

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

22 JUL 14 P1 :51

## SENATE

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Senate Bill No. 599

## Introduced by Senator Juan Miguel F. Zubiri

## AN ACT ESTABLISHING THE PHILIPPINE VIROLOGY SCIENCE AND TECHNOLOGY INSTITUTE AND APPROPRIATING FUNDS THEREFOR

## **EXPLANATORY NOTE**

The emergence of the COVID-19 pandemic has revealed some points of vulnerability in the country's healthcare system. The development and acquisition of vaccines has been one of the main problems of the country while we are battling the COVID-19 pandemic. We had to wait for other countries to develop vaccines and to have an available supply before we are able to distribute such to our countrymen. Roll-out of vaccination could have been sooner, and more lives could have been saved if only we had the capacity to develop and manufacture our own vaccines.

This bill seeks to address this shortcoming by establishing a Virology Institute of the Philippines that would focus on virus research, development, of diagnostics, vaccines and therapeutics, and other key development areas for virology science and technology.

The establishment of the Virology Institute of the Philippines is very important in our country's goal to strengthen our defense system against potential disease-causing agents that will affect not only people, but also plants and animals. This would also provide us with the capacity to develop our own vaccines, eliminating the need to depend on other countries in times of need. As we continue to move forward with development programs for the economy of our country, it is important that we also take steps in improving our facilities for research and development, especially in matters of health and medicine to make sure that we can give the best services to the Filipino people.

In view of the foregoing, the approval of this bill is earnestly sought.

JUAN MIGUEL F. ZUBIRI



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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 "Virology Institute of
 the Philippines (VIP) Act."

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SEC. 2. Declaration of Policy. – It is the policy of the State to protect and
promote the right to health of the people and instill health consciousness among them.
The State recognizes that science and technology is essential for national development
and progress.

8 To this end, the State shall formulate and implement policies that shall address 9 current health issues, such as the quality and adequacy of health and medical human 10 resources, health institutions, and delivery of health services, and shall give priority to 11 research, the development and promotion of innovations in both technology and services, 12 the use of safe and indigenous health-promoting practices, and their appropriating 13 utilization by the health sector.

In this regard, the State shall prioritize the establishment of an institute that will conduct in-depth studies on viruses and their potential disease-causing agents that affect people, plants and animals, in order to provide the scientific bases for the treatment of viral diseases, and for the formulation of policies that shall prevent the transmission of these diseases within the community and national context.

SEC. 3. *Objectives.* – This Act seeks to establish a virology institute that shall
 focus on the following key development areas for virology science and technology
 applications in plants, animals, and humans:

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(a) Research on viruses using a modern approach such as molecular biology and its application or biotechnology;

- (b) Development of diagnostics, vaccines, and therapeutics;
- 7 (c) International cooperation and network of databases and virus infections;
- 8 (d) Operation of a virus gene bank, virus genome laboratory, and virus reference
   9 laboratory to focus on viruses circulating in the Philippines for disease
   10 prevention and epidemiological studies; and
- (e) Operation of a virus high containment laboratory dedicated to the study of
   highly infectious and highly pathogenic virus.
  - SEC. 4. Definition of Terms. As used in this Act:
- (a) *Bacteriophage* refers to any group of viruses that infect specific bacteria,
   usually causing their disintegration or dissolution;
- (b) *Biosafety* refers to a condition in which the probability of harm, injury and
   damage resulting from the intentional and unintentional introduction or use of
   a regulated article is within acceptable and manageable levels;
- (c) *Biosecurity* refers to the strategic and integrated approach to analyzing and
   managing relevant risks to plant, animal and human life, and health and
   associated risks for the environment. It is based on recognition of the critical
   linkages between sectors and the potential for hazards to move within and
   between sectors, with system-wide consequences;
- (d) *Diagnostics* refer to methods, tests, techniques and tools in viral diagnosis for
   plants, animals and humans;
- (e) *Therapeutics* refer to anti-viral, bacteriophages, nanotechnology treatment
   approach, nucleic acid-based treatment, remedial agents, drugs for the
   treatment of viral diseases and infections of plants, animals and humans;
- (f) *Vaccine* refers to a product that induces or stimulates active acquired immunity
   by producing antibodies to a specific infectious agent. It helps the body's
   immune system to recognize and fight pathogens like viruses or bacteria; and
- (g) *Virology* refers to the scientific discipline concerned with the study of the
   biology of viruses and viral diseases of plant, animal, and human medical
   importance and pandemic potential, including the distribution, pathogenicity,
   viral cytopathicity, biochemistry, physiology, molecular biology, biotechnology,

