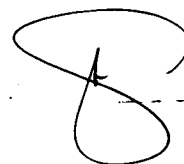


SENATE

S. No. 2857



Introduced by Senator Jinggoy Ejercito Estrada

AN ACT
PROVIDING FOR THE PROMOTION OF FILM AND TELEVISION TOURISM,
CREATING THE FILM PHILIPPINES OFFICE, PROVIDING FUNDS
THEREFOR AND FOR OTHER PURPOSES

EXPLANATORY NOTE

It has been proven in many instances that locations shown in films and television series become instant tourist attractions, provide stream of revenues for the local economy, and bring development and prestige for the host community. Mount Kiltapan in Sagada was deluged with visitors after the viewpoint was prominently featured in a pivotal scene in the 2014 Filipino romantic comedy film "That Thing Called Tadhana." Many were enticed to book their flights to Batanes after they were reacquainted with its natural beauty and picturesque spots following the screening of Star Cinema flick, "You're My Boss." The mountains of Cordillera and strawberry farms in Benguet became instant crowd-drawers after viewers were enamored by their majesty and distinctive culture as highlighted in the primetime drama series "Forevermore." The sand dunes of Ilocos are forever etched in the memory of avid film fans as the unforgettable setting of "Panday" and "Himala," starring our National Artists for Film, Fernando Poe, Jr. and Nora Aunor, respectively.

The same holds true in the international front. A considerable number of tourists choose a specific site following its exposure either in a blockbuster film or an acclaimed series, such as "Game of Thrones" or "Lord of the Rings" franchise. For instance, one in six out-of-state visitors were influenced to visit Northern Ireland

because of "Game of Thrones" (GoT) and according to available data, GoT visitors contributed more than \$61 million (£50 million) to the local economy in 2018¹.

As screen production kicks to high gear following increased consumer demand and expenditure on entertainment, and enhanced access to more content through the emergence of streaming platforms and use of social media, the country should take advantage of the opportunity to invite foreign production companies to come here and consider our magnificent landscapes and seascapes and heritage sites as next locations of their projects. It is high time that we compete with the rest of the world, as many countries are already offering attractive incentives in the form of tax relief and rebates, putting up modern infrastructure (i.e. state-of-the-art studios/sound stages and fully-equipped post-production facilities), and overall film-friendly production environment to investors who are eager to create content for a global audience.

In recognition of the massive potential of the screen sector in fueling the recovery of the national economy and in reviving the ailing domestic entertainment industry, it is proposed that a Film Philippines Office be institutionalized, primarily to lead the promotion and marketing of the country as a viable destination for the production of international films and television programs based on a strategic and comprehensive plan.

The immediate passage of this legislation is earnestly sought.



JINGGOY EJERCITO ESTRADA

¹ "Best Practice in Screen Sector Development." 13 September 2019. Accessed from: <https://static1.squarespace.com/static/5f7708077cf66e15c7de89ee/t/602a5d97da388b185d66d688/1613389210265/AFCI-Best-Practice-Study-2019-09-13-Final-Cover+%282%29.pdf>

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

24 OCT 28 24 04

SENATE

S. No. 2857



Introduced by Senator Jinggoy Ejercito Estrada

**AN ACT
PROVIDING FOR THE PROMOTION OF FILM AND TELEVISION TOURISM,
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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 "*Film Philippines Act.*"
- 2 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
- 3 recognize tourism and creative industries as engines of economic growth. In order to
- 4 harness their full potential, appropriate mechanisms shall be established to attract
- 5 film producers to feature the natural beauty and historical and cultural heritage of
- 6 the Philippines, enhance the image of the country overseas, to promote and market
- 7 the country as a top international filming location and tourism destination, and
- 8 generate employment for workers in tourism and creative industries. Equally
- 9 important, the responsible use of resources and the preservation of existing
- 10 communal practices shall at all times be observed.
- 11 Sec. 3. *Definition of Terms.* – As used in this Act:
- 12 a) *Film and Television Tourism* – refers to strategic use of film and television
- 13 as a form of marketing or promotional tool that introduces or boosts
- 14 tourism capacity of a given site, regardless whether the said site is
- 15 classified as an existing tourist spot or yet to be developed as a tourist
- 16 spot. This promotes the responsible use of resources and the non-

1 disruption of the normal communal practice upon the duration of the
2 filming shoot. This goes further to exerting all means to minimize the
3 adverse post-production impact of the film such as but not limited to the
4 biodiversity loss, congestion, and waste disposal, and all forms of
5 degradation in relation to the environment, the local people, and the
6 cultural integrity of the place.

