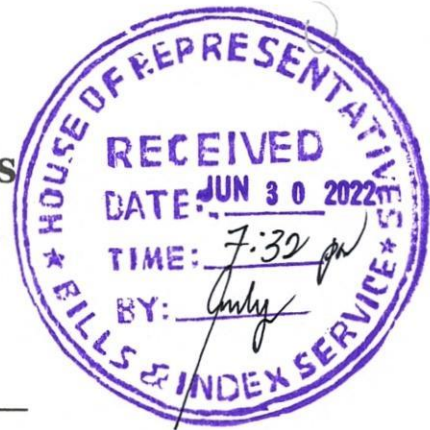


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 602



Introduced by **HON. EDGAR M. CHATTO**
First District, Bohol

EXPLANATORY NOTE

The coronavirus or Covid 19 pandemic is not the first, nor will be the last, global health emergency.

It was recently estimated that there are 320,000 mammalian viruses, many of which may have the potential for human transmission. Even if only a small fraction of these viruses can jump into humans and cause disease, humanity is living under a tremendous threat from viral zoonoses.¹ New pathogens continue to emerge, and existing nonviral pathogens become resistant to common antibiotics. Hence, we are living at a time of great need for the discipline of virology.²

Virology is the scientific study of viruses. It focuses on their detection, structure, classification and evolution, their methods of infection and exploitation of host cells for reproduction, their interaction with host organism physiology and immunity, the diseases they cause, the techniques to isolate and culture them, and their use in research and therapy.

There can be no argument that humankind's best hope of preventing and treating these diseases comes from a vigorous research enterprise. Vannevar Bush recognized this after World War II in the landmark report "*Science, the Endless Frontier*," in which he convinced the U.S. government that investment in basic research at universities would yield tremendous dividends.³

Indeed, we have now almost eliminated polio due to the development of vaccines and have converted HIV infection from a certain death sentence to a largely manageable state, and, as mentioned above, we have our first anticancer vaccines by preventing some viral infections. The tremendous reduction in mortality from such diseases as variola, measles, and rubella came about only because the causative viruses were identified, cultivated, attenuated, and made into effective vaccines by biomedical research. In addition to having applied these practical findings, we have gained important fundamental insights into the biology not only of viruses but also of the cells that they infect, and that information is being applied to find cures against other diseases, such as cancer. All these advances, and more, have come about because of public trust in science and investment in scientific research.⁴

The proposed Virology Science and Technology Institute of the Philippines will be an attached agency under the Department of Science and Technology (DOST) for purposes of policy and program coordination to ensure alignment in national policies and priorities.

The Institute shall serve as the premier research and development institute in the field of virology, encompassing all kinds of viruses and viral diseases in plants, animals and

¹ The Importance of Virology at a Time of Great Need and Great Jeopardy <https://journals.asm.org/doi/10.1128/mBio.00236-15>

² The Importance of Virology at a Time of Great Need and Great Jeopardy <https://journals.asm.org/doi/10.1128/mBio.00236-15>

³ <https://www.nsf.gov/od/lpa/nsf50/vbush1945.htm>

⁴ The Importance of Virology at a Time of Great Need and Great Jeopardy <https://journals.asm.org/doi/10.1128/mBio.00236-15>

humans. It shall 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.

The creation of a virology institute in the country is now a necessity.

For the foregoing reasons, the passage of this proposed legislative measure is earnestly sought.



EDGAR M. CHATTO

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AN ACT
ESTABLISHING THE PHILIPPINE VIROLOGY SCIENCE AND TECHNOLOGY
INSTITUTE AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. Short Title. - This Act shall be known as the "Virology 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.

To this end, the State shall formulate and implement policies that shall address current health issues, such as the quality and adequacy of health and medical human resources, 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 use of safe and indigenous health-promoting practices, and their appropriate utilization by the health sector.

In this regard, the State shall prioritize the establishment of an institute that will conduct in-depth studies on viruses and their potential disease-causing agents that affect people, plants, and animals, in order to provide the scientific bases for the treatment of viral diseases, and for the formulation of policies that shall prevent the transmission of these diseases within the community and national context.

