

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 a declared policy of the state that the book publishing industry has a significant role in national development since books are instrumental in the citizenry's intellectual, technical and cultural development which constitutes 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.** The State shall 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. As used in the Rules and Regulations, the terms below shall mean except when the context indicates otherwise, as follows:

- 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) booklets which is a combination of a book and a comics; (4) scientific, cultural, medical, architectural and professional magazines; and (5) book catalogs.
- b) **Textbook.** A book which is an exposition of generally accepted principles in one (1) subject, intended primarily as a basis for instruction in a classroom or

preferences, attitudes and reading habits of Filipinos; and

- 5) consultation with all segments of the book industry.
- b) **Components of the Plan.** The National Book Development Plan shall have the following components and/or requisites:
 - 1) provisions for strong and effective mechanisms for book development in the country;
 - 2) 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 preschool children and school children, school drop-outs, neo-literates, the handicapped, professionals, general readers, and ethnic groups;
 - 3) measures for addressing the needs and problems of the book industry as indicated in the surveys conducted;
 - 4) measures designed to redress the imbalance between demand of good books and other reading materials and the supply thereof in different parts of the country;
 - 5) measures to secure to authors adequate compensation for copyrights and other intellectual property rights;
 - 6) guidelines for ethical practices in the book trade; and
 - 7) a human resource development program for book personnel.

Rule IV

Governing Board

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

The Board shall be composed of a Governing Board and a Secretariat.

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, as follows:

- a) Five (5) representatives of the government to be chosen from the Department of Education, Culture and Sports

local industrial complex for the book industry sector and other special projects such as but not limited to local and international book fairs, exhibits of publishing equipment and technology and 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;
- 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 provided under Section 9 of the Book Act shall be composed of functional offices that the Board may create.

Section 2. Functions and Responsibilities of the Secretariat. The Secretariat shall have the following major functions and responsibilities:

- 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 the formulation, adoption, and implementation of a National Book Policy and the corresponding National Book Development Plan;
- d) 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) Provide information, education, training, communication and advocacy of the progressive growth of the book industry;
- f) 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) 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.

The DECS shall conform 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, selection and approval system 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, NBDB shall ensure that the policy of multiple adoption of textbooks and other instructional materials be implemented 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

If 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) comics, which is a combination of a book and a comics; (4) scientific, cultural, medical, architectural and professional magazines; and (5) book catalog.

- b) **Textbook.** A book which is an exposition of generally accepted principles in one (1) subject, intended primarily as a basis for instruction in a classroom or public-school-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 formulation and 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 for attaining the balanced growth of the various components of the 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 and the like.
- 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, procurement, manufacture or production of raw materials for book publishing, and the development of new technologies.
- j) **Information.** Any material, medium, or process which has actual or potential knowledge value (KEV).
- k) **Board.** The National Book Development Board.

**Rule III
National Book Policy and
Development Plan**

Section 1. Formulation of the National Book Policy: Pursuant to RA No. 8047, the Board shall formulate and adopt a National Book Policy to ensure the development and viability of the book publishing industry.

The purposes and objectives of the National Book Policy 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

Section 2

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

The Board shall be composed of a Governing Board and a Secretariat.

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, as follows:

- 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 agencies 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.

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 Compendiums. 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;
- 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; and

and regulations in preparing learning competencies, prototypes, and other specifications for books and related instructional materials;

- e) Provide information, education, training, communication, and advocacy of the progressive growth of the book industry;
- f) 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) Register and classify persons and enterprises engaged in book publishing; and encourage their meeting the set publishing standards;
- h) 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) 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) 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 by the Board.

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 officials and personnel of the Book Board in writing; and
- 8) Perform such other duties as may be assigned to

whenever economically feasible.

Consistent with regional/provincial publishing and indigenous authorship, the DECS shall decentralize its textbook evaluation, selection and approval system 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, NBDB shall ensure that the policy of multiple adoption of textbooks and other instructional materials be implemented to encourage the free flow of information and the deregulation of book publishing.

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.

Participation of Private Publishers. Subject to DECS guidelines as indicated in Section 2 of this Rule, publishers duly registered with and accredited by the Board shall develop and submit to the DECS syllabi, 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**

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. 228, 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).

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 guidelines on the Importation of Books are found in Annex B hereof and shall form an integral part of the IRR of the Book Act.

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.

