

DEPARTMENT ADMINISTRATIVE ORDER

No. 13
Series of 2008

Subject: Mandatory Philippine National Standard for Fireworks

1. In accordance with the provisions of R.A. No. 4109, R.A. No. 7394, Executive Order No. 913, Series of 1983, DAO No. 02, Series of 2007, DAO No. 4, Series of 2008, DAO No. 5, Series of 2008, and Sec 10 (4), Title X, Book IV, of the Administrative Code of 1987, the following Philippine National Standard is hereby adopted for mandatory implementation:

PNS 1220-2: 1994 – Fireworks Part 2 -Specifications

2. All manufacturers, distributors, importers and retailers of said product shall comply with the requirements of this standard.
3. A third party certification, known as the Product Certification Scheme of the DTI - Bureau of Product Standards (BPS), requires all manufacturers and importers of said product to secure a Philippine Standard (PS) License and an Import Commodity Clearance (ICC), respectively, prior to its distribution and sale.
4. The DTI-BPS shall promulgate implementing guidelines specifying implementing timetables, taking into consideration present inventory levels, production capabilities of industries, and testing capabilities of BPS and other testing institutions.
5. The implementation of this standard shall be done in proper coordination with the DTI Regional and Provincial Offices and the DTI - Bureau of Trade Regulation and Consumer Protection (BTRCP).
6. All manufacturers, distributors, importers and retailers found not complying with these requirements shall be penalized in accordance with the provision for liabilities and penalties under RA 7394, EO 913 and DAO 02:2007.
7. The PNS itself which form part and parcel thereof shall no longer be published because of its volume but copy of the same may be secured from the DTI-Bureau of Product Standard or may be downloaded thru the BPS Portal/Webpage.
8. All other orders or parts thereof which are inconsistent with the provisions of this Administrative Order are hereby repealed or amended accordingly.
9. This Order shall take effect fifteen (15) days after publication in two newspapers of general circulation or in the Official Gazette.

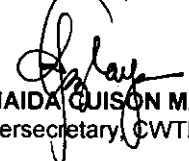
Accordingly, all parties concerned are hereby informed that copies of said standards and implementing guidelines may be secured from the BPS Information Services.

APPROVED: December 24, 2008.


PETER B. FAVILA
Secretary *vza*

Recommended by 

JESUS L. MOTOOMULL
Bureau Director, BPS


ZENAIDA QUISON MAGLAYA
Undersecretary, CWTRG *us*

BUREAU OF PRODUCT STANDARDS

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Membership:

- International Organization for Standardization (ISO)
- Enquiry Point for WTO Technical Barriers to Trade (WTO-TBT)

Department Administrative

Series of

2008

| <i>Number</i> | <i>Bureau</i> | <i>Subject</i> |
|---------------|--------------------|---|
| 01 | BTRCP 1/21/2008 | Addenda to the Implementing Rules and Regulations of Republic Act No. 7394, Otherwise known as the Consumer Act of the Philippines or the Department Administrative Order No. 2, series of 1993 on the Matter of Chapter IV on Labeling and Fair Packaging <small>Consumer Act</small> |
| 02 | BPS 1/31/2008 | Lifting of the Moratorium/Non-Acceptance of Private Emission Testing Centers' (PETCs) Application <small>Emission</small> |
| 03 | BPS 2/7/2008 | Rules and Regulations Concerning the Safety of Low Voltage Equipment <small>Rules and Regulations (Low Voltage Equipment)</small> |
| 04 | BPS 2/7/2008 | The New Rules and Regulation Concerning the Philippine Standard (PS) Quality and/or Safety Certification Mark Scheme of the Bureau of Product Standards (BPS) <small>Rules and Regulations (Philippine Standard (PS) Mark)</small> |
| 05 | BPS 2/7/2008 | The New Rules and Regulations Concerning the Issuance of the Import Commodity Clearance Under the Product Certification Mark Scheme of the Bureau of Product Standards (BPS) <small>Rules and Regulations (Import Commodity Clearance)</small> |
| 06 | BETP 2/22/2008 | Revising the guidelines further in the Resolution of Export Trade Complaints Formally Lodged with the Department of Trade and Industry <small>Guidelines</small> |
| 07 | BPS 3/24/2008 | Mandatory Philippine National Standards for Equal Leg Angle Bars (PNS 657:2008 - Hot-Rolled Steel Section - Equal Leg Angles Specification) <small>Steel</small> |
| 08 | BPS 8/15/2008 | Mandatory Philippine National Standards for Zinc and Zinc-alloy-coated Steel Barbed Wires |
| 09 | BSMED 8/20/2008 | Rules and Regulations to Implement Republic Act No. 6977, As Amended by Republic Act No. 8289 and Further Amended by Republic Act No. 9501 otherwise known as the amended "Magna Carta for Micro, Small and Medium Enterprises |

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|----|--------------------|--|
| 10 | BPS 9/9/2008 | Mandatory Philippine National Standard for Protective Helmets and Their Visors for Drivers and Passengers of Motor Cycles and Mopeds <small>*PNS/UN ECE 22:2007 - Uniform Provisions Concerning the Approval of Protective Helmets and Their Visors for Drivers and Passenger of Motor Cycles and Mopeds</small> |
| 11 | BTRCP 9/16/2008 | Further Amending Certain Provisions of Department of Trade Administrative No. 80, Series of 1982, as amended <small>*Business Name Law</small> |
| 12 | BPS 9/29/2008 | Mandatory Philippine National Standards Related to the use of LPG and CNG in Motor Vehicles |
| 13 | BPS 12/24/2008 | Mandatory Philippine National Standard for Fireworks <small>*PNS 1220:1994 - Fireworks Part 2 - Specifications</small> |

THE DAILY Tribune Sports

Aldrin Cardona, Editor □ e-mail: sports@tribune.net.ph

March 13, 2008

Lebra brings -7 Turner Fiesta tilt

Carandang

Magy Ginebra coach Jong Uichico is convinced, his Gin Kings are now ready to win the Philippine Basketball Association's (PBA) Fiesta Conference.

