

IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT NO. 11904 OR THE "PHILIPPINE CREATIVE INDUSTRIES DEVELOPMENT ACT"

Pursuant to the provisions of Section 28 of Republic Act No. 11904, otherwise known as the "Philippine Creative Industries Development Act", the Department of Trade and Industry (DTI) hereby adopts and promulgates the following rules and regulations:

Chapter 1 Preliminary Provisions

Rule 1 General Provisions

Section 1. Short Title. - This Implementing Rules and Regulations shall be known as the "Implementing Rules and Regulations of the Philippine Creative Industries Development Act" ("PCIDA IRR").

Sec. 2. Purpose. - The purpose of this IRR is to operationalize the "Philippine Creative Industries Development Act" ("PCIDA")

Sec. 3. Declaration of Policy. - It is the policy of the State to promote and support the development of Philippine creative industries by protecting and strengthening the rights and capacities of creative firms, artists, artisans, creators, workers, indigenous cultural communities, content providers, and stakeholders in the creative industries as defined in the PCIDA and PCIDA IRR.

To this end, the State shall establish a creative industries development council mandated to implement a long-term plan for the development and promotion of the Philippine creative industries, with programs aimed at creating opportunities and employment, nurturing human resources, ensuring financial-enabling mechanisms, and providing incentives to encourage and sustain Filipino excellence in the creative industries.

Sec. 4. Relation of other Laws and Regulations on Creative Industries. - The PCIDA IRR recognizes the existing policies of the State on creative industries insofar as the provisions of these policies were not amended or repealed by the PCIDA.

Sec. 5. Construction and Interpretation. - The PCIDA IRR shall be interpreted in light of the declaration of policy under Section 2 of PCIDA and Section 3 of the PCIDA IRR. Any doubt in the interpretation of the PCIDA IRR shall be resolved in a manner consistent with the policy of the State under Article XIV, Section 17 of the Philippine Constitution, and other applicable constitutional provisions, to give priority to arts and culture, foster patriotism and nationalism, accelerate social progress, and promote total liberation and development.

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Rule 2 Definition of Terms

Section 1. Definition of Terms. - All terms in the PCIDA shall retain their respective meanings in the PCIDA IRR. In addition, the following shall mean:

(a) **Creative Industries.** - Creative industries, as used in the PCIDA or this PCIDA IRR, are 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 and all other ecosystem players that are involved in creative content development, 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 covering both goods and services, whether physical or digital, in all value chain activities from conceptualization of a product or service through delivery to the market and after-sales service, belonging under each:

- (i) **Audiovisual Media Domain** refers to recorded and live audio and audiovisual content that is distributed via broadcast media such as television, radio, cable, satellite broadcasts, digital streaming platforms, or exhibited in cinema theaters, including films, television content, animated film productions, vlogs, and other content that utilize motion graphics, two-dimensional, and three-dimensional design technology and animatronics, recorded music, music scores, compositions ready for recording, and other musical compositions, with or without music or words, podcasts, and entertaining audio or audiovisual material or content developed for educational purposes or edutainment content;
- (ii) **Digital Interactive Media Domain** refers to digital software programs, mobile applications and games created for and operated on inter-active digital devices where user input is essential to the experience, including software and mobile apps, video games, computer games, mobile games, virtual augmented or mixed reality games, and digitalized creative content;
- (iii) **Creative Services Domain** refers to demand-driven commercial creative service work done on behalf of commissioning clients for complete creative output or partial outsourcing work, including advertising and marketing, creative research and development, cultural and recreational services, and live creative experiences, which refer to predesigned, real-time artistic performances and experiences aimed at specific audiences, with management and technical services provided to enhance the delivery of the performance and experience;

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- (iv) **Design Domain** refers to the process of envisioning, planning, creation, and manufacturing of symbols, images, and products, whether for industrial or aesthetic purposes, spaces and systems, whether static or for interactive experiences, at the heart of which is creating solutions that address a need or a problem in various fields such as architecture, urban landscaping, interior and spatial planning, fashion and accessory making, textile development, furniture making, jewelry making, footwear making, and toy making;
 - (v) **Publishing and Printed Media Domain** refers to the creation, publication, and distribution of artistic, journalistic, and commercial literature in traditional print and digital format, including books, audiobooks, blogs, comics, graphic novels, editorials and commentaries, magazines, and other published media;
 - (vi) **Performing Arts Domain** refers to all activities involved in the training of performers, the creation, promotion, distribution, exhibition, and preservation of artistic shows, performances, and such other art forms including live music, theatre, musical theatre, dance, opera, circus, spoken word, and puppetry;
 - (vii) **Visual Arts Domain** refers to all activities pertaining to the creation, promotion, distribution, and preservation of works that are primarily visual in nature, including paintings, drawings, sculptures, photographs, antiques, performance art, art toys, multimedia art collages, or other similar material;
 - (viii) **Traditional Cultural Expressions Domain** refers to tangible products and intangible customs, practices and expressions of traditional Filipino culture and heritage, including arts and crafts, gastronomy and culinary practices, cultural festivals, and celebrations;
 - (ix) **Cultural Sites Domain** refers to the physical human-made locations, sites, and monuments that are of vital significance to the objective of promoting Philippine culture, including historic buildings and town sites, important archaeological sites, and works of monumental sculptures or paintings. This domain encompasses the strategic role and activities of museums, libraries, creative cities, performing arts venues, and cultural exhibitions to promote the country's cultural assets; and
 - (x) Other such domains and industries as the Council may determine, subject to guidelines and criteria issued by the Council.
- (b) **Creative Cities** refer to cities that have identified creativity as a strategic factor for sustainable urban development, placed creativity and cultural industries at the heart of their developmental plans at the local level, and commits to cooperating actively at the international level.
- (c) **Creative Economy** refers to direct, indirect, or induced jobs and businesses within creative industries as well as the economic system where cultural and creative

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products and services are transformed into economic value based on the interplay between human creativity, ideas, intellectual property, knowledge, and technology that shape the creation, production, distribution, and consumption of goods and services produced by the cultural and creative sectors.

