

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8848



Introduced by **REP. JAVIER MIGUEL L. BENITEZ**

EXPLANATORY NOTE

Article XIV, Section 15 of the 1987 Philippine Constitution declares that the State shall conserve, promote, and popularize the nation's historical and cultural heritage and resources, as well as artistic creations. It also mandates that the State recognize the role of culture in fostering national identity and strengthening the nation's social, political, and economic development.

Local government units ("LGUs") play a vital role in advancing cultural governance at the grassroots level. Under the Local Government Code of 1991, LGUs are empowered to enact measures and implement programs that promote the general welfare of their constituents, including the preservation of cultural heritage, support for local artists and cultural workers, and the promotion of cultural tourism and creative industries. Through local initiatives such as cultural mapping, heritage conservation, festivals, and community-based cultural programs, LGUs serve as primary stewards of the country's rich and diverse cultural heritage.

Existing national policies further reinforce the importance of cultural development. Republic Act No. 7356 created the National Commission for Culture and the Arts (NCCA) as the primary government agency responsible for formulating policies and coordinating programs for the preservation, development, and promotion of Philippine culture and the arts. Meanwhile, Republic Act No. 10066, or the National Cultural Heritage Act of 2009, provides for the protection and conservation of cultural property and heritage resources. More recently, the Philippine Development Plan and related cultural policy frameworks recognize culture and creativity as key drivers of inclusive development and economic growth.

Despite these policy foundations, the level of institutional support for cultural governance among LGUs remains uneven. Many local governments have demonstrated

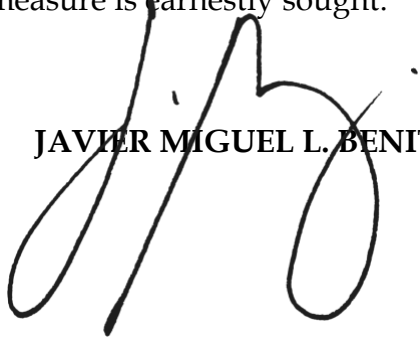
exemplary practices in safeguarding heritage, supporting cultural workers, and integrating culture in development planning, while others continue to face capacity and resource constraints in advancing cultural initiatives.

To encourage excellence in cultural governance and incentivize LGUs to strengthen their cultural programs and institutions, this measure seeks to establish the Seal of Good Cultural Governance (SGCG). Modeled after successful governance recognition mechanisms such as the Seal of Good Local Governance established under Republic Act No. 11292, the SGCG will recognize LGUs that demonstrate exemplary performance in promoting cultural heritage, supporting cultural workers and creative industries, and integrating culture into local governance and development.

Through a performance-based recognition and incentive system administered by the National Commission for Culture and the Arts, in coordination with relevant government agencies and LGU leagues, the SGCG aims to foster a culture-responsive governance framework nationwide. It will encourage local governments to adopt sustainable cultural policies, strengthen local cultural institutions, and promote inclusive cultural participation while safeguarding the diverse heritage and identities of Filipino communities.

Ultimately, the establishment of the Seal of Good Cultural Governance will help strengthen cultural stewardship, empower cultural workers, and advance culture and creativity as pillars of national development.

In view of the foregoing, the passage of this measure is earnestly sought.



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HOUSE BILL NO. 8848

Introduced by REP. JAVIER MIGUEL L. BENITEZ

**AN ACT ESTABLISHING THE SEAL OF GOOD CULTURAL GOVERNANCE FOR
LOCAL GOVERNMENT UNITS, PROVIDING INCENTIVES THEREFOR,
AND FOR OTHER PURPOSES**

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

SECTION 1. *Short Title.* - This Act shall be known as the "*Seal of Good Cultural Governance Act*".

SEC. 2. *Declaration of Principles and State Policy.* - It is hereby declared the policy of the State to conserve, promote, and develop the nation's cultural heritage, cultural expressions, and creative industries, and to ensure that culture is integrated into national and local development.

Towards this end, the State shall encourage local government units ("LGUs") to institutionalize cultural governance mechanisms, support cultural workers and artists, safeguard tangible and intangible cultural heritage, and implement programs that strengthen cultural identity and creativity within their communities.

The State shall establish a recognition and incentive system that promotes excellence in cultural governance among LGUs.

