



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS

11 September 2019

CUSTOMS MEMORANDUM CIRCULAR
No. 210-2019

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


SUBJECT: Republic Act No. 11363 / Creating the Philippine Space Agency

Attached is a copy of Republic Act No. 11363 which was approved on 08 August 2019 entitled:

"An Act Establishing the Philippine Space Development and Utilization Policy and Creating the Philippine Space Agency, and for Other Purposes".

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
SEP 16 2019




BOC-09-06315

CMC NO. 210-2019 p. 2

BUREAU OF CUSTOMS *289-685* **MASTER COPY**
 Internal Admin Group
 Received by *LARRY REYES*
 Date: *09/01/19*
 Time: *8:00*

DEPARTMENT OF FINANCE
 Republic of the Philippines



Office of the President
 of the Philippines
 Malacañang

To: Au USCAG/CS
ASIC/LBAA

MALACAÑANG RECORDS OFFICE

Manila, August 13, 2019

SECRETARY CARLOS G. DOMINGUEZ III
 Department of Finance
 Manila

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 MESSAGE CENTER
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 BY: *Jes* TIME: *3:44*



Sir:

I have the honor to transmit for your information and guidance certified copies of the following Republic Acts:

1. Republic Act No. 11363 which was approved on August 8, 2019 entitled "AN ACT ESTABLISHING THE PHILIPPINE SPACE DEVELOPMENT AND UTILIZATION POLICY AND CREATING THE PHILIPPINE SPACE AGENCY, AND FOR OTHER PURPOSES".
2. Republic Act No. 11364 which was approved on August 8, 2019 entitled "AN ACT REORGANIZING AND STRENGTHENING THE COOPERATIVE DEVELOPMENT AUTHORITY, REPEALING FOR THE PURPOSE REPUBLIC ACT NO. 6939, CREATING THE COOPERATIVE DEVELOPMENT AUTHORITY".
3. Republic Act No. 11371 which was approved on August 8, 2019 entitled "AN ACT REDUCING ELECTRICITY RATES BY ALLOCATING A PORTION OF THE NET NATIONAL GOVERNMENT SHARE FROM THE MALAMPAYA NATURAL GAS PROJECT FOR THE PAYMENT OF THE STRANDED CONTRACT COSTS AND STRANDED DEBTS".

Thank you.

Very truly yours,

DEPARTMENT OF FINANCE
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Concepcion
 ATTY. CONCEPCION ZENY E. FERROLINO-ENAD
 Director IV

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 M-128 Malacañang
 15 AUG 2019

Malacañang, Manila, Trunkline 784-4286 loc. 4184/ 4008/ 4717

At

CMC No. 210-2019 p.3

S. No. 1983
H. No. 8541

Republic of the Philippines
Congress of the Philippines
Metro Manila

Seventeenth Congress

Third Regular Session

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

[REPUBLIC ACT NO. 11363]

AN ACT ESTABLISHING THE PHILIPPINE SPACE DEVELOPMENT AND UTILIZATION POLICY AND CREATING THE PHILIPPINE SPACE AGENCY, AND FOR OTHER PURPOSES

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 "Philippine Space Act".

SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State:

(a) To safeguard Philippine sovereignty, territorial integrity, Philippine interest, and the right to self-determination as mandated by Article II, Section 7 of the 1987 Constitution;

(b) To support and commit to the development, application and utilization of science and technology (S&T) that will foster patriotism and nationalism and accelerate social progress, such as the development of space technology and applications for its security and for the benefit of its citizens;

(c) To ensure access to space and its environs as a sovereign right in the promotion of national security towards the attainment and protection of national interest;

(d) To recognize that there is an urgent need to create a coherent and unified strategy for space development and utilization to keep up with other nations in terms of space S&T;

(e) To ensure that the Philippines has official representation in the international space community for establishing cooperation agreements and linkages on space development; and

(f) To ensure that the Philippines abides by the various international space treaties and principles promulgated by the United Nations and is an active participant in the international space community, including international rules and procedures concerning the Outer Space Treaty and Liability Convention, among others.