(d) **Shared service facilities** refer to machinery, equipment, tools, systems, accessories, and other auxiliary items, skills, and knowledge that are being provided by the DTI or other NGAs under a combined and collective system to its target beneficiaries.

(e) **Creative Industry Players** include the following:

(i) **Creative Firms** are organizations involved in the Creative Industry such as but not limited to advertising firms, independent and mainstream production studios and/or houses, publishing firms, and the like.

(ii) **Artists** are persons practicing any of the creative arts; performers; producers of paintings or drawings such as but not limited to painters, performing artists, theater artists, motion picture artists, talents, and the like.

(iii) **Artisans** are workers in a skilled trade, especially involving making things by hand such as but not limited to craftspeople, sculptors, make-up artists, textile maker;

(iv) **Creators** are persons bringing something into existence such as but not limited to book writers, novelists, authors, filmmakers, animators, game developers, software developers, composers, lyricists, and costume designers.

(v) **Creative Workers** are those involved in non-executive work that helps achieve the industry's goals such as but not limited to stuntpeople, editors, directors, film crew, and cinematographers.

(vi) **Content Providers** are persons or firms who supply information for use in other media such as but not limited to periodical writers, syndicated cartoonists, journalists, news and broadcast firms, bloggers, vloggers, and social media content creators.

(f) **Intellectual Property (IP)**, refers to intangible assets or property rights resulting from the creative work of an individual or organization. It refers to creations of the mind, such as inventions, literary and artistic works, and symbols, names, images, and designs used in commerce.

(g) **Micro, Small, and Medium Enterprises, or MSMEs**, as defined by Republic Act No. 6977, as Amended by Republic Act No. 8289 and 9501, is any business activity or enterprise engaged in the industry, agribusiness and/or services, whether single proprietorship, cooperative, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, have the values and the

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number of employees as determined by the Micro, Small, and Medium Enterprise Development Council.

CHAPTER II ORGANIZATION OF THE PHILIPPINE CREATIVE INDUSTRIES DEVELOPMENT COUNCIL

Rule 3

Creation of the Creative Industries Development Council

Section 1. *Composition and appointment of the Ex Officio members of the Creative Industries Development Council.* - The Philippine Creative Industries Development Council, herein referred to as the Council, is hereby created to spearhead the development and promotion of the creative industries of the Philippines.

The Council shall be composed of nineteen (19) members: ten (10) *ex officio* members and nine (9) regular members from the private sector.

Rule 4

Composition and appointment of the Ex Officio members of the Creative Industries Development Council

Section 1. *Composition and appointment of the Ex Officio members of the Creative Industries Development Council.* - The ten (10) members who shall be *ex officio* members of the Council are:

- (1) The Secretary of the Department of Trade and Industry (DTI), as Chairperson;
 - (2) The Secretary of the Department of Education (DepEd);
 - (3) The Secretary of the Department of Science and Technology (DOST);
 - (4) The Secretary of the National Economic and Development Authority (NEDA);
 - (5) The Secretary of the Department of Tourism (DOT);
 - (6) The Secretary of the Department of Information and Communications Technology (DICT);
 - (7) The Secretary of the Department of the Interior and Local Government (DILG);
 - (8) The Chairperson of the Commission on Higher Education (CHED);
 - (9) The Chairman of the National Commission for Culture and the Arts (NCCA);
- and

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(10) The Director General of the Intellectual Property Office of the Philippines (IPOPHL).

The *ex officio* members of the Council may designate their respective next-in-rank officials as permanent alternates, as expressly designated in an endorsement letter, whose acts are considered as the acts of their principals.

Rule 5

Composition and appointment of the regular members of the Creative Industries Development Council

Section 1. Composition and appointment of the regular members of the Creative Industries Development Council. - The nine (9) regular members of the Council are the following:

- (1) Private sector representative of the Audiovisual Media Domain;
- (2) Private sector representative of the Digital Interactive Domain;
- (3) Private sector representative of the Creative Services Domain;
- (4) Private sector representative of the Design Domain;
- (5) Private sector representative of the Publishing and Printed Media Domain;
- (6) Private sector representative of the Performing Arts Domain;
- (7) Private sector representative of the Visual Arts Domain;
- (8) Private sector representative of the Traditional Cultural Expressions Domain; and
- (9) Private sector representative of the Cultural Sites Domain.

Every regular member shall be appointed by the President of the Philippines from a list submitted by the DTI Secretary who, upon consultation with the other *ex officio* members of the Council and which the stakeholders engaged in each respective domain, shall nominate at least three (3) nominees for every regular member seat; *Provided*, That each of the nominees shall come from the private sector and must have at least ten (10) years of experience in the development of the creative industry domain which the nominee belongs to; *Provided, further*, That each of the nominees shall have been endorsed by a business support organization or creative workers association relative to the creative industry domain sought to be represented.

