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SENATE

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S.B. NO. 411

Introduced by SENATOR IMEE R. MARCOS

**AN ACT TO DEVELOP AND PROMOTE
THE CREATIVE INDUSTRIES OF THE PHILIPPINES**

EXPLANATORY NOTE

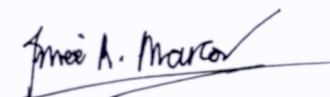
It shall be the policy of the State to promote the all economic activities having their origin in creative skill and talent through the exploitation of intellectual property, following the Constitution’s mandate to give priority to education, science and technology, arts, culture, and sports to foster patriotism and nationalism, accelerate social progress, and promote total human liberation and development. This bill proposes a Creative Industries Charter to protect and secure the exclusive rights of scientists, inventors, artists, and other gifted citizens to their intellectual property and creations, particularly when beneficial to the people.

As the 2013 UN Creative Economy Report demonstrates: “Unlocking the potential of the creative economy involves promoting the overall creativity of societies, affirming the distinctive identity of the places where it flourishes and clusters, improving the quality of life where it exists, enhancing local image and prestige and strengthening the resources for imagining diverse new futures.”

For decades, US movie productions have shot, produced music, and added special effects to Hollywood movies in the Philippines. Directed by fit stewards if the movie industry. Gerry de Leon, Eddie Romero, and Cirio Santiago, these early co-production and joint adventures made the Philippines popular and profitable location. Animation by Hannah Barbera, Disney and various Japanese producers were also outsourced for pen-and-inking in the Philippines. But these “service” or outsource contract have not

succeeded in upgrading to the creation of creative content, original copyrights or other intellectual property without serious and consistent government support.

This holds particularly true for the Philippines which has deeply rooted traditions in music, performing arts, craft, design, film. Yet, while products stemming from these traditions are numerous, the Philippines has not been able to transform their products into sustainable domestic markets and exports which can earn revenue, create jobs, and contribute substantially to the economy.


IMEE R. MARCOS

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AN ACT TO DEVELOP AND PROMOTE
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Be it enacted by the Senate and the House of Representatives of the Philippines in
Congress assembled:

Section 1. Short Title. This Act shall also be known as the "Creative Industries
Charter of 2019".

Section 2. Declaration of State Policy. – It shall be the policy of the State to
promote all economic activities having their origin in creative skill and talent through
the exploitation of intellectual property, in pursuance of the Constitution’s emphasis on
technology, arts, and culture. Likewise, the Creative Industries Charter seeks to protect
and secure the exclusive rights of scientists, inventors, artists, and other gifted citizens
to their intellectual property and creations.

In pursuit of encouraging and promoting a creative economy in the Philippines,
this Act seeks to develop and promote the creative industries to protect and strengthen
the rights of creative corporations, artists, content providers, and to establish a Creative
Industries Development Council that will ensure the implementation of this Act.

Section 3. Creative Industries. – These shall include the following:

- a. Advertising and Marketing
- b. Animation and Game Development
- c. Architecture and Interior Design
- d. Broadcast Arts including Film, Television, Radio and Photography
- e. Information Technology, Software and Computer Services
- f. Publishing

- g. Museums, Galleries and Libraries
- h. Heritage Crafts and Activities, including Gastronomy
- i. Music and Performing Arts
- j. Visual Arts
- k. Product, Graphic and Fashion Design

Section 4. *Creative Industries Development Council (CIDC).* –There is hereby created a Creative Industries Development Council (CIDC) that shall formulate and implement the development and promotion of original Filipino content and the protection and commercialization of Filipino intellectual property.

The CIDC shall be composed of a Chairperson and four (4) permanent council members who shall all be appointed by the President of the Philippines. They shall be Filipino citizens, at least twenty-five (25) years of age, and of good moral character; *Provided, That* at least one (1) permanent members shall be a member of the Philippine Bar, and at least two (2) members shall be from the private sector creative industries.

The Chairperson and Members shall serve for a term of three (3) years, subject to reappointment for another three-year term. The first two (2) members shall be appointed for a term of two (2) years and the other two (2) members for a term of one (1) year. Thereafter, their successors shall be appointed for a term of three (3) years.

Section 5. *Powers and Functions of the Council.* – The Chairperson shall be chief Executive officer of the CIDC and shall be assisted by four (4) permanent and full time members. The Council shall have the following powers and functions;

- a. To formulate and implement a National Creative Economy Development Plan, in consultation with Department of Tourism (DOT), Department of Finance (DOF), Department of Trade and Industries (DTI), National Commission for Culture and the Arts (NCCA), Cultural Center of the Philippines (CCP), National Historical Commission of the Philippines (NHCP), Business Processing Association of the Philippines (BPAP) and other creative business groups, the Commission on Higher Education (CHED) through the state universities and colleges, private schools, software designs, artists, cooperatives, game and software laboratories and other stakeholders;
- b. Coordinate with other agencies and entities of the government to ensure the effective and efficient implementation of creative