ecology, tropism, spillover and interspecies transmission, evolution, and clinical aspects of viruses.

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SEC. 5. *Creation of the Virology Science and Technology Institute of the Philippines*. – The Virology Science and Technology Institute of the Philippines (VIP) is hereby created and shall be an attached agency under the Department of Science and Technology (DOST) for purposes of policy and program coordination to ensure alignment in national policies and priorities.

9 The VIP shall serve as the premier research and development institute in the field 10 of virology, encompassing all kinds of viruses and viral diseases in plants, animals and 11 humans. It shall be a venue for scientists, research institute and other organizations in 12 the Philippines and abroad, to work collaboratively to study viruses of agricultural, 13 industrial, clinical and environmental importance.

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15 **SEC. 6.** *Mandate.* – The VIP shall implement policies, plans, programs, and 16 projects for the development of virology science and technology in the country and the 17 promotion of scientific and technological activities for both the public and private sectors. 18 It shall ensure that the results of these activities are properly applied towards self-reliance 19 and utilized to accelerate economic and social development towards the protection of the 20 citizens and resources.

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SEC. 7. *Powers, Functions, and Duties.* – To accomplish its mandate, the VIP
 shall have the following powers, functions and duties:

- (a) Serve as the lead convener in the formulation of the National Virology Research
   Agenda, in consultation with all concerned stakeholders, that will encompass
   researches involving viruses of plant, animal and humans;
- (b) Undertake scientific and technological research and development in the field ofvirology;
- (c) Conduct product research and development in the areas of diagnostics,
   therapeutics, and vaccines in cooperation with the private sector and concerned
   government agencies;
- (d) Promote and undertake the transfer of the results of scientific research and
   development in collaboration with government agencies, industry and the
   academe;
- (e) Promote, advocate and oversee virology research ethics, biosafety, and
   biosecurity;

1	(f) Develop and maintain an information system on virology science and technology
2	for use by both the public and private sectors;
3	(g) Develop and implement, together with other entities concerned, programs for
4	strengthening scientific and technological capabilities in virology and relevant
5	disciplines through human resource development, infrastructure, and institution
6	building;
7	(h) Undertake policy research, technology assessment, and other related studies on
8	virology;
9	(i) Provide laboratory and technical services on virology;
10	(j) Promote and advocate the national programs on virology science and technology;
11	and
12	(k) Establish linkages with local and international partners.
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14	SEC. 8. Organizational Structure. – The VIP shall be headed by a Director and
15	two (2) Deputy Directory for Research and Development, and Support, Policy, and
16	Linkages.
17	The VIP shall be composed of the following divisions:
18	1. Virus Research
19	2. Diagnostics and Therapeutics Research
20	3. Vaccines Research
21	4. Technical Services and Training
22	5. Policy, Planning, and Linkages
23	6. Finance and Administration.
24	The Deputy Director for Research and Development shall oversee the operations
25	of the Virus Research, Diagnostics, and Therapeutics Research, and Vaccines Research
26	Divisions. The Deputy Director for Support, Policy and Linkages shall oversee the
27	operations of the Technical Services and Training, Policy, Planning, and Linkages, and
28	Finance and Administration Divisions.
29	The VIP shall have technical and administrative support staff and consultants. The
30	consultants may come from the public and private sectors on a consultancy or contractual
31	basis, and shall be granted honoraria or allowances in accordance with existing rules and
32	regulations.
33	Subject to the approval of the Department of Budget and Management (DBM), the
34	VIP shall determine its organizational structure, create new divisions or units as it may
35	deem necessary, and appoint its officers and employees.

