On 30 January 2020, the Department of Health reported the first case of COVID-19 in the Philippines with a 38-year-old female Chinese national. On 7 March, the first local transmission of COVID-19 was confirmed. As of 22 April, a total of 6,710 confirmed COVID-19 cases including 446 deaths have been reported in the Philippines. On the same day, the Department of Health announced that 1,062 healthcare workers in the country were positive for COVID-19 namely, 422 doctors, 386 nurses, 30 medical technologists, 21 radiological technologists, 51 nursing assistants and 152 other medical personnel such as administrative staff and barangay health workers. Of the number, 26 are dead, including 19 doctors. 2

It is beyond disheartening to witness our healthcare workers, who are at the forefront of ensuring public safety, to be deprived of protection despite their unwavering commitment to serve our people amid the pandemic. At some point, these modern day heroes were forced to call for donations in order to equip themselves with the proper gear to defend themselves from the unseen adversary. We should show solidarity with these individuals who risk their lives so that continued medical service remain unhampered.

This bill aims to address the inadequacy in supplies our nation had to endure during this challenging time. It is likewise intended to fuel self-reliance and to strengthen our country’s capability in times of national emergency such as COVID-19. It is for this purpose that the immediate passage of this bill is earnestly sought.

ATTY. ALYSSA SHEENA P. TAN
4th District, Isabela


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

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 6644

INTRODUCED BY REPRESENTATIVE ALYSSA SHEENA TAN

AN ACT
AMENDING PRESIDENTIAL DECREE NO. 252 OTHERWISE KNOWN AS THE "PHILIPPINE INTERNATIONAL TRADING CORPORATION LAW", AS AMENDED BY PRESIDENTIAL DECREE NO. 1071 OTHERWISE KNOWN AS "REVISING THE CHARTER OF THE PHILIPPINE INTERNATIONAL TRADING CORPORATION"

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

SECTION 1. Section 2 of the Revised Charter of the Philippine International Trading Corporation is hereby amended as follows:

"SECTION 2. Name, Domicile and Place of Business. – There is hereby created a body corporate to be known as the [Philippine International Trading Corporation] PHILIPPINE INTERNATIONAL TRADING AND CRITICAL MATERIALS STOCKPILE CORPORATION, hereinafter referred to as the Corporation, which shall henceforth exist for fifty years and shall have its principal office in Metro Manila."

SEC. 2. Section 3 of the Revised Charter of the Philippine International Trading Corporation is hereby amended as follows:

"SECTION 3. Capitalization. – The authorized capital stock of the Corporation shall be [two hundred million pesos (P200,000,000.00),] ONE BILLION PESOS (P1,000,000,000) to be divided into [two million (2,000,000)] TEN MILLION shares at par value of one hundred pesos (P100.00) per share to be subscribed as follows: THIRTY PERCENT (30%) representing [eight hundred thousand (800,000)] THREE MILLION (3,000,000) shares valued at [eighty million pesos (P80,000,000.00)] THREE HUNDRED MILLION by the Republic of the Philippines; TWENTY PERCENT (20%) representing [two hundred thousand (200,000)] TWO MILLION shares valued at [twenty million pesos (P20,000,000.00)] TWO HUNDRED MILLION PESOS (P200,000,000) by the Development Bank of the Philippines; TWENTY PERCENT (20%) representing
[two hundred thousand (200,000)] TWO MILLION SHARES valued at [twenty million pesos (P20,000,000.00)] TWO HUNDRED MILLION (P200,000,000) by the [Philippine National Bank] LAND BANK OF THE PHILIPPINES; and the remaining THIRTY PERCENT (30%) representing [eight hundred thousand (800,000)] THREE MILLION (3,000,000) shares valued at [eighty million pesos (P80,000,000.00)] THREE HUNDRED MILLION by NATIONAL DEVELOPMENT COMPANY at not less than the par value. For the total subscription of the Republic of the Philippines, the amount of [forty million pesos (P40,000,000.00)] THREE HUNDRED MILLION is hereby appropriated out of the funds in the National Treasury which amount or any portion thereof shall be released to the Corporation upon the approval of the President of the Philippines: Provided, that, the subscription of the DEVELOPMENT BANK OF THE PHILIPPINES and the [Philippine National Bank] LAND BANK OF THE PHILIPPINES shall be paid to the Corporation at such time and for such amounts as shall be requested by the Board of Directors of the Corporation: PROVIDED FURTHER that given the current shareholdings of the NATIONAL DEVELOPMENT COMPANY in the Corporation, the balance due on the subscription of the NATIONAL DEVELOPMENT COMPANY shall be paid to the Corporation at such time as shall be requested by the Board of Directors of the Corporation. PROVIDED, FURTHER, THAT, THE DISPOSITION OF THE SHARES AVAILABLE TO THE PUBLIC SHALL BE MADE IN SUCH A MANNER AS TO RESULT IN THE WIDEST DISTRIBUTION THEREOF AS POSSIBLE TO INDIVIDUALS OR ORGANIZED BUSINESSMEN REPRESENTING SPECIFIC INDUSTRIES OR PRODUCTS WITHOUT ANY STOCKHOLDER OWNING MORE THAN ONE PER CENT (1%) OF THE TOTAL STOCK OFFERED FOR SUBSCRIPTION TO THE PUBLIC AND NO SINGLE GROUP REPRESENTING ONE SPECIFIC INDUSTRY OR PRODUCT SHALL OWN MORE THAN FIVE PER CENTUM (5%) OF SUCH SHARE UNLESS APPROVED BY THE BOARD: AND, PROVIDED, FINALLY THAT, PROXY VOTING IS HEREBY AUTHORIZED BUT UNDER NO AGREEMENT, CONTRACT, ARRANGEMENT, SCHEME, OR PLAN, SHALL A PROXY HOLDER BE ALLOWED TO REPRESENT MORE THAN ONE PER CENT (1%) OF THE STOCKS OFFERED TO THE PUBLIC FOR SUBSCRIPTION.]

