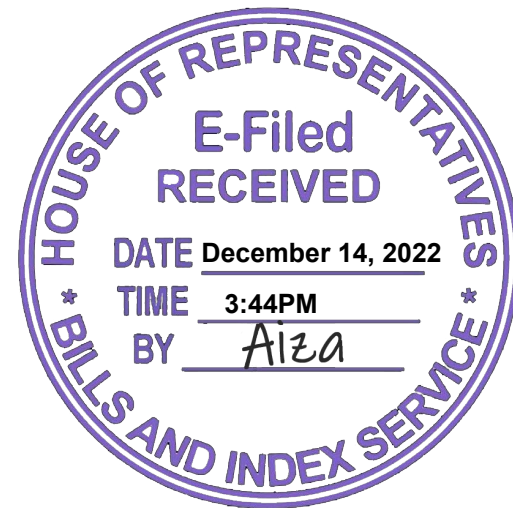


Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

**19<sup>th</sup> Congress**  
**First Regular Session**

House Bill No. **6692**



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Introduced by **REPRESENTATIVE EMIGDIO P. TANJUATCO III**

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#### **EXPLANATORY NOTE**

The Social Justice and Human Rights, particularly the Labor Provision, of the 1987 Constitution provides that the State shall afford full protection to labor, local and overseas, organized and unorganized, and promote full employment and equality of employment opportunities for all, moreover, the State shall promote social justice in all phases of national development.

Republic Act No. 7356 likewise states that the National Commission for Culture and Arts shall adopt measures and recommend legislation to protect the intellectual and artistic rights and properties of Filipino artists, cultural workers and other matters concerning culture and the arts;

Furthermore, Republic Act No. 7355 likewise provides that the State shall preserve and promote its traditional folk arts whether visual, performing, or literary. For their cultural value, and to honor and support traditional folk artists for their contribution to the national heritage by ensuring that the artistic skills which they have painstakingly cultivated and preserved are encouraged and passed on to future generations of Filipinos.

With the advent of the internet, the dissemination of information has been revolutionized in respect of frequency and velocity, and its accessibility has made it possible to reach millennials and younger generations who are more passionate to voice out their thoughts publicly or online, including the enthusiasm to observe the latest trends and popular pop cultures in the entertainment industry.

The rise of Foreign Pop Cultures in the Philippines, gaining tremendous popularity among the Filipino masses, pervades the country's mainstream media to the point that even domestic radio stations have been caught up in these pop culture waves. While cultural diversity has its perceived benefits, the effect on Filipino artists or talents, in terms employment and opportunities, are adverse.

Due to the massive influence created by Foreign Pop Cultures or Idols in the country, private entities have often engaged the services of foreign personalities as endorsers of not just imported products but sadly, for Philippine made products as well.

In line with the aforementioned laws, this Bill seeks to ensure the prioritization of

Filipino Artists and Local Talents in terms of career growth and opportunities, as well as, the promotion of Filipino Traditional Culture and Heritage.

As the title of this Act suggests, this Bill seeks to enforce mandatory contributions from corporations that enter into endorsement contracts with foreign personalities equivalent to five percent (5)% of the contract amount, as well as donations and other conveyances including funds, materials, property, and services, by gratuitous title.

This Bill is not sought to prohibit or deter affected entities from securing foreign endorsements but mainly to accord preference in the endorsement of Filipino Artists and Local Talents relative to the promotion of all products in the country.



**EMIGDIO P. TANJUATCO**

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**AN ACT**  
**ESTABLISHING THE MANDATORY CONTRIBUTION TO THE NATIONAL ENDOWMENT**  
**FUND FOR CULTURE AND ARTS BY PRIVATE ENTITIES ENGAGING THE SERVICES**  
**OF FOREIGN PERSONALITIES AS ENDORSERS, AMENDING FOR THE PURPOSE**  
**REPUBLIC ACT NO. 7356 ENTITLED, “AN ACT CREATING THE NATIONAL**  
**COMMISSION FOR CULTURE AND THE ARTS, ESTABLISHING THE NATIONAL**  
**ENDOWMENT FUND FOR CULTURE AND THE ARTS, AND FOR OTHER PURPOSES”**

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

**Section 1.** *Amendatory Provision.* Section 20 of Republic Act No. 7356 entitled, “An Act Creating the National Commission for Culture and the Arts, Establishing The National Endowment Fund for Culture and the Arts, and for Other Purposes,” is hereby amended to read as follows:

**“Sec. 20.** *The National Endowment Fund for Culture and the Arts.* A National Endowment Fund for Culture and the Arts (the Fund) is hereby established exclusively for Philippine art and cultural programs, projects, and activities all over the country.

“X X X”

c) The private portion of the fund shall be raised from the MANDATORY CONTRIBUTIONS OF CORPORATIONS THAT ENTER INTO ENDORSEMENT CONTRACTS WITH FOREIGN PERSONALITIES EQUIVALENT TO FIVE PERCENT (5)% OF THE CONTRACT AMOUNT, AS WELL AS donations and other conveyances including funds, materials, property, and services, by gratuitous title;

“X X X.”

**Sec. 2.** *Effectivity Clause.* This Act shall take effect upon its approval.

*Approved,*