SEC. 3. *Definition of Terms.* - For purposes of this Act, the following terms shall be defined as follows:

- (a) "*Creative Industries*" refers to trades involving persons, whether natural or juridical, that produce cultural, artistic, and innovative goods and services originating in human creativity, skill, and talent and having a potential to create wealth and livelihood through the generation and utilization of intellectual property. Creative industries include those directly or indirectly involved in the creation, production and manufacturing, performance, broadcasting, communication and exhibition, or distribution and sale of works and other subject matter, in accordance with existing laws, rules and

regulations on intellectual property rights protection. Creative industries include the following domains, with a non-exhaustive list of industries belonging under each: (a) Audiovisual Media Domain; (b) Digital Interactive Media Domain; (c) Creative Services Domain; (d) Design Domain; (e) Publishing and Printed Media Domain; (f) Performing Arts Domain; (g) Visual Arts Domain; (h) Traditional Cultural Expressions Domain; (i) Cultural Sites Domain; and (j) Other domains and industries as the Philippine Creative Industries Development Council may determine, subject to guidelines and criteria it may issue as defined in *Sec. 3, R.A. 11904, Philippine Creative Industries Development Act of 2022*)

- (b) “*Cultural governance*” refers to the systems, policies, institutions, programs, and mechanisms adopted by national and local government units to protect, promote, and develop cultural heritage, cultural expressions, and creative industries, and to ensure that culture is integrated into development planning and governance.
- (c) “*Cultural heritage*” refers to the totality of cultural property preserved and developed through time and passed on to posterity, including tangible and intangible heritage such as historic sites and structures, cultural landscapes, artifacts, traditions, performing arts, rituals, languages, knowledge systems, and other expressions of Filipino identity consistent with the provisions of existing heritage laws.
- (d) “*Cultural workers*” refer to individuals and groups engaged in the creation, preservation, promotion, management, research, education, and practice of culture and the arts, including artists, performers, artisans, cultural managers, curators, heritage practitioners, scholars, and other professionals working in cultural and creative fields.
- (e) “*Intangible cultural heritage*” refers to the practices, representations, expressions, knowledge, skills, and associated instruments, objects, artifacts, and cultural spaces that communities, groups, and individuals recognize as part of their cultural heritage, including oral traditions, performing arts, social practices, rituals, festive events, traditional craftsmanship, and knowledge systems transmitted from generation to generation.
- (f) “*Local cultural development plans*” refer to strategic plans adopted by local government units that outline policies, programs, projects, and activities aimed at preserving cultural heritage, supporting cultural workers, promoting local creative industries, and integrating culture into local development planning.

SEC. 4. *Seal of Good Cultural Governance.* - There is hereby established a Seal of Good Cultural Governance ("SGCG"), which shall be conferred upon local government units that demonstrate exemplary performance in the protection, promotion, and development of culture and the arts.

The Seal shall recognize LGUs that have established effective cultural policies, programs, and institutional mechanisms that support cultural development and heritage preservation.

SEC. 5. *Coverage.* - The Seal shall be open to all provinces, cities, municipalities, and barangays that meet the standards and criteria set forth under this Act and its implementing rules and regulations.

SEC. 6. *The Council of Good Cultural Governance.* - There is hereby established a Council of Good Cultural Governance (**the "Council"**), which shall oversee the implementation, evaluation, and conferment of the Seal of Good Cultural Governance.

The Council shall be composed of the following:

- (a) The National Commission for Culture and the Arts ("NCCA") who shall serve as Chairperson of the Council;
- (b) The Department of the Interior and Local Government ("DILG");
- (c) The Department of Tourism ("DOT");
- (d) The Department of Education ("DepEd");
- (e) The Department of Economy, Planning, and Development ("DEPDev");
- (f) The National Historical Commission of the Philippines ("NHCP");
- (g) The National Museum of the Philippines ("NMP");
- (h) The Cultural Center of the Philippines ("CCP");
- (i) One (1) representative from the League of Provinces of the Philippines;
- (j) One (1) representative from the League of Cities of the Philippines;
- (k) One (1) representative from the League of Municipalities of the Philippines; and
- (l) One (1) representative from the Liga ng mga Barangay.
- (m) Two (2) representatives from the cultural and creative sectors, to be appointed by the NCCA from among nationally recognized artists, cultural workers, or heritage experts.

The NCCA shall serve as the Secretariat of the Council.

