



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

MASTER COPY

24 July 2019

CUSTOMS MEMORANDUM CIRCULAR

NO. 179-2019

To: The Assistant Commissioner
All Deputy Commissioners
All Directors and Division Chiefs
All District/Port Collectors
And Others Concerned

SUBJECT: RA 11333/Strengthening the National Museum of the Philippines

Attached is a certified copy of Republic Act No. 11333 which was approved on 26 April 2019 entitled:

"AN ACT STRENGTHENING THE NATIONAL MUSEUM OF THE PHILIPPINES, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 8492, OTHERWISE KNOWN AS THE "NATIONAL MUSEUM ACT OF 1995", AND APPROPRIATING FUNDS THEREFOR".

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt hereof.

REY LEONARDO B. GUERRERO

Commissioner
JUL 26 2019



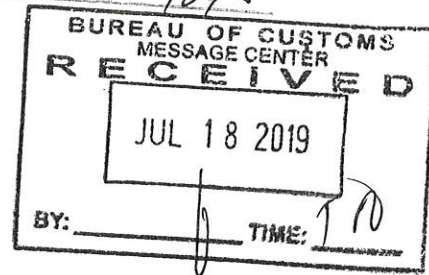
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CMC No. 179-2019 p. 2

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Office of the President
of the Philippines
Malacañang



MALACAÑANG RECORDS OFFICE



Manila, July 15, 2019

COMMISSIONER REY LEONARDO B. GUERRERO
Bureau of Customs
Port Area, Manila

Sir:

I have the honor to transmit for your information and guidance, a certified copy of Republic Act No. 11333 which was approved on April 26, 2019 entitled "**AN ACT STRENGTHENING THE NATIONAL MUSEUM OF THE PHILIPPINES, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 8492, OTHERWISE KNOWN AS THE "NATIONAL MUSEUM ACT OF 1995", AND APPROPRIATING FUNDS THEREFOR**".

Thank you.

Very truly yours,

ATTY. CONCEPCION ZENY E. FÉRROLINO-ENAD
Director IV

S. No. 1529
H. No. 8795

Republic of the Philippines
Congress of the Philippines
Metro Manila

Seventeenth Congress

Third Regular Session

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

[REPUBLIC ACT NO. **11333**]

AN ACT STRENGTHENING THE NATIONAL MUSEUM OF THE PHILIPPINES, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 8492, OTHERWISE KNOWN AS THE "NATIONAL MUSEUM ACT OF 1998", AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Short Title.* - This Act shall be known as the "National Museum of the Philippines Act".

SEC. 2. *Declaration of Policy.* - It is the policy of the State to pursue and support the cultural development of the Filipino people, through the preservation, enrichment and dynamic evolution of Filipino national culture, based on the principle of unity in diversity in a climate of free artistic and intellectual expression.

SEC. 3. *Renaming of the National Museum.* – The National Museum is hereby renamed as the “National Museum of the Philippines”, or, alternatively in Filipino, “Pambansang Museo ng Filipinas”. The shortened name “National Museum” or “Pambansang Museo” shall be understood as exclusively referring to the same, and its use in any manner or part of any name with respect to any institution within the Philippines shall be reserved exclusively to the Agency.

Hereinafter in this Act, the National Museum of the Philippines shall be referred to as the “National Museum”.

SEC. 4. *Mandate, Duties and Functions.* – The National Museum shall be the primary institution of the State for the management and development of museums and collections of national scope or significance in the areas of arts, cultural heritage and natural history, for purposes of protecting, preserving, studying and promoting the national patrimony for the benefit of current and future generations, supporting education and social progress, and contributing to economic development through tourism and educational, scientific, cultural and leisure services and industries. It shall be a permanent institution in the service of the entire national community and its development, accessible to the public, and not intended for profit.

The National Museum shall:

(a) Function as an educational, cultural and scientific institution that, through its operations, projects and programs, documents, acquires, preserves, exhibits, and fosters scholarly study and public appreciation of works of art, specimens, and cultural and historical artifacts representative of or unique to the artistic and cultural heritage of the Filipino people and the natural history of the Philippines, as well as their significance to the nation: *Provided*, That such mandate shall be carried out in coordination with that of the National Historical Commission of the Philippines, the National Library of the Philippines, and the National Archives of the Philippines

relative to important historical documents, collections, memorabilia and other objects that have significant historical value;

