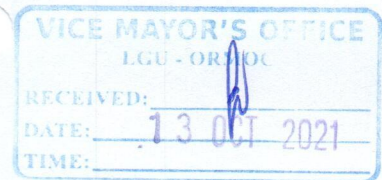
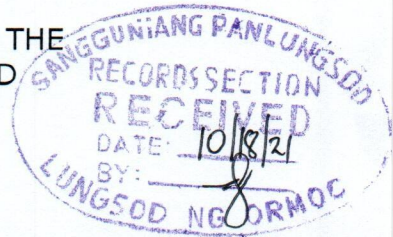


REPUBLIKA NG PILIPINAS  
SANGGUNIANG PANLUNGSOD  
LUNGSOD NG ORMOC



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE  
FIFTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD  
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL,  
ORMOC CITY HALL BUILDING  
ON OCTOBER 12, 2021



PRESENT:

Leo Carmelo L. Locsin, Jr.  
Benjamin S. Pongos, Jr.,  
Roiland H. Villasencio,  
Tomas R. Serafica,  
Nolito M. Quilang,  
Eusebio Gerardo S. Penserga,  
Jasper M. Lucero,  
Peter M. Rodriguez,  
Vincent L. Rama,  
Gregorio G. Yrastorza III,  
Lalaine A. Marcos,  
Esteban V. Laurente,

City Vice Mayor & Presiding Officer  
SP Member, Majority Floor Leader  
SP Member, 1<sup>st</sup> Asst. Majority Floor Leader  
SP Member, Presiding Officer "Pro-Tempore"  
SP Member, 2<sup>nd</sup> Asst. Majority Floor Leader

SP Member  
SP Member  
SP Member  
SP Member  
SP Member  
SP Member

Joan Marbie C. Simbajon,  
Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc

Ex-Officio SP Member, Chapter President,  
Liga ng mga Barangay ng Ormoc  
Ex-Officio SP Member, Chapter President,  
Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc

**RESOLUTION NO. 2021-288**

**A RESOLUTION GRANTING AUTHORITY TO THE CITY  
MAYOR RICHARD I. GOMEZ OR THE ACTING CITY  
MAYOR TO ENTER INTO AND SIGN THE  
MEMORANDUM OF AGREEMENT (MOA) WITH THE  
DEPARTMENT OF TRADE AND INDUSTRY (DTI) 8  
LEYTE PROVINCIAL OFFICE AND THE ORMOC LOCAL  
PRODUCERS ASSOCIATION, INC. (OLPA), FOR THE  
ONE TOWN ONE PRODUCT (OTOP) PHILIPPINE HUB.**

WHEREAS, this Fifteenth Sangguniang Panlungsod was in receipt of an Indorsement dated October 11, 2021 from the Office of the City Mayor, endorsing a request for the issuance of a Resolution granting the City Mayor or Acting City Mayor the authority to sign the Memorandum of Agreement (MOA) with the Department of Trade and Industry (DTI) 8 Leyte Provincial Office and the ORMOC Local Producers Association, Inc. (OLPA), for the One Town One Product Philippine Hub (OTOP PH). Further requesting that this matter be treated as EXTREMELY URGENT, a copy of the MOA is hereto attached as "ANNEX A" and made an integral part hereof;

WHEREAS, in an Opinion dated October 11, 2021, the City Legal Office finds nothing legally objectionable in the said MOA and that the same is not contrary to law, morals, public order, or public policy much less detrimental to the best interests of Ormoc City;

WHEREAS, DTI is mandated to formulate strategies and implement programs geared towards the promotion of Philippine products and services, to expand and strengthen international linkages, and to provide capability-building for competitiveness of products among the country's micro, small, and medium enterprises (MSMEs);

WHEREAS, DTI created OTOP PH in the province as a market access platform for its good quality products;

WHEREAS, the Ormoc Local Producers Association, Inc. (OLPA), is a duly registered association with the Securities and Exchange Commission (SEC), composed of small and medium enterprises, including people's organizations, producing goods, farm produce, delicacies and handicrafts, and duly accredited by this Sanggunian through SP Resolution No. 2019-094 dated October 15, 2019;

WHEREAS, both parties appreciate the importance of expanding the supply pool of market-oriented and volume-ready local products;

WHEREAS, OLPA, which is willing to promote in the sale of OTOP/MSME products, qualifies as MSME operator under the criteria set by DTI;

