

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3398



Introduced by Representative **CARLITO "Lito" S. MARQUEZ**

EXPLANATORY NOTE

This bill seeks to establish a Virology and Vaccine Institute of the Philippines (VIP) attached to the Department of Science and Technology which shall serve as the premier center for research and development primarily for virology science and vaccines.

Our experience in the last two years showed that no state has had been spared from the ill effects caused by the pandemic. Generally, the outbreak has disrupted the day-to-day operations across all sectors in the society. It casted upon great uncertainty and anxiety toward our people. In the Asia Pacific Region, the Philippines was among the hardest hit, but nonetheless has started to bounce back toward recovery. We could not deny, however, that the ongoing outbreak has presented many issues and concerns relating to public health, including our clinical healthcare capacity and socio-economic ability to respond to the crisis. It is, after all, a crisis that's truly unprecedented. We even had little to no knowledge about the virus that ravaged the lives of many. It has left most countries unprepared in ensuring the safety and protection of the people.

The President himself during his first State-of-the-Nation Address acknowledged the need of creating an institute of virology in the country. With this, he asked the Houses of Congress to legislate the much-needed research and development institute that would conduct empirical studies to advance the field of diagnostics, therapeutics and vaccines against viruses. This would generally provide necessary support to our national policy on public health, science and technology.

We take note that the ASEAN region has become the hotspot to many viral outbreaks. It is important to have our own state-of-the-art research center dedicated for virology. This would make our country become self-reliant and self-sufficient in

the knowledge generation on viruses and in the development of vaccines. Through the VIP, we would no longer need to rely on our international counterparts for us to procure the vaccines and to understand the molecular and genetic processes of emerging viral pathogens as well as the potential risks that these viruses may bring. The transmission, ecology, clinical virology, pathogenesis, and natural history of diseases would be studied by our pool of highly skilled experts and facilities from this proposed VIP. Its creation would drastically increase our pandemic readiness across the region.

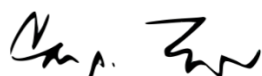
Viruses and other potential agents evolve and will continue to be a constant threat in the future. Through research, we would be able to immediately address and forecast future outbreaks in our country, even those affecting our animals and crops. Research on plant and animal diseases such as the African Swine Fever (ASF) among hogs, and viroids affecting our local produce would help the agricultural sector address and cushion the negative impacts on food security and production.

In particular, the VIP will focus on the following key development areas:

- a. Research on viruses among modern approach such as molecular biology and its application or biotechnology;
- b. Development of diagnostics, vaccine, and therapeutics (molecular biotechnology);
- 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 viruses.

These, and the current health crisis and future emerging health threats, are concerns that can be properly addressed by research and development. It is time that we invest on it for the protection and preservation of our Filipino people.

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


ENGR. CARLITO "Lito" S. MARQUEZ

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AN ACT
ESTABLISHING THE VIROLOGY AND VACCINE INSTITUTE OF
THE PHILIPPINES 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 and Vaccine Institute of the Philippines (VIP) Act of 2022.**”

SEC. 2. Declaration of Policy. It is hereby declared the policy of the State:

- a) To protect and promote the right to health of the people and instill health consciousness among them;
- b) To undertake appropriate health, manpower development, and research, responsive to the country's health needs and problems;
- c) To recognize that science and technology are essential for national development and progress;
- d) To give priority to research and development, invention, innovation, and their utilization; and
- e) To support indigenous, appropriate, and self-reliant scientific and technological capabilities, and their application to the country's productive systems and national life.

To this end, the State shall give high priority to the establishment of an institute that will conduct research and development activities and in-depth studies on the viruses affecting the lives of its people and resources, such as plants and animals, is vital for the protection of the health of its people and the preservation of the national life.

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 (Molecular Biotechnology);

- c) International cooperation and network of databases of virus infections;
- d) Operation of a virus gene bank, virus genome laboratory, and virus referencelaboratory 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 viruses.

