

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 6725



Introduced by Representative ANGELO B. PALMONES

EXPLANATORY NOTE

Space science combines intense scientific discovery with entrepreneurship, inspiration and excitement. It has served as driver for the development of technologies that have changed the world resulting to widespread economic benefits, from the most sensitive detectors of light and radio waves to the fastest supercomputers and the internet. The excitement that the field brings has inspired the youth to choose careers in science and technology (S&T) contributing to the "knowledge economy" of nations. Yet, with its unparalleled technological and cultural dimensions, space science has an enormous potential to be a tool for furthering economic growth in developing nations, like the Philippines.

A national aeronautical and space science program is NOT a monopoly of developed countries. It stands more as a trademark of a government, whether rich or poor, that has big dreams for its people. Years after 1945, when the Chinese civil war devastated the country and had led to secession of a Nationalist government to Taiwan in 1949, even while recovering from an underdeveloped market economy, China drafted its "*Twelve-Year-Plan for Chinese Aerospace*". The first Chinese-crewed flight program began several decades later culminating in the successful 2003 flight aboard Shenzhou 5. This achievement has made China the third country to independently send humans into outer space. India, too, is poised to become the second country after the US to send humans to the Moon by 2020.

Even the rest of our Asian neighbors, Indonesia, Malaysia, Vietnam and Thailand, have advanced and centralized space agencies of their own. Established in 1980, Bangladesh has Space Research and Remote Sensing Organization (SPARRSO) that works closely with JAXA, NASA and the ESA. Sri Lanka has its own aeronautics and space agency whose immediate goal is to construct and launch two satellites by 2015 after signing an exclusive partnership agreement with China's state-owned China Great Wall Industry Corporation (CGWIC) for the design, manufacturing and launching of the satellites.

It is the vision by our very own Filipino astronomers, here and abroad, to have a self-reliant and coherent space program that will play a pivotal role in national economic and social development. The gateway of creating the historic **PHILIPPINE SPACE AGENCY** is embodied in this bill. It will usher the development of a medium-term S&T plan called the "**Philippine Space Science Roadmap**"---the framework for executing ambitious yet highly feasible projects for space education,

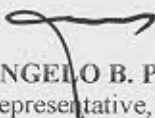
protection of national territory, natural resources accounting, environmental management, information and communication capacity-building, energy-production optimization, weather prediction and climate change monitoring, disaster management using satellite-based information all designed to spur sustainable development and uplift our people out of poverty.

The Office of Space Innovation and Cooperation (OSSIC) of Rizal Technological University, the first and only university that offers Astronomy program in the country, echoes the urgency for a space agency that will lead the telecommunication sector to develop and launch the very first Philippine-made and launched satellite that shall be replacing **Agila-2**. Named after the Philippine eagle, Agila-2 is the first and only Filipino-owned satellite designed and built by French, and launched to space by Chinese scientists and engineers on Chinese soil. It has provided internet access downlink capabilities of up to 15 Mbit/s to every Filipino. ABS-CBN Corporation has been using the satellite's C-band capacity for its signal distribution and news gathering. But, Agila-2 is old and is set to be decommissioned in 2013. A more powerful upgraded communication satellite is needed within the coming years.

The creation of the Philippine Space Agency is a doable dream. Moreover, this space agency shall be one that will inspire Filipino scientists and engineers who are in their mother land, and attract those who have left, and together, we will bring them back to work again with and for the Filipino people.

In view of the foregoing, immediate approval of this measure is sought.

Approved,


ANGELO B. PALMONES
Representative, AGHAM Party-list

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AN ACT
CREATING AND ESTABLISHING THE PHILIPPINE SPACE AGENCY (PSA) AND
DEFINE THE PURPOSE AND SCOPE OF ITS ACTIVITIES.

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

SECTION 1. *Short Title.* This Act shall be known as the "Philippine Space Act of 2012".

