

SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

SENATE
S.B. No. **2049**



Introduced by Senator Grace Poe

'18 OCT -3 P4:10

RECEIVED _____

AN ACT
ESTABLISHING THE *SUORTA PARA SA PRODUKTONG PILIPINO*
PROGRAM, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER
PURPOSES

Explanatory Note

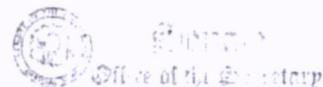
The concept of "Social Justice" is imbued throughout the 1987 Philippine Constitution. In fact, an entire Article is dedicated to the elaboration of this concept. However the framers of the constitution also realized that social justice cannot be achieved without the creation of new economic opportunities in the countryside, particularly in far-flung and isolated areas. Thus, the framers of our fundamental law also included the following provision therein: "The promotion of social justice shall include the commitment to create economic opportunities based on freedom of initiative and self-reliance." (Article XIII, Section 2)

The present measure seeks to breathe life into these Constitutional provisions by establishing a *Suorta Para Sa Produktong Pilipino Program*. Under this measure, all cities and municipalities shall identify one (1) finished good which is an established, associated, and well-known product of their jurisdiction. Eligible micro, small, and medium enterprises which primarily operate within the city or municipality concerned, and which produce the identified finished goods shall be provided with an outright grant of at least Ten Thousand Pesos (P10,000.00). The DTI shall also provide for regular trade fairs and bazaars wherein the eligible businesses and enterprises under this Act shall showcase their finished goods to consumers and investors.

Speedy approval of this bill is eagerly sought.


GRACE POE

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

ARTICLE I
GENERAL PROVISIONS

Section 1. *Short Title.*- This Act shall be known as the "*Suorta Para Sa Produktong Pilipino Act of 2018.*"

Section 2. *Declaration of Policy.*- The State reiterates its commitment to promote social justice in all phases of national development. Further, the State recognizes that social justice cannot be achieved without the creation of economic opportunities and the development of businesses and enterprises in the countryside, particularly in far-flung and geographically isolated and disadvantaged areas. It is thus declared a policy of the State to establish a *Suorta Para Sa Produktong Pilipino* program to provide financial incentives for local enterprises in the country.

Section 3. *Definition of Terms.*- For the purpose of this Act, the following terms shall be defined as follows:

a.) "*Finished Good*" refers to goods that have been completed by the manufacturing process, and are ready for immediate use or consumption;

b.) "*Micro Small and Medium Enterprises*" or "*MSMEs*" refers to businesses and enterprises which fall into the following categories, based on either their number of employees or their total assets:

Type of Enterprises	Number of Employees	Assets
Micro	1-9 Workers	Php 3 million or less
Small	10-99 Workers	Php 3 million to Php 15 million
Medium	100-199 workers	Php 15 million to 100 million

ARTICLE II

THE SUPORTA PARA SA PRODUKTONG PILIPINO PROGRAM

Section 3. *Establishment of the Suporta Para Sa Produktong Pilipino Program.*- In accordance with the declared State policy of this Act, there is hereby established a *Suporta Para Sa Produktong Pilipino* program, hereafter referred to as "the Program" which shall be administered by the Department of Trade and Industry (DTI).

Section 4. *Program Components.*- All cities and municipalities shall identify one (1) finished good which is an established, associated, and well-known product of their jurisdiction. Eligible micro, small, and medium enterprises which primarily operate within the city or municipality concerned, and which produce the identified finished goods shall be provided with an outright grant of at least Ten Thousand Pesos (P10,000.00) which shall be disbursed by the DTI from the *Suporta Para Sa Produktong Pilipino Trust Fund* established under this Act: *Provided*, that no business or enterprise shall avail of this benefit more than once a year. The DTI shall also

1 provide for regular trade fairs and bazaars wherein the eligible businesses and
2 enterprises under this Act shall showcase their finished goods to consumers and
3 investors.

4
5 Section 5. *Eligibility.* In order to be eligible for this program, businesses and
6 enterprises must provide documentary evidence that they have been operating
7 within the concerned city or municipality for at least three (3) years, and have been
8 producing the identified finished good for the same period.

10 **ARTICLE III**

11 **THE SUPORTA PARA SA PRODUKTONG PILIPINO CHALLENGE FUND**

12
13 Section 6. *The Suporta Para Sa Produktong Pilipino Trust Fund.*- There is
14 hereby established a *Suporta Para Sa Produktong Pilipino Trust Fund*, hereafter
15 referred to as "The Fund". The fund shall be used exclusively to achieve the declared
16 policy of this Act, and shall be funded from the following sources:

- 17
18 a.) The amount of Fifty Million Pesos (P50,000,000.00) as seed capital;
19
20 b.) The equivalent of five percent (5%) of any increase in total revenue
21 collections of the national government;
22
23 c.) Grants, donations, and endowments from domestic and foreign sources,
24 pursuant to existing laws and regulations;
25
26 d.) Such amounts as may be indicated under the General Appropriations Act
27 (GAA) for the purpose of sustaining fund; *and*
28
29 e.) All interest income of the trust fund.
30

1 Section. 7. *Administration of the Fund.* The DTI shall administer the fund and
2 make available all records of how the funds are utilized and disbursed, in accordance
3 with the applicable rules and regulations.

4
5 **ARTICLE III**
6 **FINAL PROVISIONS**

7
8 Section. 8. *Implementing Rules and Regulations.*- Within ninety (90) days
9 from the effectivity of this Act, the DTI, in coordination with the Department of
10 Interior and Local Government (DILG) shall issue the implementing rules and
11 regulations necessary for the speedy and effective implementation of this Act.

12
13 Section 9. *Separability Clause.*- If any provision of this Act is declared
14 unconstitutional or invalid, the provisions hereof which are not affected shall
15 continue to have force and effect.

16
17 Section 10. *Repealing Clause.*- All laws, decrees, orders, rules or regulations
18 thereof, inconsistent with this Act are hereby modified or repealed accordingly.

19
20 Section 11. *Effectivity clause.* This Act shall take effect thirty (30) days after
21 its publication in the Official Gazette.

22
23 *Approved.*