SEC. 4. Definition of Terms. - As used in this Act:

- a) Virology refers to the scientific discipline concerned with the study of the biology of viruses and viral diseases of plant, animal, and human of 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;
- b) Diagnostics refers to methods, tests, techniques, and tools in viral diagnosis for plants, animals and humans;
- c) Therapeutics refers to anti-viral, bacteriophages, nanotechnology treatmentapproach, nucleic acid-based treatment, remedial agents, drugs for the treatment of viral diseases and infections of plants, animals and humans;
- d) Vaccines refer to products that induce or stimulate 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;
- e) Biosafety refers to a condition in which the probability of harm, injury and damage resulting from the intentional and unintentional introduction and/or use of aregulated article is within acceptable and manageable levels;
- f) Bacteriophage refers to any group of viruses that infect specific bacteria, usually causing their disintegration or dissolution;
- g) Biosecurity refers to a 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;

SEC. 5. Creation of the Virology and Vaccine Institute of the Philippines (VIP). - The Virology and Vaccine Institute of the Philippines (VIP).is hereby created, which shall be an attached agency under the Department of Science and Technology (DOST) for purposes of policy and program coordination to ensure alignment with national policies and priorities.

1
2 The VIP shall serve as the premier research and development institute in
3 the field of virology, encompassing all areas in viruses and viral diseases in
4 plants, animals and humans. It shall be a venue for scientists, research
5 institutes and other organizations here in the Philippines and abroad, to work
6 collaboratively to study viruses of agricultural, industrial, clinical, and
7 environmental importance.
8

9 **SEC. 6. Powers, Functions, and Duties.** - To accomplish its
10 mandate, the VIP shall have the following powers, functions, and duties:
11

- 12 a) Serve as the lead convener for the formulation of the National
13 Virology Research Agenda, in consultation with all concerned
14 stakeholders, that will encompass researches involving viruses of
15 plant, animal, and human importance.
16
- 17 b) Undertake scientific and technological research and development
18 (R&D) in the field of virology.
19
- 20 c) Conduct product research and development (R&D) in the areas of
21 but not limited to diagnostics, therapeutics and vaccines.
22
- 23 d) Promote and undertake the transfer of the results of scientific
24 research and development to concerned government agencies,
25 industry, and academe.
26
- 27 e) Promote and advocate virology research ethics, biosafety, and
28 biosecurity.
29
- 30 f) Develop and maintain an information system on virology science
31 and technology for use by both the public and private sectors.
32
- 33 f) Develop and implement, together with other entities concerned,
34 programs for strengthening scientific and technological capabilities
35 in virology and relevant disciplines through human resource
36 development, infrastructure, and institution building.
37
- 38 g) Undertake policy research, technology assessment, and other
39 related studies on virology.
40
- 41 h) Provide laboratory and technical services on virology.
42
- 43 i) Promote and advocate the national programs on virology science
44 and technology.
45
- 46 j) Establish linkages with local and international partners.
47

48 **SEC. 7. Organizational Structure.** - The VIP shall be headed by a
49 **Director-General** and two (2) **Deputy Directors-General**, one (1) for
50 Research and Development, and one (1) for Support, Policy, and Linkages. The
51 VIP shall be composed of the following divisions:

- 52 a) Virus Research
- 53 b) Diagnostics and Therapeutics Research
- 54 c) Vaccines Research
- 55 d) Technical Services and Training

- e) Policy, Planning, and Linkages
- f) Finance and Administration

The **Deputy Director-General** for Research and Development shall head the Virus Research, Diagnostics and Therapeutics Research, and Vaccines Research Divisions. The **Deputy Director-General** for Support, Policy, and Linkages shall head 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. 8. Qualifications of the VIP Director-General and Deputy Directors-General. The VIP Director-General and the Deputy Directors-General shall be appointed by the President of the Philippines upon the recommendation of the DOST Secretary.

The Director-General with a rank of an undersecretary shall be a qualified expert possessing at least a Bachelor's Degree in Biology, Microbiology and/or an allied discipline; preferably with a doctorate degree in medical sciences and/or in virology-related discipline with three to five years of experience in diagnostic virology. He shall have overall responsibility for the activities including the supervision of all the staff working in the VIP. In addition, he shall be directly responsible for reporting to the Secretary of Science and Technology and the President of the Philippines the results of the various diagnostic assays and research studies performed in the institute.

