

[REPUBLIC ACT NO. 6041, August 04, 1969]

**AN ACT DEFINING THE FUNCTIONS OF THE INSTITUTE FOR
SMALL-SCALE INDUSTRIES, UNIVERSITY OF THE PHILIPPINES,
PROVIDING FOR ITS FINANCING AND FOR OTHER PURPOSES.**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

WHEREAS, the University of the Philippines through its Board of Regents has established a unit known as the Institute for Small-Scale Industries pursuant to the bilateral agreement between the Republic of the Philippines and the Government of Netherlands, concluded on March 2, 1966;

WHEREAS, the major purposes of the University of the Philippines in the establishment of this Institute are to train competent people up to a level where they will be able to assist existing small-scale industries to increase productivity and to promote and develop new ones; provide consultancy and extension services to existing small-scale and medium-sized industries; conduct research on plant operations and make the result of such research available to interested parties, and the assumption of leadership in overcoming the various problems of small-scale and medium-sized industries needing the advice, stimulation and assistance of consultants;

WHEREAS, the said Institute is at present engaged in activities to effectuate the above purposes, namely:

1. The conduct of a regular Consultancy Training Course geared towards the harmonious blending of three major components, namely: scientific management, development of technology and modern economic planning, and designed to meet specific interest of officers in: (a) central, regional or local government, (b) government or semi-governmental agencies, (c) development of rural commercial banks, (d) groups or association of private industry and (e) consulting organizations or educational institutions. 2. The conduct of short periodic seminars on specific problems on productivity. 3. Extension service in small-scale and medium-sized industry.

WHEREAS, small-scale and medium-sized industries in the Philippines by their very nature are beset with complex problems such as: insufficient application of modern production techniques, lack of experience in financing, inadequate control of cost, lack of specialized management and inadequate control of facilities;

WHEREAS, small-scale and medium-sized industries play an important role in the process of industrialization especially in the field of regional development, where

special attention must be paid to programming as well as stimulating the dispersal of small industries outside metropolitan Manila;

WHEREAS, the bilateral agreement between the Republic of the Philippines and the government of the Kingdom of the Netherlands concluded on March 2, 1966, provided for the permanent character of the Institute;

WHEREAS, under the same agreement, the assistance of the Netherlands government shall be available only for a period of three and a half years;

WHEREAS, the continuous operation and in fact the very life of the Institute shall depend entirely upon the support of our own government after the withdrawal of the Netherlands Government from the project: Now, therefore

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. The Institute for Small-Scale Industries of the University of the Philippines, shall perform the following functions:

1. To undertake continuous conduct of consultancy training courses, periodic seminars, technical studies in the field of medium and small-scale industries with emphasis on Philippine industries;
2. To undertake technical studies and researches on request of the various governmental agencies concerned with industrial development, interested private industries, and committees of the House of Representatives and the Senate concerned with industry;
3. To undertake study programs and research for the promotion of medium and small-scale industries;
4. To undertake the publication of studies, monographs, research papers, articles, and other written works on small and medium-scale industry with emphasis on those related to the Institute's objectives and distribute them at cost to government agencies, private industry, and other interested parties;
5. To perform all other acts as may be necessary for the achievement of its objectives and functions, in accordance with the rules and regulations of the University including the granting of research awards, prizes, scholarships and fellowships.

SEC. 2. Any provision of law to the contrary notwithstanding, appointments to the administration, teaching staff of the UP Institute for Small-Scale Industries shall be exempt from the requirements and restrictions of the Civil Service Law, and Section two hundred fifty-nine of the Revised Administrative Code.

SEC. 3. The Institute is authorized to procure the temporary or intermittent services of experts or consultants or organizations thereof, by contract or appointment and in such cases such services shall be without regard to the Civil Service Law and regulations and Section two hundred fifty-nine of the Revised Administrative Code. Any individual so employed may be compensated at a rate to be fixed by the