

**DTI, DA, DOH, DENR, DOE
JOINT ADMINISTRATIVE ORDER NO. 13-1
Series of 2013**

SUBJECT: AMENDMENTS TO THE DTI, DA, DOH, DENR JOINT ADMINISTRATIVE ORDER NO. 1 SERIES OF 1993 (JAO 1, s.1993) OTHERWISE KNOWN AS THE IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT NO. 7581 (PRICE ACT)

WHEREAS, Republic Act No. 10623 amended certain provisions of Republic Act No. 7581 otherwise known as the "Price Act", expanding among others, the definition/coverage of the term "basic necessities" to now include potable water in bottles and containers, fresh fruits, locally manufactured instant noodles, household liquefied petroleum gas and kerosene, and of the term "prime commodities" to now include livestock and fishery feeds, while excluding fresh fruits, noodles, swine and cattle feeds from its list;

WHEREAS, RA No. 10623 now includes the Department of Energy (DOE) as a member of the Price Coordinating Council;

NOW, THEREFORE, pursuant to Section 7 of RA10623 mandating the Department of Trade and Industry to promulgate necessary rules, regulations, and procedures of the Act and to review the existing implementing rules and regulations of RA 7581 and revise its provisions as may be appropriate, the following Order is hereby prescribed for the information, guidance and compliance of all concerned:

Section 1. Section 1(2) Rule 1 of JAO 1, s.1993 is hereby amended to read as follows:

"Section 1. Definition – as used herein, the following terms and phrases shall have the meaning herein provided:

X X X

2. **"Implementing Agency"** means the department, agency, or office of the Government which has jurisdiction over a



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basic necessity or prime commodity as defined in these Rules and Regulations, which shall be:

X X X

- (e) ***The Department of Energy, with reference to household liquefied petroleum gas (LPG) and kerosene.***

Section 2. Section 1(4) Rule 1 of JAO 1, s.1993 is hereby amended to read as follows:

"Section 1. Definition – as used herein, the following terms and phrases shall have the meaning herein provided:

X X X

4. ***"Basic Necessities" are goods vital to the needs of consumers for their sustenance and existence in times of any of the cases provided under section 6 or 7 of this Act such as, but not limited to rice, corn, root crops, bread; fresh, dried or canned fish and other marine products; fresh pork, beef and poultry meat; fresh eggs; potable water in bottles and containers; fresh and processed milk; fresh vegetables and fruits; locally manufactured instant noodles; coffee; sugar; cooking oil; salt; laundry soap and detergents; firewood; charcoal; household liquefied petroleum gas (LPG) and kerosene; candles; drugs and medicines that are included in the current edition of the Philippine National Drug Formulary (PNDF) Essential Drugs List (EDL) and such other goods as may be included under section 4 of the Price Act***

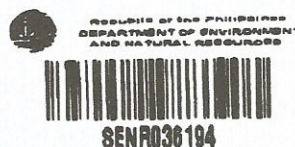
Section 3. Section 1(5) Rule 1 of JAO 1, s.1993 is hereby amended to read as follows:

"Section 1. Definition – as used herein, the following terms and phrases shall have the meaning herein provided:

X X X

5. ***"Prime Commodities" are goods not considered as basic necessities but are essential to consumers in times of any of the cases provided under Section 7 of this act such as, but not limited to flour; dried, processed or canned pork, beef and poultry meat; dairy products not falling under basic necessities; onions, garlic, vinegar, patis, soy sauce; toilet soap; fertilizer,***

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pesticides and herbicides; poultry, livestock and fishery feeds and veterinary products; paper; school supplies; nipa shingles; sawali; cement; clinker; gi sheets; hollow blocks; plywood; plyboard; construction nails; batteries; electrical supplies; light bulbs; steel wire; all other drugs and medicines that are not included in the current edition of the Philippines National Drug Formulary (PNDF) Essential Drug List (EDL) and such other goods as may be included under section 4 of the Price Act."

