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Republic of the Philippines
Congress of the Philippines
Metro Manila

Third Regular Session

Begun and held in Metro Manila, on Monday the twenty-fifth day of July,
nineteen hundred and ninety-four.

[REPUBLIC ACT NO. 8047]

AN ACT PROVIDING FOR THE DEVELOPMENT OF THE BOOK
PUBLISHING INDUSTRY THROUGH THE FORMULATION
AND IMPLEMENTATION OF A NATIONAL BOOK POLICY
AND A NATIONAL BOOK DEVELOPMENT PLAN

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

SECTION 1. *Title.* - This Act shall be known as the "Book Publishing
Industry Development Act."

SEC. 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.

Accordingly, 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 affordable, quality-produced books not only for the domestic but also for the export market. For this purpose, 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.

SEC. 3. *Definition of Terms.* - For purposes of this Act, the terms below shall be construed to mean, except where explicitly indicated or where the context clearly indicates otherwise, as follows:

a) Book - as defined by the United Nations Educational Scientific and Cultural Organization (UNESCO), 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.

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 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 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 book development and production, including preparation and distribution of books.

f) National Development - 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 and making books dealing with everything known to the human spirit, philosophy, religious beliefs, intellectual ideas, the physical world, all the arts and the 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 output is produced and distributed.

i) Related Activities - the domestic manufacturing industries which have direct bearing on the long term viability of the book publishing industry.

SEC. 4. *National Book Policy.* - The National Book Policy shall conform to the policy provided for in Section 2 hereof and shall have the following basic purposes and objectives:

a) to create conditions conducive to development, production and distribution of books, especially the acquisition and adoption of state-of-the-art technology, equipment and machineries on book publishing;

b) to obtain priority status for the book publishing industry;

c) to ensure an adequate, affordable and accessible supply of books for all segments of the population;

d) 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;

e) to promote the development of indigenous authorship and of translations among various language groups in the country;

f) to promote the translation and publication of scientific and technical books and classic works in literature and the arts;

g) 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;

h) to foster the development of the skills of personnel engaged in book publishing through in-service training programs and formal degree and non-degree book publishing courses in schools;

i) 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;

j) 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

k) 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.

SEC. 5. *National Book Development Plan.* - The National Book Development Plan shall include the specific measures needed to realize the purposes and objectives of the National Book Policy. The formulation of the plan shall involve:

a) the collection and tabulation of data on book production covering such areas as paper production, supply and consumption, publishing equipment and machinery and existing distribution networks;

b) a survey on the availability of adequate and proper manpower and supporting skills needed by the publishing industry such as authors, editors, designers and illustrators, marketing personnel and printers;

c) a survey of existing legislation affecting the book industry both at the national and international levels;

d) a survey of professional training capability as well as of reading habits and attitudes; and

e) consultations with all segments of the book industry concerned in planning for and preparing the National Book Development Plan on the basis of the results of the aforementioned surveys.

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

i. a human resource development program for book personnel;

ii. guidelines for ethical practices in the book trade;

iii. measures for attaining balanced attention and bridging the communication gap among people living in different parts of the country;

iv. provisions for a strong and effective mechanisms for book development in the country;

v. provisions for producing books or other periodicals such as appropriate or selected comics as instructional or teaching material for such various categories of readers in the country as pre-school children and schoolchildren, school drop-outs, neo-literates, the handicapped, professionals, general readers and ethnic groups; and

vi. measures for addressing the needs and problems of the book development industry as indicated in the surveys conducted.

SEC. 6. *Registration of Entities.* - Persons and enterprises engaged in book publishing and its related activities shall register with the National Book Development Board.

SEC. 7. *Governing Board; Composition; Terms, Powers and Functions.* - There is hereby created a National Book Development Board hereinafter referred to as the Board, which shall be under the administrative supervision of the Office of the President. 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 composed of:

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 Skills Development Authority (TESDA) from the academe and training institutions, respectively; and

b) Six (6) representatives from the 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.

The appointees to the Board shall be one of the three (3) nominees of the concerned nationwide organizations duly incorporated with the Securities and Exchange Commission (SEC) and with membership, whenever feasible, in all the cities and provinces throughout the country.

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

The members of the 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 the third two (2) for one (1) year: *Provided, furthermore*, That the appointee from the academe shall serve for a period of three (3) years and the appointee from training institutions shall serve for a term of two (2) years.

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

No person shall be appointed to the Board unless he is a citizen of the Philippines, at least thirty (30) years of age, and of established competence and integrity.

For administrative purposes, the Board shall be under the Office of the President.

The members of the Governing Board shall receive *per diem* and such allowances as may be authorized for every meeting actually attended and subject to pertinent laws, rules and regulations.

SEC. 8. 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 this 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 an incentive scheme 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 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 all the segments of the book publishing industry;

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 this Act in consultation with other agencies concerned, except for Section 9 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;

l) import books or raw materials used in book publishing which are exempt from all taxes, customs 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, and modify such rules and regulations whenever necessary;

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 on book development such as indigenous authorship, intellectual property rights, use of alternative materials for printing, distribution and others; and

q) Exercise such other powers and perform such other duties as may be required by law.

SEC. 9. *The Secretariat.* - The Board shall have a permanent Secretariat under an Executive Officer, who shall be appointed by the Board.

The authority and responsibility for the day-to-day management and direction of the operations of the 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 the Deputy Executive

Officer shall be appointed by the President of the Philippines. They shall hold office unless sooner terminated in accordance with applicable laws.

