



# Committee Daily Bulletin

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## COMMITTEE MEETING ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Creative Industry and Performing Arts	HR 2035	Rep. De Venecia	Inquiry into the state of the Philippine visual arts and other related industries	<p>The Committee, chaired by Rep. Christopher de Venecia (4<sup>th</sup> District, Pangasinan), will deliberate further on the issues raised relative to House Resolution 2035 in another meeting.</p> <p>Rep. De Venecia, who is also the author of HR 2035, said that visual arts is a fundamental component of human experience, reflecting the history and culture of people at the time in which they lived. Despite this, the sector has experienced a fair share of obstacles and has struggled both domestically and internationally.</p> <p>According to Rep. De Venecia, the visual arts sector has contributed P2.8 billion to the country's gross domestic product in 2012 based on a 2014 study conducted by the World Intellectual Property Office. However, he said this could be different now because of the COVID-19 pandemic which adversely affected the industry, resulting in the temporary or permanent closure of museums and galleries, and laying off of employees due to drastic decreases in revenues. Hence, he underscored the importance of a whole-of-government approach in supporting the visual arts sector towards recovery and development.</p> <p>In today's meeting, which lasted for seven hours, the resource persons from the National Commission for Culture and the Arts (NCCA), Department of Trade and Industry (DTI), Department of Foreign Affairs (DFA), Intellectual Property Office of the Philippines (IPOPHL), Cultural Center of the Philippines (CCP), and representatives from the private sector gave their respective presentations on the following topics: marketing issues and opportunities; intellectual property issues; regulations governing the visual arts sector; and institutional support for the artists.</p> <p>DTI Undersecretary Rafaelita Aldaba discussed the state of the Philippine visual arts industry. She said that according to the Philippine Statistics Authority, the sector has provided jobs to an estimated 992,177 workers as of April 2021. Based on 2020 statistics, the number of establishments in the sector has reached 15,263, the bulk of which or 14,206 are micro enterprises.</p> <p>Aldaba stated that indeed the COVID-19 pandemic has disrupted the activities and exposed the vulnerabilities of the visual arts industry. But amid the challenges brought by the pandemic, the visual arts industry has managed to stay afloat by shifting to digital technology. She went on to say that online</p>

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platforms provided an avenue for visual arts to thrive in despite the pandemic through online museums and exhibitions. She added that through the blockchain technology – a system of recording information in a way that makes it difficult or impossible to change, hack, or cheat the system – the authenticity of an artwork is assured and the artist can gain royalties for each resale. Aldaba added that Filipino arts and culture has been acknowledged by the global market, with USA and China as the country's biggest trade partners. She also said that the sector has a strong potential for employment generation and increasing opportunities for expansion considering the growing audience for Filipino arts and culture. However, there is also a strong global competition especially coming from Japan, South Korea, and countries in Europe.

Moving forward, Aldaba said that the strategies for the expansion of the visual arts industry include the following: conduct of more research and development in visual arts; strong collaboration between and among government, academe, and industry stakeholders; utilization of technology for the production and distribution of visual arts; raising of domestic awareness of the sector; and investment in affordable art education. Aldaba also said that the DTI is working with various consultants for the development of a creative economy roadmap that aims to cultivate the country's creative industries. The five priority sectors included in the roadmap are advertising, film, animation, game development, and design.

DFA Assistant Secretary Eduardo Martin Meñez discussed the state of Philippine visual arts overseas. He said that as part of the country's cultural diplomacy, the DFA is actively involved in disseminating knowledge and appreciation of Philippine visual arts through hosting of art exhibits in the chancery of the Philippine embassies or consulates abroad. The DFA also assists artists' groups in participating in world-renowned art fairs.