Each of the Deputy Directors-General of the VIP shall have a rank of assistant secretary. The Deputy Director-General shall possess at least the educational background of the VIP Director-General.

The Director-General and the Deputy Director-Generals shall be appointed by the President with the consent of the Commission on Appointments for a term of seven years. Of those first appointed, the Director-General shall hold office for seven years, one Deputy Director-General for five years, and the other Deputy Director-General for three years. Appointment to any vacancy shall be only for the unexpired portion of the term of the predecessor.

SEC. 9. The Governing Board. - The Governing Board shall be the highest policy-making body for the scientific and technological activities of the VIP, composed of the following:

- a) The Secretary of the DOST, as Chairperson;

- b) The Secretary of the Department of Health (DOH), as Co-Chairperson;
- c) Secretary of Department of Agriculture (DA), as Co-Chairperson,
- d) The Secretary of Trade and Industry, as may be represented by an Undersecretary for Industry Development and Trade Policy
- e) The Secretary of Environment and Natural Resources, as may be represented by an Undersecretary (DENR), as member;
- f) The Undersecretary for Research and Development of the DOST, as member;
- g) The Secretary of Foreign Affairs, as may be represented by the Undersecretary for International Economic Relations, as member;
- h) The Chairperson of the Commission on Higher Education (CHED), as member;
- i) The Director of the Research Institute for Tropical Medical Medicine (RITM), as member;
- j) The Director-General of the Food and Drug Administration (FDA), as member;
- k) The Director-General of the VIP, as member;
- l) The Executive Director of University of the Philippines-National Institute of Health (UP-NIH), as member; [and]
- m) 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 field of medical virology, genomics, plant virology, animal virology, epidemiology, genetic engineering, and other related disciplines.

The private sector shall be represented by the following:

- i. an association of medical or allied-health professionals
- ii. Philippine Pharmaceutical Manufacturers Association or from a recognized pharmaceutical industry
- iii. An academic institution with research and development activities in the field of medical virology, genomics, plant virology, animal virology, epidemiology, genetic engineering, and other related disciplines

The VIP shall serve as the Secretariat of the Governing Board with the VIP Director acting concurrently as the Executive Director of the Secretariat.

1 **SEC. 10. Functions of the Governing Board.** The Governing
2 Board shall be the policy-making body for the scientific and technological
3 activities of the VIP. It shall:
4

- 5 a) Promulgate rules and regulations regarding the management and
6 operation of the VIP
7
- 8 b) Collect fees, through its Secretariat, in connection with the exercise
9 of its regulatory powers
10
- 11 c) Apply for, receive, and accept bequests, grants, and donation of funds,
12 equipment, materials and services needed for the attainment of its
13 objectives;
14
- 15 d) Provide grants, research fund, materials and equipment for the
16 conduct of virology researches by both public and private higher
17 education institutions;
18
- 19 e) Establish an editorial office of a refereed journal of virology and a
20 library which shall collect and preserve books, journals and other
21 reference materials in the field of virology; and
22
- 23 f) Perform such other related activities as may be assigned by the DOST
24 Secretary.

25 **SEC. 11. Compliance with Existing Government Regulations.**
26 The VIP shall comply with the procedures, rules and regulations of other
27 Government Offices mandated to oversee the practice of virology and other
28 related disciplines as well as the operation of laboratories, clinics, diagnostics
29 and similar facilities; but not limited to the following: procurement of specimen,
30 supplies, materials, and equipment; handling, storage, the study of specimen,
31 and disposal of specimen, equipment and other forms of waste.
32

33 The Department of Health (DOH) through the Health Facilities and
34 Services Regulatory Bureau (HFSRB) shall establish guidelines and regulate
35 the operation of virology-related facilities to be assisted by the DA-Bureau of
36 Animal Industry, DA-Bureau of Plant Industry, and other relevant stakeholders.
37

38 The DOH-Health Human Resource Development Bureau shall establish
39 guidelines on the practice of virology profession in the country to be assisted by
40 the Professional Regulation Commission (PRC) and its health-related
41 accredited professional organizations, together with the Commission on Higher
42 Education (CHED), Department of Labor and Employment, Civil Service
43 Commission, Bureau of Immigration, and other relevant government offices.
44