Coming from a forgettable stint in the Cup where the Gin Kings were right in the quarterfinals, the league's rites will be bringing in a not-so-tall Rohshon Turner, a Forward of the team in the French Basketball League. Uichico's team is expected to be a dominant force in the tournament with a roster of unlimited height, Turner is 6-foot-7, and may have no opponent, but Uichico believes those come by good team chemistry. For all will be playing in this free of injuries.

Uichico, even though I have only seen him. But what's more important is blending of the import and the local players, we can achieve that," said Uichico.

Turner, who just turned 33 last Monday, tonight and is expected to suit up against Gin Kings roster the following

at Fairleigh Dickinson College in Rutherford, N.J. Turner is common figure in the college. He played for UB La Palma for two years before moving to the Grand Littoral ball club.

In the 2006-07 season, he averaged 15.7 points and close to three assists per game. Statistics that were enough to earn him the Forward of the Year award in the French ProA League. Uichico's Gin Kings are the import Corp.-controlled ball club to sport for the PBA Fiesta Cup that Panabo, Davao del Norte on March

is still under negotiations with the import in Darius Rice, a prolific player who appears to be done, while Magnolia is still trying to enforce to play here, according to Tanquinson.

It is the only other team that still sits at this moment.

Harbour Centre ends clean vs Toyota

Champion Harbour Centre tries to keep its immaculate record intact when it takes on Toyota today even as Bacuchan goes for a third straight win in the pivotal Amino Sports Cup at the rival Coliseum.

Harbour Centre won their first four games — an 83-72 win over Burger King — as heavily favored over the Toyota Raiders when they clash at 4 p.m. Bacuchan and his team are also expected to win the Burger Whoppers of their back-to-back wins, including over Toyota Otis last Saturday. Harbour Centre is actually gunning for their eighth win since winning a record eighth championship last conference. Toyota Otis' faltering start, Harbour Centre's Jorge Gallent won't take any chances. Harbour Centre might be waiting for the right time to strike first win and I don't want that their first victim. Besides I have a lot to their organization."

DEPARTMENT ADMINISTRATIVE ORDER NO. 06
SERIES OF 2008

Subject: REVISING THE GUIDELINES FURTHER IN THE RESOLUTION OF EXPORT TRADE COMPLAINTS FORMALLY LOGGED WITH THE DEPARTMENT OF TRADE AND INDUSTRY

Whereas, the Department of Trade and Industry is mandated to oversee the country's export trade program; Whereas, the DTI continuously receives export trade complaints from either foreign buyers, exporters or local suppliers of Philippine goods and services, and from other sources; Whereas, one of the services of DTI is to match Philippine suppliers/exporters with potential foreign buyers and promote efficient business practices among the same to further enhance the image of the Philippines as a reliable source of products and services in the global market; Whereas, the complaint if it remains unresolved will seriously affect the image of the Philippines as a reliable source of export products and services; NOW THEREFORE, premises considered, the following guidelines are hereby prescribed for the compliance and informational of concerned:

1. SCOPE: This Department Administrative Order provides the rules and procedures for the resolution of export trade complaints received by DTI national office, regional, provincial and PTC offices involving Philippine-based suppliers of goods and services.

2. DEFINITION OF TERMS: For the purpose of this Department Administrative Order, the following definitions shall apply:

- 21 DTI - Department of Trade and Industry
- 22 BETP - Bureau of Export Trade Promotion
- 23 EXPONET - Export Assistance Network, the BETP unit under the Export Trade Facilitation Division, which receives and processes export trade complaints received by DTI, for mediation and/or settlement, or resolution.
- 24 Export Trade Complaints - all complaints arising from export trade-related transactions including but not limited to Non-Payment of Delivery (NPD), Non-Delivery of Paid Order (NDPO), Cancelled LC Order (CLCO), Short Shipment (SS), Quality Specification (QS), and other returns of complaints not elsewhere classified (OTH).
- 25 Mediation Officer - the technical and/or supervisory staff of the Export Trade Facilitation Division who is assigned to process and evaluate a particular export trade complaint, as per the provisions of this DAO.
- 26 Trade Representative - an officer of the Foreign Trade Service Corps (FTSC), DTI, assigned to a specific overseas post, who may carry any of these titles: Senior Commercial Attaché, Special Trade Representative, Trade Service Officer, Commercial Counselor, Commercial Attaché, Consul (Commercial), Assistant Commercial Attaché.
- 27 PTC - Philippine Trade and Investment Center, the overseas post where the trade representative is assigned.
- 28 Regional Director/Provincial Director - head of a DTI Regional Office or Provincial Office.
- 29 ETOC - Export Trade Complaints Committee, an inter-agency committee created to recommend specific actions on export trade complaints filed with any bureau or office of DTI which are referred to the BETP.
- 210 Supervising Undersecretary - the DTI undersecretary designated by the Secretary of Trade and Industry to supervise the BETP.
- 211 Watchlist - list of Philippine exporters, manufacturers, suppliers, foreign buyers who are respondents in export trade complaints whose inclusion in said list is based on the resolutions of the ETOC and as approved by the supervising undersecretary.
- 212 Services - refers to the supply of service for export as defined in Rule III, Section 1a of the Rules and Regulations to Implement the Export Development Act of 1994 (R.A. 7644).

