



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
Manila



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FOR / TO : **SENIOR UNDERSECRETARY**
UNDERSECRETARIES
ASSISTANT SECRETARIES
REGIONAL DIRECTORS
BUREAU DIRECTORS
SERVICE DIRECTORS
HEADS OF UPMOs
DISTRICT ENGINEERS
HEADS OF ATTACHED AGENCIES
OTHERS CONCERNED
This Department

For information and guidance, attached is a copy of **Republic Act No. 11981** which was approved on dated February 26, 2024, entitled: **"AN ACT MANDATING THE FORMULATION, FUNDING, IMPLEMENTATION, MONITORING, AND EVALUATION OF A COMPREHENSIVE AND MULTI-YEAR "TATAK PINOY" (PROUDLY FILIPINO) STRATEGY, ESTABLISHING A TATAK PINOY COUNCIL, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES"**.

A copy of the said Republic Act may also be downloaded from the DPWH website: <http://dpwhweb>. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS, upon request.

For dissemination to all concerned.

Atty. MICHAEL S. VILAFRANCA, CESO III
Officer-in-Charge, Office of the Assistant Secretary for Support Services

Encl: As stated

cc: Office of the Secretary

10.1.4 JVL/CDP/GME

S. No. 2426
H. No. 8525

Republic of the Philippines
Congress of the Philippines
Metro Manila
Nineteenth Congress

Second Regular Session

Begun and held in Metro Manila, on Monday, the twenty-fourth
day of July, two thousand twenty-three.

[REPUBLIC ACT No. 11981]

AN ACT MANDATING THE FORMULATION, FUNDING,
IMPLEMENTATION, MONITORING, AND EVALUATION
OF A COMPREHENSIVE AND MULTI-YEAR
"TATAK PINOY" (PROUDLY FILIPINO) STRATEGY,
ESTABLISHING A TATAK PINOY COUNCIL,
APPROPRIATING FUNDS THEREFOR, AND FOR
OTHER PURPOSES

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

SECTION 1. *Short Title.* — This Act shall be known as
the "Tatak Pinoy (Proudly Filipino) Act".

SEC. 2. *Declaration of Policy.* — It is hereby declared the
policy of the State to encourage, support, and promote the
production and offering of Philippine products and services of
increasing diversity, sophistication, and quality by domestic

enterprises that are globally competitive. Pursuant to Article XII, Section 1 of the Constitution emphasizing the promotion of industrialization and full employment through industries that make full and efficient use of human and natural resources, and which are competitive in both domestic and foreign markets, the State hereby adopts the following policies:

(a) In collaboration with the private sector, the State shall continuously support domestic enterprises in producing and offering products and services of increasing sophistication, generating safe and decent employment, creating sound supply-chain management systems, and adopting green technologies in production practices and in the formulation of a long-term sustainability criteria;

(b) The State shall encourage the continuous improvement, expansion, and diversification of the productive capabilities of domestic enterprises and their linkages with local, regional, and global value chains;

(c) The State shall ensure that its initiatives to support domestic enterprises are market-driven or are in anticipation of future market demand;

(d) The State shall identify business models, business sectors, market segments, and product opportunities for domestic enterprises to target and gain comparative or competitive advantage in. Towards this end, the State shall employ complementary strategies, including, but not limited to, targeted sectoral and firm-level support programs, with economic and evidence-based methods including, but not limited to, analysis of the country's product space, and of rankings in economic complexity indices;

(e) To elicit pride for Philippine products and services, and to ensure adequate and steady supply of highly skilled and adaptive workforce, the State shall develop and promote the knowledge, skill, ingenuity, creativity, and innovativeness of Filipino workers, craftsmen, laborers, entrepreneurs, and professionals;

(f) The State shall promote and safeguard the quality of Philippine products and services in both the domestic and

global market, as means for encouraging economic growth and consumer and business confidence in Philippine industries;