Section 4. Section 1 Rule II of JAO 1, s. 1993 is hereby amended to read as follows:

"Section 1. The implementing agencies enumerated in Rule 1 Sec. 1 par. (3) thereof shall have jurisdiction over commodities enumerated hereunder:

1. DEPARTMENT OF AGRICULTURE

(A) Basic Necessities

- 1) rice
- 2) corn
- 3) root crops
- 4) fresh, dried fish and other marine products
- 5) fresh pork, beef and poultry meat
- 6) fresh eggs
- 7) fresh milk
- 8) fresh vegetables
- 9) **fresh fruits**
- 10) sugar
- 11) cooking oil

(B) Prime Commodities

- 1) dried pork
- 2) dried beef and poultry meat
- 3) fresh dairy products not falling under basic necessities
- 4) onions, garlic
- 5) fertilizer, pesticides, herbicides
- 6) poultry, **livestock and fishery feeds**
- 7) veterinary products

2. DEPARTMENT OF HEALTH

(A) Basic Necessities

- 1) **drugs and medicines that are included in the current edition of the Philippine National Drug Formulary (PNDF) Essential Drugs List (EDL)**

(B) Prime Commodities

- 1) **all other drugs and medicines that are not included in the current edition of the Philippines National Drug Formulary (PNDF) Essential Drug List (EDL)**

3. DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

(A) Basic Necessities

- 1) firewood
- 2) charcoal

(B) Prime Commodities

- 1) nipa shingles
- 2) sawali
- 3) plywood
- 4) plyboard

4. DEPARTMENT OF TRADE & INDUSTRY

(A) Basic Necessities

- 1) bread
- 2) canned fish and other marine products
- 3) **potable water in bottles and containers**
- 4) processed milk
- 5) **locally manufactured instant noodles**
- 6) coffee
- 7) salt
- 8) laundry soap
- 9) detergent
- 10) candles



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(B) Prime Commodities

- 1) flour
- 2) processed and canned pork
- 3) processed and canned beef and poultry meat
- 4) vinegar, patis, soy sauce
- 5) toilet soap
- 6) paper, school supplies
- 7) cement, clinker, G.I. sheets
- 8) hollow blocks
- 9) construction nails
- 10) batteries, electrical supplies, light bulbs
- 11) steel wires

5. DEPARTMENT OF ENERGY

(A) Basic Necessities

- 1) **household liquefied petroleum gas (LPG)**
- 2) **kerosene**

Section 5. Section 2 Rule II of JAO 1, s. 1993 is hereby amended to read as follows:

"Section 2. Inclusion or Exclusion from the Coverage of this Act. – Upon petition of the concerned parties or motu proprio action from the concerned agency of the price coordinating council and after public hearing, the implementing agency, with the approval of the President, may include in the definition of basic necessities or prime commodities types and brands of the goods or may exclude from the coverage of this Act, types or brands of the goods included in the definition of basic necessities and prime commodities, which may be deemed as nonessential goods or luxury goods: Provided, That, any type or brand so excluded may be reinstated by the implementing agency during occasions of acute shortage in the supply of the basic necessity or prime commodity to which the excluded type or brand used to belong.

The following procedure should be observed in the inclusion or exclusion of consumer product/s in the list of basic necessities or prime commodities:

1. **Determination of what consumer product/s can be included or excluded in the list of basic necessities or prime commodities based on the petition of the concerned parties or motu**



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proprio by the concerned agency of the Price Coordinating Council;

- 2. Preparation of a Draft Executive Order of Inclusion or Exclusion of Consumer Product/s on the subject inclusion or exclusion of consumer products;*
- 3. Conduct of a public consultation/hearing on the Draft Executive Order of Inclusion or Exclusion of Consumer Product/s;*
- 4. Finalization of the proposed Executive Order of Inclusion or Exclusion of Consumer Product/s for the signature of the concerned Department Secretary;*
- 5. Endorsement of the proposed Executive Order of Inclusion or Exclusion of Consumer Product/s to the President of the Philippines for his approval; and*
- 6. Publication of the approved Executive Order of Inclusion or Exclusion of Consumer Product/s*

Provided, finally, The Department of Health shall include and delete drugs in the Essential Drug List (EDL) through the guidelines provided in the Philippine National Formulary System (PNFS) under the guidance of the Formulary Executive Committee (FEC). "

Section 6. Section 4 will be added in Rule V of JAO 1, s. 1993 pertaining to the powers and functions of the National Price Coordinating Council to read as follows:

"Section 4. It shall report at least semi-annually to the President and to the Congress of the Philippines the status and progress of the programs, projects, and measures undertaken by each implementing department, agency or office as well as the comprehensive strategies developed by the council to stabilize the prices of basic necessities and prime commodities. the report shall include goods that have been included or excluded from the list of basic necessities and prime commodities as provided for under Section 4 of the Price Act."



