually becoming more space-capable. A cohesive and unified national space policy can significantly boost local space capabilities and strategically guide the country's space program, making it globally competitive, technologically at par, and ensure sustainable and progressive growth. Furthermore, a Philippine Space Agency is essential to implement the space policy and serve as the government's sole agency responsible for policy development, coordination,

research, education and addressing various space-related issues and concerns. By instituting the space policy and creating the Philippine Space Agency, it affirms the country's commitment to achieve space capabilities and cooperate with the rest of the world in the peaceful utilization of space. With it, the Philippines can become a responsible member and significant contributor to the global space community in the future, providing benefits to Filipinos not just in the economic sense but also in terms of societal benefits and social inclusivity. Thus, a national space program aimed at changing the Philippines to a space-faring nation is truly beneficial for the country and will serve to the best interest of the Filipino people and the rest of mankind.



VICENTE C. SOTTO III

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AN ACT
ESTABLISHING THE PHILIPPINE SPACE DEVELOPMENT AND
UTILIZATION POLICY, PROVIDING FUNDS THEREFOR, AND FOR
OTHER PURPOSES

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

1 SECTION 1. *Short Title.* – This Act shall be known as the “*Philippine Space*
2 *Development Act*”.

3 SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the
4 State:

- 5 (a) To safeguard Philippine sovereignty, territorial integrity, national
6 interest, and the right of self-determination as mandated by the
7 Article II, Section 7 of the 1987 Constitution;
- 8 (b) To support and commit to the development of science and technology
9 that shall foster patriotism and nationalism and accelerate social
10 progress, such as the development of space technology and
11 applications for its national security and for the benefit of its citizens;
- 12 (c) To ensure access to space and its environs as a sovereign right and
13 stipulates the need to create a national strategy for space
14 development;
- 15 (d) To recognize that there is an urgent need to create a coherent and
16 unified strategy for space development and utilization to keep up with
17 other nations in terms of space science and technology;
- 18 (e) To ensure that the Philippines has official representation in the
19 international space community for establishing cooperation
20 agreements and linkages on space development; and

1 (f) To ensure that the Philippines abides by the various international
2 space treaties and principles promulgated by the United Nations as
3 an active participant in the international space community.

4 SEC. 3. *Definition of Terms.* – As used in this Act:

5 (a) *PhilSA* refers to the Philippine Space Agency created by virtue of this
6 Act.

7 (b) *Space Science and Technology Application (SSTA)* refers to the
8 scientific principles and their applications to space science,
9 engineering and other allied fields.

10 (c) *Satellites* refer to all objects launched into Earth orbit and artificial
11 objects to be placed in orbit of celestial bodies or conduct space
12 exploration.

13 SEC. 4. *The Philippine Space Development and Utilization Policy.* – The
14 Philippine Space Development and Utilization Policy shall serve as the
15 country's primary strategic roadmap for space development and shall
16 embody the country's central goal of becoming a space-capable and space-
17 faring nation with in the next decade. It shall focus on areas of SSTA that
18 shall address national issues, promote the efficient utilization of space
19 assets and resources, establish capacity-building measures for human
20 resources, establish capacity-building measures for human resources
21 development and enhance international cooperation.

22 SEC. 5. *Framework of Space Policy.* – The Philippine Space Policy shall
23 focus on six (6) Key Development Areas (KDA) for SSTA development to
24 ensure the Philippine's sustained progress:

25 (a) National Security and Development – The Philippines shall focus on
26 space applications that can preserve and enhance the country's
27 national security and promote development that is beneficial to all
28 Filipinos;

29 (b) Hazard Management and Climate Studies – The Philippines shall
30 develop and utilize space science and technology applications to
31 enhance its hazard management and disaster mitigation strategy as
32 well as ensure the nation's resiliency to climate change;

1 (c) Space Research and Development – The Philippines shall focus on
2 conducting research and development endeavors in vital areas of
3 space science, technology and allied fields to spur rapid scientific
4 growth;

5 (d) Space Industry Capacity Building – The Philippines shall create a
6 robust and thriving space industry to support the country’s space
7 program, through private sector involvement and cooperation;

8 (e) Space Education and Awareness – The Philippines aims to establish a
9 sustainable pool of trained space scientists, engineers and
10 communicators that shall be critical for the country’s future space
11 program and increasing public awareness on its value and benefits;

12 (f) International Cooperation – The Philippines shall become a key player
13 in the ASEAN and global space community by providing significant
14 contributions and capabilities on space science and technology
15 applications through international partnerships and collaborations.