(g) The State shall give preference and priority in the procurement of Philippine products and services in accordance with applicable laws on government procurement. Towards this end, the Tatak Pinoy Council, hereinafter referred to as the "TP Council", shall formulate metrics on how government agencies and instrumentalities can give preference and priority to Philippine products and services;

(h) The State recognizes the complementary roles of the public and private sector, including the academe, domestic industries, and civil society, in generating high-paying jobs; pursuing economic development; and co-creating solutions to the country's biggest challenges. As such, the State shall actively seek out close partnerships with the private sector and endeavor to jointly develop, finance, implement, and continuously improve a nationwide strategy for supporting domestic enterprises;

(i) The State recognizes the crucial role that scientific and technological innovation as well as human capital development play in economic growth and development. As such, the State shall implement plans, programs, and projects that continuously improve the country's education and training system; ensure better technology transfer among enterprises, the academe, and government institutions; encourage the generation and sharing of new scientific and technological knowledge through research and development (R&D); facilitate the commercialization of R&D outputs; and bridge the gap between innovation and market-ready solutions; and

(j) In pursuit of inclusive economic growth and development, the State shall ensure that public expenditures to support domestic enterprises are equitably spread across the country, including those in the fourth, fifth, and sixth class provinces and municipalities, and elevate and develop the skills and provide opportunities for disadvantaged sectors and vulnerable and marginalized groups such as, but not limited to, the urban poor, subsistence farmers and fisherfolk, indigenous communities, persons with disabilities (PWDs), women, and micro and small enterprises, enabling them to engage in more complex economic activities.

SEC. 3. *Definition of Terms.* – For the purposes of this Act:

(a) *Economic complexity* refers to the measure of the productive capabilities and know-how of a specific geographical area, such as a country, region, province, city, or municipality, which is calculated based on the diversity of goods and services produced within and exported from that geographical area, and to the number of other geographical areas that are able to produce them;

(b) *Philippine products and services* refer to local goods, articles, materials, supplies, services, and intangible products which may be:

(1) Unmanufactured goods, articles, materials or supplies wholly obtained or produced in the Philippines;

(2) Any good, article, material, and supplies produced, manufactured or assembled in the Philippines which has a minimum local content as may be determined by the TP Council;

(3) Services, which refer to the delivery of value or intangible acts or uses through high-level skills, expertise, labor, or some form of knowledge-, technology- or process-intensive activities; or

(4) Intangible products, which refer to properties without physical existence including, but not limited to, computer software and products of the creative industry.

As may be necessary, the TP Council shall issue guidelines on the conditions, standards, and criteria in classifying products or services pursuant to the prevailing Tatak Pinoy Strategy (TPS);

(c) *Product space* refers to a type of visualization that depicts the connectedness between products based on the similarities of the know-how required to produce them. The product space visualizes the paths that countries can take to diversify the products and services they are able to produce or offer. Products are linked by their proximity to each other, which is determined by factors such as the similarity of

production technologies, the use of common resources, and the transferability of skills and knowledge between industries;

(d) *Sophisticated* refers to the state when a product or service requires a high level of technology, human capital, competencies or know-how, and infrastructure to be produced or offered;

(e) *Sophistication* refers to the level of technology, human capital, competencies or know-how, and infrastructure required for a product or service to be offered by an economy like that of the Philippines; and

(f) *Technology transfer* refers to the process by which one party systematically transfers to another party the knowledge and/or technology for the manufacture of a product, the application of a process, or rendering of a service, which may involve the transfer, assignment or licensing of Intellectual Property Rights (IPRs), consistent with the Philippines' obligations under international agreements.

SEC. 4. *Tatak Pinoy Council.* – There is hereby created a Tatak Pinoy Council, herein referred to as the "TP Council", with the Secretary of Trade and Industry as the Chairperson, and the Secretary of the National Economic and Development Authority (NEDA), and the Secretary of Finance, both as Vice-Chairpersons. The Secretaries of Agriculture, Budget and Management, Information and Communications Technology, the Interior and Local Government, Labor and Employment, Science and Technology, and four (4) private sector representatives will serve as members: *Provided*, That the respective heads of agencies may designate their representatives whose rank shall not be lower than an Assistant Secretary: *Provided, further*, That the private sector representatives shall be appointed by the President of the Philippines for a term of three (3) years, and may be reappointed only once, from the nominees submitted by reputable business groups, academic institutions, or associations with national representation: *Provided, finally*, That the President shall have the power to expand the public sector members of the TP Council in order to fully achieve the objectives of this Act.