WHEREAS, LGU-Ormoc and OLPA are willing to partner with DTI to promote OTOP/MSME products in its proposed retail area/s;

WHEREAS, the subject MOA clearly and plainly encapsulates the terms and conditions of the agreement of the parties thereto, including their specific roles and obligations towards the attainment of the lofty ends of the same, and this Sanggunian, upon thorough review, finds that the same is entered for the purpose of boosting both the local commerce and tourism sectors by providing a one-stop shop for good local quality products, thereby, serving the best interests of the City and its constituents, and therefore, is most deserving of this august Body's prompt and favorable consideration;

WHEREFORE, on joint motion of SP Member Benjamin S. Pongos, Jr., Chairman, Committee on Laws and Ordinances and SP Member Peter M. Rodriguez, Vice-Chairman, Committee on Trade, Commerce and Industry, severally seconded by SP Members Esteban V. Laurente, Gregorio G. Yrastorza III, Jasper M. Lucero, Vincent L. Rama, Lalaine A. Marcos and Joan Marbie C. Simbajon; be it

RESOLVED, AS IT IS HEREBY RESOLVED, to pass A RESOLUTION GRANTING AUTHORITY TO THE CITY MAYOR RICHARD I. GOMEZ OR THE ACTING CITY MAYOR TO ENTER INTO AND SIGN THE MEMORANDUM OF AGREEMENT (MOA) WITH THE DEPARTMENT OF TRADE AND INDUSTRY (DTI) 8 LEYTE PROVINCIAL OFFICE AND THE ORMOC LOCAL PRODUCERS ASSOCIATION, INC. (OLPA), FOR THE ONE TOWN ONE PRODUCT PHILIPPINE HUB (OTOP PH);

ADOPTED, October 12, 2021.

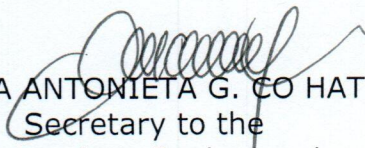
RESOLVED FURTHER, that a copy of the final notarized Memorandum of Agreement (MOA) be submitted to this Sanggunian for its information and files;

RESOLVED FINALLY, to furnish copies of this resolution each to the City Mayor of Ormoc Richard I. Gomez; the City Administrator, Mr. Vincent L. Emnas; the City Legal Officer, Atty. Josephine Mejia-Romero; Mr. Nelson L. Alindogan; OLPA; DTI 8 Provincial Office; the City Local Government Operations Officer-DILG; and other offices concerned for their information and guidance;


CARRIED UNANIMOUSLY.



I HEREBY CERTIFY to the correctness of the foregoing resolution.

  
MARIA ANTONIETA G. CO HAT  
Secretary to the  
Sangguniang Panlungsod

ATTESTED:

  
LEO CARMELO L. LOCSIN, JR.  
City Vice Mayor & Presiding Officer

**MEMORANDUM OF AGREEMENT  
OTOP PHILIPPINES HUB**

**KNOW ALL MEN BY THESE PRESENTS:**

This Memorandum of Agreement is made and entered into by and between:

The **DEPARTMENT OF TRADE and INDUSTRY 8, LEYTE PROVINCIAL OFFICE**, a National Government Agency duly organized and existing under the laws of the Philippines, with office address at 2F City Center Park, Brgy. 60 Sagkahan, Tacloban City represented by **ARACELI D. LARRAGA**, Provincial Director, hereinafter referred to as the "DTI,"

-and-

**LOCAL GOVERNMENT UNIT (LGU) OF ORMOC CITY**, with office address at New Ormoc City Hall, Ormoc City, Leyte herein represented by **RICHARD I. GOMEZ**, City Mayor, hereinafter referred to as "LGU OPERATOR,"

**ORMOC LOCAL PRODUCERS ASSOCIATION, INC. (OLPA)**, with office address at #08 Juan St., Our Lady of Lourdes Village, Brgy. Dolores, Ormoc City, Leyte herein represented by **MAY V. MONSALUD**, President, hereinafter referred to as "MSME OPERATOR."

