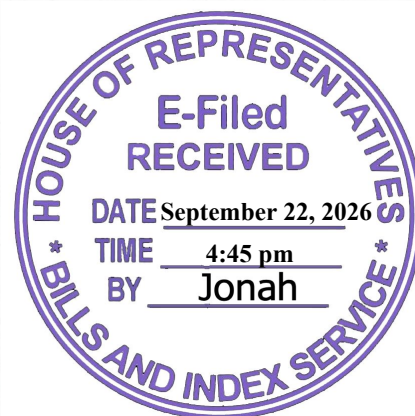


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
Second Regular Session

House Bill No. **11430**



INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO,
JOCELYN P. TULFO, AND JEFFREY SORIANO

AN ACT

INSTITUTIONALIZING 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 part in economic development by serving as key drivers of employment, innovation, and inclusive growth. They also stimulate local economies by utilizing indigenous resources, supporting supply chains, and promoting entrepreneurship. According to the Department of Trade and Industry, MSMEs account for 99.63% of businesses and 66.58% of total employment, underscoring their critical role as the backbone of national economy.¹

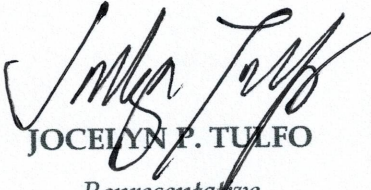
¹ "Strong MSME engagement sets the stage for Sm Supermall's 2026 programs", *INQUIRER.NET*, 27 Jan 2026, <https://business.inquirer.net/570919/strong-msme-engagement-sets-the-stage-for-sm-supermall-2026-programs>

Despite existing policy support, many MSMEs continue to face significant challenges, particularly in accessing modern equipment, technology, and production facilities necessary to improve productivity, product quality, and competitiveness. High capital costs and limited resources often prevent small enterprises from acquiring such assets, thereby constraining their capacity to expand and innovate. To address these concerns, the government has implemented the Shared Service Facilities (SSF) Project which provides MSMEs with access to common service equipment and production facilities on a shared basis. The SSF Project has demonstrated its effectiveness in enhancing the productivity, efficiency, and market competitiveness of MSMEs, particularly in priority sectors and underserved communities. However, the SSF Project remains largely program-based and lacks a permanent statutory framework to ensure its continuity, expansion, and sustained funding.

This proposed measure seeks to amend Republic Act No. 6977, as amended, by institutionalizing the SSF Project as a regular program of the government. It aims to provide a clear policy framework for the establishment, management, and monitoring of SSF, ensure equitable access for MSMEs, and promote greater coordination among concerned government agencies, local government units, and private sector partners. Therefore, institutionalizing the SSF Project to guarantee its long-term implementation and to strengthen its role as a key support mechanism for MSME development.

In view of the foregoing, the urgent passing of this bill is earnestly sought.


RALPH WENDEL P. TULFO
Representative
2nd District of Quezon City


JOCELYN P. TULFO
Representative
ACT-CIS Partylist


JEFFREY SORIANO
Representative
ACT-CIS Partylist

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AN ACT

INSTITUTIONALIZING 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"

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

1 **SECTION 1. Declaration of Policy.** – It is hereby declared the policy of the
2 State to foster innovation, productivity, and inclusive growth by enabling micro,
3 small, and medium enterprises (MSMEs) to participate meaningfully in the global and
4 digital economy. Toward this end, the State shall strengthen the capacity of MSMEs
5 through access to modern production technologies, shared equipment, and
6 fabrication laboratories that enhance efficiency, competitiveness, and the creation of
7 quality Filipino products and services.

8

9

1 **SEC. 2.** A new section is hereby inserted after Section 15 of Republic Act No.
2 6977, as amended, to read as follows:

3
4 “SEC. 16. Institutionalization of the Shared Service Facilities (SSF) Program and
5 Establishment of Fabrication Laboratories (Fab Labs). To address critical gaps in the
6 production value chain and to accelerate innovation among MSMEs, the Shared
7 Service Facilities (SSF) Program of the Department of Trade and Industry (DTI) is
8 hereby institutionalized as a continuing strategy for enterprise development and
9 competitiveness.

10
11 The DTI shall establish SSF – Fabrication Laboratories (Fab Labs) in strategic
12 locations nationwide. These shall serve as innovation hubs and digital fabrication
13 centers, equipped with flexible computer-controlled tools such as 3D printers, laser
14 cutters, and other digital equipment that enable MSMEs to design, prototype, and
15 produce high-value products.

16
17 Each province shall have at least one (1) Fab Lab, with priority given to areas
18 without existing fabrication facilities.

19
20 The SSF – Fab Labs shall be hosted and maintained by State Universities and
21 Colleges (SUCs) or by Local Universities and Colleges (LCUs) in provinces without
22 SUCs, in coordination with the Department of the Interior and Local Government
23 (DILG), local government units (LGUs), and relevant industry partners.

24
25 The DTI shall ensure the proper operation, monitoring, and sustainability of
26 these facilities through collaborative agreements and the development of local
27 innovation ecosystems.”

28
29 **SEC. 3. *Implementing Rules and Regulations (IRR).*** - Within ninety (90) days
30 from the effectivity of this Act, the DTI, in consultation with the DILG, Department of

1 Science and Technology (DOST), Commission on Higher Education (CHED), and
2 relevant stakeholders, shall promulgate the necessary rules and regulations to
3 effectively implement the provisions of this Act, including the standards for
4 partnership with SUCs, LUCs, and private sector collaborators.

5
6 **SEC. 4. Appropriations.** - The initial funding required for the implementation
7 of this Act shall be charged against the existing appropriations of the DTI. Thereafter,
8 the necessary funds for its continued implementation shall be included in the annual
9 General Appropriations Act (GAA).

10
11 **SEC 5. Repealing Clause.** - All laws, orders, decrees, rules and regulations, and
12 other parts thereof inconsistent with the provisions of this Act are hereby repealed,
13 amended, or modified accordingly.

14
15 **SEC. 6. Effectivity.** - This Act shall take effect fifteen (15) days after its
16 publication in the Official Gazette or two (2) newspapers of general circulation.

17
18 *Approved,*