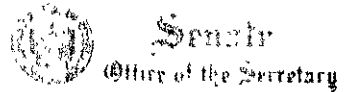


SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)



'15 JUL -6 P3:13

SENATE
S. No. 2853

RECEIVED BY: *JSD*

Introduced by Senator Miriam Defensor Santiago

AN ACT
TO ESTABLISH A TASK FORCE AGAINST COUNTERFEIT DRUGS AND TO
INCREASE AND STRENGTHEN GOVERNMENT EFFORTS AGAINST
COUNTERFEIT DRUG CRIMES

EXPLANATORY NOTE

The Constitution, Article 2, Sections 5 and 15, provide:

Section 5. The maintenance of peace and order, the protection of life, liberty, and property, and the promotion of the general welfare are essential for the enjoyment by all the people of the blessings of democracy.

Section 15. The State shall protect and promote the right to health of the people and instill health consciousness among them.

Article 13, Section 12 further provides:

Section 12. The State shall establish and maintain an effective food and drug regulatory system and undertake appropriate health, manpower development, and research, responsive to the country's health needs and problems.

Republic Act No. 8203, otherwise known as the "Special Law on Counterfeit Drugs" was enacted to prohibit the manufacture, sale, offering for sale, donation, distribution, trafficking, brokering, or importation or possession of counterfeit drugs. While the intent of this law is unquestionable, it still lacks teeth in terms of enforcement. Despite its clear language, counterfeit drugs run prevalent on the market, and new systems have evolved to perpetrate counterfeit drug crimes.

In a recent article by the Wall Street Journal¹, it was reported that a call center in the Philippines that allegedly peddled counterfeit drugs was raided, but produced no arrests. The report further states:

The failure to make arrests was disappointing, said Leigh Wadeson, an intelligence analyst for pharmaceuticals giant Pfizer Inc., who flew to Manila for the raid. Still, "disruption is what this is all about," he said. "Any prosecutions that happen later are a bonus."

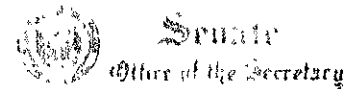
Disruption is not enough. As it stands, our current laws fail to effectively stamp out this menace to public health. The growth of electronic commerce, proliferation of multi-level marketing corporations and other alternative marketing organizations, and our increasing participation in international trade have dramatically expanded the market for counterfeit drugs. Our government agencies must be equal to the task.

This bill seeks to create a task force that will organize government efforts against counterfeit drug crimes and ensure that the offenders are served justice. In so doing, we will be able to protect our citizens from the false hopes and unimaginable effects brought about by counterfeit drugs.


MIRIAM DEFENSOR SANTIAGO
RP

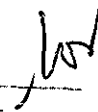
¹ Chu, Kathy and Trefor Moss. "Call Centers: New Battle Front for Fake Drugs." <<http://www.wsj.com/articles/call-centers-new-battle-front-for-fake-drugs-1433712783>>

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

1 SECTION 1. *Short Title.* – This Act shall be known as “Task Force Against
2 Counterfeit Drugs Act.”

3 SECTION 2. *Purpose.* – The purpose of this Act is to strengthen the efforts of the
4 Department of Justice, Food and Drug Administration, and national and local agencies to
5 stop the manufacture, sale, offering for sale, donation, distribution, trafficking, brokering,
6 or importation or possession of counterfeit drugs pursuant to Republic Act No. 8203,
7 otherwise known as the Special Law on Counterfeit Drugs.

8 SECTION 3. *Special Joint Task Force on Counterfeit Drug Crimes.* – The
9 Secretary of Justice shall establish within the Department of Justice a Special Joint Task
10 Force on Counterfeit Drug Crimes (referred to in this Act as the “Task Force”), whose
11 focus shall be the investigation and prosecution of manufacture, sale, offering for sale,
12 donation, distribution, trafficking, brokering, or importation or possession of counterfeit
13 drugs pursuant to Republic Act No. 8203 (referred to in this Act as “counterfeit drug
14 crimes”).

