



Republic of the Philippines
MUNICIPAL GOVERNMENT OF TERESA
Province of Rizal

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28TH SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE 18TH REGULAR SESSION OF THE SANGGUNIANG BAYAN OF TERESA, RIZAL HELD AT THE MUNICIPAL SESSION HALL ON OCTOBER 24, 2022

ATTENDEES:

P R E S E N T:

Hon. Freddie L. Bonifacio	.....	Vice Mayor/Presiding Officer
Hon. Fernand N. Dela Cruz	.....	SB Member
Hon. Fernando P. Lopez	.....	SB Member
Hon. Hoaward C. Francisco	.....	SB Member
Hon. Suzette Anne F. Selibio	.....	SB Member
Hon. Joker A. Santos	.....	SB Member
Hon. Nemen M. San Jose	.....	SB Member
Hon. Victorius Joshua T. San Jose	.....	SB Member
Hon. Leo D. Fullente	.....	SB Member

NOT PRESENT:

Hon. Jose M. Manlangit (On official business)	.....	ABC President
Hon. Jerrie Vonn F. Bertiz (On official business)	.....	SK Federation President

PROPOSED ORDINANCE. NO. 19, S. 2022

Authors: Hon. Fernand N. Dela Cruz

Sponsors: Committee on Ordinances and Resolutions and Other Legal Matters together with Committee on Cooperative, Trade, Commerce and Industry

MUNICIPAL ORDINANCE NO. 15, S. 2022

AN ORDINANCE MANDATING ALL THE DEPARTMENTS OF THE LOCAL GOVERNMENT UNIT OF TERESA, TO UTILIZE AT LEAST TEN PERCENT (10%) OF THEIR RESPECTIVE APPROVED ANNUAL PROCUREMENT PLANS (APPS) FOR THE PURCHASE OF LOCALLY PRODUCED PRODUCTS AND SERVICES OF MSMES AND TO ALLOCATE FUNDS THEREOF FOR THE ESTABLISHMENT AND OPERATION OF ITS IMPLEMENTING MECHANISM

WHEREAS, pursuant to Section 17 Basic Services and Facilities of Republic Act (RA) 7160 of the Local Government Code of 1991 states that "...local government unit shall exercise powers and discharge such as other function and responsibilities as are necessary to efficient and effective provision of the basic services and facilities;

WHEREAS, it is widely accepted that Micro, Small and Medium Enterprise (MSMEs) play a very important and significant role in the economic and social development of a community;

WHEREAS, it is a declared policy of the State to promote, support, strengthen and encourage the growth and development of MSMEs in all productive sectors of the economy particularly rural/ Agri-based enterprises by assuring to them a fair share of government contracts, related incentives, and preferences;

WHEREAS, Republic Act 6977 as amended by Republic Act 8289, and further amended by Republic Act 9507 otherwise known as Magna Carta for Micro, Small, and Medium Enterprises recognizes the potential of MSMEs to generate more employment and economic growth and therefore can help provide a self-sufficient industrial foundation for the country.

WHEREAS, Section 4 of the Magna Carta for Micro, Small, and Medium Enterprises entitles eligible SMEs a share of at least ten percent (10%) of the total procurement of value of goods and services supplied to Government, its bureaus, offices and agencies annually;

WHEREAS, Article XII, section 43 of Republic Act 9148, otherwise known as the Government Procurement Reform Act permissively provides that in the procurement of goods and services for the Government, procuring entity may give reference to the purchase of domestically-produced and manufactured goods, supplies and materials that meet the specified or desired quality;

WHEREAS, it is the incumbent duty of the Local Government Unit of Teresa, Rizal to formulate local laws, rules, policies and regulations that will address the distinct needs of its MSMEs by helping them promote their products and services and thereby expand their market access;

WHEREAS, the passage of this Ordinance will greatly help the continuous viability and growth of MSMEs and thereby attain countryside industrialization.