3. COMPOSITION OF THE EXPORT TRADE COMPLAINTS COMMITTEE (ETOC):

- 3.1 Chairperson - The director or designated head of the BETP shall act as the Chairperson of the ETOC. Should a need arise, the supervising undersecretary may designate an Alternate Chairperson from among the assistant directors or commissioners, officer-in-charge of the BETP.
- 3.2 Members:
 - 3.2.1 The director or designated head/alternate of the DTI Office of Legal Affairs;
 - 3.2.2 A representative of the organization of exporters which has a subsisting accreditation from the Export Development Council (EDC) under Section 2 of the Export Development Act (R.A. 7644); and
 - 3.2.3 A representative of the CBI Information, Inc. In instances, however, when the designated alternate attends an ETOC meeting, he or she may only sign the resolution if he or her designation (as alternate) has been authorized by the agency/organization/office concerned and has been recognized by the ETOC, otherwise the principal shall sign.
- 3.3 The Committee may call upon the following to attend any Committee meeting and give pertinent information, advice and such other assistance as may be needed by the Committee in resolving the complaints:
 - 3.3.1 A representative of each of the other government agencies involved in the case (e.g. DENR, DA, BFAA, BOC, etc.);
 - 3.3.2 The President or representative of the trade association where one of the parties belongs; and
 - 3.3.3 The parties to the case and other entities or individuals who may shed light on the case.

4. JURISDICTION, POWERS AND FUNCTIONS OF THE ETOC:

- 4.1 The ETOC shall act on the following complaints:
 - 4.1.1 Export trade complaints from foreign buyers, agents, exporters and local suppliers of Philippine goods and services, and from other sources;
 - 4.1.2 Export trade complaints against foreign buyers, agents, exporters and local suppliers of Philippine goods and services;
 - 4.1.3 Export trade complaints involving alleged the promotion of ethical business practices among Philippine suppliers/exporters, to further enhance the image of the Philippines as a reliable source of products and services in the global market;
 - 4.1.4 Export trade-related complaints which, if unresolved, will seriously affect the image of the Philippines as a reliable source of export products and services.
- 4.2 The ETOC shall be authorized to demand the submission of documents, reports and evidences resulting from initial investigation(s) and/or mediation conducted by DTI regional/provincial offices, DTI business offices and attached agencies, and by FTSC offices abroad on the export trade complaint they have referred, endorsed or elevated to the ETOC. All communication to this effect shall be addressed to the head of agency concerned.
- 4.3 The ETOC shall likewise be authorized to demand the presence of any DTI officer and/or staff in any of its meetings to shed light on the export trade complaint referred, endorsed or elevated to the ETOC by his or her respective bureau/office/agency. The DTI officer and/or staff concerned shall however be given reasonable time to be informed of the schedule and venue of such meeting. All communication to this effect shall be addressed to the head of agency concerned.
- 4.4 The ETOC shall serve as the dispute settlement body for all export trade complaints lodged with the Department of Trade and Industry by foreign buyers, exporters and suppliers of Philippine goods and services and those export trade complaints which were referred to DTI by government agencies, instrumentalities and entities, whether local or foreign.

5. ETOC SECRETARIAT:

- 5.1 The EXPONET shall serve as the Secretariat of the Committee. It shall perform the following functions:
 - 5.1.1 Receive and process export trade disputes;
 - 5.1.2 Prepare and send correspondences required under this Order;
 - 5.1.3 Designate trade dispute account officers who shall act as mediation officers;
 - 5.1.4 Prepare the meeting agenda, notice of meeting containing the information on schedule, venue and agenda, inform the ETOC of said facts and secure confirmation of the attendance of all the members of the ETOC;
 - 5.1.5 Prepare the draft and finalize the orders, decision, resolutions and documents approved and issued by the ETOC;
 - 5.1.6 Prepare the draft and finalize the minutes of the ETOC meetings;
 - 5.1.7 Implement an efficient and user-friendly system of managing the files, records and documents generated in connection with the work and responsibility of the ETOC;
 - 5.1.8 Disseminate information on export trade related resolutions and watchlist via all means possible (media including but not limited to website, radio, print and TV) with discretion; and
 - 5.1.9 Perform other functions that shall be assigned and as may be required by the ETOC.

