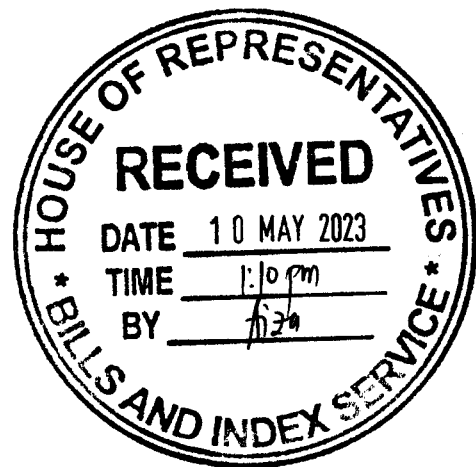




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 8015



Introduced by Representative DAVID "Jay-Jay" C. SUAREZ and Representative ANNA MARIE VILLARAZA- SUAREZ

EXPLANATORY NOTE

According to the Global Innovation Index 2021, the Philippines ranked 50th out of 132 countries in terms of innovation performance. The country showed significant improvements in indicators such as knowledge and technology outputs, creative outputs, and business sophistication. However, it still needs to address challenges in institutions, human capital, and infrastructure.

In terms of patent applications, the Intellectual Property Office of the Philippines (IPOPHL) reported a total of 5,352 applications filed in 2019, with the majority coming from foreign applicants. The top fields for patent applications were information technology, biotechnology, and pharmaceuticals.

There are also several successful innovations and inventions that have come out of the Philippines, such as the yo-yo, the bamboo bicycle, and the AirDisc, and even a portable wind turbine. The country also has a growing startup scene, with companies such as PayMongo, a payment platform, and Senti, an AI-powered social media monitoring tool, gaining traction.

In Israel, there is an independent and publicly funded agency called the Israel Innovation Authority aimed toward supporting innovation endeavors in their country. The Authority describes itself as an agency *"..created to provide a variety of practical tools and funding platforms aimed at effectively addressing the dynamic and changing needs of the local and international innovation ecosystems. This includes early-stage entrepreneurs, mature companies developing new products or manufacturing processes, academic groups seeking to transfer their ideas to the market, global corporations interested in collaborating with Israeli technology, Israeli companies seeking new markets abroad and traditional factories and plants seeking to incorporate innovative and advanced manufacturing into their businesses."*

Along the same line as Israel, the Innovation Authority of the Philippines Act is a bill aimed at establishing the Innovation Authority of the Philippines (IAP), an agency that will promote and facilitate innovation across various sectors of the Philippine economy. The bill recognizes the importance of innovation as a key driver of economic growth, job creation, and the improvement of the quality of life for Filipinos.

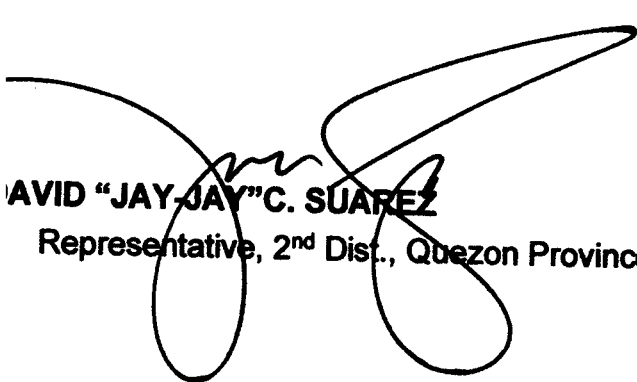
The IAP shall be governed by a board of directors appointed by the President. Its objectives are to foster a culture of innovation and creativity in various sectors of the economy, support the development and commercialization of innovative products and services, facilitate the growth of innovation ecosystems, and develop and implement policies and programs that promote innovation and entrepreneurship.

The IAP shall have several functions, including identifying and evaluating innovative products and technologies with commercial potential, providing support and resources to startups, entrepreneurs, and innovators in the form of training, mentoring, funding, and networking opportunities, and providing research and development support to startups, entrepreneurs, and innovators.

The IAP shall be funded by the government for the establishment of the IAP, while the IAP shall generate its own revenue through the commercialization of innovative products and technologies.

The board of directors shall submit an annual report to the government on the activities and achievements of the IAP. The IAP shall also be subject to audits and evaluations by the government to ensure transparency and accountability.

The government shall make regulations to give effect to the provisions of this Act, including provisions relating to the composition of the board of directors, the functions of the IAP, the funding of the IAP, and any other matters necessary for the proper functioning of the IAP.



AVID "JAY-JAY" C. SUAREZ
Representative, 2nd Dist., Quezon Province



ANNA MARIE VILLARAZA-SUAREZ
ALONA, Party-List



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MARIE VILLARAZA- SUAREZ

AN ACT

**CREATING THE INNOVATION AUTHORITY OF THE PHILIPPINES (IAP) AND
APPROPRIATING FUNDS THEREFOR**

SECTION 1. Short Title. - This act shall be known as the "Innovation Authority of the Philippines Act."