The Council shall elect a co-chair among the nine (9) regular members.

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The Council can designate the qualifications and manner of recommending the regular members by issuing Guidelines, Memorandum Circulars, and other similar issuances, as it may deem fit.

Rule 6

Term and Compensation of the Members of the Creative Industries Development Council

Section 1. *Term of office of the members of the Creative Industries Development Council.* - The regular members of the Council shall serve for a term of six (6) years, unless sooner terminated due to death, resignation, or removal for cause, in which case their replacements shall serve only the unexpired portion of their respective terms.

Of the first set of regular members, five (5) shall hold office for a term of three (3) years and the remaining four (4) for a term of six (6) years to be determined by the President of the Philippines.

Sec. 2. *Compensation of the Members of the Creative Industries Development Council.* - The regular members of the Council shall receive per diem every meeting in accordance with existing rules and regulations including but not limited to those found in Department of Budget and Management (DBM) Budget Circular (BC) No. 2003-6 dated 29 September 2003 which contains the rules and regulations on the grant of per diems to the members of collegial bodies.

Rule 7

Creative Workers' Welfare Standing Committee

Section 1. *Creation of the Creative Workers' Welfare Standing Committee.* - There is hereby created a Creative Workers' Welfare Committee, hereinafter referred to as the Committee, which shall be a standing committee of the Council.

Sec. 2. *Purpose and Powers.* - The Committee shall ensure that creative freelancers and creative workers have access to sustainable and dignified work in the creative industries.

The Council can issue Guidelines on the appointment, term of office, compensation, functions, responsibilities, and tasks of the Committee as it may deem fit.

Rule 8

Meetings

Section 1. *Meetings.* - The Council shall meet at least once every quarter or as often as necessary at the call of the Chairperson or majority of the members. Working group

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meetings may be called by members of the council as they may deem fit. The Chairperson may also call a meeting, should it be necessary or upon request.

Sec. 2. Attendance at Meetings. - Members of the Council who cannot physically attend or vote at Council meetings can participate and vote through remote communication technologies, including videoconferencing, teleconferencing, or other alternative modes of communication that allow them reasonable opportunities to participate.

Sec. 3. Quorum. - A majority of the incumbent nineteen (19) members of the Council shall constitute a quorum to do business. A majority vote shall consist of six (6) out of ten (10) votes from the ex officio members and five (5) out of nine (9) votes from the private sector representatives.

Rule 9

Mandate, Powers, And Functions Of The Council And Committees

Section 1. Mandate, Powers, and Functions of the Council. - The Council shall exercise the following powers and functions:

A. PLANNING AND POLICY FORMULATION

(1) Formulate and implement a Philippine Creative Industries Development Plan that shall define economic goals and key performance indicators for the creative industries, including value creation, contribution to the gross domestic product, job creation, market creation, and expansion, whether domestic or international, investment targets, and creative intellectual property targets, and such other strategies and activities provided under Section 8 of the PCIDA;

(2) Review all existing policies, plans, programs, and projects of the government and formulate, in coordination with government agencies, non-government organizations, business support organizations, and creative workers associations, national policies, plans, and programs that support the creative industries; and

(3) Create a classification of the creative industries into subsectors based on strategic considerations, and create technical panels, working groups, or task forces that will assist the Council in the performance of its functions in coordination with the Philippine Statistics Authority (PSA) for its integration in the Philippine Standard Industry Classification.

B. PRIVATE SECTOR PARTICIPATION

(1) Issue guidelines and criteria in identifying the persons and stakeholders in the creative industries who may receive aid from the State in times of national emergencies;

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(2) Issue guidelines for the accreditation of business support organizations and creative workers associations that may be entitled to the programs of the Council under the PCIDA, as well as create programs that will assist the creative industry stakeholders in establishing such business support organizations and creative workers associations;

(3) Encourage persons in the creative industries to join business support organizations and/or creative workers associations in their respective fields; and

(4) Establish and promote a culture and mechanism of continuing dialogue between government, business support organizations and creative workers associations within the creative industries, and the academe on proper planning and evaluation of policies, programs, and projects affecting its stakeholders.

C. MARKETING AND PROMOTION

(1) Develop and sustain cooperative exchanges, partnerships, and collaborations with and among government agencies, creative entities, organizations, and associations, locally and overseas, whether from the public or private sector, and coordinate with the Department of Foreign Affairs (DFA), its embassies, and its Philippine foreign service posts, and other pertinent government agencies for overseas cooperative exchanges, partnerships, and collaborations;

(2) Endorse to the DTI and to the DFA prospective multi- and bilateral international trade agreements that will benefit the Philippine creative industries, as well as the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Educational, Scientific, and Cultural Organization (UNESCO) creative economic activities, conferences, and events for possible country representation, in coordination with the Philippine National Commission for UNESCO (UNACOM);

(3) Ensure the promotion, marketing, distribution, export, and consumption of creative industry outputs in both local and international markets in coordination with the Board of Investments (BOI), Export Marketing Bureau (EMB), Foreign Trade Service Corps (FTSC), and the Center for International Trade Expositions and Missions (CITEM), among other pertinent government agencies: *Provided*, That the programs dealing with cultural properties shall be coordinated with the NCCA, pursuant to Republic Act No. 10066 or the "National Culture Heritage Act of 2009";

(4) Support local and international creative festivals, exhibitions, trade shows, and other similar activities for the purpose of promoting the broadest dissemination and consumption of Filipino creativity as a tool for socio-cultural and economic development; and

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- (5) Assist the DOT pertaining to the integration of the Philippine creative industries in the national tourism development plan.

