

H. No. 6852
S. No. 3071

Republic of the Philippines
Congress of the Philippines
Metro Manila
Fifteenth Congress
Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-third day of July, two thousand twelve.

[REPUBLIC ACT NO. 10557]

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

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

SECTION 1. *Short Title.* – This Act shall be known as the "Philippine Design Competitiveness Act of 2013".

SEC. 2. *Statement of Policy.* – It is the declared policy of the State to enhance the competitiveness and innovation of Philippine products, create market-responsive design services, while advocating for economic and environmental sustainability. The State shall also endeavor to promote an economy and society driven by design and creativity responsive to our fast-changing times and reflective of the Filipino culture and identity, while concurrently advocating the protection of intellectual property rights to these ideas and innovations.

SEC. 3. *Objectives.* – The State shall promote and strengthen the Philippine design industry to achieve the following objectives:

- (a) Create integrated, forward-thinking and long-range direction and strategy for the design industry;
- (b) Provide long-term guidance to promote national awareness on the use of design as a strategic tool for economic competitiveness and social innovation;
- (c) Integrate design into other industries and aspects of society in order to create a demand for good design, and to extend its impact economically, socially and environmentally;
- (d) Incorporate design as a priority component in national planning and development; and
- (e) Ultimately, encourage and drive innovation so that the Philippines may use as leverage our raw materials, natural resources and creativity to stay ahead of the curve.

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

The Design Center is further mandated to:

- (a) Develop and maintain a creative research and development program on product design, development and improvement of Philippine products and services, including those created by the small and medium enterprises (SMEs);

- (b) Conduct continuing research on product and product packaging design trends, materials and processing technologies;
- (c) Create, develop, promote and upgrade the design of all Philippine products and services, including those created by the SMEs;
- (d) Conduct seminars and workshops on product design and development;
- (e) Set up design exhibitions;
- (f) Publish design-related materials;
- (g) Ensure protection of Filipino design ideas, products and other outputs of creative talents;
- (h) Promote design education throughout the country to meet the needs of Philippine industries; and
- (i) Promote Philippine design here and all over the world.

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

National Design Policy

- (1) Formulate the National Design Policy, herein referred to as the NDP, aligning it with the government's economic agenda;
- (2) Continuously formulate five (5)-year plans that are in line with the general NDP, but reflective of the changing conditions in both the domestic and international environments;
- (3) Coordinate, monitor and assess the implementation of the NDP, and, when necessary, update the NDP in the light of changing market conditions in both the domestic and international environments;

(4) Establish an evaluation system through which the results of the NDP (as well as singular projects and programs) could be assessed and improved;

(5) Collaborate internationally with similar design policy advisory bodies of other countries and gain insights and investigate on how successful design practices in other countries can be transferred and adapted in the context of Filipino creative and knowledge-based industries as well as transition to the conceptual-based economy;

(6) Establish dialogue with designers to encourage them to actively engage in the implementation of design policy;

(7) Provide a forum for design stakeholders on current and emerging issues in the design profession;

Design Awareness

(8) Promote the design profession and the value of design;

(9) Build awareness of the importance of design to the public, through local and international exhibitions, conferences, competitions, community and school activities and other design-related events;

(10) Promote awareness on the protection of intellectual property rights;

(11) Establish more public creative zones and environments in Metro Manila and other central hubs in different regions across the country;

Design Integration

(12) Create networks and establish venues where all industries could interact in design dialogues and workshops, thereby promoting knowledge exchange, capability development and collaborative content creation;

(13) Identify and encourage public and private collaborations regarding design, competitiveness, governance and innovation to promote networking, business and partnership opportunities;

Design for Development

(14) Conduct design-led approaches and competitions for the design industry to help government solve socioeconomic and environmental challenges;

(15) Actively push for the use of design and innovation in government offices and departments, with the objective of coming up with programs and processes that will enable the government to simplify and streamline systems, so it can deliver its services more effectively and efficiently;

(16) Maintain a standard of sustainable design in all projects that are undertaken by the Design Center;

(17) Employ design as a fundamental tool for communicating a strong, singular identity of the country;

Design and Innovation

(18) Create a skill development, mentoring and support system for individuals, corporations, partnerships or associations, particularly SMEs, who want to benefit from the strategic use of good design in business administration, commerce, trade and other enterprises; and

(19) Undertake research and development on the different design strengths and assets of the Philippines (i.e. manipulation and development of raw materials that are indigenous to the country) so we can be able to come up with globally relevant yet uniquely Filipino innovations.

SEC. 5. *Creation of the Design Advisory Council.*

– There shall be created a Design Advisory Council, herein referred to as the DAC, which shall be a public-private partnership that will serve as an Advisory Council to the Design Center. The

DAC shall advise the Design Center in the formulation and implementation of policies that will enhance the quality of competitiveness of Philippine products and services and shall support the Philippine government in its efforts to enhance the level of innovation and creativity in Philippine industries.

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

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

SEC. 7. Composition of the Design Advisory Council.
– The DAC shall be composed of fifteen (15) members from the following government departments or offices:

- (a) Department of Trade and Industry (DTI):
 - (1) Secretary of the DTI;
 - (2) Center for International Trade Expositions and Missions (CITEM); and

- (3) Intellectual Property Office (IPO);
- (b) National Commission for Culture and the Arts (NCCA);
- (c) Department of Tourism (DOT);
- (d) Department of Education (DepED);
- (e) Commission on Higher Education (CHED); and
- (f) Department of Science and Technology (DOST).

The Executive Director of the Design Center shall be an *ex officio* member of the Council to be appointed by the President.

