

Republic of the Philippines
House of Representatives
Quezon City



FIFTEENTH CONGRESS
Third Regular Session

COMMITTEE REPORT NO. 2630

Submitted by the Committees on Government Reorganization, Trade and Industry, and Appropriations on 29 JAN 2013;

Re: House Bill No. 6852

Recommending its approval in substitution of House Bill Nos. 5779 and 6513;

Sponsors: Reps. Jalosjos, Garcia and Limkaichong

Mr. Speaker:

The Committees on Government Reorganization, Trade and Industry and Appropriations, to which were referred House Bill No. 5779, introduced by Representative Juan Edgardo "Sonny" M. Angara, entitled:

"AN ACT
CREATING THE DESIGN COUNCIL OF THE PHILIPPINES, DEFINING ITS POWER
AND FUNCTIONS, AND FOR OTHER PURPOSES"

and House Bill No. 6513, introduced by Representatives Jorge "Bolet" Banal and Cesar V. Sarmiento, entitled:

"AN ACT
PROMOTING COMPETITIVE FILIPINO DESIGN, PROVIDING FOR THE PURPOSE OF
A NATIONAL DESIGN POLICY AND STRENGTHENING AND RENAMING THE
PRODUCT DEVELOPMENT AND DESIGN CENTER OF THE PHILIPPINES AND FOR
OTHER PURPOSES"

6852

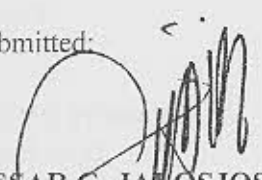
have considered the same and recommend that the attached House Bill No. _____ entitled "AN ACT PROMOTING AND STRENGTHENING FILIPINO DESIGN, PROVIDING FOR THE PURPOSE A NATIONAL DESIGN POLICY AND RENAMING THE PRODUCT DEVELOPMENT AND DESIGN CENTER OF THE PHILIPPINES INTO THE DESIGN CENTER OF THE PHILIPPINES AND FOR OTHER PURPOSES" be approved

in substitution of House Bill Nos. 5779 and 6513 with Representatives Juan Edgardo M. Angara, Jorge "Bolet" Banal, Cesar V. Sarmiento, Julieta R. Cortuna, Rufus B. Rodriguez, Angelo B. Palmones, Albert S. Garcia, Cesar G. Jalosjos, and Jocelyn S. Limkaichong as authors thereof.

Respectfully submitted:



ALBERT S. GARCIA
Chairperson
Committee on Trade and Industry



CESAR G. JALOSJOS
Chairperson
Committee on Government Reorganization



JOCELYN S. LIMKAICHONG
Chairperson
Committee on Appropriations

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
Quezon City

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

FIFTEENTH CONGRESS
Third Regular Session

House Bill No. 6852
(In Substitution of House Bills 5779 and 6513)

Introduced by Representatives Juan Edgardo M. Angara, Jorge “Bolet” Banal,
Cesar V. Sarmiento, Julieta R. Cortuna, Rufus B. Rodriguez, Angelo B. Palmones,
Albert S. Garcia, Cesar G. Jalosjos and Jocelyn S. Limkaichong

AN ACT
PROMOTING AND STRENGTHENING FILIPINO DESIGN, PROVIDING
FOR THE PURPOSE A NATIONAL DESIGN POLICY AND RENAMING
THE PRODUCT DEVELOPMENT AND DESIGN CENTER OF THE
PHILIPPINES INTO THE DESIGN CENTER OF THE PHILIPPINES 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 “Philippine Design
2 Competitiveness Act of 2013.”
- 3 **SEC. 2. *Statement of Policy.*** - It is the declared policy of the State to enhance the
4 competitiveness and innovation of Philippine products, create market-responsive
5 design services, while advocating for economic and environmental sustainability. The
6 State shall also endeavor to promote an economy and society driven by design and
7 creativity responsive to our fast-changing times and reflective of the Filipino culture
8 and identity, while concurrently advocating the protection of intellectual property
9 rights to these ideas and innovations.
- 10 **SEC. 3. *Objective.*** - The State shall promote and strengthen the Philippine design
11 industry to achieve the following objectives:
- 12 a. Create integrated, forward-thinking and long-range direction and strategy for
13 the design industry;
- 14 b. Provide long-term guidance to promote national awareness on the use of
15 design as a strategic tool for economic competitiveness and social innovation;