6. MEETINGS OF THE ETOC:

- 6.1 The ETOC shall meet once a month or more, as required; such requirement to be determined and decided by the Chairperson of the Committee, in consultation with the other members. An affirmation of the schedule shall be made during the meeting of the previous month and shall be included in the minutes of the said meeting.
- 6.2 Additional meetings shall be scheduled not later than two (2) weeks after the regular monthly meeting.
- 6.3 Postponement of the regular scheduled meeting shall only be for a valid cause and efforts shall be made to reschedule the postponed meeting also within the month. In case, however, such is not possible, an additional meeting shall be convened before the next scheduled regular monthly meeting.
- 6.4 The presence of all members of the ETOC and a representative of the DTI-Office of Legal Affairs shall constitute a quorum, and the vote of majority of the members present there being a quorum shall be necessary for the adoption of any act, order or decision.

7. PROCEDURES TO BE OBSERVED IN HANDLING EXPORT TRADE COMPLAINTS:

- 7.1 All export trade complaints must be submitted in writing and signed by the complainant or e-mailed. The ETOC, however, may require the submission of the signed letter of complaint together with supporting documents and the complainant be sworn to.
- 7.2 Export trade complaints may be filed with the BETP, any DTI regional/provincial office or with any PTC abroad. If received by a DTI regional/provincial office or a PTC, the export trade complaint shall be immediately endorsed to BETP's EXPONET for appropriate action, unless the same can be resolved expeditiously at that level. However, the complainant/respondent may appeal the resolution of the regional/provincial office of PTC to the ETOC within ten (10) working days from receipt thereof. Whenever any DTI bureau/office/agency receives an export trade complaint for referral to EXPONET, said referral must be done within the (5) days from receipt thereof. If the written export trade complaint involves a foreign entity, EXPONET shall request in writing the concerned Philippine trade representative/local to provide background information on the company and its business operation and verify from pertinent allegations in the complaint.
- 7.4 If the export trade complaint involves a Philippine entity, the EXPONET shall request the DTI regional director/provincial director to provide background information on the company and its business operations and verify the pertinent allegations in the complaint.
- 7.5 The EXPONET shall inform the respondent, through the BETP official counter, about the export trade complaint within five (5) working days from the receipt of the signed written complaint. A Philippine-based respondent is given ten (10) working days within which to submit a written answer while a foreign respondent is given twenty (20) working days within which to submit written answer from receipt of the official notice.
 - 7.5.1 If the respondent refuses the allegation(s) in the complaint, the respondent shall submit to the ETOC his written answer, duly supported by documents.
 - 7.5.2 In case the respondent is located outside the Philippines, EXPONET shall furnish the trade representative with a copy of his notice sent to the foreign respondent. In the absence of a trade representative, the said copy shall be sent to the Consul.
 - 7.5.3 If the respondent fails to answer within the prescribed period, he shall be given another ten (10) working days, as the case may be, if he still fails to answer despite due notice, the Mediation Officer shall prepare a resolution declaring him in default and directing complainant to present his evidence on a date set in the order. The ETOC shall rule in favor of the complainant.
- 7.6 The EXPONET shall evaluate all cases to the ETOC, processed and evaluated by the Mediation Officer for resolution. The ETOC shall not act on a complaint if there is already a pending administrative case against the same respondent arising from the same export trade related activity subject of the complaint.
- 7.7 The ETOC shall submit for approval to the Supervising Undersecretary its recommendation to watchlist the respondent.
- 7.8 Once approved, both the complainant and the respondent shall be informed thereof in writing within seven (7) working days.

8. ACCEPTABLE DOCUMENTS:

- 8.1 Complainants and respondent shall be advised to submit original and clear copies of documents to support their respective claims/counterclaims.
- 8.2 In instances where they are unable to submit the original copy of supporting documents, the duplicate/photostat copies, xerox copies, scanned copies or other electronically produced copies shall be accepted, provided all printed and written entries shown are clear and readable. Certified true copies of documents may be required for verification purposes.

9. CLASSIFICATION OF ETOC RECOMMENDATIONS:

- 9.1 Watchlisting - respondent is found to be liable as per guidelines of DAO No. 11, Series of 1999 as amended.
- 9.2 Closed - either the complainant has lost interest in pursuing the case or the complainant could no longer be located or any form of communication has been exhausted.
- 9.3 Dismissed - complainant has failed to substantiate the allegations to establish liability of the respondent for the acts being complained of or respondent has satisfactorily and adequately related the allegations made by the complainant, or when notices were not served because of the ETOC Secretariat could no longer locate nor communicate with the respondent.
- 9.4 Settled - an amicable settlement between the parties was reached because of ETOC intervention.

10. PENALTIES AND SANCTIONS:

- 10.1 Any party included in the Watchlist, cannot avail of the following assistance/service from DTI:
 - 10.1.1 Recommendations to any private entity/local or foreign, for the giving of a loan, guarantee, grant, subsidy, equity, benefit, exemption, privilege, assistance and the like;
 - 10.1.2 Any loan, guarantee, grant, subsidy, equity, benefit, exemption, privilege, assistance, and the like from DTI and its attached agencies;
 - 10.1.3 Referral to any domestic supplier or foreign buyer;
 - 10.1.4 Participation in any DTI-sponsored fair, exhibit and selling mission;
 - 10.1.5 Inclusion in any supplier listing, e.g. exporters directory, supplier catalog, promotional brochure and industry situations prepared by DTI which are disseminated here and abroad; and
 - 10.1.6 Assistance or advice on product design and development, export training, common service facilities, business advisory services; and lobby and information services.
- 10.2 Revocation of all DTI permits and licenses including, but not limited to, business name registration, Export Development Act (EDA) accreditation.
- 10.3 Delisting in any supplier listing, e.g. exporters directory, supplier catalog, promotional brochure and industry situations prepared by DTI which are disseminated here and abroad.