SEC. 7. *Powers and Functions of the Council.* - The Council shall act as a policy-making and advisory body to ensure the proper implementation of the SGCG. It shall perform the following powers and functions:

- (a) Develop and promulgate the performance indicators that shall serve as standards for evaluating the LGUs' compliance and/or satisfaction of

each of the criteria prescribed herein: *Provided*, That the Council shall designate each Council member to lead the development of performance indicators in their area of jurisdiction or expertise and recommend the approval of such performance indicators by the Council: *Provided, further*, That in the development and approval of the performance indicators, the Council shall take into consideration that LGUs may not be similarly situated and that one (1) or more indicators may be peculiarly inapplicable or extremely difficult to meet given the inherent limitations or circumstances of the LGUs;

- (b) Review and/or revise the performance indicators consistent with the long-term development plans of the National Government. The development of indicators should reflect outcomes that are performance-based, encouraging outputs that reflect concrete benefits to the community in terms of policy, rules, regulations, behavior, skill competencies, knowledge, or attitude;
- (c) Promote the integration of cultural governance in local development planning and governance systems;
- (d) Conduct an evaluation of the impact of this Act on the performance of the LGUs for purposes of determining the need for enhancing or continuing the SGCG, rolling out the SGCG in barangays, and recommending any amendatory legislation. For this purpose, the Council shall institute an effective feedback mechanism where the concerns of LGUs and other stakeholders on the implementation of the SGCG are appropriately considered;
- (e) Create technical working groups, upon the recommendation of the Council member concerned, composed of experts from government agencies, and other sectors, to assist the Council members in the performance of their respective functions as provided for in paragraph (a) of this section;
- (f) Submit to the President of the Philippines, the President of the Senate, and the Speaker of the House of Representatives, on an annual basis, copies of the performance indicators approved by the Council together with the performance indicators developed and recommended by the lead Council member, and the result of the impact assessment conducted pursuant to paragraph (d) of this section; and
- (g) Perform such other functions as are necessary or incidental to properly carry out the purposes of this Act.

SEC. 8. *Criteria for the Grant of the Seal.* - The grant of the SGCG shall be based on the demonstrated performance of local government units in promoting and strengthening cultural governance within their respective jurisdictions.

In evaluating LGUs for the SGCG, the Council shall adopt performance indicators based on, but not limited to, the following areas:

- (a) Cultural Policy and Institutional Development, including the establishment of mechanisms and institutions that support cultural governance at the local level;
- (b) Protection and Conservation of Cultural Heritage, including initiatives that safeguard tangible and intangible cultural heritage;
- (c) Support for Cultural Workers and Creative Industries, including programs that encourage artistic production, cultural participation, and the growth of local creative sectors;
- (d) Cultural Programs and Community Participation, including activities that promote cultural awareness, cultural education, and community engagement in cultural initiatives;
- (e) Integration of Culture in Local Development, including the incorporation of cultural considerations in local development planning, tourism strategies, and creative economy initiatives.

The specific indicators, evaluation parameters, and performance standards for the SGCG grant shall be developed and periodically reviewed by the Council and prescribed in the implementing rules and regulations of this Act.

SEC. 9. *Implementing Agency.* - The National Commission for Culture and the Arts (NCCA) shall be the implementing agency of this Act. It shall, in consultation and coordination with partner agencies or sectors, be responsible for the assessment and evaluation of each LGU relative to its compliance with the criteria:

- (a) Develop the evaluation framework and indicators;
- (b) Conduct assessments and validation of LGU applications;
- (c) Confer the Seal to qualified LGUs; and
- (d) Provide technical assistance and capacity-building to LGUs seeking to improve their cultural governance systems.

The NCCA may coordinate with the Department of the Interior and Local Government (DILG), the Department of Tourism (DOT), the National Historical Commission of the Philippines (NHCP), and other relevant agencies or sectors, as it may deem necessary, to assist in carrying out its responsibilities under this Act.

SEC 10. *Requisites to Qualify for SGCG.* - An LGU which, according to the assessment of the National Commission for Culture and the Arts (NCCA), complies with

and satisfies all assessment criteria provided in Section 8 of this Act shall be conferred and awarded the SGCG and granted the corresponding incentives as provided under Section 11 of this Act.

SEC. 11. *Incentives for Awardees.* - LGUs awarded with the Seal of Good Cultural Governance may be entitled to the following incentives:

1. Priority access to cultural grants and funding programs administered by the NCCA and other national government agencies;
2. Eligibility for technical assistance programs for cultural development;
3. National recognition and citation during annual cultural governance ceremonies; and
4. Additional incentives that may be provided by the national government, subject to existing laws and regulations.

