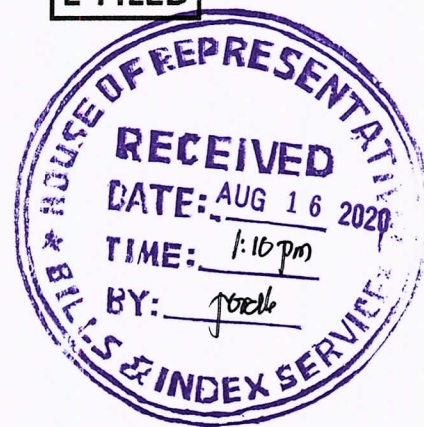




HOUSE OF REPRESENTATIVES

House Bill No. 7400

Introduced by Representative Virgilio S. Lacson

EXPLANATORY NOTE

The need to galvanize and make our economy more resilient has never been greater, light of the recent pandemic Covid-19. With more than 99% of our economy's players being MSMEs, it is apparently imperative that we begin the process with them.

It is only through knowing our strengths, weaknesses, opportunities and threats that we can make informed decisions as to where and how to drive our economy. Through a real-time, reliable, and inclusive pool of information we will be able to synchronize our efforts as barangays, cities, municipalities, provinces, and as a great country. We will be able to make efficient sweeping legislation while at the same time balancing all other particular interests of our MSMEs;

We envision a modern web application accessible through multiple platforms and devices, so that the same will always be accessible to the MSMEs and the consumers. The application shall have a customizable dashboard accessible only to registered MSMEs clients and contains the MSMEs' profile, products and/or services details, store location and store hours. The database to be created shall be up-to-date and from the grassroots. It shall clear the way between suppliers and the market. The measure will naturally streamline training and seminars in the management of business operations. It will also ensure that the financial support of the government to the local MSMEs shall be efficiently utilized and distributed to registered MSMEs.

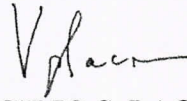
Some salient features are that MSMEs shall have municipal / city -wide identification. Products and supplies may be forecasted, and there shall be an inventory of specific classes of products and/or services, for efficiency of economy. There shall be available information available as to MSMEs demographics, including age groups, genders, and seminars attended. There shall also be a registry of MSMEs contact details and store location to facilitate market linkages.

In closing, the measure shall ensure the availability of information on local MSMEs to the public. Consumers will greatly benefit by knowing the availability of goods and/or services within their locality, while the government will be informed as

V. Lacson

1 to on-goings within our economy, and be reliably informed leading to more efficient
2 and effective legislation or regulation.
3
4

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

A handwritten signature in black ink, appearing to read 'V. Lacson', with a stylized flourish at the end.

VIRGILIO S. LACSON
Manila Teachers, Party List

HOUSE OF REPRESENTATIVES

House Bill No. **7400**

Introduced by Representative Virgilio S. Lacson

AN ACT
ESTABLISHING THE MICRO, SMALL AND MEDIUM ENTERPRISES INFORMATION
SYSTEM IN ALL CITIES AND MUNICIPALITIES (MSMEs IS ACT)

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

1 **SECTION 1. *Short Title.*** - This Act shall be known as “*MSMEs Information System Act.*”
2

3 **SECTION. 2. *Declaration of Policy.*** – It is the policy of the State to uplift the socio-
4 economic conditions of micro, small and medium enterprises (MSMEs) nationwide in order to
5 promote their welfare and empower their sector in the overall development and progress of the
6 country. By virtue of this, an integrated, computerized, web-based MSMEs commodity supply
7 inventory and registry system linking enterprises all over the country is necessary to be established
8 to provide an easy-to-access local and global real time information for MSMEs products and/or
9 services, with an end view of creating a wider range of market linkages among enterprises and
10 consumers. In addition, through a synchronized MSMEs information system, the National
11 Government shall have access to real-time MSMEs information which can rationalize the objectives
12 and policy directives in the MSMEs sector.
13

14 **SECTION. 3. *Objectives.*** – This Act aims to attain the following objectives;

- 15 (a) Provide an up-to-date database of MSMEs products and/or services in a locality;
16 (b) Facilitate linkages from supplier-to-market among local government units;
17 (c) Provide data specific products and/or services readily available in a particular locality
18 for consumers;
19 (d) Secure the enterprises’ additional sources of income;

- (e) Provide a modern web application that may be accessed through multi-platform support or cross-platform devices online;
- (f) Streamline training and seminars in the management of the operations;
- (g) Monitor the use of inputs given to MSMEs;
- (h) Facilitate the information sharing on commodity flows, specifically supply and demand; and
- (i) Ensure that government financial assistance is given only to duly registered MSMEs.

SECTION. 4. *Micro, Small and Medium Enterprises Information System.* – All cities and municipalities are hereby mandated to establish a Micro, Small and Medium Enterprises Information System, herein referred to as Information System, which shall serve as a dynamic online computer database where information on the demand for specific enterprise products and/or services is gathered simultaneously with the production data from MSMEs in every barangay. The Information System shall merge and synchronize MSMEs data from different sources into a cohesive database designed to facilitate linkages from place of origin or the manufacturer to local, and ultimately, global markets.