Meñez also conveyed the suggestions of DFA to further promote and market the visual arts industry. He cited the importance of coming up with a creative industry mapping in order to have a wide perspective of the cross-cutting issues and roadblocks that the industry is facing. He also mentioned the need to revisit the provisions in the Constitution that restrict foreign ownership of creative industries, such as advertising, as well as the restriction in the practice of profession by foreigners. He said that bringing in foreign expertise in the profession of visual arts and other professions in the creative economy will enrich the local creative industries.

In addition, Meñez said that the Philippines should maximize the contribution of diaspora to the development of the industry considering that many Filipinos abroad are recognized virtual artists. He mentioned that the Philippine visual arts can better be marketed and appreciated by domestic and foreign audiences by ensuring that the next

<p>Continuation... Creative Industry and Performing Arts</p>				<p>generation of Filipino artists are prepared to compete in the field; providing the mechanism by which the people interested to work in this industry can earn a living; and investing in avenues that support job creation and innovation.</p> <p>Artinformal gallery owner Tina Fernandez said that the significant role of art galleries in marketing the artists' works is showcasing the latter's artworks in local and international exhibits. She added that international art fairs are opportunities for Filipino contemporary art to be exhibited on a global scale towards an exclusive market and network of global art leaders, institutions, organizations, and collectors. However, she informed the Committee that participation in international art exhibits takes a lot of effort and significant amount of expenses.</p> <p>Orange Project Gallery founder Charlie Co shared that there are several ways that a gallery can promote local art, among these are: participating in several selling platforms and online exhibitions; and creating local exhibitions and short videos to be posted on YouTube and Facebook. Orange Project Gallery, which is based in Bacolod City, Negros Occidental, is one tangible contribution towards the elevation of art consciousness in Negros Island.</p> <p>On the part of Visayan Islands Visual Arts Exhibition and Conference (Viva ExCon) Director Mariano Montelibano, he said that one of the challenges being faced by the industry is making the visual arts a sustainable and economically relevant undertaking. He added that it would be beneficial for art organizations in the provinces to organize events that can be supported by government agencies through a grant program.</p> <p>Viva ExCon is a Visayas-wide biennale project which started in 1990 in Bacolod City. Its main goal is to celebrate Visayan art by bridging the islands in the Visayas so as to provide a venue to facilitate dialogues, interactions, networking, and cultural exchanges, thus addressing fundamental and relevant issues among visual art communities and stakeholders.</p> <p>Replying to the query of Rep. De Venecia, Fernandez said that all expenses incurred by the galleries participating in international art exhibits are shouldered by the gallery owners themselves and that they do not ask for government's financial support. Fernandez said that there are only three galleries in the country that participate in international art exhibitions. She explained that aside from the huge cost of participating in such events, most big ticket art fairs are strictly by invitation or application in which a gallery's proposal to join, as well as its program, roster, and standing are all evaluated by the organizers of the art fair.</p> <p>Rep. De Venecia asked the NCCA and DTI to capacitate art galleries to make their proposals more attractive to organizers of international art fairs and even to local institutions that sponsor visual artists.</p>
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<p>Continuation... Creative Industry and Performing Arts</p>				<p>Considering that the total cost of participating in international art fairs is about P3.7 million, Rep. De Venecia asked if DFA can initiate a pilot program in which Filipino visual artists can exhibit their artworks in Philippine foreign service posts.</p> <p>DFA Assistant Secretary Meñez said that he will look into the possibility of Rep. De Venecia's suggestion. However, he pointed out that there are restrictions in using diplomatic premises for art exhibitions. He explained that selling of visual arts cannot be undertaken in the embassies, otherwise they will be subject to tax according to the tax laws of the countries where the embassies are located.</p> <p>On the intellectual property rights issues concerning the visual arts sector, former government corporate counsel Rudolf Philip Jurado claimed that with the IPOPHL's issuance of Memorandum Circular (MC) 2020-023, the visual artists' right to receive royalties in every sale or lease of his/her original work as provided under Republic Act 9283, or the Intellectual Property (IP) Code of the Philippines, was brushed aside.