

Republic of Philippines
HOUSE OF REPRESENTATIVES
NINETEENTH CONGRESS
Second Regular Session
House Bill **8894**



**Introduced by Representatives FERDINAND MARTIN G. ROMUALDEZ and
STELLA LUZ A. QUIMBO**

EXPLANATORY NOTE

Trade provides enterprises access to production inputs and prospects to participate in global value chains, while consumers are able to enjoy a wider variety of goods. According to the World Bank, Trade is central to ending global poverty as countries that are open to international trade tend to grow faster, innovate, improve productivity, and provide higher income and more opportunities.¹

However, the perceived benefits of trade are stifled by various inefficiencies in the country's trade-related procedures. First, these are cumbersome as they involve voluminous documents and requirements. Second, these are segmented as permits and clearances are obtained from different government agencies. Third, these lack interconnectivity as securing requirements are traditionally done separately and repeatedly through their distinct government offices or online systems.

This bill seeks to address these impediments to trade, fulfill our international commitments, and become resilient in the face of the continuing global health threats and supply chain disruptions, by institutionalizing the country's National Single Window (NSW) system.

The salient features of this proposal include: (a) establishing the NSW System and prescribing the minimum basic services; (b) creating the Trade Network Office of the Philippines, a government-owned and controlled corporation (GOCC) mandated to develop, operate, and maintain the NSW System; (c) providing for the composition of the Board to include public and private sector representatives, which shall exercise the corporate powers of the Office; (d) mandating the identified trade regulatory government agencies to comply with the requirements of the NSW System; (e) authorizing the Office to impose subscription and/or transactions fees for users of the NSW System subject to a reasonable transition period; and (f) appropriating the required budget to implement the Act.

¹ World Bank. (2018, April 03). *Stronger Open Trade Policies Enable Economic Growth for All*. Results Briefs. <https://www.worldbank.org/en/results/2018/04/03/stronger-open-trade-policies-enables-economic-growth-for-all>

While the Philippines has started its endeavor to establish its NSW system in 2005, through Executive Order No. 482, its implementation and utilization remain limited. It is hoped that by institutionalizing such an important and essential system that integrates and automates trade-related procedures, the necessary resources and institutional support for its effective, efficient, and sustainable implementation will be provided by the government.²

Ensuring the efficient and effective implementation of the NSW system is integral in supporting the Marcos administration's *8-Point Socioeconomic Agenda* on ensuring sound macroeconomic fundamentals by improving bureaucratic efficiency and the *10-point Agenda for Economic Renewal and Long-Term Growth* on establishing efficient government processes, promoting transparency, shortening turnaround time, and limiting the opportunities for corruption.

This initiative to facilitate trade is also timely and relevant with the ratification of the Regional Comprehensive Economic Partnership and forthcoming Free Trade Agreements. Moreover, the ability of the NSW system to provide real time data is essential in the digital age – where data has become the lifeblood of international trade as it enables the coordination of international production processes, helps small firms reach global markets; and serves as an asset that can itself be traded, a conduit for delivering services, and a key component for automation in trade facilitation.^{3,4}

Due to the foregoing, the urgent passage of this bill is earnestly sought.


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² More details on the status of implementation and the rationale for establishing the National Single Window can be found in:

Manguera, M. (2022). *Institutionalizing the Philippines' National Single Window*. CPBRD Policy Brief No. 2022-04. Congressional Policy and Budget Research Department. <https://cpbrd.congress.gov.ph/2012-06-30-13-06-51/2012-06-30-13-36-45/1518-pb2022-04-institutionalizing-the-philippines-national-single-window-tradenet>

³ Casalini, F., & López González J. (2019). *Trade and Cross-Border Data Flows*. OECD Trade Policy Papers, No. 220. OECD Publishing, Paris. <http://dx.doi.org/10.1787/b2023a47-en>

⁴ López-González, J., & Jouanjean, M. (2017). *Digital Trade: Developing a Framework for Analysis*. OECD Trade Policy Papers, No. 205. OECD Publishing, Paris, <http://dx.doi.org/10.1787/524c8c83-en>

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**Introduced by Representatives FERDINAND MARTIN G. ROMUALDEZ and
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AN ACT
TO ESTABLISH AND OPERATIONALIZE THE NATIONAL SINGLE WINDOW SYSTEM
AND TO CREATE THE TRADE NETWORK OFFICE OF THE PHILIPPINES,
PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES

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

PART I. PRELIMINARY PROVISIONS

SECTION 1. *Short Title.* — This Act shall be known as the “National Single Window Act of 2023”.

