

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SIXTEENTH CONGRESS
First Regular Session

House Bill No. **3451**



**Introduced by Honorable Anthony M. Bravo and Honorable
Cresente C. Paez**

EXPLANATORY NOTE

The 1987 Constitution, Articles 14 Sec. 14 and 15 read:

Section 14. The State shall foster the preservation, enrichment, and dynamic evolution of a Filipino national culture based on the principle in 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.

This bill seeks to support the independent film industry in the Philippines. Our independent film industry has created a growing international interest in Filipino works, borne out of the increasing number of awards garnered by our filmmakers at prestigious film festivals. Some notable winners include: *Ang Pagdadalaga ni Maximo Oliveros* which won 15 international awards, including three awards at the Berlinale (The Teddy award, International Jury Prize at the Kinderfest and Special Mention from the Children's Jury of the Kinderfest). It is also the first Philippine film nominated for Best Foreign Film at the Independents' Spirit Awards in the U.S. *Kubrador* was honored with the International Critic's Award by the FIPRESCI (short for Fédération Internationale de la Presse Cinématographique, in English, known as International Federation of Film Critics) during the 2006 Moscow International Film Festival; and in 2007, it was nominated Best ASEAN film in the Bangkok International Film Festival. *Rigodon* won the best feature film award in the international competition category at the eighth International Panorama of Independent Filmmakers in Athens, Greece last September 30, 2006. *Rigodon* was also invited to screen at the Museum of Modern Art (MoMA) in 2007. *Neo-Lounge*, an outstanding documentary, was adjudged Best Documentary Film in the 34th Brussels International Independent Film Festival in 2007.

Independent films are called such, because they were not produced by the established film companies, and by necessity, finished on much smaller budgets. Their independence allows

them to challenge the status quo, tackling heretofore unexplored subject matter, inviting the audience not only to feel but to think.

They present a genuine alternative cinema to the current crop of mainstream productions in movies and television, which are primarily geared towards profit, and as such, are dictated by the usual commercial formulas.

Currently, the government supports independent films through the Film Development Council of the Philippines (FDCP) and through programs such as the Cinemalaya Philippine Independent Film Festival. The awards "seek to discover, encourage, and honor the cinematic works of Filipino filmmakers that boldly articulate and freely interpret the Filipino experience with fresh insight and artistic integrity."

However, this is not enough. In 1999, figures from the FDCP showed that the Philippines produced 199 films. But it took a dive in 2004, producing only 55 films. Nestor Jardin, president of the Cinemalaya in 2005, and a board member of the Film Development Council, believes that this decline can be attributed to a lot of things; one of which is the money factor involving the high production costs that come with putting together a film as well as high amusement taxes imposed here in the Philippines. Thus, if not given financial support, independent filmmakers may soon fall into the trap of pandering to the audience in order to sell their movies. Since these films cannot and should not rely on box office receipts to recoup their production costs, the state should take steps to encourage these filmmakers to maintain their independence, by rewarding those films which performed well in prestigious film competitions. These filmmakers can use these grants to offset their costs and use the rest as seed money for their next note-worthy project.



HON. ANTHONY M. BRAVO



HON. CRESENTE C. PAEZ

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1 **AN ACT**
2 **SUPPORTING THE PRODUCTION OF PHILIPPINE INDEPENDENT FILMS BY**
3 **PROVIDING INCENTIVES TO FILMMAKERS WHO ARE GIVEN HONORS IN**
4 **NOTABLE INTERNATIONAL FILM COMPETITIONS**

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

5 SECTION 1. *Short Title.* – This Act shall be known as the “Philippine Independent Film
6 Incentives Act of 2013”.

7 SECTION 2. *Declaration of Policy.* – It is the policy of the state to promote and support
8 the development and growth of the local film industry, in general, and the production of
9 independent films, in particular. The State shall endeavor to discover, encourage, and honor the
10 cinematic works of Filipino filmmakers that boldly articulate and freely interpret the Filipino
11 experience with fresh insight and artistic integrity.

12 SECTION 3. *Grants for award-winning films.* – To achieve this law’s purpose,
13 Philippine independent films that have been awarded the Best Film prize or its equivalent
14 including those that merited recognition for technical excellence in respected international film
15 competitions or cinema festivals shall be given the following incentives:

16 3.1 A grant of five million pesos (Php 5,000,000.00) to the film production or entity that
17 produces the award winning full-length feature or documentary film;

1 3.2. A grant of three million pesos (Php 3,000,000.00) to the film production or entity
2 that produces the award winning short feature or documentary film;

3 3.3. Full tax exemptions relevant to the screening of the film and its commercial
4 exhibition, including those levied by local government units (LGUs);

5 3.4. The award winning film shall be considered and shall have the honor of being given
6 an automatic rating of an "A" film being granted by the Cinema Evaluation Board.

7 SECTION 4. *Eligibility for Grants.* –To be eligible for a grant under Section 3.1., films
8 must be made by Filipino filmmakers who have not yet directed more than 3 full-length
9 commercial feature films. The total production budget for the full-length feature or documentary
10 film should not exceed three million pesos (Php 3,000,000.00). The film length should be
11 between 90 to 120 minutes.

12 To be eligible for a grant under Section 3.2., the film must be made by a Filipino
13 filmmaker. The total production budget for the short feature or documentary film should not
14 exceed one million pesos (Php P1,000,000.00). The film length should not be more than 20
15 minutes (no minimum length).

16 All films should not have been produced by commercial producers, to guarantee the
17 filmmakers' creative control over the film.

18 SECTION 5. *Implementing Agency.* — National Commission for Culture and the Arts
19 (NCCA) is hereby authorized and directed to adopt a system to implement and carry out the
20 provisions of this Act. The NCCA shall, within sixty (60) days from the effectivity of this Act,
21 promulgate rules and regulations to carry out and enforce the provisions of this Act.

22 SECTION 6. *Appropriations.* – A special fund amounting to fifty million pesos (Php
23 50,000,000.00) which shall be sourced from the funds of the Philippine Amusement and Gaming
24 Corporation (PAGCOR) is hereby created. Other amounts as may be necessary to carry out the
25 provisions of this Act, are hereby authorized to be appropriated from the National Treasury.

1 SECTION 7. *Separability Clause.* – If any provision or part hereof, is held invalid or
2 unconstitutional, the remainder of the Act or the provision not otherwise affected shall remain
3 valid and subsisting.

4 SECTION 8. *Repealing Clause.* - Any law, presidential decree or issuance, executive
5 order, letter of instruction, administrative order, rule or regulation contrary to, or inconsistent
6 with the provisions of this Act is hereby repealed, modified or amended accordingly.

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

Approved,