



MEMORANDUM

FOR : **The Directors**
 Legal Affairs Service
 Policy and Planning Service
 Foreign Assisted and Special Projects Service

The Bureau Directors
 Environmental Management Bureau
 Biodiversity Management Bureau
 Ecosystems Research and Development Bureau

FROM : **The Director**
 Legislative Liaison Office

SUBJECT : **REQUEST FOR COMMENTS FROM THE SENATE COMMITTEE**
 ON SCIENCE AND TECHNOLOGY ON SENATE BILLS FOR THE
 ESTABLISHMENT OF THE PHILIPPINE VIROLOGY SCIENCE
 AND TECHNOLOGY INSTITUTE

DATE : 02 August 2024

In reference to the email received by our Office, the Senate Committee on Science and Technology Sub Committee on Virology Institute of the Philippines (VIP) chaired by Sen. Pia S. Cayetano, requesting the Department for **comments/recommendations on the Draft Substitute Bill to S. B. Nos. 196, 281, 489, 599, 941, 981, 1130, 1161, 1322, 1363, 1818, 1890 and 1928, taking into consideration H. B. No. 6452, entitled:**

"AN ACT ESTABLISHING THE VIROLOGY AND VACCINE INSTITUTE OF THE PHILIPPINES AND APPROPRIATING FUNDS THEREFOR"

In this regard, may we respectfully request your comments/recommendations on the abovementioned Substitute bill, if you haven't already submitted, as requested by the Committee. Kindly submit your comments on or **before 08 August 2024; 5:00 PM.** via email at denrlo@denr.gov.ph. Further, kindly inform us of the name/s and emails of the representative/s from your office who will participate in the meeting so we may include him/her/them as resource person/s.

Attached herewith is the Draft Substitute Bill, for your reference.


ROMIROSE B. PADIN

cc: Undersecretary for Special Concerns and Legislative Affairs

MEMO NO. 2024 - 679

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

*Draft Substitute Bill as of 31
July 2024, 4:30 p.m.*

SENATE

S. No. _____

(In substitution of S. B. Nos. 196, 281, 489, 599, 941, 981, 1130, 1161, 1322, 1363, 1818, 1890 and 1928, taking into consideration H. B. No. 6452)

Prepared and submitted jointly by the Committee on Science and Technology (upon the recommendation of its Sub-Committee on Virology Institute of the Philippines); Committees on Ways and Means; and, Finance with Senators Go, Estrada, Legarda, Zubiri, Gatchalian, Revilla Jr., M. Villar, Ejercito, Villanueva, Padilla, Tulfo, Lapid, C. Villar, A. Cayetano, and P. Cayetano as authors thereof

AN ACT..

ESTABLISHING THE VIROLOGY AND VACCINE INSTITUTE OF THE PHILIPPINES AND APPROPRIATING FUNDS THEREFOR

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

1 **SECTION 1. *Short Title.*** - This Act shall be known as the "Virology and Vaccine
2 Institute of the Philippines (VIP) Act".

3 **SEC. 2. *Declaration of Policy.*** - It is the policy of the State to protect and promote
4 the right to health of the people and instill health consciousness among them. The State
5 recognizes that science and technology is essential for national development and
6 progress.

7 To this end, the State shall formulate and implement policies that shall address One
8 Health issues that shall give priority to research, development and promotion of
9 innovations in both technology and services, quality and adequacy of human resources,

1 biosafety, the use of safe and indigenous promoting practices, and their appropriate
2 utilization.

3 In this regard, the State shall prioritize the establishment of an institute that will lead
4 in-depth studies on viruses and potential disease-causing agents that affect people,
5 plants, animals and the environment, in order to provide the scientific bases for the
6 diagnosis, treatment, and prevention of diseases, and for development of policy
7 recommendations.