NOW THEREFORE, be it ordained-by the Sangguniang Bayan of Teresa, Rizal in session assembled to enact:

CHAPTER I – PRELIMINARY PROVISIONS

SECTION 1. Short Title. This Ordinance shall be known as *Market Access Expansion and Promotion of Locally Produced Products and Services, otherwise known as "Buy Local Products"*;

SECTION 2. Declaration of Policy. Consistent with the policy of the state to promote, strengthen, support and encourage the growth and development of MSMEs, it is hereby declared as a policy of the Local Government Unit of Teresa, Rizal to utilize at least ten percent(10%) of its Approved Annual Procurement Plan (APP) for the purchase of locally produced products and services of MSMEs. Along this line, all Government Entities holding offices and /or implementing Programs, Projects, and Activities (PAs) within the City /Municipality are enjoined to observe the same;

SECTION 3. Definition of Terms. The words, terms and phrases enumerated hereunder shall be understood to have the meaning correspondingly indicated as follows:

- 3.1 *Government Entities*- refer to all government institutions holding offices and/or implementing Programs, Projects or Activities within the locality, be it Local, National, State Universities and Colleges, Government Owned and /or Controlled Corporations, and Government Financial Institutions;
- 3.2 *Local MSME*- refers to a Micro, Small and Medium enterprise duly-established with place of operation located within the locality and producing/selling food and/or non-food products, or offering services to customers and included in the MSME Registry;
- 3.3 *Locally Produced Products and Services* - refer to both food and non-food products produced or sold by SMEs including services, be it personal, professional or business support;
- 3.4 *Micro, Small and Medium Enterprise* - refers to any business or enterprise engaged in industry, agribusiness, trade and /or service whether single proprietorship, partnership, corporation, association or cooperative whose total assets inclusive of those arising from loans but exclusive of the value of land on which the enterprise use for its operation shall not exceed One Hundred Million Pesos (P 100,000,000.00);
- 3.5 *MSME Registry* - refers to the list of eligible Local MSMEs registered by the Economic Enterprise Office of the LG producing and/or offering locally produced food and non-food products and services, and the ones entitled of the benefits provided for by this Ordinance;
- 3.6 *Display Center* - refers to the place where locally produced products of MSMEs are displayed and made available for sale to interested buyers especially government entities; and
- 3.7 *Service Enterprise Office* - refers to a place where a service enterprise holds office and accepts transactions/services for its clients.

CHAPTER II - REGISTRATION, ELIGIBILITY AND BENEFITS OF MSMES

SECTION 4. Registration of MSMEs. Within three (3) months after the effectivity of this Ordinance, the Economic Enterprise Office of the Local Government Unit of Teresa, Rizal in coordination with its Business Permit and Licensing Office (BPLO) shall assess and register qualified MSMEs to be entitled with the benefits of this Ordinance. Registered MSMEs shall be compiled and be known as the MSME Registry of the Local Government Unit. The MSME registry shall be updated annually, or as often as possible by the Economic Enterprise Office, and through the Local Chief Executive, recommends its approval by the Sangguniang Bayan of Teresa, Rizal. Any inclusion or exclusion from the list shall be thoroughly evaluated by the Economic Enterprise Office. The approved MSME registry shall be posted in the official website of the LGU and this shall serve as the basis of all

concerned Government Entities for their procurement of needed locally produced products and services.

SECTION 5. Eligibility of MSME. Any business entity having the qualifications herein enumerated below shall be included in the MSME Registry:

- 5.1 Total asset of the enterprise shall not be more than P 100,000,000.00;
- 5.2 It must be duly registered with appropriate registering agency like DTI, SEC, CA or DOLE, including other statutory and registrations;
- 5.3 Presently doing business within the locality with duly updated Mayor's Permit and engaged in the production, distribution and sale of local food and /or non-food products, or extending services to customers; and
- 5.4 Other qualifications the LG may require on a case-to-case basis.

SECTION 6. Benefits/Privileges of Registered MSMEs. MSMEs included in the Registry of MSMEs are the ones entitled of the benefits/ privileges provided for under this Ordinance. Benefits/ privileges enjoyed include but not limited to the Supply of at least 10% of the total procurement value of goods and services of the Local Government Unit of Teresa, Rizal including all government entities holding offices and/ or implementing Programs, Projects and Activities within the locality.

