

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

23 FEB 16 P4:26

SENATE

S. No. 1897

RECEIVED BY: 

Introduced by SENATOR RAMON BONG REVILLA, 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

MSMEs, accounting for 99% of business establishments and employing 64% of the workforce in the country as reported by the Philippine Statistics Authority (PSA, 2021), are hardest hit by the pandemic and related economic downturn.

With the need to build a well-supported and engaged space for MSMEs, there is an urgency in addressing existing constraints related to finance, technology, and the market in order for them to expand their business operations by enriching their entrepreneurial knowledge, and upscale their digital capabilities.

One important form of support is the provision of the shared service facilities (SSF). The Department of Trade and Industry (DTI) envisions SSF as an equipment-sharing program to enable them to develop their capacity and a culture of quality

This measure proposes institutionalization of SSF as one of the flagship programs of DTI. Relatedly, it also seeks to create Fabrication Labs in every province in order to provide support to MSMEs in adopting new technologies in their production process.

In view of further providing additional support to the development of the MSMEs, the passage of this bill is earnestly sought.


RAMON BONG REVILLA, JR. 

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

1 Section 1. A new section is hereby inserted after Section 15 of the Republic Act
2 6977, as amended, to read as follows:

3 **"SEC. 16. ESTABLISHMENT OF SHARED SERVICE FACILITIES (SSF)**
4 **FOR MSMES. - IN ORDER TO ADDRESS THE GAPS IN THE**
5 **PRODUCTION VALUE CHAIN, PROMOTE INNOVATION AMONG MSMES**
6 **AND ENHANCE THEIR CAPACITIES TO PRODUCE AND OFFER FAST,**
7 **EFFICIENT AND DIVERSIFIED PRODUCTS AND SERVICES THAT ARE**
8 **PROUDLY FILIPINO-MADE AND EXPORT QUALITY, THE SHARED**
9 **SERVICE FACILITIES (SSFS) PROGRAM OF DTI IS HEREBY**
10 **INSTITUTIONALIZED.**

11 **THE DTI SHALL ALSO ESTABLISH SSF-FABRICATION LABORATORIES**
12 **(FAB LABS), WHICH REFERS TO HIGH-END SSFS EQUIPPED WITH AN**
13 **ARRAY OF FLEXIBLE COMPUTER-CONTROLLED TOOLS SUCH AS 3D**
14 **PRINTERS THAT COVER SEVERAL DIFFERENT LENGTH SCALE AND**
15 **VARIOUS MATERIALS, IN AT LEAST ONE (1) STRATEGIC LOCATIONS**
16 **IN EVERY PROVINCE TO ASSIST MSMES IN THE MANUFACTURING OF**

1 **NEEDED ASSETS AND PRODUCTS. THE PRIORITY SHALL BE**
2 **PROVINCES WITHOUT EXISTING FAB LABS.**

3 **THE SSF-FAB LABS SHALL BE ATTACHED TO STATE UNIVERSITIES**
4 **AND COLLEGES (SUCS) OR LOCAL UNIVERSITIES AND COLLEGES**
5 **(LUCS) IN PROVINCES WITHOUT SUCS AS DETERMINED BY DTI, IN**
6 **COORDINATION WITH THE DEPARTMENT OF INTERIOR AND LOCAL**
7 **GOVERNMENT (DILG), FOR PROPER MONITORING AND**
8 **MAINTENANCE."**

9 *Sec. 2. Implementing Rules and Regulations (IRR).* - The Department of Trade,
10 in consultation with the DILG, shall formulate and implement the IRR for the
11 establishment of the SSFs including the guidelines for the partnership with the SUCs
12 and LUCs where the Fab Lab will be established.

13 *Sec. 3 Appropriations.* - The amounts necessary to carry out the implementation
14 of this Act shall be charged against the existing budget of DTI. Thereafter, the funds
15 necessary for the continuous implementation of this Act shall be included in the annual
16 General Appropriations Act (GAA).

17 *Sec. 4. Repealing Clause.* – All laws, orders, decrees, rules and regulations, and
18 other parts thereof inconsistent with the provisions of this Act are hereby repealed,
19 amended or modified accordingly.

20 *Sec. 5. Effectivity.* – This Act shall take effect fifteen (15) days after its
21 publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,