SEC. 3. *Definition of Terms.* – As used in this Act the following terms shall mean:

(a) *PhilSA* refers to the Philippine Space Agency created by virtue of this Act;

(b) *Space Science and Technology Applications (SSTAs)* refer to the scientific principles and their applications to space science, engineering and other allied fields; and

(c) *Satellites* include all objects launched into earth orbit and artificial objects to be placed in orbit of celestial bodies for the conduct of space exploration.

SEC. 4. *The Philippine Space Development and Utilization Policy.* – The Philippine Space Development and Utilization Policy, or the Philippine Space Policy, will serve as the country's primary strategic roadmap for space development and will embody the country's central goal of becoming a space-capable and space-faring nation within the next decade. It shall focus on areas of SSTA that would address national issues, promote the efficient utilization of space assets and resources, establish capacity-building measures for human resources development, strengthen national defense, and enhance international cooperation.

SEC. 5. *Framework of the Space Policy.* – The Philippine Space Policy will focus on six (6) Key Development Areas (KDAs) for SSTA development to ensure the State's sustained progress:

(a) National Security and Development – The Philippines will focus on space applications that can preserve and enhance the country's national security and promote development that is beneficial to all Filipinos;

(b) Hazard Management and Climate Studies – The Philippines will develop and utilize space S&T applications to enhance its hazard management and disaster mitigation strategy as well as ensure the nation's resiliency to climate change;

(c) Space Research and Development – To spur rapid scientific growth, the Philippines will focus on conducting research and development (R&D) endeavors in vital areas of space science, technology and allied fields;

(d) Space Industry Capacity Building – The Philippines will create a robust and thriving space industry to support the country's space program through private sector involvement and cooperation;

(e) Space Education and Awareness – The Philippines aims to establish a sustainable pool of trained space scientists, engineers and communicators that will be critical for the

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country's future space program and increasing public awareness on its value and benefits; and

(f) International Cooperation - Through international partnerships and collaborations, the Philippines will become a key player in the Association of Southeast Asian Nation (ASEAN) and global space community by providing significant contributions and capabilities on space S&T applications.

SEC. 6. Creation of the Philippine Space Agency (PhilSA).

- A Philippine Space Agency, hereinafter referred to as the PhilSA, is hereby established as the central government agency addressing all national issues and activities related to space S&T applications.

SEC. 7. Mandate. - The PhilSA shall be the primary

policy, planning, coordinating, implementing, and administrative entity of the Executive Branch of the government that will plan, develop, and promote the national space program in line with the Philippine Space Policy.

SEC. 8. Powers and Functions. - The PhilSA shall

exercise the following powers and functions:

I. Policy, Planning and Coordination

(a) Assist the State in the creation, development and implementation of national and international space policies;

(b) Plan, direct, manage and implement programs and projects relating to scientific space R&D and the application of space technology;

(c) Take hold of money, securities or other personal or movable property by gift or bequest and expend, administer or dispose of any such money, securities or property subject to the terms, if any, on which the gift or bequest was made in such manner as shall best promote the PhilSA's objectives;

(d) Implement the Philippine Space Development and Utilization Policy;



(e) Coordinate all space activities of various sectors and stakeholders in the Philippines, in accordance with existing laws; and

(f) Provide appropriate and accurate advice to the President of the Philippines and other government agencies on space-related issues and concerns.

II. Improved Public Access and Resource-Sharing

(a) Develop, construct, acquire, manage, maintain and operate space research, development and operation facilities and systems on behalf of the Philippine Government for use of various government agencies and other stakeholders; and

(b) Assist departments and other agencies of the State, as well as the private sector, in the utilization of SSTA and data/information to aid in the performance of their respective mandates and duties.

III. Research and Development (R&D)

(a) Perform basic and applied R&D relating to SSTA in collaboration with universities, industries and other institutions;

(b) Design, develop and construct space systems and facilities necessary thereof, as well as launch, track and operate the satellites on behalf of the Philippine Government; and

(c) Promote the growth of space S&T through R&D.

IV. Education and Capacity Building

(a) Establish programs that would develop space education and promote public awareness;

(b) Provide grants and contributions in support of programs or projects relating to scientific or industrial space R&D and application of space technology; and

(c) Provide services and facilities for the use by entities conducting academic R&D relating to SSTA.