Within sixty (60) days from the effectivity of this Act, the TP Council shall meet and organize working groups under each pillar to formulate objectives and targets, conduct the necessary consultations, and ensure proper implementation of the TPS. Each working group shall be composed of, at the minimum, the agencies identified and named under the specific pillars and, as may be necessary, the TP Council shall engage resource persons from the public and private sector. The TP Council shall determine who shall head each working group.

SEC. 5. Powers and Functions of the Tatak Pinoy Council. – The TP Council shall serve as the policy and advisory body to the President and shall, adopting a whole-of-government approach, formulate policies and programs that will diversify the productive capabilities of domestic enterprises and increase the country's economic complexity. Towards this end, the TP Council shall have the following powers and functions:

(a) Formulate the multi-year TPS and the necessary guidelines and issuances mandated under this Act;

(b) Ensure timely compliance of government instrumentalities and private sector stakeholders with the Planning Call, as required herein through a robust information dissemination and awareness campaign;

(c) Coordinate with national government agencies (NGAs), local government units (LGUs), existing councils created by law, local development agencies, and other government instrumentalities to ensure that their respective development plans, policies, and programs are harmonized towards promoting the diversification and sophistication of Philippine products and services offered by domestic enterprises, whether exported or consumed locally;

(d) Ensure that plans under the TPS are implemented well, and in accordance with the objectives of this Act;

(e) Encourage and support LGUs, regional development councils (RDCs), local development agencies, other public sector instrumentalities, local chambers of commerce, and other

reputable private sector groups to pursue plans, programs, and projects that enhance the diversity and sophistication of Philippine products and services offered by domestic enterprises, as means for spreading economic growth and ensuring more equitable and inclusive development across the country;

(f) Ensure the equitable spread of public expenditures relevant to the fulfillment of the objectives of this Act, and formulate the necessary guidelines for measuring and monitoring thereof, pursuant to Section 2 hereof;

(g) Ensure that LGUs incorporate or adopt the TPS in their respective local development plans, as may be applicable, through the Department of the Interior and Local Government (DILG);

(h) Monitor, evaluate, and periodically review and assess the TPS and its implementation, identify gaps and challenges constraining the competitiveness, sophistication, and diversification of Philippine products and services and provide policy recommendations thereon;

(i) Propose executive issuances and legislation or amendments to Philippine laws and regulations related to industry development and promotion of the sophistication and diversification of Philippine products and services;

(j) Provide technical assistance and advisory opinions in the review of proposed national or local legislation, regulations, or procedures;

(k) Organize trainings, workshops, and seminars for council members and other stakeholders to enhance their understanding of issues and propose solutions tailored to the needs of enterprises, relevant to economic complexity and increasing the diversity, sophistication, and quality of Philippine products and services;

(l) Facilitate engagement with stakeholders, organize consultations, and ensure that a diverse range of voices are heard in the policy-making process;

(m) Coordinate with education agencies, relevant inter-agency bodies involved in human capital development, and industry, for the continuous improvement of the education and training system towards ensuring adequate and steady supply of highly skilled and adaptive human capital to realize the priorities and strategic goals of the prevailing TPS;

(n) Collaborate with reputable public and private higher education institutions (HEIs), public R&D institutions, other government instrumentalities, and relevant industry stakeholders towards pursuing strategic R&D and technology transfer initiatives that are critical to implementing the TPS and achieving the objectives of this Act;

(o) Strengthen the development and implementation of policies that would support commercialization and transfer of technology and capacity building between agents of the economy, including multinational companies and international investors, and research institutions;

(p) Collaborate with relevant government instrumentalities and private sector stakeholders to implement joint initiatives for promoting and safeguarding the quality of Philippine products and services; and

(q) Perform such other functions as may be necessary, or as may be directed by the President of the Philippines, for the attainment of the objectives of this Act.