(b) Establish, manage and develop the National Museum Complex at the Rizal Park, Manila, as well as central museums, regional museums and other facilities, and promote the principles of universal access: *Provided*, That such mandate shall be carried out in coordination with that of the National Historical Commission of the Philippines to operate historical museums and shrines in various parts of the country;

(c) Manage and develop the national collections of the Republic of the Philippines in the areas of arts, cultural heritage, and natural history;

(d) Carry out permanent research programs combining integrated laboratory and field work in biodiversity, geological history, human origins, pre-historical and historical archaeology, maritime and underwater cultural heritage, ethnology, art history, immovable, movable and intangible cultural properties, and similar or associated fields;

(e) Disseminate technical and museological skills and support museum development in the country;

(f) Extend technical assistance in the preservation and restoration of cultural properties of national significance; and

(g) Carry out any and all other functions characteristic of public collecting and research museum institutions of similar mandate and national scope, in line with prevailing international principles and best practices.

SEC. 5. *The National Museum as a Trust of the Government.* – To ensure its independence and autonomy, the National Museum shall be uniquely considered as a trust of

the government, attached solely for budgetary coordination and related purposes to the Department of Education.

As a trust of the government, the National Museum shall:

- (a) Continue to be classified as a National Government Agency, primarily for administrative purposes, including receiving its annual budget from the general appropriations of the National Government to cover appropriately the entirety of its mandated operations and activities;
- (b) Be considered as higher in level than a Bureau or Bureau-level agency but beneath that of a Department or Department-level agency, primarily for administrative purposes as to staffing pattern and compensation scales; and
- (c) Enjoy such privileges and special rules characteristic of both a Government-Owned or -Controlled Corporation and a State University or College wherever possible and which, in any and all cases, promote the objectives of this Act; and that special rules as may be necessary to this effect be formulated and appropriately promulgated by the National Museum, the Department of Budget and Management, the Commission on Audit, and other concerned agencies.

SEC. 6. *Permanent Site in the National Capital.* – The whole Executive House, also known as the former Congress or Legislative Building, together with the former Department of Finance Building and former Department of Tourism, originally Agriculture and Commerce Building on the present Agrifina Circle in Rizal Park in the City of Manila, shall be the permanent and exclusive site of the National Museum, and shall form the core of the National Museum Complex in the national capital.

Likewise included in the National Museum Complex is the existing building of the National Planetarium, located in

Rizal Park and operated by the National Museum since 1975, together with its lot as presently delineated.

The aforementioned buildings and their associated lands shall be deemed appropriated to the National Museum, and the record of the description of such site and lands, or a copy thereof, certified by the Director-General of the National Museum, shall be received as evidence in all courts of the extent and boundaries of the lands appropriated to the National Museum.

SEC. 7. *Preservation of the Former Legislative Session Halls.* – Without prejudice to their appropriate use in the operations of the National Museum, the National Museum shall preserve the former Session Halls of the House of Representatives and the Senate in the former Legislative Building as a tribute to the legacy of the great men and women of the Philippine Legislature for their invaluable contributions to the Filipino people, and as historical sites where democracy and freedom reigned and events of national significance transpired.

SEC. 8. *Dedication of the National Museum Complex to Dr. Jose Rizal.* – The National Museum Complex of the National Museum, being part of Rizal Park in Manila, shall be dedicated to the life, work, martyrdom and memory of Dr. Jose Rizal, whose encyclopedic range of intellectual, professional, and patriotic interests are to be imbued as far as possible in the National Museum's public operations and activities throughout its National Museum Complex in the fields of history and literature in addition to anthropology, fine arts, architecture and the natural sciences, among others.

SEC. 9. *Master Plan of the National Museum Complex.* – The National Museum shall develop the National Museum Complex within and adjacent to Rizal Park and other identified areas with reference to the Burnham Plan for Manila of 1905, to include such institutional exigencies as public exhibition, activity and function halls, office and operational spaces,

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 museological and technical facilities, premises for commercial operations, vehicular parking, integrative infrastructure for its constituent buildings, parks and green areas, and other kinds of public spaces, both above and below ground.

The National Museum shall likewise implement a design for a large public plaza and park fronting the former Legislative Building, integrating it with Intramuros as a National Cultural Treasure and exposing features of the walls and former moat in this area. The National Museum shall be the primary government entity responsible for the preservation of the Gomburza Monument by Solomon Saprid, opposite the former Legislative Building, and the Sentinel of Freedom, or Lapu-Lapu Monument, by Juan Sajid Imao, in the present Agrifina Circle of Rizal Park, and shall ensure that the continued centrality and appropriate prominence of these monuments in their respective vicinities shall be maintained or otherwise enhanced further in any development that the National Museum may seek to implement relative to the National Museum Complex.

