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Republic of the Philippines
Office of the President

**National Book Development Board
(NBDB)**

**Rules and Regulations Implementing R.A. No 8047,
Otherwise Known as
The Book Publishing Industry Development Act**

The following rules and regulations implementing R.A. 8047, otherwise known as the Book Publishing Industry Development Act are hereby promulgated as follows:

**Rule I
Statement of Policies**

Section 1. Title. These Rules shall be known and cited as the Rules and Regulations Implementing R.A. 8047, otherwise known as the Book Publishing Industry Development Act referred hereto as the Book Act.

Section 2. Declaration of Policy. It is recognized that the book publishing industry has a significant role in national development considering that books which are its products are instrumental in the citizenry's intellectual, technical and cultural development-the basic social foundation for the economic and social growth of the country. Books are the most effective and economical tools for achieving educational growth, for imparting information and for recording, preserving, and disseminating the nation's cultural heritage.

a) **Private Sector Participation.** It is hereby declared a policy of the State to promote the continuing development of the book publishing industry, with the active participation of the private sector, to ensure an adequate supply of varied, high quality books that are affordable and suited for the domestic as well as the export market.

b) **Policy and Development Plan Formulation.** The Government shall formulate, adopt, and implement a National Book Policy and a corresponding National Book Development Plan that will serve as the enduring basis for fostering the progressive growth and viability of the book industry.

**Rule II
Definition of Terms**

Section 1. Definition of Terms under the Act.

a) **Book.** As defined by the United Nations Educational Scientific and Cultural Organization (UNESCO), it is a printed non-periodical publication of at least forty-eight (48) pages, exclusive of cover pages, published in the country and made available to the public.

However, in order to satisfy the intent of the Book Act in the light of modern information technology and for purposes of enjoying the tax and duty-free status of imported books, this definition shall include: (1) children's books which may be less than forty eight (48) pages; (2) children's educational comics; (3) boomicks, which is a combination of a book and a comics; (4) books with accompanying tapes; (5) books with CD Roms; (6) scientific, cultural, medical, architectural and professional magazines or journals, and including those with accompanying tapes or disks; (7) Book Catalog and (8) other educational and instructional materials that fall under the definition of "Boyle".

Boyle - An instructional material, tool or method other than books and periodicals incorporating new emerging technologies including electronic and digital technology, electronic publishing, multi-media, information technology and satellite communication technology (i.e., films, videotapes, cassettes, CD Roms, digital videodiscs, etc.) but excluding materials and equipment used in the film, radio and television broadcast, and the recording or entertainment industries.

b) **Textbook.** A book which is an exposition of generally accepted principles on one (1) subject, intended primarily as a basis of instruction in a classroom or pupil-book-teacher situation.

c) **Book Title.** Refers to a particular book of which a number of copies are printed.

d) **National Book Policy.** A statement of the intention and philosophy of the State as a basis for the implementation of measures for the development, production and distribution of books.

e) **National Book Development Plan.** Refers to the integrated approach for fostering book development, consisting of the totality of the procedures and systems of attaining the balanced growth of the various components of book development and production, including preparation and distribution of books.

f) **National Development.** It is used in the most general sense to refer to the country's progress as well as to the processes or measures that contribute to such progress.

g) **Book Publishing.** A process of choosing, producing and making available books dealing with everything known to the human spirit, philosophy, religious beliefs, intellectual ideas, the physical world, all the arts and sciences.

h) **Book Development.** A condition not only of having more output but also different kinds of books produced, as well as changes in the technical and institutional

c) formulate policies, guidelines and mechanisms to ensure that editors, compilers, and especially authors are paid justly and promptly royalties due them for reproduction of their works in any form and number and for whatever purpose;

d) conduct or contract research on the book publishing industry, including monitoring, compiling, and providing data and information on book production;

e) provide a forum for interaction among private publishers, and for the purpose, establish and maintain liaison with the Philippine Book Publishing Development Federation, BDAP, APB, PEPA, and all the other duly established associations outside the aforesaid federation;

f) ask the appropriate government authority to ensure effective implementation of the National Book Development Plan;

g) promulgate rules and regulations for the implementation of the Book Act in consultation with other agencies concerned, except for Section 12 hereof on incentives for book development, which shall be the concern of appropriate agencies involved;

h) approve, with the concurrence of the Department of Budget and Management (DBM), the annual and supplemental budgets submitted to it by the Executive Director;

i) own, lease, mortgage, encumber or otherwise real and personal property for the attainment of its purposes and objectives;

j) enter into any obligation or contract essential to the proper administration of its affairs, the conduct of its operations or the accomplishment of its purposes and objectives;

k) receive donations, grants, legacies, devices, and similar acquisitions which shall form a trust fund of the Board to accomplish its development plans on book publishing. Any intended disbursement from the trust fund must be covered by a duly approved Board resolution;

