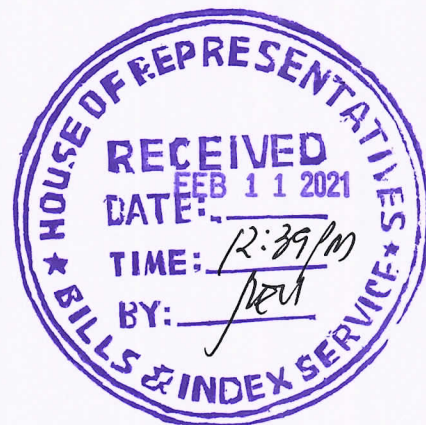


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
Second Regular Session

HOUSE BILL NO. 8670



Introduced by REPRESENTATIVE LEONARDO L. BABASA, JR.

EXPLANATORY NOTE

Since the first reported COVID-19 case in the country last year, aside from interventions of medical experts and personnel, our country is fighting this deadly virus through warriors wearing masks, maintaining social distancing, disinfecting and washing hands frequently. These approaches have been a significant help in stemming the virus' transmission.

Fast forward to year 2021, scientific studies of scientists and researchers yielded effective vaccines of various concoctions against the disease-causing virus SARS-COV2. This scientific breakthrough is a ray of hope to every country bent by the pandemic. Developed countries who have budgetary and logistical support and preparedness are now in the stage of administering these vaccines to their citizens. While developing countries are in the stage of procuring these medications.

This bill seeks to make these vaccines immediately available in the entire Philippine archipelago: *first*, by allowing local government units to directly purchase vaccines from its manufacturer or distributor, and *second*, by exempting the purchase of these vaccines by the LGUs from the rigid requirements of the Government Procurement Reform Act.

With this, local government units will be effective partners of the national government in the attainment of national goals particularly in promoting and protecting the right to health of the people, and mitigating the socio-economic impacts of this pandemic to the country and every citizen.

Since time is of the essence, expeditious approval of this bill is sought.


LEONARDO L. BABASA, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
Second Regular Session

8670
HOUSE BILL NO. _____

Introduced by REPRESENTATIVE LEONARDO L. BABASA, JR.

AN ACT
EXPEDITING THE PURCHASE AND ADMINISTRATION OF VACCINES
FOR THE PROTECTION AGAINST THE CORONA VIRUS DISEASE 2019
BY PROVIDING EXEMPTIONS TO COMPLIANCE WITH THE
PROCUREMENT REQUIREMENTS UNDER REPUBLIC ACT NO. 9184
OTHERWISE KNOWN AS THE "GOVERNMENT PROCUREMENT REFORM
ACT" AND FOR OTHER PURPOSES

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

SECTION 1. Short Title. - This Act shall be known as the "*Emergency Vaccine Procurement Act of 2021*".

SECTION 2. Declaration of Policy. - It is the policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all. The State protects and promotes the right to health of the people, while ensuring social justices in all phases of national development. The territorial and political subdivisions of the State shall enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals. To this end, recognizing the impact and effects of the corona virus disease 2019 (COVID-19) pandemic in our communities all over the country, and likewise cognizant of the role of our local government units (LGUs) to ensure that our people are protected, lives are saved, economic losses are stemmed and mitigated, and to restore public trust and confidence in our institutions, the State has introduced this mechanism to ensure that COVID19 vaccine is procured and administered in an expeditious, effective, efficient, and equitable manner.

SECTION 3. Authorized Power for Local Government Units to Procure COVID19 Vaccines. - Notwithstanding the provisions of Republic Act No. 9184, otherwise known as the "*Government Procurement Reform Act*", Section 338 of Republic Act No. 7160, as amended, otherwise known as the "*Local Government Code of 1991*", and Section 88 of Presidential Decree No. 1445, otherwise known as the "*Government Auditing Code of the Philippines*", provinces, cities and municipalities may directly purchase vaccines for the protection against corona virus disease 2019 (COVID-19), and secure other

goods and services necessary for their storage, transport, distribution, and administration, as the need arises, in the most judicious, economical, and expeditious manner.

