SUMME Office of the Secondary

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*

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SENATE S. No. <u>1130</u>

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Introduced by Senator MARK A. VILLAR

AN ACT CREATING THE VIROLOGY INSTITUTE OF THE PHILIPPINES AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

As learned through what we have experienced during the last two (2) years, having our virology institute will be greatly crucial in our defenses against future pandemics and viruses.

This will also help us in the development and production of the necessary vaccines to prevent the spread of future diseases.

With a number of fully prepared experts who are backed up with adequate resources and modern facilities, we can properly formulate the appropriate and strategic response, should we come face-to-face again with another viral threat.

Hence, boosting our research and expertise on virology, as well as our vaccine development capabilities, should be prioritized in order to bolster our national security.

In this light, the immediate passage of this bill is highly recommended.

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MARK A. VILLAR Senator

Office of the States

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*

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SENATE S. No. 1130

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Introduced by Senator MARK A. VILLAR

AN ACT CREATING THE VIROLOGY INSTITUTE OF THE PHILIPPINES AND APPROPRIATING FUNDS THEREFOR

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

1	Section 1. Declaration of Policy. — It is hereby declared the policy of the State:
2	a) To protect and promote the right to health of the people and instill
3	health consciousness among them;
4	b) To undertake appropriate health, manpower development, and
5	research, responsive to the country's health needs and problems;
6	c) To recognize that science and technology are essential for national
7	development and progress;
8	d) To give priority to research and development, invention, innovation,
9	and their utilization; and
10	e) To support indigenous, appropriate, and self-reliant scientific and
11	technological capabilities, and their application to the country's
12	productive systems and national life.
13	Sec. 2. Objectives. — This Act seeks to establish a virology institute that shall
14	focus on the following key development areas for virology science and technology
15	applications:
16	a) Research on viruses using a modern approach;
17	b) Development of diagnostics, vaccines, and therapeutics;

c) International cooperation and network of databases of virus 1 infections; 2 d) Operation of a virus gene bank, virus genome laboratory, and virus 3 reference laboratory to focus on viruses circulating in the Philippines 4 for disease prevention and epidemiological studies; and 5 e) Operation of a virus high containment laboratory dedicated to the 6 study of highly infectious and highly pathogenic viruses. 7 8 Sec. 3. Creation of the Virology Institute of the Philippines. — The Virology Institute of the Philippines (VIP) is hereby created, which shall be an attached agency 9 under the Department of Science and Technology (DOST) for purposes of policy and 10 program coordination to ensure alignment with national policies and priorities. 11 The VIP shall serve as the premier research and development institute in the 12 field of virology, encompassing all areas in viruses and viral diseases. It shall be a 13 venue for scientists, research institutes and other organizations here in the Philippines 14 and abroad, to work collaboratively to study viruses. 15 Sec. 4. Powers, Functions, and Duties. — To accomplish its mandate, the VIP 16 shall have the following powers, functions, and duties: 17 a) Serve as the lead convener for the formulation of the National 18 Virology Research Agenda, in consultation with all concerned 19 stakeholders, that will encompass researches involving viruses; 20 b) Undertake scientific and technological research and development 21 (R&D) in the field of virology; 22 c) Conduct product research and development (R&D) in the areas of 23 but not limited to diagnostics, therapeutics and vaccines; 24 d) Promote and undertake the transfer of the results of scientific 25 research and development to concerned government agencies, 26 industry, and academe; 27 e) Promote and advocate virology research ethics, biosafety, and 28 biosecurity; 29 f) Develop and maintain an information system on virology science and 30 technology for use by both the public and private sectors; 31

g) Develop and implement, together with other entities concerned, 1 programs for strengthening scientific and technological capabilities in 2 virology and relevant disciplines through human resource 3 development, infrastructure, and institution building; 4 h) Undertake policy research, technology assessment, and other related 5 studies on virology; 6 i) Provide laboratory and technical services on virology; 7 j) Promote and advocate the national programs on virology science and 8 technology; and 9 k) Establish linkages with local and international partners. 10 Sec. 5. Organizational Structure. - The VIP shall be headed by a Director-11 General and two (2) Deputy Directors-General, one (1) for Research and 12 Development, and one (1) for Support, Policy, and Linkages. The VIP shall be 13 composed of the following divisions: 14 a) Virus Research; 15 b) Diagnostics and Therapeutics Research; 16 c) Vaccines Research; 17 d) Technical Services and Training; 18 e) Policy, Planning, and Linkages; and 19 f) Finance and Administration. 20 The Deputy Director-General for Research and Development shall head the 21 Virus Research, Diagnostics and Therapeutics Research, and Vaccines Research 22 Divisions. The Deputy Director-General for Support, Policy, and Linkages shall head 23 the Technical Services and Training, Policy, Planning, and Linkages, and Finance and 24 Administration Divisions. 25 Sec. 6. Qualifications of the VIP Director-General and Deputy Directors-General. 26 - The VIP Director-General and the Deputy Directors-General shall be appointed by 27 the President of the Philippines upon the recommendation of the DOST Secretary. 28 The Director-General with a rank of an undersecretary shall be a qualified 29 expert possessing at least a Bachelor's Degree in Biology, Microbiology and/or an allied 30 discipline; preferably with a doctorate degree in medical sciences and/or in virology-31 related discipline with three to five years of experience in diagnostic virology. He shall 32

