

The Department of Science and Technology shall provide MSMEs with scientific, technological, research, testing, processing, packaging, shelf-life, nutrition, preservation, and product-development assistance. Through its Food Innovation Centers, Small Enterprise Technology Upgrading Program (SETUP), research institutes, laboratories, and other appropriate programs, the DOST shall help MSMEs upgrade their technologies, improve production processes, meet product standards, conduct testing, and develop innovative and value-added products. The DOST Food Innovation Centers shall develop and transfer appropriate technologies and assist local food processors in improving, diversifying, and commercializing their products.

The proposed measure envisions an OTOP Resilience and Relief Innovation Program woven into the current OTOP Philippines framework. Through this initiative, agencies will pinpoint products that can be developed, enhanced, produced, stockpiled, or sourced from qualified OTOP MSMEs, ready to serve the nation during disasters, emergencies, and humanitarian missions.

This measure seeks to forge a more robust partnership among government agencies, with DTI at the helm, working hand in hand with DOST, FDA, local governments, universities, research institutions, and dynamic MSMEs.

While the law already brings together the Department of Trade and Industry, Department of Science and Technology, Food and Drug Administration, and other agencies to develop and regulate OTOP products, there is still room to make this collaboration more intentional, coordinated, and attuned to the evolving needs of the nation.

The One Town, One Product (OTOP) Philippines Program is one of the government's principal mechanisms for promoting inclusive local economic development and strengthening micro, small, and medium enterprises (MSMEs) in the countryside. Republic Act No. 11960, otherwise known as the "OTOP Philippines Act," institutionalized the Program and recognized the importance of product development, technology, standards compliance, market access, and convergence among national government agencies, local government units, and the private sector.

EXPLANATORY NOTE

Introduced by REPRESENTATIVE KATRINA REIKO CHUA - TAI

HOUSE BILL NO. 10903

Twentieth Congress
Second Regular Session

Quezon City, Metro Manila

House of Representatives
Republic of the Philippines



The Food and Drug Administration shall participate in the regulatory convergence mechanism by providing appropriate technical and regulatory guidance for OTOP products falling within its jurisdiction, without jeopardizing the FDA's statutory mandate to protect public health and guarantee the safety, quality, and efficacy of regulated health products. Regulatory assistance under this Act shall not be construed as an exemption from applicable laws, rules, registration, licensing, testing, labeling, or safety requirements.

The measure also acknowledges that true disaster preparedness goes beyond buying relief goods after calamities strike. By nurturing a network of skilled local MSMEs, the government can ensure a steady supply of safe, nutritious, and locally sourced essentials before and during emergencies.

Accordingly, qualified OTOP MSMEs can receive support to create ready-to-eat nutritious food, shelf-stable meals, fortified products, clean water and sanitation solutions, hygiene items, and other vital emergency supplies identified by government agencies. By following set standards, regional enterprises will be ready to respond swiftly when emergencies arise.

The measure will also strengthen market access for OTOP products by urging government agencies to include them in procurement plans, in line with current laws. This supports the ongoing commitment to prioritize Philippine-made goods in government purchases. This supports Filipino MSMEs during ordinary times and builds a stronger, resilient local production base that can help the country respond to emergencies during times of crisis.

By weaving together entrepreneurship, science, technology, regulation, procurement, and disaster resilience, this measure aims to help local products not just survive, but flourish as competitive, scalable, and innovative solutions for Filipinos.