8 **SEC. 3. Objectives.** - This Act seeks to establish a virology and vaccine institute that
9 shall focus on the following key science and technology applications to ensure sustained
10 progress:

- 11 a) Undertake discovery programs in the field of virology and related disciplines using
12 molecular biology and bioinformatics;
- 13 b) Development of vaccines, diagnostics, and therapeutics on viruses and other
14 pathogens;
- 15 c) Promotion of evidence-based policy on virology and vaccines science;
- 16 d) Promotion of local networks and international cooperation and collaboration with
17 institutions engaged in virus and pathogen research and development;
- 18 e) Build capacity for virology and vaccine research and development through training
19 and engagement of experts;
- 20 f) Preparation for emerging and reemerging pathogens through operation of
21 containment facilities, biobanks and genome laboratories; and
- 22 g) Support for research communities through provision of technical assistance and
23 laboratory use.

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

- 25 a) Bacteriophage refers to any group of viruses that infect specific bacteria, usually
26 causing their disintegration or dissolution;
- 27 b) Biosafety refers to containment principles, technologies and practices that are
28 implemented to prevent unintentional exposure to biological agents or their
29 inadvertent release;

- 1 c) Diagnostics refer to the development of tools such as medical devices, techniques
2 and procedures that are used for the identification of viruses and other pathogens
3 causing diseases in plants, animals and humans;
- 4 d) Therapeutics refer to bacteriophages, nanotechnology treatment approach, nucleic
5 acid-based treatment, remedial agents, drugs for the treatment of viral diseases
6 and infections of plants, animals and humans;
- 7 e) Vaccine refers to a product that induces or stimulates active acquired immunity by
8 producing antibodies to a specific infectious agent. It helps the body's immune
9 system to recognize and fight pathogens like viruses or bacteria;
- 10 f) Virology refers to the scientific discipline concerned with the study of the biology
11 of viruses and viral diseases of plants, animals, and humans, with medical
12 importance and pandemic potential, including the distribution, pathogenicity, viral
13 cytopathicity, biochemistry, physiology, molecular biology, biotechnology, ecology,
14 tropism, spillover or interspecies transmission, evolution, and clinical aspects of
15 viruses; and
- 16 g) One Health is a collaborative, multisectoral, and transdisciplinary approach-
17 working at the local, regional, national, and global levels- with the goal of achieving
18 the interconnection between people, animals, plants, and their shared
19 environment.

20 **SEC. 5. *Creation of the Virology and Vaccine Institute of the Philippines.*** -

21 The Virology and Vaccine Institute of the Philippines (VIP) is hereby created and shall be
22 an attached agency under the Department of Science and Technology (DOST) for
23 purposes of policy and program coordination to ensure alignment in national policies and
24 priorities.

25 The VIP shall serve as the premier research and development institute in the field of
26 virology, encompassing all kinds of viruses and other pathogens in plants, animals and
27 humans. It shall be a venue for scientists, research institutes and other organizations in
28 the Philippines and abroad, to work collaboratively to study viruses and other pathogens
29 of agricultural, industrial, clinical, and environmental importance.

1 **SEC. 6. *Mandate.*** - The VIP shall implement policies, plans, programs, and projects
2 for the development of virology science and technology in the country and the promotion
3 of scientific and technological activities for both the public and private sectors. It shall
4 ensure that the results of these activities are properly applied towards self-reliance and
5 utilized to accelerate economic and social development towards the protection of the
6 citizens and resources.

