

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. 10131



Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

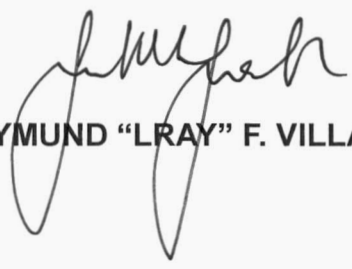
**AN ACT
PRIORITIZING DOMESTICALLY MANUFACTURED VEHICLES IN PUBLIC
PROCUREMENT**

This proposed measure seeks the prioritization of domestically manufactured vehicles in public procurement to help spur economic recovery from the harsh effects of the COVID-19 pandemic.

In 2015, the government promulgated Executive Order No. 182, or the Comprehensive Automotive Resurgence Strategy Program (CARS), was promulgated to encourage the domestic manufacturing of motor vehicles, spur new economic activities, create employment, and build competitiveness of domestic industry. However, the gains from this program slowed down because of the COVID-19 situation.

The government registered 16,443 new vehicles with the Land Transportation Office in 2019 worth an estimated 8 billion pesos. Based on this, the government demand for automobiles can serve as stimulus to our domestic car manufacturing should the domestically manufactured vehicles be prioritized.

Based on the foregoing, the immediate passage of this measure is earnestly sought.


LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.

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

Section 1. *Short Title.* – This Act be known as the "Domestic Vehicle Procurement Act."

Sec. 2. *Declaration of Policy.* – The Constitution provides that the State shall promote the preferential use of Filipino labor, domestic materials and locally produced goods, and adopt measures that help make them competitive. Thus, it shall be the policy of the State to prioritize domestically manufacture or produced vehicle in public procurement.

Sec. 3. *Coverage.* – This Act shall apply to the procurement of vehicles by all branches and instrumentalities of government, its departments, offices and agencies, including government-owned and/or-controlled corporations and local government units.

Sec. 4. *Prioritization of Domestically Manufactured Vehicles in Public Procurement.* – In all public procurement involving the purchase of motor vehicles, the government shall be required to procure only those manufactured domestically and, also, in public procurement involving lease or rental of vehicles the government shall be required to procure from service providers at least 50 percent of whose fleets are composed of domestically-manufactured vehicles acquired in the five (5) years preceding the date of procurement - unless no such vehicles meeting the required specifications or possessing the required capabilities are manufactured or produced within the Philippines.

Sec. 5. *Implementing Rules and Regulations.* – Within sixty (60) days from the promulgation of this Act, the necessary rules and regulations for the proper implementation of its provisions shall be formulated by the Department of Trade & Industry, Department of Budget & Management, and the Government Procurement

Policy Board.

Sec. 6. *Separability Clause*. – If any provision of this Act is declared unconstitutional or invalid by a court of competent jurisdiction, the remaining provisions not affected thereby shall continue to be in full force and effect.

Sec. 7. *Repealing Clause*. – All laws, decrees, executive orders, department or memorandum orders and other administrative issuances or parts thereof which are inconsistent with the provisions of this Act, are hereby modified, superseded or repealed accordingly.

Sec. 8. *Effectivity*. – This Act shall take effect fifteen (15) days after publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,