

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session

HOUSE OF REPRESENTATIVES

House Bill No. 8421



Introduced by Hon. Antonio B. Legarda Jr.

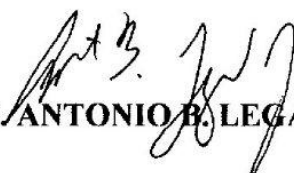
AN ACT TO INSTITUTIONALIZE THE SHARED SERVICE FACILITIES (SSF) PROJECT FOR MICRO, SMALL, AND MEDIUM ENTERPRISES (MSMES) BY AMENDING REPUBLIC ACT NO. 6977 OTHERWISE KNOWN AS THE MAGNA CARTA FOR SMALL ENTERPRISES AS AMENDED BY REPUBLIC ACT NO. 9501 OTHERWISE KNOWN AS THE MAGNA CARTA FOR MICRO, SMALL AND MEDIUM ENTERPRISES

EXPLANATORY NOTE

Micro, Small and Medium Enterprises (MSMEs) play a vital role in our economy. However, due to financial constraints and lack of equipment and access to much needed technical assistance, many MSMEs in our country continue to struggle.

Since its inaugural launch in 2013, the Shared Service Facilities (SSF) Program by the Department of Trade and Industry (DTI) has empowered numerous MSMEs and made them more competitive by providing them with the tools and equipment under a shared system. Nevertheless, there is a need to strengthen this program by formally institutionalizing the same and incorporating it within the framework of the Magna Carta for Small Enterprises, thereby allowing the DTI to help more MSMEs. This bill also seeks the creation of Shared Service Facilities- Fabrication Laboratories (SSF-FAB LABS), which will help our MSMEs become innovative and globally competitive.

In line with the policy adopted by its original proponents Senators Sonny Angara, Ramon "Bong" Revilla Jr., and Mark Villar, this bill therefore likewise serves as a counter-part House Bill. It is for the reasons stated above that the passage of this measure is earnestly sought.


HON. ANTONIO B. LEGARDA JR.

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

SECTION 1. Insert new Sections 16 and 17 under Republic Act No. 6977, as amended, to read as follows, and renumber the succeeding sections accordingly:

“SEC. 16. ESTABLISHMENT OF SHARED SERVICE FACILITIES (SSF) FOR MSMES.- IN ORDER TO ADDRESS THE GAPS IN THE PRODUCTION VALUE CHAIN, PROMOTE INNOVATION AMONG MSMES AND ENHANCE THEIR CAPACITIES TO PRODUCE AND OFFER SOPHISTICATED AND DIVERSE PRODUCTS AND SERVICES, THE SHARED SERVICE FACILITIES (SSF) PROGRAM OF DTI IS HEREBY INSTITUTIONALIZED.

THE DTI SHALL ALSO ESTABLISH SSF-FABRICATION LABORATORIES (SSF-FAB LABS), WHICH REFER TO HIGH-END SSFS EQUIPPED WITH AN ARRAY OF FLEXIBLE COMPUTER CONTROLLED TOOLS THAT COVER SEVERAL DIFFERENT

LENGTHS AND SCALE AND VARIOUS MATERIALS, IN AT LEAST ONE (1) STRATEGIC LOCATION IN EVERY PROVINCE TO ASSIST MSMES IN THE MANUFACTURING OF NEEDED ASSETS AND PRODUCTS. THE PRIORITY SHALL BE PROVINCES WITHOUT EXISTING FAB LABS.

THE SSF-FAB LABS SHALL BE ATTACHED TO STATE UNIVERSITIES AND COLLEGES (SUCS); LOCAL UNIVERSITIES OR COLLEGES (LUCS); PRIVATE SCHOOLS, COLLEGES AND UNIVERSITIES; AND GOVERNMENT ACADEMIC TRAINING INSTITUTIONS OF THE PROVINCE AS DETERMINED BY DTI FOR PROPER MONITORING AND MAINTENANCE.”

“SEC 17. MONITORING OF PRODUCTIVITY OUTCOMES.- THE DTI, IN COORDINATION WITH THE CONCERNED COOPERATORS, LGUS, SUCS, LUCS, PRIVATE SCHOOLS, COLLEGES AND UNIVERSITIES, AND GOVERNMENT ACADEMIC TRAINING INSTITUTIONS IN WHICH THE SSFS AND SSF-FAB LABS ARE SITUATED, SHALL SUBMIT AN ANNUAL PROGRESS REPORT TO CONGRESS DETAILING THE EFFECTIVENES AND/OR IMPACT OF THE SSFS WHICH SHALL INCLUDE THE BUDGET UTILIZATION OF THE PROJECT, ADDITIONAL JOBS AND INCOME GENERATED, INDUSTRY ENGAGEMENT, TECHNOLOGY TRANSFER, AND OVERALL GROWTH OF THE BUSINESSES WHICH AVAILED OF THE FACILITIES.”

Sec. 2. Implementing Rules and Regulations. — Within three (3) months from

the effectivity of this Act, the DTI shall promulgate the necessary implementing rules and regulations for the institutionalization and establishment of the SSFs including the guidelines for the partnership with the cooperators, SUCs, LUCs, private schools, colleges and universities, and government academic training institutions where the SSFs and SSF-Fab Labs will be established.

Sec. 3. Appropriations.— The amounts necessary to carry out the implementation of this Act shall be charged against the current budget of DTI. Thereafter, the funds necessary for the continuous implementation of this Act shall be included in the annual General Appropriations Act (GAA).

Sec. 4. Separability Clause. - If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected

thereby shall remain in full force and effect.

Sec. 5. *Repealing Clause.* - All laws or parts thereof, decrees, orders, rules and

regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Sec. 6. *Effectivity Clause.* — This Act shall take effect fifteen (15) days after its

publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,