D. CAPACITY-BUILDING

- (1) Assist in the monitoring and protection of intellectual property rights of Filipino creative industry stakeholders;
- (2) Assist in the protection of the indigenous traditional cultural properties that are being utilized for commercial, tourism, or advertisement purposes, in coordination with the National Commission for Indigenous Peoples (NCIP);
- (3) Coordinate with the NCIP on all proposed plans and programs involving ICCs/IPs and their indigenous culture, knowledge, systems, and practices; and
- (4) Provide training, capacity-building, and support to stakeholders in the Philippine creative industries in areas such as business development, financial literacy, ethics, digital skills, taxation, design thinking, contracts, negotiations, and entrepreneurship, in partnership with the private sector.

E. OTHER FUNCTIONS

- (1) Generate and mobilize resources from domestic and foreign sources, receive and accept donations and other conveyances by gratuitous title, including funds, materials and services, and rationalize the use and the equitable distribution of such resources to the various creative industries through mechanisms including competitive grants;
- (2) Enter into and carry out contracts of every kind and description with any person, firm or association or corporation, domestic or foreign, and sue or be sued relative to the contracts entered into;
- (3) Acquire, utilize or dispose of, in any manner recognized by law, real or personal property in the Philippines or elsewhere necessary to carry out the purposes of this Act;
- (4) May raise or borrow, subject to the mandatory evaluation, review, and approval of the Secretary of Finance pursuant to Republic Act No. 245 and the Monetary Board of the Bangko Sentral ng Pilipinas (BSP) pursuant to Republic Act No. 1000, adequate and necessary funds from domestic or foreign sources, to finance its projects and programs under this Act through bonds, promissory notes and other forms of indebtedness, and secure the same by a guarantee, pledge, mortgage, deed of trust or an assignment of all or part of its property or assets;
- (5) Adopt, alter, and use a corporate seal;

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(6) Delegate, from time to time, any of the powers of the Council which may be lawfully delegated pursuant to existing laws, to the Executive Director or, in the absence of the Executive Director, to any of the Deputy Executive Directors, upon such terms as may be deemed fit;

(7) Create *ad hoc* committees or technical working groups representing different creative industries and appropriate government agencies to discuss specific issues relative to each creative industry, provide sound advice, and recommend policies or programs to the Council; *Provided*, that this power of the Council is understood to include the power to invite other agencies as resource persons, as necessary; and

(8) Promulgate such rules and regulations and exercise such other powers and functions as may be necessary to effectively carry out the attainment of the purposes and objectives of the PCIDA.

In the exercise of its powers and functions, the Council shall, at all times, coordinate and synergize its plans and programs with the national government agencies (NGAs) that have existing mandates in the various creative industry domains that are defined in Section 3 of the PCIDA, as well as with NGAs that may be similarly mandated under future legislation or government reorganization, including but not limited to the following:

- (a) Film Development Council of the Philippines;
- (b) National Council for Children's Television;
- (c) Design Center of the Philippines;
- (d) Cultural Center of the Philippines;
- (e) National Museum; and
- (f) National Book Development Board.

To this end, the Council may invite the NGAs to present their plans, proposals, and programs during its regular meetings.

The Council can issue specific Guidelines on the constitution, appointment, and functionalities of the working groups as well as on the specific programs or projects to be undertaken, as it may deem fit.

Rule 10

The Secretariat to the Creative Industries Development Council

Section 1. Secretariat to the Philippine Creative Industries Development Council. - A Secretariat to the Council shall be established within the DTI, herein referred to as the Secretariat, to be headed by an Executive Director IV (Salary Grade

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29), who shall be appointed by the President of the Philippines. The Secretariat shall be under the control and supervision of the DTI Secretary.

The initial staffing structure and complement of the Secretariat shall be submitted by DTI to the DBM for funding immediately after the effectivity of the PCIDA IRR. Pending the creation of the approved plantilla positions, the DTI shall constitute an interim Secretariat within one (1) month from the effectiveness of the PCIDA IRR, through the detail of personnel from the DTI.

Sec. 2. Composition of the Secretariat. - The Secretariat shall be composed of the Executive Director IV, who shall be assisted by two (2) Deputy Executive Directors IV (Salary Grade 28) and an Administrative Staff consisting of at least one (1) of each of the following officers and employees:

- (a) Policy Development Manager (Salary Grade 24);
- (b) Research and Analytics Manager (Salary Grade 24);
- (c) International Trade Development Manager (Salary Grade 24);
- (d) Domestic Creative Industries Development Manager (Salary Grade 24);
- (e) Project Manager: Creative Zones (Salary Grade 24);
- (f) Project Manager: Digital Shared Services (Salary Grade 24);
- (g) Project Manager: Training and Development (Salary Grade 24);
- (h) Intellectual Property and Legal Specialist (Salary Grade 22);
- (i) Financial Services (Salary Grade 22); and
- (j) Administrative Secretariat (Salary Grade 18).

Within one hundred twenty (120) days after the effectivity of the PCIDA and the PCIDA IRR, the Council shall determine the organizational structure, staffing pattern, and compensation system of the Secretariat, including the duties, qualifications, responsibilities, and functions of its officers and staff members, and submit the same to the DBM for approval. The officers and employees of the Secretariat shall be appointed in accordance with civil service laws, rules, and regulations. Guidelines can be issued by the Council to organize the Secretariat.

