




Senate  
Office of the Secretary

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

'16 JUL 20 P 4 :43

SENATE  
S.B. No. 707

RECEIVED BY: 

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

**AN ACT**  
**PRESCRIBING THE PHILIPPINE NATIONAL QUALITY INFRASTRUCTURE, RATIONALIZING THE**  
**NATIONAL QUALITY BODIES, PROVIDING FOR THEIR POWERS AND GRANTING THEM**  
**FUNCTIONS, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

This bill seeks to facilitate the development of a culture of quality through providing a sound and effective National Quality Infrastructure that allows the development and compliance with increasing quality requirements and that can support the national authorities in their mandates for consumer protection, free trade, environmental protection and other societal objectives from a technical point of view.

With the imminent development of the ASEAN Economic Community in 2016, the capacity of the country to develop more competitive products, services and systems and to support industries to show compliance with both internal and external market requirements is a top priority to take full advantage of trade flows in terms of socioeconomic growth.

While the country is making great progress in many competitiveness and ease of doing business indicators, there is still substantial room for improvement, particularly when it comes to facilitating the access of Philippine MSMEs to foreign markets (the 12th edition of the Doing Business Reports shows the need for improvement in the trading across borders dimension).

A critical aspect of technical development and market access is the capacity of the country to implement and show compliance with mandatory and voluntary technical requirements. Technical compliance is supported by a number of interlinked activities, many of them of voluntary nature, which are usually collectively referred to as the National Quality Infrastructure. This includes standardization, accreditation, and metrology.

The need for a coordinated quality infrastructure has been already identified in the Philippines Development Plan 2011-2016: The government shall set up a National Quality Infrastructure to integrate and coordinate a series of activities involving metrology, standardization, testing, and accreditation and certification.

The reason for the existence of the National Quality Infrastructure is to have the necessary institutions and practices that allow the different stakeholders to develop and show compliance with technical requirements and strive for increasingly higher levels of quality beyond the mandatory accepted level set out in technical regulations. Therefore it is not only a resource for more competitive products and services, but it is also used by government to support the definition of and compliance with safety, health, fair trade and consumer/environment protection and is used by Government in its dual roles of public purchaser and as overseer of service providers in both the public and private areas.

While the country has already a number of Republic Acts addressing the need for institutions and practices dealing with Consumer Protection, including the usage of National Quality Infrastructure elements, there is the need to develop a more holistic legislation on and approach to National Quality Infrastructure that also address the need to support the Philippine economy in developing products, services and systems of quality levels beyond the mandatory requirements set out in technical regulations.

Based on all existing institutions mandated to develop National Quality Infrastructure related activities, and on the need to increase coordination amongst them, the need for greater ownership by the private sector in contributing to the governance and strategy of those activities, and the need to promote increasing levels of quality for products, services and systems, there is an urgent need to create a national vision of the quality infrastructure for the country.

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

  
Senator Paolo Benigno "Bam" A. Aquino IV




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

**CHAPTER 1**  
**GENERAL PROVISIONS**

1  
2  
3       **SECTION 1. Short Title.** – This Act shall be known as the "*National Quality*  
4 *Infrastructure Act.*"

5       **SECTION 2. Declaration of Policy.** – It is a declared policy under Section 13, Article XII  
6 of the Philippine Constitution of 1987 that "the State shall pursue a trade policy that serves  
7 the general welfare and utilizes all forms and arrangements of exchange on the basis of  
8 equality and reciprocity."

9       Further, Section 10, Article XIV provides that "the State shall give priority to research  
10 and development, invention, and innovation, and their utilization; and to science and  
11 technology education, training and services."

12       The law mandates the Department of Trade and Industry (DTI) to as the primary  
13 coordinative, promotive, and facilitative arm of the Executive Branch of government in the  
14 area of trade, industry, and investments, and the Department of Science and Technology  
15 (DOST) to continually review the status and needs of science and technology in the context  
16 of the country's development goals.

17       The government is committed to elevate a quality culture as a national value that  
18 would support the achievement of global competitiveness and raise the quality of life  
19 amidst the effects of globalization and challenges faced by enterprises through a National  
20 Quality Infrastructure (NQI) based on a National Quality Policy.