- 1 c. Integrate design into other industries and aspects of society in order to create a
- 2 demand for good design, and to extend its impact economically, socially and
- 3 environmentally;
- 4 d. Incorporate design as a priority component in national planning and
- 5 development; and
- 6 e. Ultimately, encourage and drive innovation so that the Philippines may use as
- 7 leverage our raw materials, natural resources, and creativity to stay ahead of
- 8 the curve.

9 **SEC. 4. *Reengineering the Product Development and Design Center of the***
10 ***Philippines and Strengthening its Mandate.*** - The Product Development and Design
11 Center of the Philippines (PDDCP) is hereby reengineered and renamed into the
12 Design Center of the Philippines, herein referred to as the Design Center. It shall be
13 attached to the Department of Trade and Industry. It is mandated to promote design as
14 a creative tool for improving the quality and competitiveness and branding of Filipino
15 products in the global market; as a strategic tool of value creation for sustainable
16 economic growth and development; and as an innovative tool for enhancing the
17 quality of human life.

18 The Design Center is further mandated to:

- 19 a. Develop and maintain a creative research and development program on
- 20 product design, development, and improvement of Philippine products and
- 21 services, including those created by small and medium enterprises (SMEs);
- 22 b. Conduct continuing research on product and product packaging design trends,
- 23 materials and processing technologies;
- 24 c. Create, develop, promote and upgrade the design of all Philippine products
- 25 and services, including those created by SMEs;
- 26 d. Conduct seminars and workshops on product design and development;
- 27 e. Set-up design exhibitions;
- 28 f. Publish design-related materials;
- 29 g. Ensure protection of Filipino design ideas, products, and other outputs of
- 30 creative talents;
- 31 h. Promote design education throughout the country to meet the needs of
- 32 Philippine industries; and
- 33 i. Promote Philippine design here and all over the world.

1 To effectively carry out this mandate, the Design Center shall exercise the
2 following powers and functions:

3 **NATIONAL DESIGN POLICY**

- 4 a. Formulate the National Design Policy, herein referred to as NDP, aligning it
5 with the Government's economic agenda;
- 6 b. Continuously formulate five (5) year-plans that are in line with the general
7 NDP, but reflective of the changing conditions in both the domestic and
8 international environments
- 9 c. Coordinate, monitor, and assess the implementation of the NDP, and, when
10 necessary, update the NDP in the light of changing market conditions in both
11 the domestic and international environments;
- 12 d. Establish an evaluation system through which the results of the NDP (as well
13 as singular projects and programs) could be assessed and improved;
- 14 e. Collaborate internationally with similar design policy advisory bodies of other
15 countries and gain insights and investigate on how successful design practices
16 in other countries can be transferred and adapted in the context of Filipino
17 creative and knowledge-based industries as well as transition to the
18 conceptual-based economy;
- 19 f. Establish dialogue with designers to encourage them to actively engage in the
20 implementation of design policy;
- 21 g. Provide a forum for design stakeholders on current and emerging issues in the
22 design profession;

23 **DESIGN AWARENESS**

- 24 h. Promote the design profession and the value of design;
- 25 i. Build awareness of the importance of design to the public, through local and
26 international exhibitions, conference, competitions, community and school
27 activities, and other design-related events;
- 28 j. Promote awareness on protection of intellectual property rights;
- 29 k. Establish more public creative zones and environments in Metro Manila and
30 other central hubs in different regions across the country;

31 **DESIGN INTEGRATION**

- 32 l. Create networks and establish venues where all industries could interact in
33 design dialogues and workshops, thereby promoting knowledge exchange,
34 capability development and collaborative content creation;

- 1 m. Identify and encourage public and private collaborations regarding design,
- 2 competitiveness, governance, and innovation to promote networking, business,
- 3 and partnership opportunities;

4 **DESIGN FOR DEVELOPMENT**

- 5 n. Conduct design-led approaches and competitions for the design industry to
- 6 help government solve socio-economic and environmental challenges;
- 7 o. Actively push for the use of design and innovation in government offices and
- 8 departments, with the objective of coming up with programs and processes
- 9 that will enable the government to simplify and streamline systems, so it can
- 10 deliver its services more effectively and efficiently;
- 11 p. Maintain a standard of sustainable design in all projects that are undertaken by
- 12 the Design Center;
- 13 q. Employ design as a fundamental tool for communicating a strong, singular
- 14 identity of the country;

15 **DESIGN AND INNOVATION**

- 16 r. Create a skill development, mentoring and support system for individuals,
- 17 corporations, partnerships or associations, particularly SMEs, who want to
- 18 benefit from the strategic use of good design in business administration,
- 19 commerce, trade and other enterprises; and
- 20 s. Undertake research and development on the different design strengths and
- 21 assets of the Philippines (i.e. manipulation and development of raw materials
- 22 that are indigenous to the country) so we can be able to come up with globally
- 23 relevant yet uniquely Filipino innovations.

24 **SEC. 5. *Creation of the Design Advisory Council.*** - There shall be created a Design
25 Advisory Council, herein referred to as the DAC, which shall be a public-private
26 partnership that will serve as an Advisory Council to the Design Center. The DAC
27 shall advise the Design Center in the formulation and implementation of policies that
28 will enhance the quality of competitiveness of Philippine products and services and
29 shall support the Philippine government in its efforts to enhance the level of
30 innovation and creativity in Philippine industries.

31 **SEC. 6. *Powers and Functions of the Design Advisory Council.*** - The DAC shall
32 advocate and promote the strategic role of design in strengthening sustainability of
33 Philippine socioeconomic growth and competitiveness. It shall exercise the following
34 powers and functions:

- 1 a. Provide advice and insights imperative in pursuing the mandate of the Design
- 2 Center by effectively representing the collective views of both the public and
- 3 the private sectors;
- 4 b. Advocate for full consideration of design's contribution to program
- 5 effectiveness and innovation in government policy decisions;
- 6 c. Review and promote policies where design is a key component;
- 7 d. Act as a liaison among the professional design, design education and
- 8 government design stakeholders;
- 9 e. Provide advice and guidance to design education institutions on the
- 10 development and standardization of course syllabus ensuring the propagation
- 11 of high quality education in design in all regions across the country.

12 **SEC. 7. Composition of the Design Advisory Council.** - The DAC shall be composed

13 of fifteen (15) members, from the following government departments or offices:

- 14 1. Department of Trade and Industry (DTI)
- 15 a. Secretary of the DTI
- 16 b. Center for International Trade Expositions and Missions (CITEM)
- 17 c. Intellectual Property Office (IPO)
- 18 2. National Commission for Culture and the Arts (NCCA)
- 19 3. Department of Tourism (DOT)
- 20 4. Department of Education (DepEd)
- 21 5. Commission on Higher Education (CHED)
- 22 6. Department of Science and Technology (DOST)

23 The Executive Director of the Design Center shall be an ex-officio member of the

24 Council to be appointed by the President.

25 The other six (6) remaining members of the DAC shall come from the organized

26 associations involved in the sector, academic community engaged in design courses

27 and representatives of the private sector including but not limited to visual

28 communications, architecture, industrial design, interior design, information design,

29 new media and technology, fashion design, environmental design and similar areas.

30 The representatives of the private sector shall be appointed by the President,

31 upon the recommendation of the Secretary of the DTI from the nominees to be

32 submitted by the organizations of the various design sectors.

1 The Council shall be co-chaired by the Secretary of the DTI and the
2 representative from the private sector to be appointed by the President from among
3 the private sector appointees.

4 The presence of eight (8) members shall constitute a quorum and all decisions
5 of the Council shall require the concurrence of the majority of such quorum. The
6 members of the DAC shall receive per diems for every meeting attended at rates
7 allowed under existing rules and regulations. The DAC may meet not more than twice
8 a month. However, the Chairman may call a special meeting when the need arises.

