



MEMORANDUM

FOR : **The Directors**
Legal Affairs Service
Policy and Planning Service
Climate Change Service

The Executive Director
National Water Resources Board

The Bureau Director
Environmental Management Bureau

FROM : **The Director**
Legislative Liaison Office

SUBJECT : **INVITATION FROM THE SENATE COMMITTEE ON TRADE, COMMERCE, AND ENTREPRENEURSHIP TO 2ND TWG MEETING ON NATIONAL QUALITY INFRASTRUCTURE DEVELOPMENT ACT**

DATE : 04 July 2023

In reference to the electronic mail received by our Office, the Subcommittee on National Quality Infrastructure Development Act of the Committee on Trade, Commerce, and Entrepreneurship joint with the Committee on Finance will be conducting a **2nd Technical Working Group (TWG) Meeting on 10 July 2023, Monday, 10:00 AM at the Sen. Laurel Room, 2F, Senate and via Cisco WebEx platform** to continue the discussion on the following legislative measures:

Senate Bill No. 628 – An Act to Develop a National Quality Policy Defining the Philippine National Quality Infrastructure (NQI), Creating for this Purpose The Philippine National Quality Infrastructure Coordinating Council and For Other Purposes (Sen. Sonny Angara and Sen. Joel Villanueva); and

Senate Bill No. 793- 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 (Sen. Jinggoy Estrada).

In this regard, may we respectfully invite you or your representative to the TWG meeting. Further, may we request your comments/ recommendations on the abovementioned bills in preparation for the upcoming public hearing, as requested by the Committee. Kindly send the name/s of attendees and the comments on or before 07 July 2023, 5:00 PM via email at denrll@denr.gov.ph. Attached herewith are the Letter Invitation and the copies of the Senate Bills.


ROMIROSE B. PADIN

cc: Undersecretary for Special Concerns and Legislative Affairs

MEMO NO. 2023 - 561



Republic of the Philippines
SENATE
Pasay City

SUBCOMMITTEE ON NATIONAL QUALITY INFRASTRUCTURE DEVELOPMENT ACT OF THE

Committee on Trade, Commerce & Entrepreneurship

Joint with the

Committee on Finance

Monday, 10 July 2023, 10:00 AM

Venue: 2F, Sen. Laurel Room, Senate of the Philippines

Via: Cisco Webex Platform

NOTICE: 2nd TECHNICAL WORKING GROUP (TWG) MEETING

DATE : 3 July 2023

FOR: **THE REPRESENTATIVE OF**

HON. ALFREDO E. PASCUAL, Secretary, Department of Trade & Industry (DTI)

USEC. DOMINGO F. PANGANIBAN, Senior Undersecretary, Department of Agriculture (DA)

HON. AMENAH F. PANGANDAMAN, Secretary, Department of Budget and Management (DBM)

HON. RAPHAEL P. M. LOTILLA, Secretary, Department of Energy (DOE)

HON. MARIA ANTONIA YULO LOYZAGA, Secretary, Department of Environment and Natural Resources (DENR)

HON. BENJAMIN E. DIOKNO, Secretary, Department of Finance (DOF)

HON. TEODORO J. HERBOSA, M.D., Secretary, Department of Health (DOH)

HON. IVAN JOHN E. UY, Secretary, Department of Information and Communications Technology (DICT)

MR. REYNALDO P. FAUSTINO, OIC-Director, Bureau of Research and Standards, Department of Public Works and Highways (DPWH)

DR. RENATO U. SOLIDUM, JR., Secretary, Department of Science and Technology (DOST)

HON. MARIA ESPERANZA CHRISTINA GARCIA FRASCO, Secretary, Department of Tourism (DOT)

HON. JAIME BAUTISTA, Secretary, Department of Transportation (DOTr)

MR. TEOFILO GUADIZ III, Chairperson, Land Transportation Franchising and Regulatory Board (LTFRB)

HON. ARSENIO M. BALISACAN, Secretary, National Economic and Development Authority (NEDA)

MR. SEVILLO D. DAVID JR., Executive Director, National Renewable Energy Board (NWRB)

MR. SERGIO R. ORTIZ-LUIS JR., President and Chief Executive Officer, PhilExport

DR. ARSENIO M. BALISACAN, Chairman, Philippine Institute for Development Studies (PIDS)

Please be informed that the **Subcommittee on National Quality Infrastructure Development Act** of the **Committee on Trade, Commerce, and Entrepreneurship joint with the Committee on Finance** will conduct a Technical Working Group (TWG) Meeting on **10 July 2023 (Monday), 10:00 a.m.** at the **Sen. Laurel Room, 2/F, Senate of the Philippines and via Cisco WebEx platform**, to continue the discussion on the following measures:

Senate Bill No. 628- *An Act to Develop A National Quality Policy Defining the Philippine National Quality Infrastructure (NQI), Creating for This Purpose the Philippine National Quality Infrastructure Coordinating Council and For Other Purposes* (Sen. Sonny Angara); and

Senate Bill No. 793- *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* (Sen. Jinggoy Estrada).