Establishing Awards. The Board shall encourage, support and cooperate in the giving of appropriate awards to books, writers, designers, and publishers and shall further establish other awards considered necessary to or valuable for book development in the country.

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**

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

- ogy, 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 non-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.

Non-2

- Formulation of a National Book Development Plan.** For the formulation and modification of the National Book Development Plan, the Board (NBDB) shall undertake a planning process and adopt strategic measures for the realization of the components of the plan.
- a) **Planning Process.** The Board shall gather and/or generate data through surveys/studies on the book industry covering but not limited to the following:
 - 1) book production in specific fields of knowledge 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, printers and professional training capability thereof;
 - 3) legislative measures affecting the book industry both at the national and international levels;
 - 4) kind and quantity of book importation;

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;
- 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 purposes;
- d) conduct researches on the various components of the National Book Development Plan and contract out the same;
- e) provide a forum for interaction among private publishers, and for the purpose, establish and maintain liaison with the Philippine Book Publishing Development Federation, BDBP, APB, PEPB, and all the other duly established associations outside the aforesaid federation;
- f) enjoin 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 whether for its own or for and 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 IRA;
- 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 such as indigenous authorship, intellectual property rights, the use of alternative materials for printing, distribution, and others;
- q) undertake the establishment of a national center and/or

Section 4

Section 1

Section 2

Section 3

Section 1

- 6) public or private, domestic or foreign; 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.

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.

**Rule VI
Registration and Accreditation**

Coverage. All persons and enterprises engaged in book publishing and its related activities shall register with and be accredited by the Board to avail of incentives, assistance, and support.

Participation in the DECS Textbooks and Other Instructional Materials Procurement Program. Persons and enterprises engaged in book publishing and its related activities duly registered with the National Book Development Board shall qualify to participate in the DECS textbook and other instructional materials procurement program, subject to the rules and guidelines the DECS may set for such a program.

Guidelines, Rules and Regulations. The guidelines on Registration and Accreditation are found in Annex A hereof and shall form an integral part of the IRA of the Book Act.

**Rule VII
Public Schools and Textbook Publishing**

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 coordinate with DECS in the latter's formulation of the guidelines, rules and regulations in preparing the learning competencies, prototypes and other specifications of textbooks 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;

Sanctions

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 violator 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.

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

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 the Securities and Exchange Commission (SEC).

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

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.

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

- a) Registration and Classification/Accreditation Fees from book people and establishments;
- b) Special events like regional/provincial book fairs and related exhibits, except those arranged by DECS consistent with the government's textbook program;
- 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 1. **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 standing committees.

**Rule XI
Transitory and Final Provisions**

Section 1. **Initial Funding and Continuing Appropriations.** For the initial operating expenses of the Board, the amount of **Five Million Pesos (P5,000,000.00)** has been appropriated and 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 a period of one hundred eighty (180) days after the approval of this Act, the Board shall be constituted to start its operation. All other government offices having functions similar to those of the Board shall then cease to perform such functions. These functions shall henceforth be deemed transferred to the Board.

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.

Section 4. **Phasing Out of IMOC.** Pursuant to Sections 15 and 17, the IMOC 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 Organization structure and staffing pattern of the Board Secretariat, the Chairman, in consultation with the Governing Board members and in coordination with the appropriate DECS authority, shall identify and designate IMOC 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 Board Personnel.** The Executive Director and Deputy Executive Director of the Board Secretariat shall be nominated 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 procedure shall conform with those prescribed by the Civil Service Commission.

Section 7. **Separation and Retirement Benefits.** Employees of the IMOC 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. 6655 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 IMOC.

Section 8. **Issuances of Additional Guidelines after the Effectivity of this 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.

ANNEX A

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

Pursuant to the provisions of Section 6 of Republic Act No. 8047, otherwise known as the Book Publishing Industry Development Act, the following rules and regulations are hereby promulgated to govern the registration and accreditation of persons and enterprises engaged in book publishing and its related activities.

