

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**SEVENTEENTH CONGRESS**  
Second Regular Session

HOUSE BILL NO. **5926**



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**INTRODUCED BY REPRESENTATIVE ALFRED VARGAS**

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**EXPLANATORY NOTE**

Article XIV of the 1987 Constitution provides that:

Section 14. *The State shall foster the preservation, enrichment, and dynamic evolution of a Filipino national culture based on the principle of unity in diversity in a climate of free artistic and intellectual expression.*

Section 15. *Arts and letters shall enjoy the patronage of the State. The State shall conserve, promote, and popularize the nation's historical and cultural heritage and resources, as well as artistic creations.*

Section 16. *All the country's artistic and historic wealth constitutes the cultural treasure of the nation and shall be under the protection of the State which may regulate its disposition.*

In his book, *The End of National Cinema*, University of the Philippines Assistant Professor Patrick Campos claims that at the turn of the 21<sup>st</sup> century, the Philippine Cinema has lost its national identity due to globalization.

According to a study conducted by the National Statistical Coordination Board in 2011, the number of films produced in the Philippine Movie Industry has halved over the past decade. From 1960 to 1999, the Philippines produced an average of about 140 movies each year which means that local films accounted for 20% of the domestic market. However, from 2000 to 2009, local film output fell to an average of 73 films annually which represents only 11% of the domestic market. The rise of independent film production has kept the industry from declining further as independent films have accounted for more than half the total movies made in the Philippines.

Foreign films, particularly those from Hollywood, pose a big threat to the local film industry. These films have huge commercial appeal and thus preferred by moviegoers. Furthermore, locally produced films usually get bypassed in favor of commercially viable Hollywood releases. Since theaters are concerned in

making profits, more often than not, they tend to prioritize showing Hollywood films at the cost of limiting the viewing for local films.

This bill seeks to promote the Philippine film industry by establishing support measures to safeguard its artistic and economic development. First, this bill seeks to establish an annual film quota that requires all theatrical venues to exhibit only Filipino films for a period of twenty eight days, specifically from June 1 to 14 and from December 18 to 31 every year. The bill also guarantees all Filipino films a full week's run in all commercial theaters. Filipino films shall also enjoy booking priority on "payday playdates."

If enacted, this measure will encourage the production of quality films that will re-awaken Filipinos to our rich cultural heritage. Furthermore, it will advance the role of Philippine cinema as a driving force for the Philippine economy. Thus, the approval of this measure is earnestly sought.



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**AN ACT**  
**PROMOTING THE PHILIPPINE FILM INDUSTRY THROUGH AN ANNUAL FILM**  
**QUOTA AND OTHER SUPPORT MEASURES**

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

**SECTION 1. Title.** - This Act shall be known, cited and referred to as the "Philippine Film Industry Promotion Act."

**SECTION 2. Declaration of Policy.** -It is hereby declared that the State shall give priority to the arts and culture to foster in Filipinos an authentic and dynamic sense of humanity, patriotism and nationalism. The State shall foster the preservation enrichment, and dynamic evolution of a Filipino national culture based on the principle of unity in diversity in a climate of free artistic and intellectual expression. All the country's artistic and historic wealth constitutes the cultural treasure of the nation and shall be under the protection of the State, which may regulate and develop its disposition. A vital and integral part of this cultural treasure is the Philippine cinema industry, which the State endeavors to constantly maintain, strengthen, and improve according to global standards, but always with due regard for contemporary Filipino cultural values. By ensuring an assured space in the annual calendar for the exclusive exhibition of Filipino films and providing other support measures, the State aims to develop the cinema industry in terms of artistry, technical excellence, universal appeal, and a profound sense of the Filipino spirit, all with the due regard for the artistic, moral, educational and economic well-being of directors, writers, actors, producers, crew, theater owners and operators, distributors, suppliers and allied industries, and other stakeholders, and particularly the Filipino movie audience.