have overall responsibility for the activities including the supervision of all the staff
working in the VIP. In addition, he shall be directly responsible for reporting to the
Secretary of Science and Technology and the President of the Philippines the results
of the various diagnostic assays and research studies performed in the institute.

5 Each of the Deputy Directors-General of the VIP shall have a rank of assistant 6 secretary. The Deputy Director-General shall possess at least the educational 7 background of the VIP Director-General.

8 Sec. 7. *Compliance with Existing Government Regulations.* — The VIP shall 9 comply with the procedures, rules and regulations of other Government Offices 10 mandated to oversee the practice of virology and other related disciplines as well as 11 the operation of laboratories, clinics, diagnostics and similar facilities.

Sec. 8. International Cooperation. - The VIP shall establish strategic 12 partnerships with the world's leading scientists, virology centers and institutes, and 13 conduct innovative and pioneering researches that will advance the frontiers of 14 virology in the country. The VIP can enter into a memorandum of agreement or 15 understanding with international partners, upon the approval of the DOST Secretary 16 and in compliance with existing laws, rules, regulations and issuances of the 17 Department of Foreign Affairs (DFA). The DFA shall provide technical, legal and other 18 forms of assistance to the VIP. 19

20 Sec. 9. *Interdepartmental Cooperation.* — The VIP shall collaborate with the 21 DOH, Department of Finance (DOF), FDA, RITM and other relevant government 22 agencies, in mobilizing resources as may be required to implement this Act.

Sec. 10. *Private-Public Partnerships.* — The Department of Trade and Industry (DTI), the DOH, Public-Private Partnership (PPP) Center and the DOST shall collaborate in seeking Private-Public Partnerships (PPPs) for the development of new industries, products and services where the VIP shall be the main research and development unit.

Sec. 11. *Promotion of Virology Industry.* — The DOST, in partnership with the DOH-Health Promotion and Communication Service and Disease Prevention and Control Bureau and DTI-Board of Investments, shall jointly develop an industry roadmap for products and services that can be created, improved, or optimized by research from the VIP.

Sec. 12. *Promotion of Knowledge-transfer and Research in the Academe.* — The VIP shall promote the creation of hubs and programs for virology research and development in the academe, particularly in state universities and colleges (SUCs). Towards this end, the VIP shall assist SUCs in the creation of virology courses and programs, open internships for qualified students of higher education institutions (HEIs) and collaborate with HEIs in the creation of virology research centers.

7 The CHED shall collaborate with the DOST in the promotion of HEI-VIP 8 partnerships.

Sec. 13. Protection of Intellectual Property. — The DOST shall ensure that all 9 technologies developed exclusively by the VIP with full funding from Filipino taxpayers 10 shall be protected by intellectual property laws in accordance with Republic Act No. 11 10055 or the Technology Transfer Act of 2009 and other applicable laws. Any patent 12 grant or property right awarded or granted to the VIP shall be held by and in the name 13 of the Philippine Government. In the case of partnerships, where the VIP is a 14 collaborating research partner, the DOST shall ensure that technologies co-developed 15 by the VIP shall also be co-attributed, with the corresponding intellectual protections, 16 to the Philippine Government. 17

Sec. 14. *Procurement of Specialized Materials, Equipment and Services.* — The VIP shall undertake the procurement of specialized materials, equipment, and services to be used by the VIP in its operation and administration, in the most expeditious manner, as exemptions from the provisions of Republic Act No. 9184 or the "Government Procurement Reform Act" and other relevant laws.

23 *Provided*, that during public health emergency, the following shall be observed:

- a) Less stringent procurement procedures allowing negotiated
 procurement, higher caps on allowable down payment for
 procurement of goods, supplies, equipment and services;
- b) Authority to the DOST Secretary to approve advance payment of not
 more than 15% for procurement of goods, supplies, equipment and
 services, for faster facilitation;
- 30 c) Simplified process for foreign procurement especially with specialized
 31 equipment, reagents, and supplies not available in the Philippines;

- d) Exemption from customs duties and taxes for all VIP supplies and
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- equipment procured abroad; and e) Exemption from taxes on income generated through training and
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other delivery of services of VIP.

