

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
First Regular Session

HOUSE BILL NO. 183



Introduced by Honorable Gilbert C. Remulla

EXPLANATORY NOTE

The Information Technology (IT) industry in our country has been a breath of fresh air in so far as our economy is concerned. Not only has the IT industry placed the Philippines in the world map as one of the largest manufacturers of integrated circuit chips and other similar semiconductor products, but more importantly it has infused much needed capital into our ailing economy.

These IT companies have given direct employment to thousands of our countrymen and has also spurred employment opportunities to other related industries. As such, the business being generated by their presence within our country's Special Economic Zones (SEZs) could not be measured solely by the number of people it has employed.

Unfortunately, individuals and/or syndicates have managed to dip their dirty hands into the IT industry's basket. Theft and pilferage of this industry's products have been on the increase due to two main reasons; the relative ease in carrying away these products because of their miniature volume plus the fact that these products are worth more than their weight in gold. Theft decreases our competitiveness in the global arena, and consequently, we might lose these investments to other countries.

Because of this, there is a necessity to increase the penalties provided by the Revised Penal Code which presently pertains to theft, whether simple or qualified. This bill seeks to assure IT industries that we are very serious in protecting their economic rights while at the same time telling our countrymen that wrongdoing should not and would not be tolerated.

In view of the foregoing, passage of this bill is hereby requested.


GILBERT C. REMULLA

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Thirteenth Congress
First Regular Session

183
HOUSE BILL NO. _____

Introduced by Honorable Gilbert C. Remulla

**AN ACT PUNISHING THE PILFERAGE OR THEFT OF ANY MATERIAL,
PRODUCT, MERCHANDISE, ARTICLE, EQUIPMENT OR BY-PRODUCT
MANUFACTURED, PRODUCED, OWNED, OR BELONGING TO
INFORMATION TECHNOLOGY ENTERPRISES LOCATED IN SPECIAL
ECONOMIC ZONES.**

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

Section 1. Short Title. – This Act shall be referred to as the “Anti-Pilferage of Information Technology Materials in Special Economic Zones Act”.

Sec. 2. Definitions. – For purposes of this Act, the following definitions shall apply to the following terms:

- a. “Special Economic Zones (SEZs)” - are selected areas with highly developed or which have the potential to be developed into agro-industrial, industrial tourist/recreational, commercial, banking, investment and financial centers. A SEZ may contain any or all of the following: industrial estates, export processing zones, free trade zones, tourist/recreational centers and information technology parks, as determined by the Philippine Economic Zone Authority.
- b. “Information Technology (IT)” – is the collective term for the various technologies involved in processing and transmitting information which include computing, multimedia, telecommunications, microelectronics, and their interdependencies. The term IT also refers to the convergence of various information-based, broadcast and mass media communication technologies.

Sec. 3. *Pilferage of IT Materials in SEZs.* – It is hereby declared unlawful for any person to take, pilfer or steal, with intent to gain, any material, product, merchandise, article, equipment or by-product manufactured, produced, owned or belonging to IT enterprises located in SEZs without their consent.

Sec. 4. *Presumption and Prima Facie Evidence.* – The possession, control or custody of any material, product, merchandise, article, equipment or by-product manufactured, produced, owned or belonging to IT enterprises located in SEZs by any person who has no right whatsoever to be in possession of such material, product, merchandise, article, equipment or by-product shall be *prima facie* evidence of the following:

- a. They took, pilfered and stole such material, product, merchandise, article, equipment or by-product as defined in Section 3 hereof; and
- b. Such material, product, merchandise, article, equipment or by-product is the fruit of the offense defined in Section 3 hereof and it may therefore be confiscated from the person in possession, control or custody thereof.

Sec. 5. *Penalties.* – (1) Any person guilty of committing the offense defined in Section 3 hereof shall, upon conviction, be punished by the penalty of *reclusion temporal* and a fine of not less than the value of the material, product, merchandise, article, equipment or by-product taken, pilfered or stolen but not more than three (3) times such value.

(2) If the offense defined in Section 3 is committed by an officer, employee and/or laborer of an enterprise from which such material, product, merchandise, article, equipment or by-product has been taken, pilfered or stolen, the penalty shall be *reclusion perpetua* and a fine of not less than the value of the material, product, merchandise, article, equipment, part or supplies taken, pilfered or stolen but not more than three (3) times such value

Sec. 6. *Liability under the Revised Penal Code and Other Laws.* – Prosecution under this Act shall be without prejudice to any liability for violation of any provision of the Revised Penal Code or any other law.

Sec. 7. *Separability Clause.* – Any portion or provision of this Act which may be declared unconstitutional or invalid shall not have the effect of nullifying other portions or provisions hereof.

Sec. 8. *Repealing Clause.* – All laws, ordinances, rules, regulations, and other issuances or parts thereof contrary to or inconsistent with the provisions of this Act are hereby repealed, modified or amended accordingly.

Sec. 9. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,