

FIFTEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
First Regular Session

OFFICE OF THE SECRETARY  
10 JUL -5 P 1 34

SENATE

RECEIVED BY

Senate Bill No. 115

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INTRODUCED BY SEN. GREGORIO B. HONASAN II

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### EXPLANATORY NOTE

The maintenance of peace and security has been a very tough challenge for all the countries in the whole world. Many acts of violence occur without warning given the fact that acts of terrorism can occur at any part of the world. And one clear cause of this gleaming problem is the proliferation of weapons all throughout the world. Weapons which range from light weapons to what we all know as weapons of mass destruction are circulating around the world every day. The proliferation of these weapons is a clear problem that should be addressed by all nations including our own.

The Philippines is committed to the maintenance and enhancement of national security, promotion of foreign policy interests particularly the fulfillment of international commitments and agreements. As a member of the United Nations, the Philippines therefore binds itself to the principles of international law and recognizes the need to be one with other nations in the pursuit of a peaceful and safe world free from threats to its people, which includes violence brought about by war and other violent acts caused by dangerous weapons.

The proliferation of weapons of mass destruction as well as the non-regulation of munitions, strategic or dual-use items/goods and related technologies largely contributes to the carrying out of acts of terrorism. The transfer, diversion, import, export, re-export, transit and transshipment of such items/goods, technology or even services dealing with nuclear, radiological, biological and chemical weapons, mostly in parts, which when assembled together could serve as a weapon of mass destruction cause great threat to lives and properties, if not catastrophic destruction and devastation. Thus, the trade of such items/goods, which are being used both for military and non-military or restricted purposes, should be strictly monitored and controlled.

And as part of this commitment, the Philippines included in the 1987 Philippine Constitution, under Section 2 of Article II Declaration of Principles and State Policies, that the Philippines renounces war as an instrument of national policy, adopts the generally accepted principles of international law as part of the law of the land and adheres to the policy of peace, equality, justice, freedom, cooperation, and amity with all nations.

Moreover, the Constitution has provided under Section 8 Article II of its Declaration of Principles and State Policies that the country, consistent with its national interest, adopts and pursues a policy of freedom from nuclear weapons in its territory. Also consistent with the mandate of UN Security Council Resolution

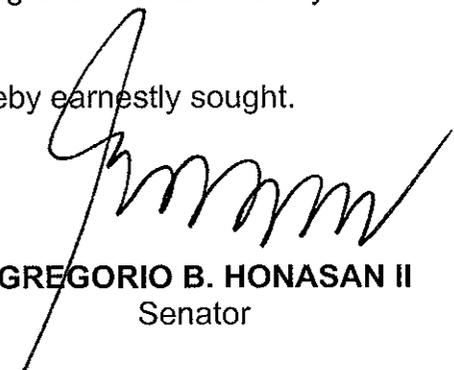
1540, issued last April 28, 2004, which calls on all UN member-states to adhere to the Weapons of Mass Destruction Conventions, the Philippines thereby commits itself to prevent the proliferation of nuclear, radiological, biological, chemical, and other weapons of mass destruction for the promotion of global peace and security.

At present, there is a lack of legislation or policy which is geared towards formulating an integrated system that would prevent the unauthorized trade of strategic or dual-use items/goods and related technologies that could contribute to the proliferation and circulation of weapons throughout the country, including weapons of mass destruction. Because of the lack of strong regulatory mechanism in the area of law enforcement, intelligence and inter-government agency cooperation, terrorists will have an easy and convenient time in moving their weapons and creating havoc in targets they wish to attack.