The Secretariat shall also assist the Executive Director with his or her duties and functions and perform all other tasks as may be required by the Council or its working groups.

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Rule 11
The Office of the Executive Director

Section 1. Qualification of the Executive Director. - The Executive Director IV shall be at least thirty (30) years of age at the time of appointment; must possess good moral character; be a person of proven integrity; is a holder of a college degree in a related field of discipline; a person of proven administrative proficiency, independence, experience, knowledge, and commitment to the promotion and development of the Philippine creative industries; and who has served in a position of leadership in at least one (1) creative industry domain prior to the date of appointment.

Sec 2. Qualification of the Deputy Executive Director. - The Deputy Executive Directors shall have the same qualifications for appointment as the Executive Director.

Sec 3. Appointment of the Executive and Deputy Director. - The President of the Philippines shall appoint the Executive Director and the Deputy Executive Directors from a list of at least five (5) nominees submitted by the Council.

Sec 4. Term. -The Executive Director and the Deputy Executive Directors shall serve for a term of three (3) years, with reappointment for another term. In case of death, resignation, or removal for cause, their replacements shall serve only the unexpired portion of their respective terms.

Sec 5. Duties and Functions. - The Executive Director shall exercise the following duties and functions:

- (a) Direct and manage the affairs of the Secretariat in accordance with the policies of the Council;
- (b) Establish the internal organization of the Secretariat under such conditions that the Council may prescribe;
- (c) Submit an annual budget and necessary supplemental budget to the Council for its approval;
- (d) Maintain and regularly update a database of all relevant data and information regarding the creative industries in conjunction with the PSA and such other agencies that maintain any related database;
- (e) Maintain and regularly update a database of accredited business support organizations and creative workers associations in the creative industries, in coordination with the Local Culture and Arts Council (LCAC), pursuant to Section 22 of this Act;
- (f) Conduct nationwide information dissemination campaigns to promote the PCIDA and to build awareness of creative industries;

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- (g) Submit within thirty (30) days after the close of each fiscal year an annual report and other reporting requirements to the Council;
- (h) Submit to the Council for its approval, policies, systems, procedures, rules and regulations that are essential to the operation of the Secretariat; and
- (i) Perform such other duties as may be assigned by the Council or which are necessary or incidental to the Office.

CHAPTER III THE PHILIPPINE CREATIVE INDUSTRIES DEVELOPMENT PLAN

Rule 12 Creation and Timeline of the Plan

Section 1. *Creation and Timeline of the Plan.* - The Council, in coordination with the NGAs, referred to in the preceding section, shall formulate the Philippine Creative Industries Development Plan, hereinafter referred to as the Plan, that sets forth the objectives, targets, strategies, and activities on the development and promotion of Philippine creative industries. The Plan must be submitted to the President of the Philippines for approval within one (1) year after the effectiveness of the PCIDA and the PCIDA IRR, and is subject to mandatory review every three (3) years.

The Plan shall include a three-year, six-year, and ten-year development timeline for its vision, mission, goals, and milestones. The Council shall ensure alignment and harmonization of the Plan with existing development plans and roadmaps such as the Philippine Development Plan, Harmonized National Research and Development Agenda, National Innovation Agenda and Strategy Document (NIASD), and other similar documents.

Rule 13 Components of the Plan

Section 1. *Components of the Plan.* - The Plan shall include the following components, among others, as may be later determined by the Council:

- (a) Well-defined and measurable economic goals and key performance indicators for the creative industries, including value creation, contribution to the gross domestic product, job creation, market creation and expansion, whether domestic or international, investment targets, and creative intellectual property targets;
- (b) A review of the existing governance and policy framework under which the Plan may be implemented;
- (c) Current data and findings of scientific, interdisciplinary, and policy-oriented research on technological advancements, methodologies, distribution models,

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product lines, and value chains pertaining to creative industries in aid of the implementation of the Plan;

(d) Analyses of current and emerging trends and changes in technology, trade, consumption, demography, the environment, and health that impact the labor market for creative talent, and identification of skills gaps, in coordination with the private sector;

(e) Areas of possible strategic investments in the creative industries which will provide an enabling environment for micro, small and medium enterprises (MSMEs) to compete and sustainably grow and scale their businesses;

(f) Financial assistance programs, investments schemes, loan programs, and guarantees for MSMEs in the creative industries;

(g) Technical, technological, and financial assistance programs for the development, processing, commercialization and marketing of goods and services generated by the creative industries;

(h) Programs that promote stronger linkages and collaborations among stakeholders in the creative industries and government;

(i) Programs and areas of investment to incubate, encourage, and promote the development of original creative content and talent in the relevant creative industry domains;

(j) Strategies that allow creative industries to develop greater capacity and greater access to both national and international markets and harness their talents, skills, and know-how in the creative industries;

(k) Programs that promote the hiring and employment, occupational safety, and welfare of workers in the creative industries, in coordination with the Department of Labor and Employment (DOLE) and creative workers associations;

(l) Policies that ensure access of workers in the creative industries to sustainable and dignified work, and protection of their rights and welfare in accordance with law;

(m) Programs that promote a stronger intellectual property ecosystem among and across creative industries;

(n) A comprehensive digital acceleration plan for Philippine creative industries;

(o) Strategies towards the creation of a creative cities network to promote an avenue of mutual support and exchange of ideas among local government units (LGUs);

(p) Programs that establish a coordinative relationship with the leading national agency on disaster risk management and resilience to ensure that players of

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the creative economy are covered, involved, and included in all aspects of disaster management and resilience from planning to implementation; and

(q) Guidelines, programs, and strategies for the proper management of the Creative Industry Development Fund as provided for under Section 19 of the PCIDA.

