



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 19



**Introduced by Representatives Ferdinand Martin G. Romualdez,
Andrew Julian K. Romualdez and Jude A. Acidre**

EXPLANATORY NOTE

In an increasingly integrated and fast-paced global economy, the competitiveness of a country is not only hinged on the volume of goods and services produced, more so, on the quality, consistency and credibility of such outputs.

A national quality infrastructure system is a vital component in elevating the quality of our commodities and boosting the overall productivity that will ultimately allow us to carve our very own niche in international trade.

Quality infrastructure, as defined by the UN Industrial Development Organization, is an institutional framework that supports the quality, safety, and environmental soundness of goods, services and processes. It is a critical element in the effective operation of domestic markets, at the same time, a passport to access international markets.

While the Philippines does possess some elements of a national quality infrastructure (NQI), such initiatives usually operate in silos, and at times, insufficient. This fragmentation deters the efficient use of NQI resources that make policy implementation difficult, further increasing transaction costs borne by industry players and consumers.

The proposed bill aims to institutionalize a national quality policy that shall set the standards in ensuring that Philippine-made goods and services are of the highest quality in terms of safety, condition and acceptability. The NQI shall cultivate a coordinated system anchored on standardization, accreditation, conformity assessment, and market surveillance. This shall strengthen the country's quality infrastructure network for improved trade facilitation, upgraded industry and competitiveness, better consumer protection, and more conducive business environment.

In view of the foregoing, the approval of this measure is earnestly sought.



FERDINAND MARTIN G. ROMUALDEZ



JUDE A. ACIDRE



ANDREW JULIAN K. ROMUALDEZ



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AN ACT
TO DEVELOP A NATIONAL QUALITY POLICY DEFINING THE
PHILIPPINE NATIONAL QUALITY INFRASTRUCTURE (NQI)
THEREOF, CREATING FOR THIS PURPOSE, THE PHILIPPINE
NATIONAL QUALITY INFRASTRUCTURE COORDINATING
COUNCIL

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

1 **SECTION 1. Title.** – This Act shall be known as the “National Quality
2 Infrastructure Development Act.”
3

4 **SEC. 2. Declaration of Policy.** – It is declared the policy of the State to
5 adopt a culture of quality among its citizens to encourage competitiveness among
6 firms, to facilitate trade, and to promote consumer welfare in accordance with
7 good regulatory practices.
8

9 The State shall adopt and strengthen its quality infrastructure network that
10 would support national policies and strategies on economic development,
11 industrialization, trade and investments, ease of doing business, consumer
12 protection, and environmental protection, while adhering to international best
13 practices and international standards.

1 The State recognizes the critical role of the private sector in the national
2 quality infrastructure, and shall promote a transparent, participatory, coherent,
3 and efficient mechanism to enable businesses to effectively comply with market
4 requirements and consumer needs.

5
6 Pursuant thereto, the State shall also develop a National Quality Policy
7 (NQP) that will further strengthen the Philippine National Quality Infrastructure
8 (NQI) to provide the necessary institutional apparatus so that the country's private
9 sector can produce products and services of a prescribed national or international
10 standard; and the verification of conformance to these standards can be achieved
11 by internationally accepted means.

12
13 It is hereby declared the policy of the State to harmonize the fragmented
14 quality programs and policies, as well as institutionalize effective cooperation and
15 coordination among the NQI institutions in the country, as well as with their
16 regional and international counterparts. The NQI shall serve both the regulatory
17 authorities and the market place in order to comply with the State's constitutional
18 mandate to protect consumer rights and encourage industries and other
19 organizations to adopt quality improvements and best practices into their day-to-
20 day activities.

21
22 **SEC. 3. Coverage.** – This Act shall apply to activities, processes,
23 programs, and to public and private institutions relevant to standards,
24 accreditation, metrology, conformity assessment, and other matters incidental
25 thereto.

26
27 **SEC. 4. Definitions of Terms.** – For purpose of this Act, the following
28 terms are defined as follows:

- 29
30 a) *Accreditation* refers to a third-party attestation conveying a formal
31 demonstration of the competence of a conformity assessment body to
32 carry out specific conformity assessment tasks. It provides a basis for
33 uniform technical policy and conditions for mutual recognition at the
34 international level;
35 b) *Calibration* refers to the operation that is used to establish that the
36 measuring instruments used remain accurate within specified
37 parameters;
38 c) *Certification* refers to a third-party attestation of conformance to
39 standards, technical regulations, other specified requirements or
40 guidelines related to products, processes, systems or persons. This can
41 be accomplished by conducting inspection, verification, audit and/or
42 testing;

- d) *Conformity Assessment* refers to the demonstration that specified requirements relating to a product, process, system, person or body are fulfilled
- e) *Conformity Assessment Body* refers to a body that performs conformity assessment activities and that can be the object of accreditation;
- f) *Culture of Quality* refers to the set of group values that guide how improvements are made to everyday working practices and consequent outputs;
- g) *Inspection* refers to the examination of a product, process, service, or installation, or their design and determination of its conformity with specific requirements or, on the basis of professional judgment, with general requirements;
- h) *Metrology* refers to the science of measurement and its application, which includes all theoretical and practical aspects of measurement;
- i) *National Quality Infrastructure (NQI)* refers to policy, legal, regulatory, and administrative frameworks, and the institutional arrangements, public and private, to implement standardization, accreditation, and totality of the testing, certification, and measurement necessary to provide acceptable evidence that products and services meet the defined government and market standards;
- j) *National Quality Policy (NQP)* refers to the basic government instrument for establishing and overseeing the quality infrastructure system;
- k) *Philippine National Standard (PNS)* refers to a document established by consensus and promulgated by the Bureau of Philippine Standards, which provides, for common and repeated use, rules, guidelines, or characteristics for activities or their results which aim at the achievement of the optimum degree of order in a given context;
- l) *Quality* refers to the degree to which a set of inherent characteristics fulfill requirements;
- m) *Standards* refers to the document approved by a recognized body that provides for common and repeated use, rules, guidelines, or characteristics for products or related processes and production methods, with which compliance is not mandatory. It may also include terminology, symbols, packaging, marking, or labelling requirements as they apply to a product, process, or production method;
- n) *Standardization* refers to the process of developing technical specifications of standards based on consensus among all interested parties, consumers, trade associations, manufacturers and providers of goods and services, non-governmental organizations (NGOs), and government agencies and instrumentalities; and
- o) *Testing* refers to the determination of a product's characteristics against the requirements of the standard.

1
2 **SEC. 5. *Philippine National Quality Policy.*** – A Philippine National
3 Quality Policy shall be developed to ensure that Philippine products and services
4 are globally accepted; earn a reputation of highest quality in terms of safety,
5 standards, and acceptability; promote a national culture of quality among the
6 citizenry; and the Philippine goods and services are designed, manufactured, and
7 supplied in a manner that fully matches or exceeds the needs, expectations, and
8 requirements of the retailers, purchasers, consumers, and regulatory authorities in
9 the local, regional and international markets.

10
11 The National Quality Policy shall define the National Quality
12 Infrastructure in accordance with the objectives set forth in this Act.

13
14 **SEC. 6. *Scope of the NQI.*** – The NQI shall prescribe the policy, regulatory,
15 and legal frameworks on Standardization, Accreditation, Metrology, and
16 Conformity Assessment that shall be defined in the implementing rules and
17 regulations of this Act.

18
19 **SEC. 7. *Institutional Arrangements.*** – To achieve the objectives set forth
20 in this Act, there is hereby created a Philippine National Quality Infrastructure
21 Coordination Council (PNQICC), herein referred to as the Council.

22
23 The Council shall be composed of the following:

- 24 a) The Department of Trade and Industry (DTI) Secretary and
25 Department of Science and Technology (DOST) Secretary as Co-
26 Chairpersons;
27 b) A representative of the private sector as Vice-Chairperson;
28 c) The Secretary of the Department of Budget and Management (DBM);
29 d) The Secretary of the Department of Agriculture (DA);
30 e) The Secretary of the Department of Energy (DOE);
31 f) The Secretary of the Department of Environment and Natural
32 Resources (DENR);
33 g) The Secretary of the Department of Information and Communications
34 Technology (DICT);
35 h) The Secretary of the Department of Finance (DOF);
36 i) The Secretary of the Department of Health (DOH);
37 j) The Secretary of the Department of Tourism (DOT);
38 k) The Secretary of the Department of Public Works and Highways
39 (DPWH);
40 l) The Director-General of the National Economic and Development
41 Authority (NEDA);
42 m) A representative of the Union of Local Authorities of the Philippines
43 (ULAP);

- 1 n) Four (4) members from the private sector who shall represent
2 exporters, manufacturers, importers, and consumers; and
3 o) A representative of the academe or research institutions.
4

5 The DTI and DOST Secretaries may designate the appropriate
6 Undersecretary as their alternate, and the other ex officio members may designate
7 an alternate with the rank not below the rank of Director.
8

9 The President shall appoint the Vice-Chairperson from the nominees
10 submitted by the reputable business groups or associations.
11

12 A permanent secretariat shall be organized by the DTI to assist the Council
13 in the discharge of its functions.
14

15 **SEC. 8. *Functions of the Philippine National Quality Infrastructure***
16 ***Coordination Council.*** – The Council shall perform the following functions:
17

- 18 a) Formulate and adopt a Philippine National Quality Policy pursuant to
19 Section 5 of this Act;
20 b) Instill a culture of quality in all levels of society, at the individual and
21 institutional levels, through an effective information, education,
22 capacity building, and communication campaign to relevant regulatory
23 bodies and to the public;
24 c) Ensure the adoption of good regulatory practices and policy cohesion
25 by NQI institutions and in the delivery of NQI services, as well as in
26 the development and promotion of programs and projects;
27 d) Create committees or technical working groups and request the
28 participation, assistance and cooperation of government agencies,
29 industry associations, consumers, the academe, and other stakeholders,
30 if necessary for the performance of its functions and attainment of the
31 objectives of this Act;
32 e) Identify the roles and contribution of government agencies, the private
33 sector, industry associations, non-government organizations, and other
34 stakeholders in attaining the vision and adhering to the principles
35 prescribed in this Act;
36 f) Coordinate and support programs, projects, and activities that will
37 foster the development of a responsible and sustainable NQI, such as
38 but not limited to improving and increasing the availability of experts,
39 technical assessors, laboratories, calibration services, and product
40 certification bodies, among others;
41 g) Provide direction and order, and encourage the participation of the
42 public and private sectors in conformity assessment activities and

- 1 mechanisms as a means to demonstrate compliance with voluntary and
2 mandatory requirements to public and private sectors;
- 3 h) Promote the adoption of quality management practices and necessary
4 training to those in charge of the production and commercialization of
5 goods and services in the country;
- 6 i) Promulgate rules to enable the NQI institutions under its direction to
7 offer technical support to relevant industries;
- 8 j) Ensure that standardization, accreditation, and metrological processes
9 are in line with and comparable to international best practices;
- 10 k) Ensure the proper promulgation of all standards created by other
11 agencies and instrumentalities of the government, and perform
12 standardization functions over conformity assessment bodies in the
13 country;
- 14 l) Direct the development of the National Standardization Strategy and the
15 National Accreditation Strategy, with the involvement of all
16 stakeholders;
- 17 m) Ensure that the country participates in regional and international
18 standardization efforts and accreditation activities, arrangements, and
19 fora;
- 20 n) Support the formation of cooperation and conclusion of mutual
21 recognition arrangements and agreements with national, regional, and
22 international organizations;
- 23 o) Promote the recognition of accreditation among regulatory agencies by:
- 24
- 25 i. Requiring their testing and calibration laboratories, inspection
26 bodies and certifying bodies to seek accreditation;
- 27 ii. Requiring government agencies to utilize the services of test
28 and calibration laboratories, inspection bodies, certification
29 bodies, and other conformity assessment bodies that are
30 accredited by the Accreditation Philippines or a signatory
31 member of the Asia Pacific Accreditation Cooperation
32 (APAC), International Accreditation Forum (IAF),
33 International Laboratory Accreditation Cooperation (ILAC),
34 and International Halal Accreditation Forum (IHAF);
- 35 iii. Establishing agreements, Memorandum of Understanding
36 (MoU) and Mutual Recognition Arrangement (MRA) with
37 regulatory bodies, other accreditation bodies, signatory
38 members and other interested parties;
- 39
- 40 p) Ensure the maintenance and continuous update of the national
41 measurement standards in all relevant fields for the Philippines,
42 guaranteeing that all metrological laboratories, infrastructure,
43 equipment, instruments, artifacts, reference standards, and other similar

- 1 articles are in good condition, intentionally compliant, and reliant and
2 other qualities that may be required in the future;
- 3 q) Provide metrological traceability to the International System of Units
4 (ISU) for measurements used in regulations, trade, and manufacturing;
 - 5 r) Engage and coordinate research and development work with other local
6 institutes/bodies having metrological responsibilities (radiation,
7 standard time and dissemination, etc.);
 - 8 s) Exercise responsibility for legal metrological controls in the country
9 through coordination with other executive branches of government;
 - 10 t) Ensure uniformity and metrological procedures in the same prescribed
11 manner of their implementation; and
 - 12 u) Perform such other functions as may be necessary, incidental, or proper
13 to its mandate.
- 14

15 **SEC. 9. *Role of NQI Institutions.*** – Under the direction of the Philippine
16 National Quality Infrastructure Council, all existing NQI institutions involved in
17 standards development, accreditation, metrology, and conformity assessment
18 shall continue to perform the mandates and functions assigned to them by their
19 respective enabling laws, including but not limited to:

20

- 21 a) Department of Agriculture (DA)
 - 22 i. Bureau of Agriculture and Fisheries Standards (BAFS) pursuant to
23 Republic Act No. 8435;
 - 24 ii. National Meat Inspection Service (NMIS), pursuant to Republic Act No.
25 9296;
- 26
- 27 b) Department of Environment and Natural Resources (DENR), pursuant to
28 Executive Order No. 192, Series of 1987;
- 29
- 30 c) Department of Information and Communications Technology (DICT)
 - 31 i. National ICT Planning Policy and Standards Bureau (NIPPSB), pursuant
32 to Republic Act No. 10844;
- 33
- 34 d) Department of Energy (DOE)
 - 35 i. Energy Research and Testing Laboratory (ERTL), pursuant to
36 Administrative Order No. 38, Series of 2002;
 - 37 ii. National Renewable Energy Board (NREB), pursuant to Republic Act
38 No. 9513;
 - 39 iii. Oil Industry and Management Bureau (OIMB), pursuant to Republic
40 Act No. 8479;
- 41
- 42 e) Department of Health (DOH)

- 1 i. Food and Drugs Administration (FDA), pursuant to Republic Act No.
2 9711;
3
4 f) Department of Science and Technology (DOST)
5 i. Forest Products Research and Development Institute (FPRDI), pursuant
6 to Executive Order No. 128, Series of 1987;
7 ii. Industrial Technology Development Institute (ITDI), pursuant to
8 Executive Order No. 128, Series of 1987;
9 iii. Metals Industry Research and Development Center (MIRDC),
10 pursuant to Republic Act No. 4724;
11 iv. National Metrology Laboratory (NML), pursuant to Republic Act
12 No. 9236;
13
14 g) Department of Tourism (DOT)
15 i. Office of Tourism Standards and Regulations, pursuant to Republic Act
16 No. 9593;
17
18 h) Department of Transportation (DOTr)
19 i. Land Transportation Franchising and Regulatory Board (LTFRB),
20 pursuant to Executive Order No. 202, Series of 1987
21
22 i) Department of Public Works and Highways (DPWH)
23 i. Bureau of Research and Standards (BRS), pursuant to Executive Order
24 No. 292, Series of 1987;
25
26 j) Department of Trade and Industry (DTI)
27 i. Bureau of Philippine Standards (BPS), pursuant to Republic Act No.
28 4109;
29 ii. Philippine Accreditation Bureau (PAB), pursuant to Executive Order No.
30 802, Series of 2009;
31
32 k) National Commission of Muslim Filipinos (NCMF), pursuant to Republic
33 Act No. 9997;
34
35 l) National Water Resources Board (NWRB), pursuant to Presidential Decree
36 No. 1067, s. 1976; and
37
38 m) Local Government Units, pursuant to Republic Act No. 7394.
39

40 **SEC. 10. Appropriations.** – The amount necessary for the conduct of
41 activities and projects of the Council to effectively perform its mandates functions

1 under this Act, shall be sourced from the budgets of the different government
2 departments tasked to implement the same.

3
4 **SEC. 11. *Implementing Rules and Regulations.*** – Within sixty (60)
5 working days from the effectivity of this Act, the DTI and DOST, in consultation
6 with the DBM, DOF, NEDA, and other relevant stakeholders shall issue the
7 implementing rules and regulations of this Act.

8
9 **SEC. 12. *Separability Clause.*** – If any provision of this Act is declared
10 invalid or unconstitutional, the other provisions not affected by such declaration
11 shall remain in full force and effect.

12
13 **SEC. 13. *Repealing Clause.*** – All provisions of other laws, presidential
14 decrees, issuances, executive orders, letter of instructions, administrative orders,
15 rules and regulations which are contrary to or inconsistent with the provisions of
16 this Act are hereby deemed repealed, modified, or amended accordingly.

17
18 **SEC. 14. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
19 publication in the Official Gazette or in a newspaper of general circulation.

20
21 Approved,
22