



Republic of the Philippines
PROVINCE OF PANGASINAN
Lingayen
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OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

CERTIFICATION

TO WHOM IT MAY CONCERN:

THIS IS TO CERTIFY that at the regular session duly constituted of the Sangguniang Panlalawigan, Province of Pangasinan, held on February 13, 2023 at Lingayen, Pangasinan, the following provincial resolution was approved:

Authored by SP Member Jerry Agerico B. Rosario

PROVINCIAL ORDINANCE NO. 294-2023

AN ORDINANCE PRESCRIBING FOR THE ALLOCATION OF AT LEAST TEN PERCENT (10%) OF THE TOTAL PROCUREMENT VALUE OF THE PROVINCE OF PANGASINAN, NATIONAL GOVERNMENT AGENCIES (NGAs), REGIONAL LINE AGENCIES (RLAs) AND OTHER GOVERNMENT AGENCIES HOLDING OFFICES IN PANGASINAN FOR LOCALLY-PRODUCED GOODS AND SERVICES AND THEIR MANDATORY PROMOTION THEREOF

WHEREAS, Article II, Section 20 of the 1987 Constitution provides that the State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments;

WHEREAS, Republic Act No. 9501 or the Magna Carta for Micro, Small and Medium Enterprises (MSMEs) recognizes that MSMEs have the potential for more employment generation and economic growth and therefore can help provide a self-sufficient industrial foundation for the country, and thus declared the 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;

WHEREAS, Section 4 of Republic Act No. 9501 or the Magna Carta for MSMEs provide that eligible MSMEs shall be entitled to a share of at least ten percent (10%) of total procurement value of goods and services supplied to the Government, its bureaus, offices and agencies annually;

WHEREAS, to qualify under this Ordinance, the requirements set forth in Section 4 of Republic Act No. 9501 or the Magna Carta for MSMEs are hereby adopted;

WHEREAS, the Province of Pangasinan has approximately **3,585** MSMEs who are into manufacturing/processing, making up at least **5.49%** of the total number of registered businesses in the province;



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WHEREAS, the Provincial Government of Pangasinan has a legal and moral obligation to recognize the specific needs of the MSMEs and shall undertake to promote entrepreneurship, support entrepreneurs, encourage the establishments of MSMEs and ensure their continuing viability and growth and thereby attain countryside industrialization.

NOW THEREFORE, on motion of SP Member Jerry Agerico B. Rosario, duly seconded, it was -

Be it ordained by the Sangguniang Panlalawigan of Pangasinan that:

Section 1. Short Title. This Ordinance shall be known as the “**MANDATORY PROMOTION AND PROCUREMENT OF LOCALLY-PRODUCED GOODS AND SERVICES IN PANGASINAN**”.

Section 2. Definition of Terms. As used in this Ordinance, the following terms shall mean:

- (a) Locally-produced goods and services – These are food and non-food products and services made/provided in the Province of Pangasinan.
- (b) MSME – Micro, Small and Medium enterprise, including cooperatives, rural improvement clubs, associations and existing businesses without registration, with a capitalization not exceeding Php100 Million, has an existing product (food or non-food), or has commenced operation but is in the process of developing its product.
- (c) Pasalubong Centers – Provincial Government-administered outlets where MSMEs may display/sell their products.
- (d) Rural/Agri-based Enterprises – Businesses that are into: (i) agricultural production, and/or, (ii) processing agricultural produce/raw materials into finished goods;
- (e) Tourism-related Establishments – Establishments offering services in support to tourism such as hotels, restaurants, shops, museums, training centers, homestays, sports and recreational clubs, among others.

Section 3. Coverage and Eligibility for Assistance. To qualify under this Ordinance, businesses must be:

- (a) All manufacturing, processing, and/or production of agricultural produce and provision of services which are duly registered with the appropriate agencies as presently provided by law (DTI, SEC, CDA or DOLE) and have the requisite Mayor’s permit, including other statutory registrations;
- (b) One hundred percent (100%) owned and capitalized by Filipino citizens, whether single proprietorship, partnership or cooperative. If the enterprise is a juridical entity, at least sixty percent (60%) of its capital or outstanding stock must be owned by Filipino citizen residing in the Province of Pangasinan; and



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- (c) A business activity within the major sectors of the economy, namely: industry, trade, services, including the operation of tourism-related establishments, and rural/agri-based enterprises.

Section 4. MSME Registry. Within three (3) months after the effectivity of this Ordinance, the Provincial Population, Cooperative, and Livelihood Development Office, in coordination with the Negosyo Center of the Province of Pangasinan and all barangays/municipalities, shall submit to the Governor and the Sangguniang Panlalawigan a complete list of all eligible MSMEs to avail the benefits of this Ordinance.

The list shall be known as the “MSME Registry” and shall serve as the basis of the procurement of locally-produced goods and services.

The MSME Registry shall be posted in the official website of the Province of Pangasinan and shall be subject to validation by the Office of the Governor, in coordination with the Department of Trade and Industry and various Civil Society Organizations (CSOs) in the Province within three months from posting thereof. The registry shall be subject to periodic updating once every two (2) years following the effectivity of this Ordinance.

