



Republic of the Philippines  
House of Representatives  
Quezon City, Metro Manila

Eighteenth Congress  
Second Regular Session

HOUSE BILL NO. 8648



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Introduced by Representatives Lord Allan Jay Q. Velasco, Ferdinand  
Martin G. Romualdez, and Joseph Stephen "Caraps" S. Paduano

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#### EXPLANATORY NOTE

The State protects and promotes the right to health of the people, while ensuring social justice in all phases of national development. The territorial and political subdivisions of the State shall enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals.

To this end, recognizing the impact and effects of the coronavirus disease 2019 (COVID19) pandemic in our communities all over the country, and likewise cognizant of the role of our local government units (LGUs) to ensure that our people are protected, lives are saved, economic losses are stemmed and mitigated, and to restore public trust and confidence in our institutions, the State has introduced this mechanism to ensure that the COVID19 vaccine is procured and administered in an expeditious, effective, efficient, and equitable manner.

The crucial fight against the COVID-19 pandemic is the vaccination process of a significant part of the population to attain herd immunity. The Philippine Congress has passed a budget of P72.5 billion for COVID-19 vaccines to cover 30-50% of the Philippine population for 2021, but the same falls short of attaining herd immunity, through the immunization of the majority of the population.

The costs of each day of not having the vaccine are staggering. The National Economic and Development Authority (NEDA) estimates that every week of ECQ/MECQ in the NCR and its adjacent regions alone shaves off 0.28 percentage points from GDP growth. This is equivalent to around 2.1 billion pesos in lost wages a day. This exacerbates the effects of this pandemic particularly on the more vulnerable members of our society where involuntary hunger has reached unmatched heights in the country's recent history.

Furthermore, the country can no longer absorb the economic losses of any further restriction in economic activity. The NEDA estimates that GDP fell by 16.9 percent and the unemployment rate increased to 17.7 percent during the peak of quarantine restrictions. For the full year, GDP plunged 9.5% — the steepest economic contraction in Philippine history, according to the Philippine Statistics Authority (PSA) which began collecting annual data in 1947.

The next crucible in the fight against the COVID-19 pandemic is the speedy procurement and effective administration of vaccines against the deadly disease. Time is of the essence. Each day of delay is very costly for the government, and leaves many of our vulnerable countrymen exposed to the dangers of this disease.

The expeditious approval of this bill is requested.



LORD ALLAN JAY Q. VELASCO



FERDINAND MARTIN G. ROMUALDEZ



JOSEPH STEPHEN "CARAPS" S. PADUANO





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**AN ACT**  
**EXPEDITING THE PURCHASE AND ADMINISTRATION OF VACCINES FOR**  
**THE PROTECTION AGAINST THE CORONAVIRUS DISEASE 2019 BY**  
**PROVIDING EXEMPTIONS TO COMPLIANCE WITH THE PROCUREMENT**  
**REQUIREMENTS UNDER REPUBLIC ACT NO. 9184, OTHERWISE KNOWN AS**  
**THE "GOVERNMENT PROCUREMENT REFORM ACT," 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 and cited as the "Emergency Vaccine Procurement Act of 2021".

**SEC. 2. Declaration of Policy.** - It is the policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all. The State protects and promotes the right to health of the people, while ensuring social justice in all phases of national development. The territorial and political subdivisions of the State shall enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals. To this end, recognizing the impact and effects of the coronavirus disease 2019 (COVID19) pandemic in our communities all over the country, and likewise cognizant of the role of our local government units (LGUs) to ensure that our people are protected, lives are saved, economic losses are stemmed and mitigated, and to restore public trust and confidence in our institutions, the State has introduced this mechanism to ensure that the COVID19 vaccine is procured and administered in an expeditious, effective, efficient, and equitable manner.



**SEC. 3. Authorized Power for Local Government Units to Procure COVID19 Vaccines.** – Notwithstanding the provisions of Republic Act No. 9184, otherwise known as the “Government Procurement Reform Act,” Section 338 of Republic Act No. 7160, as amended, otherwise known as the “Local Government Code of 1991,” and Section 88 of Presidential Decree No. 1445, as amended, otherwise known as the “Government Auditing Code of the Philippines,” provinces, cities and municipalities may directly purchase vaccines for the protection against the coronavirus disease 2019 (COVID-19), and secure other goods and services necessary for their storage, transport, distribution, and administration, as the need arises, in the most judicious, economical, and expeditious manner.