- 1 development programs;
- 2 c. Formulate programs and projects to protect, preserve, develop, and
- 3 acquire historical, significant, and emerging creative properties and
- 4 content;
- 5 d. Ensure the enforcement of intellectual property laws, as well as,
- 6 conduct research for the inclusion of new technologies, design,
- 7 storytelling, software and other creative content;
- 8 e. Strengthen institutions involved in creative education and training;
- 9 f. Support the training of a creative workforce in order to expand
- 10 employment opportunities through scholarships, artists-in-residence
- 11 programs, workshops apprenticeship, networking events, and
- 12 subsidized studios and living spaces;
- 13 g. Encourage investments in creative start-ups by granting of loans and
- 14 seed capital, financing equipment and tools, accessing tax incentives
- 15 and providing other subsidies;
- 16 h. Assist in the registration, patent, titling and such other legal
- 17 procedures as would exercise and monetize Filipino ownership over
- 18 creative content;
- 19 i. Ensure the enforcement of Filipino intellectual property rights
- 20 domestically and overseas;
- 21 j. Encourage the production of events, activities, competitions, and other
- 22 cultural activities included in tourism, heritage and national park
- 23 promotion programs;
- 24 k. Promote and market creative industry products, events, activities, and
- 25 the cultural heritage of the Philippines, both in the local and
- 26 international market;
- 27 l. Develop and sustain cooperative exchanges and partnerships, among
- 28 creative entities, organizations, institutions and practitioners both in
- 29 the Philippines and abroad;
- 30 m. Promulgate rules, regulations and other issuances necessary in
- 31 carrying out the mandate, goals, plans and programs of the CIDC;
- 32 n. Exercise control and supervision, including disciplinary powers over
- 33 officers and employees of the CIDC in accordance with law; and
- 34 o. Such other functions, as may be deemed necessary for the
- 35 development of a Philippine Creative Economy.

1
2 **Section 6. *Support to Creative Entrepreneurs.*** – In consultation with all
3 stakeholders and in pursuance of the National Creative Industries Plan, the Council shall
4 provide start-up capital, facilitate preferential loan, subsidized rentals for studio and
5 venue, colocation, and shared workspaces, facilities and hardware, and such other
6 forms of support as may be required by the creative entrepreneurs, companies and
7 artists.
8

9 **Section 7. *Additional Creative Content Rights.*** – In addition to the rights
10 and protection provided in R.A. No. 8293 otherwise known as the “Intellectual Property
11 Code of the Philippines”, this Act shall endow ownership to the creator of working
12 drawings for industrial and fashion design; detailed sequence and shot guides for
13 movies and games; original character, background, and tool designs; executable source
14 codes for game and software; and such other forms of creative content in their beta
15 testing and development, pre-distribution, or incomplete formats but capable of final
16 production and reproduction.
17

18 **Section 8. *Private Sector Participation.*** – The Council shall, at all times,
19 consult closely and coordinate with creative industry corporations, artists, content
20 providers, schools, event managers and other stakeholders for the creation of jobs and
21 employment for creative artists, entrepreneurs workers.
22

23 **Section 9. *Local Government Participation.*** – The Council shall work with
24 the local government units for the establishment of Local Creative Industry Councils
25 based on the National Creative Industry Plan data mapping to include Quezon City as
26 the national broadcast center, game development and software hubs such as Taguig
27 and Makati, and design and music capitals such as Cebu and Davao City. These units
28 shall be the primary implementors of the programs and projects of the Council at the
29 local level.
30

31 **Section 10. *One-Stop Registration Center.*** – The Council shall establish a
32 one-stop registration center in every region to assist the creative industries register,
33 acquire, market, or otherwise exercise legal ownership, over their creative content
34 utilizing their patents, trademarks, service marks, tradenames, copyrights and other
35 legal title.

1
2 **Section 11. *Reorganization.*** – For efficiency and economy, the reorganization
3 of concerned agencies, such as NHCP, NCCA, DOT, DOF, DTI, Film Development
4 Council of the Philippines (FDCP), Movie and Television Review and Classification Board
5 (MTRCB), National Film Archive of the Philippines (NFAP), National Parks Development
6 Committee (NPDC), National Museum, Optical Media Board (OMB), Kapisanan ng mga
7 Broadcaster ng Pilipinas (KBP), as well as necessary linkages with their subdivisions,
8 shall be undertaken.

9
10 **Section 12. *Appropriations.*** – The amount of Five Hundred Million Philippine
11 Pesos (Php 500,000.00) shall be appropriated for the initial implementation of the Act.
12 Thereafter, such sums as may be necessary for the continued implementation of the
13 Act shall be included in the Annual General Appropriations Act.

14
15 **Section 13. *Implementing Rules and Regulations.*** – Within ninety (90)
16 days after the effectivity of this Act, the implementing Rules and Regulations shall be
17 promulgated by the CIDC in coordination with the concerned Departments of the
18 National Government.

19
20 **Section 14. *Separability Clause.*** – If, for any reason, any portion or provision
21 of this Act shall be held unconstitutional or invalid, the remaining provisions not affected
22 thereby shall continue to be in full force and effect.

23
24 **Section 15. *Repealing Clause.*** – All laws, executive orders, proclamations,
25 rules, regulations and other issuances or parts thereof which are inconsistent with the
26 provisions of this Act are hereby repealed or amended accordingly.

27
28 **Section 16. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
29 publication in the Official Gazette or in any newspaper of general circulation.

30
Approved,