SEC. 12. *Assessment and Conferment.* - The NCCA shall conduct a periodic assessment of LGUs for purposes of determining their eligibility for the SGCG. The conferment of the SGCG shall be made every three (3) years through a national recognition ceremony honoring LGUs that demonstrate exemplary cultural governance.

SEC 13. *The SGCG Incentive Fund.* - There is hereby created a special account under the General Appropriations Act (GAA) called the "SGCG Fund". The Fund shall be utilized solely to pay out the incentives granted to LGUs which qualify for the SGCG.

The Council established under Section 6 of this Act shall have the authority to determine the monetary incentives for LGUs based on the number of awardees. It shall also have the authority to re-evaluate and increase the amount of SGCG incentive to be awarded to LGUs: *Provided, That*, the increase shall be subject to the sufficiency of the Fund at the time the increment is implemented.

SEC. 14. *Utilization and Limitations on Expenditures of the Incentives under the SGCG Fund.* - The use of the incentives paid out of the SGCG Fund shall be governed by the policies governing the utilization of the twenty percent (20%) of the annual National Tax Allotment (NTA) for local development projects, the Annual Investment Program (AIP) and the Local Development Investment Program (LDIP).

The incentives paid out of the SGCG Fund shall not be used for any of the following:

- (a) Financing micro credits and loans;
- (b) Travel expenses, whether domestic or foreign, except when the purpose is in furtherance of the purposes of this Act;

- (c) Administrative expenses of the LGU including, but not limited to, cash gifts, bonuses, food allowances, staff uniforms, communication bills, utilities, transportation costs and the like;
- (d) Purchase, maintenance or repair of any motor vehicles or motorcycles not directly used for the SGCG undertaking;
- (e) Salaries, wages, emoluments, *per diems* or overtime pay of employees;
- (f) Construction, repair, or refurbishing of administrative offices; and Loan guarantee.

SEC. 15. *Technical Assistance for Capacity-Building.* – The NCCA shall release the cultural governance assessment report, which shall identify the governance gaps and areas for improvement of the respective LGUs.

Relevant national government agencies, in coordination with the Council, shall provide technical assistance and capacity-building support to address the identified gaps of LGUs which have not qualified for the SGCG award.

SEC. 16. *Management and Administration of the SGCG Fund.* – The SGCG Fund established under Section 13 of this Act shall be managed and administered by the NCCA under the supervision of the Council.

Appropriation to replenish the amount paid out from the Fund during the year and/or to augment the Fund shall be proposed by the NCCA for inclusion in its annual budget under the General Appropriations Act.

SEC. 17. *SGCG Operating Fund.* - The activities and operational expenses, other than the incentive grants, related to the implementation of this Act shall be funded from the appropriations of the National Commission for Culture and the Arts.

Thereafter, the NCCA shall include in its annual budget proposal, to be incorporated in the General Appropriations Act (GAA), the item for the Seal of Good Cultural Governance (SGCG) Operating Fund in an amount equivalent to two percent (2%) of the SGCG Incentive Fund, to cover program administration, monitoring and evaluation, capacity-building activities, and other related operational requirements.

SEC. 18. *Guarantee of Local Government Autonomy.* - The autonomy of local government units (LGUs) shall be respected at all times. Nothing in this Act shall be construed as limiting the authority of LGUs to formulate and implement policies, programs, and projects in accordance with their powers under existing laws, including the general welfare clause.

Participation in the SGCG Program shall be voluntary and shall not diminish LGUs' discretion to pursue cultural, social, economic, and environmental initiatives responsive to the needs of their respective communities.

This Act shall not be interpreted as restricting LGUs from adopting innovative cultural policies and programs designed not only to qualify for the SGCG award but also to promote cultural development, safeguard heritage, support local artists and cultural workers, and ensure the enjoyment by their constituents of fundamental rights, including the rights to life, liberty, property, health, education, and a balanced and healthful ecology.

SEC. 19. *Implementing Rules and Regulations.* - Within ninety (90) days from the effectivity of this Act, the NCCA, in consultation with the Council and relevant government agencies, shall promulgate the implementing rules and regulations necessary for the effective implementation of this Act.

SEC. 20. *Separability Clause.* - If any provision or part of this Act is declared unconstitutional and invalid, all other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 21. *Repealing Clause.* - All laws, presidential decrees, executive orders, rules and regulations or parts thereof which are contrary to or inconsistent with any provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 22. *Effectivity.* - This Act shall take effect after fifteen (15) days following its complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,