While our neighboring countries have already been able to put in place their own legislation against the proliferation of these weapons of mass destruction, the Philippines has yet to come up with a legislative measure that will ensure that our country will have an effective control on the transit of goods classified as weapons or strategic dual-use goods which would prevent the proliferation of weapons of mass destruction and ultimately prevent acts of terrorism against our country and of other neighboring nations:

This bill seeks to prevent the proliferation of weapons of mass destruction in the country through the enforcement of a centralized and integrated strategic items/goods trade control system by regulating and monitoring the transit of such items/goods. This bill therefore intends to establish an effective regulatory and organizational structure that would both address the Philippines' obligation to its international commitments as well as pursue its economic end in the area of fair trade with other countries without compromising the internal security of the nation and the safety of the Filipino people.

The immediate passage of this bill is hereby earnestly sought.



**GREGORIO B. HONASAN II**  
Senator

10 JUL -5 11:34

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AN ACT

TO PREVENT THE PROLIFERATION OF CHEMICAL, BIOLOGICAL,  
RADIOLOGICAL AND NUCLEAR WEAPONS, AS WELL AS CONVENTIONAL  
WEAPONS BY REGULATING THE TRANSFER OF STRATEGIC GOODS AND  
DUAL-USE GOODS, AND FOR OTHER PURPOSES

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

TITLE I – GENERAL PROVISIONS

**SECTION 1. Short Title.** - This Act shall be known as the “Non-Proliferation  
and Strategic Goods and Dual-Use Goods Regulation Act of 2010”.

**SEC. 2. Declaration of Policy.** - It is declared a policy of the state to be free  
from chemical, biological, radiological and nuclear weapons in its territory, to abide  
by its international commitments in the areas of non-proliferation and strategic trade  
regulation, and to promote international peace and stability, while also promoting  
economic growth through responsible trade and management of strategic items.  
Toward this end, the unregulated flow of goods, technologies, information,  
equipment and services that are capable of being used to acquire, develop, produce,  
operate, stockpile, maintain, detect, identify or deliver chemical, biological,  
radiological and nuclear weapons and other strategic goods shall be considered  
dangerous and inimical to the security of the country and to the Filipino people, and  
the global community. Foreign trade activity involving such items, including cross-  
border transfer, facilitation or investment shall be regulated by the Government.

**SEC. 3. Scope and Coverage.** - This Act shall apply to any person, whether  
natural or juridical, engaged in trade of strategic goods, technologies, equipment and  
services, and operating within the territorial and economic boundaries of the  
Philippines, including designated free trade zones, and to all Filipino citizens whether  
residing in the country or abroad.

1 Without impeding the normal course of trade activities, provisions of this Act  
2 shall involve the regulation, import, export, re-export, transit, transshipment and re-  
3 transfer of strategic goods, technologies, equipment and services which are herein  
4 defined as regulated items under the National Control List.

5 **SEC. 4 - The National Control List** - It is hereby established the *National*  
6 *Control List* which shall refer to a list of goods, items and technologies subject to  
7 licensing under this Act. It shall be issued by the Strategic and Dual-Use Goods  
8 Control Council herein constituted and shall describe with specificity the goods  
9 subject to export control, reasons for control, and the export license requirements  
10 applicable to each item, subject to the provisions of existing treaties and  
11 international conventions to which the Philippines is a signatory/party.

12 The Council shall publish the Control List and all the license requirements,  
13 policies and procedures within six (6) months from the effectivity of this Act. It shall  
14 contain a harmonized export commodity classification designed for use by exporters,  
15 custom brokers and freight forwarders when providing export declaration to the  
16 Bureau of Customs.

17 The Council shall, likewise, review the entire list at least once every two years,  
18 and shall revise or update the Control List, as appropriate.

19  
20 **SEC. 5. Definition of Terms.** - For purposes of this Act, the following terms  
21 are hereby defined:  
22

23 a. **Biological Weapon** refers to any weapon which involves the use of  
24 pathogens such as viruses, bacteria, other disease-causing biological  
25 agents, or the toxins produced by them, or which are considered  
26 biological weapons under the provisions of the "Biological and Toxins  
27 Weapons Convention" which was signed by the Philippines on June 21,  
28 1972 and ratified on May 21, 1973.