["Any disposition of shares of stock of the Corporation which will change the proportion of capital distribution among the National Government, Philippine National Bank, Development Bank of the Philippines and the public shall be null and void unless previously approved by the President of the Philippines upon recommendation of the Board of Directors. Likewise, no transfer of shares of stock subscribed by the public shall be allowed to be registered in the books of the Corporation which will violate the limitations in the next preceding paragraph unless the same is previously approved by the Board of Directors of the Corporation."]

["The President of the Philippines may increase the authorized capital stock of the Corporation upon recommendation by the Board of Directors of the Corporation. The Board of Directors shall recommend such increase upon approval by the affirmative vote of stockholders holding at least two-thirds
(2/3) of the subscribed capital stock of the Corporation in a special meeting called for the purpose.”

SEC. 3. Section 5 of the Revised Charter of the Philippine International Trading Corporation is hereby amended as follows:

"SECTION 5. Purposes of the Corporation. – The Corporation is hereby authorized:

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(t) TO ACT AS THE SUPPLY-CHAIN MANAGER IN THE STOCKPILING OF STRATEGIC AND CRITICAL MATERIALS AS MAY BE DETERMINED BY THE PRESIDENT OF THE PHILIPPINES; TO ACQUIRE AND RELEASE SUCH MATERIALS AS DIRECTED BY THE PRESIDENT OF THE PHILIPPINES IN THE INTEREST OF THE PUBLIC IN RESPONSE OR IN PREPARATION OF ANY CONCEIVED NATIONAL EMERGENCY;

(U) TO DO ALL SUCH OTHER THINGS AS ARE INCIDENTAL OR APPURTENANT TO OR GROWING OUT OF OR CONNECTED WITH THE AFORESAID BUSINESS OR POWERS OF THE CORPORATION OR ANY PART THEREOF OR CONducive TO THE ATTAINMENT OF ITS CORPORATE PURPOSES AND OBJECTS."

SEC. 4. Section 7 of the Revised Charter of the Philippine International Trading Corporation is hereby amended as follows:

"SECTION 7. Composition of Board of Directors. – The powers and functions of the Corporation shall be exercised by the Board of Directors which shall be composed of the following:

"(a) The Secretary of the Department of Trade AS THE CHAIRMAN;
"(b) The President of the Corporation AS THE VICE-CHAIRMAN;
"(c) The Director-General of the National Economic and Development Authority;
"(d) The Chairman of the Board of Investments;
"(e) The Secretary of the Department of Agriculture;
"(f) The Secretary of the Department of Natural Resources;
"(g) THE SECRETARY OF DEPARTMENT OF HEALTH;
"(H) The Chairman of the Board of Governors PRESIDENT of the Development Bank of the Philippines;
"(I) The President of the [Philippine National Bank] LAND BANK OF THE PHILIPPINES;
"(J) THE GENERAL MANAGER OF THE NATIONAL DEVELOPMENT COMPANY;
"(k) A Representative from the Office of the President;
"(L) A REPRESENTATIVE FROM THE PRIVATE SECTOR;