SEC. 6. Technical and Secretariat Support. – A Secretariat to the TP Council, herein referred to as the “TP Council Secretariat”, shall be established within the Department of Trade and Industry (DTI), to be headed by an Executive Director IV (Salary Grade 29) who shall be appointed by the President of the Philippines from a list of at least five (5) nominees from the TP Council.

The Executive Director IV shall be a person of proven integrity and good moral character, shall have relevant experience and practice in the fields of industry development, data-driven industrial policy, domestic and/or international trade, entrepreneurship, innovation, or any related field, and be a person of proven administrative proficiency and expertise

in the area of management with a minimum of five (5) years experience in an executive leadership capacity.

The Executive Director shall be assisted by technical and administrative staff consisting of at least one (1) of each of the following officers and employees:

(a) Project managers (Salary Grade 24) for each of the five (5) TP Pillars;

(b) Financial management specialist (Salary Grade 22);

(c) Technical staff/project specialists (Salary Grade 18) per TP Pillar; and

(d) Administrative staff (Salary Grade 18).

Provided, That each agency forming part of the TP Council shall appoint at least one (1) representative solely dedicated to serve as liaison and provide technical and/or administrative support to the TP Council Secretariat.

Within one hundred twenty (120) days after the effectivity of this Act, the DTI shall determine the organizational structure, staffing pattern, and compensation system of the TP Council Secretariat, including the duties, qualifications, responsibilities, and functions of its officers and staff members, and submit the same to the Department of Budget and Management (DBM) for approval, in accordance with the existing organizational staffing, position classification, and compensation laws, rules, regulations, and guidelines. Pending the creation of the appropriate plantilla positions, the DTI-Competitiveness and Innovation Group (DTI-CIG) shall constitute an interim secretariat within one (1) month from the effectivity of this Act. Each of the TP Council member agencies shall formally designate at least one (1) representative on temporary detail to the interim secretariat until such time that the plantilla positions of the TP Council Secretariat have been created. The DTI-CIG is likewise authorized to engage consultants and enter into service contracts, as may be necessary: *Provided*, That once the organizational structure and personnel complement have been determined, those engaged shall have the option to be absorbed permanently in the TP Council Secretariat.

The TP Council Secretariat shall have the following duties and responsibilities:

- (a) Determine and prepare the agenda of the TP Council meetings, and prepare the minutes of each meeting;
- (b) Serve as a venue for the initial processing and discussion of the work of the TP Council;
- (c) Receive and prepare communications pertinent to the work of the TP Council;
- (d) Manage and maintain the official records of the TP Council;
- (e) Prepare reports as required by the TP Council;
- (f) Conduct research, gather data, and provide analytical support as required by the TP Council to inform its decisions and recommendations;
- (g) Assist in the drafting of policy recommendations, strategies, and action plans based on the TP Council's deliberations; and
- (h) Perform other duties as may be assigned by the TP Council.

SEC. 7. *Tatak Pinoy Strategy*. – To achieve the objectives of this Act, a TPS shall be formulated, implemented, monitored, evaluated, and continuously improved upon by the TP Council and approved by the President of the Philippines. The TPS shall outline the plan and action components for the country, and for the regions, provinces, cities, municipalities, to incrementally and systematically expand and diversify the productive capabilities of domestic enterprises and empower them to produce and offer increasingly diverse and sophisticated products and services, and compete in the global market: *Provided*, That in approving the TPS, the President may only expand from existing pillars identified under this Act: *Provided, further*, That the President shall ensure coordination and collaboration among TP Council members.

The TPS shall be submitted for approval by the President within eight (8) months after the effectivity of this Act and is subject to mandatory review pursuant to Section 10 hereof.