1 SECTION 4. *Membership.* – The Task Force shall have the following permanent
2 members:

- 3 A. Secretary of Justice, who shall serve as Chair;
- 4 B. Secretary of Health, who shall serve as Vice Chair;
- 5 C. Director of the National Bureau of Investigation;
- 6 D. Administrator of the Food and Drug Administration;
- 7 E. Commissioner of the Bureau of Customs; and
- 8 F. Such other officers as the Secretary of Justice may designate.

9 SECTION 5. *Operation.* – The Secretary of Justice shall:

- 10 A. Convene and direct the work of the Task Force in fulfilling all its
11 functions under this Act;
- 12 B. Convene the first meeting of the Task Force not later than ten (10) days
13 after the date of enactment of this Act and shall thereafter convene the
14 Task Force at such times as he or she deems appropriate, but not less
15 than once every three (3) months;
- 16 C. Within one year from the date they first convened, the Task Force shall
17 promulgate the implementing rules for this Act.

18 SECTION 6. *Functions.* – The Task Force shall:

- 19 A. Provide direction for the investigation and prosecution of cases of
20 counterfeit drug crimes;
- 21 B. Provide recommendations for allocation and reallocation of resources
22 of the Department of Justice for investigation and prosecution of
23 counterfeit drug crimes;
- 24 C. Establish a continuous training program for law enforcers, public
25 prosecutors, custom officials and other government officials as may be

1 identified by the task force to identify, apprehend and prosecute
2 counterfeit drug crime offenders; prevent the importation and
3 distribution of counterfeit drugs; and monitor the possible markets for
4 counterfeit drugs including online;

5 D. Establish a coordinating center for inter-agency efforts against
6 counterfeit drug crimes;

7 E. Establish a monitoring and intelligence gathering system that would
8 provide immediate information on the manufacture, importation, and
9 distribution of counterfeit drug crimes and would cover both online and
10 offline activities and transactions;

11 F. Ensure that all government efforts against counterfeit drug crimes are
12 properly planned, coordinated, and supported;

13 G. Make recommendations to the President from time to time for:

14 1. action to enhance cooperation among departments, agencies, and
15 entities of the government in the investigation and prosecution of
16 counterfeit drug crimes;

17 2. action to enhance cooperation among national and local
18 authorities responsible for the investigation and prosecution of
19 counterfeit drug crimes; and

20 H. Make recommendations to the Congress regarding appropriate laws to
21 prevent, curb, investigate, and prosecute counterfeit drug crimes.

22 SECTION 7. *Inter-Agency Coordinating Center.* – There shall be established a
23 Counterfeit Drug Crimes Inter-Agency Coordinating Center under the Office of the
24 Secretary of Justice. The function of the Office shall be the following:

- 1 A. Collect all data related to counterfeit drug crimes and prepare an annual
2 report to be submitted to the appropriate committees in the Senate and
3 the House of Representatives;
- 4 B. Coordinate and document all government efforts against counterfeit
5 drug crimes; and
- 6 C. Provide administrative services and clerical support to the Task Force.

7 SECTION 8. *Appropriations.* – The amount necessary for the initial
8 implementation of this Act shall be charged against the appropriations of the Department
9 of Justice under the current General Appropriations Act. Thereafter, such sum as may be
10 necessary for its full implementation shall be included in the annual General
11 Appropriations Act as a distinct and separate item.

12 SECTION 9. *Separability Clause.* – If any provision of this Act is held invalid or
13 unconstitutional, the same shall not affect the validity and effectivity of the other
14 provisions hereof.

15 SECTION 10. *Repealing Clause.* – All laws, decrees, orders, and issuances, or
16 portions thereof, which are inconsistent with the provisions of this Act, are hereby
17 repealed, amended or modified accordingly.

18 SECTION 11. *Effectivity Clause.* – This Act shall take effect fifteen (15) days
19 after its publication in the *Official Gazette* or in two (2) newspapers of general
20 circulation.

Approved,

/apm&aml25June2015