l) import books or raw materials used in book publishing which are exempt from all taxes, custom duties, and other charges in behalf of persons and enterprises engaged in book publishing and its related activities duly registered with the Board;

m) promulgate rules and regulations governing the manner in which the general affairs of the Board are to be exercised and amend, repeal or modify such rules and regulations whenever necessary; such shall be considered integral to the IRR;

n) recommend to the President of the Philippines nominees for the positions of the Executive Officer and Deputy Executive Officer of the Board;

o) adopt rules and procedures and fix the time and place for holding meetings: provided, that at least one (1) regular meeting shall be held monthly;

p) conduct studies, seminars, workshops, lectures, conferences, exhibits, and other related activities in support of book development on such matters as: indigenous authorship, intellectual property rights, the use of alternative materials for printing, distribution, and others;

q) Undertake the establishment of a national and/or local industrial complex for the book industry sector and other special projects such as but not limited to local and international book fairs, book informational technology exchange networks;

r) adopt rules and regulations to ensure that prices of books shall be affordable and within reasonable levels commensurate to the quality; and that any pricing committee that shall be formed by other government entities like DECS shall necessarily have a representative from the Book Board;

In cases when situations are not normal, e.g., prices are unaffordable, inaccessible schools are not supplied with books, publishers resort to unhealthy competition, the Governing Board shall promulgate special rules and remedial measures;

s) represent and/or gain leverage for the book industry sector by being a member of the negotiating panel relating to negotiation between other government entities like DECS and the domestic or international financial entities on matters affecting books; and

t) exercise such other powers and perform such other duties as may be required by law.

**Rule V
NBDB Secretariat**

Section 1. NBDB Secretariat. The Board Secretariat created under Section 9 of the Book Act is composed of functional offices mentioned in this Rule.

Section 2. Functions and Responsibilities of the Secretariat. Among the major functions and responsibilities of the Secretariat are the following:

a) Prepare an annual report for submission through its Executive Director to the Governing Board at the close of every calendar year; and other reports the Governing Board may require within given periods;

b) Prepare an annual budget and such supplemental budgets as may be necessary for submission through its Executive Director to the Board for its consideration and approval;

c) Facilitate through its Policies and Programs Division, the formulation, adoption, and implementation of a National Book Policy and the corresponding National Book Development Plan;

d) Through the said Office also, coordinate with DECS, CHED, TESDA, and other concerned units regarding curricular concerns like the guidelines, rules and regulations in preparing learning competencies, prototypes, and other specifications for books and related instructional materials;

e) Through the Policies and Programs division, provide information, education-training, communication, and advocacy for the progressive growth of the book industry;

f) Through its Industry Research and Management Information Systems Division, gather and organize data on book publishing, book people, and establishments; plan and conduct studies and researches designed to improve the book publishing industry;

g) Through its Accreditation and Publishing Incentives Division, register and classify persons and enterprises engaged in book publishing; and encourage their meeting the set publishing standards.

c) The Board shall monitor and conduct an annual evaluation of the progress of the shift of functions related to the privatization of the DECS textbook provision program;

d) The Board shall work with DECS in securing approval for a budget that adequately covers all instructional materials requirements in all public schools; and

e) The Board shall monitor and ensure the equitable distribution and efficient delivery of books to the public schools by the private publishers/booksellers.

Section 2. Role and Responsibilities of DECS. The DECS shall ensure the quality of instructional materials to be adopted in the public schools. In consultation with the Board it shall prescribe the guidelines, rules, and regulations in preparing the minimum learning competencies, prototypes, and other specifications for books, including the materials to be used, required by public elementary and secondary schools.

It shall coordinate with NBDB in determining the textbooks and related instructional materials requirements for the public schools; it shall provide for the participation of an NBDB representative in the pricing committee for textbooks and other instructional materials. The DECS shall confine itself to:

a) preparing the learning competencies, prototypes, and other specifications for the books and/or manuscripts called for;

b) testing, evaluating, selecting, and approving the manuscripts or books to be submitted by publishers for multiple adoption;

c) providing assistance in the distribution of textbooks to the public school systems; and

d) promulgating with the participation and assistance of the Board rules and regulations for the private book publishers in the call, testing, evaluation, selection, approval, as well as production specifications and acquisition of public schools textbooks.

Section 3. Decentralization of Textbook Printing and Evaluation of Books. The printing of public elementary and secondary textbooks shall be done on a regional or provincial level, whenever economically feasible.

Consistent with regional/provincial publishing and indigenous authorship, the DECS shall decentralize its textbook evaluation system, selection and approval to the public school level. Acceptance of manuscripts from the private sector for evaluation shall be done on a regular and continuing basis even after a DECS call. Moreover, DECS adheres to the policy of multiple adoption in order to encourage the free flow of information and the deregulation of book publishing.