**SEC. 4. Procurement of COVID-19 Drugs and Vaccines.** –

(a) Notwithstanding any law to the contrary, the requirement of Phase IV trials for COVID-19 medication and vaccine stipulated in the Universal Health Care Law is hereby waived to expedite the procurement of said medication and vaccine: *Provided*, That these are recommended and approved by the WHO and/or other internationally recognized health agencies: *Provided, further*, That the minimum standards for the distribution of the said medication and vaccine shall be determined by the FDA and HTAC, as may be applicable: *Provided, further*, That notwithstanding any laws to the contrary, provinces, cities, and municipalities may advance payment not exceeding fifty percent (50%) of the contract amount if required by the supplier, manufacturer, contractor or distributor, unless otherwise directed by the President, shall also be allowed for the procurement of COVID-19 drugs and vaccines: *Provided, finally*, That this section shall remain in effect until such time that the Department of Health has fully implemented its COVID-19 program notwithstanding the expiration of this law.

(b) The provinces, cities and municipalities may only purchase COVID-19 vaccines that are registered with the Food and Drug Administration, or issued with an emergency use authorization status. For purposes of transparency, the following information must be posted in a conspicuous place of the procuring local government unit:

- (1) Approved budget for the contract;
- (2) Name of the supplier, manufacturer, contractor, or distributor; and
- (3) Amount of contract as awarded;

The deployment of vaccines in every province, city and municipality must be in accordance with the national guidelines implemented by the Department of Health and the National Task Force Against COVID19.

(c) As an additional exemption to the guidelines of Republic Act No. 9184 or the “Government Procurement Reform Act,” provinces, cities or municipalities are authorized to engage in an advance payment mechanism for purposes of procuring COVID19 vaccines from foreign manufacturers. Following the advance payment of the supply of vaccines, the foreign manufacturer, in consideration of its agreement with the concerned LGU, shall undertake to deliver the supply of vaccines within six months from the perfection of the contract.



Subject to negotiations between the local government unit and foreign manufacturer, an advance payment of not more than fifty (50%) of the total contract price of the supply of COVID-19 vaccines may be allowed under this Act. The availment of the advance payment mechanism is not an exemption to the post-transaction audit that the Commission on Audit must conduct on the LGUs. The Commission on Audit shall submit the post-transaction audit report to both Houses of Congress before the end of the quarter when the transaction is perfected through that mode of payment.

**SEC. 5. Creation and Administration of Indemnification Fund for Adverse Events Following Immunization (AEFI).** - In accordance with the State policy of ensuring the safety of individuals who will receive vaccination from COVID-19, an Indemnification Fund shall be created and administered to cover Adverse Events Following Immunization (AEFI). Along with the monitoring of individuals who will receive the vaccine, Epidemiology and Surveillance Units of the Department of Health shall continuously survey and investigate incidents of AEFI.

**SEC. 6. Exemption from Import Duties, Taxes, and Other Fees for the Procurement, Distribution and Administration of Vaccines by the Local Government.** - The procurement, importation, storage, transport, distribution, and administration of COVID19 vaccines by the local government units shall be exempt from customs duties, value-added tax, excise tax, and other fees, provided, that the vaccines acquired shall only be used for their residents and constituents, and not for commercial distribution.

**SEC. 7. Implementing Rules and Regulations.** - Within five (5) days from the effectivity of this Act, the Secretary of the Interior and Local Government, in coordination with the Government Procurement Policy Board and the Department of Health, shall issue the special procurement rules for the effective 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 its effectivity.

**SEC. 8. Construction or Interpretation.** - Nothing herein shall be construed as an impairment, restriction, or modification of the provisions of the Constitution. In case the exercise of the powers herein granted conflicts with other statutes, order, rules, or regulations, the provisions of this Act shall prevail.

**SEC. 9. Separability Clause.** - If any part, section or provision of this Act is held invalid or unconstitutional, other provisions not affected thereby shall remain in full force and effect.

**SEC. 10. Repealing Clause.** - All laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.

**SEC. 11. Sunset Clause.** - This Act shall remain in full force and effect during the period of the state of calamity and public health emergency due to the COVID-19 pandemic or until September 12, 2021, unless the state of calamity is earlier lifted or extended by the President of the Philippines as circumstances may warrant as provided under Proclamation No. 1021, Series of 2020.

**SEC. 12. Effectivity.** – This Act shall take effect immediately upon its publication in the Official Gazette or in a newspaper of general circulation.

Approved,