A RESOLUTION DIRECTING THE PROPER COMMITTEE OF THE HOUSE OF REPRESENTATIVES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE PROLIFERATION OF SUB-STANDARD PRODUCTS AND GOODS, PARTICULARLY NON-FOOD OR NON-AGRICULTURAL ITEMS (EXCEPT DRUGS, MEDICINES, COSMETICS, DEVICES AND SUBSTANCES), AND TO DETERMINE AND ASSESS THE SUFFICIENCY OR EFFECTIVENESS OF EXISTING LAWS & IMPLEMENTING RULES AND REGULATIONS IN PROHIBITING THE MANUFACTURE, ENTRY AND SALE OF SUB-STANDARD OR HAZARDOUS PRODUCTS OR GOODS INTO THE COUNTRY.

WHEREAS, one of the principles\(^1\) enshrined under the Constitution is the mandate to protect the consumers, Thus: -

"*The State shall protect consumers from trade malpractices and from substandard or hazardous products.*" (Italics and underscoring supplied);

WHEREAS, Republic Act No. 7394\(^2\) otherwise known as the “Consumer Protection Act of the Philippines” implements the aforesaid constitutional mandate when it declares the following as a basic policy of the State:

"*It is the policy of the State to protect the interests of the consumer, promote his general welfare and to establish standards of conduct for business and industry.*"\(^3\) (Italics and underscoring supplied);

WHEREAS, the Consumer Protection Act of the Philippines expressly requires that to achieve said policy, the State shall implement measures to achieve the following objectives: "a) protection against hazards to health and safety; b) protection against deceptive, unfair and unconscionable sales acts and practices; c) provision of information and education to facilitate sound choice and the proper exercise of rights by the consumer; d) provision of adequate rights and means of redress; and d) involvement of consumer representatives in the formulation of social and economic policies."\(^4\);

\(^{1}\) Sec. 9, Article XVI, 1987 Constitution
\(^{2}\) Approved on 13 April 1992
\(^{3}\) Article 2, Rep Act No. 7394
\(^{4}\) Ibid.
WHEREAS, Rep. Act No. 7394 further states that it is the duty of the State to “develop and provide safety and quality standards for consumer products” xxx;

WHEREAS, the Department of Trade and Industry (DTI) has been specifically tasked to implement the provisions of the said statute insofar as products or goods that are non-food or non-agricultural items (except drugs, medicines, cosmetics, devices and substances as defined under the said law) are concerned;

WHEREAS, DTI has likewise been directed by this law to promulgate rules and regulations establishing or prescribing the “consumer product quality and safety standards” for the subject products;

WHEREAS, presently, DTI maintains an existing policy of requiring mandatory testing for certain products or goods while others are allowed to undergo testing on a voluntary basis. This means that testing may not even be actually carried out or required for certain products or goods, whether locally produced or imported into the country;

WHEREAS, as of 10 February 2020, only eighty-seven (87) Non-Food Items (except drugs, medicines, cosmetics, devices and substances) are covered by consumer quality and safety product standards promulgated by the Bureau of Product Standards (BPS) of the DTI;

WHEREAS, the failure to require mandatory testing for all goods and products sold to our countrymen is clearly a brazen failure on the part of DTI/BPS to implement the constitutional mandate, and to implement the specific provisions of Rep. Act No. 7394, to protect the health and safety of consumers;

WHEREAS, our countrymen are in quandary as to the rationale for such policy on testing (i.e., mandatory vis-a-vis voluntary testing) given the Constitutional mandate to protect consumers, and the intent of the Legislature that all laws it had passed that are meant to protect consumers, must perforce apply to all products or goods, regardless of whether locally manufactured or produced or otherwise imported into the country;

WHEREAS, if certain products or goods are not required to undergo mandatory testing, does it ipso facto mean that no further clearances or permits are needed to be obtained from government especially from the DTI/BPS prior to release of such goods or products from the factories or premises where these are produced, in the case of locally goods or products, or from the port/s of entry, in the case of imported goods or products, before these are actually allowed to be distributed, marketed and sold in the country;
WHEREAS, on the other hand, it appears that a burden is imposed upon retailers of goods or products, whether imported or locally-produced, to determine and find out for themselves, whether the goods or products consigned to them for re-sale to the public, have actually undergone testing and/or were actually cleared by the DTI / BPS; and

WHEREAS, in view of the foregoing, it is imperative that an inquiry be made to determine, among others, the following matters:

1. How many goods or products are actually covered by prescribed consumer quality and safety standards promulgated by the DTI / BPS?

2. Of this said number of goods or products covered by prescribed consumer quality and safety standards promulgated by the DTI/ BPS, how many are covered by mandatory testing?

3. Why is mandatory testing required for certain goods or products while others merely on voluntary basis?; Is the rationale for this policy still relevant or appropriate at this time?

4. Have existing laws and implementing rules and regulations been effective in encouraging manufacturers of local goods or products in complying with consumer product quality and safety standards promulgated by DTI/BPS?

5. Have existing laws and implementing rules and regulations been effective in preventing the entry of imported goods or products that are sub-standard or hazardous, from entering the country, prior to their distribution and sale in the country?

6. Whether relevant laws and implementing rules and regulations banning or preventing the release or distribution of goods and products that are required to undergo mandatory testing and clearance by the DTI, need to be strengthened through amendment or revision;

7. Whether there are existing arrangements or agreements or protocols between DTI/BPS and BOC relative to the testing and release of the imported goods or products from the various ports of entry, which goods are subject to consumer product quality and safety standards;

8. Whether the aforesaid arrangements or protocols are adequate or need to be strengthened or expanded including institutionalizing “spot checkings” by DTI/BPS as the case may be, of imported goods or products at the premises of the BOC in various ports of entry;

9. Whether there is a need for the adoption of new steps or measures by the DTI/BPS together with the BOC to assure the apprehension of importers or consignees of imported goods or products that have not undergone the required testing or evaluation; and

10. Whether small retailers should be considered instead as “victims” of harassment by authorities or importers, wholesalers or distributors, who sell imported goods or products that are sub-standard or hazardous, or have not been cleared by the DTI /BPS.
THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED THAT, the proper Committees of the House of Representatives be directed to conduct an inquiry, in aid of legislation, into: a) the continued proliferation of certain imported or locally manufactured non-food goods or products (except drugs, medicines, cosmetics, devices or substances), without having undergone the required testing and without prior clearances from the DTI/BPS; b) efficacy of existing laws, rules, regulations, guidelines and procedures relative to the requirement for testing of locally produced or imported goods by the DTI/BPS as well as the issuance of clearances therefor; and c) efficacy of existing arrangements or protocols between the DTI/BPS with the BOC, if any, relative to the procedures for the release of such goods from the ports of entry, with the end in view of adopting possible remedial legislation to protect the consuming public from sub-standard products, and even small retailers from harassment.

Adopted,

[Signature]

RODANTE D. MARCOLETA