**Rule I
Definition of Terms**

Section 1. **Definition.** As used in this rule, unless the context indicates otherwise the terms below shall mean as follows:

- a) **Registration.** The act of filing an application for inclusion in the register or list of persons and enterprises engaged in book publishing and its related activities.
- b) **Accreditation.** The means by which registration is made effective by conferring benefits to applicants who are qualified based on the standards of classification, thereby culminating in the issuance of the Certificate of Registration.
- The standards of classification shall include the production, marketing, organizational and financial capabilities in relation to the nature of the business.
- c) **Fee.** The amount paid by the applicant to cover the cost of filing the application for registration and the attendant cost of processing the application and of the issuance of the Certificate of Registration.
- d) **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.
- e) **Book Publisher.** A person/entity engaged in financing the manufacture of books.
- f) **Book Printer.** A person/entity engaged in any of the processes in the printing of books.
- g) **Author.** The natural person who has created the work.
- h) **Book Importer.** A person/entity engaged in the business of importing books.
- i) **Retail Book Seller.** A person/entity engaged in the business of selling books on a retail basis.
- j) **Wholesale Book Seller/Supplier.** A person/entity engaged in the business of selling in bulk to other wholesalers or retail outlet.
- k) **Importer of Raw Materials to be Used in Book Publishing.** A person/entity engaged in the importation and sale of paper and/or ink to be used in book publishing.
- l) **Local Manufacturer of Raw Materials to be Used in Book Publishing.** A person/entity engaged in the domestic manufacture of paper and/or ink to be used in book publishing.
- m) **Non-print Information Materials Importer.** A person/entity engaged in the business of importing non-print information materials.
- n) **Retail Non-print Information Materials Seller/Supplier.** A person/entity engaged in the business of selling non-print information materials on retail.

- o) **Local manufacturer of raw materials to be used in book publishing.**
- h) **Non-print information materials seller/supplier.**
- i) **Retail non-print information materials seller/supplier.**
- j) **Wholesale non-print information materials seller/supplier.**
- k) **Non-print information materials publisher.**
- l) **Forwarder.**
- m) **Associations in book publishing and other related activities.**

**Rule II
Statement of Policy**

Section 1. **Objective.** The NBDB shall be responsible for carrying out and implementing the policies, purposes and objectives of the Book Publishing Development Act. It is recognized that the private sector shall obtain benefits under the law if it participates in the continuing development of the book publishing industry.

In order therefore to establish and maintain liaison with all segments of the industry, every person or enterprise engaged in book publishing and the other related activities listed in Section 2, Rule I above cited shall register with this Board as mandated by Section 6 of this Act.

Section 2. **Effect of Non-Registration.**

Persons and enterprises who which do not register and are not accredited in accordance with this rule shall not be entitled to any protection, assistance, incentives and privileges.

Section 3. **Revocation/Cancellation of Registration.**

The registration of any person or enterprise found violating herein, the ethical standards adopted by the private sector, the guidelines, rules and regulations promulgated by the Book Board, and other directives that may hereafter be issued shall, after due process, be suspended, revoked or cancelled as the circumstances may warrant. Said person or enterprise shall then forfeit available to him/her/it without prejudice to other penalties imposed under this Act.

**Rule III
Procedures on Registration**

Section 1. **Filing of Application Form (Annex A-1)**

The applicant shall file the duly accomplished and notarized application form in duplicate with the Accreditation and Publishing Incentives Division of this Board after paying the required fee. Provincial applicants may course their applications through the regional offices.

Section 2. **Payment of Fees**

- a) **Filing Fees.** Upon filing of an application, the applicant shall pay the a uniform filing fee of **Fifty Pesos (P50.00)** to the authorized collection officer of the Board who shall then issue an official receipt.
- If the applicant has two or more classifications, he/she/it shall cumulatively pay the fee for the Certificate of Registration for each classification.
- b) **Fee for Certificate of Registration.** Once the application has been processed and approved, which shall not exceed (7 ten US) days from date of filing, the applicant shall be so notified and be required to pay the registration fee pursuant to Annex A-3 of these Rules.

If the applicant has two or more classifications, he/she/it shall cumulatively pay the fee for the Certificate of Registration for each classification.

Upon the presentation of the receipt, the Certificate of Registration (Annex A-2) shall be issued to applicant.

The above fees are non-refundable and may be adjusted after the Board has received the data submitted.

b) in the case of Single Proprietorship.

b.1) Copy of Applicant's Certificate of Registration of Business Name with the Bureau of Domestic Trade.

b.2) Business Permit.

b.3) Official Receipt Pertaining to the filing fee.

b.4) Preferably an endorsement of the Association where he/she is a member.

b.5) A list of skilled personnel currently connected or employed with the business (Annex A-4).

b.6) For book publishers a list of publications and their classification (Annex A-5).

Section 4. **Processing of Application**

The Board shall process the application for registration within 15 days from date of filing. Thereafter, the Board shall promptly issue the corresponding certificate after the payment of the required fee for the Certificate of Registration (Annex A).