Section 5. Statement of Policy. The Provincial Government of Pangasinan believes that the role of MSMEs is vital in the prosperity of the Province. At least **45.19%** of the business registered comprise of the processing/manufacturing/service sectors, and they contribute much to the resources of the Province. With reference to this data, the Provincial Government deems it necessary to develop a vibrant MSME sector by improving their access to market within five years from effectivity of this Ordinance.

Section 6. Program Guidelines. The various programs, projects and activities to be implemented by virtue of this Ordinance shall be guided by the following principles:

- (a) In every purchase of goods and services by the Provincial Government, NGAs, RLAs and other government agencies holding offices in Pangasinan, consideration must first be made whether or not there are local counterparts of these products/services deemed to be purchased.
- (b) All tokens to be given in all activities of the Provincial Government, NGAs, RLAs and other government agencies holding offices in Pangasinan must be locally- produced goods and/or services;
- (c) At least eighty percent (80%) of the goods displayed in the Provincial and local Pasalubong Centers must be locally-produced;
- (d) At least ten percent (10%) of total procurement value of goods and services supplied to the Provincial Government, NGAs, RLAs and other government agencies holding offices in Pangasinan annually must be solely devoted to locally- produced goods and services;



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- (e) Development of MSMEs to act as consolidators of locally-produced goods and services to help facilitate marketing of these products.
- (f) Establishment of more Pasalubong Centers or market outlets for MSMEs to display/sell their products;

Section 7. Primary Implementing Offices. The Provincial Population, Cooperative, and Livelihood Development Office (PPCLDO) must ensure that the provisions of this Ordinance are strictly observed. They are hereby tasked to be the Primary Implementing Offices with respect to the procurement as embodied in this Ordinance.

As such, the Primary Implementing Offices are mandated to:

- (a) In coordination with each other, prepare the general rules and guidelines implementing the provisions of this Ordinance and submit the same to the Sangguniang Panlalawigan for its review and approval within three (3) months after this ordinance shall have taken effect;
- (b) Design and prepare a Procurement and Marketing Plan for MSME Products to be carried out pursuant to the provisions of this Ordinance, subject to the approval of the Provincial Governor and the availability of funds. For purposes of defining tasks, the GSO shall implement the procurement activities while the TLDO shall undertake the marketing activities.
- (c) Regularly coordinate with National Government Agencies (NGAs), Regional Line Agencies (RLAs) and other government agencies holding offices in Pangasinan with respect to the strict implementation of the provisions of this Ordinance;
- (d) Submit semi-annual report to the Office of the Governor and to the Office of the Vice Governor of the status of implementation of this Ordinance;
- (e) Exercise such other functions expressly granted and those necessarily implied therefrom, as well as functions necessary, appropriate and incidental to the effective and efficient implementation of the provisions of this Ordinance.

Section 8. Funds. Aside from the mandatory 10% procurement requirement, the Provincial Governor, within one (1) year after this Ordinance shall have taken effect, shall propose the necessary appropriation of funds to be used in the implementation of the Provincial Government's Procurement and Marketing Plan for MSME products to be taken from the General Fund, subject to the approval of the Sangguniang Panlalawigan;

The Provincial Government is hereby authorized to accept funds from other GOs, NGAs, RLAs, NGOs, CSOs, POs and the Business Sector to be used in the implementation of the Procurement and Marketing Plan, subject to proper government accounting and auditing procedures.



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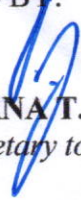
Section 9. Penalty Clause. Any private individual/person found to willfully misrepresent himself/herself or his business entity in order to benefit from this Ordinance or any of its provisions shall be subjected to a fine not exceeding Five Thousand Pesos (Php 5,000.00) or imprisonment not exceeding six (6) months or both at the discretion of the court, without prejudice to administrative sanctions as may be imposed under existing laws, rules and regulations in the case of public officials.

Section 10. Separability Clause. If, for any reason or reasons, any part or provision of this Ordinance shall be held to be unconstitutional or invalid, other parts or provisions hereof which are not affected thereby shall stand and continue to be in full force and effect.

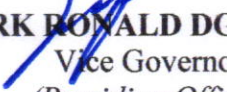
Section 11. Repealing Clause. All local ordinances and enactments, executive orders, resolutions, memoranda, circulars or any part thereof contrary to or inconsistent with the provisions of this Ordinance is hereby repealed, modified or amended accordingly.

Section 12. Effectivity Clause. After due public hearing, this Ordinance shall take effect after fifteen (15) days following its complete publication in at least one (1) local newspaper of general circulation.

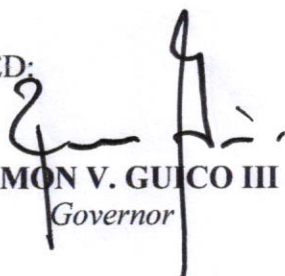
CERTIFIED BY:


VERNA T. NAVA-PEREZ
Secretary to the Sanggunian

ATTESTED:


MARK RONALD DG. LAMBINO
Vice Governor
(Presiding Officer)

APPROVED:


RAMON V. GUICO III
Governor