SEC. 5. A new Title is inserted after Section 7, which shall be as follows:
SECTION 7. STRATEGIC AND CRITICAL MATERIALS STOCKPILE DIVISION—
THERE SHALL BE CREATED WITHIN THE PHILIPPINE INTERNATIONAL
TRADING AND CRITICAL MATERIALS STOCKPILE CORPORATION A DIVISION
IN-CHARGE OF STOCKPILING OF STRATEGIC AND CRITICAL MATERIALS AS
MAY BE DETERMINED BY THE PRESIDENT OF THE PHILIPPINES.

THE PHILIPPINE INTERNATIONAL TRADING AND CRITICAL MATERIALS
STOCKPILE CORPORATION SHALL ENSURE ROTATION AND REPLENISHMENT
OF STOCKS. IT SHALL ALSO ENSURE THAT THERE EXISTS AT ALL TIMES A
STEADY, AVAILABLE AND ADEQUATE SUPPLY OF SUCH MATERIALS
ESSENTIAL IN RESPONDING TO PANDEMICS, NATURAL DISASTERS AND
OTHER NATIONAL EMERGENCIES. FOR THIS PURPOSE, PROCUREMENT OF
THE SAID MATERIALS SHALL BE CONSIDERED AS PROCUREMENT OF STOCKS
IN TRADE OF THE CORPORATION IN THE REGULAR COURSE OF BUSINESS AS
A TRADING COMPANY AND SHALL THEREFORE BE EXEMPTED FROM THE
COVERAGE OF R.A. 9184 AND ITS IMPLEMENTING RULES AND REGULATIONS.
TO THE EXTENT POSSIBLE, THE CORPORATION SHALL LIKewise ADOPT
COUNTERTRADE AS A MODE OF PROCUREMENT /STOCKPILING OF CRITICAL
MATERIALS.

SECTION 8. MATERIALS CONSTITUTING THE STOCKPILE.—THE PRESIDENT
OF THE PHILIPPINES SHALL DETERMINE FROM TIME TO TIME (1) WHICH
MATERIALS ARE STRATEGIC AND CRITICAL FOR THE PURPOSES OF THIS
ACT; (2) THE QUALITY AND QUANTITY OF EACH SUCH MATERIAL TO BE
ACQUIRED FOR THE PURPOSES OF THIS ACT AND; (3) THE FORM IN WHICH
EACH SUCH MATERIAL SHALL BE ACQUIRED AND STORED.

STRATEGIC AND CRITICAL MATERIALS SHALL MEAN ESSENTIAL MEDICAL
AND/OR LIFE SAVING SUPPLIES NEEDED IN TIMES OF PANDEMICS SUCH AS
FACE MASKS, BODY BAGS, PERSONAL PROTECTIVE EQUIPMENT AND SIMILAR
SUPPLIES OR EQUIPMENT.

THE PRESIDENT OF THE PHILIPPINES SHALL CALL ON AND SEEK COUNSEL
FROM THE SECRETARIES OF THE DEPARTMENT OF NATIONAL DEFENSE,
DEPARTMENT OF AGRICULTURE, DEPARTMENT OF ENERGY, DEPARTMENT OF
HEALTH, AND DIRECTOR GENERAL OF THE FOOD AND DRUG
ADMINISTRATION ON THE DETERMINATION OF THE MATERIALS TO BE
STOCKPILED AND THE AMOUNTS THEREOF.
THE QUANTITY OF ANY MATERIAL TO BE STOCKPILED UNDER THIS ACT
MAY BE CHANGED ONLY AS PROVIDED IN THIS SECTION OR AS OTHERWISE
PROVIDED BY LAW.