SECTION 2. *Declaration of Policy.* It is the declared policy of the State to translate into practical realities the following policies and mandates in the 1987 Constitution, namely:

- The protection of national territory of the Philippines as defined by Article I with paramount consideration to sovereignty of the Filipino people (Article II, Section 7).
- The provision of support to developing science and technology that will foster patriotism and nationalism and accelerate social progress (Article II, Section 17).
- The transfer and adaptation of technology for the national benefit (Article XIV, Section 12).
- The recognition of the indispensable role of the private sector with the encouragement of private enterprise and provision of incentives to needed investments (Article II, Section 20).
- The vital role of communication and information in nation-building (Article II, Section 24).

In this light, the Congress declares that to further national development adequate provisions will be made for the furtherance of the peaceful and scientific application of aeronautical and space activities. The support will translate to the Filipino contributions towards expanding human knowledge of the phenomena in the atmosphere and space benefiting all mankind.

SECTION 3. *Definition of Terms.* The definition of term used in this Act means any of the following:

- "Space Science" or "Space S&T" means scientific principles and their applications of space science and engineering.
- "Space exploitation" means any one of the following:

- research activities and technological development relevant to design, manufacturing, launching, and operation of space objects; or
 - activities for the use, exploration, and promotion of outer space.
- "Satellites" including flying objects to be launched beyond Earth orbit and artificial objects to be placed on celestial bodies. It also includes the rockets to be used for the launch.
 - "Space accident" means any accident causing loss of life, personal injury or damage to property due to the fall, collision, or explosion of space objects and/or similar situations.
 - The term "Fundamental Research & Development" means research and development that fall within any of the following items:
 - common research and development concerning science and technology;
 - research and development concerning science and technology requiring facilities and equipment that are deemed, due to excessive cost, not appropriate to be installed redundantly at national experimental research institutes or incorporated administrative agencies
 - integrated research and development concerning science and technology requiring the collaboration of multiple areas.
 - "Aeronautical and space activities" means:
 - research and development into flight within and outside the earth's atmosphere;
 - development, construction, testing, and operation for research purposes of aeronautical and space vehicles; and
 - other activities as may be required for the exploration of space.

SECTION 4. *Establishment of the Philippine Space Commission (PSC).* The Philippine Space Commission, hereinafter referred to as the Commission is hereby created and established with the following objectives:

- to promote the peaceful use and exploitation of space and advance the knowledge of space through research;
- to help promote national security;
- to ensure that space S&T shall provide economic benefits for the nation and help raise the standard of living of Filipinos;
- to cooperate with other institutions in the country, or in other nations or groups of nations for work to be done in pursuant to this Act;
- to expand and utilize scientific and engineering resources in close cooperation with and among different institutions in the Philippines in order to avoid duplication of effort, facilities, and equipment.

The Commission shall be an independent and autonomous body and shall have the same status as that of a national government agency. It shall be attached to the Office of the President.

The Commission shall be organized within sixty (60) days from the effectivity of this Act.

SECTION 5. *Functions of the Commission.* In carrying out its objectives, the Commission shall:

- adopt, alter, and use a corporate seal;

- assist the State coordinate space policies and relevant legislation;
- perform academic or fundamental R&D relating to space science and aeronautics in collaboration with universities and industries or otherwise, within the country, with other nations or group of nations;
- plan, direct, manage and implement programs and projects relating to scientific or industrial space research and development and the application of space technology;
- promote the transfer and diffusion of space technology to and throughout Philippine industry;
- encourage commercial exploitation of space capabilities, technology, facilities and systems;
- design, develop and construct satellites, facilities and equipment necessary thereof, as well as launch, track and operate the satellites which may be done in collaboration with other entities, government or private;
- develop, construct, acquire, manage, maintain and operate space research and development facilities and systems;
- assist departments, boards and agencies of the State to use and to market space technology;
- seek and/or provide grants and contributions in support of programs or projects relating to scientific or industrial space research and development and the application of space technology;
- cooperate with the space and space-related agencies of other countries in the peaceful use and development of space;
- provide services (training, etc.) and facilities for the use by entities conducting academic research, research and development relating to space science;
- disseminate of results of the activities referred to in each of the preceding items, and promote utilization thereof, except when information is deemed confidential for national welfare and security and for the protection of intellectual property rights;
- license, sell or otherwise make available any patent, copyright, industrial design, trade-mark, trade secret or other like property right controlled;
- enter into contracts, memoranda of understanding or other arrangements in the name of the State or the Commission;
- take hold of money, securities or other personal or movable property by gift or bequest and expend, administer or dispose of any such money, securities or property subject to the terms, if any, on which the gift or bequest was made in such manner as shall best promote the Commission's objectives; and
- do all such things as are necessary or incidental to the attainment of the objectives of the Commission.