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


KATRINA REIKO CHUA-TAI



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
Second Regular Session

HOUSE BILL NO. 10903

Introduced by REPRESENTATIVE KATRINA REIKO CHUA-TAI

1	AN ACT
2	STRENGTHENING THE ONE TOWN, ONE PRODUCT (OTOP) PHILIPPINES
3	PROGRAM THROUGH INTER-AGENCY COORDINATION FOR PRODUCT
4	DEVELOPMENT, INNOVATION, MARKET ACCESS, AND THE DEVELOPMENT OF
5	LOCAL PRODUCTS FOR DISASTER RELIEF AND EMERGENCY OPERATIONS,
6	AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 11960, OTHERWISE
7	KNOWN AS THE “OTOP PHILIPPINES ACT,” AND FOR OTHER PURPOSES
8	
9	<i>Be it enacted by the Senate and House of Representatives of the Philippines in Congress</i>
10	<i>assembled:</i>
11	SECTION 1. <i>Short Title.</i> – This Act shall be known as the “ <i>OTOP Innovation, Resilience</i>
12	<i>and Relief Products Act.</i> ”
13	SEC. 2. <i>Declaration of Policy.</i> – It is hereby declared the policy of the State to:
14	a) Strengthen the One Town, One Product (OTOP) Philippines Program as a continuing
15	national strategy for the development, growth, modernization, and competitiveness of
16	Philippine micro, small, and medium enterprises (MSMEs);
17	b) Promote inclusive local economic development by utilizing local raw materials,
18	indigenous resources, Filipino skills, science and technology, innovation, and local
19	entrepreneurship;

1 c) Institutionalize stronger convergence among the Department of Trade and Industry
2 (DTI), Department of Science and Technology (DOST), Food and Drug Administration
3 (FDA), other concerned national government agencies, local government units (LGUs),
4 state universities and colleges (SUCs), research institutions, and the private sector;
5 d) Encourage the development of innovative, safe, nutritious, affordable, sustainable, and
6 marketable OTOP products that address both commercial demand and identified
7 public-sector needs;
8 e) Develop the capacity of qualified OTOP MSMEs to supply products that may be
9 required for disaster response, humanitarian assistance, public health emergencies,
10 food security interventions, and other emergency operations; and
11 f) Promote Philippine products and Filipino MSMEs as reliable participants in domestic,
12 international, and government markets, consistent with existing procurement laws and
13 international obligations.

14 SEC. 3. *Amendment to Republic Act No. 11960.* – Republic Act No. 11960, otherwise
15 known as the “OTOP Philippines Act,” is hereby amended by adding a new Section 9-A to read as
16 follows:
17 “SEC. 9-A. OTOP INNOVATION, RESILIENCE AND RELIEF PRODUCTS
18 PROGRAM. – THERE IS HEREBY ESTABLISHED WITHIN THE OTOP PHILIPPINES
19 PROGRAM AN OTOP INNOVATION, RESILIENCE AND RELIEF PRODUCTS
20 PROGRAM, HEREINAFTER REFERRED TO AS THE “RESILIENCE PROGRAM.”
21 THE RESILIENCE PROGRAM SHALL UTILIZE THE EXISTING OTOP
22 INSTITUTIONAL STRUCTURE, PROGRAMS, FACILITIES, PERSONNEL,
23 NETWORKS, AND RESOURCES, AND SHALL NOT BE CONSTRUED AS A SEPARATE
24 OR COMPETING PROGRAM.
25 THE RESILIENCE PROGRAM SHALL:

1	a) IDENTIFY OTOP PRODUCTS AND PRODUCT CATEGORIES WITH	26
2	POTENTIAL APPLICATION IN DISASTER RESPONSE,	26
3	HUMANITARIAN ASSISTANCE, PUBLIC HEALTH EMERGENCIES,	26
4	FOOD SECURITY, EVACUATION OPERATIONS, AND OTHER	26
5	EMERGENCY SITUATIONS;	26
6	b) FACILITATE THE DEVELOPMENT AND UPGRADING OF OTOP	26
7	PRODUCTS TO MEET IDENTIFIED GOVERNMENT SPECIFICATIONS,	26
8	QUALITY REQUIREMENTS, SAFETY STANDARDS, SHELF-LIFE	26
9	REQUIREMENTS, PACKAGING REQUIREMENTS, STORAGE	26
10	REQUIREMENTS, AND OTHER APPLICABLE STANDARDS;	26
11	c) ESTABLISH MECHANISMS THROUGH WHICH QUALIFIED OTOP	26
12	MSMES MAY WORK WITH RESEARCH INSTITUTIONS,	26
13	LABORATORIES, FOOD INNOVATION CENTERS, SUCS, AND OTHER	26
14	QUALIFIED TECHNICAL INSTITUTIONS FOR RESEARCH,	26
15	PROTOTYPING, TESTING, TECHNOLOGY TRANSFER, PRODUCT	26
16	ENHANCEMENT, AND COMMERCIALIZATION;	26
17	d) FACILITATE TECHNICAL AND REGULATORY ASSISTANCE TO OTOP	26
18	MSMES, INCLUDING APPROPRIATE GUIDANCE RELATING TO FOOD	26
19	SAFETY, PRODUCT REGISTRATION, LICENSING, LABELING,	26
20	PACKAGING, STANDARDS, TESTING, AND OTHER REGULATORY	26
21	REQUIREMENTS;	26
22	e) DEVELOP A DATABASE OF QUALIFIED OTOP MSMES CAPABLE OF	26
23	PRODUCING PRIORITY PRODUCTS FOR EMERGENCY AND RELIEF	26
24	OPERATIONS;	26
25	f) ESTABLISH VOLUNTARY PRODUCT AND PRODUCTION CAPABILITY	26
26	PROFILES INDICATING, AMONG OTHERS, PRODUCTION CAPACITY,	26