SECTION 9. DISPOSAL AUTHORITY.—MATERIALS IN THE STOCKPILE MAY BE
RELEASED FOR USE, SALE, OR OTHER DISPOSITION:
(1) ON THE ORDER OF THE PRESIDENT OF THE PHILIPPINES, AT ANY
TIME THE PRESIDENT DETERMINES THE RELEASE OR DISPOSAL OF
SUCH MATERIALS IS REQUIRED FOR PURPOSES OF DISASTER
PREPAREDNESS AND RELIEF; PROVIDED, HOWEVER, THAT NOTHING
HEREIN SHALL PROHIBIT THE CORPORATION FROM DISPOSING OR
TRADING IN STOCK MATERIALS TO ENSURE ROTATION,
REPLENISHMENT AND FRESHNESS OF STOCKS IN SUCH MANNER AS
PROVIDED BY LAW.

(2) IN TIME OF WAR DECLARED BY THE CONGRESS OR DURING A
NATIONAL EMERGENCY, ON THE ORDER OF ANY OFFICER OR
EMPLOYEE OF THE PHILIPPINES DESIGNATED BY THE PRESIDENT TO
HAVE AUTHORITY TO ISSUE DISPOSAL ORDERS UNDER THIS
SUBSECTION, IF SUCH OFFICER OR EMPLOYEE DETERMINES THAT THE
RELEASE OF SUCH MATERIALS IS REQUIRED FOR PURPOSES OF THE
NATIONAL DEFENSE OR DISASTER PREPAREDNESS AND RELIEF; AND

(3) ON THE ORDER OF THE SECRETARY OF DEFENSE IF THE PRESIDENT
HAS DESIGNATED THE SECRETARY TO HAVE AUTHORITY TO ISSUE
RELEASE ORDERS UNDER THIS SUBSECTION AND, IN THE CASE OF ANY
SUCH ORDER, IF THE SECRETARY DETERMINES THAT THE RELEASE OF
SUCH MATERIALS IS REQUIRED FOR USE, MANUFACTURE, OR
PRODUCTION FOR PURPOSES OF NATIONAL DEFENSE OR DISASTER
PREPAREDNESS AND RELIEF.

ANY ORDER OF DISPOSAL, OTHER THAN FOR REASONS OF
ROTATION OR REPLENISHMENT, SHALL BE PROMPTLY REPORTED BY
THE PRESIDENT, OR BY THE OFFICER OR EMPLOYEE ISSUING SUCH
ORDER, IN WRITING, TO THE COMMITTEE ON GOVERNMENT
CORPORATIONS AND PUBLIC ENTERPRISE AND COMMITTEE ON
DEFENSE OF BOTH SENATE AND HOUSE OF REPRESENTATIVES.

SECTION 10. ADVISORY COMMITTEES.- THE PRESIDENT MAY APPOINT
ADVISORY COMMITTEES COMPOSED OF INDIVIDUALS WITH EXPERTISE
RELATING TO MATERIALS IN THE STOCKPILE OR WITH EXPERTISE IN
STOCKPILE MANAGEMENT TO ADVISE THE PRESIDENT WITH RESPECT TO
THE ACQUISITION, TRANSPORTATION, PROCESSING, REFINING, STORAGE,
SECURITY, MAINTENANCE, ROTATION, AND DISPOSAL OF SUCH MATERIALS
UNDER THIS ACT. THE COMMITTEE SHALL BE ENTITLED TO PER DIEMS IN
ACCORDANCE WITH THE RULES AND REGULATIONS OF THE GOVERNANCE
COMMISSION FOR GOCCS (GCG).

SECTION 11. REPORT TO CONGRESS.- NOT LATER THAN FEBRUARY 15 OF
EACH YEAR, THE PRESIDENT SHALL SUBMIT TO THE CONGRESS AN ANNUAL
WRITTEN REPORT DETAILING OPERATIONS UNDER THIS ACT. EACH SUCH
REPORT SHALL INCLUDE—
(1) INFORMATION WITH RESPECT TO FOREIGN AND DOMESTIC
PURCHASES OF STOCKPILED CRITICAL MATERIALS DURING THE
PRECEDING FISCAL YEAR;

(2) INFORMATION WITH RESPECT TO THE ACQUISITION AND DISPOSAL
OF STOCKPILED CRITICAL MATERIALS UNDER THIS ACT THROUGH
COUNTERTRADE DURING SUCH FISCAL YEAR;

(3) SUCH OTHER PERTINENT INFORMATION ON THE ADMINISTRATION
OF THIS ACT AS WILL ENABLE THE CONGRESS TO EVALUATE THE
EFFECTIVENESS OF THE PROGRAM PROVIDED FOR UNDER THIS ACT
AND TO DETERMINE THE NEED FOR ADDITIONAL LEGISLATION.

