



Republic of the Philippines  
Region IX  
Province of Zamboanga del Sur

**Municipality of Ramon Magsaysay**

*Office of the Sanggunian Secretary*

**EXCERPT FROM THE MINUTES OF THE 51<sup>st</sup> REGULAR SESSION OF THE 11<sup>th</sup> SANGGUNIANG BAYAN OF RAMON MAGSAYSAY, ZAMBOANGA DEL SUR, HELD AT THE SANGGUNIANG SESSION HALL, ON AUGUST 14, 2023.**

<b>Officers/Members:</b>	<b>Designation</b>	<b>Present</b>	<b>Absent</b>	<b>Remarks</b>
Hon. LEONILLO D. BORINAGA, SR.	Municipal Vice Mayor, Presiding	/		
Hon. VERGINITA A. GONZALES	SB Member	/		
Hon. CELSO C. CUYOS	SB Member	/		
Hon. NECASTER N. JAVIER	SB Member	/		
Hon. NIEVES A. CABASAG	SB Member	/		
Hon. LOLITO O. ARIAS	SB Member	/		
Hon. CHANDEL RAY N. ENTIENZA	SB Member	/		
Hon. ANSELMO D. SACASAN, JR.	SB Member	/		
Hon. JESS EARL PIUS C. HONTIVEROS	SB Member	/		
Hon. CHED LOUI D. ARCITE	Liga President	/		
Hon. JADE MICHAEL M. MENDOZA	SK Fed. President	/		
Hon. EVERGISTO S. ANIB	IPMR	/		

**MUNICIPAL ORDINANCE NO. 11-03-2023**

**“AN ORDINANCE PRESCRIBING THAT AT LEAST TEN (10) PERCENT OF THE TOTAL VALUE OF PROCUREMENTS OF THE MUNICIPAL GOVERNMENT OF RAMON MAGSAYSAY, NGAS, RLA<sub>s</sub> AND OTHER GOVERNMENT AGENCIES HOLDING OFFICES IN THE MUNICIPALITY BE SOLELY DEVOTED TO LOCALLY-PRODUCED GOODS AND SERVICES AND THE 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**, Municipality of Ramon Magsaysay has approximately 19 MSMEs who are into manufacturing/processing, making up at least 3% of the total number of registered businesses in the municipality;

**WHEREAS**, the Municipal Government of Ramon Magsaysay 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**, be it ordained by the Sangguniang Bayan of Ramon Magsaysay, Zamboanga del Sur in session duly assembled that:

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

**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 Municipality of Ramon Magsaysay.



- (b) **MSME-** Micro, Small and Medium enterprise, including cooperatives, rural improvement clubs, associations and existing businesses without registrations, with a capitalization not exceeding Php 100 Million; has an existing product, food or non-food, or has commenced operation but it is in the process of developing its product.
- (c) **Pasalubong Centers** – Municipal 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, home stays, 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, capitalized by Filipino citizens, whether single proprietorship or 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 a Filipino citizen residing in Ramon Magsaysay, and
- (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 Technology and Livelihood Development Office, in coordination with the Negosyo Center of Ramon Magsaysay and all barangays, shall submit to the Municipal Mayor and the Sangguniang Bayan a complete list of all MSMEs eligible 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 Municipality of Ramon Magsaysay and shall be subject to validation by the Office of the Municipal Mayor, in coordination with the Department of Trade and Industry and various CSOs in the Municipality within 3 months from posting thereof. The registry shall be subject to periodic updating once every two (2) years following the effectivity of this Ordinance or as often as possible.

**SECTION 5. Statement of Policy.** The Municipal Government believes that the role of MSMEs is vital in the prosperity of the Municipality. Thus, the Municipal Government deems it necessary to develop a strong and competitive and vibrant MSME sector by improving their access to fair trade within five (5) 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 Municipal government, NGAs, RLAS and other government agencies holding offices in the Municipality of Ramon Magsaysay, locally produced or processed products/services shall be made priority;
- (b) All tokens to be given in all activities of the Municipal Government, NGAs, RLAS and other government agencies holding offices in the Municipality of Ramon Magsaysay must be locally-produced goods and/or services;
- (c) At least eighty percent (80%) of goods displayed in Ramon Magsaysay Pasalubong Centers must be locally-produced;
- (d) At least ten percent (10%) of total procurement value of goods and services supplied to the Municipal Government, NGAs, RLAS and other government agencies holding offices in the Municipality of Ramon Magsaysay annually must be solely devoted to locally-produced goods and services;
- (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 General Services Office (GSO) and the Technology and Livelihood Development Office (TLDO) (or any unit/division within the LGU with similar function) 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) Within three (3) months after this Ordinance shall have taken effect, in coordination with each other, prepare the general rules and guidelines implementing the provisions of this Ordinance and submit the same to the Sangguniang Bayan for its review and approval;
- (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 Municipal Mayor 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 the Municipality of Ramon Magsaysay with respect to the strict implementation of the provisions of this Ordinance;
- (d) Submit semi-annual report to the Office of the Mayor and to the Office of the Vice Mayor of the status of Implementation of this Ordinance;
- (e) Exercise such other functions expressly granted and those necessarily implied therefrom, as well as those 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 Municipal Mayor, 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 Municipal Government's **Procurement and Marketing Plan for MSME Products** to be taken from the General Fund, subject to the approval of the Sangguniang Bayan.

**Section 9. Penalty Clause.** Any private individual/person found to be in violation of this Ordinance or any of its provisions shall be subjected to fine not less than Two Thousand Five Hundred Pesos (Php 2,500.00) 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 of 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.** This Ordinance shall take effect upon its approval.

CERTIFIED CORRECT:

ATTESTED:

  
LEONILO D. BORINAGA, SR.  
Municipal Vice-Mayor, Presiding

  
TESSIE R. TAGA-AN  
Secretary to the Sanggunian

APPROVED:

  
MARGIE ARCITE-MACHON  
Municipal Mayor