29 b. **Chemical Weapon** refers to any weapon which involves the use of  
30 nonliving toxic products produced by living organisms, or which are  
31 considered chemical weapons under the provisions of the "Chemical  
32 Weapons Convention" which was signed by the Philippines on January 13,  
33 1993 and ratified on December 11, 1996.

34 c. **Conventional Weapon** refers to normal weapons that most nations  
35 possess; such as warships, airplanes, artillery, tanks, Machineguns, etc.

36 d. **Document** refers to any records on paper; in electronic form, kept on any  
37 magnetic, optical, chemical or other medium; photograph map, plan,  
38 graph, picture or drawing or device.

- 1 e. **Dual-Use Goods** refer to civilian or military goods, equipment, services or  
2 technology, capable of being used for non-military purposes that, when  
3 put together or assembled, may assist in the development, production,  
4 acquisition or stockpiling of weapons capable of causing mass  
5 destruction; including missiles capable of delivering such weapons;
- 6 f. **Intermediary activity** refers to brokering, forwarding, servicing or  
7 financing export transactions involving any strategic or dual-use goods.
- 8 g. **License or Permit** refers to a written authorization issued by the  
9 Government for the import, export, transit or transshipment of any  
10 strategic or dual-use goods into, out of, or through the territory of the  
11 Philippines, which also includes the provision of services pertinent to the  
12 trade of strategic or dual-use goods.
- 13 h. **Non-Conventional Weapon** refers to weapons that most nations do not  
14 possess; such as Chemical, Biological, Radiological, and Nuclear  
15 Weapons.
- 16 i. **Nuclear Weapon** refers to any weapon which involves an explosive  
17 device that derives its destructive force from nuclear reactions, either  
18 fission or a combination of fission and fusion, or which are considered  
19 nuclear weapons under the provisions of the "Nuclear Non-Proliferation  
20 Treaty" signed by the Philippines on July 18, 1968 and ratified on October  
21 20, 1972.
- 22 j. **Radiological Weapon** refers to any weapon that is designed to spread  
23 radioactive material with the intent to kill, and cause disruption upon a city  
24 or nation. It is commonly known as a "dirty bomb" or "salted bomb"  
25 because it is not a true nuclear weapon and does not yield the same  
26 explosive power. It uses conventional explosives to spread radioactive  
27 material.
- 28 k. **Re-export** refers to any shipment, transmission or release by any means  
29 of any item or goods from one foreign country to another which may also  
30 include a transfer of an exported item to a new end-user within the  
31 recipient country.
- 32 l. **Services** refer to, without limiting the generality of the expression, any  
33 reference to doing anything, other than supplying or exporting of goods  
34 that confers a benefit on, grants a right or privilege to, provides a facility  
35 for, or otherwise assists someone, including work of a professional nature  
36 with or without the supply or export of goods, or a contract for and in  
37 relation to the lending of money or other provision of financial assistance.

- 1 m. **Strategic Goods** refer to any military goods, services, equipment or  
2 technology that requires special control in the interest of national security  
3 and foreign policy. It includes chemical, biological, radiological, and  
4 nuclear goods and items that can be used in the development, production,  
5 operation, use, maintenance, stockpiling, detection, identification or  
6 dissemination of chemical, biological, radiological and nuclear weapons, or  
7 their delivery system;
- 8 n. **Technology** refers to information, including information in such  
9 documents or software as specification, blueprints, plans, manuals,  
10 models, diagrams, formulae, tables and design that is necessary for the  
11 development, production or use of any items/goods.
- 12 o. **Transit** refers to the import into, and subsequent export from, the territory  
13 of the Philippines of a strategic or dual-use goods that does not enter the  
14 commerce of the Philippines but is consigned on a “through bill lading” or  
15 a “through air waybill” from a location outside the territory of the  
16 Philippines to another location outside the territory of the Philippines, such  
17 that the item remains at all times in or on the vessel on which it is imported  
18 in the Philippines.
- 19 p. **Transshipment** refers to the import into, and subsequent export from, the  
20 territory of the Philippines, of a strategic or dual-use goods that does not  
21 enter the commerce of the Philippines but is consigned on a “through bill  
22 lading”, a “through air waybill”, or “through manifest” from a location  
23 outside the territory of the Philippines to another location outside the  
24 territory of the Philippines, and such that the item is removed or is to be  
25 removed from the vessel in which it was imported and either returned to  
26 the same vessel, or transferred to another vessel before being exported,  
27 whether it is to be transferred directly between such vessels or whether it  
28 is to be landed in the Philippines after its importation, and stored, or  
29 otherwise handled, pending export.