Within one (1) year after the effectivity of this Act, the National Museum shall formulate a Master Plan, if none yet exists. The Master Plan shall be approved by the Board of Trustees and shall be financed by the proceeds from its Endowment Fund and other allowable sources of funds, in accordance with existing laws. Implementation of the approved Master Plan in a programmed and systematic manner, and consequent administration and operation of the National Museum Complex by the National Museum, shall be given the strongest appropriate support by the agencies of the National Government that have jurisdiction over concerned properties, structures and utilities, as well as by the government of the City of Manila. No development within the area of the National Museum Complex, or which will directly affect the same, shall be permitted without the approval of the National Museum.

The National Museum shall also be authorized to enter into appropriate public-private partnerships concerning property development and management to further the implementation of its Master Plan, in accordance with pertinent laws, rules and regulations.

SEC. 10. *Central Museums.* – The central museums of the National Museum shall include the existing National Museum of Fine Arts, National Museum of Anthropology, National Museum of Natural History and the National Planetarium. The National Museum shall also take steps towards the establishment of central museums dedicated to archaeology, maritime and underwater cultural heritage, architectural arts and built heritage, and political and social history, which may be established within its National Museum Complex or elsewhere within the National Capital Region as appropriate, together with an institute for professional education, training and development in museology and allied fields, and a conservation center for movable cultural properties of national significance.

SEC. 11. *Regional, Area and Site Museums and Satellite Offices.* – The National Museum shall maintain its existing regional, area and site museums and satellite offices and, if none exists, take steps towards establishing a regional museum and satellite office in each administrative region of the Philippines beyond the National Capital Region, as well as area and site museums and offices wherever necessary: *Provided,* That such regional network of the National Museum shall be coordinated with that of the National Historical Commission of the Philippines, the National Commission for Culture and the Arts, and other relevant cultural agencies to prevent institutional duplication.

The specific sites of new regional, area and site museums and satellite offices shall be selected based on considerations of geography, population distribution, and administrative efficiency as well as of outstanding national artistic, cultural and natural heritage significance, and educational, environmental and tourism considerations.

SEC. 12. *The Board of Trustees.* - The National Museum shall be governed by a Board of Trustees, hereinafter referred to in this Act as the "Board", vested with the following powers and functions:

(a) To represent and mobilize pertinent areas of the private sector and the public sector in support of the mission and aims of the National Museum;

(b) To serve as the appointing authority for the Head of Agency and Agency Management;

(c) To exercise general oversight on behalf of both the private and public sector over the operations and performance of the National Museum through the Head of Agency and Agency Management;

(d) To approve strategic policies, goals and directions for the National Museum where necessary, and any such special projects and programs as it may consider appropriate to carry out for its benefit, for implementation through the Head of Agency and Agency Management;

(e) To administer the National Museum Endowment Fund, National Museum Donations Fund and National Museum Income Fund as provided for in this Act;

(f) To consider and appropriately dispose of appeals regarding administrative decisions of the Head of Agency, where appropriate in line with pertinent laws and issuances; and

(g) To carry out such other functions as provided herein, as well as in other pertinent laws and issuances.

SEC. 13. *Composition of the Board of Trustees.* - The Board shall comprise fifteen (15) members, to be composed of the following:

(a) Eight (8) representatives of the private sector, all citizens of the Philippines, each with a demonstrated personal or professional commitment to the mission and aims of the National Museum, to include at least one (1) distinguished Filipino artist, architect or cultural worker, one (1) distinguished Filipino anthropologist or historian, and one (1) distinguished Filipino scientist in the field of natural history;

(b) The following seven (7) government officials as *ex officio* members:

(1) The Chairperson of the appropriate Committee of the Senate covering the field of culture;

(2) The Chairperson of the appropriate Committee of the House of Representatives covering the field of culture;

(3) The Secretary of Education;

(4) The Secretary of Environment and Natural Resources;

(5) The Secretary of Tourism;

(6) The Chairperson of the National Commission for Culture and the Arts; and

(7) The Director-General of the National Museum.

SEC. 14. *Appointment of Trustees.* - The members of the Board representing the private sector shall be appointed by the President of the Philippines for a term of four (4) years, and are eligible for reappointment to succeeding terms of four (4) years, based on merit and performance. Appointment to a position vacated due to death, disability, resignation or any similar cause, shall be for the duration of said unexpired term only.

The Chairperson of the Board shall be designated by the President of the Philippines from among the members

representing the private sector. Such designation shall be effective for the current term of the representative concerned. In the absence of any such designation, the Board may elect an Acting Chairperson until such designation shall be made by the President.

Upon expiration of the term of their appointment as a member of the Board, members representing the private sector shall remain as Trustees in a holdover capacity in cases where their reappointment or the appointment of their replacement has not yet been made by the President, except when the member concerned is unwilling to serve further in such capacity or if the President declares the position held by the member vacant. Members of the Board in such holdover capacity shall continue to exercise the full authority vested in the position by the provisions of this Act.

Members of the Board representing the private sector may not designate any proxy to act on their behalf relative to any matter concerning the Museum. *Ex officio* members may designate a representative, but only for purposes of attending meetings of the Board. Such representatives, in the case of members who are Secretaries of Departments, shall be of a rank no lower than that of an Undersecretary, in the case of the Chairperson of the National Commission for Culture and the Arts, no lower than that of the Deputy Executive Director, and in the case of the Director-General of the National Museum, no lower than that of a Deputy Director-General.

This section shall be effective only with respect to the appointment of new members of the Board after the effectivity of this Act, and upon the expiry of the respective terms of incumbent members of the Board.

SEC. 15. *Organization of the Board of Trustees.* - The Board shall meet at any agreed location within the Philippines, and the presence of a majority of all its incumbent members shall constitute a quorum.

The members of the Board shall serve without compensation. The members of the Board representing the private sector shall be entitled to an appropriate honorarium for attendance at meetings, in accordance with pertinent laws and guidelines, and all members may receive appropriate allowances and reimbursement of expenses related to travel and participation in the official activities of the National Museum, within the Philippines and overseas, with the necessity of such to be certified by the Director-General and approved by the Chairperson of the Board.

The Board shall establish an Executive Committee composed of five (5) members, namely:

- (a) The Chairperson of the Board;
- (b) The Director-General of the National Museum; and
- (c) Three (3) of the members of the Board.

The Board shall formally prescribe the functions of the Executive Committee, which may include taking action on its behalf in any aspect of the authority vested in the Board under this Act, subject to ratification by referendum or at the next meeting of the Board, whichever is sooner, by quorum of members of the Board within thirty (30) days after the date of the said action made by the Executive Committee.

The Board may also constitute such other committees as may be necessary, as well as retain the services of paid or *pro bono* consultants. Advisory boards may likewise be established by the Board, with the members thereof appointed by it entitled to appropriate honoraria for attendance at meetings as well as appropriate allowances and reimbursement of expenses related to travel and participation in the official activities of the National Museum, within the Philippines and overseas, with the necessity of such to be certified by the Director-General and approved by the Chairperson of the Board.

The President of the Philippines shall be the Patron of the National Museum and Honorary Chairperson of the Board.

The Board shall be authorized to adopt an Official Seal which shall be judicially noticed and to make such bylaws, rules and regulations as it may deem necessary for the administration of its functions under this Act, including the organization and rules and regulations of the Board and any other matter that falls within the ambit of its powers and functions, in accordance with this Act and other pertinent laws, rules and regulations.

SEC. 16. *Head of Agency and Management of the National Museum.* - The National Museum shall be headed by a Director-General, who shall serve as the Head of Agency with the rank and emoluments of an Undersecretary. The Director-General shall be assisted by two (2) Deputy Directors-General, namely, a Deputy Director-General for Museums and a Deputy Director-General for Administration, each with the rank and emoluments of an Assistant Secretary.

The central and regional museums and the satellite offices of the National Museum shall be managed and supervised by the Director-General and Deputy Directors-General with the assistance of seven (7) Directors, each of whom shall have the appropriate managerial rank, namely:

- (a) The Director of the National Museum of Fine Arts;
- (b) The Director of the National Museum of Anthropology;
- (c) The Director of the National Museum of Natural History;
- (d) The Director of Northern Luzon National Museums;
- (e) The Director of Central-Southern Luzon and MIMAROPA National Museums;

- (f) The Director of Visayas National Museums; and
- (g) The Director of Mindanao National Museums.

Each Director may be assisted by an Assistant Director, each of whom shall have the appropriate managerial rank. Changes in designations and ranks of these National Museum officials, including the creation of additional plantilla positions up to the level of Director and Assistant Director that may be necessary for the appropriate management and administration of the central and regional museums and offices, shall be authorized by the Board, subject to approval of the Department of Budget and Management.