1           **SECTION 3. General Objective.** – A National Quality Infrastructure (NQI), shall serve  
2 to integrate and coordinate policies and programs involving standardization, accreditation  
3 and metrology in order to meet quality requirements for products and services of  
4 enterprises with the view of promoting a culture of quality, innovation, competitiveness,  
5 sustainable development and compliance with international commitments.

6           **SECTION 4. Specific Objectives.** –

- 7           (a) To set standards based on Philippine laws and international standards;
- 8           (b) To accredit conformity assessment bodies (CABs) to ensure technical competence,  
9 reliability, credibility, and impartiality;
- 10          (c) To ensure appropriate traceability of measurements to international system;
- 11          (d) To enhance the quality of goods and services for the domestic and international  
12 markets;
- 13          (e) To ensure that technical regulations are based on national and international  
14 standards, guides, and recommendations or any relevant part thereof;
- 15          (f) To promote the use of conformity assessment mechanism for products and services  
16 as a means of demonstrating compliance, with voluntary requirements, technical  
17 regulations and consumer requirements.

18           **SECTION 5. Scope.** – This Act shall apply to activities, processes, and programs  
19 relevant to standards, accreditation and metrology and other matters incidental thereto.

20           **SECTION 6. Definition of Terms.** – As used in this Act, the following terms shall  
21 mean:

- 22          (a) *Calibration* – Operation that, under specified conditions, in a first step, establishes a  
23 relation between the quantity values with measurement uncertainties provided by  
24 measurement standards and corresponding indications with associated  
25 measurement uncertainties (of the calibrated instrument or secondary standard)  
26 and, in a second step, uses this information to establish a relation for obtaining a  
27 measurement result from an indication.
- 28          (b) *Certification* – Procedure by which a certification body as defined in Section 6 (c)  
29 herein gives a written assurance that a product, process or service conforms to  
30 specified requirements.
- 31          (c) *Certification Body* – A third party individual or organization, independent of the  
32 organization or person that issues the certification as defined in Section 6 (b) herein.
- 33          (d) *Conformity Assessment* – A set or processes ensuring that products, services or  
34 systems meet or have the capability to meet the applicable requirements.

- 1 (e) *Conformity Assessment Body* – A body that performs conformity assessment services  
2 as defined in Section 6 (d) herein.
- 3 (f) *Enterprise* – Refers to a sole proprietor or juridical person, such as corporation,  
4 partnership including micro, small and medium enterprises (MSMEs).
- 5 (g) *Inspection* – Examination of a product, process, service, or installation or their design  
6 and determination of its conformity with specific requirements or, on the basis of  
7 professional judgment, with general requirements.
- 8 (h) *Philippine National Standard (PNS)* - is the national standard of the Philippines  
9 promulgated by the national standards body as mandated by law.
- 10 (i) *Quality* – The degree to which a set of inherent characteristics of an object fulfills  
11 requirements.
- 12 (j) *Societal Interests* – These are aspects of interests of the State, which fall within the  
13 scope of the National Quality Infrastructure, whether voluntary or mandatory. These  
14 include but are not limited to, weights and measures protection; workplace safety;  
15 provision of health care; recreational and educational activities, transport and built  
16 infrastructure; and public purchasing and supply of goods and services.
- 17 (k) *Standard* – Document approved by a recognized body, that provides, for, common  
18 and repeated use, rules, guidelines or characteristics for products or related  
19 processes and production methods, with which compliance is not mandatory. It may  
20 also include or deal inclusively with terminology, symbols, packaging, marking or  
21 labelling requirements as they apply to a product, process or production method.
- 22 (l) *Technical Regulation* – Document which lays down product characteristics or their  
23 related processes and their production methods, including the applicable  
24 administrative provisions, with which compliance is mandatory. It may also include  
25 or deal exclusively with terminology, symbols, packaging, marking or labelling  
26 requirements as they apply to a product, process or production method.
- 27 (m) *Testing* – Determination of one or more characteristics of an object of conformity  
28 assessment, according to a procedure.