In this regard, may we kindly invite you or your office's duly authorized representative to attend the subject TWG meeting as one of our resource persons. Your comments and recommendations would be valuable in fine-tuning the NQI Bill's Committee Report, which we hope to file when the Senate reconvenes this month. We would also like to remind those who have not yet submitted their position papers on the aforementioned measures to do so by email at senate.trade@gmail.com on or before the meeting.

As part of the Senate's health and safety protocols, the following guidelines are implemented for resource persons who will physically attend Committee Hearings and Meetings:

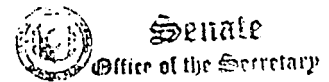
1. Name of resource persons must be submitted to the Committee Secretariat at least one (1) day before the Hearing/Meeting for proper endorsement to the office of the Senate Sergeant-at-Arms. Those who are not on the list will be denied entry; and
2. Before entry, resource persons should present to the Medical staff on duty at the Senate lobby proof of full vaccination (must have at least completed the primary dose series).

Your presence/participation will be highly appreciated. The access code will be sent to your email a night prior to the meeting.

Thank you.

For the Chairperson:
SEN. SONNY ANGARA

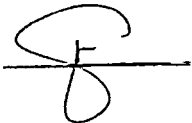
By: 
MR. SHERWYNNE AGUB
Committee Secretary



NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

'22 JUL 14 P3:35

SENATE
S. B. No. 628

RECEIVED BY: 

Introduced by Senator SONNY ANGARA

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

EXPLANATORY NOTE

Upon gaining a fair amount of success at home, many Filipino entrepreneurs and owners of small, and medium enterprises (SMEs) usually look to expand into markets abroad for the products or services they offer. A handful do get to reach new customers in other countries. However, the vast majority of Filipino businesses are not so successful for various reasons.

This is unfortunate considering that according to a November 2021 International Trade Centre assessment¹, the Philippines has an unrealized export potential worth US\$49 billion (or roughly P2.677 trillion²). Up to US\$20 billion—or around P1.092 trillion—of that figure is supposedly due to so-called “product-market-specific” frictions. A portion of this includes failures to comply with the product, service, or process standards of a given export market—or simply, the situation where products and services are not of acceptable quality.

For more of our companies to reach international markets and become part of global value chains, there should be an enabling environment that would support and guide them towards reaching international standards of quality. An entire ecosystem

¹ <https://tradebriefs.intracen.org/2021/11/special-topic>

² Using an exchange rate of US\$1 = Php54.63, as of June 23, 2022

of both public and private sector institutions should be in place so that Filipino entrepreneurs and business owners can get the necessary accreditations or certifications for export; routinely test their products and services against certain levels of quality; and, make adjustments or recalibrations whenever market or government standards change.

Considering that most developing countries are now working to enhance their respective capacities to develop and produce globally competitive products and services aligned with international standards and benchmarks, the Philippines needs to build up its own national quality infrastructure (NQI). A 2018 Philippine Institute for Development Studies (PIDS) study even identified the lack of NQI as a contributor to the lack of competitiveness of Philippine SMEs³.

In fact, several government institutions, bureaus, and laboratories already exist where products and services can be accredited, certified, and tested for compliance with certain levels of quality. The challenge is that these NQI institutions are scattered across the bureaucracy, resulting in a weak and fragmented ecosystem that makes it difficult for any meaningful culture of quality to be promoted and instilled throughout Philippine society.

A comprehensive, harmonized, responsive, and strategic National Quality Policy (NQP) is needed to fill in this gap. With a clearly communicated and well-documented NQP, relevant public and private sector stakeholders can commit to realizing medium- to long-term objectives; fostering closer ties and partnerships with each other; acting in tandem to achieve strategic goals; and even investing in joint projects and programs. Institutionalizing an NQP will enable for a system of trust to grow, and a culture of quality and safety to become more commonplace and ubiquitous—all of which shall enable more of our companies to become more globally competitive and open up more economic opportunities for Filipinos.

The proposed bill aims to develop this much-needed NQP and build a robust NQI ecosystem throughout the country. These are goals which have already been embodied in the respective Philippine Development Plans of the Aquino and Duterte

³ <https://pidswebs.pids.gov.ph/CDN/PUBLICATIONS/pidsdps1807.pdf>

administrations. Hopefully, the same shall be included in the plans of the incoming administration of President Ferdinand “Bongbong” Marcos Jr.

To harmonize and provide some coherence to the operations of existing NQI institutions, a Philippine National Quality Infrastructure Coordination Council (PNQICC) shall be established and co-chaired by the Department of Trade and Industry (DTI) and the Department of Science and Technology (DOST). This council will coordinate policies and programs to meet quality requirements for products, services, and processes with the goal of promoting innovation, competitiveness, sustainable development, and compliance with international commitments. Ultimately, this council will provide some needed direction and order.