SEC. 2. Declaration of Policy. - It is hereby declared the policy of the State to promote innovation as a key driver of economic growth and social progress.

Towards this end, the State shall establish the Innovation Authority of the Philippines (IAP) that shall foster and promote innovation by providing funding, support, and technical assistance to innovators, startups, and research and development institutions.

SEC. 3. Objectives. - It shall be the primary objectives of this Act to foster a culture of innovation and creativity in various sectors of the economy; support the development and commercialization of innovative products and services and to facilitate the growth of innovation ecosystems in the Philippines;

SEC. 4. Creation of the Innovation Authority of the Philippines. - This Act shall create the Innovation Authority of the Philippines (IAP), which shall be an agency attached to the Department of Science and Technology (DOST).

SEC. 5. Functions of the National Innovation Authority. - The IAP shall have the following functions:

- a. Develop and implement policies, programs, and projects that support innovation and creativity across all sectors of society;
- b. Promote the creation and growth of innovative startups and enterprises through financial and technical support, mentoring, and other services;
- c. Provide support for research and development, technology transfer, and commercialization of innovative products and services;
- d. Facilitate the development of innovation hubs and centers across the country, and provide support services to startups, researchers, and innovators;
- e. Foster partnerships and collaborations between industry, academia, and government, and promote the development of innovation ecosystems in the country;
- f. Establish and maintain networks with other innovation authorities, research institutions, and industry associations both locally and internationally;
- g. Provide access to funding sources for innovation, research, and development activities;
- h. Encourage the adoption and use of emerging and disruptive technologies, such as artificial intelligence, blockchain, and the internet of things, across all sectors of society;
- i. Coordinate and harmonize the innovation-related activities of government agencies and instrumentalities, including research and development institutions, funding agencies, and regulatory bodies;
- j. Conduct monitoring and evaluation of the impact of innovation policies, programs, and projects, and report to the President and the Congress of the Philippines on a regular basis.

SEC. 6. Composition of the National Innovation Authority. - The IAP shall be composed of a Chairperson, who shall be appointed by the President, and six (6) members, who shall likewise be appointed by the President upon recommendation of the Secretary of Science and Technology.

The Chairperson and the members shall have the rank of Undersecretary and shall receive a salary grade equivalent to that of an Undersecretary of the government.

SEC. 7. Term of Office. - The Chairperson and the members shall serve for a term of six (6) years, unless sooner removed for cause by the President or by voluntary renunciation of office.

SEC. 8. Powers and Functions of the Board of Directors (BOD). - The Board of Directors (BOD) shall have the following powers and functions:

- a. Direct and supervise the operations of the National Innovation Authority, and ensure the efficient and effective implementation of its policies, programs, and projects;
- b. Represent the National Innovation Authority in all its transactions with other agencies and entities, both public and private;

c. Approve the budget and the annual work plan of the National Innovation Authority, and submit them to the President for approval;

d. Prepare and submit to the President and the Congress of the Philippines an annual report on the activities and accomplishments of the National Innovation Authority.

SEC. 10. Reporting Requirements. - The IAP, after the effectivity of this Act, shall submit its annual report to the Secretary of the Department of Science and Technology (DOST) on its activities and achievements.

SEC. 11. Appropriations. - The Secretary of the Department of Science and Technology (DOST) shall include in their program the implementation of this Act, the funding of which shall be included in the annual General Appropriations Act (GAA) and shall augment such allocation internally generated by the Department of Science and Technology (DOST).

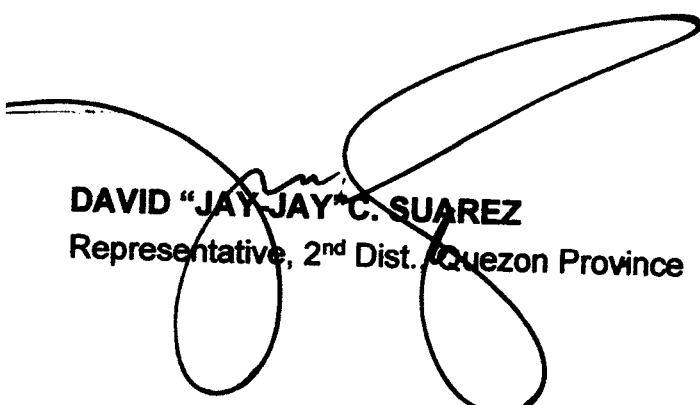
SEC. 12. Implementing Rules and Regulations. - The Office of the President, upon effectivity of this Act, in consultation with other concerned agencies, shall promulgate the necessary and appropriate rules and regulations for the proper and effective implementation of this Act.

Sec. 13. Separability Clause. - If any provision of this Act is declared unconstitutional, the remaining provisions shall remain in full force and effect.

Sec. 14. Repealing Clause. - All laws, decrees, executive orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

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

Approved,



DAVID "JAY-JAY" C. SUAREZ
Representative, 2nd Dist. Quezon Province



ANNA MARIE VILLARAZA-SUAREZ
ALONA, Party-List