## 31 TITLE II – IMPLEMENTING AUTHORITIES

32 **SEC. 6. *Creation of the Strategic and Dual-Use Goods Trade Control***  
33 ***Council.*** - There is hereby created a Strategic and Dual-Use Goods Trade Control  
34 Council, hereinafter referred to as the “Council” to serve as the governing and  
35 policymaking body for the formulation, development, implementation, coordination,  
36 monitoring and evaluation of policies, programs, plans and activities relative to the  
37 establishment and institutionalization of the strategic goods trade control system. It

1 shall be composed of the heads or permanently designated representatives of the  
2 following offices:

- 3 a. Office of the Special Envoy on Transnational Crime (OSETC), Office of  
4 the President (OP);
- 5 b. Department of Trade and Industry (DTI);
- 6 c. Department of Finance (DOF);
- 7 d. Department of National Defense (DND);
- 8 e. Department of the Interior and Local Government (DILG)
- 9 f. Department of Transportation and Communication (DOTC)
- 10 g. Department of Environment and Natural Resources (DENR);
- 11 h. Department of Health (DOH);
- 12 i. Department of Science and Technology (DOST);
- 13 j. Department of Foreign Affairs (DFA);
- 14 k. Department of Justice (DOJ);

15 The OSETC, as an oversight body on transnational crime, shall chair the  
16 Council. It shall coordinate the overall programs and provide the daily operational,  
17 administrative and staff support to the Council.

18 The Vice-Chairman shall be elected by the members of the Council from  
19 among themselves.

20 **SEC. 7. Powers and Functions of the Strategic and Dual-Use Goods**  
21 **Trade Control Council.** - The Council shall have the following powers and  
22 functions:

- 23 a. Formulate strategies and policies for the effective implementation of this  
24 Act;
- 25 b. Coordinate, implement, monitor and evaluate policies and measures,  
26 programs, plans and activities that will establish the country's strategic or  
27 dual-use goods trade control system;
- 28 c. Create specific working groups by enlisting the assistance and support of  
29 government agencies, bureaus, boards, instrumentalities of government-  
30 owned and/or controlled corporations; the academe; as well as private  
31 institutions, corporations, firms, associations or persons to carry out its  
32 functions, including the use of its personnel, facilities and resources for  
33 research, developmental and promotional activities necessary in support  
34 of the provisions of this Act;
- 35 d. Formulate policies and recommendations, regulate programs and advise  
36 government agencies and private organizations engaged or involved in  
37 activities allied to or affecting the country's importation, exportation and re-  
38 exporting, transiting and transshipping such as forwarding, brokering,

- 1 shipping, insurance, warehousing, financing; and recommend measures  
2 that will enhance effective monitoring of strategic or dual-use goods;
- 3 e. Develop common end-users' certification standards in strategic or dual-  
4 use goods control for purpose of transparency and accountability;
- 5 f. Develop, maintain, update and publish the National Control List;
- 6 g. Strengthen capability-building through technical assistance and training on  
7 various measures to detect, monitor, investigate and/or seize inadvertent  
8 or illicit import, export, re-export, transit, transshipment of strategic or dual-  
9 use goods;
- 10 h. Identify stakeholders both from the public and private sector, particularly  
11 business and other civil entities, and define their roles and responsibilities  
12 in the strategic or dual-use goods trade control system;
- 13 i. Strengthen and enhance bilateral/multilateral cooperation and recommend  
14 amendments, as appropriate, to existing agreements where the State  
15 signatories are the point of origin, destinations or transit of strategic or  
16 dual-use goods;
- 17 j. Come up with policy recommendations to maintain the confidentiality of  
18 the disclosure of information, unless and until it meets the national security  
19 or foreign policy interests of the country; and
- 20 k. Perform such other tasks and functions necessary to effectively carry out  
21 the provisions of the Act.