7 **SEC. 7. *Powers, Functions, and Duties.*** - To accomplish its mandate, the VIP shall
8 have the following powers, functions, and duties:

- 9 a) Serve as the lead convener for the formulation of the National Virology Research
10 Agenda, in consultation with all concerned stakeholders, that will encompass
11 researches involving viruses and other pathogens of plants, animals and humans;
- 12 b) Undertake scientific and technological research and development in the field of
13 virology;
- 14 c) Conduct product research and development in the areas of diagnostics,
15 therapeutics, and vaccines in cooperation with the private sector and concerned
16 agencies;
- 17 d) Promote and undertake the transfer of the results of scientific research and
18 development in collaboration with government agencies, industry, and the
19 academe;
- 20 e) Promote, advocate and oversee virology research ethics, biosafety, and
21 biosecurity;
- 22 f) Develop and maintain information systems on virology science and technology for
23 use by both the public and private sectors;
- 24 g) Develop and implement, together with other concerned entities, programs for
25 strengthening scientific and technological capabilities in virology and relevant
26 disciplines through human resource development, infrastructure, and institution
27 and capability building;
- 28 h) Undertake policy research, and other policy-related studies on virology;
- 29 i) Provide laboratory and technical services on virology and other pathogens;
- 30 j) Promote and advocate for national programs on virology science and technology;

- 1 k) Establish linkages with local and international partners;
2 l) Foster linkage and alignment with the private sector for public-private partnership
3 in accordance with existing laws and regulations; and
4 m) Assume additional functions such as, but not limited to, clinical research or trials
5 and other incidental works, as it may be deemed appropriate.

6 **SEC. 8. *Organizational Structure.*** - The VIP shall be headed by a Director and two

7 (2) Deputy Directors for Research and Development, and Support, Policy, and Linkages.
8 The Deputy Director for Research and Development shall oversee the operations of the
9 Virus Research, Diagnostics and Therapeutics Research, Vaccines Research Divisions, and
10 Technical Services and Training for Virology and Vaccines. The Deputy Director for
11 Support, Policy, and Linkages shall oversee the operations of the Policy, Planning, and
12 Linkages, and Finance and Administration Divisions.

13 The VIP shall have technical and administrative support staff and consultants. The
14 consultants may come from the public and private sectors on a consultancy or contractual
15 basis, and shall be granted honoraria or allowances in accordance with existing rules and
16 regulations.

17 Subject to the approval of the Civil Service Commission (CSC), the VIP shall determine
18 its organizational structure, create divisions or units as it may deem necessary, and
19 appoint its officers and employees.

20 For this purpose, the VIP shall, in consultation with the CSC, determine the necessary
21 position qualifications and standards for its personnel following civil service laws, rules,
22 and regulations.

23 **SEC. 9. *Qualifications of the VIP Director and Deputy Directors.*** - Upon the
24 recommendation of the Governing Board, the President of the Philippines shall appoint
25 the Director of the VIP who must possess a Bachelor's degree in the field of microbiology
26 or biology, a graduate degree in virology or other related specialization, and should have
27 at least five (5) years' experience in the field of virology. The Director of the VIP shall
28 have the rank of Director IV, Salary Grade (SG)-28, and shall exercise overall
29 responsibility over the activities of the VIP, including the supervision over VIP staff. The
30 Director of the VIP shall report the results of research and development studies

1 undertaken by the VIP to the President of the Philippines and the Secretary of the
2 Department of Science and Technology.

3 Each of the Deputy Directors of the VIP shall have a rank of Director III, SG-27. The
4 Deputy Director for Research and Development must possess a Bachelor's degree in the
5 field of microbiology or biology, a graduate degree in virology or other related
6 specialization, and should have at least three (3) years' experience in the field of virology
7 while the Deputy Director for Support, Policy, and Linkages must possess a Bachelor's
8 degree and a master's degree relevant to the position.

9 **SEC. 10. *The Governing Board.*** - The Governing Board shall be the policymaking
10 body for the scientific and technological activities of the VIP, composed of the following:
11 Chairperson:

- 12 a) Secretary of the DOST; Co-Chairpersons:
- 13 b) Secretary of the Department of Health (DOH);
- 14 c) Secretary of the Department of Agriculture; Members:
- 15 d) Undersecretary of the Department of Environment and Natural Resources;
- 16 e) Undersecretary for Research and Development of the DOST;
- 17 f) Undersecretary of the Department of Foreign Affairs (DFA) for International
18 Economic Relations;
- 19 g) Chairperson of the Commission on Higher Education (CHED);
- 20 h) Director General of the Food and Drug Administration (FDA);
- 21 i) Director of the Research Institute for Tropical Medical Medicine;
- 22 j) Director of VIP;
- 23 k) Executive Director of University of the Philippines-National Institute of Health;
- 24 l) Representative from the National Academy of Science and Technology;
- 25 m) Representative from the National Research Council of the Philippines; and
- 26 n) Three (3) representatives from the private sector appointed by the President
27 of the Philippines, as nominated by the Governing Board.