9 The Design Center shall act as the Secretariat of the Council.

10 ***SEC. 8. Powers and Functions of the Executive Director of the Design Center. -**

11 The Design Center shall have an Executive Director, who shall execute, administer
12 and implement the policies, plans and measures approved by the DAC and perform
13 such other functions as may be necessary to carry out specific responsibilities in
14 connection with said plans and measures.

15 A quarterly report of the accomplishments of the Center shall be submitted by
16 the Executive Director to the DAC. The DAC shall submit an annual report to the
17 President of the Philippines, not later than one (1) month after the end of each year.

18 **SEC. 9. The National Design Policy. -** The NDP shall serve as the State's strategy in
19 promoting design as a driving force towards a sustainable economic growth and
20 development and a catalyst for increasing the competitiveness of the country in the
21 *global market. The NDP shall be created to meet the following goals:

22 **1. GLOBAL COMPETITIVENESS**

23 1.1 Elevate Philippine designs and innovation toward global standards through
24 collaboration with international design organizations;

25 1.2 Enhance the competitiveness and innovation of Philippine products and
26 services making it more responsive to social needs while advocating for
27 economic and environmental sustainability;

28 1.3 Create a distinctive and recognizable identity for Philippine products
29 through global positioning and branding of Philippine designs,;

30 1.4 Build the competitiveness and capabilities of Filipino designers through
31 continuous training, seminars and workshops, and collaborations with
32 Philippine manufacturers;

33 1.5 Provide opportunities for Filipino designers to showcase their talent
34 locally & internationally;

1 **2. INSTITUTIONALIZATION AND PROMOTION OF DESIGN**
2 **CULTURE NATIONWIDE**

3 2.1 Encourage the creation of original designs in Philippine-made products
4 and services by blending native and heritage-based aesthetics indigenous
5 arts, crafts and materials and current global design trends;

6 2.2 Promote the understanding of diverse Philippine cultures so that it can be
7 translated into modern design concepts that enables an innovation process
8 that is uniquely Filipino;

9 2.3 Enhance the quality of Philippine products and services and productivity
10 of Philippine manufacturers through design;

11 2.4 Create design awareness among manufacturers and service providers,
12 particularly SMEs, on the competitiveness brought about by original
13 designs;

14 2.5 Conduct programs that will challenge designers, design students and
15 ordinary citizens to actively engage in solving and mitigating socio-
16 economic and environmental problems through design-led approaches;

17 2.6 Establish networks and resources for knowledge exchange and capability
18 development leveraging on automation, computerized and web-based
19 services;

20 2.7 Encourage the collaboration and partnerships among local stakeholders of
21 the design industry such as industry associations, management of SMEs,
22 Filipino designers, academe, government agencies, and other private
23 organizations;

24 **3. CREATION OF AN ENVIRONMENT TO CULTIVATE A CONSTANT**
25 **DEMAND FOR GOOD DESIGN**

26 3.1 Ensure the balance of supply (designers) and demand (private and public
27 organizations, whether local or international) of the design industry;

28 3.2 Promote an appreciation for good design not only among citizens, but also
29 within business organizations and government institutions; and

30 3.3 Create linkages with the business sector, the educational sector,
31 government institutions, and the public in general to encourage them to
32 employ and invest in good design;

33 **4. DESIGN PROTECTION**

- 1 4.1 Promote of Philippine designs through registration of Intellectual Property
- 2 Rights and through Technology Licensing Offices; and
- 3 4.2 Encourage and facilitate a culture of creating and protecting intellectual
- 4 property in the area of design;

5 **5. DESIGN EDUCATION AND PROFESSIONAL DEVELOPMENT**

- 6 5.1 Elevate design education and design research in the Philippines to global
- 7 standards of excellence;
- 8 5.2 Invest on appropriate infrastructure and technology to support design;
- 9 5.3 Establish an active collaboration among industry, professional designers,
- 10 and academe towards the development of the design profession;
- 11 5.4 Inculcate among the youth the value of good design in enhancing the
- 12 quality of human life by including design appreciation in the curriculum;

13 **6. INSTITUTIONALIZATION OF DESIGN AS AN EFFECTIVE**

14 **PROBLEM-SOLVING TOOL**

- 15 6.1 Conceptualize effective and sustainable design-related approaches to drive
- 16 economic growth and development;
- 17 6.2 Seek design solutions for issues related to social innovation and
- 18 environmental sustainability and protection;
- 19 6.3 Expand awareness on the benefits of the strategic use of good design in
- 20 business and government administration, trade and commerce, as well as,
- 21 in SMEs; and;
- 22 6.4 Encourage government to invest on activities geared towards increasing
- 23 the competitiveness of Philippine design and creative industries.