Rule 14 **Review of the Plan**

Section 1. Periodic Review. - The Council shall, every three (3) years, review the components of the plan vis-a-vis the needs of the creative industries or as may be determined by the Council.

Rule 15 **Issuance of Guidelines and Strategies for the Implementation of the Plan**

Section 1. Issuance of guidelines and strategies for the implementation of the plan. - The Council may, at its discretion, issue guidelines or strategies to operationalize the Philippine Creative Industries Plan or identify priorities, sectors, or components of creative industries that need further development or assistance.

CHAPTER IV **SUPPORT FOR THE CREATIVE INDUSTRIES**

Rule 16 **Infrastructure support**


Section 1. Infrastructure support. - Entities from the creative industries may avail of shared service facilities from the DTI and the infrastructure support programs under Republic Act No. 11293, otherwise known as the "Philippine Innovation Act."

Further, the Council shall create subsidized rental schemes for studios and venues and provide co-working spaces and other similar facilities and hardware that may be utilized by multiple creative industry stakeholders towards the creation, cultivation, and promotion of their goods and services: *Provided*, That a preference for MSMEs shall be observed and practiced in the provision of such support.

Shared service facilities refer to machinery, equipment, tools, systems, accessories, and other auxiliary items, skills, and knowledge that the DTI provides under a combined and collective system to its target beneficiaries.

The DTI shall, in coordination with the Council and the Philippine Innovation, Startup, and MSME Development Councils, promulgate guidelines that will govern the availability of shared service facilities by members of the creative industries, including the manner of selecting the beneficiaries.

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Rule 17
Research and Development (R&D) and Innovation Support

Section 1. *Research and Development (R&D) and Innovation Support.* - The DOST, in coordination with the Council, shall identify priority areas and evaluate projects for funding in alignment with the DOST Harmonized National Research and Development Agenda and/or Philippine Creative Industries Plan. Eligibility for R&D support, including the size of funding, shall be determined by the DOST depending on its funding availability. All approved projects shall abide with the provisions of the DOST Administrative Order No. 11 Series of 2020 or the Revised Guidelines for the Grants-in-Aid Program of the DOST and its Agencies, including its amendments.

Guidelines may be enacted and memoranda of agreement may be entered into in order to access the relevant government grants, such as but not limited to Startup Fund and Innovation Fund, and other relevant funds.

Rule 18
Digitalization of the Creative Industries

Section 1. *Digitalization of Creative Industries.* - Entities from the creative industries shall be granted access to digital services and digital training platforms. Technical and financial assistance programs shall also be provided to Filipino entities that endeavor to create digital content distribution platforms and other digital innovations benefitting the creative industries. Dedicated high-speed infrastructure and bandwidth shall be provided by the DICT and the National Telecommunications Commission to the entities to ensure that such services, platforms, and programs are delivered efficiently to create industry enterprises.

Sec. 2. *Guidelines.* - The DICT shall promulgate guidelines or incorporate the provisions of the PCIDA and the PCIDA Rules to existing digitalization strategies, to implement this program, including the manner of selecting its beneficiaries within ninety days from the effectivity of the PCIDA IRR, in coordination with the Council.

Rule 19
Creative Industries Voucher System

Section 1. *Creative voucher system.* - A Creative Voucher System shall be established to systematize the granting of support, aid, and other incentives to creating industry entities, with a preference towards MSMEs. To this end, creative vouchers shall be issued to stakeholders from business support organizations and creative workers associations in the creative industries, which entitle them to receive support, aid, and incentives from the various government agencies.

Sec. 2. *Guidelines.* - The Council shall promulgate guidelines to implement the Creative Voucher System.

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Rule 20

Creative Industries Investment Priority Plan

Section 1. Creation of the Creative Industries Investment Priority Plan. - The Council shall create a Creative Industries Investment Priority Plan (CIIPP) that contains a list of specific activities in the creative industries that may qualify for fiscal and non-fiscal incentives. The CIIPP must be duly supported by the studies of existing and prospective demands for such products and services in light of the level and structure of income, production, trade, prices and relevant economic and technical factors of the regions as well as existing facilities.

Sec. 2. Incentives. - Enterprises engaged in creative industry activities listed in the CIIPP may be entitled to applicable fiscal incentives as provided for under Republic Act No. 11534, otherwise known as the "Corporate Recovery and Tax Incentives for Enterprises Act", and contained in the Strategic Investment Priority Plan (SIPP), subject to the requirements and limitations set and determined by the BOI, in coordination with the Fiscal Incentives Review Board; *Provided*, That activities listed in the CIIPP must likewise be listed in the Strategic Investment Priority Plan (SIPP) to be eligible to incentives under the CREATE Act, subject to the requirements provided in Title XIII of the National Internal Revenue Code of 1997, as amended by the CREATE Act and its Implementing Rules and Regulations, as amended; *Provided, further*, that the projects or activities to be included shall be subject to BOI's general and specific guidelines to implement the SIPP; *Provided, finally*, That projects or activities not listed in the CIIPP and SIPP shall not be eligible for incentives under the CREATE Act.