28 These representatives shall have distinguished themselves in the fields of medical
29 virology, genomics, plant virology, animal virology, epidemiology, genetic engineering

1 and other related disciplines. The VIP Secretariat shall serve as the Secretariat to the
2 Governing Board.

3 **SEC. 11. *Engagement of Balik Scientists and Foreign Experts.*** - The VIP may
4 engage the services of Balik Scientists and foreign experts who shall work together with
5 the local scientists and experts, following the terms of reference and compensation
6 structure in accordance with Republic Act No. 11305 or the "Balik Scientist Program Act"
7 and other existing laws.

8 **SEC. 12. *International Cooperation.*** - The VIP shall establish strategic
9 partnerships with the world's leading scientists, virology centers and institutes, and
10 conduct innovative and pioneering research that will advance the frontiers of virology and
11 vaccine research and development in the country. It may enter into a memorandum of
12 agreement or understanding with international partners, upon the approval of its
13 Governing Board and in compliance with existing laws, rules, regulations and issuances
14 of the DFA. The DFA shall provide legal and other forms of assistance related to
15 international cooperation to the VIP.

16 The Regional Office of the World Health Organization (WHO) in the Philippines, World
17 Organization for Animal Health (WOAH) and other relevant international organizations
18 shall also be consulted upon approval of the Governing Board of the VIP.

19 **SEC. 13. *Interdepartmental Cooperation.*** - The VIP shall collaborate with the
20 Department of Health, Department of Agriculture, Department of Environment and
21 Natural Resources, Department of Finance, Department of Foreign Affairs, Commission
22 on Higher Education, Food and Drugs Administration, Research Institute for Tropical
23 Medicine; UP- National Institutes of Health, and other relevant government agencies, in
24 accessing and mobilizing available information, reports, technical expertise, equipment,
25 materials and supplies as may be required to implement this Act.

26 The Scientific findings of the VIP shall be integrated in other plans relating to disease
27 control and prevention and in the plans of the Inter-Agency Task Force on Emerging
28 Infectious Diseases, as created by Executive Order No. 168 s. 2014, and National Task
29 Force to prevent the entry of animal-borne diseases, as created by Executive Director No.

1 105, s. 2020 or its successor body, for the management of public health emergencies
2 relating to infectious diseases.

3 **SEC. 14. *Private-Public Partnerships (PPP).*** - The Department of Trade and
4 Industry (DTI), DOH, DA, Public-Private Partnership Center and the DOST shall
5 collaborate in seeking Private-Public Partnerships (PPPs) for the development of new
6 industries, products and services where the VIP shall be the main research and
7 development unit.

8 The DOST may also request the assistance of other national and local government
9 agencies in seeking PPPs.

10 **SEC. 15. *Promotion of the Virology Industry.*** - The DOST, in partnership with
11 the DOH, DA and DTI, shall jointly develop an industry roadmap for products and services
12 that can be created, improved, or optimized by research from the VIP. This roadmap shall
13 include an outline of how the R&D activities of the VIP will contribute to achieving vaccine
14 self-reliance. As far as practicable, the industry roadmap shall include the use of local
15 materials in the development of new products. The industry developed or established
16 resulting from the VIP research shall be included in the national government's priority
17 industries for incentives. of new products. The industry developed or established resulting
18 from the VIP research shall be included in the national government's priority industries
19 for incentives.

