

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4242



Introduced by Representative Salvador B. Belaro, Jr.

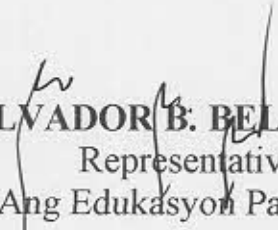
EXPLANATORY NOTE

One of the realities in doing business in the Philippines is the presence of malls, supermarkets, and other entities (hereinafter referred to as "markets") which sell goods from small and medium-sized suppliers usually on a consignment basis.

In this regard, a usual practice is for these markets to require suppliers to pay a one-time fee known as listing fee for said suppliers to display and sell their products in their premises.

In many cases, the amount of the listing fee reach as high as P100,000.

It is the objective of this Act that the above-mentioned practice be regulated by law so as to assist small and medium enterprises and to protect them from unfair predatory practices of big business.


SALVADOR B. BELARO, JR.
Representative
1-Ang Edukasyon Party List

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AN ACT
PROHIBITING THE IMPOSITION OF EXCESSIVE LISTING FEES

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

SECTION 1. Short Title. – This Act shall be known as the “Prohibition of Excessive Listing Fees Act of 2016”.

SEC. 2. Declaration of Policy. Predatory and monopolistic activities of supermarkets, malls and similar entities are contrary to law and public policy as it impose undue restraints on the promotion of trade and industry.

SEC.3. The Department of Trade and Industry (DTI) and the Philippine Competition Authority (PCA) are jointly mandated to make a survey within a period of Six (6) months from the effectivity of this Act, on the practice of the imposition of listing fees by all malls, supermarkets and other similar entities. Thereafter, the DTI and the PCA are likewise jointly mandated to set the reasonable listing fees that such malls, supermarkets and similar entities may require from consignors of products to be displayed in their premises provided that such listing fee shall not exceed the reasonable rental area of the portion occupied by the product of a particular supplier and that rental should be fixed on a monthly basis and not on a one-time basis, with no assessments for deposit for rental whatsoever considering that the mall, supermarket and any similar entity is also benefitted by the display of such products.

SECTION 4. For this purpose, it shall also be unlawful for such mall, supermarket or entity to impose administrative requirements of any kind and for any purpose which would prevent the implementation of the above-mentioned provision.

SEC. 4. Any mall or supermarket or any other entity violating this Act shall pay a fine equivalent to P100,000 multiplied by the total number of its suppliers/consignors. A succeeding violation of this Act will merit the same fine and in addition, shall make the owner and manager of said mall, supermarket or similar entity punishable with imprisonment of *prision correccional*.

SEC. 5. The Philippine Competition Authority is hereby mandated to formulate the rules and regulations of this Act and is granted authority to enforce the penal provisions of this Act.

SEC. 6. Separability Clause. If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or provision not otherwise affected shall remain valid and subsisting.

SEC. 7. Repealing Clause. All laws, orders, issuances rules and regulations or parts thereof inconsistent with any provisions of this Act are hereby repealed, modified or amended accordingly.

SEC. 8. Effectivity Clause. This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved.