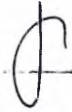


**SENATE**  
S. No. 1127

RECEIVED BY



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Introduced by Senator MARK A. VILLAR

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**AN ACT**  
**ESTABLISHING A NATIONAL ACCREDITATION POLICY TO ENHANCE THE**  
**COMPETITIVENESS OF PHILIPPINE PRODUCTS AND SERVICES,**  
**FACILITATE TRADE, AND PROTECT THE HEALTH, SAFETY AND WELFARE**  
**OF CONSUMERS, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

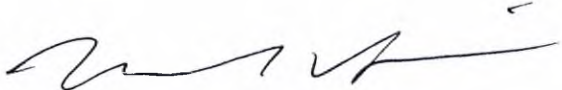
Accreditation promotes free and fair trade, enabling the country to export its products and services throughout the world as it propels the growth of domestic market by improving the quality, competitiveness and international acceptance of products, minimize inefficiency and improve value for money.

The State recognizes that an effective and efficient accreditation system, in conformity with international agreements and practices, is crucial for the development and advancement of the Philippines and for the improvement of its trade performance.

This is consistent with the declared policy of the Philippines under Article XII of the 1987 Philippine Constitution that "the State shall pursue a trade policy that serves the general welfare and utilizes all forms and arrangements of exchange on the basis of equality and reciprocity".

As signatory of the World Trade Organization Agreement, and member of both the International Accreditation Forum and ASEAN Economic Community, the Philippines has to improve its technical competence by strengthening its accreditation activities to encourage trade relations with other countries, and increasing the competitiveness and export potential of the Philippine Economy.

Towards this end, this bill proposes the establishment of a national accreditation system by establishing a Philippine Accreditation Authority, thereby implementing a National Accreditation Strategy for local and foreign enterprises, institution and organizations involving products, services and systems relating to the Trade Industry.



**MARK A. VILLAR**

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*First Regular Session* )

Office of the Secretary

'22 AUG 11 AIO :24

**SENATE**

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**AN ACT  
ESTABLISHING A NATIONAL ACCREDITATION POLICY TO ENHANCE THE  
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FACILITATE TRADE, AND PROTECT THE HEALTH, SAFETY AND WELFARE  
OF CONSUMERS, AND FOR OTHER PURPOSES**

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

**ARTICLE I**

**GENERAL PROVISIONS**

1  
2  
3 Section 1. *Short Title.* – This Act shall be known as the “Philippine  
4 Accreditation Act of 2022.”

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

9 The State recognizes that an effective and efficient national accreditation  
10 system, in conformity with international agreements and practices, is crucial for the  
11 development and advancement of the Philippines and for the improvement of its  
12 international trade performance.

13 In pursuance thereof, the State hereby adopts a national accreditation policy  
14 that enhances the competitiveness of Philippine products and services, facilitates  
15 trade particularly exports, and protect the health, safety and welfare of consumers

1 through compliance with national standards, aligned with international requirements  
2 on accreditation.

3 The State shall also establish a national accreditation body that facilitates  
4 compliance to technical regulations and harmonization with conformity assessment  
5 procedures, as envisioned in the ASEAN Economic Community (AEC), World Trade  
6 Organization (WTO) and other international agreements and covenants.

7 *Sec. 3. Definition of Terms.* – As used in this Act, the following terms shall  
8 have the following definition:

9 a. *Accreditation* refers to the process in which an authoritative body formally  
10 recognizes the competence, impartiality, capability and consistent operation of a  
11 conformity assessment body to carry out specific conformity assessment activities,  
12 such as certification, testing, calibration, inspection, and verification/validation;

13 b. *Asia Pacific Accreditation Cooperation (APAC)* refers to the grouping of  
14 national accreditation bodies from the Asia Pacific region that facilitates the  
15 acceptance of conformity assessment results across the region and other regions  
16 around the world through the expansion and management of mutual recognition  
17 arrangements among accreditation bodies;

18 c. *Assessment* refers to an evaluation process of the competence of a  
19 conformity assessment body in a determined accreditation scope, carried out by the  
20 national accreditation body, based on defined standards and/or other normative  
21 documents;

22 d. *Calibration* refers to the operation that is applied to establish that the  
23 measuring instruments used remain accurate within specified parameters;