The abovementioned positions shall be occupied by citizens of the Philippines, with proven track records of competent administration, appropriate knowledge of museum or relevant institutional operations or management, and demonstrable personal or professional commitment to the mission and aims of the National Museum, who shall pass qualification standards for the said positions as may be established by the Board in coordination with the Civil Service Commission in line with existing pertinent laws, rules and regulations.

Unless otherwise provided by the Board, the Chairperson of the National Commission for Culture and the Arts shall continue to be delegated the authority of administrative supervision over the Director-General for purposes of leave, travel, performance evaluation, and other related matters, and the Director-General in turn shall exercise the same for all other officials and staff of the National Museum or may delegate such to a pertinent Deputy Director-General or Director.

SEC. 17. *Appointment and Term of the Head of Agency and Agency Management.* - The Director-General, Deputy Directors-General, Directors and Assistant Directors provided for herein shall be appointed by the Board for a term of four (4) years, and are eligible for reappointment to succeeding

terms of four (4) years, based on merit and performance. Appointment to a position vacated due to death, disability, resignation or any similar cause, shall be for the duration of said unexpired term only.

Each National Museum official shall be provided with appropriate support staff as endorsed by the Board and approved by the Department of Budget and Management.

The Board may also appoint or designate persons to the aforementioned positions in an acting capacity in cases of vacancy, illness, absence or other cause, and may change such appointment or designation from time to time as the interests of the National Museum may in its judgment require.

The existing organizational structure and staffing pattern of the National Museum shall be amended so as to integrate appropriately the provisions of this Act: *Provided*, That no employee shall be affected by the amendments of the organizational structure and staffing pattern of the National Museum in accordance with pertinent provisions of Republic Act No. 6656, or the "Government Reorganization Law".

The incumbent Director and two (2) Assistant Directors, if any, shall be automatically upgraded to the posts of Director-General and Deputy Directors-General as provided herein, and shall be granted a term of one (1) year upon the effectivity of this Act before their performance is subject to review by the Board for purposes of reappointment, if any, as provided herein.

SEC. 18. *Free Admission for the General Public.* - The general public are hereby to be granted free admission to all public museums and national historical shrines and landmarks, subject to capacity and availability as determined by the National Museum or the National Historical Commission of the Philippines.

Appropriate fees may be charged to special activities, programs or temporary exhibitions upon approval of the pertinent Head of Agency.

SEC. 19. *Retention of Income and Disposition of Donated Funds.* - The National Museum is hereby authorized to retain the entirety of its income from all sources of its operations nationwide and overseas, and to expend the same for any purpose in benefit of the National Museum as may be authorized by the Board, in accordance with this Act and other laws pertinent to the Museum and any special provisions as may be provided for in the General Appropriations Act for any given fiscal year. Such income shall be placed in a dedicated National Museum Income Fund, and may accumulate for disbursement in future fiscal years if not expended within the fiscal year in which it was generated.

The existing Revolving Fund of the National Museum is hereby abolished, and its balance shall be transferred to the National Museum Income Fund herein established.

Donations of moneys covered by legally executed deeds of donation shall be placed in a dedicated National Museum Donations Fund, to be disbursed according to the terms and purposes of the respective deeds or, in cases where no specific purposes are stipulated, to be otherwise disbursed for any purpose in benefit of the National Museum as may be authorized by the Board.

The National Museum is authorized to accept anonymous donations of money, in Philippine or foreign currency, from its visitors, which shall be considered as gratuities and be credited to the National Museum Donations Fund. Such donations shall in all cases be voluntary in nature and may be solicited from visitors by means of recommended amounts to be formulated and approved by the Board, and these shall be accepted through the placement of donation boxes or by persons authorized for the purpose. The handling and

accounting of such donations shall be subject to rules and regulations to be prescribed by the National Museum in agreement with the Commission on Audit within six (6) months after the effectivity of this Act.

As a general principle, and unless otherwise provided for by law, the retained income of, and anonymous donations and donations covered by deeds of donation that do not have any specified purpose to, the National Museum shall be applied to the purchase of capital assets for the benefit of the National Museum, including real properties and movable assets such as equipment and collections items. In all cases, the disbursement of such funds shall be subject to the authorization of the Board and existing budgeting, accounting and auditing rules and regulations.