22 *Provided* that such authority of the Strategic and Dual-Use Goods Trade  
23 Control Council to regulate strategic or dual-use goods will not in any way  
24 interfere or encroach upon the authority and regulatory powers of other  
25 government agencies over goods already under their regulation which can  
26 also be considered strategic or dual-use goods under this Act. The Council  
27 shall endeavor to achieve a full synchronization of the regulatory authority all  
28 government agencies tasked with the regulation of the importation and/or  
29 exportation of strategic or dual-use goods.

30

31 **TITLE III – RESPONSIBILITIES AND RESTRICTIONS OF PARTIES**  
32 **IN STRATEGIC ITEMS/GOODS TRADE TRANSACTIONS**

33 **SEC. 8. *Responsibilities of Traders.*** - Any person who intends to export,  
34 import, transit, transship or re-export any strategic or dual-use goods herein defined  
35 shall be required to obtain a license from the duly designated government authority  
36 provided in this Act. No person shall be allowed to place any strategic or dual-use  
37 goods in or on any vessel located within the territorial and economic jurisdiction of  
38 the Philippines without the consent of the owner or operator.

1           **SEC. 9. Responsibilities of Owners and Operators of Vessels.** - Owners  
2 and operators of a vessel shall be prohibited from releasing any strategic or dual-use  
3 goods within the territory of the Philippines unless the person to whom an import  
4 license has been issued presents a license to such owner or operator. The owner or  
5 operator of a vessel shall submit to the Bureau of Customs and other duly  
6 designated offices, a duly certified copy of the license and a copy of the extract of  
7 the manifest of the vessel in or on which the strategic or dual-use goods arrived.

8           All strategic or dual-use goods which are imported, exported, transited,  
9 transshipped, or re-exported shall be recorded in a manifest that shall contain such  
10 particulars which the Implementing Rules and Regulations of this Act may  
11 prescribed.

12           The owner or operator of a vessel, on entering or leaving the territory of the  
13 Philippines shall, upon request:

- 14           a. Furnish the Bureau of Customs a manifest identifying any strategic or  
15           dual-use goods being imported or exported in the vessel;
- 16           b. Allow any duly authorized member of the Bureau of Customs and other  
17           authorized agency by the council to board a vessel, inspect the cargo for  
18           strategic or dual-use goods and/or search the vessel for strategic or dual-  
19           use goods; and
- 20           c. Furnish a written list of every port or place at which such vessel has  
21           docked during the period of three (3) months immediately preceding the  
22           date of its arrival in Philippine territory.

23           **SEC. 10. Responsibilities of Persons Engaged in Any Intermediary**  
24 **Activity.** - No person, subject to this Act, may engage in any intermediary activity  
25 without a license, including intermediary activities that involve strategic or dual-use  
26 goods as herein defined, even if the same is not transited or transshipped through,  
27 or exported or re-exported from the territory of the Philippines.

28           **SEC. 11. Responsibilities of Parties.** - It shall be the responsibility of any  
29 person, subject to this Act, to verify whether certain goods fall under the National  
30 Control List and subject to regulations. Where any unit or individual knows or should  
31 know that the goods, technologies, equipment and services to be exported may be  
32 used by the receiving party for the purpose of putting together a chemical, biological,  
33 radiological, or nuclear weapon or any other conventional weapon capable of  
34 widespread harm to the public in general, it shall not export such goods,  
35 technologies, equipment and services whether included in the National Control List  
36 or not, unless appropriate licenses are obtained and upon providing relevant  
37 information to authorities.