(a) *Identification of National Priorities and Strategic Goals* – In line with the Philippine Development Plan (PDP) approved by the NEDA Board, the Philippine Export Development Plan (PEDP), and existing development strategies not otherwise covered in the PDP, the TP Council, within sixty (60) days from organizing the working groups under each TPS Pillar shall identify national priorities and strategic goals, and mandate the formulation by relevant public and private sector stakeholders of action components under each TPS Pillar for achieving these national priorities and strategic goals, pursuant to the objectives of this Act.

(b) *Planning Call* – The TP Council shall issue, in a timely manner, after the TP Council's determination of national priorities and strategic goals, a Planning Call to all NGAs and government instrumentalities, including public and private HEIs, LGUs, and government-owned and -controlled corporations (GOCCs), and relevant private sector stakeholders. These government instrumentalities and private sector stakeholders shall submit to the TP Council Secretariat their respective plans, programs, and projects related to the national priorities and strategic goals, as determined by the TP Council, within sixty (60) days from the commencement of the Planning Call. The TP Council shall review these submissions and determine which shall be included in the TPS.

(c) *Target Sectors and/or Economic Activities* – Within thirty (30) days from the submission of the aforementioned plans, programs, and projects, the TP Council, through the TPS Pillars, shall also identify and list target sectors, economic and investment activities, using an evidence-based, transparent, and consultative process involving public and private sectors, including existing councils created by law. The list shall include targets for the short term (three years or less) and medium term (six to nine years).

(d) *Development and Coverage* – The TPS shall be formulated by the TP Council within thirty (30) days after the identification of target sectors and/or economic activities.

The TPS shall cover the same period as the PDP from which it was based on.

SEC. 8. Pillars of the Tatak Pinoy Strategy. – The TPS shall include plans and programs, comparable with international best practices, which shall be organized according to the following TPS Pillars: (1) human resources; (2) infrastructure; (3) technology and innovation; (4) investments; and (5) sound financial management.

Under each TPS Pillar, the TP Council shall identify relevant public-private initiatives and the government support or assistance to be provided per targeted sector or economic activity.

(a) *Human Resources* – The TP Council, in coordination with the Inter-Agency Council for Development and Competitiveness of Philippine Digital Workforce, the Philippines Qualifications Framework National Coordinating Council (PQF-NCC), the Philippine Skills Framework Initiative of the DTI, and the Department of Migrant Workers (DMW), shall develop a roadmap in close consultation with the academe and industry: *Provided*, That said roadmap shall ensure that there is adequate and skilled human resources to realize the national priorities and strategic goals and support the target sectors and economic activities identified in the TPS: *Provided*, *further*, That said roadmap will promote academe-industry linkage to develop programs that will match the demands of the industry: *Provided*, *furthermore*, That the roadmap shall include different modalities for training, skills development, upskilling, reskilling, and lifelong learning to be implemented by both public and private sectors: *Provided*, *finally*, That the roadmap developed under this subsection shall be harmonized with the Trabaho Para sa Bayan Plan pursuant to Republic Act No. 11962 or the “Trabaho Para sa Bayan Act” and other human resource capacity building roadmaps mandated under other laws.

(b) *Infrastructure* – The TP Council shall coordinate with the Department of Public Works and Highways (DPWH), the Committee on Infrastructure (InfraCom) of the NEDA Board, the Department of Education (DepEd), the Department of Environment and Natural Resources (DENR), the

Department of National Defense (DND), the Department of Transportation (DOTr), the Department of Tourism (DOT), and the Philippine Space Agency (PhilSA) to identify the infrastructure programs and requirements, such as innovation infrastructure and facilities for advanced research and incubation, and national and regional innovation hubs, to feature relevant advanced and emerging technology centers that will fulfill the national priorities and strategic goals and support the target sectors and economic activities identified in the TPS: *Provided*, That, in order to reap the full benefits afforded by significant investments in infrastructure, the TP Council shall ensure that the domestic preference under this Act is extended to locally produced, sourced or manufactured construction materials, including, but not limited to, raw materials, ingredients, supplies or fixtures, upon all levels of the procurement process.