**WITNESSETH: That**

WHEREAS, DTI is mandated to formulate strategies and implement programs geared towards the promotion of Philippine products and services, to expand and strengthen international linkages, and to provide capability building for competitiveness of products among the country's micro, small, and medium enterprises (MSMEs);

WHEREAS, DTI along with various national government agencies, local government units and private sector partners rebooted One Town, One Product (OTOP) Philippines as a priority stimulus program for Micro and Small and Medium-scale enterprises (MSMEs) and the government's customized intervention to level up the products of various localities and drive inclusive local economic growth;

WHEREAS, DTI created OTOP.PH or the OTOP Philippines Hub in the province as a market access platform for One Town, One Product (OTOP) offerings in various localities as marketing component of the program;

WHEREAS, OTOP Philippines Hub or OTOP.PH is a one-stop retail store or spaces where market-ready products from One Town One Product offerings can be found and caters to the general mainstream market of both local buyers and tourists. As another flagship market access program by DTI, this serves as a marketing vehicle and incubation platform to promote and champion OTOP products;

WHEREAS, both PARTIES appreciate the importance of expanding the supply pool of market-oriented and volume-ready local products of good quality and design for this market access platform, and as such, sees the need to strengthen collaboration on offering spaces and shelves for OTOP products;

WHEREAS, the criteria set by the DTI in selecting its operator includes a registered establishment or company that is willing to partner with the DTI in the sale and promotion of OTOP/MSME products and accordingly provide selling space for these products;

WHEREAS, the OLPA qualifies as MSME operator under the criteria set by DTI;

WHEREAS, OLPA and LGU Ormoc are willing to partner with the DTI to promote OTOP/MSME products in its proposed retail area/s;

WHEREAS, the location for the store or space proposed by the operator found at Ormoc City Information Center, Ormoc City, has been inspected and vetted by DTI and its representative and is found to be compliant with the requirements needed for a viable outlet undertaking;

NOW THEREFORE, premises considered, for and in consideration of mutual covenants and agreements contained herein, the PARTIES to this Memorandum of Agreement do mutually agree to undertake the following under a non-exclusive agreement:

#### ARTICLE I RESPONSIBILITIES OF THE PARTIES

##### A. The DTI shall:

1. Grant the Operator the use of the OTOP and OTOP.PH trademarks and logos in their joint marketing and promotional activities for OTOP/MSME products, particularly in its selected retail area/s;
2. Provide assistance in the form of design systems, refurbishment, beautification or redesign, visual merchandising support, marketing and promotional assistance, training and capacity-building, market matching ad information, product development, logistical support, among others and all subject to availability of fund and resources and in accordance with the existing government rules and regulation governing the same;
3. Continuously identify and source OTOP manufacturers or suppliers within the region and nationwide who will potentially consign or supply market-ready products to the Operator;
4. Grant the Operator the usufruct of the store systems, signages, equipment, with possession, use and enjoyment of these, as well as the right of management of the same;
5. Reserve the right to demand from the Operator to make the necessary repair of these systems, signages, equipment and other items;
6. Provide initial supplies such as paper bags, merchandise giveaways, prescribed personnel uniform for an initial three (3) crew;
7. Shoulder part of the cost of advertising in broadcast and print media and other promotional materials and activities (e.g. media or project launch) as mutually agreed upon with the Operator;
8. Provide a template Operations Manual for compliance by the Operator;
9. Regularly monitor, audit, and evaluate compliance of the Operator to the agreed upon operational guidelines, business policies, practices, and procedures prescribed in the Operations Manual and in this Agreement;
10. Monitor monthly, quarterly, and annual reports per category, turnover, pricelist, financial statements, inventory, and other reports in the prescribed format.

##### B. Partner Local Government Unit of Ormoc City shall:

1. Assist and monitor the operation and implementation of the OTOP.PH retail outlet/s in accordance with the business model described by the DTI;
2. Assist the procurement of OTOP.PH from any local, regional, or national governmental agency all applicable approvals, permits, certifications, and licenses which shall be necessary or advisable in the execution of this agreement;
3. Provide or allocate a retail outlet or space, or convert an existing outlet to operationalize the project in accordance with the design pegs prepared by DTI;
4. Allow the free use of designated retail outlet for the first three (3) years of operations; applicable rental rates for the succeeding years are subject to existing Ormoc City laws and ordinances, rules and regulations;

##### C. Operator Ormoc Local Producers Association, Inc. shall:

1. Use the OTOP Philippines One Town, One Product and OTOP Philippines Hub name and logo in its store signages and marketing collaterals for OTOP/MSME products;