For this purpose, the VIP shall, in consultation with the DBM, determine the necessary position qualifications and standards for its personnel following civil service laws, rules and regulations.

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5 SEC. 9. Qualifications of the VIP Director and Deputy Directors. - Upon the recommendation of the Governing Board, the President of the Philippines shall appoint 6 the Director of the VIP who must possess a bachelor's degree in the field of microbiology 7 and a postgraduate degree in virology, and should have at least three (3) year's 8 experience in the field of diagnostic virology. The Director of the VIP shall have the rank 9 of Director IV, Salary Grade (SG)-28, and shall exercise overall responsibility over the 10 activities of the VIP, including the supervision over VIP staff. The Director of the VIP shall 11 report to the President of the Republic of the Philippines and the Secretary of the 12 Department of Science and Technology the results of the various diagnostics assays and 13 research studies undertaken by the VIP. 14

Each of the Deputy Directors of the VIP shall have a rank of Director III, SG-27,
 Each must possess a Bachelor's Degree in Microbiology or in a similar field and at least a
 Master's Degree in Virology.

18 **SEC. 10.** *The Governing Board.* – The Governing Board shall be the policy-19 making body for the scientific and technological activities of the VIP, composed of the 20 following:

- 21 Chairperson:
- 22 (a) Secretary of the DOST;
- 23 Co-Chairpersons:
- 24 (b) Secretary of the Department of Health (DOH);
- 25 (c) Secretary of the Department of Agriculture;
- 26 Members:
- 27 (d) Undersecretary of the Department of Environment and Natural Resources;
- 28 (e) Undersecretary for Technology for Research and Development of the DOST;
- (f) Undersecretary of the Department of Foreign Affairs (DFA) for International
   Economic Relations;
- 31 (g) Chairperson of the Commission on Higher Education (CHED);
- 32 (h) Director of the Research Institute for Tropical Medicine (RITM);
- 33 (i) Director General of the Food and Drug Administration (FDA);
- 34 (j) Director of VIP;
- 35 (k) Executive Director of the University of the Philippines-National Institute of36 Health;

- (I) Representative from the National Academy of Science and Technology;
  - Representative from the National Research Council of the Philippines; and (m)
- 3 (n) Three (3) representatives from the Private Sector appointment by the President of the Philippines, as nominated by the Governing Board. These representatives 4 5 shall have distinguished themselves in the fields of medical virology, genomics, plant virology, animal virology, epidemiology, genetic engineering and other 6 7 related disciplines.
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The VIP secretariat shall serve as the Secretariat to the Governing Board.

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SEC. 11. Transfer of Unit, Offices and Functions. – All offices and units under the DOST, system which functions are related to virology shall be transferred to the VIP. 11 12 All powers, functions, assets, capital, records, funds, receivables, equipment and facilities of the DOST units or its division shall be transferred to the VIP. The DOST shall 13 conduct an audit and inventory of assets, liabilities and human resources of the 14 transferred offices and units under the DOST system to the VIP. All transferred and new 15 employees under the DOST System shall be subject of the qualification standards 16 provided for in the laws, rules and regulations of the Civil Service Commission. 17

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19 SEC. 12. Engagement of Balik Scientists and Foreign Experts. - The VIP 20 may engage the services of Balik Scientists and foreign experts who shall work together with the local scientists and experts, following the terms of reference and compensation 21 structure in accordance with Republic Act No. 11035, or the "Balik Scientist Program Act" 22 and other existing laws. 23

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25 SEC. 13. International Cooperation. - The VIP shall establish strategic partnerships with the world's leading scientists, virology centers and institutes, and 26 conduct innovative and pioneering researches that will advance the frontiers of virology 27 in the country. It may enter into a memorandum of agreement or understanding with 28 29 international partners, upon the approval of its Governing Board and in compliance with existing laws, rules, regulations and issuances of the DFA. The DFA shall provide legal 30 and other forms of assistance to the VIP. 31

The Regional Office of the World Health Organization (WHO) in the Philippines 32 shall also be consulted upon approval of the Governing of the VIP. 33

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SEC. 14. Interdepartmental Cooperation. - The VIP shall collaborate with 35 the DOH, Department of Finance, FDA, RITM and other relevant government agencies, 36

in accessing and mobilizing available information, reports, technical expertise, equipment,
materials and supplies as may be required to implement this Act.