16 SEC. 6. *Creation of Philippine Space Agency (PhilSA).* – A Philippine Space
17 Agency, hereinafter referred to as the PhilSA, is hereby created as the
18 central government agency that shall address all national issues and
19 activities related to space science and technology applications. The PhilSA
20 shall be an attached agency of the Department of Science and Technology
21 (DOST) for purposes of policy and program coordination to ensure alignment
22 in national policies and priorities.

23 SEC. 7. *Mandate.* – The PhilSA shall be the primary policy, planning,
24 coordinating, implementing and administrative entity of the Executive
25 Branch of government that shall plan, develop, and promote the national
26 space program in line with the Philippine Space Development and Utilization
27 Policy.

28 SEC. 8. *Powers and Functions.* – The PhilSA shall exercise the following
29 powers and functions:

30 I. Policy and Planning and Coordination

31 (a) Initiate the creation, development and implementation of
32 national and international space policies;

- 1 (b) Plan, direct, manage and implement programs and projects
2 relating to scientific space research and development and the
3 application of space technology;
- 4 (c) Receive, administer, expend or dispose money, securities,
5 personal or movable property by way of donation, gift, bequest
6 or grants subject to the terms, if any, on which the donation,
7 gift, bequest or grants was made in such manner that shall
8 best promote the PhilSA's objectives;
- 9 (d) Implement the Philippine Space Development and Utilization
10 Policy;
- 11 (e) Coordinate all space activities of various sectors and
12 stakeholders in the Philippines;
- 13 (f) Provide appropriate and accurate advice to the President of the
14 Philippines and other government agencies on space-related
15 issues and concerns;

16 II. Improved Public Access and Resource-Sharing

- 17 (a) Develop, construct, acquire, manage, maintain and operate
18 space research, development and operation facilities and
19 systems on behalf of the Philippine government for use of
20 various government agencies;
- 21 (b) Assist Departments and other agencies of the Philippine
22 Government in the utilization of SSTA and in the performance
23 of their respective mandates and duties.

24 III. Research and Development

- 25 (a) Perform basic and applied research and development (R&D)
26 relating to SSTA in collaboration with academe, industry and
27 institutions;
- 28 (b) Design, develop and construct space systems and facilities
29 necessary thereof, as well as launch, track and operate the
30 satellites on behalf of the Philippine Government;
- 31 (c) Promote the growth of space science and technology through
32 research and development.

33 IV. Education and Capacity Building

- 1 (a) Establish programs that shall develop space education and
2 promote public awareness;
- 3 (b) Provide grants and contributions in support of programs or
4 projects relating to scientific or industrial space R&D and
5 application of space technology;
- 6 (c) Provide services and facilities for the use by entities conducting
7 academic R&D relating to SSTA.

8 V. Industry Development

- 9 (a) Promote the development of a robust and vibrant local space
10 industry and economy;
- 11 (b) Promote the transfer and diffusion of space technology
12 throughout the country;
- 13 (c) Encourage the commercial exploitation of space capabilities,
14 technology, information, facilities and systems;
- 15 (d) License, sell or otherwise make available any patent, copyright,
16 industrial design, trademark, trade secret or other like property
17 controlled;
- 18 (e) Disseminate the results of R&D activities and promote its
19 utilization to the stakeholders, except when information is
20 deemed confidential for national defense and security, and for
21 the protection of intellectual property rights.

22 VI. International Cooperation

- 23 (a) Collaborative with space-related agencies of other countries in
24 the peaceful use and development of space technology;
- 25 (b) Enter into contracts, memoranda of understanding or
26 agreement or other arrangement in behalf of the Philippine
27 Government;
- 28 (c) Establish and maintain linkages with other national space
29 agencies and organizations.