1	GEOGRAPHIC LOCATION, LEAD TIME, SHELF LIFE, RAW
2	MATERIAL AVAILABILITY, STORAGE REQUIREMENTS,
3	APPLICABLE CERTIFICATIONS, AND REGULATORY STATUS;
4	g) FACILITATE MARKET LINKAGE AND GOVERNMENT
5	PROCUREMENT OPPORTUNITIES FOR QUALIFIED OTOP MSMEs,
6	SUBJECT TO REPUBLIC ACT NO. 12009, OTHERWISE KNOWN AS THE
7	'NEW GOVERNMENT PROCUREMENT ACT,' REPUBLIC ACT NO.
8	11981, OTHERWISE KNOWN AS THE 'TATAK PINOY (PROUDLY
9	FILIPINO) ACT,' AND OTHER APPLICABLE LAWS, RULES,
10	REGULATIONS, AND INTERNATIONAL OBLIGATIONS;
11	h) ENCOURAGE GOVERNMENT AGENCIES AND LGUs, IN
12	ACCORDANCE WITH APPLICABLE PROCUREMENT LAWS, TO
13	CONSIDER QUALIFIED OTOP PRODUCTS IN PROCUREMENT
14	PLANNING, FRAMEWORK AGREEMENTS, EMERGENCY
15	PREPAREDNESS PROGRAMS, RELIEF STOCKPILES, AND OTHER
16	APPROPRIATE GOVERNMENT REQUIREMENTS;
17	i) PROMOTE PRODUCT DIVERSIFICATION SO THAT OTOP MSMEs
18	MAY DEVELOP PRODUCTS WITH BOTH COMMERCIAL AND
19	EMERGENCY-USE APPLICATIONS;
20	j) ESTABLISH MECHANISMS FOR THE RAPID ACTIVATION OF
21	QUALIFIED OTOP MSMEs DURING DISASTERS, CALAMITIES,
22	PUBLIC HEALTH EMERGENCIES, AND OTHER DECLARED
23	EMERGENCIES; AND
24	k) UNDERTAKE SUCH OTHER ACTIVITIES AS MAY BE NECESSARY TO
25	STRENGTHEN THE RESILIENCE, COMPETITIVENESS,

1 TECHNOLOGICAL CAPABILITY, AND MARKET ACCESS OF OTOP

2 MSMES.”

3 SEC. 4. *Creation of the OTOP Inter-Agency Innovation and Resilience Council.* – An

4 OTOP Inter-Agency Innovation and Resilience Council, hereinafter referred to as the “Council,”

5 is hereby created to ensure sustained inter-governmental coordination in the implementation of

6 this Act.

7 The Council shall be composed of:

8 a) The Secretary of Trade and Industry, as Chairperson;

9 b) The Secretary of Science and Technology, as Vice Chairperson;

10 c) The Secretary of Health, or a duly designated representative;

11 d) The Administrator or Director-General of the Food and Drug Administration, or a

12 duly designated representative;

13 e) The Secretary of Social Welfare and Development, or a duly designated

14 representative;

15 f) The Secretary of National Defense, or a duly designated representative;

16 g) The Secretary of the Interior and Local Government, or a duly designated

17 representative;

18 h) The Secretary of Agriculture, or a duly designated representative;

19 i) The Secretary of Budget and Management, or a duly designated representative;

20 j) The Secretary of Tourism, or a duly designated representative;

21 k) The Director-General of the Government Procurement Policy Board–Technical

22 Support Office, or a duly designated representative;

23 l) The Administrator of the Office of Civil Defense, or a duly designated

24 representative;