Section 5. **Change/Upgrading in Classification**

Any registered person or enterprise who which seeks to change or upgrade his classification as a result of improved business condition or operation may do so at any time. Said person or enterprise shall observe the procedures of registration stated herein.

Section 6. **Renewal of Registration Certificate**

The registration shall be effective for one year from the date appearing in the Certificate of Registration. All persons and enterprises shall renew their registration within thirty (30) days prior to expiry of registration.

The applicant shall file a duly accomplished and notarized renewal form and attach thereto a copy of the Official Receipt in payment of the fee for the renewal of registration.

The new Certificate of Registration shall be issued within ten (10) days from filing if everything is in order.

Section 7. **Finality of Order**

The Accreditation and Publishing Incentives Division shall decide whether an applicant may or may not qualify for registration. Anyone whose application is disapproved shall be informed in writing of the grounds for disapproval. A party may appeal his/her case to the Governing Board within 15 days from receipt of the disapproval notice. The appeal shall be resolved with finality within thirty (30) days from the date of the appeal.

An application shall be disapproved on the following ground:

- a) Refusal to submit the required forms, i.e. Annexes A-1, 4 and 5 and A-6 where applicable.
- b) Refusal to pay the fees.
- c) Failure to comply with an order from the Book Board requiring the rectification of a violation falling under Section 3, Rule II thereof; and
- d) Where the entity has been found by other appropriate government agencies to have grossly violated existing laws like labor standards and copyrights and violations remain uncorrected.

**RULE IV
Classification/Accreditation**

Section 1. **Basic.**

The applicant shall be classified on the basis of the activities he/she/it is primarily involved in, and shall be accredited based on his/her/its declared financial, production and marketing capabilities.

The Board may exercise its visitatorial power in the process of verifying and confirming the data submitted.

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 IMBC.

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.

Approved by the Governing Board of the National Book Development Board on April 23, 1997 under Board Resolution No. _____ series of 1997.

Dominador D. Buhain
Atty. DOMINADOR D. BUHAIN
Chairman

Juan P. Dayang
Mr. JUAN P. DAYANG
Member

Dr. Jose L. Guerrero
Dr. JOSE L. GUERRERO
Member

Dean Rosa M. Vallejo
Dean ROSA M. VALLEJO
Member

Mr. Jose D. Escartin
Mr. JOSE D. ESCARTIN
Member

Ms. Carolina R. Javier
Ms. CAROLINA R. JAVIER
Member

Section 2.

- b. Local Manufacture of Raw Materials to be Used in Book Publishing. A person/entity engaged in the domestic manufacture of paper and/or ink to be used in book publishing.
 - mi. Non-print Information Materials Importer. A person/entity engaged in the business of importing non-print information materials.
 - ni. Retail Non-print Information Materials Seller/Supplier. A person/entity engaged in the business of selling non-print information materials on retail.
 - o. Wholesale Non-print Information Materials Seller/Supplier. A person/entity engaged in the business of selling to non-print information materials in bulk to other wholesaler or retail outlets.
 - pi. Non-print Information Materials Publisher. A person/entity engaged in the business of financing the manufacture and sale of non-print information materials.
 - q. Forwarder. A person/entity engaged in the receiving, transshipping or delivery to assure and facilitate the passage of goods of his/its principal.
 - ri. Association. A grouping of persons/entities engaged in book publishing or in any of the related activities.
- Coverage**
- All persons and enterprises engaged in book publishing in any of the following classifications shall register with the Book Board:
- ai. Book publisher
 - bi. Book printer
 - ci. Book importer
 - di. Retail book seller/supplier
 - ei. Wholesale book seller/supplier
 - fi. Importer of raw materials to be used in book publishing

Section 3.

- Local Manufacture of Raw Materials to be Used in Book Publishing. A person/entity engaged in the domestic manufacture of paper and/or ink to be used in book publishing.
- If the applicant has two or more classifications, he/she/it shall cumulatively pay the fee for the Certificate of Registration for each classification.
- Upon the presentation of the receipt, the Certificate of Registration (Annex A2) shall be issued to applicant.
- The above fees are non-refundable and may be adjusted after due notice if the cost index factor shall extraordinarily change.
- Documents to be Attached**
- The following documents are to be attached to the Application Form, in order to facilitate the processing:
- A. In the case of corporation or a partnership:
 - a.1. Copy of applicant's Articles of Incorporation/ Partnership and By-Laws, SEC Certificate of Registration;
 - a.2. Copy of company's Board Resolution authorizing the officer to sign in behalf of applicant;
 - a.3. Business Permit;
 - a.4. Official Receipt pertaining to the filing fee;
 - a.5. Preferably an endorsement of the Association where it is a member;
 - a.6. A list of skilled personnel currently employed with the corporation (Annex a-4); and
 - a.7. For book publishers a list of Publications and their classifications (Annex A-5).