As the country works to recover from the COVID-19 pandemic and faces some very serious headwinds brought about by geopolitical tensions and technological disruptions, all sectors of our society need to rally around the objective of making Filipino companies, professionals, entrepreneurs, and even laborers and artisans more globally competitive. A robust NQI ecosystem backed by a unified, responsive, and sustainable NQP can help achieve this. Hence, this bill is among the priority measures we have identified under our longstanding Tatak Pinoy (“Proudly Filipino”) advocacy for building a more productive, more innovative, more globally competitive, and more inclusive economy for all Filipinos.

Indeed, for “Tatak Pinoy” to be something that Filipinos can truly be proud of, ensuring utmost quality needs to be a way of life for every Filipino enterprise. In view of the foregoing, the approval of this measure is earnestly sought.



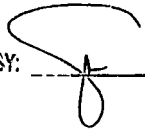
SONNY ANGARA
78



NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

'22 JUL 14 P3:36

SENATE
S. B. No. 628

RECEIVED BY: 

Introduced by Senator SONNY ANGARA

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

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 of 2022,” hereinafter referred to as the Act.

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

7 The State shall adopt and strengthen its quality infrastructure system that
8 would support national policies and strategies on economic development,
9 trade and investments, job creation and industrialization, innovation and technological
10 advancement, ease of doing business, consumer protection, environmental protection,
11 and social equity and sustainability, while adhering to international best practices and
12 international standards.

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

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

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

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

23 **SEC. 4. Definition of Terms.** – For purposes of this Act, the following terms
24 are defined as follows:

- 1 a) **Accreditation** refers to a third-party attestation conveying a formal
2 demonstration of the competence of a conformity assessment body to carry
3 out specific conformity assessment tasks. It provides a basis for uniform
4 technical policy and conditions for mutual recognition at the international
5 level;
- 6 b) **Calibration** refers to the operation that is used to establish that any
7 measuring instruments used remain accurate within specified parameters;
- 8 c) **Certification** refers to a third-party attestation of conformance to
9 standards, technical regulations, other specified requirements or guidelines
10 related to products, processes, systems or persons. This can be
11 accomplished by conducting inspection, verification, audit and/or testing;
- 12 d) **Conformity Assessment** refers to the demonstration that specified
13 requirements relating to a product, process, system, person or body are
14 fulfilled;
- 15 e) **Conformity Assessment Body** refers to a body that performs conformity
16 assessment activities and that can be the object of accreditation;
- 17 f) **Culture of Quality** refers to the set of group values that guide how
18 improvements are made to everyday working practices and consequent
19 outputs;
- 20 g) **Inspection** refers to the examination of a product, process, service, or
21 installation, or their design and determination of its conformity with specific
22 requirements or, on the basis of professional judgment, with general
23 requirements;

- 1 h) ***Metrology*** refers to the science of measurement and its application, which
2 includes all theoretical and practical aspects of measurement;
- 3 i) ***National Measurement System (NMS)*** refers to the measurement
4 system which ensures the integrity of measurements in the country, meets
5 regional and international requirements, and provides support for the
6 competitiveness of Philippine products, services, and processes to establish
7 confidence in measurements used for regulation, trade, and manufacturing
8 in the country;
- 9 j) ***National Quality Infrastructure (NQI)*** refers to policy, legal,
10 regulatory, and administrative frameworks, and the institutional
11 arrangements, public and private, to implement standardization,
12 accreditation, and the totality of the testing, certification, and measurement
13 necessary to provide acceptable evidence that products, services, and
14 processes meet prescribed standards;
- 15 k) ***Philippine National Standard (PNS)*** refers to a document established
16 by consensus and promulgated by the Bureau of Philippine Standards,
17 which provides, for common and repeated use, rules, guidelines, or
18 characteristics for activities or their results which aim at the achievement
19 of the optimum degree of order in a given context;
- 20 l) ***Quality*** refers to the degree to which a set of inherent characteristics fulfill
21 requirements;
- 22 m) ***Standard*** refers to the document approved by a recognized body that
23 provides for common and repeated use, rules, guidelines, or characteristics
24 for products or related processes and production methods, with which

1 compliance is not mandatory. It may also include terminology, symbols,
2 packaging, marking, or labelling requirements as they apply to a product,
3 process, or production method;

4 n) **Standardization** refers to the process of developing technical
5 specifications or requirements based on consensus among all interested
6 parties, consumers, trade associations, manufacturers and providers of
7 goods and services, non-governmental organizations (NGOs), and
8 government agencies and instrumentalities;

9 o) **Technical regulation** refers to product characteristics or their related
10 processes and their production methods, including the applicable
11 administrative provisions, which are made mandatory by laws or imposed
12 by government agencies;

13 p) **Testing** refers to the determination of a product's characteristics against
14 the requirements of the standard;