11. APPEALS

- 11.1 The recommendation on the ETOC may be appealed to the Secretary of Trade and Industry by the aggrieved party.
- 11.2 The decision of the Secretary of Trade and Industry on the appeal made by the aggrieved party shall be final and executory.

12. ADMINISTRATIVE REMEDIES (DELISTING):

- 12.1 The Mediation Officer may recommend to the ETOC the delisting of respondents from the Watchlist.
- 12.2 The ETOC will present for approval to the Supervising Undersecretary for BETP its recommendation to delist respondent from the Watchlist; and
- 12.3 Delisting may be considered if:
 - 12.3.1 The complainant submits a notice in writing, E-mail or FAX that the respondent can be delisted;
 - 12.3.2 Both parties have agreed in writing to settle the case amicably;
 - 12.3.3 The DTI Office of Legal Affairs (OLA) has advised the ETOC to delist the respondent from the DTI Watchlist for reasons consistent with the spirit of DAO No. 11, Series of 1999, as amended, and the Department Administrative Order; and
 - 12.3.4 The decision on the appeal as per Section 11.2 of this DAO instructs delisting.

13. RESPONDENTS PENALIZED/SANCTIONS UNDER PREVIOUS DAOs:

- 13.1 Respondents included in the watchlist under DAO No. 4, Series of 1993, DAO No. 1, Series of 1995 and DAO No. 11, Series of 1999 shall continue to be watchlisted until such time that moves have been made by their respective complainants to have them delisted or they qualify for delisting pursuant to applicable provisions of this DAO.
- 13.2 Penalties and sanctions imposed on respondents under DAO No. 4, Series of 1993, DAO No. 1, Series of 1995 shall continue to be imposed until such time that such penalties and sanctions have been lifted, on a case to case basis, as per the provisions of this DAO.

14. TRANSPARENCY OF INFORMATION:

- 14.1 The DTI Watchlist of Philippine Exporters and Foreign Buyers be made accessible to the public during office hours at the ETOC Secretariat, BETP Office.
- 14.2 The ETOC Secretariat shall be responsible for disseminating the list on a regular basis to the following DTI agencies whose assistance/service cannot be availed of by watchlisted persons/firms:
 - 14.2.1 Foreign Trade Service Corps Coordinating Office (FTSC-CO)
 - 14.2.2 Center for International Trade Expositions and Missions (CITEM)
 - 14.2.3 Product Development and Design Center of the Philippines (PDDCP)
 - 14.2.4 DTI Business Name Registration System
 - 14.2.5 Bureau of Small and Medium Enterprises (BSME)
 - 14.2.6 Bureau of Domestic Trade (BOT)
- 14.3 The ETOC Secretariat shall also be responsible for disseminating the list on a regular basis to other government and private agencies for their information and guidance. These agencies include, but not limited to CBI, Department of Agriculture, Department of Science and Technology.
- 14.4 The Watchlist shall be included in the BETP Website and other DTI website where similar Watchlist are provided.

15. REPEALING CLAUSE:

The provisions of Department Administrative Order No. 4, Series of 1993, Department Administrative Order No. 1, Series of 1995, and Department Administrative Order No. 11, Series of 1999 which are inconsistent with the provisions of this DAO are hereby repealed.

16. EFFECTIVITY:
This Order shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.
Makati City, 22 February 2008.
Recommended by:

(Sgd.) DR. THOMAS G. AQUINO
Senior Undersecretary

(Sgd.) PETER B. FAMILA
Secretary



**Department Administrative Order No. 06
Series of 2008**

Subject: REVISING THE GUIDELINES FURTHER IN THE RESOLUTION OF EXPORT TRADE COMPLAINTS FORMALLY LODGED WITH THE DEPARTMENT OF TRADE AND INDUSTRY

Whereas, the Department of Trade and Industry is mandated to oversee the country's export trade program;

Whereas, the DTI continuously receives export trade complaints from either foreign buyers, exporters or local suppliers of Philippine goods and services, and from other sources;

Whereas, one of the services of DTI is to match Philippine suppliers/exporters with potential foreign buyers and vice-versa and promote ethical business practices among the same to further enhance the image of the Philippines as a reliable supplier of products and services in the global market;

Whereas, the complaint if it remains unresolved will seriously affect the image of the Philippines as a reliable source of export products and services.

NOW THEREFORE, premises considered, the following guidelines are hereby prescribed for the compliance and information of all concerned:

1. **SCOPE:** This Department Administrative Order provides the rules and procedures for the resolution of export trade complaints received by DTI national offices, regional, provincial and PTIC offices involving Philippine-based suppliers of goods and services.