Section 1.

Section 2.

Section 3.

Section 1.

Section 2.

**Rule IV
Classification/Accreditation**

Basic

The applicant shall be classified on the basis of the activities he/she/it is primarily involved in, and shall be accredited based on his/her/its declared financial, production and marketing capabilities.

The Board may exercise its visitatorial power in the process of verifying and confirming the data submitted.

Classification

The applicants shall be classified in accordance with the classification appearing in Section 2 of Rule I of these Rules.

Effectivity of Accreditation

The applicant is deemed accredited for the corresponding classification of category once he/she receives the Certificate of Registration from this Board.

**Rule V
Repeal/Effectivity Clause**

Amendment, Modification and/or Repeal

The Board has the exclusive power and authority to amend, modify and/or repeal any of the provisions of the Rules and Regulations and Accreditations, including the pertinent Annexes and shall exercise such power and authority whenever the circumstances so warrant.

Effectivity

The foregoing Rules and Regulations shall take effect fifteen (15) days from publication in a newspaper of general circulation.

25th Anniversary



ST. CLARE'S MEDICAL CENTER



CITY OF Makati
METRO MANILA, PHILIPPINES

M E S S A G E

I am pleased to convey my sincerest congratulations and best wishes to the St. Clare's Medical Center on the occasion of its 25th Anniversary.

The St. Clare's Medical Center is a respected private health institution in Makati. It has played a significant role in addressing the medical and emergency needs of the people of Makati and nearby environs side by side with the official city hospitals and medical and health institutions financially subsidized by the City government.

With the wonderful preparations being made by dedicated men and women of St. Clare's Medical Center and its friends and supporters, I am confident it shall have a truly memorable celebration this year.

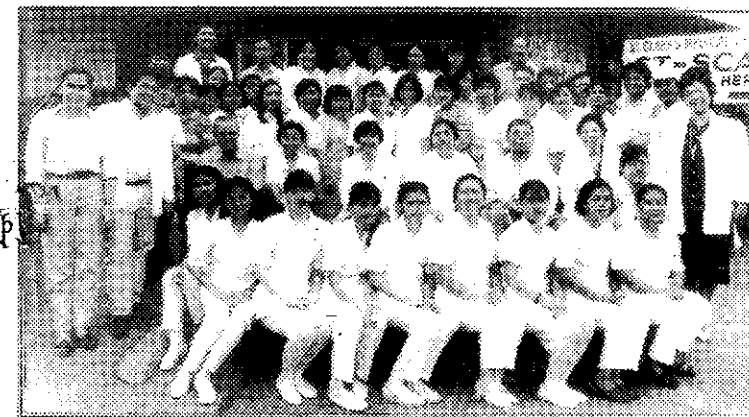
ST. CLARE'S MEDICAL CENTER INC.

St. Clare's Medical Center celebrates its twenty-fifth anniversary on May 1, 1997. As a pioneering hospital in the City of Makati, it has evolved from a modest family medicine-oriented hospital to a multi-specialty health care institution. Its sphere of influence now encompasses parts of Manila Pasay, and even Mandaluyong.

Twenty eight years ago, Dr. Dionisio P. Lirio and the late Engr. Leopoldo C. del Rosario talked about their common dream of providing

its services to include physical therapy and occupational therapy. It acquired its own ultrasound equipment and upgraded the capabilities of its intensive care unit (ICU). It refurbished its pediatrics department and renovated its patient's rooms to reflect more modern tastes. Recently, it organized its own CT-Scan Facility and bought a GE Imagemax II CT-Scan unit.

In 1996, the hospital's name was changed to St. Clare's Medical Center. This new name, according to the Lirio and del Rosario children, embodies accurately their vision of a



MEDICAL STAFF & OFFICE STAFF



DR. ALODIA L. DEL ROSARIO



DR. ARACELI P. JO



TERESITA C. LIRIO