SECTION 12. SOURCE OF MATERIALS.- CONSISTENT WITH THE COUNTRY'S
OBLIGATIONS UNDER INTERNATIONAL TREATIES OR AGREEMENTS,
MATERIALS MAY BE OBTAINED FROM DOMESTIC OR FOREIGN SOURCES AND
THE PROCUREMENT THEREOF SHALL BE OPEN TO ALL ELIGIBLE SUPPLIERS,
MANUFACTURERS AND DISTRIBUTORS. HOWEVER IN THE INTEREST OF
AVAILABILITY, EFFICIENCY AND TIMELY DELIVERY OF MATERIALS, THE
CORPORATION SHALL ENCOURAGE THE DEVELOPMENT OF DOMESTIC
SOURCES FOR STRATEGIC AND CRITICAL MATERIALS TO ENSURE STEADY,
AVAILABLE AND ADEQUATE SUPPLY OF SUCH MATERIALS ESSENTIAL IN
RESPONDING TO PANDEMICS, NATURAL DISASTERS AND OTHER NATIONAL
EMERGENCIES, AND IN SUCH MANNER AS MAY BE ALLOWED BY LAW, TO
INCLUDE THE ADOPTION OF COUNTERTRADE AND INDUSTRIAL
COOPERATION UNDER E.O. 120 S. 1993 TO AUGMENT STOCKPILING AND
AVAILABILITY OF CRITICAL MATERIALS

(1) BY PURCHASING, OR MAKING A COMMITMENT TO PURCHASE,
EITHER DIRECTLY OR THROUGH COUNTERTRADE, STRATEGIC AND
CRITICAL MATERIALS OF DOMESTIC ORIGIN WHEN SUCH MATERIALS
ARE NEEDED FOR THE STOCKPILE;

(2) BY CONTRACTING WITH DOMESTIC FACILITIES, OR MAKING A
COMMITMENT TO CONTRACT WITH DOMESTIC FACILITIES, FOR THE
PROCESSING OR REFINING OF STRATEGIC AND CRITICAL MATERIALS
IN THE STOCKPILE WHEN PROCESSING OR REFINING IS NECESSARY TO
CONVERT SUCH MATERIALS INTO A FORM MORE SUITABLE FOR
STORAGE AND SUBSEQUENT DISPOSITION;

(3) BY IDENTIFYING EXISTING DOMESTIC FACILITIES AND
DOMESTICALLY PRODUCED STRATEGIC AND CRITICAL MATERIALS TO
MEET THE REQUIREMENTS OF DEFENSE AND ESSENTIAL CIVILIAN
INDUSTRIES IN TIMES OF NATIONAL EMERGENCY WHEN EXISTING
DOMESTIC SOURCES OF SUPPLY ARE EITHER INSUFFICIENT OR
VULNERABLE TO SINGLE POINTS OF FAILURE; AND
(4) BY CONTRACTING WITH DOMESTIC FACILITIES TO RECYCLE STRATEGIC AND CRITICAL MATERIALS, THEREBY INCREASING DOMESTIC SUPPLIES WHEN SUCH MATERIALS WOULD OTHERWISE BE INSUFFICIENT TO SUPPORT DEFENSE AND ESSENTIAL.

SECTION 13. INSTITUTIONAL LINKAGES.- PHILIPPINE INTERNATIONAL TRADING AND CRITICAL MATERIALS STOCKPILE CORPORATION SHALL MAINTAIN AND DEVELOP INSTITUTIONAL LINKAGES/PARTNERSHIP WITH GOVERNMENT AND NON-GOVERNMENT INSTITUTIONS INCLUDING BUT NOT LIMITED TO THE DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT, PHILIPPINE RED CROSS, NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCIL AND SIMILAR INSTITUTIONS, CONCERNING THE UTILIZATION AND DISTRIBUTION OF MATERIALS IN THE STOCKPILE.

SEC. 11. Subsequent sections are hereby renumbered accordingly.

SEC. 12. Separability Clause. — If any provision of this Act is declared unconstitutional, such sections or parts not affected thereby shall remain in full force and effect.

SEC.13. Effectivity Clause. — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspaper of general circulation.

Approved,