25 m) A representative from the National Economic and Development Authority;

1	n) Two (2) representatives of duly recognized OTOP MSME organizations, to be
2	designated by the DTI Secretary; and
3	o) Such other government agencies, local government representatives, academic
4	institutions, technical experts, or private-sector representatives as the Council may
5	invite when necessary.
6	The DTI shall provide the Secretariat of the Council through the OTOP Program
7	Management Office (OTOP-PMO).
8	SEC. 5. <i>Functions of the Council.</i> – The Council shall:
9	a) Formulate national policies and strategies for the integration of OTOP
10	development, science and technology, regulatory compliance, market access, public
11	procurement, and disaster resilience;
12	b) Identify priority products and technologies for development under the Resilience
13	Program;
14	c) Establish an annual OTOP Priority Relief and Resilience Product List based on the
15	requirements of concerned government agencies and the needs of vulnerable
16	communities;
17	d) Develop common technical specifications and product requirements, where
18	appropriate and within the mandate of the concerned agency;
19	e) Coordinate DTI and DOST interventions for product development, technology
20	adoption, equipment upgrading, testing, packaging, shelf-life extension, product
21	preservation, and scaling of production;
22	f) Coordinate with the FDA and other regulatory agencies to provide timely regulatory
23	guidance and technical assistance to qualified OTOP MSMEs;
24	g) Develop mechanisms for matching qualified OTOP MSMEs with government
25	agencies and institutional buyers;

1	h) Establish mechanisms for maintaining a national registry of OTOP MSMEs capable of producing priority relief and resilience products;
2	
3	i) Identify gaps in local manufacturing capacity and recommend research, technology development, capacity-building, and investment programs to address such gaps;
4	
5	j) Coordinate with LGUs and regional offices of participating agencies to ensure that the Program responds to local needs and capacities;
6	
7	k) Recommend measures for integrating qualified OTOP MSMEs into appropriate government preparedness, stockpiling, and procurement programs;
8	
9	l) Monitor the performance and impact of the Resilience Program; and
10	m) Perform such other functions as may be necessary to accomplish the purposes of this Act.
11	
12	SEC. 6. <i>OTOP Product Innovation and Technology Assistance.</i> – The DTI and DOST shall establish a coordinated product innovation mechanism for qualified OTOP MSMEs.
13	
14	The mechanism shall, where appropriate, include:
15	a) Product research and development;
16	b) Product formulation and reformulation;
17	c) Prototyping;
18	d) Food processing and preservation technologies;
19	e) Shelf-life testing;
20	f) Packaging and labeling development;
21	g) Product safety and quality testing;
22	h) Production process improvement;
23	i) Appropriate machinery and equipment upgrading;
24	j) Technology transfer and licensing;
25	k) Intellectual property assistance;

1	l) Nutrition and food science assistance;
2	m) Environmental and sustainable production technologies;
3	n) Digital manufacturing and traceability systems; and
4	o) Assistance in scaling production to commercially viable and emergency-ready levels.
5	
6	The DOST may utilize its existing programs, laboratories, Food Innovation Centers,
7	technology transfer mechanisms, research councils, and other appropriate facilities and programs
8	for purposes of this Section.
9	SEC. 7. <i>Regulatory Convergence and Assistance.</i> – The FDA, consistent with its statutory
10	mandate and existing laws, rules, and regulations, shall participate in the Resilience Program by:
11	a) Providing regulatory orientation and technical guidance to qualified OTOP MSMEs;
12	b) Assisting participating MSMEs in understanding applicable licensing, registration,
13	labeling, manufacturing, safety, and other regulatory requirements;
14	c) Coordinating with DTI and DOST in identifying regulatory requirements that should
15	be incorporated at the earliest stage of product development;
16	d) Developing, where legally permissible, streamlined and transparent regulatory
17	assistance mechanisms for qualified OTOP MSMEs; and
18	e) Participating in technical working groups for products within FDA jurisdiction.
19	Nothing in this Act shall be interpreted as exempting any product or establishment from
20	applicable FDA laws, rules, regulations, licensing, registration, inspection, testing, safety, quality,
21	labeling, or other requirements.

