

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)

First Regular Session

HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 2680



Introduced by **REPRESENTATIVE VIRGILIO S. LACSON**

Standardization reflects a country's level of industrialization. Consistent and widely adopted standards are essential because they guide industries to produce and perform in ways that are efficient, safe, and of high quality. By setting standards, both public and private entities are provided with the specifications, guidelines or characteristics that can be used consistently to ensure that materials, products, processes and services are fit for their purpose. It allows industries to work seamlessly. Standards provide a level of understanding of what is to be expected from a specific product or service.

There is no debate that we have seen strict standards imposed upon private entities. While it is vital to assure the quality of products and services in the private sector, it is equally important to guarantee that the Government and its agencies meet the same standards. Sadly, there are many news reports that show the proliferation of substandard work in many government projects.

Various complaints from beneficiaries of government housing projects state that contractors were using below-par materials, including undersized steel bars. A group of Congressmen led by then Negros Occidental Congressman Albee Benitez, who inspected a Yolanda housing site in Eastern Samar in the 17th Congress, discovered that the contractor used substandard steel products.

But the cry against substandard products and services are not unique to construction. Under the Duterte administration, the trade chief said the DTI has made stricter rules on standard compliance. He stated that the Department is including more products in the list of mandatory compliance and have even increased the sample size of products to be tested.

This bill seeks to institutionalize the semestral review of products, projects, and services of the government, its agencies and instrumentalities, as well as local government units, to ensure their conformity to existing product and service standards. Through this bill, we hope to eliminate

the use of substandard materials across all government projects to safeguard the health and welfare of our citizens.

In view of the foregoing, the immediate passage of this bill is sought.



VIRGILIO S. LACSON
Manila Teachers Partylist

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AN ACT

INSTITUTIONALIZING THE REVIEW OF PRODUCTS AND SERVICES IN THE GOVERNMENT, ITS AGENCIES, AND INSTRUMENTALITIES, AND LOCAL GOVERNMENT UNITS, TO ENSURE ITS CONFORMITY WITH EXISTING STANDARDS SET BY THE DEPARTMENT OF TRADE AND INDUSTRY, AMENDING FOR THE PURPOSE REPUBLIC ACT 4109, OTHERWISE KNOWN AS THE STANDARDS LAW OF THE PHILIPPINES

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

Section 1. Declaration of Policy. – It shall be declared the policy of the State to promote safety and quality standards in all Government products and services in order to advance the national economy, support sustainable development, benefit the health, safety and welfare of workers and the public, assist and protect its citizens, facilitate domestic and international trade and further international cooperation in relation to standardization.

Section 2. Section 4 is hereby amended to read as follows:

“Sec. 4. Subject to the general supervision and control of the Secretary of Commerce and Industry, the Director of Standards shall possess the general powers conferred by law upon Bureau Chiefs, and the following specific powers and duties which he may perform personally or through his duly authorized representatives:

(a) Under such rules and regulations as the Director of Standards may promulgate which the Secretary of Trade and Industry must approve within one year, to establish standards for the products within the purview of Section three of this Act; to inspect in order to sample and determine the standards of said products, and to certify the inspection and standard thereof:

(b) Before the government, including government owned or controlled corporation, make any purchase of any of the products within the purview of Section three of this Acts,

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and/or the producer, manufacturer and/or dealer offers for sale any commodity ~~[which affects the life, health and property of the people]~~ to inspect and sample in order to determine if, and to certify that the products satisfy the requirements as to kind, class, grade, quality or standard in accordance with the provisions of sub-section (a) above;

(c) Before the exportation or shipment abroad of any of the products within the purview of Section three of this Act for which no standard has or shall have, as yet, been established in accordance with the provisions of sub-section (a) above, to inspect and sample in order to determine if, and to certify that, the whole shipment satisfies the buyer's or importer's requirements as to kind, class, grade, quality or standard: provided, however, that shipments which are not standardized but conforms to buyer's or importer's requirements, shall have their corresponding customs or shipping papers or documents stamped conspicuously with caption "not under government commodity standardization" and may be released by the Collector of Customs in accordance with the existing Tariff and Customs Laws.