45 The DENR through the Environmental Management Bureau (EMB) and
46 the National Solid Waste Management Commission (NSWMC) shall ensure
47 compliance of the VIP and other virology facilities with regards to waste
48 disposal.
49

50 Finally, research proposals prior to its undertaking within the VIP shall
51 be reviewed by the Philippine Health Research Ethics Board (PHREB) or
52 through its accredited ethics review committees or entities. Processes and
53

1 regulations of the Food and Drug Administration, Health Technology
2 Assessment Council and/or of the Intellectual Property Office of the Philippines
3 shall be strictly observed prior to commercialization of any drug, vaccine,
4 diagnostics, device and other similar products.
5

6 An Inter-Agency Task Force may be created to monitor compliance of all
7 virology-related professions and facilities throughout the country to be headed
8 by the DOH-Health Facilities and Services Regulatory Bureau.
9

10 **SEC. 11. Engagement of Balik Scientists and Foreign Experts.**

11 -The VIP may engage the services of Balik Scientists and foreign experts who
12 shall work together with the local scientists and experts, following the terms of
13 reference and compensation structure in accordance with Republic Act No.
14 11035 or the Balik Scientist Program Act and other existing laws.
15

16 **SEC. 12. International Cooperation.** - The VIP shall establish
17 strategic partnerships with the world's leading scientists, virology centers and
18 institutes, and conduct innovative and pioneering researches that will advance
19 the frontiers of virology in the country. The VIP can enter into a memorandum
20 of agreement or understanding with international partners, upon the approval
21 of its Governing Board and in compliance with existing laws, rules, regulations
22 and issuances of the Department of Foreign Affairs (DFA). The DFA shall
23 provide technical, legal and other forms of assistance to the VIP.
24

25 The Regional Office of the World Health Organization (WHO) in the
26 Philippines shall also be consulted upon approval of the Governing Board of
27 the VIP.
28

29 **SEC. 13. Interdepartmental Cooperation.** - The VIP shall
30 collaborate with the Department of Health (DOH), Department of Finance
31 (DOF), Food and Drugs Administration (FDA), RITM and other relevant
32 government agencies, in mobilizing resources such as but not limited to
33 research information, reports, technical expertise, equipment, materials and
34 supplies as may be required to implement this Act.
35

36 **SEC. 14. Inter-Agency Contribution of the VIP.** – The research
37 outputs of the VIP shall be integrated with the plans made by the Inter-Agency
38 Task Force on Emerging Infectious Diseases, as created by Executive Order No.
39 168 s. 2014, or its successor body, for the management of public health
40 emergencies relating to infectious diseases.
41

42 The research outputs of the VIP shall also be integrated into other plans
43 relating to disease control and prevention.
44

45 **SEC. 15. Private-Public Partnerships (PPPs).** - The Department of
46 Trade and Industry (DTI), the Department of Health (DOH), Public-Private
47 Partnership (PPP) Center and the Department of Science and Technology
48 (DOST) shall collaborate in seeking Private-Public Partnerships (PPPs) for the
49 development of new industries, products and services where the VIP shall be
50 the main research and development unit.
51

52 The DOST may also request the assistance of other national and local
53 government agencies in seeking PPPs where the VIP shall be the main research
54 and development unit
55

1 **SEC. 16. Promotion of Virology Industry.** - The DOST, in
2 partnership with the DOH-Health Promotion and Communication Service and
3 Disease Prevention and Control Bureau and Department of Trade and Industry
4 (DTI)-Board of Investments, shall jointly develop an industry roadmap for
5 products and services that can be created, improved, or optimized by research
6 from the VIP. As far as practicable, the industry roadmap shall include the use
7 of local materials in the development of new products. The industry that shall
8 be developed or established resulting from the VIP researches shall be included
9 in the national government's priority industries for incentives.