1	SEC. 8. <i>Priority OTOP Relief and Resilience Products.</i> – The Council shall, in
2	consultation with concerned agencies, LGUs, OTOP MSMEs, technical experts, and other
3	stakeholders, identify priority product categories that may include:
4	a) Ready-to-eat and shelf-stable nutritious meals;
5	b) Fortified and nutritionally enhanced food products;
6	c) Locally sourced emergency food products;
7	d) Safe and shelf-stable beverages and food ingredients;
8	e) Dried, dehydrated, freeze-dried, retort, and other appropriately preserved food
9	products;
10	f) Water and sanitation-related products, where applicable;
11	g) Hygiene and personal-care products;
12	h) Emergency household supplies;
13	i) Locally manufactured non-food relief supplies;
14	j) Appropriate agricultural and livelihood recovery inputs;
15	k) Products utilizing indigenous and locally available raw materials; and
16	l) Other products identified by the Council as necessary for disaster preparedness,
17	response, recovery, rehabilitation, food security, or humanitarian operations.
18	Products under this Section shall comply with all applicable safety, quality, regulatory,
19	environmental, labeling, and procurement requirements.
20	SEC. 9. <i>OTOP Emergency Production Capability Registry.</i> – The DTI, through the
21	OTOP-PMO, shall establish and maintain an OTOP Emergency Production Capability Registry
22	containing information on qualified participating MSMEs, including:
23	a) Product categories;
24	b) Production capacity;
25	c) Available equipment and technology;

1	d) Geographic location;	1
2	e) Estimated production lead time;	2
3	f) Storage and warehousing capability;	3
4	g) Product shelf life, where applicable;	4
5	h) Existing licenses, registrations, certifications, and applicable standards compliance;	5
6	i) Raw material requirements and local supply sources; and	6
7	j) Contact and activation information.	7
8	The Registry shall be used solely for lawful government planning, procurement, emergency	8
9	preparedness, and program implementation purposes and shall observe applicable data privacy and	9
10	confidentiality requirements.	10
11	SEC. 10. <i>Pre-Disaster Product Development and Qualification.</i> – Government agencies	11
12	may identify priority relief products in advance of emergencies and coordinate with qualified	12
13	OTOP MSMEs to develop products and production systems capable of meeting predetermined	13
14	specifications.	14
15	Such activities may include:	15
16	a) Product prototyping;	16
17	b) Pilot production;	17
18	c) Testing and validation;	18
19	d) Shelf-life studies;	19
20	e) Packaging and logistics testing;	20
21	f) Quality assurance;	21
22	g) Production scaling;	22
23	h) Delivery and distribution simulations; and	23
24	i) Other appropriate preparedness activities.	24

1	The objective shall be to ensure that qualified local producers can respond rapidly when
2	their products are required.
3	SEC. 11. <i>Market Access and Government Procurement.</i> – The DTI shall strengthen
4	market access for qualified OTOP MSMEs by:
5	a) Promoting OTOP products through OTOP Philippines Hubs, trade fairs, digital
6	platforms, institutional buyers, export channels, and other appropriate venues;
7	b) Establishing business matching mechanisms between OTOP MSMEs and
8	government agencies, private corporations, retailers, distributors, humanitarian
9	organizations, and other institutional buyers;
10	c) Assisting qualified OTOP MSMEs in complying with procurement eligibility and
11	documentary requirements;
12	d) Encouraging procuring entities to include qualified Philippine OTOP products in
13	market scoping and procurement planning where appropriate; and
14	e) Facilitating awareness among procuring entities of applicable domestic preference
15	and other support mechanisms under existing procurement laws.
16	Nothing in this Act shall authorize any procurement method, exemption, award, or
17	preference contrary to Republic Act No. 12009, Republic Act No. 11981, their implementing rules
18	and regulations, or applicable international agreements.
19	SEC. 12. <i>OTOP Relief Product Development Grants and Assistance.</i> – Subject to the
20	availability of appropriations, the DTI and DOST may provide financial and technical assistance
21	to qualified OTOP MSMEs for:
22	a) Product research and development;
23	b) Prototype development;
24	c) Testing and certification;
25	d) Packaging and labeling improvement;