SECTION 6. *Office.* The Commission shall have its main office in Manila.

SECTION 7. *The Commission.* The Commission shall be composed of a Chairman and two other Commissioners. The Commissioners shall be natural-born citizens of the Philippines and all shall have a doctorate degrees in either Engineering, Physics, Mathematics, Astronomy or other space sciences. The Chairman shall also act as the Executive Officer of the Commission.

- *Chairman of the Commission.* The Chairman being the chief executive officer of the Commission shall have control and supervision over the work, officers and employees of the Commission. He is also authorized to represent the Commission in all transactions of the agency and shall further be authorized to enter into agreements with other agencies of government and also with international organizations. shall also be authorized to receive donations for and in behalf of the Commission. He shall appoint other officers and employees of the Commission except the other two Commissioners. With the recommendation of the Secretary of the Department of Science & Technology, the President of the Republic of the Philippines shall appoint the Chairman of the Commission.
- *Commissioners.* The other two Commissioners shall assist the Chairman manage the activities of the agency as assigned by the Chairman. The seniority of the other two Commissioners shall be established by the Chairman. In the event of the absence or incapacity of the Chairman or a vacancy exists in that office, the more senior of the Commissioners shall act as Chairman but he/she may only act as Chairman for a period not exceeding ninety (90) days. The two Commissioners shall likewise be appointed by the President of the Philippines upon recommendation by the Secretary of the Department of Science and Technology.
- *Offices under the Commission.* The Commission, headed by the Chairman shall establish offices and personnel of the Commission. The organizational set-up of the Commission shall first be approved by the Office of the President. The Chairman shall appoint the personnel of the Commission.
- The remuneration, allowances, subsidies and other benefits for employees shall be in accordance with a system approved by the Civil Service Commission and with the concurrence with the Department of Budget Management.

SECTION 8. *Disqualification of a Commissioner.* Any person falling under either of the following items shall not become a Commissioner of the agency:

- Any person engaged in the business of manufacturing or selling goods or contracting construction, and have close interests with the Commission in business deals or, if such persons are juridical persons, their executives (including those who have authority or controlling power which is equivalent to or higher than that of such executives, regardless of their title); or
- Any executives of a business organization referred to in the preceding item (including those who have authority or controlling power which is equivalent to or higher than that of such executives, regardless of their title).

SECTION 9. *Astronauts.* The Commission may appoint and employ astronauts in positions in the agency and may, with the approval of the Commission en banc, establish the terms and conditions of their employment. Their remuneration shall be set by the Commission with the concurrence of the Department of Budget and Management.

SECTION 10. *Duty of Confidentiality of Commissioners and Employees.* The Commissioners and employees of the agency shall not divulge any confidential information obtained in the course of the performance of their duties. The same confidentiality preservation duty shall apply after their retirement from the agency.

SECTION 11. *Characteristics of Academic Research.* The Secretary of the Department of Science and Technology may set or modify the "Philippine Space Science Roadmap" in SECTION 16 (limited only to the portions that relate to the fundamental R&D), with consideration for respect for the autonomy of researchers.