V. Industry Development

- (a) Promote the development of a robust and vibrant local space industry and economy;
- (b) Promote the transfer and diffusion of space technology throughout the Philippine industry;
- (c) Encourage the commercial exploitation of space capabilities, technology, information, facilities and systems;
- (d) License, sell or otherwise make available any patent, copyright, industrial design, trademark, trade secret or other like property controlled; and
- (e) Disseminate the results of R&D activities and promote the utilization thereof, except when information is deemed confidential for national welfare and security and for the protection of intellectual property rights.

VI. International Cooperation

- (a) Cooperate with space-related agencies of other countries in the peaceful use and development of space;
- (b) Maintain a national registry of space objects in accordance with the United Nations Convention on Registration of Objects Launched into Outer Space and other international guidelines;
- (c) Enter into contracts, memoranda of understanding/ agreement or other arrangements in behalf of the State, in consultation with the Department of Foreign Affairs and/or other concerned agencies;
- (d) Establish and maintain linkages with other national space agencies and organizations; and
- (e) Represent the Philippines in the United Nations Committee on the Peaceful Use of Outer Space and other similar space-related forums, assemblies and organizations.

SEC. 9. *Composition.* - The PhilSA shall be an attached agency of the Office of the President for purposes of policy and program coordination, to ensure alignment in national policies and priorities. It shall be headed by a Director General. The PhilSA proper shall be composed of the Office of the Director General, the Offices of the Deputy Director General and various divisions to be created as deemed necessary.

SEC. 10. *Director General of the PhilSA.* - The Director General shall have the rank and compensation of a Cabinet Secretary and shall be appointed by the President, subject to the confirmation by the Commission on Appointments. The Director General shall have the following functions:

(a) Provide executive direction and supervision over the entire operations of the PhilSA and its attached units;

(b) Establish policies and standards for the effective, efficient and economical operation of the PhilSA, in accordance with the programs of the government;

(c) Review and approve requests for financial and manpower resources of all operating offices of the PhilSA;

(d) Designate and appoint officers and employees of the PhilSA, excluding the Deputy Directors, in accordance with the civil service laws, rules and regulations;

(e) Exercise disciplinary powers over officers and employees of the PhilSA in accordance with law, including their investigation and the designation of a committee or officer to conduct such investigation;

(f) Coordinate with other departments, agencies and public and private interest groups, including nongovernment organizations (NGOs) and people's organizations (POs) on PhilSA policies and initiatives;

(g) Prepare and submit to the President through the Department of Budget and Management (DBM) an estimate of the necessary expenditures during the next fiscal year, on

the basis of the reports and estimates submitted by the divisions and offices under him/her;

(h) Serve as a member of the Government Procurement Policy Board (GPPB) as established by Republic Act No. 9184;

(i) Serve as the Presidential Adviser on Space Matters and advise the President on the promulgation of executive and administrative orders and formulation of regulatory and legislative proposals on matters pertaining to SSTA development;

(j) Formulate such rules and regulations and exercise such other powers as may be required to implement the objectives of this Act; and

(k) Perform such other tasks as may be provided by law or assigned by the President.

SEC. 11. *Deputy Director General.* - The Director General shall be assisted by three (3) Deputy Directors General with the rank and compensation of a Department Undersecretary who shall be appointed by the President upon the recommendation of the Director General: *Provided, That* two (2) of the Deputy Directors General shall be career executive officers.

SEC. 12. *Qualifications.* - No person shall be appointed Director General or Deputy Director General of the PhilSA unless he or she is a citizen and resident of the Philippines, of good moral character, of proven integrity, with an advanced degree in Space Science, Astronomy, Physics, Engineering or related fields of study, with at least five (5) years of competence and expertise in any of the following: astrophysics, space science, aerospace engineering, space systems engineering, remote sensing space industry, or human capital development in the SSTA sector.

SEC. 13. *Philippine Space Council.* - A Philippine Space Council (PSC) is hereby created as the principal advisory body for the coordination and integration of policies, programs and resources affecting space S&T applications.