Section 4. Devolution of DECS Publication and Distribution Functions. The DECS shall within a period of not more than three (3) years from the effectivity of the Book Act phase out its elementary and secondary textbook publication and distribution functions and shall support the phasing in of private sector publishers to assume these functions.

The Board shall monitor and conduct an evaluation of the progress of the shift of functions from the DECS to the private sector.

Section 5. Participation of Private Publishers. Subject to DECS guidelines as indicated in Section 2 of this Rule, publishers shall develop and submit to the DECS prototypes or books intended for use in the public schools for testing, evaluation, selection, and approval.

Upon approval of the prototypes or books, publishers shall produce and supply the textbooks as ordered by DECS.

**Rule VIII
Incentives for Book Development**

Section 1. Entitlement to Fiscal and Non-Fiscal Incentives. Persons and enterprises engaged in book publishing and its related activities duly registered with the National Book Development Board shall be entitled to the applicable fiscal and non-fiscal incentives as provided for under Executive Order No. 226, otherwise known as the Omnibus Investment Code, as amended, subject to the qualifications and requirements set by the Board of Investment (BOI): Provided, that the book development activities shall always be included in the Investment Priorities Plan (IPP).

Section 2. Duty-Free Importation of Books and Raw Materials used in Book Publishing. In the case of tax- and duty-free importation of books or raw materials to be used in book publishing, the Board and its duly authorized representatives shall strictly monitor the quality and volume of imported materials as well as the distribution and utilization of the said imported materials.

The Board shall also recommend to the proper prosecuting agencies any violations of the conditions of the duty-free importation.

The interpretative rules and regulations are found in the Annex B, entitled **Rules and Regulations on Duty-Free Importation**, an integral part of IRR of the Book Act.

Section 3. VAT Exemption. Books, magazines, periodicals, newspapers, including book publishing and printing, as well as their distribution and circulation, shall be exempt from the coverage of the expanded value added tax law.

Section 4. Establishing Awards. The Board shall encourage, support and cooperate in the giving of appropriate awards to books, writers, designers, and publishers, such as the National Book Awards presented yearly by the Manila Critics Circle, and shall further establish other awards considered necessary to or valuable for book development in the country.

Section 5. Other Incentives. The Governing Board may approve and promulgate other incentives whenever appropriate and such will be disseminated through circulars to all concerned entities in the book publishing industry.

**Rule IX
Sanctions**

Section 1. Penalties. Any person who violates any provision of the Book Act or the terms and conditions of the rules and regulations issued pursuant thereto, or aids or abets in any

- b) **Textbook.** A book which is an exposition of generally accepted principles on one (1) subject, intended primarily as a basis of instruction in a classroom or pupil-book-teacher situation.
- c) **Book Title.** Refers to a particular book of which a number of copies are printed.
- d) **National Book Policy.** A statement of the intention and philosophy of the State as a basis for the implementation of measures for the development, production and distribution of books.
- e) **National Book Development Plan.** Refers to the integrated approach for fostering book development, consisting of the totality of the procedures and systems of attaining the balanced growth of the various components of book development and production, including preparation and distribution of books.
- f) **National Development.** It is used in the most general sense to refer to the country's progress as well as to the processes or measures that contribute to such progress.
- g) **Book Publishing.** A process of choosing, producing and making available books dealing with everything known to the human spirit, philosophy, religious beliefs, intellectual ideas, the physical world, all the arts and sciences.
- h) **Book Development.** A condition not only of having more output but also different kinds of outputs than were previously produced, as well as changes in the technical and institutional arrangements by which such output is produced and distributed.
- i) **Related Activities.** The domestic industries which have direct bearing on the long term viability of the book publishing industry such as but not limited to the following: printing, distribution, book trading, importation of paper, and local raw materials manufacturing, and the development of new technologies.
- j) **Information.** Any material, medium, or process which has actual or potential knowledge value (KEV).

Rule III National Book Policy and Development Plan

Section 1. Formulation of the National Book Policy. The NBDB shall formulate a National Book Policy to ensure the development and viability of the book publishing industry.

a) Purposes and Objectives of the National Book Policy under this the Book Act are as follows:

- 1) to create conditions conducive to development, production, and distribution of books, especially the acquisition and adoption of state-of-the-art technology, equipment and machinery for book publishing;
- 2) to obtain priority status for the book publishing industry;
- 3) to ensure an adequate, affordable, and accessible supply of books for all segments of the population;
- 4) to promote book readership especially among the young and neo-literates, through programs promoting literary and good reading habits, book fairs and exhibits, and an efficient nationwide system of libraries and reading centers especially in the rural areas;
- 5) to promote the development of indigenous authorship and of translations among various language groups in the country;
- 6) to promote the translation and publication of scientific and technical books and classic works in literature and the arts;
- 7) to promote the effective distribution of books in the domestic as well as in the international markets through an efficient and reliable postal and transport delivery system;
- 8) to foster the development of skills of the personnel engaged in book publishing through in-service training programs and formal degree and non-degree book publishing courses in the schools;
- 9) to respect and inculcate the concept of intellectual property ownership and to protect the rights of authors and publishers by strictly enforcing copyright laws and providing legal assistance to authors and publishers in suits related thereto;
- 10) to reaffirm and ensure the country's commitment to the UNESCO principle of free flow of information and other related provisions as embodied in the Florence Agreement and in other similar international agreements; and
- 11) to promote whenever appropriate the use of recycled/waste paper and other inexpensive local materials in the manufacture of books to reduce the cost of such locally produced books.

Section 2. Formulation of a National Book Development Plan. The NBDB shall formulate the National Book Development Plan which shall include specific measures to achieve the purposes and objectives of the Plan.

a) **Planning Process.** In the formulation of the plan, the NBDB shall gather and/or generate data through surveys/studies on the book industry covering but not limited to the following:

1. book production such as supply and demand of paper, publishing equipment and machinery, and existing distribution networks;
2. availability of manpower and skills needed by the publishing industry such as authors, editors, designers and illustrators, marketing personnel, and printers;
3. legislative measures affecting the book industry both at the national and international levels; and
4. professional training capability as well as reading habits and attitudes.

b) **Components of the Plan**

The National Book Development Plan shall have the following components and/or requisites:

1. a human resource development program for book personnel;
2. guidelines for ethical practices in the book trade.
3. measures for attaining balanced attention and bridging the communication gap among people living in different parts of the country;
4. provisions for strong and effective mechanisms for book development in the country;
5. provisions for producing books or other periodicals, such as appropriate or selected comics as instructional or teaching materials for such various categories of readers in the country as pre-school children and school children, school drop-outs, neo-literates, the handicapped, professionals, general readers, and ethnic groups; and
6. measures for addressing the needs and problems of the book industry as indicated in the surveys conducted.

Rule IV Governing Board

- b) Prepare an annual budget and such supplemental budgets as may be necessary for submission through its Executive Director to the Board for its consideration and approval;
- c) Facilitate through its Policies and Programs Division, the formulation, adoption, and implementation of a National Book Policy and the corresponding National Book Development Plan;
- d) Through the said Office also, coordinate with DECS, CHED, TESDA, and other concerned units regarding curricular concerns like the guidelines, rules and regulations in preparing learning competencies, prototypes, and other specifications for books and related instructional materials;
- e) Through the Policies and Programs division, provide information, education-training, communication, and advocacy for the progressive growth of the book industry;
- f) Through its Industry Research and Management Information Systems Division, gather and organize data on book publishing, book people, and establishments; plan and conduct studies and researches designed to improve the book publishing industry;
- g) Through its Accreditation and Publishing Incentives Division, register and classify persons and enterprises engaged in book publishing; and encourage their meeting the set publishing standards;
- h) Through the said Office, coordinate with registered establishments and publishing people, keeping track of and ensuring an adequate, affordable, and accessible supply of raw materials and books for all segments of the population;
- i) In addition, through the Accreditation and Publishing Incentives Division, implement and evaluate programs on incentives for book development and other aspects of the publishing industry; process and regulate applications for tax exemption in importation of raw materials;
- j) Through its Administrative and Financial Services Division provide vital support services to the organization on matters relating to financial, budgetary, administrative, personnel, and other general services; maintain an information system about policies, procedures, and processes for the guidance of Board personnel and the public;
- k) Assist the Governing Board in assessing as well as in addressing the needs and problems of the publishing industry; and
- l) Perform such other functions as may be authorized.

Section 3. Executive Officers of the Secretariat. The authority and responsibility for the day-to-day management and direction of the operations and affairs of the Board shall be vested in the Executive Officer. The Executive Officer shall be assisted by a Deputy Executive Officer. Both the Executive Officer and Deputy Executive Officer shall be appointed by the President of the Philippines. They shall hold office unless sooner terminated in accordance with applicable laws.

a) **Qualifications.** The Executive Officer and Deputy Executive Officer must be citizens of the Philippines, at least thirty (30) years of age, and of established competence and integrity.

b) **Position Titles, Ranks, and Emoluments.** The Executive Officer and the Deputy Executive Officer shall have the title of Executive Director and Deputy Executive Director respectively. They shall enjoy the benefits, privileges, and emoluments equivalent to the rank of Executive Director and Deputy Executive Director, respectively.

c) **Powers and Functions.** The Executive Officer shall have the following powers and functions:

- 1) Execute, administer, and implement the policies and measures approved by the Governing Board;
- 2) Direct and manage the affairs and operations of the Secretariat;
- 3) Submit within thirty (30) days after the close of every calendar year an annual report to the Governing Board and such other reports as it may require;
- 4) Submit an annual budget and such supplemental budgets as may be necessary to the Governing Board for its consideration and approval;
- 5) Represent the Book Board in all transactions with other offices, agencies, and instrumentalities of government and with all persons and other entities, public or private, domestic or foreign;
- 6) Appoint, subject to the confirmation of the Governing Board, and discipline for cause in accordance with Civil Service laws, rules and regulations, the Book Board's officers and personnel below the level of the Deputy Executive Officer;
- 7) Delegate authority, as may be necessary, to subordinate officers and personnel of the Book Board in writing; and
- 8) Perform such other duties as may be assigned to him/her by the Governing Board, which, according to its sound discretion, are necessary for the efficient and effective implementation of this Book Act.

The Deputy Executive Officer shall have the following powers and functions: assist the Executive Officer in the discharge of his/her powers and functions, act as an Executive Officer during the Executive Officer's absence, sickness or other temporary disability, and discharge such other powers and perform such other functions as may be required by the Executive Officer or the Governing Board.

Section 4. Organizational Structure and Functions. The structural and functional organization, compensation plan, and staffing pattern of the Secretariat shall be approved by the Governing Board upon the recommendation of the Executive Officer. The Governing Board may create, abolish, merge, or otherwise reorganize offices and positions therein as may be necessary for the economical, effective and efficient discharge of its functions and responsibilities subject to existing laws.

Offices of the NBDB Secretariat

Section 5. Office of the Executive Director shall have powers and functions specified in Section 3, paragraph c of Rule V, above cited.

Section 6. Industry Research and Management Information Systems Division shall:

- 1) manage the research and information services;
- 2) plan, manage, implement and evaluate the industry research and EDP information activities of the organization;
- 3) gather and analyze data on book production and related publishing processes;
- 4) conduct assessment studies and/or surveys on the manpower supply-demand situation, institutional capabilities, and legislation affecting the book industry;
- 5) conduct studies and researches designed to improve the various components and procedures in book publishing;
- 6) submit periodic reports on the developments in the industry;
- 7) provide technical assistance and services to other units in the organization; and
- 8) perform such other functions as may be authorized.

Regulations on Duty-Free Importation, an integral part of IRR of the Book Act.

Section 3. VAT Exemption. Books, magazines, periodicals, newspapers, including book publishing and printing, as well as their distribution and circulation, shall be exempt from the coverage of the expanded value added tax law.

Section 4. Establishing Awards. The Board shall encourage, support and cooperate in the giving of appropriate awards to books, writers, designers, and publishers, such as the National Book Awards presented yearly by the Manila Critics Circle, and shall further establish other awards considered necessary to or valuable for book development in the country.

Section 5. Other Incentives. The Governing Board may approve and promulgate other incentives whenever appropriate and such will be disseminated through circulars to all concerned entities in the book publishing industry.

Rule IX Sanctions

Section 1. Penalties. Any person who violates any provision of the Book Act or the terms and conditions of the rules and regulations issued pursuant thereto, or aids or abets in any manner any violation shall be subject to a fine not exceeding **One Hundred Thousand Pesos (P100,000.00)** or imprisonment of not more than five (5) years or both, at the discretion of the court.

If the violation is committed by a juridical entity, it shall be subject to a fine not exceeding **Five Hundred Thousand Pesos (P500,000.00)**. The president and/or officials responsible therefore shall also be subject to a fine not exceeding **Seven Hundred Thousand Pesos (P700,000.00)**.

In addition to the foregoing, any person, firm or juridical entity involved shall be subject to forfeiture of all benefits granted in the Book Act.

Section 2. Power to Verify Claims for Incentives. The Board has the power to check on the validity of the applicant's claim for incentives.

Section 3. Power to Investigate and Take Appropriate Action. The Board has the authority to gather the facts and assess the claims of applicants for incentives; in addition, the Board can take appropriate action, i.e. bring the pertinent problems to the attention of SEC.

Section 4. Power to Impose Administrative Sanction. The SEC shall have the power to impose administrative sanctions as provided herein for any violation of the Book Act or its implementing rules and regulations.

Rule X Assets, Properties, Funds and Liabilities

Section 1. Transfer of IMC and IMDC Assets, Properties, Funds and Liabilities. Assets, properties, funds, and liabilities of the Instructional Materials Corporation (IMC) and the Instructional Materials Development Center (IMDC) under the DECS shall be transferred to the National Book Development Board.

