



**OFFICE OF THE MUNICIPAL MAYOR**

**EXECUTIVE ORDER NO. 07, s. 2022**

**AN ORDER PRESCRIBING FOR THE ALLOCATION, FOR LOCALLY - PRODUCED GOODS AND SERVICES, OF AT LEAST TEN PERCENT (10%) OF THE TOTAL PROCUREMENT VALUE OF THE MUNICIPAL GOVERNMENT OF PANIQUI, TARLAC, NGAs, RLAS AND OTHER GOVERNMENT AGENCIES HOLDING OFFICES IN PANIQUI, TARLAC 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 Executive Order, the requirements set forth in Section 4 of Republic Act No. 9501 or the Magna Carta for MSMEs are hereby adopted;

**WHEREAS**, the Municipality of Paniqui, Tarlac has few MSMEs who are into manufacturing/processing, making up at least \_\_% of the total number of registered businesses in the municipality;

**WHEREAS**, the Municipal Government of Paniqui, Tarlac 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, I, LEONARDO M. ROXAS**, Municipal Mayor of Paniqui, Tarlac, by virtue of the powers and authority vested in me by law, do hereby order the following;

**Section 1. Short Title.** This Executive Order shall be known as the "MANDATORY PROMOTION AND PROCUREMENT OF LOCALLY - PRODUCED GOODS AND SERVICES";

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

- a) Locally-produced goods and services - these are food and non-food products and services made/provided in Paniqui, Tarlac.
- b) MSMEs - Micro, Small and Medium enterprise, including cooperatives, rural improvement clubs, associations and existing businesses, with a capitalization not exceeding Php200 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 - 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 Executive Order, businesses must be:

- a. Residents of Paniqui, Tarlac whose business capitalization does not exceed 100 Million Pesos;
- b. 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 and have the requisite Mayor's permit;
- c. 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 citizens residing in Paniqui, Tarlac; and
- d. 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 Executive Order, the Technology and Livelihood Development Office, in coordination with the Negosyo Center of Paniqui, Tarlac and all barangays/municipalities, shall submit to the Municipal Mayor and the Sangguniang Bayan a complete list of all MSMEs eligible to avail the benefits of this Executive Order.

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 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 Executive Order.

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

**Section 6. Program Guidelines.** The various programs, projects and activities to be implemented by virtue of this Executive Order 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 Paniqui, Tarlac, consideration must first be made whether or not there are local counterparts of these products/services deemed.
- b. All tokens to be given in all activities of the Municipal Government, NGAs, RLAS and other government agencies holding offices in Paniqui, Tarlac must be locally produced goods and / or services;
- c. At least ten percent (10%) of total procurement value of goods and services supplied to the (City/Municipal/Provincial) Government, NGAs, RLAs and other government agencies holding offices in Paniqui, Tarlac annually must be solely devoted to locally – produced goods and services;

**Section 7. Primary Implementing Offices.** The General Services Office (GSO) and the Technology and Livelihood Development Office (TLDO) must ensure that the provisions of this Executive Order are strictly observed. They are hereby tasked to be the Primary Implementing Offices with respect to the procurement as embodied in this Executive Order.

As such, the Primary Implementing Offices are mandated to:

- a. Within three (3) months after this order shall have taken effect in coordination with each other, prepare the general rules and guidelines implementing the provisions of this Executive Order and submit the same to the Sangguniang Bayan for its review and approval;
- b. Design and prepare a Procurement and Marketing Plan to be carried out pursuant to the provisions of this Executive Order, 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 Paniqui, Tarlac with respect to the strict implementation of the provisions of this Executive Order;
- 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 Executive Order;
- 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 Executive Order.

**Section 8. Funds.** Aside from the mandatory 10% procurement requirement, the Municipal Mayor, within one (1) year after this Executive Order 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 to be taken from the General Fund, subject to the approval of the Sangguniang Bayan.

The Municipal 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.

**Section 9. Separability Clause.** If, for any reason or reasons, any part of provision of this Executive Order 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 10. Repealing Clause.** All local ordinances and enactments, resolutions, memoranda, circulars or any part thereof contrary to or inconsistent with the provisions of this Executive Order is hereby repealed, modified or amended accordingly.

**Section 11. Effectivity Clause.** These Executive Order shall take effect immediately

Done this 4<sup>th</sup> day of May 2022 at Paniqui, Tarlac.

Approved by:

  
HON. LEONORDO M. ROXAS  
Municipal Mayor