2. DEFINITION OF TERMS:

For the purpose of this Department Administrative Order, the following definitions shall apply:

- 2.1 DTI – Department of Trade and Industry
- 2.2 BETP – Bureau of Export Trade Promotion
- 2.3 EXPONET – Export Assistance Network, the BETP unit under the Export Trade Facilitation Division, which receives and processes export trade complaints received by DTI, for mediation and/or settlement, or resolution.
- 2.4 Export Trade Complaints – all complaints arising from export trade-related transactions including but not limited to Non-Payment of Delivery (NPD), Non-Delivery of Paid Order (NDPO), Cancelled L/C Order (CL/C), Short Shipment (SS), Quality Specification (QS), and other nature of complaints not elsewhere classified (OTH).
- 2.5 Mediation Officer – the technical and/or supervisory staff of the Export Trade Facilitation Division who is assigned to process and evaluate a particular export trade complaint, as per the provisions of this DAO.
- 2.6 Trade Representative – an officer of the Foreign Trade Service Corps (FTSC), DTI, assigned to a specific overseas post, who may carry any of these titles; Senior Commercial Attaché, Special Trade Representative, Trade Service Officer, Commercial Counselor, Commercial Attaché, Consul (Commercial), Assistant Commercial Attaché.
- 2.7 PTIC – Philippine Trade and Investment Center, the overseas post where the trade representative is assigned.
- 2.8 Regional Director / Provincial Director – head of a DTI Regional Office or Provincial Office.
- 2.9 ETCC – Export Trade Complaints Committee, an inter-agency committee created to recommend specific actions on export trade complaints filed with any bureau or office of DTI which are referred to the BETP.
- 2.10 Supervising Undersecretary – The DTI undersecretary designated by the Secretary of Trade and Industry to supervise the BETP.
- 2.11 Watchlist – list of Philippine exporters, manufacturers, suppliers, foreign buyers who are respondents in export trade complaints whose inclusion in said list is based on the resolutions of the ETCC and as approved by the supervising undersecretary.
- 2.12 Services – refers to the supply of service for export as defined in Rule III, Section 1.a of the Rules and Regulations to implement the Export Development Act of 1994 (R.A. 7844).

3. COMPOSITION OF THE EXPORT TRADE COMPLAINTS COMMITTEE (ETCC):

- 3.1 **Chairperson** – The director or designated head of the BETP shall act as the Chairperson of the ETCC. Should a need arise, the supervising undersecretary may designate an Alternate Chairperson from among the assistant directors or caretakers, officers-in-charge of the BETP.
- 3.2 **Members:**
 - 3.2.1 The director or designated head/alternate of the DTI Office of Legal Affairs;
 - 3.2.2 A representative of the organization of exporters which has a subsisting accreditation from the Export Development Council (EDC) under Section 12 of the Export Development Act. (R.A. 7844); and
 - 3.2.3 A representative of the CIBI (Information, Inc.

In instances, however, when the designated alternate attends an ETCC meeting, he or she may only sign the resolution if his or her designation (as alternate) has been authorized by the agency/organization/office concerned and has been recognized by the ETCC, otherwise the principal shall still sign.

- 3.3 The Committee may call upon any of the following to attend any Committee meeting and give pertinent information, advice and such other assistance as may be needed by the Committee in resolving the complaints;

- 3.3.1 A representative of each of the other government agencies involved in the case (e.g. DENR, DA, BFAD, BOC, etc.);
- 3.3.2 The President or representative of the trade association where one of the parties belongs; and
- 3.3.3 The parties to the case and other entities or individuals who may shed light on the case.

4. JURISDICTION, POWERS AND FUNCTIONS OF THE ETCC:

- 4.1 The ETCC shall act on the following complaints:
 - 4.1.1 Export trade complaints from foreign buyers, agents, exporters and local suppliers of Philippine goods and services, and from other sources;
 - 4.1.2 Export trade complaints against foreign buyers, agents, exporters and local suppliers of Philippine goods and services;
 - 4.1.3 Export trade complaints involving/affecting the promotion of ethical business practices among Philippine suppliers/exporters, to further enhance the image of the Philippines as a reliable supplier of products and services in the global market;
 - 4.1.4 Export trade-related complaints which, if unresolved, will seriously affect the image of the Philippines as a reliable source of export products and services.
- 4.2 The ETCC shall be authorized to demand the submission of documents, reports and evidences resulting from initial investigation(s) and/or mediation conducted by DTI regional/

provincial offices, DTI bureaus, offices and attached agencies, and by FTSC offices abroad on the export trade complaint they have referred, endorsed or elevated to the ETCC. All communication to this effect shall be addressed to the head of agency concerned.

- 4.3 The ETCC shall likewise be authorized to demand the presence of any DTI officer and/or staff in any of its meetings to shed light on the export trade complaint referred, endorsed or elevated to the ETCC by his or her respective bureau/office/agency. The DTI officer and/or staff concerned shall however be given sufficient time to prepare for the meeting and he or she shall be given reasonable time to be informed of the schedule and venue of such meeting. All communication to this effect shall be addressed to the head of agency concerned.
- 4.4 The ETCC shall serve as the dispute settlement body for all export trade complaints lodged with the Department of Trade and Industry by foreign buyers, exporters and suppliers of Philippine goods and services and those export trade complaints which were referred to DTI by other government agencies, instrumentalities and entities, whether local or foreign.
5. **ETCC SECRETARIAT:**
 - 5.1 The EXPONET shall serve as the Secretariat of the Committee. It shall perform the following functions:
 - 5.1.1 Receive and process export trade disputes;
 - 5.1.2 Prepare and send correspondences required under this Order;
 - 5.1.3 Designate trade dispute account officers who shall act as mediation officers;
 - 5.1.4 Prepare the meeting agenda, notice of meeting containing the information on schedule, venue and agenda, inform the ETCC of said facts and secure confirmation of the attendance of all the members of the ETCC;
 - 5.1.5 Prepare the draft and finalize the orders, decisions, resolutions and documents approved and issued by the ETCC;
 - 5.1.6 Prepare the draft and finalize the minutes of the ETCC meetings;
 - 5.1.7 Implement an efficient and user-friendly system of managing the files, records and documents generated in connection with the work and responsibility of the ETCC;
 - 5.1.8 Disseminate information on export trade related resolutions and watchlist via all means possible (media including but not limited to website, radio, print and TV) with discretion; and
 - 5.1.9 Perform other functions that shall be assigned and as may be required by the ETCC.