SECTION 2. Declaration of Policy. — It is the declared policy of the State to stimulate trade, investments, economic growth and development by promoting efficiency in the processing of import, export, and transit transactions and complying with its international obligations on trade facilitation under various trade agreements of which the Philippines is a party, including the World Trade Organization Trade Facilitation Agreement, the World Customs Organization Revised Kyoto Convention and the Agreement to Establish and Implement the Association of Southeast Asian Nations Single Window. The state objective shall be achieved under the Act through the development, maintenance, and operation of a National Single Window System.

SECTION 3. *Definition of Terms.* — As used in this Act, the following terms are defined as follows:

- (a) Association of Southeast Asian Nations (ASEAN) – the association for regional countries

1 of Southeast Asia, including Brunei Darussalam, Cambodia, Indonesia, Lao People's
2 Democratic Republic, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Viet
3 Nam;

4
5 (b) ASEAN Single Window (ASW) – the environment where the National Single Windows
6 of Member Countries operate and integrate as defined by the ASEAN;

7
8 (c) Information and Communications Technology (ICT) shall mean the totality of electronic
9 means to access, create, collect, store, process, receive, transmit, present and disseminate
10 information as defined in Republic Act No. 10844 or the Department of Information And
11 Communications Technology Act of 2015;

12
13 (d) National Single Window (NSW) – a system that allows parties involved in the
14 international supply chain to lodge data in a standardized format at a single-entry point to
15 fulfill all import, export, and transit-related regulatory requirements as defined by the
16 United Nations Centre for Trade Facilitation and Electronic Business;

17
18 (e) Office – the Trade Network Office of the Philippines created under this Act;

19
20 (f) Trade Facilitation – the simplification, modernization, and harmonization of import,
21 export, and transit processes as defined by the World Trade Organization;

22
23 (g) Trade Regulatory Government Agencies (TRGAs) – government entities involved in
24 trade categorized as: (i) regulatory - mandated by law to process and issue permits,
25 licenses, certificates, or accreditation prior to the importation or exportation of goods; (ii)
26 monitoring and oversight - use trade data to process statistical reports, trends, profiling,
27 and analysis, among others; (iii) Ecozones – govern special economic zones, free trade
28 zones, and free ports; and (iv) policy - provide advisory, legal, and technical inputs for
29 the implementation of the NSW and ASW;

30
31 (h) World Customs Organization (WCO) – an independent intergovernmental body whose
32 mission is to enhance the effectiveness and efficiency of Customs administrations; and

33
34 (i) World Trade Organization (WTO) – the global international organization dealing with
35 the rules of trade between nations.

36
37
38 **PART II.**
39 **ESTABLISHMENT AND ADMINISTRATION OF THE NATIONAL SINGLE WINDOW**
40 **SYSTEM**

41
42 **SECTION 4. *Establishment of the System.*** — There is hereby established an NSW System
43 known as the Philippines Trade System which shall be a computerized internet-based system
44 that shall interconnect government agencies involved in the processing of import and export
45 shipments. The NSW System, whose source code shall be owned by the government, shall be
46 configured to allow parties involved in trade to lodge information and documents with a single-

1 entry point to fulfill all import, export, and transit-related regulatory requirements. The System
2 shall involve the management of the change process including business process redesign, data
3 harmonization, and improvements to the legal framework to support changes and new modes of
4 operation.