**SECTION 3. Definition of Terms.** For purposes of this Act, the following terms shall mean:

- a. *Filipino Film* means a film -
  - i. Which is wholly or mainly produced in the Philippines;



- ii. All the studio scenes of which have been photographed or filmed in the Philippines; and
  - iii. Which has been produced by a company incorporated in the Philippines.
- b. *Film* – A series of pictures projected in a screen in rapid succession, with objects shown in successive positions slightly changed so as to produce the optical effect of a continuous picture in which the objects move, whether the picture be black and white or colored, silent or with accompanying sound, on whatever medium and with whatever mechanism, equipment, and/or technology they are projected, and in whatever material device they are preserved or recorded for instant projection, for the purpose of this Act the material in which the motion picture is contained, preserved, or recorded, forms an integral part of the film subject of this Act.

**SECTION 4. *Annual Film Quota.*** There is hereby established by an annual film quota under which only Filipino films shall be publicly exhibited in all commercial theaters in the Philippines as well as in all theatrical venues operated by the Film Development Council of the Philippines (FDCP), the Cultural Center of the Philippines (CCP) and the National Commission for the Culture and the Arts (NCCA), and any such other cinematic venues, whether privately or government-operated, for an annual period of twenty-eight (28) days, namely from the 1<sup>st</sup> to 14<sup>th</sup> of June, and from the 18<sup>th</sup> to the 31<sup>st</sup> of December. The aforesaid dates shall be without prejudice to any such additional dates within the calendar year to be determined by the President of the Philippines following the objectives of this Act. Subject to the exception under Section 7, Presidential Decree No. 1986, in relation to Section 3 of this Act, the exhibition of any film, trailer, or publicity material pursuant to the annual film quota shall be subject to review, classification, and enforcement by the Movie and Television Review and Classification Board (MTRCB). Operators of movie theaters and similar venues shall give priority to publicity materials of films intended for exhibition during the above quota sub-periods as well as such other periods determined by the President of the Philippines as stated above within two months before the respective first days thereof.

**SECTION 5. *Guaranteed Week's Run and Playdate Prioring.*** All Filipino films shall be guaranteed a full week's run, i.e. seven (7) days, in all commercial theaters and venues counted from opening day, regardless of box-office potential or performance. In addition, all Filipino film shall enjoy booking priority on so-called "payday playdates", i.e. exhibition release dates that fall on, or are close to, the 15<sup>th</sup> or end of any calendar month.

**SECTION 6. *Organization of Film Festivals.*** The establishment herein of the annual film quota shall be without prejudice to the organization of film festivals and screenings to coincide with any or both of the sub-periods, or such

additional periods to be determined by the President of the Philippines as stated above, under Section 3 hereof, and consistent with the objectives of this Act. The said festivals may be organized, consistent with their respective statutory mandates, by the FDCP, CCP and NCCA, singly/collectively and/or in collaboration with film industry stakeholders, cultural associations, and educational institutions as well as with other government agencies, such as but not limited to the MTRCB in regard to content classification and audience sensitivity, and local government units, including any leagues or other aggregations thereof; *provided that*: nothing herein shall be construed to prevent local government units to singly or collectively and/or in collaboration with the other entities, whether private or governmental, to organize their own festivals to coincide with and take advantage of the film quota established herein. The organizers of film festivals referred to in this section shall have the authority, insofar as they are allowed by law, to formulate their own rules and regulations, for the conduct thereof, the selection of entries and participants, the granting of awards and incentives, the designation of beneficiaries, sources of funds, and such other aspects of holding a film festival whether national, regional, provincial or local in scope; *provided that*: such rules and regulations shall always ensure transparency in the selection and awarding process, as well as the prompt publication, both online and in print, of the box office performance of all entries during any festival no later than seven after its termination.

**SECTION 7. *Implementing Rules and Regulations.*** The Chairpersons of the FDCP, NCCA, and CCP, in coordination with the MTRCB, the Film Academy of the Philippines, cinema-related guilds, local government units and other relevant agencies, entities, institutions, and associations interested in the development of the Philippine film industry shall promulgate the necessary rules and regulations within one hundred twenty (120) days from the effectivity of date of this Act, including any guidelines for any festivals or screening, applications and awards, incentives, source of funds, and monitoring and compliance measures.

**SECTION 8. *Separability Clause.*** If any provision of the Act is declared invalid, other parts or provisions hereof not affected thereby shall remain and continue to be in full force and effect.

**SECTION 9. *Repealing Clause.*** All laws, decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with the provisions of the Act are repealed or modified accordingly.

**SECTION 10. *Effectivity Clause.*** This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* and two (2) newspapers of general circulation in the Philippines.

Approved,