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Senate Office of the Secretary

Introduced by: Senator Raffy T. Tuifo

VIROLOGY AND VACCINE INSTITUTE OF THE PHILIPPINES ACT

EXPLANATORY NOTE

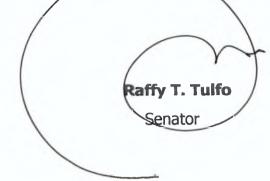
During the pandemic, the Philippines has faced significant challenges in terms of vaccine distribution and administration, shortage, and limited capabilities in terms of research and development. The establishment of the Virology and Vaccine Institute of the Philippines (VIP) would address these challenges by providing a centralized location for research and production of vaccines, antiviral drugs, and diagnostic tests for viral diseases.

Moreover, by having its own facilities conducting relevant studies, the country would be less dependent on foreign sources and have more control over its public health. The VIP would also provide a centralized location for surveillance and monitoring of infectious illnesses, which is critical for early detection and rapid response to outbreaks.

This bill seeks to establish the VIP as an attached agency of the Department of Science and Technology (DOST) and it shall serve as a premier research and development institute in the field of virology in the country to strengthen our capacity to address health emergencies, among others. With enough safeguards to protect the rights of our citizens, the passage of this bill is earnestly sought.

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



SENATE S.B. No. <u>1818</u>

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Introduced by: Senator Raffy T. Tulfo

VIROLOGY AND VACCINE INSTITUTE OF THE PHILIPPINES ACT

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

ARTICLE I

GENERAL PROVISIONS

1	Section 1. Short Title. – This Act shall be known as the "Virology and Vaccine
2	Institute of the Philippines (VIP) Act".

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.

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

13 In this regard, the State shall formulate and implement policies that shall 14 address current health issues, such as the quality and adequacy of health resources including human resource for health, health institutions, and delivery of health
services, and shall give priority to research, the development and promotion of
innovations in both technology and services, the sue of safe and indigenous healthpromoting practices, and their appropriate utilization by the health sector.

5 Sec. 3. *Objectives.* – This Act seeks to establish a virology and vaccine institute 6 that shall focus on the following key science and technology applications:

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 a) Research on viruses and other pathogens using a modern approach such as molecular biology and its application on biotechnology and bioinformatics;

b) Development of diagnostics, vaccines, and therapeutics on viruses and other
pathogens;

11 c) International cooperation and network of databases of virus infections;

- d) Operation of a virology laboratory, virus gene bank and virus genome
 laboratory, to focus on viruses circulating in the Philippines for disease
 prevention and epidemiological studies; and
- e) Operation of a virus high-containment laboratory dedicated to the study of
 highly infectious and highly pathogenic viruses.

17 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) *Body-worn Camera* refers to a condition in which the probability of harm,
 injury and damage resulting from the intentional and unintentional introduction
 or use of a regulate 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;

1 (f) *Vaccine* - refers to a product that induces or stimulates active acquired 2 immunity by producing antibodies to a specific infectious agent. It helps the 3 body's immune system, to recognize and fight pathogens like viruses or 4 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 or interspecies transmission, evolution, and clinical
aspects of viruses.

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

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

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

26 Sec. 7. *Powers, Functions, and Duties.* – To accomplish its mandate, the VIP 27 shall have the following powers, functions, and duties:

a) Serve as the lead convener for 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 of 1 virology; 2 c) Conduct product research and development in the areas of diagnostics, 3 therapeutics, and vaccines in cooperation with the private sector and concerned 4 5 agencies; d) Promote and undertake the transfer of the results of scientific research and 6 development in collaboration with government agencies, industry, and the 7 8 academe; e) Promote, advocate and oversee virology research ethics, biosafety, and 9 biosecurity; 10 f) Develop and maintain an information system on virology science and 11 technology for use by both the public and private sectors; 12 g) Develop and implement, together with other entities concerned, programs for 13 strengthening scientific and technological capabilities in virology and relevant 14 disciplines through human resource development, infrastructure, and institution 15 building; 16 h) Undertake policy research, and other related studies on virology; 17 i) Provide laboratory and technical services on virology; 18 j) Promote and advocate the national programs on virology science and 19 technology 20 k) Establish linkages with local and international partners; and 21 I) Assume additional functions such as the conduct of clinical research or trials 22 and other incidental works, as may be deemed appropriate. 23 Sec. 8. Organizational Structure. - The VIP shall be headed by a Director and 24 two (2) Deputy Directors for Research and Development, and Support, Policy, and 25 Linkages. 26
 - The VIP shall have technical and administrative support staff and consultants. The consultants may be selected from the public and private sectors and shall serve on a contractual basis. They shall be granted honoraria or allowances in accordance with existing rules and regulations

Subject to the approval of the Department of Budget and Management (DBM), the VIP shall determine its organizational structure and staffing pattern, subject to the existing compensation and position classification system and civil service rules and regulations.