24 e. *Certification* refers to a third-party attestation of conformance to standards,  
25 technical regulations, other specified requirements or guidelines related to products,  
26 processes, systems or persons. This can be accomplished by conducting inspection,  
27 verification, audit and/or testing;

28 f. *Conformity assessment body (CAB)* refers to enterprises, institution,  
29 organization, or their units, which are conducting conformity assessment activities,  
30 including, but not limited to, calibration, testing, certification and inspection;

1 g. *Conformity assessment* refers to the processes that show that products,  
2 services, or systems meet or have the capability to meet the requirements applicable  
3 to them;

4 h. *Consultancy* refers to the rendering of consulting services and other  
5 assistance regarding development and implementation of management systems and  
6 procedures of conformity assessment bodies, and also compliance with other  
7 requirements necessary for their accreditation;

8 i. *Inspection* refers to the examination of a product design, product, process  
9 or installation and determination of its conformity with specific requirements or, on  
10 the basis of professional judgment, with general requirements;

11 j. *International Accreditation Forum (IAF)* refers to the worldwide association  
12 of accreditation bodies and other bodies interested with conformity assessment in  
13 the fields of management systems, products, processes, services, personnel,  
14 validation and verification and other similar programmes of conformity assessment;

15 k. *International Laboratory Accreditation Cooperation (ILAC)* refers to the  
16 international organization of accreditation bodies that are involved with the  
17 accreditation of calibration laboratories, inspection bodies, proficiency testing  
18 providers and reference materials producers and promotes the use and acceptance  
19 by governments and industry of results from accredited technical tests and  
20 calibration results;

21 l. *National accreditation body* refers to the mandated institution which  
22 recognizes and attests to the competence and impartiality of conformity assessment  
23 bodies according to national and international accreditation standards; and

24 m. *Testing* refers to the determination of a product's characteristics against  
25 the requirements of the standard.

26 **ARTICLE II**  
27 **ACCREDITATION**

28 Sec. 4. *Accreditation*. – Accreditation shall be conferred by the Philippine  
29 Accreditation Authority, the national accreditation body created under Section 7 of  
30 this Act, to conformity assessment bodies (CABs), such as certification bodies,  
31 calibration and testing laboratories, inspection bodies, validation and verification  
32 bodies, proficiency testing providers, and reference materials producers, which

1 demonstrate to the satisfaction of the Authority that they have met a standard of  
2 competence to undertake the tasks for which they are seeking accreditation.  
3 Accreditation ensures compliance to requirements of standards through assessment  
4 of their knowledge, skills, abilities, systems and equipment as CABs.

5 Accreditation shall be voluntary in nature except as otherwise required in a  
6 specific law. All sectors and industries, regulated and non-regulated, both in  
7 government and the private sector, shall be encouraged to obtain accreditation to  
8 increase confidence on their activities and trust in the certificates and marks that  
9 they issue as evidence of quality and standards compliance.

10 The development and effective application of accreditation, including the  
11 harmonization of the definition and application of accreditation and conformity  
12 assessment activities by national regulatory agencies and the private sector, in the  
13 country shall be an on-going concern of the Authority. The Anti-Red Tape Authority,  
14 pursuant to its mandate under Republic Act No. 11032, otherwise known as the  
15 "Ease of Doing Business and Efficient Government Service Delivery Act of 2018",  
16 shall assist the Authority in achieving this objective.

17 The Authority, with the assistance of other concerned government agencies  
18 and private sector associations, shall pursue the recognition of accredited CABs and  
19 the results of their conformity assessment activities at the international level to help  
20 eliminate or minimize technical barriers to trade.

21 *Sec. 5. Principles of Accreditation.* – Accreditation, as envisioned in Section 4  
22 of this Act, shall be anchored on the following principles:

- 23 a. It is voluntary in nature unless required otherwise by specific legislation;
- 24 b. It ensures the equal rights and lawful interests of all interested parties,  
25 particularly public interests;
- 26 c. The accessibility, impartiality and transparency of accreditation activities  
27 are adhered to, while, at the same time, the confidentiality of information  
28 obtained during the accreditation process is upheld;
- 29 d. The equal participation of, and collaboration among, government agencies  
30 and relevant private organizations is observed; and

1 e. The application of accreditation requirements, harmonized with  
2 international and regional standards, is performed by professionals and  
3 technically competent personnel.