29  
30

## CHAPTER 2 THE NATIONAL QUALITY INFRASTRUCTURE

31 **SECTION 7. *Components of the National Quality Infrastructure.*** – For the purposes  
32 of this Act, the term *National Quality Infrastructure* shall be the totality of the institutional  
33 framework, public and private, of activities necessary for the development and compliance  
34 with quality requirements, which shall cover the following:

- 35 (a) *Standardization* – Activity of establishing provisions for common and repeated use in  
36 order to achieve the optimum degree of order in a given context. Said provisions,

1 otherwise known as standards, are developed, adopted and updated, which permits  
2 innovation and technical development, compatibility and interchangeability,  
3 improved productivity and reduced waste.

4 (b) Accreditation – Is a third-party attestation related to a conformity assessment body  
5 conveying a formal demonstration of its competence to carry out specific conformity  
6 assessment tasks. It provides a uniform and technical policy and the conditions for  
7 mutual recognition at the international level. It is integral in promoting reliability and  
8 confidence in conformity assessment and metrology results towards improving the  
9 quality, competitiveness and international acceptance of Philippine goods and  
10 services.

11 (c) Metrology – This provides measurement standards that are internationally traceable  
12 and consistent with the Metre Convention, which promotes the consistent  
13 modernization of units and standards of measurement in the areas of environment,  
14 public health and safety, communications, transportation, sound intensity level, and  
15 other emerging technologies. The standardization of units and standards is  
16 encouraged to adapt to the current national and global developments including  
17 compliance with international standards.

18 **SECTION 8. Implementing Agencies.** – The Department of Trade and Industry (DTI),  
19 by virtue of the scope of its mandate under existing laws, shall be the lead agency to carry  
20 out the provisions of this Act.

21 All other government agencies performing National Quality Infrastructure-related  
22 functions shall be involved in the implementation of this Act, such as:

- 23 (a) Department of Agriculture (DA);
- 24 (b) Department of Energy (DOE);
- 25 (c) Department of Environment and Natural Resources (DENR);
- 26 (d) Department of Health (DOH);
- 27 (e) Department of Public Works and Highways (DPWH); and
- 28 (f) Department of Science and Technology (DOST).

29 **SECTION 9. The National Quality Infrastructure Coordination Council.** – A Council is  
30 hereby created to ensure that the provisions and objectives of this Act are effectively and  
31 efficiently implemented by those concerned, which shall be composed of the following:

- 32 (a) Chairperson – The Secretary of Trade and Industry;
- 33 (b) Vice-Chair – A representative elected by private sector / industry federation /  
34 association;

1 (c) Members –

2 c.1 Secretary of DOST;

3 c.2 Secretary of DOE;

4 c.3 Secretary of DA;

5 c.4 Secretary of DENR;

6 c.5 Secretary of DOH;

7 c.6 Secretary of DPWH;

8

9 c.7 Representative from the National Consumer Affairs Council or a national  
10 recognized consumer organization;

11 c.8 Representative from the National Competitiveness Council (NCC) or the Chair of  
12 the National Quality Infrastructure – Working Group;

13 c.9 Representative from the Export Development Council (EDC);

14 c.10 Representative from the Micro, Small, and Medium Enterprise Development  
15 Council (MSMED); and

16 c.11 Representative from the Academe.

17 The Department Secretaries may designate alternates not lower than an Assistant  
18 Secretary.

19 The Philippine Accreditation Office (PAO) Council created pursuant to Executive  
20 Order No. 802, Series of 2009, later known as the Philippine Accreditation Bureau (PAB)  
21 Council upon rationalization based on Executive Order No. 366, is hereby abolished.

22 **SECTION 10. *Function of the National Quality Infrastructure Coordinating Council.*** –  
23 The National Quality Infrastructure Coordinating Council shall have the following functions:

24 (a) Develop the National Quality Infrastructure medium and long term plans and  
25 coordinate, monitor and assess the implementation thereof, and when necessary,  
26 institute appropriate adjustments thereto in the light of the changing conditions in  
27 the domestic, regional and global environments;

28 (b) Identify the respective roles of concerned government agencies or private  
29 entities/industries, including advisory groups, technical and support services  
30 necessary to pursue the intent of this Act;

- 1 (c) Revisit and review existing policies that would affect the National Quality  
2 Infrastructure;
- 3 (d) Coordinate and supervise activities, projects and programs relevant to National  
4 Quality Infrastructure;
- 5 (e) Submit an annual report to the President and to both Houses of Congress through  
6 the DTI Secretary on the status of the programs, projects and measures undertaken  
7 by each implementing body to meet the objectives of this Act;
- 8 (f) Formulate the appropriate policies which will support the operation and  
9 administration of programs for businesses involved in the National Quality  
10 Infrastructure; and
- 11 (g) Exercise other powers and functions necessary and/or incidental to the foregoing.