Section 2. Book Industry Development Fund. In addition to the Trust Fund that the Board shall generate from donations, grants, legacies, decrees and similar acquisitions, to accomplish its development plans on book publishing, the Board may generate further income from additional sources, such as the following:

- a) Registration and Classification/Accreditation Fees from book people and establishments;
- b) Special events like regional/provincial bookfairs and related exhibits;
- c) Certification allowing importation of raw materials and machineries used for book production;
- d) Training fees for special publishing industry capacity-building courses/programs/workshops/seminars facilitated by the Board;
- e) Fines and penalties due to violations related to the Book Act;
- f) Sale of developed technologies and publications; and
- g) Special studies and other technical services.

Section 3. Special Provision on Use of Income. The Board has requested the approval of DBM for fifty percent (50%) of the income derived from the above-mentioned sources to be used to augment maintenance and other operating expenses, capital outlays and/or monitoring activities, and conduct of the affairs of the Secretariat and the twelve standing committees.

Rule XI

Transitory and Final Provisions

Section 1. Initial Funding and Continuing Appropriations. For the initial operating expenses of the NBDB, the amount of **Five Million Pesos (P5,000,000.00)** is hereby appropriated to be charged to the Office of the President. Thereafter, it shall submit to the Department of Budget and Management its proposed budget for inclusion in the General Appropriations Act.

Section 2. Transfer of Similar Functions and Programs of Other Government Offices. Within the period of one (1) year from the approval of the Book Act, the NBDB shall identify and determine government offices having similar functions similar to those of the Book Board which shall then cease to perform such functions and effect their transfer to the NBDB in coordination with appropriate and concerned departments and offices.

Section 3. DECS Office. The DECS shall maintain an office and staff to perform its roles and functions specified herein relative to its participation in the government textbook program. It shall coordinate with NBDB in determining the textbooks and related instructional materials requirements for the public schools.

Section 4. Phasing Out of IMDC. Pursuant to Sections 15 and 17, the IMDC under DECS is deemed abolished and its assets, properties, funds and liabilities transferred to NBDB. The available and unexpended balance of funds appropriated and/or acquired through legal and proper means, for the current year are likewise reverted to and placed under the administrative control of the NBDB.

Section 5. Interim Secretariat. Pending the approval of and implementation of the organizational structure and staffing pattern of the NBDB Secretariat, the Chairman, in consultation with the Governing Board members and in coordination with the appropriate DECS authority, shall identify and designate IMDC personnel to assist the Secretariat. Their designation shall not, in any way, prejudice provisions of Section 17 and/or other pertinent civil service rules and regulations on reorganization and retirement.

Section 6. Hiring of NBDB Personnel. The Executive Director and Deputy Executive Director of the NBDB Secretariat shall be selected by the Board and appointed by the President. The rest of the Secretariat staff shall be hired upon DBM approval of the organizational structure and staffing pattern. The hiring procedures shall conform with those prescribed by the Civil Service

2. guidelines for ethical practices in the book trade;
3. measures for attaining balanced attention and bridging the communication gap among people living in different parts of the country;
4. provisions for strong and effective mechanisms for book development in the country;
5. provisions for producing books or other periodicals, such as appropriate or selected comics as instructional or teaching materials for such various categories of readers in the country as pre-school children and school children, school drop-outs, neo-literates, the handicapped, professionals, general readers, and ethnic groups; and
6. measures for addressing the needs and problems of the book industry as indicated in the surveys conducted.

**Rule IV
Governing Board**

Section 1. Creation of NBDB. To implement the Book Act, a National Book Development Board is created, herein referred to as the Book Board. It shall operate under the administrative supervision of the Office of the President. It may opt to convert itself into a corporate entity when it meets the criteria for government corporations, subject to the approval of appropriate authorities.

The Board shall be composed of the Governing Board and the Secretariat. The NBDB has the responsibility of formulating and implementing policy, and exercising pertinent functions relevant to the implementation of R.A. 8047. It assumes similar functions of the Instructional Materials Corporation (IMC) and the Instructional Materials Development Center (IMDC). It shall identify and determine such government offices or entities having similar functions which are deemed transferred to the Board.

Section 2. Composition of the Governing Board. The Governing Board shall be composed of eleven (11) members who shall be appointed by the President of the Philippines.

- The eleven (11) members shall be the following:
- a) Five (5) representatives of the government to be chosen from the Department of Education, Culture and Sports (DECS), Department of Trade and Industry (DTI), Department of Science and Technology (DOST), National Commission for Culture and Arts (NCCA), and nominees by the Commission on Higher Education (CHED) and Technical Education and Skills Development Authority (TESDA) from the academe and training institutions, respectively; and
 - b) Six (6) nominees of organizations of private book publishers, printers, writers, book industry related activities, students and the private education sector, preferably representatives of the three (3) main islands of the country in view of the substantial progress made by other regions in the book publishing industry. Related activities shall include, but not be limited to booksellers, importers, paper/raw materials suppliers, and those involved in new technology.
- The appointees to the Governing Board shall be one of three (3) nominees of the concerned nationwide organizations duly incorporated with the Securities and Exchange Commission (SEC) and with membership, whenever feasible, in all cities and provinces throughout the country.