1           **SEC. 12. *Registration and Issuance of Permits and Licenses.*** - Anyone  
2 who intends to engage in the trade of strategic or dual-use goods shall register  
3 directly with the DTI and file for a license application to be accomplished in such a  
4 prescribed manner and form and accompanied by such fees as may be prescribed  
5 under the IRR of this Act.

6           The DTI may likewise grant permit or license to an applicant subject to  
7 conditions it may deem fit and may renew a license with or without conditions:  
8 *Provided*, That any person whose application for a license has been denied by the  
9 DTI may file an appeal to the Council as constituted under this Act, whose decision  
10 shall be final and executory.

11           The Council and the DTI may, upon recommendation of involved regulatory  
12 branches of the government, temporarily decide to exercise export control on  
13 specific strategic or dual-use goods and related equipment and technologies other  
14 than those listed in the National Control List if deemed necessary. *Provided* that  
15 such temporary export control authority shall only be for a period of six (6) months,  
16 unless such goods have been added to the National Control List, in which case such  
17 authority to regulate such goods shall become permanent.

18           **SEC. 13. *Breach of Conditions of Registration, License or Permit.*** - Any  
19 person who holds a permit or is registered to engage in trade of strategic or dual-use  
20 goods and who contravenes, without lawful excuse, a condition of the permit or  
21 license or registration prescribed under the IRR of this Act shall be held liable and  
22 shall suffer the penalty of two (2) years imprisonment but not to exceed four (4)  
23 years imprisonment.

24           Anyone who undertakes trade of strategic or dual-use goods, technologies,  
25 equipment and services without being licensed, or trade beyond the scope of the  
26 license granted without authorization, such person shall suffer the penalty of  
27 imprisonment of six (6) years and one (1) day to twelve (12) years imprisonment, a  
28 fine not to exceed five hundred thousand pesos (Php 500,000.00), or both. The  
29 criminal penalties imposed herein are without prejudice to administrative sanctions  
30 that may be imposed by the Strategic and Dual-Use Goods Control Council and  
31 other appropriate government agencies.

32           Where the receiving party contravenes the guarantees made according to the  
33 conditions, permit or license granted, or there is a risk of proliferation of strategic or  
34 dual-use goods, the Council thru the DTI, shall suspend or revoke the license or  
35 permit initially granted and immediately notify the Bureau of Customs of such  
36 suspension or revocation of license or permit.

37           **SEC. 14. *Other Restrictions.*** - A license holder who intends to change the  
38 original declaration of end-use of the strategic or dual-use goods as previously

1 declared shall surrender the original license and must file for a new license subject  
2 to the provisions of this Act.

3 Any person who forge, buy or sell license for the conduct of trade transactions  
4 on strategic or dual-use goods shall be held criminally liable in accordance with  
5 existing laws on the crime of illegal business operations, the crime of forging,  
6 altering, buying or selling of official documents, certificates or seal of State  
7 functionaries. If such act is not serious enough for criminal punishment, such person  
8 shall be punished in accordance with the relevant provisions of the Customs Law,  
9 and the DTI may concurrently revoke the license for foreign trade operations.

10 When the license for the trade of strategic goods and items, technologies,  
11 equipment and services is obtained through fraud or other illegal means, the DTI  
12 shall impose the following penalties:

- 13 1) revocation of license;
- 14 2) confiscation of subject illegal items/goods;
- 15 3) imposition of fines; and
- 16 4) suspension or revocation of the license for their foreign trade operations.

17 **SEC. 15. Liability of State Functionaries.** - State functionaries in charge of  
18 controlling and regulating the trade of strategic or dual-use goods who abuse their  
19 powers, neglect their duties or extort or accept money or bribe by taking advantage  
20 of their positions, shall be investigated for criminal and/or administrative liability in  
21 accordance with existing criminal and/or administrative laws.