15 **SEC. 5. Philippine National Quality Policy.** – A Philippine National Quality
16 Policy shall be developed to instill a national culture of quality among the citizenry;
17 promote the development of a dynamic NQI ecosystem such that quality infrastructure
18 services including but not limited to accreditation, calibration, certification, conformity
19 assessment, metrology, and testing are widely accessible; and ensure that Philippine
20 products, services, and processes are globally accepted; earn a reputation of highest
21 quality in terms of safety, standards, and acceptability, even desirability; and are
22 designed, manufactured, and supplied in a manner that fully matches or exceeds the
23 needs, expectations, and requirements of the retailers, purchasers, consumers, and
24 regulatory authorities in local, regional and international markets. The National Quality

1 Policy shall define the National Quality Infrastructure in accordance with the objectives
2 set forth in this Act.

3 **SEC 6. Objectives of the NQI.** – The Philippine National Quality
4 Infrastructure aims to:

- 5 a) Promote and enforce a culture of quality in all levels of society, especially
6 at the individual and institutional levels;
- 7 b) Enhance the quality of the goods and services available in the domestic
8 market as well as those intended for export;
- 9 c) Provide direction to, and encourage the participation of the public and
10 private sectors in conformity assessment activities and mechanisms as a
11 means to demonstrate compliance with voluntary and mandatory
12 requirements to public and private sectors;
- 13 d) Promote the adoption of quality management practices and provide the
14 necessary training to those in charge of the production and
15 commercialization of goods and services in the country;
- 16 e) Ensure the availability, accessibility, and affordability across the country of
17 quality infrastructure services including but not limited to accreditation,
18 calibration, certification, conformity assessment, metrology, and testing;
- 19 f) Support the coordination of relevant government and private institutions
20 and instrumentalities in charge of achieving societal interests including
21 safety, health, consumer welfare, environmental protection, and fair trade;
22 and,
- 23 g) Facilitate the work of government in its roles as regulator and user of goods
24 and services, as well as its role in maintaining societal interests.

1 **SEC. 7. *Scope of the NQI.*** – The NQI shall be comprised of the policy,
2 regulatory, and legal frameworks on Standardization, Accreditation, Metrology,
3 Conformity Assessment, and Technical Regulations that shall be defined in the
4 implementing rules and regulations of this Act.

5 **SEC 8. *Institutional Arrangements.*** – To achieve the objectives set forth in
6 this Act, there is hereby created a Philippine National Quality Infrastructure
7 Coordination Council (PNQICC), herein referred to as the Council.

8 The Council shall be composed of the following:

- 9 a) The Department of Trade and Industry (DTI) Secretary and Department of
10 Science and Technology (DOST) Secretaries as Co-Chairpersons;
- 11 b) A representative of the private sector as Vice-Chairperson;
- 12 c) The Secretary of the Department of Budget and Management (DBM);
- 13 d) The Secretary of the Department of Agriculture (DA)
- 14 e) The Secretary of the Department of Energy (DOE);
- 15 f) The Secretary of the Department of Environment and Natural Resources
16 (DENR);
- 17 g) The Secretary of the Department of Finance (DOF);
- 18 h) The Secretary of the Department of Health (DOH);
- 19 i) The Department of the Department of Public Works and Highways (DPWH);
- 20 j) The Director-General of the National Economic and Development Authority
21 (NEDA);
- 22 k) A representative of the Union of Local Authorities of the Philippines (ULAP);
- 23 l) Four (4) members from the private sector who shall represent exporters,
24 manufacturers, importers, and consumers respectively;

1 m) A representative of the academe or reputable research institutions;

2 The DTI and DOST Secretaries may designate the appropriate Undersecretary
3 as their alternate, and the other ex-officio members may designate an alternate with
4 the rank not below the rank of Director.

5 The President shall appoint the Vice-Chairperson from the nominees submitted
6 by reputable business groups or associations.

7 A permanent secretariat shall be organized by the DTI to assist the Council in
8 the discharge of its functions.

9 **SEC. 9. Functions of the Philippine National Quality Infrastructure**

10 **Coordination Council.** – The Council shall perform the following functions:

- 11 a) Formulate and adopt a Philippine National Quality Policy pursuant to Section
12 5 of this Act;
- 13 b) Instill a culture of quality among the citizenry through an effective
14 information, education, and communication campaign;
- 15 c) Ensure the adoption of good regulatory practices and policy cohesion by
16 NQI institutions and in the delivery of NQI services, as well as in the
17 development and promotion of programs and projects;
- 18 d) Create committees or technical working groups and
19 request the participation/involvement in the committees of government
20 agencies, industry associations, consumers, the academe, and other
21 stakeholders, if necessary;
- 22 e) Identify the roles and contribution of government agencies, the private
23 sector, industry associations, non-government organizations, and other

1 stakeholders in attaining the vision and adhering to the principles
2 prescribed in this Act;

3 f) Coordinate and support programs, projects, and activities that will foster
4 the deveiopment of a dynamic NQI ecosystem;

5 g) Pursue initiatives for ensuring that quality infrastructure services, such as
6 but not limited to accreditation, calibration, certification, conformity
7 assessment, metrology, and testing, are available, accessible, and
8 affordable across the country;

9 h) Request the assistance and cooperation of any government agency or
10 instrumentality, or private entity or organization in the performance of its
11 functions and the attainment of the objectives of this Act, including the
12 carrying out of recommendations as a result of studies made pursuant to
13 paragraph "b" hereof; and

14 i) Perform such other functions as may be necessary, incidental, or proper to
15 its mandate.

