



Republic of the Philippines  
Province of Laguna  
Municipality of Lumban



**OFFICE OF THE SANGGUNIANG BAYAN**

**EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE HON. SANGGUNIANG BAYAN OF LUMBAN, LAGUNA HELD ON DECEMBER 23, 2022 AT ATTY. BENJAMIN E. AGARAO SR. MEMORIAL HALL AT EXACTLY 11:03 IN THE MORNING.**

**PRESENT:**

HON. BELEN B. RAGA	-----	Vice Mayor/ Presiding Officer
HON. MA. ROMA R. TABLICO	-----	SB Member
HON. MODESTO B. ABADIER	-----	SB Member
HON. MARK ANTHONY L. LAGROSA	-----	SB Member
HON. IRENEO R. BALDOVINO	-----	SB Member
HON. ROSE ANN R. AÑONUEVO	-----	SB Member
HON. JOHN DEMBER A. DELOS REYES	-----	SB Member
HON. ATTY. JEROMME D. LACBAY	-----	SB Member
HON. GERONIMO P. SAMONTE JR.	-----	SB Member
HON. DONNIE L. DE VENECIA	-----	President-SKF

**ABSENT:**

HON. ARIEL D. AÑONUEVO	-----	President-LNB (On Official Business)
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**RESOLUTION NO. 106 S. 2022**

**A RESOLUTION MANDATING ALL THE DEPARTMENT HEADS OF THE MUNICIPAL GOVERNMENT OF LUMBAN AND ALL PUNONG BARANGAYS, TO UTILIZE AT LEAST TEN (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 IT'S IMPLEMENTING MECHANISM**

**Introduced by: Councilor Geronimo P. Samonte Jr.**

**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 Lumban 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**, on the motion of Hon. Geronimo P. Samonte Jr. duly seconded by Hon. Mark Anthony L. Lagrosa, Hon. Rose Ann R. Añonuevo, Hon. Atty. Jeromme D. Lacbay and with the concurrence of all members present it was;

**RESOLVED**, as it is hereby **RESOLVED** to approve the resolution mandating all the Department Heads of the Municipal Government of Lumban and all Punong Barangays, to utilize at least ten (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 it's implementing mechanism.

**RESOLVED FURTHER**, to enact the municipal ordinance relative thereto to wit:

**MUNICIPAL ORDINANCE NO. 11 S. 2022**

**AN ORDINANCE MANDATING ALL THE DEPARTMENT HEADS OF THE MUNICIPAL GOVERNMENT OF LUMBAN AND ALL PUNONG BARANGAYS, TO UTILIZE AT LEAST TEN (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 IT'S IMPLEMENTING MECHANISM**

*Be it ordained by the Sangguniang Bayan of Lumban, Laguna in Session duly assembled that:*

**CHAPTER I - PRELIMINARY PROVISIONS**

**SECTION 1. Short Title.** This Ordinance shall be Market Access Expansion and Promotion of Locally Produced Products and Services, otherwise known as "Lumban Buy Local Products Ordinance of 2022";

**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 Lumban 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:

a. **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.

b. **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.

c. **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.

d. **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 100.00 Million).

e. **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.

f. **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.

g. **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 Lumban 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 Lumban. 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 05. Eligibility of MSME.** Any business entity having the qualifications herein enumerated below shall be included in the MSME Registry:

- a. Total asset of the enterprise shall not be more than P 100.00 Million;
- b. It must be duly registered with appropriate registering agency like DTI, SEC, PHILGEPS, CA or DOLE, including other statutory and registrations;
- c. 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
- d. 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 Lumban 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 Lumban 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 MSMEs 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 Lumban 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 Lumban 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 Lumban.

**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 Lumban, 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.

**ORDERED**, the Sangguniang Bayan Secretary to transmit copy of this ordinance to concerned offices for their information and appropriate action.

**ENACTED**, this 23<sup>rd</sup> day of December, 2022.


**I HEREBY CERTIFY** as to the correctness of the foregoing resolution.

  
**DARRYL B. GARCIA**  
LLSO-IV / SB Secretary  
Designate

**ATTESTED:**

  
**BELEN B. RAGA**  
Municipal Vice Mayor / Presiding Officer

**APPROVED:**

  
**ROLANDO G. UBATAY**  
Municipal Mayor

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