SECTION 12. *Public-Private Partnerships for Space Exploitation.* The Commission shall encourage the engagement into private-public partnerships (PPPs), and upon recommendation to and approval by the Office of the President of the Republic of the Philippines, incentives to needed investments, e.g. tax exemptions, tariff cuts, etc., shall be provided. The agency may issue investment bonds for capital contributions for the development and marketing of products and processes accrued from aeronautical and space activities.

SECTION 13. *Advisory Board.* The Agency shall have an advisory board composed of the following:

- Secretary of the Department of Science and Technology;
- Secretary of the Department of National Defense;
- Secretary of the Department of Transportation and Communications;
- Secretary of the Department of Environment and Natural Resources;
- Secretary of the Department of Agriculture;
- Secretary of the Department of Education;
- Commissioner of the Commission of Higher Education (CHED)
- Secretary of the Department of Foreign Affairs;
- Secretary of the Department of Trade and Industry;
- Secretary of the National Economic and Development Authority;
- Representative from the Senate Committee on Science & Technology;
- Representative from the Lower House Committee on Science & Technology;

The representatives shall serve for a term of six (6) years without reappointment unless their representation is withdrawn by the sector they represent. Appointment to any vacancy shall be only for the unexpired term of the predecessor. The Secretary of the Department of Science and Technology shall serve as the Chairman of the Advisory Board.

Remuneration of the members of the Advisory Board shall be determined by the by the Office of the President of the Republic of the Philippines.

SECTION 14. *Meetings of the Advisory Board.* The Board shall meet at least four (4) times a year at such times and places as the Advisory Board may determine. The President acting as the Chairperson shall convene the meeting of the Board.

SECTION 15. *Philippine Space Science Roadmap.* The Commission shall, within six (6) months from the effectivity of this Act, formulate the "Philippine Space Science Roadmap" to be submitted as a Medium-Term S&T Plan for the country. The Roadmap shall serve as basis for the planning, research and development, education, extension, and monitoring of activities in pursuit of the objectives of the Agency.

The Roadmap shall be approved by the Advisory Board and reviewed every three (3) years, or as may be deemed necessary.

SECTION 16. *Annual Report.* The Commission shall submit to the President and to both Houses of Congress, not later than March 30 of every year following the effectivity of this Act, a report giving a detailed account of the status of the implementation of this Act, a progress report on the implementation of the Philippine Space Science Roadmap and recommended legislation, where applicable and necessary.

SECTION 17. *Appropriations.* The sum of Five Hundred Million Pesos (Php 500,000,000.00) is hereby appropriated as initial operating fund. Thereafter, the amount necessary to effectively carry out the provisions of this Act shall be included in the annual General Appropriations Act.

SECTION 18. *Funds of Agency.* The funds of the Commission shall consist of:

- the annual General Appropriation for the agency;
- fees, royalties or other revenue obtained in terms of this Act;
- donations or contributions received by the agency; and
- revenue accruing to the agency from any other source.

The Commission must utilize its funds to defray the expenses incurred by the agency in the performance of its functions. Money received by way of donation or contribution must be utilized in accordance with the conditions imposed by the donor or contributor concerned.

SECTION 19. *Implementing Rules and Regulations.* Within ninety (90) days after the approval of this Act, the Commission shall, upon consultation from its Advisory Board promulgate the implementing rules and regulations of this Act, including but not limited to IRRs on capital investments, launching satellites, special arrangement for consigned launch disposition of reserved funds, insurance for space accidents, labor practices, etc. Failure to issue rules and regulations shall not in any manner affect the executory nature of the provisions of this Act.

SECTION 20. *Separability Clause.* If for any reason any section or provision of this Act is declared as unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SECTION 21. *Repealing Clause.* All laws, ordinances, rules and regulations, and other issuances or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 22. *Effectivity.* This Act shall take effect fifteen (15) days after the completion of its publication in the Official Gazette or in at least two (2) national newspapers of general circulation.