10
11 **SEC. 17. Promotion of Knowledge-transfer and Research in the**
12 **Academe.** - The VIP shall promote the creation of hubs and programs for
13 virology research and development in the academe, particularly in state
14 universities and colleges (SUCs). Towards this end, the VIP shall assist SUCs in
15 the creation of virology courses and programs, open internships for qualified
16 students of higher education institutions (HEIs) and collaborate with HEIs in
17 the creation of virology research centers.

18
19 The Commission on Higher Education (CHED) shall collaborate with the
20 DOST in the promotion of HEI-VIP partnerships.

21
22 **SEC. 18. Protection of VIP-developed Intellectual Property.** -
23 The Governing Board of the VIP shall ensure that all technologies developed
24 exclusively by the VIP with full funding from Filipino taxpayers shall be
25 protected by intellectual property laws in accordance with Republic Act No.
26 10055 or the Technology Transfer Act of 2009 and other applicable laws. Any
27 patent grant or property right awarded or granted to the VIP shall be held by
28 and in the name of the Philippine Government. In the case of partnerships,
29 where the VIP is a collaborating research partner, the Governing Board shall
30 ensure that technologies co-developed by the VIP shall also be co-attributed,
31 with the corresponding intellectual protections, to the Philippine Government.

32
33 **SEC. 19. Procurement of Specialized Materials, Equipment**
34 **and Services.** - The VIP shall undertake the procurement of specialized
35 materials, equipment, and services to be used by the VIP in its operation and
36 administration, in the most expeditious manner, as exemptions from the
37 provisions of Republic Act No. 9184 or the "Government Procurement Reform
38 Act" and other relevant laws.

39
40 Provided, that during public health emergency, the following shall be
41 observed:

- 42
43 a) Less stringent procurement procedures allowing negotiated
44 procurement, higher caps on allowable down payment for
45 procurement of goods, supplies, equipment and services;
46
47 b) Authority to the DOST Secretary to approve advance payment of
48 more than 15% for procurement of goods, supplies, equipment and
49 services, for faster facilitation;
50
51 c) Simplified process for foreign procurement especially with
52 specialized equipment, reagents, and supplies not available in the
53 Philippines;

- d) Exemption from customs duties and taxes for all VIP supplies and equipment procured abroad; and,
- e) Exemption from taxes on income generated through training and other delivery of services of VIP.”

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 shall **be** allocated exclusively for the **free use of** for the Institute, its research facilities, and laboratories. The biosafety infrastructure shall be designed based on risk assessment for handling specific pathogens following the World Health Organization (WHO) guidelines on the establishment of a virology laboratory 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. - There is hereby created a Virology Research Fund to be used and administered by the VIP following existing government budgeting, accounting, and auditing rules and regulations. The Fund shall be sourced from the following:

- a) The initial amount of Two Billion pesos (P 2,000,000,000.00) to be taken from the
- b) current fiscal year’s appropriation, in case the General Appropriation Act (GAA) was approved before this law is enacted.
- c) The income produced from its operations, technology transfer, and licensing agreements.
- d) Loans, contributions, grants, bequests, gifts, and donations whether from local or foreign sources. Provided, that acceptance of grants, bequests, contributions, and donations from foreign governments shall be subject to the approval of the President upon the recommendation of the Secretary of the DOST and Secretary of the Department of Foreign Affairs (DFA). The Secretary of DOST, with the approval of the NEDA and subsequently, the Department of Finance (DOF), is hereby granted the authority to enter into loan agreements with foreign financial institutions.

SEC. 23. Authority to Solicit, Receive Donations, Grants and the Like. – 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 be exempt from donor’s tax and shall all be part of the special account in the general fund managed by the Department of Finance.