30 SEC. 10. *Director General of the PhilSA.* – The Director General shall have
31 the rank and compensation of an Undersecretary and shall be appointed by
32 the President of the Philippines, upon the recommendation of the Secretary
33 of the DOST. The Director General shall have the following functions:

- 1 (a) Provide executive direction and supervision over the entire operations
2 of the PhilSA;
- 3 (b) Establish policies and standards for the effective, efficient and
4 economical operation of the PhilSA, in accordance with the programs
5 of the Philippine Government;
- 6 (c) Review and approve requests for financial and manpower resources of
7 all operating offices of the PhilSA;
- 8 (d) Designate and appoint officers and employees of the PhilSA, excluding
9 the Deputy Director General, in accordance with the civil service laws,
10 rules and regulations;
- 11 (e) Exercise disciplinary powers over officers and employees of the PhilSA
12 in accordance with law, including their investigation and the
13 designation of a committee or officer to conduct such investigation;
- 14 (f) Coordinate with other Departments, agencies, and public and private
15 interest groups, including non-government organizations (NGOs) and
16 people's organization (POs) on PhilSA policies and initiatives;
- 17 (g) Prepare and submit to the President, through the Department of
18 Budget and Management (DBM), an estimate of the necessary
19 expenditures during the next fiscal year, on the basis of the reports
20 and estimates submitted by the divisions and offices
- 21 (h) Serve as the Presidential Adviser on Space Matters and advise the
22 President on the Promulgation of executive and administrative orders
23 and formulation of regulatory and legislative proposals on matters
24 pertaining to SSTA development;
- 25 (i) Formulate such rules and regulations and exercise such other poers
26 as may be required to implement the objectives of this Act; and
- 27 (j) Perform such other tasks as may be provided by law.

28 SEC. 11. *Deputy Director General.* – The Director General shall be
29 assisted by three (3) Deputy Directors with the rank and compensation of an
30 Assistant Secretary who shall be appointed by the President of the
31 Philippines upon recommendation of the DOST Secretary: *Provided,* That
32 two (2) of the Deputy Director General shall be career executive officers.

1 SEC. 12. *Qualifications.* – No person shall be appointed Director General
2 or Deputy Director General of the PhilSA unless he or she is a citizen and
3 resident of the Philippines, of good moral character of proven integrity, with
4 an advanced degree in Space Science, Astronomy, Physics, Engineering or
5 related fields of study, with at least five (5) years of competence and
6 expertise in any of the following: astrophysics, space science, aerospace
7 engineering, space systems engineering, remote sensing space industry, or
8 human capital development in the SSTA sector.

9 SEC. 13. *Transfer of Astronomical and Space-related Functions.* – To
10 consolidate the functions of the PhilSA, the following offices shall be
11 transferred from its parent agency to the PhilSA:

12 (a) Philippines Aerospace Development Corporation, Department of
13 Transportation (DOTr); and

14 (b) The Space Program of the Science Education Institute of the
15 Department of Science and Technology (DOST).

16 Nothing in this Act shall diminish the functions and responsibilities of the
17 aforesaid agencies.

18 SEC. 14. *Separation and Retirement from Service.* – Employees who are
19 separated from service within six (6) months from the effectivity of this Act
20 as a result of the consolidation or reorganization under the provisions of this
21 Act, shall receive separation benefits to which they may be entitled under
22 the Government Reorganization Act or Republic Act No. 6656: *Provided,*
23 That those who are qualified to retire under existing retirement laws shall be
24 allowed to retire and receive retirement benefits to which they may be
25 entitled under applicable laws and issuances.

26 SEC. 15. *Structure and Staffing Pattern.* – In consultation with the DBM,
27 the PhilSA shall determine its organizational structure and create new
28 divisions or units as it may deem necessary, and shall appoint officers and
29 employees of the PhilSA in accordance with the Civil Service law, rules and
30 regulations.

31 SEC. 16. *Official Site of PhilSA.* – A land area equivalent to at least thirty
32 (30) hectares out of the vast of land which are under the administration of
33 the Bases Conversion and Development Authority (BCDA) within the Clark

1 Special Economic Zone in Pampanga and Tarlac, shall be allocated
2 exclusively for the PhilSA office and its research facilities: *Provided*, That
3 the PhilSA shall establish additional offices and research facilities in
4 strategic areas as it may deem necessary. *Provided further*, That the
5 boundaries and technical descriptions of these land areas shall be
6 determined by an actual and joint group survey.

7 SEC. 17. *Magna Carta for Science and Technology Personnel*. – Qualified
8 employees of the PhilSA and its attached units shall be covered by Republic
9 Act No. 8439, also known as the Magna Carta for Scientists, Engineers,
10 Researchers and other science and technology personnel in the government.

11 SEC. 18. *Annual Report*. – The PhilSA shall submit to the President of
12 the Philippines and to Congress, not later than March 30 of every year
13 following the effectivity of this Act, a report giving a detailed account of the
14 status of the implementation of this Act and recommended legislation,
15 whenever applicable and necessary.