4 *Sec. 6. Obligations Related to Accreditation Under International and Regional*  
5 *Agreements. –*

6 a. As a signatory to the World Trade Organization (WTO) Agreement on  
7 Technical Barriers to Trade (WTO-TBT), the Philippines must ensure adequate  
8 and enduring technical competence of the relevant CABs in the export of  
9 products and services from the country, so that confidence in the continued  
10 reliability of their conformity assessment results exists. In this regard, verified  
11 compliance, through accreditation, with relevant standards or  
12 recommendations issued by international standardization and accreditation  
13 bodies shall be taken into account as an indication of acceptable technical  
14 competence.

15 b. As a member of the International Accreditation Forum (IAF), the International  
16 Laboratory Accreditation Cooperation (ILAC), and the Asia Pacific  
17 Accreditation Cooperation (APAC), the country, through the Authority, shall  
18 participate actively in the work of these organizations and shall take measures  
19 for signing relevant recognition arrangements/ agreements according to the  
20 rules of these organizations.

21 c. With the Philippines being a member of the ASEAN Economic Community, the  
22 Authority shall perform its primary role of strengthening accreditation  
23 activities to encourage trade among ASEAN members, provide  
24 internationally/regionally recognized accreditation of CABs, and increasing the  
25 competitiveness and export potential of the Philippine economy.

26 **ARTICLE III**

27 **PHILIPPINE ACCREDITATION AUTHORITY**

28 *Sec. 7. Creation of the Authority. –* There is hereby created an independent  
29 national accreditation body to be known as the Philippine Accreditation Authority. It  
30 shall be under the administrative supervision of the Department of Trade and  
31 Industry.

1           As the national accreditation body, the Authority shall represent and defend  
2 the interests of the Philippines in all treaty and non-treaty international and regional  
3 accreditation organizations.

4           *Sec. 8. Powers, Functions and Responsibilities of the Philippine Accreditation*  
5 *Authority.* – In pursuance of the policies enunciated in this Act, and to comply with  
6 Philippine obligations as prescribed in Section 6 hereof, the Authority shall have the  
7 following powers, functions and responsibilities:

- 8           a. Implement, in collaboration other concerned government agencies, the  
9           private sector and other stakeholders, the National Accreditation Strategy;
- 10          b. Promulgate policies for the accreditation of CABs, local or foreign, including  
11          the requirements of the different certification schemes to which a CAB may  
12          seek accreditation. For this purpose, prescribe the procedures and conditions  
13          for the grant, denial, renewal, extension, suspension or withdrawal of the  
14          accreditation of CABs;
- 15          c. Issue criteria and procedures on the reception, handling and resolution of  
16          appeals on the decision of accreditation teams on the application for  
17          accreditation of CABs;
- 18          d. Monitor the compliance of CABs to accreditation requirements throughout the  
19          duration of their accreditation;
- 20          e. Issue criteria and procedures on the reception, handling and resolution of  
21          complaints on the conformity assessment activities of CABs;
- 22          f. Conduct management and performance audits of its systems and personnel,  
23          and implement internal control measures to ensure strict compliance to  
24          policies and procedures and to ensure impartiality of actions;
- 25          g. Impose and collect fees and charges for its services, and impose fines for  
26          violations of conditions in the grant of accreditation: *Provided,* That fifty  
27          percent (50%) of the collections from fees, charges and fines shall be  
28          retained by and released to the Authority, subject to circulars and guidelines  
29          issued by the Department of Budget and Management (DBM), for the  
30          promotion of accreditation services and human resource development;
- 31          h. Establish and maintain linkages and represent the Philippines' interests,  
32          including the harmonization of national standards and other accreditation



1 documents with international rules and standards, in international and  
2 regional accreditation organizations, consultative committee meetings and  
3 working groups, including, but not limited to, the International Accreditation  
4 Forum (IAF), the International Laboratory Accreditation Cooperation (ILAC),  
5 and the Asia Pacific Accreditation Cooperation (APAC);

6 i. Maintain a registry of accredited CABs and their personnel, and other relevant  
7 information related to the capability and activities of CABs;

8 j. Create internal, inter-agency and/or inter-sectoral technical or appeals  
9 committees, working groups, task forces and audit teams necessary for the  
10 performance of its functions;