Sec. 15. Official Site of VIP. — A lot with an area equivalent to at least five (5)5 hectares under the administration of the Bases Conversion and Development Authority 6 (BCDA) within the New Clark Economic Zone in Tarlac shall be allocated exclusively 7 for the free use of for the Institute, its research facilities, and laboratories. The 8 biosafety infrastructure shall be designed based on risk assessment for handling 9 specific pathogens following the World Health Organization (WHO) guidelines on the 10 establishment of a virology laboratory in developing countries. 11

Sec. 16. Virology Research Fund. — There is hereby created a Virology 12 Research Fund to be used and administered by the VIP following existing government 13 budgeting, accounting, and auditing rules and regulations. The fund shall be sourced 14 from the following: 15

- a) The initial amount of Two Billion pesos (Php 2,000,000,000.00) to be 16 taken from the current fiscal year's appropriation, in case the General 17 Appropriations Act (GAA) was approved before this law is enacted; 18
- b) The income produced from its operations, technology transfer, and 19 licensing agreements; 20
- c) Loans, contributions, grants, bequests, gifts, and donations whether 21 from local or foreign sources. Provided, that acceptance of grants, 22 bequests, contributions, and donations from foreign governments 23 shall be subject to the approval of the President upon the 24 recommendation of the Secretary of the DOST and Secretary of the 25 DFA. The Secretary of DOST, with the approval of the National 26 Economic and Development Authority (NEDA) and subsequently, the 27 DOF, is hereby granted the authority to enter into loan agreements 28 with foreign financial institutions. 29

Sec. 17. Authority to Solicit, Receive Donations, Grants and the Like. - The 30 VIP may solicit, negotiate with, and receive from any public or private domestic or 31 foreign sources legacies, gifts, donations, grants, endowments, contributions or other 32

transfers of ownership and/or possession of real or personal properties of all kinds in
favor and for the benefit of the VIP, which shall be exempt from donor's tax and shall
all be part of the special account in the general fund managed by the Department of
Finance.

5 The VIP shall prescribe the measures necessary for the proper use, 6 maintenance and safekeeping of said donations, grants, endowments, contributions 7 or transfers and the compliance of the terms and conditions thereon, if any, in 8 accordance with pertinent accounting and auditing laws, rules and regulations.

9 Sec. 18. *Use of Income.* — The VIP shall be authorized to use all of the income 10 generated from its operations, as well as donations, bequests, grants for the 11 upgrading of its physical and human resources, and for the augmentation of its 12 budget.

Sec. 19. *Mandatory Adoption of Publicly Funded Technologies.* — Mandatory adoption of publicly funded and generated technologies developed by the VIP whenever feasible and practicable, shall strictly be implemented by all government entities or instrumentalities All national government agencies (NGAs), governmentowned-and-controlled corporations (GOCCs), state universities and colleges (SUCs), and local government units (LGUs) performing science and technology development projects shall adopt publicly-funded technologies.

20 Sec. 20. *Annual Report.* — The VIP shall submit its annual report to the 21 President and to the Committees on Science and Technology in both Chambers of 22 Congress following the effectivity of this Act.

Sec. 21. Joint Congressional Oversight Committee. — There shall be a Joint 23 Congressional Oversight Committee on the implementation of this Act, which shall be 24 jointly chaired by the Chairpersons of the Committees on Science and Technology of 25 the Senate and House of Representatives. It shall be composed of, as members, the 26 Chairpersons of the Senate Committees on Health and Demography and Agriculture, 27 Food and Agrarian Reform, the Chairpersons of the Committees on Health and Food 28 and Agriculture of the House of Representatives, and two others from each chamber 29 of Congress to be appointed by the Senate President and the Speaker of the House of 30 Representatives. 31

22. The sum of Two Billion Pesos Sec. Appropriations. 1 -----(Php2.000.000.000.00) is hereby appropriated for the initial operation fund of the VIP 2 from the current fiscal year's appropriation. Thereafter, the amount needed for its 3 operation shall be included in the General Appropriations Act. 4

5 Sec. 23. *Implementing Rules and Regulations.* — The DOST Secretary, in 6 consultation with DBM, DOH, Civil Service Commission, and other relevant government 7 agencies, shall promulgate the necessary rules and regulations within one hundred 8 twenty (120) days from the effectivity of this Act.

9 Sec. 24. *Separability Clause.* — If any provision or part hereof is held invalid or 10 unconstitutional, the remainder of the law or the provision or part not otherwise 11 affected shall remain valid and subsisting.

Sec. 25. *Repealing Clause.* — Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent with the provisions of this Act are hereby repealed, modified, or amended accordingly.

Sec. 26. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,