2. Operate the OTOP.PH retail outlet/s providing the necessary logistical requirements, supplies, space, and hiring and training of the personnel necessary to keep the business operation of the hub fully functioning and in accordance with the business model described by the DTI;
3. Obtain from any local, regional, or national governmental agency all applicable approvals, permits, certifications, and licenses which shall be necessary or advisable in the execution of this agreement;
4. Be primarily liable for the payment of all applicable tax liabilities that may be incurred in the course of the implementation of this agreement;
5. Submit for DTI approval the artwork and write-ups for advertisements and marketing collaterals for OTOP/MSME products to be sold in its designated retail area/s;
6. Comply with the brand identity manual in the use of the logos, trademarks, designs, and in all its applications;
7. Agree to the accreditation system in the determination of the suppliers and jointly agreed upon with the local or regional DTI;
8. Comply with the agreed upon merchandise mix collectively set with local or regional DTI;
9. Adhere to the prescribed operational guidelines, business policies, practices, and procedures duly prescribed in the Operations Manual including the areas of food safety, handling, sanitation, quality, and labor standards;
10. Provide for free store spaces/s for the prominent display and selling of OTOP products in its designated retail area/s;
11. Shoulder all operating expenses, overhead and initial capital needed for the launch and continuing operation of the hub;
12. Ensure fair pricing dictated by the market, and ensure fair terms and prompt payment not exceeding thirty (30) calendar days to the MSME suppliers for any sale or purchase incurred within the reporting month;
13. Demonstrate willingness to be innovative in the areas of design, visual merchandising, use of technology, among others;
14. Provide insurance for the store, and systems and all other items covered under usufruct to cover loss or damage to these due to but not limited to fire, theft, flood, earthquake, or other causes;
15. Take as much care as the best of a good father of the family or person of ordinary prudence would take of his own property and shall not transfer the entrusted systems, signages, equipment, and other items to any other persons, or unrelated outsiders, without DTI's prior written consent;
16. Not use the items entrusted for any purpose other than for which it is intended nor for unlawful purpose or purposes;
17. Bear expenses for the management of the entrusted items and shall notify DTI of the need to carry out extraordinary repairs;
18. Shoulder part of the cost of marketing or advertisement in broadcast and print media, social media, and other marketing collaterals and promotional activities as mutually agreed upon with DTI;
19. Maintain confidentiality of all materials, MSME trade secrets, and disclosures, relevant to the operations of the outlet;
20. Ensure the regular upkeep, maintenance, repair of the store and its systems in the normal course of operations;
21. Not make any major alteration, conversion, or additional to the outlet layout or design without the prior written consent of DTI;
22. Comply with all national and local laws, ordinances, and regulations affecting the operations of the outlet;
23. Submit to the agreed-upon point-of-sale and inventory management system and all other future operating system that shall result to the improved efficiency of operations and enhanced customer experience;
24. Submit to DTI monthly, quarterly, and annual reports on store performance in various areas including sales per SKU, sales per category, turnover, price list, financial statements, inventory, and other reports in the prescribed format as may be needed to ensure the continuing success of the program;
25. Submit a Board Resolution authorizing May V. Mosalud, President as the duly authorized representative of Ormoc Local Producers Association, Inc.;

**ARTICLE II  
OTHER PROVISIONS**

1. No provision in this Agreement shall be construed to include support or assistance by DTI for any recurring costs or the costs of utility such as electricity, water, etc incurred by the operator;
2. This MOA shall take effect upon signing hereof by the parties and shall remain effective subject to renewal upon negotiations and mutual agreement of the parties;
3. Any amendment or alteration in this Agreement shall not be valid unless made in writing and approved by all parties.

**ARTICLE III  
TERMINATION**

The parties may, at any time upon a 30-day prior written notice, terminate this MOA for any of the following reasons:

1. Violation of any of the material terms and conditions of this MOA;
2. Failure or refusal to comply with the duties and responsibilities of each party under this MOA; and
3. Any justifiable reason.

IN WITNESS WHEREOF, the parties, through their duly authorized representatives have signed this Memorandum of Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 2021 in Ormoc City, Philippines.

**ARACELI D. LARRAGA**  
Provincial Director  
Department of Trade and Industry

**RICHARD I. GOMEZ**  
City Mayor  
LGU Ormoc City

**MAY V. MONSALUD**  
President  
Ormoc Local Producers Association, Inc. (OLPA)

**SIGNED IN PRESENCE OF:**

**FAUSTINO V. GAYAS, JR.**  
BDD Chief – DTI

**PETER M. RODRIGUEZ**  
SP Member - Tourism

**DALIA ADRE**  
OLPA Vice-President