12 **SECTION 11. *Advisory Committees.*** – There shall be three (3) Advisory Committees  
13 to the Council and the National Quality Infrastructure Offices created in Section 12, as  
14 follows:

- 15 (a) Advisory Committee on Standardization;
- 16 (b) Advisory Committee on Accreditation;
- 17 (c) Advisory Committee on Metrology.

18 The composition and functions of the advisory committees shall be determined and  
19 recommended by the National Quality Infrastructure Offices within sixty (60) days from  
20 their organization for the approval of the National Quality Infrastructure Coordinating  
21 Council.

22 The National Quality Infrastructure Council and Offices may consult the appropriate  
23 advisory committee in its regular meetings and other activities. However, no voting rights  
24 shall be granted to the members of the advisory committee.

25 **SECTION 12. *The National Quality Infrastructure Offices.*** – The National Quality  
26 Infrastructure shall have three (3) Offices, each to be headed by a Director General with one  
27 Deputy Director General, viz:

- 28 (a) Standards Office of the Philippines – Otherwise known as the National Standards  
29 Body (NSB) responsible for developing and maintaining national standards and  
30 coordinating standardization activities. It shall be attached to the Department of  
31 Trade and Industry for administrative supervision.
- 32 (b) Accreditation Office of the Philippines – Otherwise known as the National  
33 Accreditation Body to accredit inspection, testing, calibration and certifying bodies,



1 and other bodies offering conformity assessment services. It shall be attached to the  
2 Department of Trade and Industry for administrative supervision.

- 3 (c) Metrology Office of the Philippines – Otherwise known as the National Metrology  
4 Laboratory of the Philippines responsible for establishing and maintaining the  
5 national measurement standards for physical quantities such as mass, temperature,  
6 pressure, voltage, resistance, luminous intensity and time interval and their  
7 dissemination to Filipino users. It shall be attached to the Department of Science and  
8 Technology for administrative supervision.

9 **SECTION 13. *Qualifications of the Director General.*** – The Director General shall  
10 have the following qualifications:

- 11 (a) Must be a Filipino Citizen;  
12 (b) At least thirty-five (35) years of age on the day of appointment;  
13 (c) With at least three (3) years of relevant experience;  
14 (d) Or proven competence, integrity, and independence.

15 **SECTION 14. *Term of Office of the Director General and the Deputy Director***  
16 ***General.*** – The Director General and the Deputy Director General shall have a term of seven  
17 (7) years without reappointment.

### 18 CHAPTER 3

### 19 FUNCTIONS OF NATIONAL QUALITY INFRASTRUCTURE OFFICIALS

20 **SECTION 15. *Functions of the Director General.*** – The Director General shall perform  
21 the following functions:

- 22 (a) Manage and direct all functions and activities of the respective National Quality  
23 Infrastructure Offices;  
24 (b) Formulate and promote relevant policies to implement the objectives, plans,  
25 programs, and projects of the Office;  
26 (c) Appoint second (2nd) level personnel of the Office;  
27 (d) Exercise supervision and control over all officials and personnel of the Office;  
28 (e) Represent the Philippines in regional and international quality infrastructure  
29 activities;  
30 (f) Promote cooperation and coordination among government agencies, private  
31 organizations and industries concerned for the purpose of achieving the objectives  
32 and goals of this Act;

- 1 (g) Prepare Annual Accomplishment and Budget Reports and submit them to the  
2 Department Secretary;
- 3 (h) Prepare on-going and annual accounts for presentation to the Department  
4 Secretary;
- 5 (i) Support international commitments applicable to the respective offices;
- 6 (j) Responsible for duties on decision making and contractual arrangements;
- 7 (k) May delegate any or some of the foregoing functions; and
- 8 (l) Perform any other functions as may be required to achieve the objectives of the  
9 foregoing.