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Section 7. Section 5 will be added in Rule V of JAO 1, s. 1993 pertaining to the powers and functions of the National Price Coordinating Council to read as follows:

“Section 5. the composition of the price coordinating council is herein enumerated:

- 1) **The Secretary of Trade and Industry, as Chairman;**
- 2) **The Secretary of Agriculture;**
- 3) **The Secretary of Health;**
- 4) **The Secretary of Environment and Natural Resources;**
- 5) **The Secretary of Local Government;**
- 6) **The Secretary of Transportation and Communications;**
- 7) **The Secretary of Justice;**
- 8) **The Secretary of Energy;**
- 9) **The Director General of the National Economic and Development Authority;**
- 10) **One (1) Representative from the Consumers’ Sector;**
- 11) **One (1) Representative from the Agricultural Producers’ Sector;**
- 12) **One (1) Representative from the Trading Sector; and**
- 13) **One (1) Representative from the Manufacturers’ Sector.”**

Section 8. Section 1 Rule VI of JAO 1, s.1993 is hereby amended to read as follows:

“Section 1. There shall be created, Provincial and City Price Coordinating Councils composed of the following:

x x x

Members - One representative each from the Department of Agriculture, Health, Environment and Natural Resources, **Energy**, Transportation and Communication, Justice, National Economic and Development Authority, consumers, agricultural producers, trading, manufacturing, and retail sectors.

In the absence of **regional** and provincial offices, coordination shall be made with the respective **regional/field offices** of the above-mentioned implementing agencies.”

Section 9. Section 2 Rule VII of JAO 1, s. 1993 is hereby amended to read as follows:

“Section 2. “Automatic Price Control” shall refer to a situation where prices of basic necessities which, unless

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otherwise declared by the President, are automatically frozen at prevailing prices in areas which have been declared under any of the following conditions:

- 1) ***That area is proclaimed or declared disaster area or under a state of calamity;***
- 2) ***That area is declared under an emergency;***
- 3) ***The privilege of the writ of habeas corpus is suspended in that area;***
- 4) ***That area is placed under martial law;***
- 5) ***That area is declared to be in a state of rebellion; or***
- 6) ***A state of war is declared in that area.***

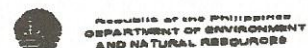
Unless sooner lifted by the President, price control of basic necessities under this section shall remain effective for the duration of the condition that brought it about, but not for more than sixty (60) days: provided, that, in the case of basic necessities that are wholly imported and deregulated under existing laws such as, but not limited to, household lpg and kerosene, price control thereon shall remain effective for a period of not more than fifteen (15) days, taking into consideration the current inventory or supply levels thereof.

The term disaster or calamity shall include those brought about by natural or man-made causes, whether local or foreign.

The term basic necessities as stated herein above does not include other petroleum products, such as gasoline and diesel."

Section 10. Separability Clause. In the event that the provision of this Order is declared unconstitutional, the validity of the other provision shall not be affected by such declaration.

Section 11. Repealing Clause. Except for issuances and policies pertaining to the selection of essential drugs in the National Formulary by the DOH, the provisions of the Department Orders, Rules and Regulations and other issuances of each implementing agency which are inconsistent with this order are hereby repealed or modified accordingly.

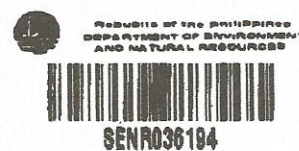


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Section 12. *Publication and Effectivity.* This Order shall take effect fifteen (15) days upon its publication in a newspaper of general circulation. Three (3) copies of this Order shall be sent to the National Administrative Register at the University of the Philippines Law Center and the Official Gazette.


Issued this 16th day of December 2013 in Makati City, Philippines.

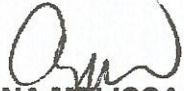


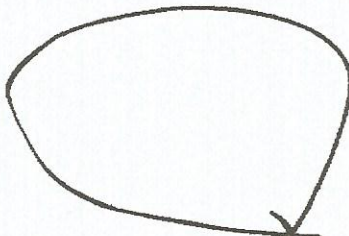
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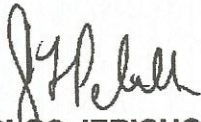



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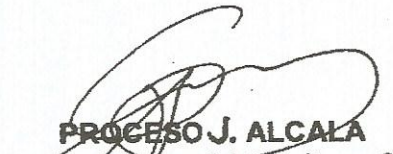




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