22 **SEC. 16. Documents and Records-Keeping Requirements.** - As provided  
23 in Section 11 of this Act, the following documentary requirements shall be complied  
24 with when applying for a license or permit:

- 25 a. Identification of the applicant's legal representatives, manager/s, and the  
26 person/s handling the deal;
- 27 b. Duplicates of contract agreement and other certification documents;
- 28 c. Technical specification of the strategic or dual-use goods;
- 29 d. Certificate of end-user and declaration of end-use/s;
- 30 e. Documents of guarantee from the receiving party that such strategic or  
31 dual-use goods which are subject of such transaction will:
  - 32 1) Not be used for the development, production, acquisition or  
33 stockpiling of chemical, biological, radiological, nuclear weapons  
34 and any other conventional weapons that will pose a serious threat  
35 to the public in general. This also includes missiles capable of  
36 delivering such weapons;
  - 37 2) Not be used for purposes other than the declared end-use without  
38 the consent of authorized Philippine agencies; and

1                   3) Not be transferred to any third party other than the declared end-  
2                   user without the consent of authorized Philippine agencies.

3                   The Bureau of Customs shall be provided with copies of all documentations  
4 mentioned.

5                   **SEC. 17. *Obligations of Applicants.*** - Any person subject to the  
6 requirements of this Act shall keep a record of the transit, transshipment or re-export  
7 of strategic or dual-use goods and all other information that may be required by the  
8 regulations for a period of five (5) years.

9                   Any person who, in connection with an application for permit or license or  
10 registration, or being required to give any information or document to an authorized  
11 officer, gives any information that is false or misleading in a material particular; or  
12 gives any documents which gives a statement or omits any matter which renders the  
13 document false or misleading in a particular material shall suffer the penalty of  
14 *prision correccional* in its medium and maximum period or imprisonment of not less  
15 than four (4) years and not more than six (6) years and a fine not to exceed one  
16 hundred thousand pesos (Php 100,000.00).

17                   **SEC. 18. *Confidentiality of Business Proprietary Information.*** - No  
18 information obtained as part of the license application may be disclosed to any non-  
19 government agency unless such disclosure is in the national security or foreign  
20 policy interest of the Philippines or the same may facilitate progress of pending  
21 investigations.

22                   **SEC. 19. *Penalties for the Obstruction in the Enforcement of this Act.*** - It  
23 shall be unlawful for any person who, without lawful excuse, commits the following  
24 acts:

- 25                   a. Refuse any authorized officer/person acting in his assistance, access to  
26 any vessel or mode of transport or premises which the authorized  
27 officer/person is entitled under this Act;
- 28                   b. Obstructs or hinders any authorized officer/person in the execution of any  
29 powers conferred upon such authorized officer/person; and
- 30                   c. Refuses to provide reasonable assistance to any authorized officer/person  
31 in the execution of any powers conferred upon such authorized  
32 officer/person in this Act.

33                   Any person who commits any of the acts herein mentioned shall suffer the  
34 penalty of imprisonment of six (6) years and one (1) day to twelve (12) years  
35 imprisonment, a fine not to exceed five hundred thousand pesos (Php 500,000.00),  
36 or both.

1           **SEC. 20. Prosecution for the Violation of any Provision of this Act.** - The  
2 following provides for the prosecution of cases for the violation of any provision of  
3 this Act:

- 4           a. The Regional Trial Court (RTC) shall have jurisdiction to try and hear  
5 cases involving violations of this Act;
- 6           b. The Department of Justice (DOJ) shall designate special prosecutors to  
7 exclusively handle cases in violation of this Act;
- 8           c. The preliminary investigation of cases filed under this Act shall be  
9 terminated within a period of thirty (30) days from the date of filing;
- 10          d. When the preliminary investigation is conducted by a public prosecutor  
11 and a probable cause is established, the corresponding information shall  
12 be filed in court within twenty-four (24) hours from the termination of the  
13 investigation. If the preliminary investigation is conducted by a judge and a  
14 probable cause is found to exist, the corresponding information shall be  
15 filed by the proper prosecutor within forty-eight (48) hours from the date of  
16 receipt of the record; and
- 17          e. Trial of the case under this Act shall be finished by the court not later than  
18 ninety (90) days from the date of filing of the information. Decision on said  
19 cases shall be rendered within a period of fifteen (15) days from the date  
20 of submission of the resolution.