10 **SECTION 16. *Functions of the Deputy Director General.*** – The Deputy Director  
11 General shall assist the Deputy General in performing the functions provided in Section 15  
12 hereof.

13 **SECTION 17. *Functions of the Bureau Director.*** –

- 14 (a) Responsible for the overall strategic and financial management of the Bureau and its  
15 personnel;
- 16 (b) Recommend to the Director General or Deputy Director General policies, programs  
17 projects and activities relevant to the Bureau;
- 18 (c) Appoint first (1st) level personnel;
- 19 (d) Exercise supervision over the Assistant Bureau Director and below;
- 20 (e) Prepare annual accomplishment/budget reports for the Bureau and submit them to  
21 the Director General;
- 22 (f) Attend or participate in regional or international activities that are relevant to the  
23 Bureau; and
- 24 (g) Perform other functions as may be required to achieve the objectives of the  
25 foregoing.

26 **SECTION 18. *Functions of the Assistant Bureau Director.*** – The Assistant Bureau  
27 Director shall assist the Director in the performance of the functions provided in Section 17,  
28 hereof.

29 **CHAPTER 4**  
30 **THE NATIONAL QUALITY INFRASTRUCTURE OFFICES**

1           **SECTION 19. Organizational Structure.** – There is hereby provided the structure of  
2 the National Quality Infrastructure Offices:

3           (A) Standards Office of the Philippines

4           (a) Office of the Director General

5           (b) Support Services Bureau

6           b.1 Human Resource and Administrative

7           b.2 Finance and Management

8           b.3 Legal Affairs

9           (c) Standards Development Bureau

10          (d) International Affairs Bureau

11          (e) Promotion, Advocacy, and Documentation Bureau

12          (B) Accreditation Office of the Philippines

13          (a) Office of the Director General

14          (b) Support Service Bureau

15          b.1 Human Resource and Administrative

16          b.2 Finance and Management

17          b.3 Legal Affairs

18          (c) Bureau of Certification Body Accreditation

19          (d) Bureau of Testing Calibration Laboratory Accreditation

20          (e) Bureau of Inspection Body Accreditation

21          (f) Bureau of Medical Services Accreditation

22          (g) Bureau of Proficiency Testing Provider Accreditation

23          (h) Bureau of International Affairs

24          (C) Metrology Office of the Philippines

- 1 (a) Office of the Chief
- 2 (b) National Metrology Laboratory Secretariat
- 3 (c) Receiving and Releasing Unit
- 4 (d) Quality System
- 5 (e) Mass Standards Section
- 6 (f) Thermometry Standards Section
- 7 (g) Pressure Standards Section
- 8 (h) Electrical Standards Section
- 9 (i) Force Standards Section
- 10 (j) Density and Volume Standards Section
- 11 (k) Length Standards Section
- 12 (l) Big Volume and Flow Standards Section

13 **SECTION 20. Functions of the Standards Office of the Philippines. –**

- 14 (a) Formulate national standards development policies, in consultation with relevant  
15 government agencies and other stakeholders;
- 16 (b) Formulate Philippine National Standards (PNS) for trade facilitation and global  
17 competitiveness through the conduct of regular review of these standards for  
18 possible revision/updating to align them with recent developments in trade and  
19 technology;
- 20 (c) Coordinate national standardization activities in the country to avoid duplication of  
21 work by various government agencies and to harmonize standards with international  
22 standards;
- 23 (d) Conceptualize, prepare and propose programs, projects and activities for the  
24 mainstreaming and dissemination of new national and international standards for  
25 adoption and standardization and conformity assessment activities, such as testing,  
26 inspection and certification by industries, manufacturers, traders, regulators and  
27 other users;
- 28 (e) Sustain membership to international standards-setting organizations;
- 29 (f) Maintain and update a Standards Portal;

- 1 (g) Operate the Enquiry Point in connection with the country's obligations to the World  
2 Trade Organization Agreement on Technical Barriers to Trade (WTO-TBT); and
- 3 (h) Monitor developments for forging of strategic alliances with international and  
4 regional aggrupations.