7 b) *Sustainable tourism development* – refers to the management of all
8 resources that meets the needs of tourists and host regions while
9 protecting the opportunities for the future, in such a way that economic,
10 social and aesthetic needs can be fulfilled while maintaining cultural
11 integrity, essential ecological processes, biological diversity and life
12 support systems.

13 *Sec. 4. Creation of the Film Philippines Office.* – The Philippine Film Export
14 Services Office (PFESO), created by virtue of Executive Order No. 674, series of
15 2007, is hereby reconstituted as the Film Philippines Office (FPO), under the
16 administrative and technical supervision of the Film Development Council of the
17 Philippines (FDCP).

18 The FPO shall be headed by an Executive Director, recommended by the
19 Chairperson of the FDCP and appointed by the President.

20 The FPO shall determine its organizational structure and create plantilla
21 positions insofar as necessary to augment the existing workforce of the PFESO to
22 ensure the efficiency of its operations, in accordance with guidelines, rules and
23 regulations of the Civil Service Commission (CSC) and the Department of Budget and
24 Management (DBM).

25 *Sec. 5. Powers and Functions of the Film Philippines Office.* – The FPO shall
26 undertake the following:

- 27 1. Lead the promotion and marketing of the Philippines as a viable location
28 for the production of international films and television programs, based on
29 a strategic marketing plan provided for under Section 6 of this Act;
- 30 2. Lead the promotion and marketing of globally produced films and
31 television programs in the country and enable them to become globally
32 competitive;

- 1 3. Boost domestic tourism by encouraging local productions in the regions,
2 based on a strategic marketing plan provided for under Section 6 of this
3 Act;
- 4 4. Formulate and implement incentive programs for local and foreign film and
5 television productions to film in the country;
- 6 5. Establish and maintain a one-stop shop to process manual or electronic
7 submission of application of foreign film and television productions for
8 incentives provided for under this Act, and facilitate the processing of
9 licensing, clearances, permits, certifications or authorizations necessary to
10 film in the country, in compliance with Republic Act No. 11032 or the Ease
11 of Doing Business and Efficient Government Service Delivery Act;
- 12 6. Conduct feasibility studies and enter into partnerships on the
13 establishment of creative hubs in the country which shall host creative
14 industries, primarily film and television production, including but not
15 limited to post-, digital and visual (PDV) effects production and animation
16 and recommend to investment promotion agencies such as but not limited
17 to Department of Trade and Industry (DTI), Board of Investments, and
18 Philippine Economic Zone Authority (PEZA), the grant of globally-
19 competitive, performance-based and time-bound tax and duty incentives
20 to qualified companies, subject to applicable laws, rules and regulations;
- 21 7. Create an online database of potential locations in the country, with
22 description and documentation of the natural landscape, built
23 environment, logistics issues, weather conditions, security and relevant
24 social conditions thereof suitable to different film themes, to assist local
25 and foreign film and television productions in locating scouting;
- 26 8. Link foreign film and television productions to local talents, technical crew,
27 post-, digital and visual effects production facilities and providers of
28 related goods and services;
- 29 9. Facilitate access to capacity building programs and technology transfer to
30 local talents by foreign film and television counterparts;
- 31 10. Assist the cast and crew of foreign film and television productions in
32 immigration and customs procedures; and

1 11. Mobilize relevant government agencies and local government units for full
2 support and assistance towards the attainment of objectives of this Act.

3 *Sec. 6. Strategic Marketing Plan.* – The FPO shall formulate two-, five- and
4 ten-year marketing plans to promote and establish the Philippines as a top
5 international filming location and a creative hub to support post-, digital and visual
6 effects production, and support the local film industry to produce original, relevant
7 and globally competitive content.

8 *Sec. 7. International Promotion.* – The FPO, in coordination with the
9 Department of Tourism and the Tourism Promotions Board, the Center for
10 International Trade Expositions and Missions, the Foreign Trade Service Corps, and
11 the Cultural Attachés of Foreign Service Posts, shall undertake the following:

- 12 a) Promote and market the Philippines as a filming location by organizing
13 and/or participating in international roadshows, fairs, film festivals,
14 expositions, and exhibits;
- 15 b) Support and assist Filipino filmmakers and/or production companies in the
16 promotion, marketing, distribution and export of local films, television
17 programs, and audio-visual content in the international market and their
18 participation in international film festivals;
- 19 c) Identify and analyze current and emerging global trends that impact
20 distribution and consumption of film and television programs;
- 21 d) Utilize Internet platforms for the widest dissemination of information
22 relative to this Act; and
- 23 e) Enter into Free Trade Agreements (FTA) with other countries to facilitate
24 competitive cross-border trade in film and television content.