Sec. 3. Guidelines. - The Council shall coordinate with the BOI in identifying segments of the creative industries that should be included in the Philippine Investment Priorities Plan (PIPP); *Provided* that the specific guidelines for the non-fiscal support as contained in the SIPP should be provided within one (1) year of the promulgation of the PCIDA IRR.

The Secretariat shall create and update the CIPP yearly, which shall be reviewed and approved by the Council. The CIPP shall contain a list of specific activities in the creative industries that may qualify for incentives.

The Council shall closely coordinate with the Board of Investments (BOI) in the identification of creative activities eligible for fiscal incentives.

Rule 21

Access to Credit and Financial Instruments

Section 1. Access to Credit and Financial Instruments. - Government-owned, -controlled, or -supported financial institutions shall give priority to creative industries in providing credit assistance and guarantee schemes, subject to the rules and regulations of the concerned financial institutions.

Guidelines can be issued and memorandum of agreements may be entered into by the Council with financial institutions in order to give credit assistance to creative firms.

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The guidelines can further provide clarity on relevant de-risking mechanisms to incentivize financial institutions to provide credit, with a monitoring and evaluation framework.

Rule 22

Creative Instruction and Education

Section 1. Creative Instruction and Education. - The following NGAs, in coordination with other appropriate NGAs, shall establish a Creative Educational Plan and other policies, programs, and strategies geared towards human resource development, audience capacity-building, and consumer empowerment in the country's creative industries, in partnership with the private sector and academe:

- (a) DepEd and the CHED shall, among others, support and develop relevant programs related to creative industries and provide scholarships to deserving basic education and college and post-graduate students, respectively, enrolled in programs and courses related to the creative industries: *Provided, That* priority shall be given to underprivileged students. The CHED shall also identify Creative Centers of Excellence and establish criteria for such identification, in partnership with the private sector and the academe;
- (b) The Technical Education and Skills Development Authority (TESDA), among others, shall provide skills and technical-vocational training through scholarship programs in courses related to creative industries for entrepreneurs, workers, trainees, and stakeholders in the creative industries, as well as provide continuous education, skills training, and capacity-building for other stakeholders in the creative industries; and
- (c) Non-formal learning modalities provided by the government and the private sector shall be entitled to technical and financial assistance from the Council, including Filipino-made online learning platforms, workshops and other capacity-building programs, whether physical or online, creative arts residences, and schools of living traditions.

The DepEd, CHED, and TESDA shall also extend incentives to academic institutions that provide funds and/or grants for the research of their students and faculty, including those studying graduate and/or doctoral degree programs pertaining to cultural and creative industries, on matters relating to the development and promotion of Philippine creative industries.

Rule 23

Creative Industry Data and Information Management

Section 1. Creative Industry Data and Information Management. - The Council and the Secretariat shall be in close coordination with the PSA and other relevant NGAs in the setting up of the Creative Industries Satellite Account (CISA), a satellite account for the creative economy, including the different creative industries, as well as its data collection and management, which shall include direct and indirect economic benefits

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derived from all the creative work done by creative content ecosystem players and value chain actors. The collection and management of data must be conducted diligently to maintain the accuracy of the country's national income accounting. The satellite account shall be known as the Creative Industries Satellite Account (CISA).

The Secretariat shall also develop and maintain a website that shall serve as the primary source of information on statistics, events, government programs, and benefits for Philippine creative industries. This shall involve the integration of any existing websites and content on programs implemented by the government for all creative industry domains in the country, among others.

The Secretariat shall also maintain a database of statistics and indicators in support of the compilation of the CISA.

Rule 24

Creative Industry Development Fund

Section 1. *The Creative Industry Development Fund.* - There is hereby established a Special Account in the General Fund with the National Treasury to be called the Creative Industry Development Fund, herein referred to as the Fund. The purpose of the Fund is for research and development, trade and investment promotion, human resource development in the creative industry, and for the welfare of artists, workers and other stakeholders through business support organizations and creative workers associations. The Fund shall be capitalized and administered by the Council in accordance with existing government budgeting, accounting and auditing rules and regulations. The Fund shall be sourced from the loans, contributions, grants, bequests, gifts, and donations, whether from local or foreign sources: *Provided*, That acceptance of grants, bequests, contributions, and donations from foreign governments shall be subject to the approval of the President upon recommendation of the DFA Secretary: *Provided, further*, That such grants, bequests, contributions, and donations shall be deductible for income tax purposes in accordance with the provisions of the National Internal Revenue Code, as amended.

The Fund shall also involve a revolving mechanism to recover costs and other such features to increase its long-term sustainability.

The program of expenditure for the programs, projects, and activities to be funded by the Fund shall be itemized on a project-to-project basis and submitted annually to Congress. In the identification and prioritization of specific programs, projects, and activities, the Council shall conduct prior consultation with the representatives of the creative industry.

Guidelines can be issued by the Council for the use and management of the Creative Industry Development Fund.

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Rule 25
Public-Private Partnership

Section 1. - Public-private partnerships shall be promoted towards infrastructure development for creative industries, subject to the provisions of Republic Act No. 6957, as amended, otherwise known as the "Philippine Build-Operate-Transfer (BOT) Law."