5 **SECTION 21. *Functions of the Accreditation Office of the Philippines.* –**

- 6 (a) Strengthen the technical infrastructure in the country to make Philippine products  
7 competitive in both the domestic and international markets;
- 8 (b) Accredite testing and calibration laboratories, inspection and certifying bodies, and  
9 other bodies offering conformity assessment services;
- 10 (c) Enter into mutual or multilateral recognition arrangements with recognized regional  
11 and international associations of accreditation bodies;
- 12 (d) Support industries by attesting the reliability of conformity assessment results;
- 13 (e) Develop new accreditation schemes to respond to emerging needs of Conformity  
14 Assessment Bodies (CABs);
- 15 (f) Coordinate national accreditation activities;
- 16 (g) Harmonize national accreditation policies with international policies and practices;
- 17 (h) Promote accreditation activities in the country;
- 18 (i) Extend technical assistance to trade and industry sector through training programs  
19 and other related activities;
- 20 (j) Conduct training for assessors to strengthen their capability to do assessment;
- 21 (k) Make information on accreditation schemes available to institutions, organizations,  
22 businesses and individuals; and
- 23 (l) Ensure that all information from all regional and international fora are processed,  
24 disseminated and acted upon.

25 **SECTION 22. *Functions of the Metrology Office of the Philippines.* –**

- 26 (a) Disseminate the national measurement standards in physical quantities such as  
27 mass, temperature, pressure, voltage, frequency, length and luminous intensity  
28 among others;

- 1 (b) Disseminate the basic measurement units to the industry and other private and  
2 government institutions through its calibration and measurement services;
- 3 (c) Provide calibrations that are traceable to the International System of Units (SI)  
4 through the National Measurement Standards; and
- 5 (d) Provide link to the world metrology system through the participation of the  
6 Philippines in the Metre Convention as an Associate State of the General Conference  
7 on Weights and Measures (CGPM).

8 **CHAPTER 5**  
9 **FUNDING**

10 **SECTION 23. Sources of Funding.** – Funds for the National Quality Infrastructure  
11 Offices shall be sourced from the following:

- 12 (a) Appropriations – The funds needed to carry out the provisions of this Act shall be  
13 initially charged to the most recent appropriations under the General Appropriations  
14 Act for then Bureau of Philippine Standards (BPS), Philippine Accreditation Office  
15 (PAO), both of DTI and the National Metrology Laboratory (NML) of the DOST, and to  
16 fees, fines and other charges collected by said offices for the calendar year prior to  
17 the effectivity of this Act. Thereafter, such sums as may be necessary for the  
18 continued implementation hereof shall be included in the annual General  
19 Appropriations Act.
- 20 (b) Revenues generated from Quality Infrastructure programs and activities – Seventy-  
21 five per centum of all receipts and collections accruing from the implementation of  
22 this Act and the rules and regulations on standardization, accreditation, and  
23 metrology shall be set aside and be available for disbursement for salaries, wages,  
24 sundry and other expenses, furniture, and equipment of such additional personnel  
25 as may be needed and required to intensify or extend the activities and services of  
26 the covered National Quality Infrastructure Offices.

27 Any amount thus set aside, or so much thereof as may be needed for the  
28 intensification or extension of activities and services, shall be itemized in a special  
29 budget to be approved by the President upon recommendation of the National  
30 Quality Infrastructure Coordinating Council, through its Chairperson, the Secretary of  
31 Trade and Industry or his alternate Undersecretary; and any such special budget thus  
32 approved for the ensuing fiscal year for the consideration of the Congress in its  
33 regular or special session. Un-itemized and unexpended balances of amounts thus  
34 set aside shall be cumulative from year to year, and shall constitute, a special fund to  
35 be called "National Quality Infrastructure Fund (NQI Fund)" to be used for the  
36 purposes herein stated, and for such other aims and projects as may render the  
37 services of the National Quality Infrastructure effective.

38 **SECTION 24. Use of National Quality Infrastructure Fund.** – The National Quality  
39 Infrastructure Fund shall be used exclusively for the purpose mentioned in this Act. The

1 retention, use and application of this Fund shall not be delayed, amended, altered or  
2 modified by an order or directive from any executive Office, but will be subject only to the  
3 general Accounting Rules and Guidelines by the Commission on Audit (COA).