SEC. 20. *National Museum Endowment Fund.* - The existing Museum Endowment Fund, hereby renamed the National Museum Endowment Fund, sourced from the Two hundred fifty million pesos (P250,000,000) annual net earnings of the Philippine Charity Sweepstakes Office from its lotto operation and Two hundred fifty million pesos (P250,000,000) from the annual net earnings of the Philippine Amusement and Gaming Corporation shall continue to be utilized for the purpose of implementing such special programs, projects and activities that the Board may approve in furtherance of the National Museum's mandate. Taking into account past remittances, the Philippine Charity Sweepstakes Office and the Philippine Amusement and Gaming Corporation shall continue to remit the required contributions to the Fund, to be payable within a period of five (5) years after the effectivity of this Act.

The National Museum Endowment Fund shall be administered by the Board, which shall be allowed to appoint professional fund managers for the purpose of appropriately managing and investing the Fund on its behalf. Rules governing such administration, management and investment shall be similar to those pertaining to relevant government financial institutions, and shall be agreed among the National

Museum, the Department of Finance, and other concerned government agencies.

Donations and bequests made to the National Museum Endowment Fund shall be explicitly made and executed for the purpose, and once credited to it shall be considered as part of its principal.

Only the interest of the National Museum Endowment Fund may be expended by the Board, which shall authorize, as appropriate, the transfer of necessary amounts to a corresponding special projects account to be disbursed through the Head of Agency.

SEC. 21. *Exemption from Taxes, Duties, Fees and Charges.* - The National Museum shall continue to be classified as a National Government Agency, as such:

(a) The National Museum shall be exempt from the payment of taxes, fees and charges imposed by the National Government and its political subdivisions, agencies and instrumentalities;

(b) All donations in any form to the National Museum shall be exempt from the donor's tax and the same shall be considered as allowable deduction from the gross income in the computation of the income tax of the donor, in accordance with the provisions of Republic Act No. 8424, otherwise known as the "National Internal Revenue Code of 1997", as amended; and

(c) Importation of scientific, philosophical, historical and cultural books, supplies and materials for the use in the conservation and preservation work of the National Museum shall be exempt from customs duties.

SEC. 22. *Procurement of Items for the National Museum Collections.* - The procurement of unique, special and/or original items by the National Museum for its collections,

charged to any of its sources of funds as may be allowed, and authorized by the Head of Agency and concurred to by the Board, shall be exempted from applicable laws, rules and regulations regarding government procurement.

The National Museum, as a general rule, shall be allowed to procure collections items by means of direct negotiation with the owners of such items, or their duly designated agents or representatives, in the Philippines and abroad, as follows:

(a) A written and signed quotation for the sale of the item(s), shall be issued and addressed to the National Museum by the owner, or his or her agent or representative;

(b) A certification that the item to be acquired is of appropriate significance to the National Museum and of importance to the heritage and patrimony of the Filipino people, that the negotiated price is reasonable and fair, that no conflicts of interest as may be defined by prevailing laws, rules and regulations exist, and that the item in question has not been illegally acquired or trafficked, shall be issued by the Head of Agency;

(c) For items above One million pesos (P1,000,000) or its foreign currency equivalent in price, the Head of Agency shall recommend in writing to the Board the issuance of a resolution for the approval in principle of the transaction; items under this amount may be procured upon the sole authority of the Head of Agency provided that there is no "splitting" as defined in pertinent procurement laws, rules and regulations;

(d) A resolution of the Board approving in principle the purchase of the concerned item by the National Museum and authorizing the signing by Head of Agency of a Deed of Sale as well as all other documents to the transaction shall be issued for items above One million pesos (P1,000,000) or its foreign currency equivalent in price;

(e) A resolution of the Bids and Awards Committee of the National Museum verifying that the aforementioned documents, where applicable, have been produced, certifying as to the availability of funds, and authorizing the issuance of a Notice of Award pertaining to the purchase of the item(s) for the signature of the Head of Agency, shall be issued;

(f) After the Notice of Award has been issued, the execution of the Deed of Sale by the Head of Agency shall be made, after which the Bids and Awards Committee of the National Museum shall issue the Notice to Proceed which, once signed by the Head of Agency, shall authorize the processing of payment in Philippine or foreign currency to the seller; receipt of payment in Philippine or foreign currency shall be acknowledged by an official receipt or, in cases where the issuance of an official receipt is not possible, any legal equivalent;

(g) Payment for collections items made under this provision shall be made by the National Museum gross of any deductions for tax. It shall be the sole responsibility of the owner, or his or her agent or representative, to pay all direct and indirect taxes owed to Philippine and pertinent foreign authorities from the sale of the item as may be due under existing laws, rules and regulations of the Philippines and any pertinent foreign jurisdiction; and

(h) Certified true copies of all the aforementioned documents shall be posted within the designated public place of the National Museum and on its official website for at least six (6) months, as well as transmitted to the Commission on Audit through the resident auditor of the National Museum, the Department of Budget and Management, the Government Procurement Policy Board, the Bureau of Internal Revenue and, if the item has been acquired from abroad and is being imported into the Philippines, the Bureau of Customs.