16 SEC. 19. *Sources of Funds of the PhilSA*. – The funds of the PhilSA shall
17 consist of:

- 18 (a) The annual General Appropriations for the PhilSA; and
19 (b) Income, fees, royalties and other revenues obtained from any other
20 sources

21 The funds shall be administered by the Director General of the PhilSA in
22 accordance with existing government budgeting, accounting and auditing
23 rules and regulations.

24 SEC. 20. *Use of Income*. – The budget of PhilSA, based on an annual
25 appropriation from Congress, shall ensure that it has the financial and
26 human resources necessary to fulfill its assigned responsibilities under this
27 Act. The PhilSA shall also be authorized to use one-hundred percent (100%)
28 of its income, donations, bequests, grants, and all sums which may be
29 appropriated for upgrading its physical and human resources, for the
30 conduct of its activities, and for the augmentation of its budget in case of
31 shortfalls. Seventy-five percent (75%) of its income shall be retained for the
32 upgrading of its equipment and physical facilities and the remaining twenty-

1 five (25%) shall be remitted to the National Treasury. The PhilSA may also
2 solicit, receive and retain donations, bequests, and grants.

3 SEC. 21. *Philippine Space Development Fund.* – There is hereby created
4 the Philippine Space Development Fund to be used exclusively for the
5 PhilSA. The Philippine Space Development Fund shall be administered by
6 Director General of the PhilSA, in accordance with existing government
7 budgeting, accounting and auditing rules and regulations. The Philippine
8 Space Development Fund shall be sourced from the following:

9 (a) The amount of ten billion pesos (P 10,000,000,000.00) to be taken
10 from the share of the National Government in the gross income of the
11 Philippine Amusement and Gaming Corporation (PAGCOR) and the
12 Based Conversion and Development Authority (BCDA). For five (5)
13 years after the effectivity of this Act, an amount of two billion pesos (P
14 2,000,000,000.00) per year shall be released to the PhilSA. The entire
15 amount of ten billion pesos (P 10,000,000,000.00), including any
16 interest income thereon, shall be used exclusively for capital outlay.

17 (b) Income from specialized products, services, and royalties produced by
18 the PhilSA.

19 (c) Loans, contribuions, grants, bequests, gifts, and donations whether
20 from local or foreign sources: *Provided*, That acceptance of grants,
21 bequests, contributions and donations from foreign governments shall
22 be subject to the approval of the President of the Philippines, upon
23 the recommendation of the Director General of the PhilSA and the
24 Secretary of the Department of Foreign Affairs (DFA). *Provided further*,
25 That the Director General of the PhilSA, with the approval of the
26 National Economic and Development Authority (NEDA), and the
27 Department of Finance (DOF), is hereby granted the authority to enter
28 into loan agreements with foreign financial institutions.

29 (d) A portion of the income of the Bases Conversion and Development
30 Authority allocated for the training and scholarship of scientists and
31 students to be identified by the DOST pursuant to Republic Act No.
32 7917, otherwise known as “*An Act Amending Section 8 of Republic Act*
33 *Numbered Seventy-Two Hundred and Twenty-Seven, otherwise known*

1 *as the Bases Conversion and Development Act of 1992, Providing for*
2 *the distribution of Proceeds from the Sale of the portions of Metro Manila*
3 *Military Camps, and for other purposes.”*

4 SEC. 22. *Appropriations.* – The amount needed for the initial
5 implementation of this Act shall be taken from the current year’s
6 appropriations of the Philippine Aerospace Development Corporation and
7 the Space Program of the Science Education Institute of the DOST.
8 Thereafter, such sums as may be necessary for its continued
9 implementation shall be included in the annual General Appropriations Act.

10 SEC. 23. *Implementing Rules and Regulations.* – The PhilSA, DBM,
11 CSC, DOST and DND-PAF shall issue within one hundred eighty (180) days
12 from the effectivity of this Act, the necessary rules and regulations for the
13 effective implementation of this Act.

14 SEC. 24. *Separability Clause.* – If any provision of this Act is declared
15 unconstitutional or otherwise invalid, the validity of the other provisions
16 shall not be affected thereby.

17 SEC. 25. *Repealing Clause.* – All laws, decrees, orders, rules and
18 regulations or parts thereof inconsistent with this Act are hereby repealed or
19 modified accordingly.

20 SEC. 26. *Effectivity.* – This Act shall take effect after fifteen (15) days
21 from its publication in the Official Gazette or in a newspaper of general
22 circulation.

Approved,