4 **SECTION 25. *Legal Fund.*** – There shall be established a legal fund out of the interest  
5 earned from retained income to be utilized for any legal actions for or against the officials  
6 and employees of National Quality Infrastructure Operation Offices in the course of the  
7 exercise of their official functions and duties.

8 **CHAPTER 6**  
9 **FINAL PROVISIONS**

10 **SECTION 26. *Effect of this Act on the BPS, PAB, and NML.*** – This Act in effect  
11 rationalizes the functions and structure of BPS, PAB and NML described herein as National  
12 Quality Infrastructure offices. All unexpended funds and fees, fines, and other charges  
13 collected for the calendar year prior to the effectivity hereof, properties, equipment and  
14 records of the said bureaus, and such personnel are hereby transferred to the newly created  
15 National Quality Infrastructure Offices.

16 Personnel who do not wish to be absorbed or transferred shall be offered the  
17 retirement benefits granted under existing laws. Personnel not absorbed or transferred shall  
18 be offered a retirement package equivalent to two (2) months basic salary for every year of  
19 service, or shall be considered for a co-terminus to the incumbent (CTI) status.

20 **SECTION 27. *Creation of the Consumer Products Regulation Bureau (CPRB).*** – A  
21 Consumer Products Regulation Bureau (CPRB) is hereby created under Consumer Protection  
22 Group of the Department of Trade and Industry to perform the functions of the then  
23 Standards Conformity Division and Product Testing Division of BPS. Accordingly, plantilla  
24 positions under the said divisions shall be transferred to or absorbed by the newly created  
25 bureau. The Standards Conformity Division shall be renamed as Product Safety Division.

26 **SECTION 28. *Implementing Rules and Regulations.*** – Within one (1) year from the  
27 effectivity of this Act, the Department of Trade and Industry shall upon the  
28 recommendation of the National Quality Infrastructure Coordinating Council, promulgate  
29 the implementing rules and regulations for this Act.

30 The draft of the implementing rules and regulations shall be published and be  
31 subjected to public consultations with affected sectors or stakeholders.

32 **SECTION 29. *Statutory Interpretations.*** – Unless otherwise expressly provided for,  
33 any provisions of this Act shall be interpreted by balancing the interest of industry and  
34 consumers with due regard for treaty obligations and international commitments giving  
35 paramount consideration, however, to the impact of the subject on the national economy.

36 **SECTION 30. *Repealing Clause.*** – All laws, decrees, orders, rules, and regulations or  
37 other issuances or parts inconsistent with the provisions of this Act are hereby repealed or  
38 modified accordingly.

1           **SECTION 31. *Separability Clause.*** – Should any provision herein be declared  
2 unconstitutional, the same shall not affect the validity of the other provisions of this Act.

3           **SECTION 32. *Transitory Provision.*** – Within sixty (60) days from the effectivity of this  
4 Act, the Secretary of DTI shall designate two (2) from the DTI Undersecretaries to act as  
5 Interim Director General for the Standards Office of the Philippines and Accreditation Office  
6 of the Philippines, respectively; two (2) from among the DTI Assistant Secretaries or Bureau  
7 Directors to act as Interim Deputy Director General for the aforesaid offices. In like manner,  
8 that the Secretary of DOST shall designate an Undersecretary to as the Director General for  
9 the Metrology Office of the Philippines and an Assistant Secretary or Bureau Director to as  
10 act as the Deputy Director General for said office. The designated officials shall perform the  
11 duties and responsibilities of the give Offices and shall serve as such until new Director  
12 Generals and Deputy Director Generals are appointed by the President of the Philippines.

13           Upon the effectivity of this Act, an Interim Coordinating Council with the same  
14 composition as provided in this Act shall be automatically established for the purposes of  
15 drafting the implementing rules and regulations hereof. The Interim National Quality  
16 Infrastructure Coordinating Council shall recommend to offices or bureaus of agencies  
17 concerned a systematic action plan to expedite the processing and/or resolution of pending  
18 relevant applications, programs/projects, issues and concerns.

19           **SECTION 33. *Effectivity.*** - This Act shall take effect fifteen (15) days after publication  
20 in the Official Gazette or in any two (2) newspapers of general circulation in the Philippines.

21           *Approved,*