11 k. Secure and contract the services and/or facilities of technical experts,  
12 educational and research institutions, laboratories, industry, and other  
13 professional groups, to assist in the conduct of accreditation of different types  
14 of conformity assessment bodies;

15 l. For an efficient and effective accreditation system, seek the assistance or  
16 participation of any government department, agency or instrumentality, local  
17 government units, private sector organizations and entities, non-government  
18 organizations and other stakeholders, to provide scientific or technical advice,  
19 data, information, expertise, and recommendations in formulating and  
20 promulgating policies and guidelines, and in conducting accreditation  
21 activities;

22 m. Obtain the advice and services of government lawyers in the filing of charges  
23 and complaints against CABs in the proper courts and other administrative  
24 agencies for non-compliance to accreditation policies and procedures,  
25 including non-payment of fees, charges and fines;

26 n. Disburse funds to compensate the services and/or use of facilities of, or  
27 provide per diems, honoraria, allowances, and payment for transportation and  
28 other reimbursable expenses to, technical experts, educational and research  
29 institutions, laboratories, professional groups, and government lawyers, from  
30 the government and private sectors, in the performance of its functions under  
31 items j, k, l and m of this Section; and

1 o. Perform such other functions as may be necessary for the attainment of its  
2 mandates.

3 In the formulation and implementation of accreditation policies and  
4 guidelines, the Authority shall consult and, when necessary, collaborate with  
5 concerned government agencies and stakeholders.

6 *Sec. 9. The Director-General.* – The Authority shall be headed by a Director-  
7 General, to be appointed by the President, upon the recommendation of the  
8 Secretary of the DTI, for a term of seven (7) years, without reappointment, and shall  
9 receive the benefits, privileges and emoluments equivalent to the rank of  
10 Undersecretary. The Director-General must be a Filipino, at least thirty-five (35)  
11 years old at the time of appointment, with at least three (3) years of experience in  
12 the field of accreditation of CABs, and of proven competence, integrity and  
13 independence.

14 As the chief executive officer, the Director-General shall be responsible for the  
15 promulgation and implementation of policies, rules and regulations, and in directing  
16 and controlling the activities of the different offices, bureaus, divisions and units of  
17 the Authority.

18 The Director-General shall be assisted by two (2) Deputy Directors-General,  
19 who shall likewise be appointed by the President, upon the recommendation of the  
20 Secretary of the DTI, for a term of seven (7) years, without reappointment, and shall  
21 receive the benefits, privileges and emoluments equivalent to the rank of an  
22 Assistant Secretary.

23 *Sec. 10. Organizational Structure.* – The Authority, subject to the approval of  
24 the DBM, shall determine, in a continuing manner, its organizational structure and  
25 staffing pattern, including offices, divisions, or units that are deemed necessary to  
26 effectively implement its mandates. The continuing reorganization and expansion of  
27 the manpower complement of the Authority shall be based on the services needed  
28 by the Philippine economy, industries, and CABs.

29 The Director-General shall appoint its officers and employees in accordance  
30 with civil service laws, rules and regulations. The remuneration structure of the  
31 Authority shall conform to Republic Act No. 6758, otherwise known as the  
32 "Compensation and Position Classification Act of 1989", as amended.



- 1 f. Propose legislation, amendments or modifications to national laws related to  
2 accreditation, and provide technical assistance and opinions in the review of  
3 proposed national or local regulations affecting accreditation; and  
4 g. Perform such other functions as may be necessary for the attainment of its  
5 mandates.