1 The VIP shall prescribe the measures necessary for the proper use,
2 maintenance and safekeeping of said donations, grants, endowments,
3 contributions or transfers and the compliance of the terms and conditions
4 thereon, if any, in accordance with pertinent accounting and auditing laws,
5 rules and regulations.
6

7 **SEC. 24. Use of Income.** - The VIP shall be authorized to use all of the
8 income generated from its operations, as well as donations, bequests, grants
9 for the upgrading if its physical and human resources, and for the
10 augmentation of its budget.
11

12 **SEC. 25. Mandatory Adoption of Publicly Funded**
13 **Technologies.** Mandatory adoption of publicly funded and generated
14 technologies developed by the VIP whenever feasible and practicable, shall
15 strictly be implemented by all government entities or instrumentalities All
16 national government agencies (NGAs), government-owned-and-controlled
17 corporations (GOCCs), state universities and colleges (SUCs), and local
18 government units (LGUs) performing science and technology development
19 projects shall adopt publicly-funded technologies.
20

21 **SEC. 26. Annual Report.** - The VIP shall submit its annual report to
22 the President and to the Committees on Science and Technology in both
23 Chambers of Congress, not later than the 30th of March of every year following
24 the effectivity of this Act. The annual report shall provide a full and detailed
25 account of the status of the implementation of this Act and policy
26 recommendations.
27

28 **SEC. 27. Joint Congressional Oversight Committee.** – There
29 shall be a Joint Congressional Oversight Committee on the implementation of
30 this Act, which shall be jointly chaired by the Chairpersons of the Committees
31 on Science and Technology of the Senate and House of Representatives. It shall
32 be composed of, as members, the Chairpersons of the Senate Committees on
33 Health and Demography and Agriculture, Food and Agrarian Reform, the
34 Chairpersons of the Committees on Health and Food and Agriculture of the
35 House of Representatives, and two others from each chamber of Congress to be
36 appointed by the Senate President and the Speaker of the House of
37 Representatives.
38

39 **SEC. 28. Appropriations.** - The sum of Two Billion Pesos (Php
40 2,000,000,000.00) is hereby appropriated for the initial operation fund of the
41 VIP from the current fiscal year's appropriation. Thereafter, the amount needed
42 for its operation shall be included in the General Appropriations Act.
43

44 **SEC.29. Transitory Provisions.** –Upon the establishment of the VIP,
45 the functions and assets of the concerned DOH units shall be transferred to the
46 VIP without need of conveyance, transfer of assignment.
47

48 (a) For the year, during which this Act was approved, the unexpended portion
49 of the budget of the offices and units transferred shall be utilized for
50 establishing the VIP and initiating its operations, including the
51 formulation of the rules and regulations necessary for the implementation
52 of this Act.

1 (b) To the greatest extent possible and in accordance with existing laws, all
2 employees of the affected offices, agencies and units shall be absorbed by
3 the VIP. Personnel hired on a permanent basis and with appointments
4 attested by the CSC who may be affected by the transition of DOST units
5 to VIP, or who will not be absorbed in the new positions of the new staffing
6 pattern of the different offices in the VIP, shall have the option to:

7 (1) Be transferred to other units/offices within the DOST without
8 reduction in pay; or

9 (2) Avail of the applicable retirement benefits and separation incentives
10 as provided by existing laws.

11 (c) Incumbent DOST officials and employees of affected DOST offices may
12 be considered as a VIP official or employee, subject to competency
13 evaluation and CSC regulations.

14 (d) Research grants acquired during the transition of DOST transferred
15 units to VIP shall be utilized solely for the grants' intended purposes for
16 each of the affected units or offices.

17 (e) Existing contracts and agreements entered into by the affected offices
18 with third parties prior to the enactment of this Act shall remain valid.

19
20 **SEC. 30. Implementing Rules and Regulations.** – The DOST
21 Secretary, in consultation with DBM, DOH, Civil Service Commission, and
22 other relevant government agencies, shall promulgate the necessary rules and
23 regulations within one hundred twenty (120) days from the effectivity of this
24 Act.

25
26 **SEC. 30. Separability Clause.** - If any portion or provision of this Act
27 is declared invalid or unconstitutional, other provisions hereof shall remain in
28 full force and effect.

29
30 **SEC. 31. Repealing Clause.** - All laws, decrees, orders, rules, and
31 regulations or other issuances or parts thereof inconsistent with the provisions
32 of this Act are hereby repealed or modified accordingly.

33
34 **SEC. 32. Effectivity.** - This Act shall take effect fifteen (15) days after
35 its publication in the Official Gazette or any two (2) newspapers of general
36 circulation in the Philippines.

Approved,