16 **SEC. 10. *Role of NQI Institutions.*** – Under the direction of the Philippine
17 National Quality Infrastructure Council and in fulfillment of the objectives of this Act,
18 all existing public NQI institutions involved in standards development, accreditation,
19 metrology, and conformity assessment shall continue to perform the mandates and
20 functions assigned to them by their respective enabling laws, including but not limited
21 to:

22 a) Department of Agriculture (DA):

23 i. Bureau of Agriculture and Fisheries Standards (BAFS) pursuant to
24 Republic Act No. 8435;

- 1 ii. National Meat Inspection Service (NMIS), pursuant to Republic Act
2 No. 9296;
- 3 b) Department of Environment and Natural Resources (DENR), pursuant to
4 Executive Order No. 192, series of 1987;
- 5 c) Department of Information and Communications Technology (DICT):
 - 6 i. National ICT Planning Policy and Standards Bureau (NIPPSB),
7 pursuant to Republic Act No. 10844;
- 8 d) Department of Energy (DOE):
 - 9 i. Energy Research and Testing Laboratory (ERTL), pursuant to
10 Administrative Order No. 38, series of 2002;
 - 11 ii. National Renewable Energy Board (NREB), pursuant to Republic Act
12 No. 9513;
 - 13 iii. Oil Industry and Management Bureau (OIMB), pursuant to Republic
14 Act No. 8479;
- 15 e) Department of Health (DOH):
 - 16 i. Food and Drugs Administration (FDA), pursuant to Republic Act No.
17 9711;
- 18 f) Department of Science and Technology (DOST):
 - 19 i. Forest Products Research and Development Institute (FPRDI),
20 pursuant to Executive Order No. 128, series of 1987;
 - 21 ii. Industrial Technology Development Institute (ITDI), pursuant to
22 Executive Order No. 128, series of 1987;
 - 23 iii. Metal Industry Research and Development Center (MIRDC), pursuant
24 to Republic Act No. 4724;

1 iv. National Metrology Laboratory (NML), pursuant to Republic Act No.
2 9236;

3 g) Department of Tourism (DOT):

4 i. Office of Tourism Standards and Regulations, pursuant to Republic
5 Act No. 9593;

6 h) Department of Transportation (DOTr):

7 i. Land Transportation Franchising and Regulatory Board (LTFRB),
8 pursuant to Executive Order No. 202, series of 1987;

9 i) Department of Public Works and Highways (DPWH):

10 i. Bureau of Research and Standards (BRS), pursuant to Executive
11 Order No. 292, series of 1987;

12 j) Department of Trade and Industry (DTI):

13 i. Bureau of Philippine Standards (BPS), pursuant to Republic Act No.
14 4109;

15 ii. Philippine Accreditation Bureau (PAB), pursuant to Executive Order
16 No. 802, series of 2009;

17 k) National Commission of Muslim Filipinos (NCMF), pursuant to Republic Act
18 No. 9997;

19 l) National Water Resources Board (NWRB), pursuant to Presidential Decree
20 No. 1067, series of 1976; and,

21 m) Local Government Units, pursuant to Republic Act No. 7394.

22 **SEC. 20. Appropriations.** – The amount necessary for the conduct of
23 activities and projects to develop the NQI and for the Council to effectively perform

1 its mandated functions under this ACT shall be sourced from the budgets of the
2 different government departments tasked to implement the same.

3 **SEC. 21. *Implementing Rules and Regulations.*** – Within sixty (60)
4 working days from the effectivity of this Act, the Department of Trade and Industry
5 (DTI) and Department of Science and Technology (DOST), in consultation with the
6 DBM, DOF, NEDA, and other relevant stakeholders shall issue the implementing rules
7 and regulations of this Act.

8 **SEC. 22. *Separability Clause.*** – If any provision of this Act is declared invalid
9 or unconstitutional, the other provisions not affected by such declaration shall remain
10 in full force and effect.

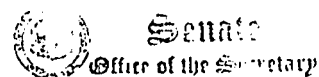
11 **SEC. 23. *Repealing Clause.*** – All provisions of other laws, presidential
12 decrees, issuances, executive orders, letter of instructions, administrative orders, rules
13 or regulations which are contrary to or inconsistent with the provisions of this Act are
14 hereby deemed repealed, modified, or amended accordingly.