No person shall be appointed Executive Officer and Deputy Executive Officer of the Board unless he is a citizen of the Philippines, at least thirty (30) years of age, and of established competence and integrity.

The Executive Officer shall have the following powers and functions:

a) Execute, administer and implement the policies and measures approved by the Board;

b) Direct and manage the affairs and operations of the Board;

c) Submit within thirty (30) days after the close of every calendar year an annual report to the Board and such other reports it may require;

d) Submit an annual budget and such supplemental budgets as may be necessary to the Board for its consideration and approval;

e) Represent the 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;

f) Appoint, subject to the confirmation of the Board, and discipline for cause in accordance with Civil Service laws, rules and regulations, the Board's officers and personnel below the level of Deputy Executive Officer;

g) Delegate in writing, authority, as may be necessary, to subordinate officers and personnel of the Board; and

h) Perform such other duties as may be assigned to him by the Board, which, according to its sound discretion, are necessary for the efficient and effective implementation of this Act.

The Deputy Executive Officer shall have the following powers and functions: assist the Executive Officer in the discharge of his powers and functions; act as 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 Board.

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

SEC. 10. *Public School and Textbook Publishing.* - The DECS shall consult with the Board in prescribing the guidelines, rules, and regulations in preparing the minimum learning competencies, and/or prototypes and other specifications for books required by public elementary and secondary schools.

The DECS shall confine itself to:

- a) preparing the minimum learning competencies, and/or 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 specification and acquisition of public school textbooks.

The printing of public elementary and secondary school textbooks shall be done on a regional or provincial level, whenever economically feasible.

The DECS shall within a period of not more than three (3) years from the effectivity of this 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 here. For its part, the Board shall monitor and conduct an annual evaluation of the progress of the shift of functions from the DECS to the private sector.

SEC. 11. *Participation of Private Publishers in the Public School Textbook Program.* - Guided by the minimum learning competencies for the elementary level, the desired learning competencies for the secondary level, and other specifications prepared by the DECS, publishers shall develop and submit to the DECS those syllabi and/or prototypes and manuscripts or books intended for use in the public schools for testing, evaluation, selection and approval.

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

SEC. 12. *Incentives for Book Development.* - 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 Investments (BOI): *Provided*, That book development activities shall always be included in the Investment Priorities Plan (IPP).

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 books and materials as well as their distribution and the 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.

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

SEC. 13. *Implementing Rules and Regulations.* - The Board, in consultation with the BOI, Bureau of Customs (BOC), and other appropriate agencies from the private and government sectors, shall issue guidelines and prescribe rules and regulations for Sections 6, 10, and 12 within one hundred twenty (120) days after the effectivity of this Act which shall be published in two (2) newspapers of general circulation. A copy of such guidelines, rules, and regulations shall be furnished the Congress of the Philippines.

SEC. 14. *Penalties.* - Any person who violates any provision of this 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 under this Act.

The SEC shall have the power to impose administrative sanctions as provided herein for any violation of this Act or its implementing rules and regulations.

SEC. 15. *Transfer of Assets, Properties, Funds and Liabilities.* - Assets, properties, funds and liabilities of the Instructional Material Corporation (IMC) and the Instructional Material Development Center (IMDC) under the DECS shall be transferred to the National Book Development Board.

SEC. 16. *Appropriations.* - For the initial operating expenses of the Board and the Secretariat, the amount of Five million (P5,000,000.00) pesos 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.

SEC. 17. *Transitory Provisions.* - 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.

This notwithstanding, the DECS shall maintain an office and staff to perform functions specified herein relative to its participation in the government textbook program.

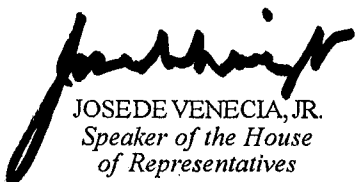
Employees of the IMDC and the IMC who are not hired by the Board and/or who do not opt to remain with DECS or are laid off as a result of the implementation of this Act, within the transition period provided herein, shall be entitled to gratuity at the rate of one and one fourth (1 1/4) month's salary 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. Unexpended funds of the IMDC and of the IMC shall revert to the Board, after reserving the amount necessary to pay the benefits of those separated or retired from the service.

SEC. 18. *Separability Clause.* - If any part or section of this Act is declared unconstitutional for any reason whatsoever such declaration shall not in any way affect other parts or sections of this Act.

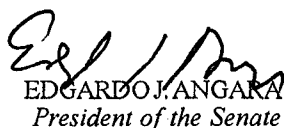
SEC. 19. *Repealing Clause.* - Executive Order No. 492, series of 1991, as amended; except as herein indicated is hereby repealed. All other laws, decrees, rules, regulations and other administrative issuances or provisions thereof which are contrary to or inconsistent herewith are hereby repealed or modified accordingly.

SEC. 20. *Effectivity.* - This Act shall take effect after fifteen (15) days following its publication in the *Official Gazette* or in any newspaper of general circulation.

Approved,




JOSE DE VENECIA, JR.
*Speaker of the House
of Representatives*

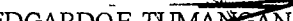


EDGARDO J. ANGARA
President of the Senate

This Act, which is a consolidation of Senate Bill No. 252 and House Bill No. 12614, was finally passed by the Senate and the House of Representatives on June 2, 1995 and June 5, 1995, respectively.




CAMILO L. SABIO
*Secretary General
House of Representatives*



EDGARDO E. TUMANAN
Secretary of the Senate

Approved: JUN 07 1995



FIDEL V. RAMOS
President of the Philippines