The members of the Governing Board shall elect a chairman from among themselves. The DECS representative in the Governing Board shall be the ex-officio vice-chairman of the Governing Board.

The Governing Board shall have a Board Secretary and some executive assistants as support staff.

Section 3. Qualifications. The members of the Governing Board must be citizens of the Philippines, at least thirty (30) years of age, and of established competence and integrity.

Section 4. Terms of Office. The members of the Governing Board shall serve for a term of three (3) years; provided, that no member shall serve for more than two (2) consecutive terms. Provided, further, that the terms of the first appointees from the private sector shall be staggered thus: the first two (2) representatives of the private sector shall serve for three (3) years; the second two (2) for two (2) years; and third two (2) for one (1) year. That the appointee from the academe shall serve for the period of three (3) years and the appointee from training institutions shall serve for a term of two (2) years.

The members of the Governing Board shall serve and continue to hold office until their successors shall have been appointed and qualified. Should a member of the Governing Board fail to complete his/her term, his or her successor shall be appointed by the President of the Philippines, but only for the unexpired portion of the term.

Section 5. Meetings and Compensations. The Governing Board shall meet at least once a month or as frequently as it may deem necessary. In the absence of the Chairman, the Vice-Chairman shall preside. The members of the Governing Board shall receive per diems and such allowances as may be authorized for every Board and/or committee meeting actually attended and subject to pertinent laws, rules, and regulations. Absences and records of said meetings shall be kept by the Board Secretary.

Section 6. Powers and Functions. The Governing Board shall have the following powers and functions:

- a) assume responsibility for carrying out and implementing the policies, purposes, and objectives provided for in the Book Act;
- b) formulate plans and programs as well as operational policies and guidelines for undertaking activities relative to promoting book development, production, and distribution, as well as incentive schemes for individual authors and writers;

3. paragraph c of Rule V, above cited.
- Section 6. Industry Research and Management Information Systems Division shall:**
- 1) manage the research and information services;
 - 2) plan, manage, implement and evaluate the industry research and EDP information activities of the organization;
 - 3) gather and analyze data on book production and related publishing processes;
 - 4) conduct assessment studies and/or surveys on the manpower supply-demand situation, institutional capabilities, and legislation affecting the book industry;
 - 5) conduct studies and researches designed to improve the various components and procedures in book publishing;
 - 6) submit periodic reports on the developments in the industry;
 - 7) provide technical assistance and services to other units in the organization; and
 - 8) perform such other functions as may be authorized.

Section 7. Policies and Programs Division shall:

- 1) formulate policies, plans, and programs, the setting of publishing standards and coordination with DECS regarding curriculum matters as well as the human resource development training necessary for the improvement of the industry;
- 2) develop a planning framework for the National Book Policy and the National Book Development Plan;
- 3) facilitate the establishment of publishing standards and coordinate with DECS on curriculum concerns specifically the guidelines, rules and regulations in preparing the minimum learning competencies, prototypes, and other specifications for books required by public elementary and secondary schools;
- 4) plan, evaluate and formulate guidelines for the management and implementation of training related to the book industry; and
- 5) perform other duties as may be authorized.

Section 8. Accreditation and Publishing Incentives Division shall:

- 1) manage all activities relating to the registration and accreditation of persons and enterprises engaged in book publishing, the monitoring of the different industry processes and related activities, as well as the incentives for the publishing industry;
- 2) coordinate with registered establishments and publishing people, keeping track of and ensuring an adequate, affordable, and accessible supply of raw materials and finished books for all segments of the population;
- 3) implement and evaluate programs on incentives for book development and other aspects of the publishing industry; process and regulate applications for tax exemption in importation of raw materials and finished goods; and
- 4) perform other functions as may be authorized.

Section 9. Administrative and Financial Services Division shall:

- 1) provide vital support services to the organization on matters relating to financial, budgetary, administrative, personnel, and other general services;
- 2) maintain an information system about policies, procedures, and processes for the guidance of Board personnel and of the public; and
- 3) perform other functions as may be authorized.

Section 10. Field Monitoring and Coordination Division shall:

- 1) oversee regional and local level implementation of the National Book Policy and the National Book Development Plan under the supervision of the Executive Director and other offices;
- 2) facilitate the gathering of research data and the monitoring tasks at the regional and local levels;
- 3) facilitate the dissemination of information to and from the NBDB within their areas of responsibility;
- 4) serve as conduit between the local level participants in the industry and the NBDB; and
- 5) perform other duties as may be assigned by the Executive Director.