25 *Sec. 8. Incentive Program for International Film and Television Productions.* –
26 The Film Philippines Office shall establish a globally competitive incentive program,
27 in consideration of the current landscape of the film and television industry. The FPO
28 shall conduct an annual review of its incentive programs in order to determine their
29 competitiveness and viability vis-à-vis incentives and strategies put in place by other
30 countries, especially within the ASEAN. The FPO shall also determine the eligibility
31 criteria needed to avail of the incentives enumerated, including but not limited to, a

1 cultural test and a labor quota favoring Filipino workers. Eligible foreign film and
2 television productions shall be entitled to incentives, such as but not limited to:

3 1. Cash rebate – Cash rebate on Qualifying Philippine Production Expenditure
4 (QPPE);

5 2. Multiple Visa Entry – Foreign nationals who are members of international
6 film production entities, as duly endorsed by the FPO, shall be issued a
7 multiple entry special visa within seventy-two (72) hours upon submission
8 of all required documents, and which shall be valid for a period of one (1)
9 year to enter the Philippines; Provided, That a responsible officer of the
10 applicant entity submits a duly authenticated certificate to the effect that
11 the person who seeks entry into the Philippines is a member of the
12 applicant entity and will work exclusively for film and television production.

13 The admission and stay shall be coterminous with the validity of the
14 multiple entry special visa. The stay, however, is extendible for one
15 hundred eighty (180) days upon submission to the Bureau of Immigration
16 of a sworn certification by a responsible officer of the applicant entity that
17 its permit remains valid and subsisting, and that no other source of
18 income has been made; and

19 3. Tax- and Duty-Free Importation. – The international or foreign film or
20 television production entity shall enjoy tax- and duty-free importation of
21 filming equipment as determined and endorsed by the FPO; Provided,
22 That the said equipment cannot be obtained domestically.

23 *Sec. 9. One-Stop Shop.* – The FPO shall establish a one-stop shop to process
24 the application of local and foreign film and television productions for incentives
25 provided for under this Act and to facilitate the expeditious action on applications or
26 requests for licenses, clearance, permits, certifications or authorizations necessary to
27 film in the country. The FPO shall enter into agreement with relevant agencies to
28 simplify and streamline procedures for licensing and permitting of local and foreign
29 film and television productions, and facilitate the collocation of the same agencies.

30 *Sec. 10. Creation of the Film and Television Grant Selection Council.* – There
31 is hereby created the Film and Television Grant Selection Council (FGSC) composed
32 of:

1 1. Chairperson – The Chairperson of the Council shall be a representative
2 from the academe with film and media background;

3 2. Members – The members of the Council shall be the following:

4 a) Notable member of a mainstream producers' association, or his/her
5 authorized representative

6 b) Notable member of an independent producers' association, or his/her
7 authorized representative

8 c) Notable film critic

9 d) Notable member of a writer's guild, or his/her authorized
10 representative

11 e) Notable member of a director's guild, or his/her authorized
12 representative

13 f) Notable member of a film workers' coalition, or his/her authorized
14 representative

15 g) Notable international film industry professional of high caliber

16 h) Notable member of any television organization, or his/her authorized
17 representative

18 i) A representative from the Department of Tourism

19 j) A representative from the Film Development Council of the Philippines

20 The Chairperson of the FGSC and its members shall be recommended by the
21 Chairperson of the FDCP and appointed by the President.

22 A member of the FGSC shall be disqualified from applying for the Film
23 Incentive Grant with respect to the production in which they are directly or indirectly
24 involved. Council membership is limited to one (1) year only.

25 Sec. 11. *Powers and Functions of the FGSC.* – The FGSC shall undertake the
26 following:

27 a) Create an application process and/or bracket system for the incentive
28 grants under Section 10 of this Act;

29 b) Create a sound criteria or cultural test for the selection of the grantees;

30 c) Read and assess the applications and select deserving recipients of said
31 grants based on the respective bracket system from the shortlist of
32 applying grantees. The selection of the Council shall be final.

1 d) In accordance with RA 10032, the FPO shall adopt a zero-contact policy
2 and automate the incentive application process within three (3) years from
3 the approval of this Act, with the assistance of the Department of
4 Information and Communications Technology (DICT).