SEC. 23. *Procurement Through Public Auction.* – The National Museum shall be authorized to procure unique, special

and/or original items for its collections through bidding at public auction, including online public auction, in such special cases as the Board shall in each instance approve by means of a resolution. For each item, the Board shall predetermine an appropriate price ceiling based on its judgment of the fair market valuation of the same, exclusive of commissions, fees, charges, taxes and other associated expenses.

The interest of the National Museum in a certain item shall be made known to the management of the public auction, which shall duly disclose or otherwise announce it to all parties registered to observe or participate in the said auction.

If authorized by the Board, the National Museum may either participate and bid for an item in its own right, or opt, within a period of seven (7) days, to match the highest bid made for the item by invoking, by means of a written notice addressed to the management of the public auction, a right of first refusal that is hereby established by virtue of this Act.

The invoice issued to the National Museum by the management of the public auction, which shall include the relevant commissions, fees, charges, taxes and other associated expenses in addition to the bid price for the item, together with the pertinent resolution of the Board and a certification issued by the Head of Agency similar in purpose to that outlined in Section 22(b) of this Act, followed by the procedure likewise given in Section 22(e), (f), (g) and (h) shall be considered sufficient for the procurement of an item under this section.

Violations by the management of the public auction of this right of first refusal granted herein to the National Museum, which demonstrably resulted in the failure of the National Museum to acquire the concerned item on behalf of the National Government, shall be subject to a fine equal to the highest bid made for the said item, payable to the National Treasury through the National Museum, by the management of the public auction, as well as the filing of charges by the National Museum against the management of the public

auction in the appropriate court of law, seeking the application of other legal penalties as provided by existing laws.

SEC. 24. Movable Cultural Properties and Collections of the National Government. – All movable cultural properties, including natural history specimens, owned by the National Government that fall within the coverage of the National Museum as provided for in Republic Act No. 10066, otherwise known as the “National Cultural Heritage Act of 2009”, and this Act, particularly works of fine and applied art, archaeological and historical artifacts, relics of built heritage, and ethnographic materials of national significance, shall be registered with the National Museum and form part of a general inventory and catalogue of National Government collections in these areas that will be produced and published by it within three (3) years after the effectivity of this Act, and updated annually thereafter to incorporate any changes as reported by the agencies concerned to the National Museum. Such National Government collections shall be considered as being held in trust for the Filipino people and shall not be alienated or otherwise disposed of without the approval of the National Museum, in accordance with its policies on de-accessioning as provided for in this Act.

The National Museum shall have the authority to request the transfer or loan of any such National Government collections, or any item pertaining thereto, for purposes of protection, preservation, study or public exhibition, and such requests shall be given the highest consideration by the Head of the Agency concerned. Likewise, all agencies of the National Government are enjoined to offer for transfer or loan to the National Museum such items of movable cultural property as they may possess, in support of the aforementioned purposes and the mandate of the National Museum.

SEC. 25. Commercial Operations of the Museum. – The National Museum shall be authorized to undertake commercial operations, the proceeds of which shall be credited to the National Museum Income Fund as established herein, and which shall include, but not limited to, the following:

- (a) The rental of dedicated areas for external events, functions and similar activities, the terms and conditions for which shall be prescribed by the National Museum according to a schedule of fees approved by the Board;
- (b) The lease of dedicated areas for the erection and operation of commercial establishments, which the National Museum shall be allowed to award, through public bidding, and giving preference to nonprofit organizations of a nature related to or supportive of its mandate, for a term of up to five (5) years per contract;
- (c) The lease of dedicated areas for the erection and operation of vehicular parking, which the National Museum shall be allowed to award, through public bidding, to qualified firms, for a term of up to five (5) years per contract; and
- (d) The production and/or licensing of official merchandise, including publications and audio-visual media, which the National Museum shall be allowed to award, through public bidding, and giving preference to nonprofit organizations of a nature related to or supportive of its mandate, for a term of up to five (5) years per contract.