**Rule VI
Registration and Accreditation**

Section 1. Coverage. All persons and enterprises engaged in book publishing and its related activities shall register with and be accredited by the Board as a pre-condition for availing of incentives, assistance, and protection.

Section 2. Guidelines, Rules and Regulations. The interpretative rules and regulations are found in Annex A, entitled Rules and Regulations on Registration and Accreditation, an integral part of the IRR of the Book Act.

**Rule VII
Public Schools and Textbook Publishing**

Section 1. Role and Responsibilities of the NBDB. In textbook publishing for the public schools, the following are the responsibilities of the NBDB:

- a) The Board shall proactively collaborate with DECS in the latter's formulation of the guidelines, rules and regulations in preparing the learning competencies, prototypes and other specifications required by public elementary and secondary schools;
- b) It shall participate and assist DECS in promulgating rules and regulations for the private book publishers in the call, testing, evaluation, selection, approval, as well as production verification and acquisition of public school textbooks;

available and unexpended balance of funds appropriated and/or acquired through legal and proper means, for the current year are likewise reverted to and placed under the administrative control of the NBDB.

Section 5. Interim Secretariat. Pending the approval of and implementation of the organizational structure and staffing pattern of the NBDB Secretariat, the Chairman, in consultation with the Governing Board members and in coordination with the appropriate DECS authority, shall identify and designate IMDC personnel to assist the Secretariat. Their designation shall not, in any way, prejudice provisions of Section 17 and/or other pertinent civil service rules and regulations on reorganization and retirement.

Section 6. Hiring of NBDB Personnel. The Executive Director and Deputy Executive Director of the NBDB Secretariat shall be selected by the Board and appointed by the President. The rest of the Secretariat staff shall be hired upon DBM approval of the organizational structure and staffing pattern. The hiring procedures shall conform with those prescribed by the Civil Service Commission.

Section 7. Separation and Retirement Benefits. Employees of the IMDC and the IMC who are not hired by the Board and/or who do not opt to remain with DECS or are laid off as a result of the implementation of the Book Act, within the transition period provided herein, shall be entitled to gratuity at the rate of one and one-fourth (1 1/4) month's salary for every year of service in the government or a fraction thereof on the basis of the highest salary received, in addition to the retirement and/or gratuity, benefits or pensions under R.A. No. 6656 and other existing Retirement Laws. Funds needed to pay the benefits of those separated or retired from the service shall be charged against available funds of IMDC.

Section 8. Issuances of Additional Guidelines after the Effectivity of the IRR. The Governing Board, after due consultations and studies, shall promulgate from time to time issuances on policies and guidelines for the effective implementation of the Book Act and its IRR. The specific guidelines pertinent to Sections 6, 10, and 12 of RA 8047 shall form an integral part of this IRR.

**Rule XII
Effectivity**

Section 1. The Implementing Rules and Regulations shall take effect fifteen (15) days after publication in a newspaper of general circulation.

NBDB Form	TABLE OF FEES		ANNEX A-3	
	Classification of Registrants	Filing Fee	Registration Fee	
1. Book Publisher	P50.00	P200.00		
2. Book Printer	50.00	200.00		
3. Book Importer	50.00	200.00		
4. Retail Book Seller/Supplier	50.00	100.00		
5. Wholesale Book Seller/Supplier	50.00	100.00		
6. Importer of Paper/Other Raw Materials	50.00	200.00		
7. Local Manufacturer of Raw Materials	50.00	200.00		
8. Non-Print Information Materials Importer	50.00	200.00		
9. Retail Non-Print Information Materials Seller/Supplier	50.00	100.00		
10. Wholesale Non-Print Information Materials Seller/Supplier	50.00	200.00		
11. Non-Print Information Materials Publisher	50.00	200.00		
12. Associations in the Book Publishing and other related activities	50.00	200.00		

- NOTE: 1. All applicants shall pay the corresponding filing fee.
 2. An applicant registered in a number of activities shall pay the corresponding fees for each of those activities.
 3. Refer to Section 2, Payment of Fees, page 4 for the detailed write-up on fees.

EXAMPLE:
 A publisher with all the facilities of production and having sales outlets, shall register as in the following example:

	Filing Fees	Registration Fees
Book Publisher	P50.00	P200.00
Book Printer	50.00	200.00
Retail Book Seller	50.00	100.00
Wholesale Book Seller	50.00	200.00
Sub-Total	P200.00	P700.00
Total Fees		P900.00

Approved by the Governing Board of the National Book Development Board on October 11, 1996 under Board Resolution No. 26, series of 1996.

*Republic of the Philippines
Office of the President*

National Book Development Board

Rules and Regulations on the Registration with and Accreditation by the National Book Development Board (NBDB) of Persons and Enterprises Engaged in Book Publishing and Its Related Activities

ANNEX A