SEC. 3. Objectives. - This Act seeks to establish a virology institute that shall focus on the following key development areas for virology science and technology applications in plants, animals, and humans:

- a) Research on viruses using a modern approach such as molecular biology and its application or biotechnology;
- b) Development of diagnostics, vaccines, and therapeutics;
- c) International cooperation and network of databases of virus infections;
- d) Operation of a virus gene bank, virus genome laboratory, and virus reference 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 virus.

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) *Biosafety* refers to a condition in which the probability of harm, injury, and damage resulting from the intentional and unintentional introduction or use of a regulated 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;
- f) *Vaccine* refers to a product that induces or stimulates active acquired immunity by producing antibodies to a specific infectious agent. It helps the body's immune system to recognize and fight pathogens like viruses or 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 Science and Technology Institute of the Philippines. - The Virology Science and Technology Institute of the Philippines (VIP) is hereby created and shall be an attached agency under the Department of Science and Technology (DOST) for purposes of policy and program coordination to ensure alignment in national policies and priorities.

The VIP shall serve as the premier research and development institute in the field of virology, encompassing all kinds of viruses and viral diseases in plants, animals and humans. It shall 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 and resources.

SEC. 7. Powers, Functions, and Duties. - To accomplish its mandate, the VIP 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 virology;
- c) Conduct product research and development in the areas of diagnostics, therapeutics, and vaccines in cooperation with the private sector and concerned government agencies;
- d) Promote and undertake the transfer of the results of scientific research and development in collaboration with government agencies, industry, and the academe;
- e) Promote, advocate and oversee virology research ethics, biosafety, and biosecurity;
- f) Develop and maintain an information system on virology science and technology for use by both the public and private sectors;
- g) Develop and implement, together with other entities concerned, programs for strengthening scientific and technological capabilities in virology and relevant disciplines through human resource development, infrastructure, and institution building;
- h) Undertake policy research, technology assessment, and other related studies on virology;
- i) Provide laboratory and technical services on virology;
- j) Promote and advocate the national programs on virology science and technology; and,
- k) Establish linkages with local and international partners.

SEC. 8. Organizational Structure. - The VIP shall be headed by a Director and two (2) Deputy Directors for Research and Development, and Support, Policy, and Linkages.

The VIP shall be composed of the following divisions:

1. Virus Research
2. Diagnostics and Therapeutics Research
3. Vaccines Research
4. Technical Services and Training
5. Policy, Planning, and Linkages
6. Finance and Administration.

The Deputy Director for Research and Development shall oversee the operations of the Virus Research, Diagnostics and Therapeutics Research, and Vaccines Research Divisions. The Deputy Director for Support, Policy, and Linkages shall oversee the operations of the Technical Services and Training, Policy, Planning, and Linkages, and Finance and Administration Divisions.

The VIP shall have technical and administrative support staff and consultants. The consultants may come from the public and private sectors on a consultancy or contractual basis, and 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, create new divisions or units as it may deem necessary, and appoint its officers and employees.

For this purpose, the VIP shall, in consultation with the DBM, determine the necessary position qualifications and standards for its personnel following civil service laws, rules, and regulations.

SEC. 9. Qualifications of the VIP Director and Deputy Directors. – Upon the recommendation of the Governing Board, the President of the Philippines shall appoint the Director of the VIP who must possess a bachelor's degree in the field of microbiology and a postgraduate degree in virology, and should have at least three (3) years experience in the field of diagnostic 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 Republic of the Philippines and the Secretary of the Department of Science and Technology 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. Each must possess a Bachelor's Degree in Microbiology or in a similar field and at least a Master's Degree in Virology.

SEC. 10. The Governing Board. – The Governing Board shall be the policy-making body for the scientific and technological activities of the VIP, composed of the following:

Chairperson:

a) Secretary of the DOST;

Co-Chairpersons:

b) Secretary of the Department of Health (DOH);

c) Secretary of the Department of Agriculture;

Members:

d) Undersecretary of the Department of Environment and Natural Resources;

e) Undersecretary for Technology for Research and Development of the DOST;

f) Undersecretary of the Department of Foreign Affairs (DFA) for International Economic Relations;

g) Chairperson of the Commission on Higher Education (CHED);

h) Director of the Research Institute for Tropical Medical Medicine (RITM);

i) Director General of the Food and Drug Administration (FDA);

- j) Director of VIP;
- k) Executive Director of University of the Philippines-National Institute of Health;
- l) Representative from the National Academy of Science and Technology;
- m) Representative from the National Research Council of the Philippines; and
- n) Three (3) representatives from the private sector appointed by the President of the Philippines, as nominated by the Governing Board. These representatives shall have distinguished themselves in the fields of medical virology, genomics, plant virology, animal virology, epidemiology, genetic engineering and other related disciplines.