5 Sec. 9. *Qualifications of the VIP Director and Deputy Directors.* - Upon the 6 recommendation of the Governing Board, the President of the Philippines shall appoint 7 the Director of the VIP. The Director must possess:

a) a bachelor's degree in the field of microbiology or any other specialization;

9 a postgraduate degree in virology or any other related fields; and

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c) at least three (3) years work experience in the field of virology.

The Director of the VIP shall have the rank of Director IV, Salary Grade (SG)-28, and shall exercise overall responsibility over the activities of the VIP, including the supervision over VIP staff. The Director of the VIP shall report to the President of the Philippines and the Secretary of the DOST the results of the various diagnostic assays and research studies undertaken by the VIP.

Each of the Deputy Directors of the VIP shall have a rank of Director III, SG-27. The Deputy Director for Research and Development must possess a Bachelor's Degree in Microbiology or in a similar field and at least a Master's Degree in Virology. The Deputy Director for Support, Policy, and Linkages must possess a Bachelor's degree and a Master's degree relevant to the position.

Sec. 10. *The Governing Board*. - The VIP shall have a Governing Board which shall be the policymaking body for the scientific and technological activities of the VIP. It shall be composed of the following:

24 Chairperson:

25 Secretary of the DOST;

26 Co-Chairpersons:

1	Secretary of the Department of Health (DOH)
2	Secretary of the Department of Agriculture (DA)
3	Members:
4	Undersecretary of the Department of Environment and Natural
5	Resources;
6	Undersecretary of Research and Development of the DOST;
7	Undersecretary of the Department of Foreign Affairs (DFA) for
8	International Economic Relations;
9	Chairperson of the Commission on Higher Education (CHED);
10	Director of the Research Institute for Tropical Medicine (RITM);
11	Director General of the Food and Drug Administration (FDA);
12	Director of VIP;
13	Executive Director of University of the Philippines-National Institute of
14	Health;
15	Representative from the National Academy of Science and Technology;
16	Representative from the National Research Council of the Philippines;
17	Three (3) representatives from the private sector appointed by the
18	President of the Philippines, as nominated by the Governing Board. These
19	representatives shall have distinguished themselves in the fields of medical
20	virology, genomics, plant virology, animal virology, epidemiology, genetic
21	engineering and other related disciplines.
22	The VIP Secretariat shall serve as the Secretariat to the Governing
23	Board.
24	Sec. 11. Transfer of Units, Offices, and Functions. – All offices and units under
25	the DOST system which functions are related to virology shall be transferred to the
26	VIP.
27	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 conduct an audit and inventory of assets, liabilities and human resources of the
transferred offices and units under the DOST system to the VIP.

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All transferred and new employees under the DOST System shall be subject to the qualification standards provided for by law, and by the rules and regulations of the Civil Service Commission (CSC).

6 Sec. 12. *Engagement of Balik Scientists and Foreign Experts.* – The VIP may 7 engage the services of Balik Scientists and foreign experts who shall work together 8 with the local scientists and experts, following the terms of reference and 9 compensation structure in accordance with Republic Act No. 11035 or the "Balik 10 Scientist Act" and other existing laws.

Sec. 13. International Cooperation. - The VIP shall establish strategic 11 partnerships with the world's leading scientists and virology centers and institutes, 12 and conduct innovative and pioneering researches that will advance the frontiers of 13 virology in the country. It may enter into a memorandum of agreement or 14 understanding with international partners, upon the approval of its Governing Board 15 and in compliance with existing laws, rules, regulations and issuances of the DFA. The 16 DFA shall provide the VIP advice and assistance on drafting and negotiations of 17 international legal instruments. 18

The Regional Office of the World Health Organization (WHO) in the Philippines, World Organization for Animal Health and other relevant international organizations shall also be consulted upon approval of the Governing Board of the VIP.

Sec. 14. *Interdepartmental Cooperation*. - The VIP shall collaborate with the DOH, Department of Finance, FDA, RITM and other relevant government agencies, 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 the plans of the Inter Agency Task Force for the Management of 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.

Sec. 15. *Private-Public Partnerships (PPPs).* - The Department of Trade and Industry (DTI), the DOH, DA, Public-Private Partnership 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.

8 The DOST may also request the assistance of other national and local 9 government agencies in seeking PPPs.

Sec. 16. *Promotion of the Virology Industry*. - The DOST shall, in partnership with the DOH, DA and the DTI, 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's priority industries for incentives.

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). To 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.

Sec. 18. *Protection of VIP-developed Intellectual Property*. - The Governing Board of the VIP shall ensure that all technologies developed exclusively by the VIP with full funding from Filipino taxpayers shall be protected by intellectual property laws in accordance with Republic Act No. 10055, also known as the "Philippine Technology

1 Transfer Act of 2009," and other applicable laws. Any patent or property right award 2 granted to the VIP shall be held by and in the name of the Philippine Government. In 3 the case of partnerships, where the VIP is a collaborating research partner, the 4 Governing Board shall ensure that technologies co-developed by the VIP shall also be 5 co-owned by the Philippine Government, and correspondingly accorded intellectual 6 property protection under the law.