Rule 26
The Philippine Creative Cities Network

Section 1. *The Philippine Creative Cities Network.* - There is hereby established a Philippine Creative Cities Network (PCCN), which is a permanent program of the Council that shall serve as an avenue of mutual support, exchange of ideas, and collaboration among the country's cities. The PCCN shall have the following objectives:

- (a) To incubate cities that want to explore their creative resources and opportunities for growth in the creative field; and
- (b) To accelerate cities that are emerging as creative cities towards accreditation by UNESCO to form part of the UNESCO Creative Cities Network.

The PCCN shall be implemented in coordination with the DFA, UNACOM, the League of Cities of the Philippines, the League of Municipalities of the Philippines, DTI, and DILG.

The Council can issue Guidelines on the establishment, roles, and functions of the PCCN.

Rule 27
Local Culture and Arts Council

Section 1. *Local Culture and Arts Councils.* - All LGUs, in coordination with the Council, the NCCA, and the DILG, shall establish a Local Culture and Arts Council (LCAC). The LCAC shall exercise the following functions and powers in addition to those provided under existing statutes, memoranda, and other issuances:

- (a) Support the Council in all of its functions as provided for in Section 7 of the PCIDA;
- (b) Report to the Council the development and status of the implementation of programs at the local level;
- (c) Regularly maintain a database of business support organizations and creative workers associations within the territorial jurisdiction of the LGU where the LCAC is located and transmit such data to the Council;
- (d) Formulate, plan, coordinate, implement, and assess policies, programs, activities, and projects that promote and develop the locality's creative

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industries, in coordination with the Council and other culture and arts-related councils under LGU (i.e., local film commissions); and

(e) Perform such other duties and functions as the Council may direct.

The Council can issue Guidelines on the establishment, roles, and functions of the LCAC.

Rule 28

One-Stop Registration Center

Section 1. *One-Stop Registration Center.* - The Negosyo Centers in LGUs and other locations established nationwide under Republic Act No. 10644, otherwise known as the "Go Negosyo Act," shall extend its services as a one-stop shop to assist creative industry MSMEs or entrepreneurs in availing government services that are applicable to the creative industries, including the processes in intellectual property registration, product and business registration and licensing with different government agencies, loans, grants, and benefits programs. There shall be a special lane in all Negosyo Centers for this purpose.

The Negosyo Centers shall provide electronic means of access and registration for creative industry MSMEs or entrepreneurs, in accordance with the provisions of Republic Act No. 9485, as amended by Republic Act No. 11032 or the "Ease of Doing Business and Efficient Government Services Delivery Act of 2018". *

Rule 29

Philippine Creative Industry Month

Section 1. *Philippine Creative Industry Month.* - To promote the goods, products, and services of the Philippine creative industries and to raise awareness of their role in nation-building and socioeconomic advancement, the celebration of "Philippine Creative Industries Month" shall be held for the whole month of September of every year.

The Secretariat is hereby mandated to ensure the successful annual celebration of the "Philippine Creative Industries Month" throughout the country, in partnership with the private sector and the academe. The mechanism, programs, and activities for the celebration shall be laid down by the Council by issuing the appropriate guidelines with the following minimum criteria:

(a) The Council shall examine the themes and priorities of particular creative industries or domains and choose a theme for the year which will guide all activities and programs to be undertaken during that year's celebration;

(b) To the extent possible and practicable, the Council shall request all participating agencies and organizations to ensure inclusivity for the different celebratory events by providing both online and face-to-face programs and/or activities; and

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(c) The Council shall ensure the timely announcement of each year's theme, programs, and activities to allow the public appropriate time to prepare for the annual celebrations.

All departments, agencies, and instrumentalities of the national government, including government-owned and -controlled corporations, LGUs, and the private sector are directed to extend their full support and active participation in the programs and activities for this purpose.

CHAPTER V

Final Provisions

Rule 30

Annual Report

Section 1. - The Council shall submit to the President of the Philippines and both Houses of Congress, not later than the 30th of April of every year following the effectiveness of the PCIDA, a report giving a detailed account of the implementation of the PCIDA, including recommendations for legislation, if necessary.

Rule 31

Mandatory Review

Section 1. - The PCIDA shall be reviewed at least once every five (5) years or as often as may be deemed necessary by the Congress of the Philippines, with the primary objective of enacting necessary reforms to respond to emerging needs and d

Rule 32

Appropriations

Section 1. Appropriations. - The amount necessary for the immediate implementation of the PCIDA and the PCIDA IRR, including any and all amounts needed by the Council, Secretariat, and other government agencies for the programs, capital outlay, and other related expenses, shall be included in the annual General Appropriations Act.

Sec. 2. Agency Funding. - All amounts required by the different agencies implementing projects under the PCIDA shall be taken from the amounts appropriated for the implementation of the PCIDA, as well as those obtained by the Council pursuant to Section 7 E (1) and (4) of the PCIDA, and those which form part of the Creative Industry Development Fund, without need for any further government approval.

Rule 33

Separability clause

Section 1. - If any provision of the PCIDA and the PCIDA IRR is held invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

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Rule 34
Repealing Clause

Section 1. - All laws, presidential decrees, executive orders, rules and regulations, and other issues or parts thereof which are inconsistent with the provisions of the PCIDA are hereby repealed, amended, or modified accordingly.


Rule 35
Effectivity Clause

Section 1. - The PCIDA IRR shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation in the Philippines and from the filing of three (3) certified copies at the Office of the National Administrative Register (ONAR) of the University of the Philippines Law Center.

Approved on November 11, 2022.


ALFREDO E. PASCUAL
Secretary

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