</p> <p>Jurado explained that under RA 9283, the author of artistic works or his/her heirs shall have an "inalienable right to participate in the gross proceeds of the sale or lease to the extent of five percent in every sale or lease of an original work of painting or sculpture." He added that the law provides that such right shall exist during the lifetime of the author and for 50 years after his/her death. However, Jurado said that MC 2020-023, or the Implementing Rules and Regulations (IRR) on Resale Rights, imposes conditions before a visual artist can be entitled to his/her resale right. One of the conditions is requiring the painting and sculpture to be enrolled and registered with the National Registry of Qualified Works under the IPOPHL's Bureau of Copyrights.</p> <p>IPOPHL Division Chief Jeremy Bayaras clarified that the IRR did not go beyond what is written in RA 9283. It merely provided an administrative mechanism in which the IPOPHL can easily help the artists claiming for resale royalties. Without the registration of works, Bayaras explained that the IPOPHL will have difficulty verifying if the artwork was truly owned by the artist claiming ownership and resale right. Nevertheless, Bayaras said that visual artists can still claim resale royalties even if their artworks are not registered with the National Registry of Qualified Works.</p> <p>When asked by Rep. De Venecia on what the government can do to ensure that visual artists' resale right is protected, Jurado said that the art galleries and auction houses should be compelled to automatically collect, on behalf of the visual artists, the percentage share of the visual artists in the resale of their artwork.</p> <p>Bayaras clarified that Section 12 of the IRR already provides that payment of resale royalty shall be made by the seller to the author or his/her heirs</p>
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<p>Continuation... Creative Industry and Performing Arts</p>				<p>within 60 days from the date of the sale or lease of an artwork.</p> <p>IPOPHL Enforcement Office Director Ann Edillon said that IPOPHL will study the suggestion of Jurado. Earlier in the meeting, Edillon discussed the mandate of the IPOPHL and the legal remedies to address violations of the IP Code. She also disclosed that the agency recommends amendments to the IP Code to strengthen its power especially in enforcing the IP Code online.</p> <p>Rep. De Venecia tasked Jurado to draft a proposal incorporating his suggestion which will be part of the proposed amendments to the IP Code.</p> <p>With regard to the regulations governing the visual arts sector, NCCA Cultural Heritage Section head Lawrence Charles Salazar said that visual arts may be regulated if it is a cultural property, work of a national artist, work of a national hero, considered as a memorial, and if it is part of a government collection or property. He also discussed the laws regulating cultural properties, which include RA 10066 or the National Heritage Act of 2009; RA 10086 or Strengthening Peoples' Nationalism Through Philippine History Act; RA 9105 or the Art Forgery Act of 2001; and RA 11333 or the National Museum of the Philippines Act.</p> <p>On the part of the private art galleries, Fernandez said that the process of shipping artwork out of the country to be showcased in international art fairs and bringing back the unsold artworks to the country is complicated and time consuming that often ends up with extra charges and fees, as well as delays in securing the artworks. She requested the government to streamline the process by providing an express lane for the shipping out and shipping back of local contemporary artworks. Fernandez also inquired if galleries showcasing contemporary artworks are required to register with the NCCA, explaining that some gallery owners received a letter from NCCA requiring them to do so. She opined that such requirement is unnecessary for art galleries selling contemporary artworks since these are not considered as cultural properties.</p> <p>Salazar clarified that only galleries and auction houses that trade cultural properties are required to register with the NCCA. Otherwise, they should write to the NCCA to indicate that they only sell contemporary artworks.</p> <p>The Chair advised NCCA to issue a memorandum clarifying its policy on the matter.</p> <p>On institutional support for visual artists, CCP Visual Arts and Museum Division head Maria Rosario Estrada said that the CCP holds around 30 art exhibitions annually and provides grants to artists, curators, and art organizations. The CCP also houses workshops on visual arts and holds the triennial Thirteen Artists Awards which gives recognition to exemplary artists in the field of contemporary visual arts.</p>
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