6. MEETINGS OF THE ETCC:

- 6.1 The ETCC shall meet once a month or more, as required; such requirement to be determined and decided by the Chairperson of the Committee, in consultation with the other members. An affirmation of this schedule shall be made during the meeting of the previous month and shall be included in the minutes of said meeting.
- 6.2 Additional meetings shall be scheduled not later than two (2) weeks after the regular monthly meeting.
- 6.3 Postponement of the regular scheduled meeting shall only be for a valid cause and efforts shall be made to reset the postponed meeting also within the month. In case, however, such is not possible, an additional meeting shall be convened before the next scheduled regular monthly meeting.
- 6.4 The presence of one (1) member of the ETCC and a representative of the DTI-Office of Legal Affairs shall constitute a quorum, and the vote of majority of the members present there being a quorum shall be necessary for the adoption of any act, order or decision.

7. PROCEDURES TO BE OBSERVED IN HANDLING EXPORT TRADE COMPLAINTS:

- 7.1 All export trade complaints must be submitted in writing and signed by the complainant or e-mailed. The ETCC, however, may require the submission of the signed letter of complaint together with supporting documents and that the complaint be sworn to.
- 7.2 Export trade complaints may be filed with the BETP, any DTI regional/provincial office or with any PTIC abroad. If received by a DTI regional/provincial office or by a PTIC, the export trade complaint shall be immediately endorsed to BETP's EXPONET for appropriate action, unless the same can be resolved expeditiously at their level. However, the complainant/respondent may, appeal the resolution of the regional/provincial office or PTIC to the ETCC within ten (10) working days from receipt thereof. Whenever any DTI bureau/office/agency receives an export trade complaint for referral to EXPONET, said referral must be done within five (5) working days from receipt thereof.
- 7.3 If the written export trade complaint involves a foreign entity, EXPONET shall request in writing the concerned Philippine trade representative/consul to provide background information on the company and its business operations and verify the pertinent allegations in the complaint.
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- 7.5 The EXPONET shall inform the respondent, through the BETP official courier, about the export trade complaint within three (3) working days from the receipt of the signed written complaint. A Philippine-based respondent is given ten (10) working days within which to submit a written answer while a foreign respondent is given twenty (20) working days within which to submit written answer from receipt of the official notice.
 - 7.5.1 If the respondent refutes the allegation(s) in the complaint, the respondent shall submit to the ETCC his written answer, duly supported by documents.
 - 7.5.2 In case the respondent is located outside the Philippines, EXPONET shall furnish the trade representative with a copy of the notice to send to the foreign respondent. In the absence of a trade representative, the said copy shall be sent to the Consul.
 - 7.5.3 If the respondent fails to answer within the prescribed period, he shall be given another ten or twenty days, as the case may be. If he still fails to answer despite due notice, the Mediation Officer shall prepare a resolution declaring him in default and directing complainant to present his evidence on a date set in the order. The ETCC shall rule in favor of the complainant.
- 7.6 The EXPONET shall elevate all cases to the ETCC, processed and evaluated by the Mediation Officer for resolution. The ETCC shall not act on a complaint if there is already a pending civil/criminal case against the same respondent arising from the same export trade related activity subject of the complaint.
- 7.7 The ETCC shall submit for approval to the Supervising Undersecretary its recommendation to watchlist the respondent.
- 7.8 Once approved, both the complainant and the respondent shall be informed thereof in writing within seven (7) working days.
8. **ACCEPTABLE DOCUMENTS:**
 - 8.1 Complainants and respondents shall be advised to submit original and clear copies of documents to support their respective claims/counterclaims.
 - 8.2 In instances when they are unable to submit the original copy of supporting documents, the duplicate/triplicate copies, xerox copies, scanned copies or other electronically produced copies shall be accepted, provided all printed and written entries shown are clear and readable. Certified true copies of documents may be required for verification purposes.
9. **CLASSIFICATIONS OF ETCC RECOMMENDATIONS:**
 - 9.1 Watchlisting – respondent is found to be liable as per guidelines of DAO No. 11, Series of 1999, as amended.

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- 8.2 In instances where they are unable to submit the original copy of supporting documents, the duplicate/triplicate copies, xerox copies, scanned copies or other electronically produced copies shall be accepted, provided all printed and written entries shown are clear and readable. Certified true copies of documents may be required for verification purposes.

9. CLASSIFICATIONS OF ETCC RECOMMENDATIONS:

- 9.1 Watchlisting - respondent is found to be liable as per guidelines of DAO No. 11, Series of 1999, as amended.