21           **SEC. 21. . Reclassification, Addition or Removal of Any Goods from the**  
22 **National Control List.** – The Council shall have the power to reclassify, add to or  
23 remove from the National Control List. Proceedings to reclassify, add, or remove any  
24 goods or other substance may be initiated by the DTI, the DOH, or by petition from  
25 any interested party, including the importer/exporter of an item/goods, a national or  
26 local government agency, or an individual citizen. When a petition is received by the  
27 Council, it shall immediately begin its own investigation of the item/goods.

28           The Council, after notice and hearing shall consider the following factors with  
29 respect to each goods proposed to be reclassified, added or removed from control:

- 30           (a) Its actual or relative potential for use as a weapon or part of a weapon;
- 31           (b) The state of current scientific knowledge regarding the goods;
- 32           (c) Its history and current pattern of use as a Strategic goods or Dual-Use  
33 goods;
- 34           (d) The scope, duration, and significance of its use;
- 35           (e) Risk to the public in general;

36           The Council shall also take into accord the obligations and commitments to  
37 international treaties, conventions and agreements to which the Philippines is a  
38 signatory.

1 The Strategic and Dual-Use Goods Trade Control Council shall give notice to  
2 the general public of the public hearing of the reclassification, addition to or removal  
3 from the list of any drug by publishing such notice in any newspaper of general  
4 circulation once a week for two (2) weeks.

5 The effect of such reclassification, addition or removal shall be as follows:

6 (a) In case of the addition of a new Strategic goods or Dual-Use goods to the  
7 National Control List, no criminal liability involving the same under this Act  
8 shall arise until after the lapse of fifteen (15) days from the last publication of  
9 such notice;

10 (b) In case of removal of a Strategic goods or Dual-Use goods from the  
11 National Control List, all persons convicted and/or detained for the violation of  
12 the provisions of this Act shall be automatically released and all pending  
13 criminal prosecution involving such a drug under this Act shall forthwith be  
14 dismissed; and

15 (c) The Council shall, within five (5) days from the date of its promulgation  
16 submit to Congress a detailed reclassification, addition, or removal of any  
17 Strategic goods or Dual-Use goods from the National Control List.

#### 18 TITLE IV – FINAL PROVISIONS

19  
20 **SEC. 22. *Implementing Rules and Regulations.*** - The constituted Strategic  
21 Items/Goods Trade Control Council shall, in consultation with all concerned  
22 agencies, promulgate within sixty (60) days the Implementing Rules and Regulations  
23 necessary to implement the provisions of this Act.

24 **SEC. 23. *Appropriations.*** - The amount necessary to implement the  
25 provisions of this Act shall come from the General Appropriations Act.

26 **SEC. 24. *Suppletory Application.*** - For purposes of this Act, the Revised  
27 Penal Code and other applicable laws shall have suppletory application.

28 **SEC. 25. *Separability Clause.*** - If any portion or provision of this Act is held  
29 unconstitutional, the same shall not affect the validity and effectivity of the other  
30 provisions affected thereby.

31 **SEC. 26. *Repealing Clause.*** - All laws, decrees, executive orders, rules and  
32 regulations and other issuances or parts thereof which are inconsistent with this Act  
33 are hereby repealed, amended or modified accordingly.

34 **SEC. 27. *Effectivity Clause.*** - This Act shall take effect fifteen (15) days after  
35 its complete publication in at least two (2) newspapers of general circulation.

36 Approved,