CHAPTER III - IMPLEMENTING MECHANISM, MONITORING AND BUDGET APPROPRIATION

SECTION 7. Implementing Mechanism. To help promote the distribution/sale of locally produced products and services of MSMEs, and to facilitate the compliance of the Local Government Unit of Teresa, Rizal and other Government Entities holding offices and /or implementing Programs, Projects and Activities (PAs) within the municipality in relation to the provision of Section 4 of the Magna Carta for MSMEs, data or information regarding the locations of display outlets of locally produced data or information regarding the locations of display outlets of locally produced products and /or offices of service enterprises shall be generated by the Economic Enterprise Office with the assistance of the Business Permit and Licensing Office, during MSME registration. The data generated likewise include the list of locally produced products and services offered by registered MSMs and these shall be compiled and submitted to the Local Chief Executive (LCE), copy furnish all concerned Government Entities for their information and guidance.

SECTION 8. Monitoring and Evaluation. To keep tract of the compliance of the Local Government Unit of Teresa, Rizal as well as other Government Entities to the provisions of this Ordinance and that of the Magna Carta for MSMEs, those included in the MSME Registry are mandated to prepare monthly reports on products sold or services rendered to all Government Entities and submit these to the Economic Enterprise Office for consolidation. The

MSME consolidated monthly reports shall be submitted to the Local Chief Executive, copy furnish concerned Government Entities and the Department of Budget and Management (DBM).

SECTION 9. Budget Appropriation. The Local Government Unit of Teresa, Rizal shall appropriate in its budget or any supplemental budget that may be approved thereafter, the amount necessary to implement the provisions of this Ordinance.

CHAPTER IV - FINAL PROVISIONS

SECTION 10. Penal Clause. Any violation of the provisions of this Ordinance including violations to all related law, rules and regulations shall be subjected to a fine of not more than Two Thousand Five Hundred Pesos (P 2,500.00) or imprisonment of not exceeding six (6) months or both at the discretion of the court, without prejudice to administrative sanctions in case of public officials.

SECTION 11. Implementing Rules and Regulations. The office of the Local Chief Executive through its Economic Enterprise Office and in consultation with all concerned Government Entities and the private sector especially local MSMEs shall formulate the Implementing Rules and Regulations (IRR) necessary to implement the provisions of this Ordinance within sixty (60) days upon the final consideration and approval of this Ordinance by the Sangguniang Bayan of Teresa, Rizal.

SECTION 12. Separability Clause. If for any reason, any provision of this Ordinance is deemed not valid by a court of competent jurisdiction or suspended or revoked by the Sangguniang Bayan of Teresa, Rizal, such judgement shall not affect or impair the remaining portions, provisions, sections or parts thereof, which shall remain to be in full force and effect.

SECTION 13. Repealing Clause. All local ordinances, executive orders, resolutions, memoranda, regulations, or part thereof in conflict or inconsistent with any provision of this Ordinance shall be considered repealed, amended or modified accordingly.

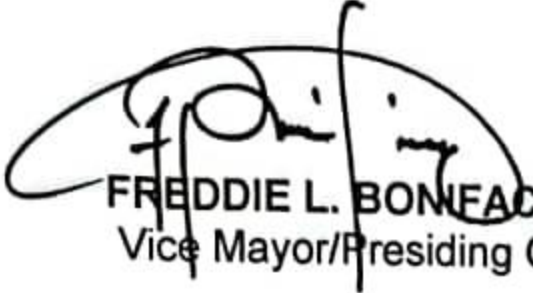
SECTION 14. Effectivity. This Ordinance entitled Market Access Expansion and Promotion of Locally Produced products and Services otherwise known as "Buy Local Products" shall take effect immediately upon its approval, and in accordance with the provisions of the Local Government Code of 1991.

ENACTED, this 24th day of October 2022.

I hereby certify to the correctness of the foregoing resolution.


TESALONICA M. ESPIRITU SANTO
Secretary to the Sangguniang Bayan

ATTESTED & CERTIFIED
TO BE DULY ENACTED:


FREDDIE L. BONFACIO
Vice Mayor/Presiding Officer

APPROVED: 26 OCT 2022


RODEL N. DELA CRUZ
Municipal Mayor