15 **SEC. 24. *Effectivity.*** – This Act shall take effect after fifteen (15) days from
16 its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,

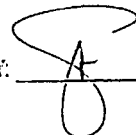
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NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 JUL 25 AIO :24

SENATE
S. No. 793

RECEIVED BY: 

Introduced by Senator Jinggoy Ejercito Estrada

**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**

EXPLANATORY NOTE

The United Nations Industrial Development Organization (UNIDO) defines Quality Infrastructure as "a system contributing to governmental policy objectives in areas including industrial development, trade competitiveness in global markets, efficient use of natural and human resources, food safety, health, the environment and climate change." Quality Infrastructure System (QIS) therefore, "is a combination of initiatives, institutions, organizations, activities and people. It includes a national quality policy and institutions to implement it, a regulatory framework, quality service providers, enterprises, customers and consumers (who include citizens as "consumers" of government services)." UNIDO emphasized the importance of QIS in a developing nation as a positive and practical step towards a thriving economy that promotes prosperity, health, and well-being.¹

The Department of Trade and Industry (DTI) has been pushing for the establishment of a National Quality Infrastructure as a foundation in achieving global competitiveness. The country has to focus on standardization, accreditation and metrology. In the same manner, the National Competitiveness Council (NCC)

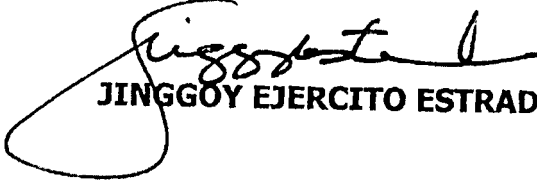
¹ UNIDO_Quality_system_0.pdf

identified four (4) benefits of NQI, namely, (1) regulatory quality or ease of doing business; (2) trade facilitation; (3) industry development or competitiveness; and (4) consumer protection. Through these, Philippine products and services will be proven to meet international standards and will make them easy to market.

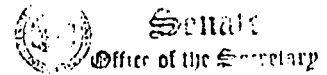
The "*National Quality Infrastructure Development Act*" seeks to provide the necessary institutional apparatus to produce products and services of a prescribed national and international standards. It aims to harmonize the fragmented quality programs and policies, as well as institutionalize effective cooperation and coordination among the NQI institutions in the country, as well as with their regional and international counterparts.

Legislative measures of this nature were filed by legislators both in the House of Representatives and in the Senate in the previous Congresses, but did not prosper into law.

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


JINGGOY EJERCITO ESTRADA

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



'22 JUL 25 AIO :24

SENATE

RECEIVED BY:

S. No. 793

Introduced by Senator Jinggoy Ejercito Estrada

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. *Short Title.* - This Act shall be known as the "*National Quality*
2 *Infrastructure Development Act*".

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

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

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

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

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

15 Sec. 3. *Coverage.* — This Act shall apply to activities, processes, programs,
16 and to public and private institutions relevant to standards, accreditation, metrology,
17 conformity assessment, and other matters incidental thereto.

18 Sec. 4. *Definition of Terms.* — For purposes of this Act, the following terms
19 are defined as follows:

- 20 a) *Accreditation* refers to a third-party attestation conveying a formal
21 demonstration of the competence of a conformity assessment body to carry
22 out specific conformity assessment tasks. It provides a basis for uniform
23 technical policy and conditions for mutual recognition at the international
24 level;
- 25 b) *Calibration* refers to the operation that is used to establish that the measuring
26 instruments used to remain accurate within specified parameters;
- 27 c) *Certification* refers to a third-party attestation of conformance to standards,
28 technical regulations, other specified requirements or guidelines related to
29 products, processes, systems, or persons. This can be accomplished by
30 conducting inspection, verification, audit and/or testing;

- 1 d) *Conformity Assessment* refers to the demonstration that specified
2 requirements relating to a product, process, system, person or body are
3 fulfilled;
- 4 e) *Conformity Assessment Body* refers to a body that performs conformity
5 assessment activities and that can be the object of accreditation;
- 6 f) *Culture of Quality* refers to the set of group values that guide how
7 improvements are made to everyday working practices and consequent
8 outputs;
- 9 g) *Inspection* refers to the examination of product, process, service, or
10 installation, or their design and determination of its conformity with specific
11 requirements or, on the basis of professional judgment, with general
12 requirements;
- 13 h) *Methodology* refers to the science of measurement and its application, which
14 includes all theoretical and practical aspects of measurement;
- 15 i) *National Quality Infrastructure (NQI)* refers to policy, legal, regulatory, and
16 administrative frameworks, and the institutional arrangements, public and
17 private, to implement standardization, accreditation, and totality of the
18 testing, certification, and measurement necessary to provide acceptable
19 evidence that products and services meet the defined government and
20 market standards;
- 21 j) *National Quality Policy (NQP)* refers to the basic government instrument for
22 establishing and overseeing the quality infrastructure system;
- 23 k) *Philippine National Standard (PNS)* refers to a document established by
24 consensus and promulgated by the Bureau of Philippine Standards, which
25 provides, for common and repeated use, rules, guidelines, or characteristics
26 for activities or their results which aim at the achievement of the optimum
27 degree of order in a given context;
- 28 l) *Quality* refers to the degree to which a set of inherent characteristics fulfill
29 requirements;
- 30 m) *Standard* refers to the document approved by a recognized body that
31 provides for common and repeated use, rules, guidelines, or characteristics
32 for products or related processes and production methods, with which

1 compliance is not mandatory. It may also include terminology, symbols,
2 packaging, marking, or labelling requirements as they apply to a product,
3 process, or production method;

4 n) *Standardization* refers to the process of developing technical specifications of
5 standards based on consensus among all interested parties, consumers, trade
6 associations, manufacturers and providers of goods and services, non-
7 governmental organizations (NGOs), and government agencies and
8 instrumentalities; and,

9 o) *Testing* refers to the determination of a product's characteristics against the
10 requirements of a standard.

