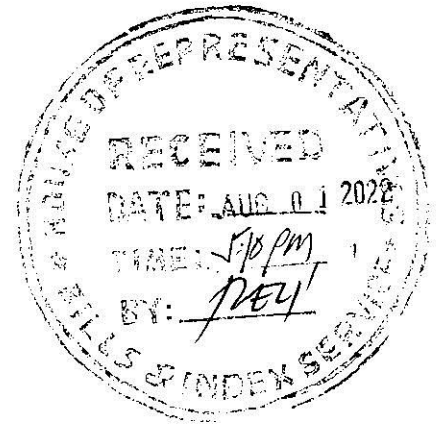


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

House Bill No. 2904



Introduced by Honorable Florida P. Robes

EXPLANATORY NOTE

The Covid-19 pandemic caught the world by surprise and governments of various countries scrambled to understand, manage, contain the emergence of this new virus and its subvariants, while dealing with the economic consequences of necessary interventions. As of July 26, 2022, there have been 576,383,099 Covid-19 cases worldwide, 3,757,767 cases of which can be attributed to the Philippines.

The Philippines' experience during the height of the Covid-19 pandemic showed the gaps in government response mechanisms owing to lack of research, vaccines, locally produced antivirals, laboratories and equipment, most of which the government had to import at higher prices due to the increased demand and decreased supply worldwide. This bill aims to better equip the government to deal with the next virus outbreak or pandemic by creating the Virology Institute of the Philippines which will be an attached agency to the Department of Science and Technology and will be the foremost authority on virology, leading comprehensive study and scientific research on the nature of viruses that affect humans, plants and animals.

This bill likewise aims to expand our capabilities in developing, producing and manufacturing locally produced vaccines and antivirals to be more self-reliant and less dependent on foreign suppliers. Under the updated Philippine Development Plan 2017-2022, in response to the needs of the New Normal, this bill is part of the ten-priority legislation to "vigorously advance science, technology and innovation". In President

Ferdinand “Bongbong” Marcos, Jr.’s State of the Nation Address 2022, this bill has likewise been identified as part of the President’s priority legislative agenda.

As a strong public health response to emerging, re-emerging and existing viral diseases is necessary to save lives and protect the health of the Filipino populace, and our flora and fauna, immediate passage of this bill is earnestly requested.


FLORIDA P. ROBES

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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 the 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."

Section 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 the genetic changes in their viral genome in order to provide the scientific bases for the treatment of viral diseases in humans, plants and animals, and for the formulation of policies that shall prevent the transmission of diseases borne from viruses within the community and national context, and that will

raise the level of health of the Filipino and improve their social, economic, and cultural conditions.

Section 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.

Section 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* is the application of safety precautions that reduce a laboratory personnel's risk of exposure to a potentially infectious microbe and limit contamination of the work environment, and ultimately, the community;
- c) *Biosafety levels* are divided into four (4). Each level has specific controls for the containment of microbes and biological agents based on internationally-accepted safety standards. The primary risk that determines the levels of containment are infectivity, severity of disease transmissibility and the nature of the work conducted;
- d) *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;

- e) *Diagnostics* refer to methods, tests, techniques, and tools in viral diagnosis for plants, animals and humans;
- f) *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;
- g) *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
- h) *Virology* refers to the scientific discipline concerned with the study of the biology of viruses and viral diseases of plant, animal, and human merucal 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.

Section 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). The DOST, in coordination with the Department of Agriculture and the Department of Health (DOH), shall promulgate policies for and exercise supervision and control over the VIP.

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.

Section 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.

Section 7. Powers, Functions, and Duties. — To accomplish its mandate, the VIP shall have the following powers, functions, and duties:

- a) Serve as the lead convenor for the formulation of the National Virology Research Agenda, in consultation with all concerned stakeholders, that will encompass research involving viruses of plant, animal and humans;
- b) Undertake basic and applied research projects on zoological, botanical and human infectious, non-infectious and other intractable diseases of viral etiology with primary focus on their characterization, vector/reservoir transmission, viral ecology, clinical virology, pathogenesis, pathophysiology, and host immune response to these viral pathogens;
- c) Provide reference services including all that are necessary for ensuring the assay systems for diseases of viral etiology, industrial and technological implications of virology and services involving the storing and supplying pathogenic and non-pathogenic viral agents and their vectors and hosts, standardizing reagents, preparing and supplying reference materials needed for the diagnosis and surveillance of plant, animal and human diseases;
- d) Conduct viral disease surveillance program, collection, analysis, and feedback and distribution of information on diseases of viral etiology;
- e) Conduct product research and development in the areas of diagnostics, therapeutics, and vaccines in cooperation with relevant government agencies, the private sector and coordinate research projects with other research institutions;
- f) Establish testing, reference and biosafety levels 1, 2, 3, and 4 research laboratories, develop minimum standards, standard operating procedures and research protocols for virology laboratories which are fully compliant with the provisions of this Act and the internationally-accepted guidelines in the establishment and operation of the same;
- g) Promote and undertake the transfer of the results of scientific research and development in collaboration with government agencies, industry, and the academe;

- h) Promote, advocate and oversee virology research ethics, biosafety, and biosecurity;
- i) Develop and maintain an information system on virology science and technology for use by both the public and private sectors;
- j) 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;
- k) Undertake policy research, technology assessment, and other related studies on virology;
- l) Promote and advocate the national programs on virology science and technology; and,
- m) Establish linkages with local and international partners.

Section 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.

Section. 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.

Section 10. *The Governing Board.* — The NATCOR shall have the following powers and functions: The Governing Board shall be the policy-making body for the scientific and technological activities of the VIP, composed of the following:

A Chairperson who shall be the Secretary of the DOST, and two Co-Chairpersons who shall be the the Secretary of the Department of Health (DOH) and the Secretary of the Department of Agriculture (DA);

The members of the Governing Board shall be composed of the following:

- a) Undersecretary of the Department of Environment and Natural Resources;
- b) Undersecretary for Technology for Research and Development of the DOST;
- c) Undersecretary of the Department of Foreign Affairs (DFA) for International Economic Relations;
- d) President and CEO of the Philippine International Trading Corporation (PITC);
- e) Chairperson of the Commission on Higher Education (CHED);
- f) Director of the Research Institute for Tropical Medical Medicine (RITM);
- g) Director General of the Food and Drug Administration (FDA);
- h) Director of VIP;
- i) Executive Director of University of the Philippines-National Institute of Health;
- j) Representative from the National Academy of Science and Technology;
- k) Representative from the National Research Council of the Philippines; and
- l) 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.

Section 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.

Section 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.

Section 13. *International Cooperation.* — The VIP shall establish strategic partnerships with the world's leading scientists, virology centers and institutes, and conduct innovative and pioneering research 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 which shall be in compliance with existing laws, rules, regulations and issuances of the DFA. The OIA 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.

Section 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, and with the PITC for the import/export of 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.

Section 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.

Section 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 research shall be included in the national government's priority industries for incentives.

Section 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.

Section 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 taxpayers 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.

Section 19. *Procurement of Specialized Materials, Equipment and Services.* — In coordination with the PITC whose functions include ensuring the most efficient and cost-effective procurement services for Government, 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.

Section 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.

Section 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".

Section 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.

Section 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.

Section 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 (F)(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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 31. *Repealing Clause.* — All laws, decrees, executive issuances, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

Section 34. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,