SECTION 4. Procurement of COVID-19 Drugs and Vaccines. -

- a) Notwithstanding any law to the contrary, the requirement of Phase IV trials for COVID-19 medication and vaccine stipulated in the Universal Health Care Law is hereby waived to expedite the procurement of said medication and vaccine: *Provided*, That these are recommended and approved by the World Health Organization (WHO) and/or other internationally recognized health agencies: *Provided, further*, That the minimum standards for the distribution of the said medication and vaccine shall be determined by the Food and Drug Administration (FDA) and Health Technology Assessment Council (HTAC), as may be applicable: *Provided, further*, That notwithstanding any laws to the contrary, provinces, cities and municipalities may advance payment not exceeding fifty percent (50%) of the contract amount if required by the supplier, manufacturer, contractor or distributor, unless otherwise directed by the President, shall also be allowed for the procurement of COVID-19 drugs and vaccines: *Provided, finally*, That the Department of Health has fully implemented its COVID-19 program notwithstanding the expiration of this law.
- b) The provinces, cities and municipalities may only purchase COVID-19 vaccines that are registered with the FDA, or issued with an emergency use authorization status. For purposes of transparency, the following must be posted in a conspicuous place of the procuring local government unit:
1. Approved budget for the contract;
 2. Name of the supplier, manufacturer, contract or distributor; and
 3. Amount of contract as awarded;

The deployment of vaccines in every province, city and municipality must be in accordance with the national guidelines implemented by the Department of Health and the National Task Force Against COVID-19.

- c) As an additional exemption to the guidelines of Republic Act No. 9184 or the “*Government Procurement Reform Act*”, provinces, cities or municipalities are authorized to engage in an advance payment mechanism for purposes of procuring COVID-19 vaccines from foreign manufacturers. Following the advance payment of the supply of vaccines, the foreign manufacturer, in consideration of its agreement with the concerned LGU, shall undertake to deliver the supply of vaccines within six months from the perfection of the contract.

Subject to negotiations between the local government unit and foreign manufacturer, an advance payment of not more than fifty percent (50%) of the total contract price of the supply of the COVID-19 vaccines may be allowed under this Act. The availment of the advance payment mechanism is not an exemption to the post-transaction audit that the Commission on Audit must conduct on the LGUs. The Commission on Audit shall submit the post-transaction audit report to both Houses of

Congress before the end of the quarter when the transaction is perfected through that mode of payment.

SECTION 5. Creation and Administration of Indemnification Fund for Adverse Events Following Immunization (AEFI). - In accordance with the State policy of ensuring the safety of individuals who will receive vaccination from COVID-19, an Indemnification Fund shall be created and administered to cover Adverse Events Following Immunization (AEFI). Along with the monitoring of individuals who will receive the vaccine, Epidemiology and Surveillance Units of the Department of Health shall continuously survey and investigate incidents of AEFI.

SECTION 6. Exemption from Import Duties, Taxes, and other Fees for the Procurement, Distribution and Administration of Vaccines by the Local Government. - The procurement, importation, storage, transport, distribution, and administration of COVID-19 vaccines by the local government units shall be exempt from customs duties, value-added tax, excise tax and other fees, provided, that the vaccines acquired shall be only used for residents and constituents, and not for commercial distribution.

SECTION 7. Implementing Rules and Regulations. - Within five (5) days from the effectivity of this Act, the Secretary of the Interior and Local Government, in coordination with the Government Procurement Policy Board and the Department of Health shall issue the special procurement rules for the effective implementation of this Act. The non-promulgation of the rules and regulations provided under this Section shall not prevent the immediate implementation of this Act upon its effectivity.

SECTION 8. Construction or Interpretation. - Nothing herein shall be construed as an impairment, restriction, or modification of the provisions of the Constitution. In case the exercise of the powers herein granted conflicts with other statutes, order, rules, or regulations, the provisions of this Act shall prevail.

SECTION 9. Separability Clause. - If any part, section, provision of this Act is held invalid or unconstitutional, other provisions not affected thereby shall remain in full force and effect.

SECTION 10. Repealing Clause. - All laws, decrees, orders, rules, regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

SECTION 11. Sunset Clause. - This Act shall remain in full force and effect during the period of the state of calamity and public health emergency due to the COVID-19 pandemic or until 12 September 2021, unless the state of calamity is earlier lifted or extended by the President of the Philippines as circumstances may warrant as provided under Proclamation No. 1021, Series of 2020.

SECTION 12. Effectivity. - This Act shall take effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation.

Approved,