(d) Before any commodity imported into the Philippines is discharged and/or released by the Bureau of Customs, to inspect such commodity in order to sample and determine the country of origin where the articles are the growth, raw materials, manufacture, process or produce, and to certify that, the whole shipment satisfies local buyer's importer's requirements as to kind, class, grade, quality or standard which may be indicated on the corresponding customs or shipping papers or commercial documents: provided, however, that imports which are not shown to be covered by, or do not conform to, buyer's or importer's requirements, shall be labelled or stamped conspicuously with the caption "do not conform to buyer's or importer's specifications": provided, further, that imports of any article which are the growth, raw materials, manufacture, process or produce of countries wherein the Philippines has no trade agreement shall be confiscated and/or seized at the disposal of the government.

(e) To fix and collect fees for the services of inspection and certification of inspection and standard, and/or testing or analyzing samples and certification of tests or analyses, and other services, the nature of which require scientific and/or technological knowledge and skill.

(f) To take testimony or evidence on matters of official business relating to the exercise of his powers, the performance of his duties, and the accomplishment of the purpose of this Act or any of the rules and regulations promulgated in accordance therewith.

(g) To initiate and undertake official investigation to determine the nature of organization and business methods of any entrepreneur, person, corporation, association, partnership or firm engaged in the manufacture, marketing and distribution of the products within the purview of Section three of this Act: provided, however, that this power shall be exercised only in connection with any known or reported violation of any provision of this Act, or non-compliance with any rule or regulation promulgated in accordance therewith.

A handwritten signature in dark ink, appearing to read 'V. Placer', is located in the bottom right corner of the page.

(h) TO CONDUCT A SEMESTRAL REVIEW OR INSPECTION OF THE PRODUCTS PROCURED BY THE NATIONAL GOVERNMENT, ITS AGENCIES AND INSTRUMENTALITIES, AND LOCAL GOVERNMENT UNITS, TO ENSURE THEIR CONFORMITY TO EXISTING PRODUCT AND SERVICES STANDARDS,

(g) TO PROVIDE IDENTIFICATION AND EVALUATION OF THE NEED FOR NEW STANDARDS, REVISIONS TO EXISTING STANDARDS AND ADDITIONAL CONFORMITY ASSESSMENT SERVICES,

(h) TO ACCREDIT, IN ACCORDANCE WITH CRITERIA AND PROCEDURES ADOPTED BY THE BUREAU, GOVERNMENT AGENCIES, OFFICES, AND INSTRUMENTALITIES, LOCAL GOVERNMENT UNITS, THAT ARE ENGAGED IN CONFORMITY ASSESSMENT, AND MAINTAIN A RECORD OF THOSE ENTITIES AND OF THEIR MARKS OF CONFORMITY;

FAILURE OF THE APPROPRIATE GOVERNMENT OFFICIALS TO IMPLEMENT THE PROVISIONS UNDER THIS ACT SHALL SUBJECT THEM TO EXISTING ADMINISTRATIVE SANCTIONS.

The subsequent sections are hereby renumbered accordingly.

Section 3. Section 7 is hereby amended to read as follows:

Sec. 7. Any public official, employee, individual, corporation, association, partnership, or firm effecting or abetting the shipment abroad and/or facilitate the discharge of distribution, procurement, and/or sale for domestic consumption of any product in violation of any of the provisions of ~~Section six of this Act~~ or any rules and regulations issued therewith, shall be punished by imprisonment of not less than six months nor more than two years and by a fine of not less than **ONE HUNDRED THOUSAND PESOS BUT NOT MORE THAN TWO HUNDRED THOUSAND PESOS**, and deportation if he is an alien after serving the entire period of his imprisonment.

[XXX]

Section 4. Section 12 is hereby amended as follows:

“SECTION 12. *ANNUAL REPORT*. – NOT LATER THAN THE END OF THE FIRST QUARTER OF EVERY YEAR OF IMPLEMENTATION, THE SECRETARY OF TRADE AND INDUSTRY SHALL SUBMIT TO THE PRESIDENT AND CONGRESS, AN ANNUAL REPORT CONTAINING THE STATUS OF THE IMPLEMENTATION OF THIS ACT.”

The subsequent sections are hereby renumbered accordingly.

Section 5. *Repealing Clause*. – All other existing laws, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.



Section 6. *Separability Clause.* – If any part or section of this Act is declared unconstitutional, such declaration shall not affect the other parts or sections of this Act.

Section 7. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation or in the Official Gazette.

Approved,

V. Placer