11 Sec. 5. *Philippine National Quality Policy.* – A Philippine National Quality
12 Policy shall be developed to ensure the Philippine products and services are globally
13 accepted; earn a reputation of highest equality in terms of safety, standards, and
14 acceptability; promote a national culture of quality among the citizenry; and that
15 Philippine goods and services are designed, manufactures, and supplied in a manner
16 that fully matches or exceeds the needs, expectations, and requirements of the
17 retailers, purchasers, consumers, and regulatory authorities in the local, regional,
18 and international markets.

19 The National Quality Policy shall define the National Quality Infrastructure in
20 accordance with the objectives set forth in this Act.

21 Sec. 6. *Scope of the NQI.* – The NQI shall prescribe the policy, regulatory,
22 and legal frameworks on Standardization, Accreditation, Metrology, and Conformity
23 Assessment that shall be defined in the implementing rules and regulations of this
24 Act.

25 Sec. 7. *Institutional Arrangements.* – To achieve the objectives set forth in
26 this Act, there is hereby created a Philippine National Quality Infrastructure
27 Coordination Council (PNQICC), herein referred to as the Council.

28 The Council shall be composed of the following:

29 a) The Department of Trade and Industry (DTI) and Department of Science and
30 Technology (DOST) Secretaries as Co-Chairpersons;

31 b) A representative of the private sector as Vice-Chairperson;

- 1 c) The Secretary of the Department of Budget and Management (DBM) as
2 member;
- 3 d) The Secretary of Department of Agriculture (DA) as member;
- 4 e) The Secretary of the Department of Energy (DOE) as member;
- 5 f) The Secretary of the Department of Environment and Natural Resources
6 (DENR) as member;
- 7 g) The Secretary of the Department of Information and Communications
8 Technology (DICT) as member;
- 9 h) The Secretary of the Department of Finance (DOF) as member;
- 10 i) The Secretary of the Department of Health (DOH) as member;
- 11 j) The Secretary of the Department of Tourism (DOT) as member;
- 12 k) The Secretary of the Department of Public Works and Highways (DPWH) as
13 member;
- 14 l) The Director-General of the National Economic and Development Authority
15 (NEDA) as member;
- 16 m) A representative of the Union of Local Authorities of the Philippines (ULAP) as
17 ex-officio member;
- 18 n) Four (4) members of the private sector who shall represent exporters,
19 manufacturers, importers and consumers, as ex-officio member; and,
- 20 o) A representative of the academe or research institutions as ex-officio
21 member.

22 The DTI and DOST Secretaries may designate the appropriate Undersecretary
23 as their alternate, and the other ex-officio members may designate an alternate with
24 the rank not below the rank of Director.

25 The President shall appoint the Vice-Chairperson from the nominees
26 submitted by reputable business groups or associations.

27 A permanent secretariat shall be organized by the DTI to assist the Council in
28 the discharge of its functions.

29 *Sec. 8. Functions of the Philippine National Quality Infrastructure*
30 *Coordination Council.* – The Council shall perform the following functions:

- 31 a) Formulate and adopt a Philippine National Quality Policy pursuant to Section 5
32 of this Act;

- 1 b) Instill a culture of quality in all levels of society, at the individual and
2 institutional levels, through an effective information, education, capacity
3 building, and communication campaign to relevant regulatory bodies and to
4 the public;
- 5 c) Ensure the adopted of good regulatory practices and policy cohesion by NQI
6 institutions and in the delivery of NQI services, as well as in the development
7 and promotion of programs and projects;
- 8 d) Create communities or technical working groups and request the
9 participation, assistance and cooperation of government agencies, industry
10 associations, consumers, the academe, and other stakeholders, if necessary
11 for the performance of its functions and the attainment of the objectives of
12 this Act;
- 13 e) Identify the roles and contribution of government agencies, the private
14 sector, industry associations, non-government organizations, and other
15 stakeholders in attaining the vision and adhering to the principles prescribed
16 in this Act;
- 17 f) Coordinate and support programs, projects and activities that will foster the
18 development of a responsible and sustainable NQI, such as but not limited to
19 improving and increasing the availability of experts, technical assessors,
20 laboratories, calibration services, and product certification bodies; among
21 others;
- 22 g) Provide direction and order, and encourage the participation of the public and
23 private sectors in conformity assessment activities and mechanisms as a
24 means to demonstrate compliance with voluntary and mandatory
25 requirements to public and private sectors;
- 26 h) Promote the adoption of quality management practices and necessary training
27 to those in charge of the production and commercialization of goods and
28 services in the country;
- 29 i) Promulgate rules to enable the NQI institutions under its direction to offer
30 technical support to relevant industries;
- 31 j) Ensure that standardization, accreditation, and metrological processes are in
32 line with and comparable to international best practices;