The VIP Secretariat shall serve as the Secretariat to the Governing Board.

SEC. 11. Transfer of Units, Offices and Functions. - All offices and units under the DOST system which functions are related to virology shall be transferred to the VIP.

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. All transferred and new employees under the DOST System shall be subject to the qualification standards provided for in the laws, rules and regulations of the Civil Service Commission.

SEC. 12. Engagement of Balik Scientists and Foreign Experts. -The VIP may engage the services of Balik Scientists and foreign experts who shall work together with the local scientists and experts, following the terms of reference and compensation structure in accordance with Republic Act No. 11035 or the "Balik Scientist Program Act" and other existing laws.

SEC. 13. International Cooperation. - The VIP shall establish strategic partnerships with the world's leading scientists, virology centers and institutes, and conduct innovative and pioneering researches that will advance the frontiers of virology in the country. It may enter into a memorandum of agreement or understanding with international partners, upon the approval of its Governing Board and in compliance with existing laws, rules, regulations and issuances of the DFA. The DFA shall provide legal and other forms of assistance to the VIP.

The Regional Office of the World Health Organization (WHO) in the Philippines 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 on 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, 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.

The DOST may also request the assistance of other national and local government agencies in seeking PPPs where the VIP shall be the main research and development unit.

SEC. 16. Promotion of Virology Industry. - The DOST, in partnership with the DTI and the DOH, shall 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). Towards 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 tax payers shall be protected by intellectual property laws in accordance with Republic Act No. 10055 or the "Technology Transfer Act of 2009" and other applicable laws. Any patent or property right award granted to the VIP shall be held by and in the name of the Philippine Government. In the case of partnerships, where the VIP is a collaborating research partner, the Governing Board shall ensure that technologies co-developed by the VIP shall also be co-attributed to the Philippine Government, with the corresponding intellectual protection.

SEC. 19. Procurement of Specialized Materials, Equipment and Services. - The VIP shall undertake the procurement of specialized materials, equipment, and services to be used by the VIP in its operation and administration, in the most expeditious manner, and adopt the most suitable or appropriate method of procurement that it deems fit based on its identified needs and requirements depending on the existing conditions and requirements that justify the use of a particular alternative modality provided for by Republic Act No. 9184 or the "Government Procurement Reform Act" and its 2016 Revised IRR.

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 (BCDA) 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 "Magna Carta for Scientists, Engineers, Researchers and Other Science and Technology Personnel in Government".

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 DOST and the Secretary of DFA.

SEC. 23. Authority to Solicit, Negotiate, and Receive Donations, Grants, Gifts, Legacies, Endowments, and Contributions. – The VIP may solicit, negotiate with, and receive from any public or private domestic or foreign sources legacies, gifts, donations, grants, endowments, contributions or other transfers of ownership and/or possession of real or personal properties of all kinds in favor and for the benefit of the VIP, which shall all be part of the special account in the general fund.

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 implementation of this Act, which shall be jointly chaired by the Chairpersons of the Committees on Science and Technology of the Senate and 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.

SEC. 28. Transitory Provisions. –

- a. The functions and assets of the DOST units enumerated herein shall be transferred to the VIP 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 by the CSC who may be affected by the transition 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:
 1. Be transferred to other units or offices within the DOST in accordance with civil service law, rules and regulations; or
 2. Avail of the applicable retirement benefits and separation incentives as provided under R.A. No. 6656 and other relevant laws.

- 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.

SEC. 29. Implementing Rules and Regulations. – The DOST Secretary shall, in consultation with DBM, DOH, Civil Service Commission, and other relevant government agencies, promulgate the necessary rules and regulations within one hundred twenty (120) days from the effectivity of this Act.

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

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

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

Approved,