1	e) Technology acquisition;
2	f) Production upgrading;
3	g) Equipment and facility improvement;
4	h) Standards and regulatory compliance;
5	i) Market testing;
6	j) Production scaling; and
7	k) Other activities necessary to qualify the MSME to participate in the Resilience Program.
8	
9	Priority may be given to MSMEs located in geographically isolated and disadvantaged areas, disaster-prone areas, rural communities, and areas with limited economic opportunities.
10	
11	SEC. 13. <i>Local OTOP Resilience Hubs.</i> – Existing OTOP Philippines Hubs may be designated as OTOP Resilience Hubs by the DTI, in coordination with LGUs and concerned agencies.
12	
13	
14	The OTOP Resilience Hubs may serve as:
15	a) Product consolidation points;
16	b) Market access centers;
17	c) Information and coordination centers;
18	d) Emergency production and supply coordination points;
19	e) Demonstration and training facilities; and
20	f) Other appropriate facilities for strengthening local enterprise resilience.
21	The designation of an OTOP Resilience Hub shall not automatically make the facility a warehouse or stockpile facility unless the concerned government agency and LGU have the necessary authority, resources, facilities, and safeguards for such purpose.
22	
23	
24	SEC. 14. <i>Participation of Local Government Units.</i> – LGUs shall be encouraged to:

1	a) Identify locally produced goods with potential OTOP and emergency-use applications;
2	b) Assist in identifying qualified local MSMEs;
3	c) Facilitate access to local resources and appropriate facilities;
4	d) Coordinate with DTI and DOST regional and provincial offices;
5	e) Include OTOP development and resilience initiatives in appropriate local development plans;
6	f) Support local product testing, trade promotion, and market access; and
7	g) Participate in emergency preparedness and local supply-chain planning.
8	Nothing herein shall diminish the powers and responsibilities of LGUs under existing law.
9	SEC. 15. <i>Integration with Existing Government Programs.</i> – The implementation of this Act shall,
10	to the maximum extent practicable, be integrated with existing programs, including:
11	a) The OTOP Philippines Program of the DTI;
12	b) The DOST Small Enterprise Technology Upgrading Program (SETUP);
13	c) DOST Food Innovation Centers and other appropriate DOST technology and research
14	programs;
15	d) Relevant FDA MSME regulatory assistance initiatives;
16	e) Government disaster preparedness and response programs;
17	f) Food security and nutrition programs;
18	g) Government livelihood and enterprise development programs; and
19	h) Other existing national and local programs that support MSMEs, science and technology,
20	innovation, food security, disaster resilience, and Philippine products.
21	No provision of this Act shall be interpreted to create unnecessary duplication of existing
22	government programs.
23	SEC. 16. <i>Annual OTOP Innovation and Resilience Plan.</i> – The DTI, through the OTOP-PMO
24	and in coordination with the Council, shall prepare an annual OTOP Innovation and Resilience Plan
25	containing:
26	a) Priority products and product categories;
27	b) Target MSME beneficiaries;

1	c) Product development and technology requirements;
2	d) Regulatory and standards requirements;
3	e) Target production capacities;
4	f) Market and procurement opportunities;
5	g) Disaster and emergency supply requirements;
6	h) Funding requirements;
7	i) Performance indicators; and
8	j) Monitoring and evaluation mechanisms.
9	The Plan shall form part of the implementation of the National OTOP Strategic Plan under Republic Act No. 11960.
10	
11	SEC. 17. <i>Monitoring and Evaluation.</i> – The DTI shall establish a monitoring and evaluation system to measure:
12	
13	a) The number of OTOP MSMEs assisted;
14	b) Number and value of products developed or improved;
15	c) Number of MSMEs achieving applicable regulatory and standards compliance;
16	d) Production capacity developed;
17	e) Government and private-sector market linkages established;
18	f) Jobs created or sustained;
19	g) Increase in MSME revenues, where measurable;
20	h) Number of MSMEs capable of supplying priority relief products;
21	i) Government procurement opportunities accessed by OTOP MSMEs; and
22	j) Other relevant economic, technological, social, and resilience indicators.
23	An annual report on the implementation of this Act shall be submitted by the DTI to the appropriate committees of the Senate and House of Representatives.
24	
25	SEC. 18. <i>Private Sector, Academic and Research Institution Participation.</i> – The DTI and DOST
26	may enter into partnerships with private enterprises, industry associations, cooperatives, SUCs, universities,