5
6 **SECTION 5. *Objectives of the NSW System.*** — The objective of this Act is to provide an
7 institutional framework and mechanism for the development, operation, and maintenance of a
8 national single window system that will promote the—

- 9 (a) Provision of real time trade data;
10 (b) Coordination of efforts from TRGAs;
11 (c) Streamlining, simplification, and harmonization of trade-related procedures; and
12 (d) Consistent implementation of trade processes.

13
14 **SECTION 6. *Services Provided in the NSW System.*** — The NSW System shall be concerned
15 with the application and processing of permits, licenses, and clearances for import and export. It
16 shall record the final results of applications, regardless of whether these are approved or rejected,
17 and link them to the Customs system for the validation and verification of importation or
18 exportation. The NSW System shall be designed in order to provide the following minimum
19 basic services:

- 20
21 (a) For general and public users:
22 i. Information catalogue; and
23 ii. Duties and taxes calculator.
24 (b) For registered customers:
25 i. Permits and clearance application;
26 ii. Shipment information management and declaration;
27 iii. Documentation management;
28 iv. Single payment portal; and
29 v. User dashboard.
30 (c) For agency users:
31 i. Frontline services:
32 1. Profile management;
33 2. Processing of request; and
34 3. Signing and approving.
35 ii. Managerial and supervisory:
36 1. Monitoring and delegation of task;
37 2. Financial performance and information audit; and
38 3. Public communication.
39 (d) Export and import application submission, document routing, and authorization portal:
40 i. Issuance of the certificate of origin; and
41 ii. Connection to other export and import facilitation programs.
42 (e) Check uploaded information against business registries of government agencies and
43 shipment manifests of customs profiling systems;
44 (f) Connection to the ASEAN Single Window and other regional groups for the electronic
45 exchange of information; and
46 (g) Such other related and relevant services.

1
2 The services provided by the NSW System shall be annually reviewed and updated or modified
3 when necessary to ensure their relevance.
4

5
6 **PART III.**
7 **IMPLEMENTING STRUCTURE AND MECHANISM**
8

9 **SECTION 7.** *Creation of the Trade Network Office of the Philippines.* To ensure the attainment
10 of the objectives of this Act, there is hereby created a Trade Network Office of the Philippines,
11 which shall be organized within six (6) months after the effectivity of this Act. The Office shall
12 be attached to the Office of the President. The corporate powers of the Office shall be vested in a
13 governing board of directors.
14

15 The Office shall have the primary functions of developing, operating, and maintaining the NSW
16 system, specifically but not limited to:
17

18 **Development**

- 19 (a) Develop and/or acquire the system or module to connect the NSW System to the ASW
20 and any enhancements to the trade platform to meet the requirements of the ASW and
21 other single window gateways;
22 (b) Procure, acquire, or subscribe, as may be required, the needed software and infrastructure
23 components to ensure a secure and highly available system inclusive of its connectivity to
24 the ASW system;
25 (c) Acquire and register relevant intellectual property rights on original works arising from
26 the development of NSW System, where practicable;
27 (d) Integrate the NSW System with relevant government technology services, the ASW
28 Gateway, and other single window gateways as may be prescribed by agreements of
29 which the Philippines is a party;
30 (e) Provide and administer ICT facilities inclusive of data center infrastructure, cloud
31 computing environment, network connectivity, database systems, physical servers and
32 storage and cyber security requirements of the NSW System;
33

34 **Operations**

- 35 (a) Identify documentary requirements, signatories, certifications, processes, and procedures
36 of TRGAs;
37 (b) Streamline trade-related transactions;
38 (c) Onboard agencies and roll-out agency modules;
39 (d) Ensure that the NSW System is operating in accordance with the requirements of
40 applicable laws and international obligations;
41 (e) Serve as Secretariat of the NSW SC and TWG;
42 (f) Report, monitor, and evaluate the implementation and utilization of the NSW System
43 relative to other countries' NSW Systems.
44

45 **Maintenance**

- (g) Operate, maintain, acquire, and modify the technological design and architecture of the NSW System;
- (h) Provide support and back up services for the NSW System application and databases;
- (i) Provide maintenance and support for the NSW System Technology Stack;
- (j) Provide updates and enhancements for the NSW System as it deems necessary.

SECTION 8. *Board of Directors.* The corporate powers of the Office shall be exercised by a Board of Directors composed of 10 members, including:

- (a) The Director General of the Office, who shall act as Chairperson;
- (b) The Secretary of the Department of Trade and Industry;
- (c) The Secretary of the Department of Finance;
- (d) The Secretary of the Department of Information and Communications Technology;
- (e) The Commissioner of the Bureau of Customs;
- (f) The Director of the Philippine Ports Authority; and
- (g) Four (4) representatives from the private sector to be designated by the President, one of which shall act as Co-Chairperson.

SECTION 9. *Powers and Functions of the Board.* The Board of the Office shall have the following powers, functions, and duties:

- (a) Provide comprehensive policy guidance for the effective supervision and regulation of the NSW System;
- (b) Promulgate and prescribe a set of rules and regulations, standards, and guidelines governing the development, operation, and maintenance of the NSW system, including:
 - i. The effective, efficient, and economical operations of the Office;
 - ii. Coordination with other government agencies; and
 - iii. The establishment of fees for the use of the Philippine Trade System;
- (c) Approve contracts and/or agreements that would employ the services of or enter into partnerships with individuals or firms in the implementation of the NSW system;
- (d) Enter into public-private partnerships and all other variants allowed under Republic Act No. 6957 as amended by Republic Act No. 7718;
- (e) Approve the organizational structures, qualification standards, staffing pattern and compensation of the newly created Office upon the recommendation of the Director General;
- (f) Approve the annual budget of the Office; and
- (g) Such other acts as may be deemed proper and necessary to carry out and implement the provision of this Act.

SECTION 10. *Composition of the Office.* The Office shall be headed by a Director General who shall oversee the day-to-day operations of the Office and shall be assisted by three (3) Deputy Director Generals each for operations, information and communications technology, and policy and management services that shall be appointed by the President.

SECTION 11. *Powers and Functions of the Director General and Deputy Directors General.* The Director General and Deputy Director Generals shall be responsible to the Board and shall exercise the following powers and functions:

- (a) Manage and direct all functions and activities of the Office;
- (b) Implement and enforce the policies, programs, standards, guidelines, procedures, decisions, rules and regulations issued, prescribed, or adopted by the Board pursuant to this Act;
- (c) Prepare the agenda for the meeting of the Board, the Office's annual budget, and such other measures and recommendations that may require the approval of the Board;
- (d) Determine the organizational structures, qualification standards, staffing pattern and compensation of the newly created Office in accordance with existing laws, rules and regulations;
- (e) Submit within sixty days after the close of each fiscal year an annual report, through the Board to the President of the Philippines; and
- (f) Such other acts as may be deemed proper and necessary to carry out and implement the provision of this Act.

SECTION 12. *Qualifications.* The Director General and the Deputy Directors General shall have proven competence in management particularly in the administration of interoperable systems and projects and/or information and communications technology.

SECTION 13. *Term of Office.* The Director General and the Deputy Directors General shall be appointed by the President for a term of five (5) years and shall be eligible for reappointment only once: *Provided*, That the first Director General shall have a first term of seven (7) years. Appointment to any vacancy shall be only for the unexpired term of the predecessor.

SECTION 14. *Participating Government Institutions.* — All TRGAs are mandated to comply with the requisites of the NSW in general and the Philippine Trade System in particular to support the Office in its mandate. The TRGAs include but not limited to:

1. Aurora Pacific Economic Zone and Freeport Authority
2. Authority of Freeport Area of Bataan
3. Bangko Sentral ng Pilipinas
4. Bases Conversion and Development Authority
5. Biodiversity Management Bureau
6. Board of Investments
7. Bureau of Agriculture and Fisheries Standards
8. Bureau of Animal Industry
9. Bureau of Customs
10. Bureau of Fisheries and Aquatic Resources
11. Bureau of Immigration
12. Bureau of Import Services
13. Bureau of Internal Revenue
14. Bureau of International Trade Relations
15. Bureau of Philippine Standards
16. Bureau of Plant Industry
17. Bureau of Quarantine
18. Bureau of Treasury
19. Cagayan Economic Zone Authority
20. Civil Aeronautics Board

1	21. Civil Aviation Authority of the Philippines
2	22. Clark Development Corporation
3	23. Dangerous Drugs Board
4	24. Department of Agriculture
5	25. Department of Foreign Affairs Office of Protocol
6	26. Department of Information and Communications Technology
7	27. Department of Social Welfare and Development Standards Bureau
8	28. DOST Advanced Science and Technology Institute
9	29. Energy Resource Development Bureau
10	30. Environmental Management Bureau
11	31. Export Development Council
12	32. Export Marketing Bureau
13	33. Fair Trade and Enforcement Bureau
14	34. Fertilizer and Pesticide Authority
15	35. Food and Drugs Administration
16	36. Forest Management Bureau
17	37. Information Systems Management Service
18	38. Insurance Commission
19	39. Intellectual Property Office of the Philippines
20	40. John Hay Management Corporation
21	41. Land Transportation Franchising and Regulatory Board
22	42. Land Transportation Office
23	43. Mactan-Cebu International Airport Authority
24	44. Manila International Airport Authority
25	45. Maritime Industry Authority
26	46. Mines and Geosciences Bureau
27	47. National Book Development Board
28	48. National Bureau of Investigation
29	49. National Commission for Culture and Arts
30	50. National Dairy Authority
31	51. National Disaster Risk Reduction and Management Council
32	52. National Food Authority
33	53. National Intelligence Coordinating Agency
34	54. National Meat Inspection Service
35	55. National Museum
36	56. National Privacy Commission
37	57. National Telecommunications Commission
38	58. National Tobacco Administration
39	59. Office for Transportation Security
40	60. Office of the President - Presidential Management Staff
41	61. Office of Transportation Cooperatives
42	62. Oil Industry Management Bureau
43	63. Optical Media Board
44	64. Overseas Workers' Welfare Administration
45	65. Philippine Coast Guard
46	66. Philippine Coconut Authority

67. Philippine Drug Enforcement Agency
68. Philippine Economic Zone Authority
69. Philippine Fiber Industry Development Authority
70. Philippine Gaming Corporation
71. Philippine International Trading Corporation
72. Philippine Nuclear Research Institute
73. Philippine Overseas Employment Administration
74. Philippine Ports Authority
75. Philippine Retirement Authority
76. Philippine Statistics Authority
77. PHIVIDEC Industrial Authority
78. PNP Civil Security Group – Firearms and Explosives Office
79. Department of Finance Revenue Office
80. Strategic Trade Management Office
81. Subic Bay Metropolitan Authority
82. Sugar Regulatory Administration
83. Tariff Commission
84. Tourism Infrastructure and Enterprise Zone Authority
85. Trade, Services, and Industry Staff
86. Zamboanga City Special Economic Zone Authority

The above agencies are mandated to comply with the requirements of the NSW System to ensure the effective execution of the Office’s mandate and the attainment of the objectives of this Act. The Office is hereby authorized to mandate such other relevant government departments, agencies, offices, or institutions to participate and be part of the NSW system. To ensure the compliance of TRGAs, regular oversight shall be conducted by the Philippine Trade Facilitation Committee.

SECTION 15. *Coordinating Mechanisms.* Subject to review and modification, if necessary, current coordinating mechanisms created shall continue to exist. These include but are not limited to—

- (a) The NSW Task Force, Steering Committee, and Technical Working Group created under Executive Order No. 482, s. 2005 and enhanced through NSW SC Resolution No. 01-2017;
- (b) NSW Technical Working Group clusters created during the first meeting of the NSW-SC; and
- (c) The Philippine Trade Facilitation Committee created through Executive Order No. 136, s. 2021.