Sec. 19. Procurement of Specialized Materials, Equipment, and Services. - The 7 VIP shall undertake the procurement of specialized materials, equipment, and services 8 to be used by the VIP in its operation and administration, in the most expeditious 9 manner, and adopt the most suitable or appropriate method of procurement that it 10 deems fit based on its identified needs and requirements depending on the existing 11 conditions and requirements that justify the use of a particular alternative modality 12 provided for by Republic Act No. 9184, otherwise known as the "Government 13 Procurement Reform Act" and its 2016 Revised Implementing Rules and Regulations. 14

Sec. 20. *Official Site of VIP.* - A lot with an area equivalent to at least five (5) hectares under the administration of the Bases Conversion and Development Authority 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.

Sec. 21. *Entitlement to Magna Carta Benefits*. - Qualified employees of the VIP shall be covered by Republic Act No. 8439, otherwise known as the "Magna Carta for Scientists, Engineers, Researchers and Other S & T Personnel in the Government," as amended.

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 the recommendation of the
Secretary of the DOST and the Secretary of the DFA.

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Sec. 23. Authority to Solicit, Negotiate, and Receive Donations, Grants, Gifts, 3 Legacies, Endowments, and Contributions. - The VIP may solicit, negotiate with, and 4 receive from any public or private domestic or foreign sources legacies, gifts, 5 donations, grants, endowments, contributions or other transfers of ownership and/or 6 possession of real or personal properties of all kinds in favor of and for the benefit of 7 the VIP, which shall be released in a timely manner to address an existing or emerging 8 public emergency or consistent with the urgent nature of VIP mandate and functions, 9 subject to existing budgeting, accounting and auditing laws, rules and regulations. 10

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

Sec. 25. *Annual Report.* - The VIP shall submit its annual report to the President and to the Committees on Science and Technology in both Houses of Congress, not later than the 30th 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.

Sec. 26. *Joint Congressional Oversight Committee.* - There shall be a Joint Congressional Oversight Committee on the VIP Act, which shall be jointly chaired by the Chairpersons of the Committees on Science and Technology of the Senate and the House of Representatives. It shall be composed of the Chairpersons of the Senate Committees on Health and Demography, and Agriculture, Food and Agrarian Reform, the Chairpersons of the Committees on Health, and Agriculture and Food of the House of Representatives, and two (2) Members from each House representing the minority

who shall be appointed by the Senate President and the Speaker of the House of
 Representatives.

Sec. 27. *Appropriations.* - The initial amount for the implementation of this Act
shall be charged against the current year's appropriations of the DOST. Thereafter,
the funding of which shall be included in the annual General Appropriations Act.

6 Sec. 28. Transitory Provisions. –

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- a. The functions and assets of the DOST units which shall be absorbed by the
 VIP shall be transferred accordingly pursuant to Section 11 (Transfer of
 Units, Offices and Functions) hereof within three (3) years without need of
 conveyance and transfer of assignment.
- b. To the greatest extent possible and in accordance with existing laws, all
 employees of the affected offices, agencies, and units shall be absorbed by
 the VIP. Personnel hired on a permanent basis and with appointments
 attested to by the CSC who may be affected by the transfer of DOST units
 to VIP, or who will not be absorbed in the new positions of the new staffing
 pattern of the different offices in the VIP, shall have the option to:
- 171. Be transferred to other units or offices within the DOST in18accordance with civil service laws, rules and regulations; or
- Avail of the applicable retirement benefits and separation 2. 19 incentives as provided under Republic Act No. 6656 entitled "An 20 Act to Protect the Security of Tenure of Civil Service Officers and 21 Implementation of Government the Employees in 22 Reorganization," and other relevant laws. 23
- c. Incumbent DOST officials and employees may be considered to assume
 positions in the VIP, subject to competency evaluation and CSC regulations.
- d. Research grants acquired during the transition of DOST transferred units to
 VIP shall be utilized solely for the grants' intended purposes for each of the
 affected units or offices.

e. Existing contracts and agreements entered into by the affected offices with third parties prior to the enactment of this Act shall remain valid.

3 Sec. 29. *Implementing Rules and Regulations.* - The DOST Secretary shall, in 4 consultation with DBM, DOH, CSC, and other relevant government agencies, 5 promulgate the necessary rules and regulations within one hundred twenty (120) days 6 from effectivity of this Act.

Sec. 30. *Separability Clause*. - If any portion of this Act is declared invalid or
unconstitutional, other provisions hereof shall remain in full force and effect.

9 Sec. 31. *Repealing Clause*. - All laws, decrees, orders, rules, and regulations or
10 other issuances or parts thereof inconsistent with the provisions of this Act are hereby
11 repealed or modified accordingly.

12 Sec. 32. *Effectivity.* - This Act shall take effect fifteen (15) days after its 13 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,

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