(c) *Technology and Innovation* – The TP Council shall coordinate with the Department of Science and Technology (DOST), National Innovation Council (NIC), the PhilSA, public and private HEIs with reputable track record in scientific and technological research, and relevant industry groups, to identify and advance strategic, market-driven, and customer-centric R&D activities and technology transfer initiatives that are critical to the implementation of the TPS and the achievement of the objectives of this Act: *Provided*, That the TP Council shall strengthen the development and implementation of policies that would support commercialization and transfer of technology and capacity building between agents of the economy, including multinational companies and international investors, and research institutions: *Provided*, *further*, That the TP Council shall ensure that the TPS and the National Innovation Agenda and Strategy Document (NIASD), in accordance with Republic Act No. 11293, otherwise known as the “Philippine Innovation Act”, are aligned and harmonized.

(d) *Investments* – The TP Council shall coordinate with the DTI-Board of Investments (BOI) to incorporate Tatak Pinoy investment activities and projects in the Strategic Investments Priority Plan (SIPP) based on measurable eligibility criteria determined by the TP Council. All Tatak Pinoy investment activities and projects duly identified in the TPS are hereby automatically included in the list of priority activities that will

form part of the prevailing SIPP for the first three (3) years from the approval of the first TPS by the President of the Philippines. Thereafter, the inclusion of Tatak Pinoy activities and projects in the SIPP shall be supported by a formal evaluation process or report pursuant to Section 300 of the National Internal Revenue Code (NIRC), as amended.

The grant, administration, and monitoring of fiscal incentives to identified Tatak Pinoy investment projects and activities under this Act shall be governed by Title XIII of the NIRC, as amended: *Provided*, That no project or activity shall be allowed to avail of fiscal incentives unless such project or activity is included in the SIPP.

The TP Council shall likewise coordinate with the Inter-Agency Investment Promotion Coordination Committee (IIPCC) to ensure that investment promotion and facilitation efforts of the country are aligned with the TPS: *Provided*, That the TP Council shall coordinate with the Department of Foreign Affairs (DFA) for investments from foreign states, organizations, and international investors.

(e) *Sound Financial Management* – The TP Council shall coordinate with the Development Budget Coordination Committee (DBCC) to ensure that programs and projects for the enhancement of the capabilities of domestic enterprises to produce and offer increasingly sophisticated products and services shall be included in the expenditure priorities and the national government fiscal program.

The TP Council shall ensure that each pillar takes into consideration the environmental impact, sustainability, and intergenerational responsibility of the policies, programs, projects, and activities that are covered in the TPS.

The TP Council shall include, wherever it is appropriate in the TPS, interventions that encourage more responsible and sustainable consumption and production.

SEC. 9. *Integration of the Tatak Pinoy Strategy*. – The TP Council shall ensure that the TPS is incorporated in the government's sectoral plans, programs, and projects by prescribing standards, guidelines, compliance, and

accountability mechanisms. The TP Council, in collaboration with RDCs, LGUs, and local development agencies, shall encourage the development and implementation of local components of the TPS.

SEC. 10. *Automatic Review and Update*. – The TP Council, with support from the TP Council Secretariat, shall perform an annual review of the TPS and its implementation, as provided under this Act. To ensure responsiveness to market conditions, the TPS shall be subject to amendment or revision every three (3) years unless there are supervening events that require an earlier amendment or modification.

SEC. 11. *Reportorial Requirement*. – In order to fully monitor and measure the implementation of the TPS, the following reports shall be submitted:

(a) *Stakeholder Reports* – All departments, agencies, government instrumentalities, relevant LGUs and participating private sector proponents mandated to implement the TPS shall submit periodic reports to the TP Council. Such reports shall then be collated, reviewed, validated, and analyzed by the TP Council Secretariat and will form part of the annual accomplishment report which shall be submitted by the TP Council.