24 **SEC. 10. *Design Industries Linkages with the Educational System.*** - To ensure a

25 continuous supply of creative talents and to stimulate design creativity and innovation

26 among students at all levels of education, the DepEd, the CHED, and the TESDA, in

27 consultation with and assistance of the Center, shall formulate measures to establish a

28 stronger connection between arts, culture, education and training, and to harness the

29 potentials of the youth.

30 **SEC. 11. *Appropriations.*** - The amount necessary to carry out the initial

31 implementation of this Act shall be charged against the current year's appropriations

32 of the PDDCP. Thereafter, such sums as may be necessary for the continued

33 implementation of this Act shall be included in the annual General Appropriations

34 Act.

1 **SEC. 12. *Implementing Rules and Regulations.*** - The DTI shall issue the
2 Implementing Rules and Regulations within sixty (60) days from the effectivity of
3 this Act.

4 **SEC. 13. *Repealing Clause.*** - Executive Order No. 133, s. 1987 is hereby amended
5 accordingly. All other laws, decrees, executive orders, rules and regulations, or parts
6 thereof as are inconsistent with this Act, are hereby repealed, amended or modified
7 accordingly.

8 **SEC. 14. *Separability Clause.*** - The provisions of this Act are hereby declared
9 separable, and in the event any of its provisions is declared unconstitutional, the other
10 provisions which are not affected thereby shall remain in force and effect.

11 **SEC. 15. *Effectivity.*** - This Act shall take effect fifteen (15) days after publication in
12 the Official Gazette or in at least two (2) national newspapers of general circulation in
13 the country.

14 Approved,

House of Representatives

Committee Affairs Department

FACT SHEET

House Bill No. 5779 and 6513

PHILIPPINE DESIGN COMPETITIVENESS ACT OF 2013

Introduced by: **REPS. JUAN EDGARDO M. ANGARA, JORGE "BOLET" BANAL AND CESAR V. SARMIENTO**

Committee Referral: **COMMITTEE ON GOVERNMENT REORGANIZATION (Primary)**

Committee Chairperson: **Rep. Cesar G. Jalosjos**

Committee Referral: **COMMITTEE ON TRADE AND INDUSTRY (Secondary)**

Committee Chairperson: **Rep. Albert S. Garcia**

COMMITTEE ON APPROPRIATIONS (Secondary)

Committee Chairperson: **Rep. Jocelyn S. Limkaichong**

OBJECTIVES:

- To institute the mechanism for advancing Filipino design as a catalyst for further growth and development.
- To provide a clear direction towards harnessing talents and integrating a design policy to propel innovation.

KEY PROVISIONS:

- Renames the Product Development and Design Center of the Philippines, an attached agency of the Department of Trade and Industry (DTI), into the Design Center of the Philippines.
- Formulates a National Design Policy, which will be integrated into government programs and policies.
- Creates the Design Advisory Council (DAC), a government and private sector partnership that shall advise the Design Center in the formulation and implementation of policies.
- Provides that the DAC shall be composed of fifteen (15) members, nine (9) from the government to include representatives from the Department of Trade and Industry (DTI), National Commission for Culture and the Arts (NCCA), Department of Tourism (DOT), Department of Education (DepEd), Commission on Higher Education (CHED), Department of Science and Technology (DOST), Executive Director of the Design Center who shall act as ex-officio of the Council and six (6) members from the private sector, particularly practitioners from the different design disciplines and members of the academic community involved in the sector.

RELATED LEGISLATION

- Executive Order No. 133s. 1987