20 **SEC. 16. *Promotion of Knowledge-transfer and Research in the Academe.*** -
21 The VIP shall promote the creation of hubs and programs for virology and vaccine
22 research and development in the academe, particularly in state universities and colleges
23 (SUCs). Towards this end, the VIP shall assist SUCs in the creation of virology courses
24 and programs, open internships and scholarships for qualified students of higher
25 education institutions (HEIs), and collaborate with HEIs in the creation of virology
26 research centers.

27 The CHED shall collaborate with the DOST in the promotion of HEI-VIP partnerships.

28 **SEC. 17. *Protection of VIP-developed Intellectual Property.*** - The Governing
29 Board of the VIP shall ensure that all technologies developed exclusively by the VIP with
30 full funding from Filipino taxpayers shall be protected by intellectual property laws in

1 accordance with Republic Act No. 10055 or the "Technology Transfer of 2009" and other
2 applicable laws. Any patent or property right award granted to the VIP shall be held by
3 and in the name of the Philippine Government. In the case of partnerships, where the
4 VIP is a collaborating research partner, the Governing Board shall ensure that
5 technologies co-developed by the VIP shall also be co- owned by the Philippine
6 Government, with the corresponding intellectual protection under the existing laws.

7 **SEC. 18. *Procurement of Specialized Materials, Equipment and Services.*** -

8 The VIP shall undertake the procurement of specialized materials, equipment, and
9 services to be used by the VIP in its operation and administration, in the most expeditious
10 manner, and adopt the most suitable or appropriate mode of procurement that it deems
11 fit based on its identified needs and requirements depending on the existing conditions
12 and requirements that justify the use of a particular modality provided by existing
13 government procurement laws, rules and regulations.

14 **SEC. 19. *Official Site of VIP.*** - A lot with an area equivalent to at least five (5)

15 hectares under the administration of the Bases Conversion and Development Authority
16 (BCDA) within the New Clark Economic Zone in Tarlac Province shall be allocated
17 exclusively for the VIP, its research facilities, and laboratories. The biosafety
18 infrastructure shall be designed based on risk assessment standards and guidelines of
19 the WHO and World Organization for Animal Health (WOAH) for handling specific
20 pathogens and the establishment of virology laboratories in developing countries.

21 To safeguard the well-being and security of the human, plant, and animal populations
22 within the VIP facilities area, the VIP will coordinate with the Department of National
23 Defense (DND) regarding the establishment of the VIP facilities.

24 **SEC. 20. *Entitlement to Magna Carta Benefits.*** - Qualified employees of the VIP

25 shall be covered by Republic Act No. 8439 otherwise known as "Magna Carta for
26 Scientists, Engineers, Researchers and Other Science and Technology Personnel in
27 Government," as amended, and other rules and regulations issued by appropriate
28 government agencies.

29 **SEC. 21. *Virology Research Fund.*** - All donations, contributions, grants, bequests,
30 or gifts, in cash or in-kind, received by the VIP from various sources shall be placed into

1 a fund, to be known as the Virology Research Fund and such donations shall be exempt
2 from donor's tax: Provided, That, acceptance of grants, bequests, contributions, and
3 donations from foreign governments shall be subject to the approval of the President of
4 the Philippines, upon the recommendation of the Secretary of DOST and the Secretary of
5 DFA.

6 **SEC. 22. Authority to Solicit, Negotiate, and Receive Donations, Grants,**
7 **Gifts, Legacies, Endowments, and Contributions.** - The VIP may solicit, negotiate
8 with, and receive from any public or private domestic or foreign sources legacies, gifts,
9 donations, grants, endowments, contributions or other transfers of ownership and/or
10 possession of real or personal properties of all kinds in favor and for the benefit of the
11 VIP, which shall be released in a timely manner to address an existing or emerging public
12 emergency or consistent with the urgent nature of VIP mandate and functions, subject
13 to existing budgeting, accounting and auditing laws, rules and regulations.