(a) The PSC shall be composed of the following:

- (1) President of the Philippines – Chairperson;
- (2) Secretary of Science and Technology – Vice Chairperson;
- (3) Secretary of National Defense – Vice Chairperson;
- (4) Chair of Senate Committee on Science and Technology – Member;
- (5) Chair of House Committee on Science and Technology – Member;
- (6) Director General of the National Economic and Development Authority – Member;
- (7) Secretary of Finance – Member;
- (8) Secretary of Foreign Affairs – Member;
- (9) Secretary of Agriculture – Member;
- (10) Secretary of Environment and Natural Resources – Member;
- (11) Secretary of Trade and Industry – Member; and
- (12) Secretary of Information and Communications Technology – Member.

The President may designate the Executive Secretary to preside over the meetings of the PSC in the President's absence.

(b) Functions of the PSC. – The PSC shall have the following functions:

- (1) Recommend and approve the implementation of Philippine space policies in accordance with international conventions;

(2) Ensure appropriate allocation of resources in support to the mandates of the PhilSA; and

(3) Approve strategic directions and decisions for the implementation of the PhilSA.

(c) Secretariat to the PSC. - The Director General of the PhilSA shall serve as Head Secretariat to the PSC together with the support staff of the PhilSA.

SEC. 14. *Transfer of Astronomical and Space-related Functions.* - To consolidate the functions of the PhilSA, the following shall be transferred from their parent agency:

(a) Philippines Space Science Education Program of the Science Education Institute, Department of Science and Technology-Science Education Institute (DOST-SEI);

(b) The transfer of funds, functions, assets, equipment, properties, transactions, personnel of the affected agencies, among others, shall be completed within a specified period to enable such transfer smoothly from their parent agencies to the PhilSA; and

(c) The filling up of positions in the PhilSA shall be subject to the provisions of Republic Act No. 6656, or the Security of Tenure of the Personnel.

Nothing in this Act shall diminish the functions and responsibilities of the support agencies.

SEC. 15. *Separation and Retirement from Service.* - Employees who are separated from service within six (6) months from the effectivity of this Act as a result of consolidation and/or reorganization under the provisions of this Act shall receive separation benefits to which they may be entitled under Executive Order No. 366, series of 2004: *Provided,* That those who are qualified to retire under existing retirement laws shall be allowed to retire and receive retirement benefits to which they may be entitled under applicable laws and issuances.

SEC. 16. *Structure and Staffing Pattern.* - Subject to the approval of the DBM, the PhilSA shall determine its organizational structure and create new divisions or units as it may deem necessary, and shall appoint officers and employees of the PhilSA in accordance with the civil service laws, rules and regulations.

SEC. 17. *Official Site of the PhilSA.* - A land area equivalent to at least thirty (30) hectares out of the vast land which are under the administration of the Bases Conversion and Development Authority (BCDA) within the Clark Special Economic Zone in Pampanga and Tarlac, shall be allocated exclusively for the PhilSA office and its research facilities: *Provided*, That the PhilSA shall establish additional offices, research facilities, and launch sites in strategic areas as it may deem necessary: *Provided, further*, That the boundaries and technical descriptions of these land areas shall be determined by an actual and joint group survey.

SEC. 18. *Magna Carta.* - Qualified employees of the PhilSA and its attached units shall be covered by Republic Act No. 8439, otherwise known as "Magna Carta for Scientists, Engineers, Researchers and Other Science and Technology Personnel in the Government".

SEC. 19. *Annual Report.* - The PhilSA shall submit to the President and to both Houses of Congress, not later than the 30th of March of every year following the effectivity of this Act, a report giving a detailed account of the status of the implementation of this Act and recommended legislation, where applicable and necessary.

SEC. 20. *Funds of the PhilSA.* - The funds of the PhilSA shall consist of:

- (a) The annual General Appropriation for the PhilSA; and
- (b) Income, fees, royalties and other revenues obtained from any other sources.

The funds shall be administered by the Director General of the PhilSA in accordance with existing government budgeting, accounting and auditing rules and regulations.

SEC. 21. *Use of Income.* - The budget of the PhilSA, based on an annual appropriation from Congress, shall ensure that it has the financial and human resources necessary to fulfill its assigned responsibilities under this Act. The PhilSA shall also be authorized to use one hundred percent (100%) of its donations, bequests, grants, and all sums which may be appropriated for upgrading its physical and human resources, for the conduct of its activities, and for the augmentation of its budget in case of shortfalls. Seventy-five percent (75%) of its income shall be retained for the upgrading of its equipment and physical facilities and the remaining twenty-five percent (25%) shall be remitted to the National Treasury. The PhilSA may also solicit, receive and retain donations, bequests, and grants.