6 Sec. 14. *Composition of the Advisory Council.* – The Advisory Council shall be  
7 composed of the following:

- 8 a. The Department of Trade and Industry (DTI), with the DTI Secretary as chair,  
9 or the DTI Undersecretary in charge of Competitiveness, International Trade  
10 Promotion, or Industry Development as alternate chair;  
11 b. The Department of Science and Technology (DOST), with the DOST  
12 Undersecretary overseeing metrology, as vice-chair, or the Director in charge  
13 of metrology as alternate vice-chair;  
14 c. The Department of Health (DOH), to be represented by at least any of the  
15 Directors of any of the Centers for Regulation of the Food and Drug  
16 Administration;  
17 d. The Department of Agriculture, to be represented by the Undersecretary or  
18 Assistant Secretary for Regulations, or the Director of the Bureau of  
19 Agriculture and Fisheries Standards;  
20 e. The Department of Energy, to be represented by at least the Director of any  
21 of the Bureaus of the DOE;  
22 f. The Department of Environment and Natural Resources (DENR), to be  
23 represented by at least the Director of any of the Bureaus of the DENR;  
24 g. The Department of Foreign Affairs (DFA), to be represented by at least a  
25 Director from any of the DFA Offices concerned with the regular membership  
26 and full participation of the Philippines in the WTO, ASEAN Economic  
27 Community, other free trade agreements, or international organizations on  
28 accreditation and conformity assessment;  
29 h. The Anti-Red Tape Authority, to be represented by at least the Director from  
30 any of the Offices under the Office of the Deputy Director General for  
31 Operations; and

- 1 i. Three (3) representatives of private sector associations or institutions utilizing  
2 and/or promoting conformity assessment activities, one each of three of the  
3 following:
- 4 (i) National trade or industry associations;
  - 5 (ii) National confederation or association of exporters;
  - 6 (iii) National association of CABs;
  - 7 (iv) Foundations or non-government organizations;
  - 8 (v) Professional associations in science and engineering that are involved  
9 in conformity assessment and quality; and
  - 10 (vi) Academe or research institutions.

11 The representatives from the private sector shall have a term of three (3)  
12 years and may be reappointed for another three-year term. They shall be appointed  
13 by the DTI Secretary from nominees submitted by their respective associations.

14 The Authority shall be the secretariat of the Advisory Council.

15 Sec. 15. *Allowances and Per Diems.* - The Chair, Vice-Chair and Members of  
16 the Advisory Council shall be entitled to per diems, allowances and payment of  
17 reimbursable expenses as prescribed by the DBM.

## 18 **ARTICLE V**

### 19 **MISCELLANEOUS PROVISIONS**

20 Sec. 16. *Transitory Provisions.* - All powers, functions, personnel,  
21 appropriations, funds, records, equipment, facilities, other assets, liabilities, and  
22 obligations in international and regional agreements of the Philippine Accreditation  
23 Bureau are hereby transferred to the Authority.

24 The existing personnel of the Philippine Accreditation Bureau shall continue to  
25 assume their posts in holdover capacities until new appointments are issued:  
26 *Provided,* That there shall be no diminution of rank and salaries, allowances and  
27 benefits of transferred employees.

28 The internal organic structure, staffing pattern, operating system, and revised  
29 budget of the Authority shall be put in place within six (6) months from the start of  
30 the effectivity of this Act.

1 To ensure the smooth operation of the Authority, the Director of PAB shall  
2 serve as the interim Director-General of the Authority until such time that the full-  
3 time Director-General has been appointed by the President.

4 *Sec. 17. Appropriations.* – The amount necessary to carry out the provisions  
5 of this Act shall be initially charged against the current fiscal year appropriations of  
6 the Philippine Accreditation Bureau. Thereafter, the amount needed for the  
7 continued implementation of this Act shall be included in the General Appropriations  
8 Act.

9 *Sec. 18. Separability Clause.* – If for any reason, any provision of this Act is  
10 declared unconstitutional, the other sections or provisions hereof which are not  
11 affected shall continue to be in full force and effect.

12 *Sec. 19. Repealing Clause.* – Executive Order No. 802, Series of 2009, and all  
13 other laws, decrees, orders, rules and regulations or portions thereof that are  
14 inconsistent with this Act are hereby repealed or modified accordingly.

15 The authority of BAFS to grant official accreditation to an organic certifying  
16 body or entity, through third-party certification or the Participatory Guarantee  
17 System, and to prescribe the rules and procedures for the grant of accreditation, are  
18 hereby transferred to the Authority. Section 13 of this Act, and all references to the  
19 authority of BAFS to grant accreditation under, Republic Act No. 10068, as amended,  
20 are hereby repealed or modified accordingly. Nothing in this paragraph shall be  
21 construed as removing the authority of the DA to regulate organic certifying bodies.

22 *Sec. 20. Effectivity.* – This Act shall take effect after fifteen (15) days from its  
23 publication in the Official Gazette or in at least two (2) newspapers of general  
24 circulation.

*Approved,*