The scientific findings of the VIP shall be integrated in other plans relating to disease control and prevention and in plans of the Inter-Agency Task Force on Emerging Infectious Diseases, as created by Executive Order No. 168 s. 2014 or its successor body, for the management of public health emergencies relating to infectious diseases.

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8 **SEC. 15.** *Private-Public Partnerships (PPP).* – The Department of Trade and 9 Industry (DTI), the DOH, Public-Private Partnership Center and the DOST shall 10 collaborate in seeking Private-Public Partnerships (PPPs) for the development of new 11 industries, products and services where the VIP shall be the main research and 12 development unit.

13 The DOST may also request the assistance of other national and local government 14 agencies in seeking PPPs where the VIP shall be the main research and development unit. 15

SEC 16. *Promotion of Virology Industry.* — The DOST, in partnership with the DTI and the DOH shall jointly develop an industry roadmap for products and services that can be created, improved, or optimized by research from the VIP. As far as practicable, the industry roadmap shall include the use of local materials in the development of new products. The industry developed or established resulting from the VIP researches shall be included in the national government priority for incentives.

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SEC. 17. *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 and scholarships for qualified students of higher education institutions (HEIs), and collaborate with HEIs in the creation of virology research centers.

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

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33 **SEC. 18.** *Protection of VIP-developed Intellectual Property.* – The 34 Governing Board of the VIP shall ensure that all technologies developed exclusively by 35 the VIP with full funding from Filipino tax payers shall be protected by intellectual property 36 laws in accordance with Republic Act No. 10055 or the "Technology Transfer Act of 2009" and other applicable laws. Any patent or property right award granted to the VIP shall be held by and in the name of the Philippine Government. In the case of partnerships, where the VIP is a collaborating research partner, the Governing Board shall ensure that technologies co-developed by the VIP shall also be co-attributed to the Philippine Government, with the corresponding intellectual protection.

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SEC. 19. 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, and adopt the most suitable or appropriate method of procurement that it deem
fit based on its identified needs and requirements depending on the existing conditions
and requirements that justify the use of a particular alternative modality provided for by
Republic Act No. 9184 or the "Government Procurement Reform Act" and its 2016 Revised
IRR.

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SEC. 20. Official Site of the VIP. – A lot with an area equivalent to at least five (5) hectares under the administration of the Bases Conversion Development Authority (BCDA) within the New Clark Economic Zone in Tarlac Province shall be allocated exclusively for the VIP, its research facilities, and laboratories. The biosafety infrastructure shall be designed based on risk assessment standards and guidelines of the WHO for handling specific pathogens and the establishment of virology laboratories in developing countries.

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SEC. 21. *Entitlement to Magna Carta Benefits.* – Qualified employees of the VIP shall be covered by Republic Act No. 8439, otherwise known as "Magna Carta for Scientists, Engineers, Researchers and Other Science and Technology Personnel in Government."

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SEC. 22. *Virology Research Fund.* – All donations, contributions, grants, bequests, or gifts in cash or in-kind, received by the VIP from various sources shall be placed into a fund, to be known as the Virology Research Fund and such donations shall be exempt from donor's tax: *Provided,* That, acceptance of grants, bequests, contributions, and donations from foreign governments shall be subject to the approval of the President of the Philippines upon recommendations of the Secretary of DOST and the Secretary of DFA.

SEC. 23. *Authority to Solicit, Negotiate, and Receive Donations, Grants, Gifts, Legacies, Endowments and Contributions.* – The VIP may solicit, negotiate with, and receive from any public or private domestic or foreign sources legacies, gifts, donations, grants, endowments, contributions or other 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 all be part of the special account in the general fund.

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8 **SEC. 24.** *Tax Exemptions* – Donations, grants, gifts, endowments, legacies, and 9 contributions used actually, directly and exclusively for the purpose of the VIP shall be 10 exempt from donor's tax and the same shall be considered as allowable deduction from 11 gross income for purposes of computing the taxable income of the donor, in accordance 12 with Sec. 34 (H)(2)(a) of the National Internal Revenue Code of 1997, as amended. 13 Likewise, such other transfers of ownership and/or possession of real or personal 14 properties of all kinds shall be exempt from all taxes.

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SEC. 25. Annual Report. The VIP shall submits its annual report to the President and to the Committees on Science and Technology in both House of Congress, not later than the 30<sup>th</sup> of March of every year following the effectivity of this Act. The annual report shall provide a full and detailed account of the status of the implementation of this Act and policy recommendations.

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SEC. 26. Joint Congressional Oversight Committee. - There shall be a Joint 22 Congressional Oversight Committee on the implementation of this Act, which shall be 23 jointly chaired by the Chairpersons of the Committees on Science and Technology of the 24 25 Senate and House of Representatives. It shall be composed of the Chairpersons of the Senate Committees of Health and Demography, and Agriculture, Food and Agrarian 26 Reform, the Chairpersons of the Committees on Health and Agriculture and Food of the 27 28 House of Representatives and two (2) members from each House representing the minority who shall be appointed by the Senate of the President and the Speaker of the 29 House of Representatives. 30

31 SEC. 27. Appropriations. – The initial amount for the implementation of this Act 32 shall be charged against the current year's appropriations of the DOST. Thereafter, the 33 funding of which shall be included in the annual General Appropriations Act.

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35 SEC. 28. Transitory Provisions. –

1	(a) The functions and assets of the DOST units enumerated herein shall be
2	transferred to the VIP within three (3) years without need of conveyance
3	and transfer of assignment.
4	(b) To the greatest extent possible and in accordance with existing laws, all
5	employees of the affected offices, agencies and units shall be absorbed
6	by the VIP. Personnel hired on a permanent basis and with appointments
7	attested by the CSC who may be affected by the transition of DOST units
8	to VIP, or who will not be absorbed in the new positions of the new
9	staffing pattern of the different offices in the VIP, shall have the option
10	to:
11	1. Be transferred to other units or offices within the DOST in accordance
12	with civil service law, rules and regulations; or,
13	2. Avail of the applicable retirement benefits and separation incentives
14	as provided under R.A. No. 6656 and other relevant laws.
15	(c) Incumbent DOST officials and employees may be considered to assume
16	positions in the VIP, subject to competency evaluation and CSC
17	regulations.
18	(d) Research grants acquired during the transition of DOST transferred units
19	to VIP shall be utilized solely for the grants' intended purposes for each
20	of the affected units or offices.
21	(e) Existing contracts and agreements entered into by the affected offices
22	with third parties prior to the enactment of this Act shall remain valid.
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24	SEC. 29. Implementing Rules and Regulations The DOST Secretary shall,
25	in consultation with DBM, DOH, Civil Service Commission, and other relevant government
26	agencies, promulgate the necessary rules and regulations within one hundred twenty
27	(120) days from the effectivity of this Act.
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29	SEC. 30. Separability Clause. – If an portion of provision of this Act is declared
30	invalid or unconstitutional, other provisions hereof shall remain in full force and effect.
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32	SEC. 31. Repealing Clause. – All laws, decrees, orders, rules and regulations or
33	other issuances or parts thereof inconsistent with the provisions of this Act are hereby
34	repealed or modified accordingly.
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SEC. 32. *Effectivity.* – This Act shall take effect fifteen (15) days after its
 publication in the *Official Gazette* or in a newspaper of general circulation.

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