

SEVENTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES

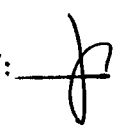
First Regular Session



Senate
Office of the Secretary

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SENATE
P.S. Res 48

RECEIVED BY: 

Introduced by Senator Poe

RESOLUTION

RECOMMENDING TO THE DESIGN CENTER OF THE PHILIPPINES, THE DEPARTMENT OF TRADE AND INDUSTRY, AND OTHER CONCERNED STATE AGENCIES TO CONDUCT STRATEGIC STUDIES TO PROMOTE THE CREATIVE SERVICES INDUSTRY LIKE ANIMATION, SMARTPHONE APPLICATION AND GAME DEVELOPMENT, GAMING SOLUTIONS AND MOBILE AND INTERNET START-UP OPERATIONS WITH THE OBJECTIVES OF TAPPING POTENTIAL INVESTMENTS AND CREATING NEW EMPLOYMENT OPPORTUNITIES FOR ENTHUSIASTS, INFORMATION TECHNOLOGY PERSONNEL AND THE FILIPINO YOUTH

Whereas, recent technological advancements have made the Philippines the social networking capital of the world in 2011 with a penetration rate of 93.9 percent on Facebook and 16.1 percent on Twitter¹, the texting capital of the world² although use of short messaging system has been constantly declining to about 500 million texts sent daily from around 2 billion;

Whereas, TIME Magazine also dubbed Makati City, known as the financial capital of the Philippines, and Pasig City as the “selfie” capital of the world³, outranking several US cities. The cities of Cebu, Baguio, Quezon and Iloilo, on the other hand, placed 9th, 16th, 59th and 72nd in a survey of Instagram photos tagged “selfie,” cementing the fact that smart phone penetration in the country is substantial;

Whereas, the Philippines had about 107 million mobile phones as of October 2013—ranked 12th in the world—and was expected to rise to 117 million mobile phone users by this year. Smartphones are expected to dominate the Philippine market in the coming years, as 5.1 million of 28 million mobile phone shipments in 2013 comprised of smartphones⁴

Whereas, in the 2014 *Tholons Top 100 Outsourcing Destinations: Rankings* released by global outsourcing and research firm Tholons in December 2013, seven cities (Manila, Cebu, Davao, Sta. Rosa in Laguna, Bacolod, Iloilo and Baguio) put the Philippines as one of the most important countries for business process outsourcing (BPO). In fact, Manila dislodged Mumbai, India from the 2nd position. Clark in

¹ The Ten Nations Where Facebook Rules the Internet. May 9, 2011. <http://247wallst.com/technology-3/2011/05/09/the-ten-nations-where-facebook-rules-the-internet/3/#sthash.mdSDi2Gi.dpuf>

² <https://ph.news.yahoo.com/sms-declining-even-texting-capital-world-134914510.html>

³ The Selfiest Cities in the World: TIME's Definitive Ranking. March 10, 2014. <http://time.com/selfies-cities-world-rankings/>

⁴ Smartphones to dominate PHL market as prices drop. February 21, 2014.

<http://www.gmanetwork.com/news/story/349497/economy/companies/smartphones-to-dominate-phl-market-as-prices-drop>

Pampanga is also believed to be the country's next hub for BPO companies because of a growing labor supply and more locators coming into Clark⁵;

Whereas, the Philippines has recently pitched animation and video-gaming sectors in a bid to tap American, Japanese and Korean firms and capture a slice of the industry which is expected to reach \$243 billion globally by this year;

Whereas, the Philippines has a huge potential of developing a viable creative services industry since Filipino animators are already known globally and behind some of the world's best-loved cartoons and animated films – *Scooby Doo*, *Tom and Jerry*, *Addams Family*, *The Mask*, *The Jetsons*, *Dragon Ball Z*, *Captain Planet*, *Finding Nemo* and *The Incredibles* – all under entertainment giants such as Walt Disney, Warner Brothers, Cartoon Network, HBO, Marvel Comics, Hanna Barbera and producers of Japanese anime. Aside from this, Filipino animators are also able to render graphics in different platforms for the gaming industry like Nintendo, Sega, Game Gear, Game Boy and Sony Playstation⁶;

Whereas, the country currently provides 2-D and 3-D game development, quality control and assurance services, community management, and “advergaming” development – games or applications that can be used for advertising and promotions

Whereas, the Philippines is currently the third largest source of game development and animation outsourcing in the world, next to India and South Korea⁷ and room for further improvement is huge with a huge talent of skilled Filipino workers in the BPO industry;

Whereas, in animation alone, the industry aims to produce 25,000 industry-ready graduates by this year. The estimated number of artists employed in the industry is 10,000 as of 2010, from 3,000 in 2004, according to the Animation Council of the Philippines, Inc.⁸;

Whereas, BPO industry revenues are expected to grow by 16 percent to \$18 billion in 2014⁹ due to the expansion of existing locators and entry of more foreign outsourcing firms;

Whereas, the Department of Education, Commission on Higher Education and the Technical Education and Skills Development Authority should constantly update curricula being offered by basic and higher educational institutions and implement programs to further promote the country's industry-specified areas of specialization in creative services;

Whereas, the Department of Trade and Industry and the Department of Science and Technology are also encouraged to partner with various organizations to further develop existing technologies and provide a pool of skilled talents;

Whereas, with the right education and training, the Philippines could soon be recognized as a prime destination and source of talent for global creative services industry giants;

⁵ Why Clark can be Philippines' next BPO hub? May 29, 2014. <http://www.abs-cbnnews.com/business/05/29/14/why-clark-can-be-philippines-next-bpo-hub>

⁶ Animation Industry Profile. <http://www.animationcouncil.org/page.php?p=38>

⁷ PH, Japan ink deal to boost game dev't industry. May 20, 2014. <http://newsbytes.ph/2014/05/20/ph-japan-ink-deal-to-boost-game-devt-industry/>

⁸ <http://investph.org/en/industries/it-and-bpo/animation-industry/>

⁹ BPO industry revenues to hit \$18 B in 2014. February 14, 2014.

<http://www.philstar.com/business/2014/02/14/1290470/bpo-industry-revenues-hit-18-b-2014>

NOW, THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED, by the Philippine Senate, to recommend to the Design Center of the Philippines, the Department of Trade and Industry and other concerned state agencies to conduct strategic studies to promote the creative services industry like animation, smartphone application and game development, gaming solutions and mobile and Internet start-up operations with the objectives of tapping potential investments and creating new employment opportunities for enthusiasts, information technology personnel and the Filipino youth

Adopted,


GRACE POE