The other six (6) remaining members of the DAC shall come from the organized associations involved in the sector, academic community engaged in design courses and representatives of the private sector including, but not limited to, visual communications, architecture, industrial design, interior design, information design, new media and technology, fashion design, environmental design and similar areas.

The representatives of the private sector shall be appointed by the President, upon the recommendation of the Secretary of the DTI from the nominees to be submitted by the organizations of the various design sectors.

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

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

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

SEC. 8. *Powers and Functions of the Executive Director of the Design Center.* – The Design Center shall have an Executive Director, who shall execute, administer and implement the policies, plans and measures approved by the DAC and perform such other functions as may be necessary to carry out specific responsibilities in connection with said plans and measures.

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

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

(a) Global Competitiveness:

(1) Elevate Philippine designs and innovation toward global standards through collaboration with international design organizations;

(2) Enhance the competitiveness and innovation of Philippine products and services, making it more responsive to social needs while advocating for economic and environmental sustainability;

(3) Create a distinctive and recognizable identity for Philippine products through global positioning and branding of Philippine designs;

(4) Build the competitiveness and capabilities of Filipino designers through continuous trainings, seminars and workshops, and collaborations with Philippine manufacturers; and

(5) Provide opportunities for Filipino designers to showcase their talent locally and internationally.

(b) Institutionalization and Promotion of Design Culture Nationwide:

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

(2) Promote the understanding of diverse Philippine cultures so that it can be translated into modern design concepts that enable an innovation process that is uniquely Filipino;

(3) Enhance the quality of the Philippine products and services and productivity of the Philippine manufacturers through design;

(4) Create design awareness among manufacturers and service providers, particularly the SMEs, on the competitiveness brought about by original designs;

(5) Conduct programs that will challenge designers, design students and ordinary citizens to actively engage in solving and mitigating socioeconomic and environmental problems through design-led approaches;

(6) Establish networks and resources for knowledge exchange and capability development leveraging on automation, computerized and web-based services; and

(7) Encourage the collaboration and partnerships among local stakeholders of the design industry such as industry associations, management of the SMEs, Filipino designers, the academe, government agencies and other private organizations.

(c) Creation of an Environment to Cultivate a Constant Demand for Good Design:

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

(2) Promote an appreciation for good design not only among citizens, but also within business organizations and government institutions; and

(3) Create linkages with the business sector, the educational sector, government institutions and the public in general to encourage them to employ and invest in good design.

(d) Design Protection:

(1) Promote Philippine designs through registration of Intellectual Property Rights and through Technology Licensing Offices; and

(2) Encourage and facilitate a culture of creating and protecting intellectual property in the area of design.

(e) Design Education and Professional Development:

(1) Elevate design education and design research in the Philippines to global standards of excellence;

(2) Invest on appropriate infrastructure and technology to support design;

(3) Establish an active collaboration among industry, professional designers and the academe towards the development of the design profession; and

(4) Inculcate among the youth the value of good design in enhancing the quality of human life by including design appreciation in the curriculum.

(f) Institutionalization of Design as an Effective Problem-Solving Tool:

(1) Conceptualize effective and sustainable design-related approaches to drive economic growth and development;

(2) Seek design solutions for issues related to social innovation and environmental sustainability and protection;

(3) Expand awareness on the benefits of the strategic use of good design in business and government administration, trade and commerce, as well as in the SMEs; and

(4) Encourage the government to invest on activities geared towards increasing the competitiveness of Philippine design and creative industries.

SEC. 10. *Design Industries Linkages with the Educational System.* – To ensure a continuous supply of creative talents and to stimulate design creativity and innovation among students at all levels of education, the DepED, the CHED and the TESDA, in consultation with and assistance of the Design Center, shall formulate measures to establish a stronger connection between arts, culture, education and training, and to harness the potentials of the youth.

SEC. 11. *Appropriations.* – The amount necessary to carry out the initial implementation of this Act shall be charged against the current year's appropriations of the PDDCP. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

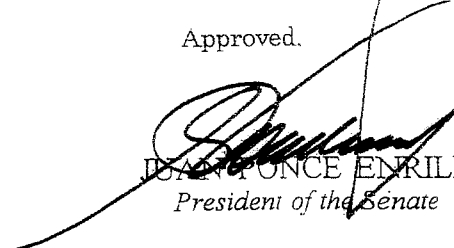
SEC. 12. *Implementing Rules and Regulations.* – The DTI shall issue the implementing rules and regulations within sixty (60) days from the effectivity of this Act.

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

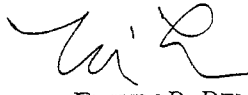
SEC. 14. *Separability Clause.* – The provisions of this Act are hereby declared separable, and in the event any of its provisions is declared unconstitutional, the other provisions which are not affected thereby shall remain in force and effect.


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

Approved.

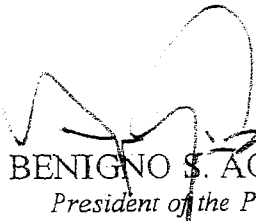
 
 JUAN PONCE ENRILE FELICIANO BELMONTE JR.
President of the Senate *Speaker of the House of Representatives*

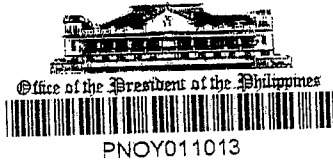
This Act which is a consolidation of House Bill No. 6852 and Senate Bill No. 3071 was finally passed by the House of Representatives and the Senate on February 4, 2013 and February 6, 2013, respectively.


 EDWIN B. BELLEN
Acting Senate Secretary


 MARILYN B. BARUA-YAP
Secretary General House of Representatives

Approved: MAY 15 2013


 BENIGNO S. AQUINO III
President of the Philippines



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 DIRECTOR IV

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