The Information system shall have the following features and contents:

- (a) Municipal and city-wide identification of MSMEs who are providing products and/or services in small or large quantities;
- (b) Products, services and supply forecasting;
- (c) Inventory of specific classification of products and/or services being sold in a particular local government unit;
- (d) MSMEs demographics, including age group, gender, and seminars and trainings attended;
- (e) Selected reports presented in both tabular and graphical form;
- (f) Registry of MSMEs' contact details and store location to facilitate market linkages;
- (g) Search engine which allows MSMEs to search for potential buyers, and actual buyers to search and avail via online MSMEs' products and/or services, and store location;
- (h) Links to available government financial assistance; and
- (i) Customizable dashboard which is accessible only to registered MSMEs clients and contains the MSMEs' profile, products and/or services details, store location, and store hours.

SECTION. 5. *Registration.* – All cities and municipalities shall encourage and facilitate the free registration of all MSMEs transacting within their respective area in the information system.

1 **SECTION. 6. *Functions and Responsibilities of Local Government Unit.*** – The local
2 government unit shall exercise the following functions and responsibilities:

3 (a) Gather, encode, and consolidate the profile and demographics of farmers and buyers as
4 well as other pertinent MSMEs data;

5 (b) Monitor and control enterprises inputs including machineries and equipment;

6 (c) Prepare and submit real time reports to the provincial office of the Department of Trade
7 and Industry; and

8 (d) Establish MSMEs and buyer linkages and act as a gatekeeper at the municipality, city or
9 barangay level in the nationwide marketing of MSMEs products and/or services.
10

11 **SECTION. 7. *Functions and Responsibilities of Provincial Government.*** – The provincial
12 government shall have the following functions and responsibilities:

13 (a) The provincial Planning and Development Office is the web administrator at the
14 provincial level and is responsible for integrating MSMEs locations into the geographic integration
15 system maps for MSMEs;

16 (b) The Local Economic and Investment Promotion Office acts as the lead administrator of
17 the MSMEs Information System in the provincial level and serves as the market mitigator to
18 maintain the balance between supply and demand; and

19 (c) The provincial office of the Department of Trade and Industry monitors the submission
20 of reports from the local government units ensuring the completeness and validity of data, and
21 accuracy of reports submitted by the Municipal Trade and Industry Office.
22

23 **SECTION. 8. *Functions and Responsibilities of the Regional Office of the Department of***
24 ***Trade and Industry.*** – The regional office of the Department of Trade and Industry shall have the
25 following functions and responsibilities:

26 (a) Collaborate with different market linkages from other regions, integrating geographic
27 integration system data on project intervention and commodity maps within the region;

28 (b) Recommend to the central office of the Department of Trade and Industry appropriate
29 interventions in the form of marketing, importation, and training assistance needed at the provincial
30 level; and

31 (c) Validate the data from the provincial offices of the Department of Trade and Industry,
32 acting as the system administrator at the regional level and provide real time report to the central
33 office of the Department of Trade and Industry.
34

1 **SECTION. 9. *Functions and Responsibilities of the Central Office of the Department of***
2 ***Trade and Industry.*** – The central office of the Department of Trade and Industry shall have the
3 following functions and responsibilities:

- 4 (a) Allocate funding for the operation and maintenance of the information system;
5 (b) Approve the prioritized interventions by the regional offices and allocate corresponding
6 funding;
7 (c) Collaborate with other agencies for the creation of market linkages in the domestic and
8 international markets; and
9 (d) Provide safety nets in the import and export of MSMEs products in order to support
10 MSMEs.

11
12 **SECTION. 10. *Duties of the Secretary.*** – The Secretary of Trade and Industry shall monitor
13 and ensure the compliance of all cities and municipalities as provided under this Act and shall, as
14 soon as practicable, establish a centralized MSMEs Information System that shall integrate and link
15 all existing information systems in the country.

16
17 **SECTION. 11. *Reports.*** – The Secretary of Trade and Industry shall prepare and submit to
18 the President and both houses of Congress an annual report on the program's performance which
19 shall contain the list of accomplishments and recommendations.

20
21 **SECTION. 12. *Implementing Rules and Regulations.*** – Within ninety (90) days after the
22 effectivity of this Act, the Secretary of Trade and Industry shall promulgate the necessary rules and
23 regulations for the effective implementation of this Act.

24
25 **SECTION. 13. *Appropriations.*** – The amount necessary for the effective implementation of
26 this Act shall be charged to the annual appropriations of the local government units.

27
28 **SECTION. 14. *Repealing Clause.*** – All laws, presidential decrees, executive orders, rules
29 and regulations or parts thereof which are inconsistent with the provisions of this Act are hereby
30 repealed or modified accordingly.

31
32 **SECTION. 15. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication
33 in the *Official Gazette* or in a newspaper of general circulation.

34
35 Approved,