The National Museum shall be authorized to outsource through public bidding, all general, non-museological, property management, including security and maintenance operations, pertaining to its real properties, particularly its National Museum Complex in Rizal Park, Manila, for a term of up to five (5) years per contract, the funds for which shall be provided by general appropriations in each year.

SEC. 26. Personnel Training, Development and Performance Incentives. – The National Museum shall undertake training and development programs to upgrade the capabilities of its personnel in the various functions of the National Museum. Personnel shall be allowed to train or study, in the Philippines or abroad, on official time, subject to the needs of the service, upon approval of the Director-General.

A system of monetary incentives shall be established by the Board to reward the superior performance and milestones of professional development on the part of management and administrative and technical personnel, subject to approval of the Department of Budget and Management and, where applicable, to the Civil Service Commission.

SEC. 27. De-accessioning Policy. – The National Museum may provide for a de-accessioning policy with regard to its collections, except in those cases where it is restricted by terms of donations or by prevailing laws. The de-accessioning of any accessioned item pertaining to the collections of the National Museum shall require the approval of the Board in each and every case.

SEC. 28. Internal Audit. – In order to facilitate the objectives of this Act and ensure the highest standards of audit compliance, an internal audit unit shall be established within the organization of the National Museum.

SEC. 29. Reorganization of the National Museum. – Except where the provisions of Sections 16 and 17 of this Act shall apply, the Board shall be allowed whenever there is, in its judgment, a need for such, to propose a reorganization of the National Museum, or changes to its organizational structure or staffing pattern, subject to approval of the Department of Budget and Management and the Civil Service Commission.

SEC. 30. Transfer of Regulatory Functions. – All regulatory functions of the National Museum, as provided for by Republic Act No. 4846, Presidential Decree No. 260, Presidential Decree No. 374, Presidential Decree No. 1109, Republic Act No. 8492, Republic Act No. 9105, Republic Act No. 10066, and all other laws and issuances amending or citing as legal basis the same, shall be transferred to the National Commission for Culture and the Arts.

Such transfer of functions shall be effected within two (2) years after the effectivity of this Act. Necessary plantilla positions and organizational units within the National Commission for Culture and the Arts to appropriately carry out the transferred functions, including an additional position of Deputy Executive Director for managing the same, shall be established in coordination with the Department of Budget and Management.

This section notwithstanding, the National Museum is enjoined to provide all technical and expert assistance within its mandated competencies as the National Commission for Culture and the Arts may require in the execution of the said regulatory functions.

It shall be a matter of policy that the National Museum not be mandated to engage in any regulatory function, except that which is prescribed in Section 24 of this Act pertaining to National Government collections, but shall rather focus exclusively on developing itself as the premier museum institution and repository of the National Government in the areas provided herein and by other laws.

SEC. 31. *Appropriations.* - The amount necessary to cover the initial implementation of this Act shall be charged against the appropriation of the National Museum under the current General Appropriations Act. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 32. *Separability Clause.* - If any provision of this Act is held invalid or unconstitutional, the other provisions not so declared shall remain in full force and effect.

SEC. 33. *Repealing Clause.* - Republic Act No. 8492 is hereby repealed; Republic Act No. 4846, Presidential Decree No. 260, Presidential Decree No. 374, Presidential Decree No. 1109, Republic Act No. 9105, Republic Act No. 10066, and all other laws and issuances to the extent that they are

inconsistent with this Act, are hereby repealed or amended accordingly.

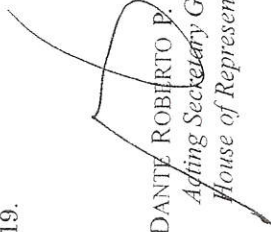

SEC. 34. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,


GLORIA MACAPAGAL-ARROYO *President of the Senate*

VICENTE C. SOTTO III *Speaker of the House of Representatives*

This Act which is a consolidation of Senate Bill No. 1529 and House Bill No. 8795 was passed by the Senate of the Philippines and the House of Representatives on February 4, 2019.


DANTE ROBERTO P. MALING *Acting Secretary General House of Representatives*

MYRA MARIE D. VILLARICA *Secretary of the Senate*

Approved: APR 26 2019




RODRIGO ROA-DUTERTE *President of the Philippines*

OFFICE OF THE PRESIDENT
MALACANANG RECORDS OFFICE