- 1 k) Ensure the proper promulgation of all standards created by other agencies
2 and instrumentalities of the government, and perform standardization
3 functions over conformity assessment bodies in the country;
- 4 l) Direct the development of the National Standardization Strategy and the
5 National Accreditation Strategy, with the involvement of all stakeholders;
- 6 m) Ensure that the country participates in regional and international
7 standardization efforts and accreditation activities, arrangements, and for a;
- 8 n) Support the formation of cooperation and conclusion of mutual recognition
9 arrangements and agreements with national, regional, and international
10 organizations;
- 11 o) Promote the recognition of accreditation among regulatory agencies by:
- 12 i. Requiring their testing and calibration laboratories, inspection bodies
13 and certifying bodies to seek accreditation;
- 14 ii. Requiring government agencies to utilize the services of test and
15 calibration laboratories, inspection bodies, certification bodies and
16 other conformity assessment bodies that are accredited by the
17 Accreditation Philippines or a signatory member of the Asia Pacific
18 Accreditation Cooperation (APAC), International Accreditation Forum
19 (IAF), International Laboratory Accreditation Cooperation (ILAC), and
20 International Halal Accreditation Forum (IHAF);
- 21 iii. Establishing agreements, Memorandum of Understanding (MOU) and
22 Mutual Recognition Arrangement (MRA) with regulatory bodies, other
23 accreditation bodies, signatory members and other interested parties.
- 24 p) Ensure the maintenance and continuous update of the national measurement
25 standards in all relevant fields for the Philippines, guaranteeing that all
26 metrological laboratories, infrastructure, equipment, instruments, artifacts,
27 reference standards, and other similar articles are in good condition,
28 internationally compliant, and reliant and other qualities that may be required
29 in the future;
- 30 q) Provide metrological traceability to the International System of Units (SI) for
31 measurements used in regulations, trade, and manufacturing;

- 1 r) Engage and coordinate research and development work with other local
- 2 institutes / bodies having metrological responsibilities (radiation, standard
- 3 time and dissemination, etc.);
- 4 s) Exercise responsibility for legal metrological controls in the country through
- 5 coordination with other executive branches of government;
- 6 t) Ensure uniformity of metrological procedures in the same prescribed manner
- 7 of their implementation; and,
- 8 u) Perform such other functions as may be necessary, incidental, or proper to its
- 9 mandate.

10 Sec. 9. *Role of NQI Institutions.* – Under the direction of the Philippine
11 National Quality Infrastructure Council, all existing NQI institutions involved in
12 standards development, accreditation, metrology, and conformity assessment shall
13 continue to perform the mandates and functions assigned to them by their
14 respective enabling laws, including but not limited to:

15 a) Department of Agriculture (DA)

- 16 i. Bureau of Agriculture and Fisheries Standards (BFAS) pursuant to
- 17 Republic Act No. 8435;
- 18 ii. National Meat Inspection Service (NMIS), pursuant to Republic Act No.
- 19 9296;

20 b) Department of Environment and Natural Resources (DENR), pursuant to

21 Executive Order No. 192, series of 1987;

22 c) Department of Information and Communications Technology (DICT)

- 23 i. National ICT Planning Policy and Standards Bureau (NIPPSB), pursuant
- 24 to Republic Act No. 10844;

25 d) Department of Energy (DOE)

- 26 i. Energy Research and Testing Laboratory (ERTL), pursuant to
- 27 Administrative Order No. 38, series of 2002;
- 28 ii. National Renewable Energy Board (NREB), pursuant to Republic Act
- 29 No. 9513;
- 30 iii. Oil Industry and Management Bureau (OIMB), pursuant to Republic Act
- 31 No. 8479;

32 e) Department of Health (DOH)

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

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

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

8 Sec. 12. *Separability Clause.* – If any provision or part hereof is held invalid
9 or unconstitutional, the remainder of the law or the provision or part not otherwise
10 affected shall remain valid and subsisting.

11 Sec. 13. *Repealing Clause.* – Any law, presidential decree or issuance,
12 executive order, letter of instruction, administrative order, rule, or regulation
13 contrary to or inconsistent with the provisions of this Act are hereby repealed,
14 modified, or amended accordingly.

15 Sec. 14. *Effectivity.* – This Act shall take effect fifteen (15) days after its
16 publication in the *Official Gazette* or in a newspaper of general circulation, and the
17 filing of three (3) certified copies hereof with the Office of the National
18 Administrative Register (ONAR) of the University of the Philippines (UP) Law Center,
19 Diliman, Quezon City, pursuant to Presidential Memorandum Circular No. 11 dated
20 09 October 1992.

Approved,