SECTION 16. *Upgrade of Systems and Human Resources Development.* – The TRGAs are hereby authorized to upgrade and develop their current technology systems, including the adoption of digital payments, and personnel in order to effectively and efficiently carry out its mandate.

SECTION 17. *User Fees.* – The Office is hereby authorized to impose subscription and/or transactions fees for users of the NSW System subject to a reasonable transition period. This

1 amount, which shall be in addition to the Office's annual budget, shall be deposited and
2 maintained in a separate account or fund, which may be used or disbursed directly by the
3 Director General.

4
5 **SECTION 18. *Supporting MSMEs.*** – Recognizing considerable costs for MSMEs to move from
6 manual to electronic submissions, the Office is also mandated to ensure the provision of support to
7 MSMEs, such as public facilities and assistance desks.

8
9 **PART IV—GENERAL PROVISIONS**

10
11 **SECTION 19. *Compliance with Existing Laws.*** – This Act and its provision shall be executed in
12 compliance with pertinent laws including Republic Act No. 8792 or the Electronic Commerce
13 Act and Republic Act No. 10173 or the Data Privacy Act of 2012.

14
15 **SECTION 20. *Congressional Oversight Committee.*** – To monitor the implementation of this
16 Act, there shall be created a Congressional Oversight Committee on the NSW, to be composed
17 of four (3) members from the Senate, which shall include the Chairpersons of the Senate
18 Committees on Trade, Commerce, and Entrepreneurship; Economic Affairs; and; Civil Service,
19 Government Reorganization, and Professional Regulation and three (3) members from the House
20 of Representatives which shall include the Chairpersons of the House Committees on Trade and
21 Industry, Economic Affairs, and Government Reorganization. The Congressional Oversight
22 Committee on the NSW shall be jointly chaired by the Chairpersons of the Senate Committee on
23 Trade, Commerce, and Entrepreneurship and the House of Representatives Committee on Trade
24 and Industry: *Provided*, That the oversight committee shall cease to exist after five (5) years
25 upon the effectivity of this Act.

26
27 **SECTION 21. *Implementing Rules and Regulations.*** - In order to carry out the effective
28 implementation of this Act, the Department of Trade and Industry, Department of Finance, and
29 Department of Information and Communications Technology in coordination and cooperation
30 with the government agencies and institutions enumerated in Section 9 hereof, shall formulate
31 and issue the necessary rules and regulations within 120 days after the passage of this Act.

32
33 **SECTION 22. *Transitory Provision.*** — To ensure continued implementation of the NSW, the
34 teams or units from the Department of Finance and Department of Information and
35 Communications Technology shall continue to carry-out its functions until such time that the
36 organizational structure and personnel complement of the Office have been determined and filled
37 up: *Provided*, That the staff of Department of Finance and Department of Information and
38 Communications Technology shall have the option to be absorbed or transferred laterally to the
39 Office without diminution of their rank, position, salaries and other emoluments once the staffing
40 pattern and plantilla position of the Office has been approved.

41
42 **SECTION 23. *Appropriations.*** — The initial amount of one billion five hundred million
43 (P1,500,000,000.00) required for the implementation of this Act shall be charged to the
44 Contingent Fund of the President. Appropriations for the succeeding years shall be included in
45 the annual General Appropriations Act.

1 **SECTION 24. *Repealing Clause.*** — All laws, decrees, ordinances, administrative orders, rules,
2 and regulations, or any part thereof, which are inconsistent with this Act are hereby repealed or
3 amended accordingly.

4
5 **SECTION 25. *Separability Clause.*** — Should any provision of this Act be subsequently
6 declared unconstitutional, the other provisions not so declared shall remain in full force and
7 effect.

8
9 **SECTION 26. *Effectivity.*** — This Act shall take effect after 15 days from its publication in at
10 least two (2) newspapers of general circulation.

11
12 **Approved,**
13