5 *Sec. 12. Incentive Program for Local Film and Television Productions.* – The
6 Film Philippines Office shall also establish an incentive program for Local Film and
7 Television Productions, in consideration of the current landscape of the local film and
8 television industry. The FPO shall conduct an annual review of its incentive program
9 in order to determine its effectiveness and viability. The FPO shall also determine the
10 eligibility criteria needed to avail of the incentives, including but not limited to a
11 cultural test.

12 *Sec. 13. Support for Local Film and Television Productions.* – Provinces, cities
13 and municipalities shall appropriate fifty percent (50%) of revenues arising from the
14 collection of amusement tax pursuant to Sections 140 and 151 of Republic Act No.
15 7160, as amended by Republic Act No. 9640, for an incentive and support program
16 for local film and television productions that will feature locations or sites within their
17 respective jurisdictions as budgetary supplement to the fiscal incentives of the FPO.
18 The FPO shall assist local *Sanggunians* in formulating ordinances for this purpose.

19 *Sec. 14. Support for Local Post-, Digital and Visual Effects (PDV) Production*
20 *Capacity.* – The FPO shall formulate five-year and ten-year master plans for the
21 establishment of creative hubs or incubators in suitable locations to host state-of-
22 the-art studios, sound stages, archives, co-working spaces and facilities necessary
23 for film and television production, training and marketing activities.

24 Locator enterprises in designated creative hubs or incubators shall be eligible
25 to performance-based and time-bound tax and duty incentives granted by
26 investment promotion agencies, subject to applicable laws and to the compliance
27 monitoring by appropriate agencies.

28 *Sec. 15. Capacity Building.* – The FPO shall capacitate the film sector, Local
29 Government Units, and the local community as follows:

- 30 1. Conduct pre-production seminars for filmmakers relative to the responsible
31 use of resources and the appropriate approach in entering local
32 communities;

- 1 2. Orient the local communities on the possible impact of tourism in their
2 respective areas; and
- 3 3. Promote sustainable tourism and integrate principles and practices on
4 sustainable tourism in local tourism plans and programs.

5 *Sec. 16. Role of Local Government Units.* – The LGU shall undertake the
6 following:

- 7 1. Identify, maintain, document, and regularly update list of potential filming
8 locations in coordination with FPO;
- 9 2. Facilitate the expeditious issuance of local permits and incentives;
- 10 3. Conduct social preparation activities in filming locations prior to the start
11 of production to capacitate communities therein to maximize the
12 opportunities presented by the film or television production, mitigate its
13 adverse effects, if any, and preserve or conserve the natural landscape
14 and resources, historical and cultural heritage and values from increase in
15 tourism activities;
- 16 4. Link the members of film production to the community;
- 17 5. Provide assistance in identifying locals for additional manpower, as needed
18 by the production; and
- 19 6. Mediate on possible conflicts which may arise between the stakeholders.

20 *Sec. 17. Implementing Rules and Regulations.* – The FDCP, in coordination
21 with the DOT, DTI, Department of Finance (DOF), the Department of the Interior
22 and Local Government (DILG), Department of Environment and Natural Resources
23 (DENR), and the Chairperson of the National Commission for Culture and the Arts
24 (NCCA) shall promulgate and issue the implementing rules and regulations within
25 ninety (90) days upon the effectivity of this Act.

26 *Sec. 18. Appropriations.* – The implementation of this Act shall be charged
27 against the budget allocation of the FDCP. Thereafter, such amounts necessary for
28 the continued implementation of this Act shall be included in the annual
29 appropriations of the FDCP in the General Appropriations Act.

30 *Sec. 19. Congressional Oversight.* – The FPO, for five (5) consecutive years
31 upon effectivity of this Act, shall submit to the Senate of the Philippines and the

1 House of Representatives a full report, not later than March 30 of every year, on the
2 effectivity of this Act and recommend appropriate legislation when necessary.

3 Sec. 20. *Separability Clause.* – If any provision of this Act is declared invalid
4 or unconstitutional, the remaining provisions not affected thereby shall continue to
5 be in full force and effect.

6 Sec. 21. *Repealing Clause.* – All laws, decrees, orders or regulations or part
7 thereof inconsistent with this Act are hereby repealed or modified accordingly.

8 Sec. 22. *Effectivity.* – This Act shall take effect fifteen (15) days following the
9 completion of its publication in the *Official Gazette* or in a national newspaper of
10 general circulation.

Approved,