1 research institutions, laboratories, development organizations, and other qualified entities for purposes of
2 implementing this Act.
3 Such partnerships shall be governed by applicable laws, procurement rules, auditing requirements,
4 intellectual property laws, and government contracting regulations.
5 SEC. 19. *Intellectual Property and Technology Transfer.* – Technology, inventions, processes,
6 designs, formulations, and other intellectual property developed through government-supported programs
7 shall be managed in accordance with existing intellectual property and technology transfer laws and
8 policies.
9 Where appropriate, technology transfer arrangements shall prioritize the commercialization and
10 adoption of locally developed technologies by qualified Philippine MSMEs.
11 SEC. 20. *Funding.* – The amount necessary for the initial implementation of this Act shall be
12 charged against the current appropriations of the DTI and DOST, subject to existing budgeting, accounting,
13 auditing, and procurement laws and regulations.
14 Thereafter, such sums as may be necessary for the continued implementation of this Act shall be
15 included in the annual General Appropriations Act.
16 The DTI and DOST may also receive grants, donations, and other lawful forms of assistance from
17 domestic or international sources, subject to existing laws, rules, regulations, and safeguards.
18 SEC. 20. *Funding.* – The amount necessary for the initial implementation of this Act shall be
19 charged against the current appropriations of the DTI and DOST, subject to existing budgeting, accounting,
20 auditing, and procurement laws and regulations.
21 Thereafter, such sums as may be necessary for the continued implementation of this Act shall be
22 included in the annual General Appropriations Act.
23 The DTI and DOST may also receive grants, donations, and other lawful forms of assistance from
24 domestic or international sources, subject to existing laws, rules, regulations, and safeguards.

1 SEC. 21. *Implementing Rules and Regulations.* – Within ninety (90) days from the effectivity of
2 this Act, the DTI, in coordination with the DOST, FDA, DOH, DSWD, OCD, DILG, DA, DBM, GPPB-
3 TSO, NEDA, DOT, and other concerned agencies, shall promulgate the rules and regulations necessary for
4 the effective implementation of this Act.

5 The implementing rules shall, among others, establish:

6 a) Criteria for participation in the Resilience Program;
7 b) Procedures for identifying priority products;
8 c) Product development and testing procedures;
9 d) Regulatory coordination mechanisms;
10 e) Procedures for inclusion in the Emergency Production Capability Registry;
11 f) Mechanisms for government procurement and market linkage consistent with existing law;
12 g) Activation procedures during emergencies; and
13 h) Monitoring and accountability mechanisms.

14 SEC. 22. *Protection Against Conflicts of Interest.* – All officials and employees involved in the
15 implementation of this Act shall comply with Republic Act No. 6713, the Government Procurement Reform
16 Act and New Government Procurement Act, applicable anti-graft and corruption laws, auditing rules, and
17 other laws governing public officials.

18 No official shall directly or indirectly benefit from the selection, accreditation, procurement,
19 financing, or promotion of an OTOP MSME in violation of law.

20 SEC. 23. *No Exemption from Safety and Regulatory Requirements.* – Nothing in this Act shall be
21 interpreted to exempt any OTOP product, establishment, manufacturer, distributor, or supplier from
22 applicable health, safety, food safety, environmental, product standards, licensing, registration, certification,
23 labeling, inspection, testing, or other regulatory requirements.

24 The purpose of regulatory convergence under this Act shall be to facilitate compliance, reduce
25 unnecessary duplication, provide clear guidance, and improve coordination without weakening public
26 health and safety standards.

1	SEC. 24. <i>Separability Clause.</i> – If any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in full force and effect.
2	
3	SEC. 25. <i>Repealing Clause.</i> – All laws, decrees, executive orders, rules, regulations, and other
4	issuances, or parts thereof, inconsistent with the provisions of this Act are hereby repealed, amended, or
5	modified accordingly.
6	Nothing in this Act shall be construed to repeal or diminish the powers and functions of the DTI,
7	DOST, FDA, or other government agencies under existing laws.
8	SEC. 26. <i>Effectivity.</i> – This Act shall take effect fifteen (15) days after its publication in the Official
9	Gazette or in a newspaper of general circulation.
10	<i>Approved,</i>