To ensure the fulfillment of the State's lead role in promoting and supporting the production and offering of Philippine products, the Procurement Service-Department of Budget and Management (PS-DBM) shall submit an annual report to the TP Council on the government agencies that procure Common-use Supplies and Equipment (CSE) items available from the PS-DBM and Non-CSE items based on postings made by agencies in the Philippine Government Electronic Procurement System (PhilGEPS). Such data, particularly government spending towards procurement of domestically-produced CSE and Non-CSE items, shall be reflected and used by the TP Council in formulating, reviewing, and updating the TPS.

The frequency of submissions of the agency reports shall be included in the implementing rules and regulations.

(b) *Annual Accomplishment Reports* – The TP Council shall submit an annual accomplishment report to the President of the Philippines, the Senate President, the Speaker of the House of Representatives, and the Chairpersons of the Senate Committees on Finance, and Trade, Commerce and Entrepreneurship, and the House Committees on Appropriations, and Trade and Industry which shall include, among others, the results of the policies and programs initiated by the TP Council as an inter-agency body to implement the TPS, on a per pillar basis, as well as other matters related to the exercise of its functions as enumerated under this Act: *Provided*, That the annual accomplishment report shall be submitted on or before the 30th of June of the succeeding year, after its establishment, and annually thereafter. The report shall also be made available to the general public.

SEC. 12. *Domestic Preference in Government Procurement*. – For a period of ten (10) years, preference and priority shall be given to Philippine products and services in sectors and economic activities covered by the prevailing TPS: *Provided*, That, the preference and priority for Philippine products shall be guaranteed upon all levels of the procurement process, including raw materials, ingredients, supplies or fixtures: *Provided, further*, That within fifteen (15) days upon effectivity of this Act, the TP Council shall issue a list of Philippine products and services that shall be immediately given preference and priority pending the formulation of the TPS: *Provided, furthermore*, That the preference herein established may be waived should any of the following conditions be present:

- (a) Where domestic production is insufficient or unavailable in the required commercial quantities;
- (b) Where the specific or desired quality is not met;
- (c) Where domestic preference will result in inconsistencies with the Philippines' obligations under international agreements; or
- (d) Other analogous circumstances.

After the ten (10)-year period, the domestic preference provided herein shall be subject to the margin of preference

to be determined by the TP Council which should not be lower than fifteen percent (15%): *Provided*, That this period for domestic preference may be extended by Act of Congress.

For products and services not covered by the prevailing TPS, all government agencies and instrumentalities shall strictly adhere to the domestic preference rules provided under Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act", and its implementing rules and regulations.

SEC. 13. *Access to Financing*. – The government, through government financial institutions (GFIs), shall ensure the availability of credit to domestic enterprises through innovative financing mechanisms including, but not limited to, the provision of low interest or flexible term loan programs, credit guarantee programs, and the development of other modes of financing such as leasing and venture capital activities, which will enable these enterprises, especially micro, small and medium enterprises (MSMEs), to expand their businesses, perform necessary technology upgrades and other related capacity-building activities leading to more sophisticated products and services: *Provided*, That the Land Bank of the Philippines (LBP), the Development Bank of the Philippines (DBP), the Philippine Guarantee Corporation (PHILGUARANTEE), and the Small Business Corporation (SBCorp) shall expand their respective loan and guarantee programs to accommodate domestic enterprises that are producing and/or providing services that are covered by the TPS: *Provided, further*, That private banks and financial institutions are likewise encouraged to provide equivalent financing mechanisms.

SEC. 14. *Market Access Facilitation*. – The TP Council shall provide the necessary support and assistance to ensure that Philippine products and services are provided access to both the domestic and international markets: *Provided*, That in the promotion of market access, the DTI, the DFA, the DOT and other market and promotion agencies shall integrate the Philippine products and services in existing marketing plans including, but not limited to, international exhibitions and establishment of hubs in tourist destinations, including their ports of entry and other high-traffic retail areas.

To guarantee market quality, Philippine products and services shall conform with existing product standards and technical regulations, where appropriate. The DTI, in coordination with other relevant agencies, shall formulate guidelines on branding, packaging, and marketing of Philippine products and services.