14 **SEC. 23. Tax Exemptions.** - Donations, grants, gifts, endowments, legacies, and
15 contributions used actually, directly and exclusively for the purpose of the VIP shall be
16 exempt from donor's tax and the same shall be considered as allowable deduction from
17 gross income for purposes of computing the taxable income of the donor, in accordance
18 with Sec. 34 (H)(2)(a) of the National Internal Revenue Code of 1997, as amended.
19 Likewise, such other transfers of ownership and/or possession of real or personal
20 properties of all kinds shall be exempt from all taxes.

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

26 **SEC. 25. Joint Congressional Oversight Committee.** - There shall be a Joint
27 Congressional Oversight Committee on the implementation of this Act, which shall be
28 jointly chaired by the Chairpersons of the Committees on Science and Technology of the
29 Senate and House of Representatives. It shall be composed of the Chairpersons of the
30 Senate Committees on Health and Demography, and Agriculture, Food and Agrarian

1 Reform, the Chairpersons of the Committees on Health and Agriculture and Food of the
2 House of Representatives, and two (2) Members from each House representing the
3 minority who shall be appointed by the Senate President and the Speaker of the House
4 of Representatives.

5 **SEC. 26. Appropriations.** - The initial amount for the implementation of this Act
6 shall be charged against the current year's appropriations of the DOST. Thereafter, the
7 funding of which shall be included in the annual General Appropriations Act.

8 **SEC. 27. Transitory Provisions. –**

9 a. All offices and units under the DOST system whose functions are related to virology
10 and vaccine research program shall be absorbed by the VIP and shall be
11 transferred accordingly within three (3) years without need of conveyance and
12 transfer of assignment. It shall include all functions, assets, capital, records, funds,
13 receivables, equipment and facilities of the concerned DOST units or its division.
14 The DOST shall conduct an audit and inventory of assets, liabilities and human
15 resources of the transferred offices and units under the DOST system to the VIP.

16 b. To the greatest extent possible and in accordance with Republic Act No. 6656 and
17 other existing laws, all employees of the affected offices, agencies and units shall
18 be absorbed by the VIP. Personnel hired on a permanent basis and with
19 appointments attested by the CSC who may be affected by the transition of DOST
20 units to VIP, or who will not be absorbed in the new positions of the new staffing
21 pattern of the different offices in the VIP, shall have the option to:

22 1. Be transferred to other units or offices within the DOST in accordance with
23 civil service law, rules and regulations; or

24 2. Avail of the applicable retirement benefits and separation incentives as
25 provided under R.A. No. 6656 and other relevant laws.

26 c. Incumbent DOST officials and employees may be considered to assume positions
27 in the VIP, subject to competency evaluation and CSC regulations.

28

1 All project-based personnel employees of the DOST System doing virology related
2 research and development shall be subject to the qualification standards provided
3 for in the laws, rules and regulations of the Civil Service Commission.

4 d. Research grants acquired during the transition of DOST transferred units to VIP
5 shall be utilized solely for the grants' intended purposes for each of the affected
6 units or offices.

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

9 **SEC. 28. *Implementing Rules and Regulations.*** - Within one hundred twenty
10 (120) days from effectivity of this Act, the DOST Secretary shall, in consultation with
11 DBM, DOH, Civil Service Commission, and other relevant government agencies,
12 promulgate the necessary rules and regulations.

13 **SEC. 29. *Separability Clause.*** - If any provision of this Act is declared
14 unconstitutional, the remainder thereof shall remain in full force and effect.

15 **SEC. 30. *Repealing Clause.*** - All laws, decrees, executive orders, letters of
16 instruction, proclamations or administrative regulations that are inconsistent with the
17 provisions of this Act are hereby repealed, amended or modified accordingly.

18 **SEC. 31. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication
19 in the Official Gazette or in a newspaper of general circulation.

Approved,