SEC. 22. *Philippine Space Development Fund.* - There is hereby created the Philippine Space Development Fund to be used exclusively for the PhilSA. The Philippine Space Development Fund shall be administered by the Director General of the PhilSA in accordance with existing government budgeting, accounting and auditing rules and regulations. The Philippine Space Development Fund shall be sourced from the following:

(a) The amount of Ten billion pesos (P10,000,000,000.00) to be taken from the share of the National Government in the gross income of the Philippine Amusement and Gaming Corporation (PAGCOR) and the BCDA for five (5) years after the effectivity of this Act, an amount of Two billion pesos (P2,000,000,000.00) per year shall be released to the PhilSA. The entire amount of Ten billion pesos (P10,000,000,000.00), including any interest income thereon, shall be used exclusively for capital outlay;

(b) Income from specialized products, services, and royalties produced by the PhilSA; and

(c) Loans, contributions, grants, bequests, gifts, and donations whether from local or foreign sources: *Provided*, That acceptance of grants, bequests, contributions and donations from foreign governments shall be subject to the approval of the President upon the recommendation of the Director General of the PhilSA through the PSC.

SEC. 23. *National Registry of Space Objects.* - In accordance to the United Nations Convention on Registration of Objects Launched into Outer Space, the PhilSA shall maintain a National Registry of Space Objects which lists all space objects launched under the responsibility of the Philippines as the Launching State. The PhilSA shall furnish the United Nation Office for Outer Space Affairs with information contained in the National Registry of Space Objects as required under the Registration Convention.

SEC. 24. *Liability of the Philippines for National Space Objects.* - In accordance with the United Nations Convention on International Liability for Damage Caused by Space Objects and other similar international laws, the Philippine Government shall take responsibility for damages caused by space objects registered in the Philippines' National Registry of Space Objects. This shall take into effect upon ratification of the Liability Convention and Registration Convention by the Philippine Government.

SEC. 25. *Appropriations.* - The sum of One billion pesos (P1,000,000,000.00) is hereby appropriated as initial operating fund of the PhilSA, taken from the current fiscal year's appropriation of the Office of the President. Thereafter, the amount needed for the operation and maintenance of the PhilSA shall be included in the General Appropriations Act.

SEC. 26. *Implementing Rules and Regulations.* - Within ninety (90) days from the effectivity of this Act, the PhilSA, in coordination with the DBM, Civil Service Commission and other relevant government agencies, shall promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 27. *Separability Clause.* - Should any provision herein be declared unconstitutional, the same shall not affect the validity of the other provisions of this Act.

act

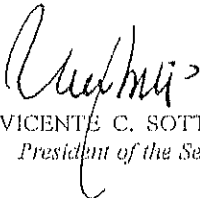
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SEC. 28. *Repealing Clause.* - All laws, decrees, orders, rules, and regulations or other issuances or parts inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

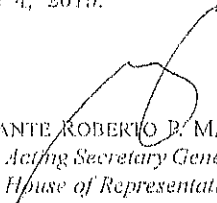
SEC. 29. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any two (2) newspapers of general circulation in the Philippines.

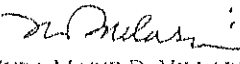
Approved,


GLORIA MACAPAGAL ARROYO
*Speaker of the House
of Representatives*

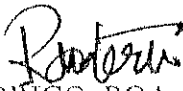

VICENTE C. SOTTO III
President of the Senate

This Act which is a consolidation of Senate Bill No. 1983 and House Bill No. 8541 was passed by the Senate of the Philippines and the House of Representatives on June 4, 2019.


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

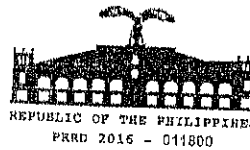

MYRA MARIE D. VILLARICA
Secretary of the Senate

Approved: AUG 0 8 2019


RODRIGO ROA DUTERTE
President of the Philippines



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