SEC. 15. *Green Lanes for Tatak Pinoy Investments and Exports.* – The concerned NGAs, including their regional and provincial offices, GOCCs, quasi-judicial bodies, other government instrumentalities, and LGUs involved in the issuance of permits, licenses, certifications or authorizations, shall establish a green lane within their offices in charge of expediting and streamlining the processes and requirements for the issuance of permits, licenses, certifications or authorizations of Tatak Pinoy investments duly identified in the TPS. For this purpose, the above agencies or offices shall designate an account officer for the green lane.

An export green lane facility shall likewise be established for qualified exporters for advanced processing and clearances of their export requirements, including the importation of critical raw materials and capital equipment, under the Bureau of Customs (BOC), Food and Drug Administration (FDA), and other regulatory authorities.

The above agencies shall act on the applications within the prescribed processing time provided in the concerned agency or LGU's Citizen's Charter, which shall not be longer than the periods prescribed under Republic Act No. 9485, otherwise known as the "Anti-Red Tape Act of 2007", as amended.

SEC. 16. *Efficient Implementation of the Value-Added Tax (VAT) Refund.* – Notwithstanding any existing rules, the Bureau of Internal Revenue (BIR) shall implement a streamlined requirement and process for faster VAT refund of entities with Tatak Pinoy-related transactions.

SEC. 17. *Information Dissemination and Awareness Campaign.* – To ensure dissemination and policy coordination, the TP Council, in coordination with the Philippine Information Agency (PIA), the DOT, the DFA, embassies, permanent

missions, the Manila Economic and Cultural Office (MECO), commercial attachés of the Foreign Trade Service Corps of the DTI abroad and other relevant government agencies and public and private HEIs, shall ensure that the goals and objectives of the TPS are communicated through a nationwide and international information dissemination and awareness campaign.

SEC. 18. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the DTI, together with the TP Council, shall formulate and prescribe, after public consultations, the implementing rules and regulations and other issuances necessary for the effective and expeditious implementation of this Act. The non-promulgation of the rules and regulations provided under this section shall not prevent the immediate implementation of this Act upon effectivity.

SEC. 19. *Appropriations.* – The amount necessary for the initial implementation of this Act shall be charged against the current year's appropriations of the agencies concerned. Thereafter, the funding of which shall be included in the annual General Appropriations Act.

SEC. 20. *Separability Clause.* – If any part or provision of this Act is declared unconstitutional, the remainder of this Act not affected thereby shall remain in force and effect.

SEC. 21. *Amendatory Clause.* –

(a) To align with the policy of this Act to mandate preference for Philippine products and services covered by the prevailing TPS in government procurement, Section 43 of Republic Act No. 9184, otherwise known as the "Government Procurement Reform Act", and its implementing rules and regulations are hereby amended;

(b) To harmonize definitions on qualified Philippine products and services and the margin of preference to be determined by the TP Council for purposes of government procurement of Philippine products and services covered by the prevailing TPS, Sections 2 and 3 of Commonwealth Act No. 138 are hereby modified; and

(c) Any other provision of laws, orders, agreements, rules, or regulations contrary to and inconsistent with this Act is hereby amended and modified accordingly.

SEC. 22. *Repealing Clause.* – All laws, orders, agreements, rules, or regulations contrary to and inconsistent with this Act are hereby repealed.


SEC. 23. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication either in the *Official Gazette* or in at least two (2) newspapers of general circulation.


Approved,


FERDINAND MARTIN G. ROMUALDEZ
Speaker of the House
of Representatives



JUAN MIGUEL F. ZUBIRI
President of the Senate

This Act, which is a consolidation of Senate Bill No. 2426 and House Bill No. 8525, was passed by the Senate of the Philippines and the House of Representatives on December 13, 2023.


REGINALD S. VELASCO
Secretary General
House of Representatives


RENATO N. BANTUG JR.
Secretary of the Senate

Approved: FEB 26 2024


FERDINAND ROMUALDEZ MARCOS JR.
President of the Philippines



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