Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



THIRTEENTH CONGRESS
First Regular Session

HB NO. 1419

Introduced by **Rep. Roseller L. Barinaga**

EXPLANATORY NOTE

This bill seeks to allocate at least one percent (1%) of the Gross National Product (GNP) for scientific and technological activities (STA) the prescribed UNESCO norm for developing countries. STA covers several areas, to include among others: Research and Development (R&D), S&T Services (STS) and S&T Education and Training (STET).

The bill proposes the allocation for STA to gradually increase until it reaches the prescribed norm on the 5th year which shall include both government and private sector activities. The first five years shall focus on enhancement of agricultural productivity to ensure sufficiency of basic food and services and initiate system towards the production of more elaborately transformed products. For the 6th year and onwards, one percent of the GNP shall be allocated solely for R&D activities of the government and private sectors and shall aim to attain competency and mastery in the production of elaborately manufactured products and processes. The 1999 DOST budget is P2.8 billion only. With a GNP of P579.48 billion for 1999, one percent (1%) is P57.948 billion. Hence, a gap of P55.148 billion which should be attained within five years period beginning year 2000.

In the proposed measure, the DOST Secretary shall identify priorities for research and development and S & T capability development programs and prepare the corresponding budget thereto. Furthermore, appropriations pertaining to R&D in the natural, agricultural, technological and engineering sciences of various departments, bureaus, offices agencies, state universities and colleges (SUCs) shall be aligned with S & T priorities as identified by the DOST.

A special fund for research and development to be known as "R&D Fund" shall also be created and constituted from the following sources: a) allocation of 1% of GNP for S&T activities; b) all unused R&D allocations; and c) all income derived from R&D.

Urgent passage of this bill is earnestly sought.

ROSELLER L. BARINAGA
Representative
2nd District, Zamboanga del Norte

Congress of the Philippines)
Thirteenth Congress)
First Regular Session)

HOUSE OF REPRESENTATIVES

HB NO. 1419

Introduced by **Rep. Roseller L. Barinaga**

AN ACT
INCREASING THE YEARLY ALLOCATION FOR SCIENTIFIC AND TECHNOLOGICAL ACTIVITIES (STA)

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

SECTION 1. *Title.* This Act shall be known as the Science and Technology Funding Act of 2001.

SEC. 2. *Policy Statement.* In order to sustain economic development and ensure a high level of scientific and technological activities, the State shall endeavor to allocate an amount equivalent to the prescribed UNESCO norm of the least one (1) % of the total GNP as annual budget for scientific and technological activities as approved by the Science and Technological Coordinating Council (STCC) created under Administrative Order No. 123, as amended by AO No. 125 and AO No. 202, series of 1995.

SEC. 3. *Computation of Allocation.* The gross national product to be reckoned in reaching the annual budget for science and technology for a particular calendar year shall be the GNP of the immediately preceding year. However, should the country's GNP decreases, the annual budget for scientific and technological activities shall be pegged at the GNP level before the decline.

SEC. 4. *Phased Implementation.* The allocation for scientific and technological activities shall be gradually increased until it reaches the prescribed norm on the 5th year which shall include both government and private sectors activities. The first years shall focus on enhancement of agricultural productivity to ensure sufficiency of basic food and services and initiate system towards the production of more elaborately transformed products. For the 6th year and onwards, one (1) % of GNP shall be allocated solely for research and development; activities of the government and private sectors and shall aim to attain competency and mastery in the production of elaborately manufactured products and processes.

SEC. 5. *Definition of Terms.* For purposes of this Act, Scientific and Technical Activities shall be defined as all systematic activities which are closely concerned with

generation, advancement, dissemination, and application of scientific and technical knowledge in all fields of science and technology. Scientific and technological activities include the following: research and experimental development; scientific and technological services; and scientific and technical education and training.

a) Research and development is any systematic and creative work undertaken in order to increase the stock of knowledge of man, culture and society, and the use of this knowledge to devise new applications.

b) Scientific and technological services is any activity concerned with scientific and experimental development and contributing to the generation, dissemination and application of scientific and technical knowledge.

c) Scientific and technical education and training are activities comprising higher education and training leading to a university degree, post-graduate and further training organized lifelong training for scientist and engineers and specialized non-university higher education.

SEC. 6. *Role of DOST.* The Secretary of the DOST in consultation with the STCC shall identify priorities for research and development and S&T capability development program which would contribute to national development and progress, and to prepare the corresponding budget in pursuant thereto.

SEC. 7. *R&D Appropriations.* The Appropriations pertaining to R&D in the natural, agricultural, technological and engineering sciences for various departments, bureaus, offices, agencies and state universities and college (SUCs) within the Science and Technology Agenda for National Development (STAND) shall be released upon recommendation of the Secretary of DOST. The DOST shall issue the necessary guidelines for the implementation of this provision.

SEC. 8. *Special Fund for R&D.* A special fund solely intended for research and development to be known as "R&D Fund" shall be created and constitute from the following sources:

a) allocation of one (1) % of GNP for S&T activities;
b) all unused R&D allocations; and
c) all income derived from R&D activities.

SEC. 9. *Implementing Rules and Regulations (IRR).* The STCC shall prepare the implementing rules and regulations of this Act.

SEC. 10. *Annual Compliance Report.* The Secretary of the Department of Budget and Management (DBM) shall make a report of the President's compliance with Section 2 hereof to the House of Representatives and the Philippine Senate before any proposed annual general appropriation bill shall be taken by both chambers for final consideration and approval.

SEC. 11. *Effectivity.* This Act shall take effect upon its approval.

Approved.