- 9.2 Closed - either the complainant has lost interest in pursuing the case or the complainant could no longer be located or any form of communication has ceased.
- 9.3 Dismissed - complainant has failed to substantiate the allegations to establish liability of the respondent for the acts being complained of or respondent has satisfactorily and adequately refuted the allegations made by the complainant, or when notices were not served because the ETCC Secretariat could no longer locate nor communicate with the respondent.
- 9.4 Settled - an amicable settlement between the parties was reached because of ETCC intervention.

10. PENALTIES AND SANCTIONS:

- 10.1 Any party included in the Watchlist, cannot avail of the following assistance/services from DTI.
- 10.1.1 Recommendation to any private entity, local or foreign, for the giving of a loan, guarantee, grant, subsidy, equity, benefit, exemption, privilege, assistance and the like;
- 10.1.2 Any loan, guarantee, grant, subsidy, equity, benefit, exemption, privilege, assistance and the like from the DTI and its attached agencies;
- 10.1.3 Referral to any domestic supplier or foreign buyer;
- 10.1.4 Participation in any DTI-sponsored fair, exhibit and selling mission;
- 10.1.5 Inclusion in any supplier listing, e.g. exporters directory, supplier catalog, promotional brochure and industry situationers prepared by DTI which are disseminated here and abroad; and
- 10.1.6 Assistance or services on product design and development; exporters' training; common service facilities; business advisory services; and library and information services.
- 10.2 Revocation of all DTI permits and licenses including, but not limited, to business name registration, Export Development Act (EDA) accreditation.
- 10.3 Delisting in any supplier listing, e.g. exporters directory, supplier catalog, promotional brochure and industry situationers prepared by DTI which are disseminated here and abroad.

11. APPEALS:

- 11.1 The recommendation of the ETCC may be appealed to the Secretary of Trade and Industry by the aggrieved party.
- 11.2 The decision of the Secretary of Trade and Industry on the appeal made by the aggrieved party shall be final and executory.

12. ADMINISTRATIVE REMEDIES (DELISTING):

- 12.1 The Mediation Officer may recommend to the ETCC the delisting of respondents from the Watchlist.
- 12.2 The ETCC will present for approval to the Supervising Undersecretary for BETP, its recommendation to delist respondent from the Watchlist.
- 12.3 Delisting may be considered if:
- 12.3.1 The complainant submits a notice in writing, E-mail or FAX that the respondent can be delisted;
- 12.3.2 Both parties have agreed in writing to settle the case amicably;
- 12.3.3 The DTI Office of Legal Affairs (OLA) has advised the ETCC to delist the respondent from the DTI Watchlist for reasons consistent with the spirit of DAO No. 11, Series of 1999, as amended, and this Department Administrative Order; and
- 12.3.4 The decision on the appeal as per Section 11.2 of this DAO instructs delisting.

13. RESPONDENTS PENALIZED/ISSUED SANCTIONS UNDER PREVIOUS DAOs:

- 13.1 Respondents included in the watchlist under DAO No. 4, Series of 1993, DAO No. 1, Series of 1995 and DAO No. 11, Series of 1999 shall continue to be watchlisted until such time that moves have been made by their respective complainants to have them delisted or if they qualify for delisting pursuant to applicable provisions of this DAO.
- 13.2 Penalties and sanctions imposed on respondents under DAO No. 4, Series of 1993, DAO No. 1, Series of 1995 and DAO No. 11, Series of 1999 shall continue to be imposed until such time that such penalties and sanctions have been lifted, on a case to case basis, as per the provisions of this DAO.

14. TRANSPARENCY OF INFORMATION:

- 14.1 The DTI Watchlist of Philippine Exporters and Foreign Buyers shall be made accessible to the public during office hours at the ETCC Secretariat, BETP Office.
- 14.2 The ETCC Secretariat shall be responsible for disseminating the list on a regular basis to the following DTI agencies whose assistance/services cannot be availed of by watchlisted persons/firms:
- 14.2.1 Foreign Trade Service Corps Coordinating Office (FTSC-CO)
- 14.2.2 Center for International Trade Expositions and Missions (CITEM)
- 14.2.3 Product Development and Design Center of the Philippines (PDCCP)
- 14.2.4 DTI Business Name Registration System
- 14.2.5 Bureau of Small and Medium Enterprise (BSMED)
- 14.2.6 Bureau of Domestic Trade (BDT)
- 14.3 The ETCC Secretariat shall also be responsible for disseminating the list on a regular basis to other government and private agencies for their information and guidance. These agencies include, but not limited to, CIBI, Department of Agriculture, Department of Science and Technology.
- 14.4 The Watchlist shall be included in the BETP Website and other DTI websites where similar Watchlist are provided.

15. REPEALING CLAUSE:

The provisions of Department Administrative Order No. 4, Series of 1993, Department Administrative Order No. 1, Series of 1995, and Department Administrative Order No. 11, Series of 1999 which are inconsistent with the provisions of this DAO are hereby repealed.

16. EFFECTIVITY:

This Order shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Makati City, 22 February 2008.

(Sgd.) PETER B. FAVILA
Secretary

Recommended by:

(Sgd.) DR. THOMAS G. AQUINO
Senior Undersecretary

OFFICE OF THE SECRETARY

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