



DEPARTMENT ADMINISTRATIVE ORDER NO. 04 Series of 2008

SUBJECT : THE NEW RULES AND REGULATIONS CONCERNING THE PHILIPPINE STANDARD (PS) QUALITY AND/OR SAFETY CERTIFICATION MARK SCHEME OF THE BUREAU OF PRODUCT STANDARDS (BPS)

Pursuant to Section 7 (3), Chapter 2, Book IV of the 1987 Administrative Code; Republic Act 4109; Republic Act 7394; Executive Order No. 133: 1987; Executive Order No. 101: 1976; and Executive Order No. 913:1983; the following rules and regulations governing the licensing of local and foreign companies to use the Philippine Standard (PS) Quality and/or Safety Certification Mark are hereby promulgated for the guidance of all concerned.

1. SCOPE

This Department Administrative Order prescribes the rules and regulations on the licensing of local and foreign companies to use the Philippine Standard (PS) Quality and/or Safety Certification Mark.

2. DEFINITIONS

For purposes of this Order, the following definitions shall apply:

- 2.1. Accreditation - The procedure by which an authoritative body gives formal recognition, under duly established guidelines and rules, that a body or person is competent to carry out specific tasks.
- 2.2. Accredited Laboratory - A testing laboratory formally recognized under established procedures for its competence to carry out specific tasks.
- 2.3. Audit - A systematic and independent examination to determine whether quality activities and related results conform to planned arrangements effectively and are suitable for a company to achieve its quality objectives.
- 2.4. Auditor - A person who is qualified and authorized to perform all or any portion of a factory and product audit for purposes of product certification and is registered with BPS or with an international registration body.
- 2.5. Applicant - A company that seeks a license to use the PS Quality and/or Safety Certification Mark.
- 2.6. BPS - Bureau of Product Standards
- 2.7. Certification Body - An organization that conducts certification of conformity.
- 2.8. Certification of Conformity - An independent system establishing, after satisfactory factory and product audits, that adequate confidence is provided by a manufacturer that its identified product meets the requirements of a standard.

BUREAU OF PRODUCT STANDARDS

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Membership:

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

- 2.9. Conformity - Fulfillment of requirements of a standard.
- 2.10. Advisory Committee- A committee composed of persons from sectors which are considered of significant interests in the field of Product Quality and/or Safety Standards.
- 2.11. Appeal Committee – A committee which may be formed by the advisory committee when an appeal of the decision of the Bureau Director or its duly designated representative is filed.
- 2.12. Certificate – a document awarded by BPS to a licensee, evidencing its authority to use the PS Quality and/or Safety Certification Mark License on its product.
- 2.13. Bureau Director - Director of the BPS
- 2.14. DTI - Department of Trade and Industry
- 2.15. Inspection - Evaluation of conformity by measuring, observing or testing the relevant characteristics of a product.
- 2.16. Inspection Body - An organization that performs inspection services on its own or on behalf of BPS' conformity audit purposes.
- 2.17. International/Foreign Standard - A standard developed under the WTO principles for international standards development such as those developed by international bodies like the International Organization for Standardization (ISO), International Electrotechnical Commission (IEC), International Telecommunication Union (ITU) and those developed by foreign standards bodies under these principles.
- 2.18. License Authority given by BPS to a company, allowing the use of the PS Quality and/or Safety Certification Mark on its products.
- 2.19. Licensee - A company granted by BPS a license to use the PS Quality and/or Safety Certification Mark.
- 2.20. Non-Conformity - The non-fulfillment of requirements of a standard.
- 2.21. Philippine National Standard - The standard promulgated by the BPS relating to product specifications, test methods, terminologies and standardization procedures, guidelines or practices.
- 2.22. Philippine Standard (PS) Quality and/or Safety Certification Mark Scheme - A system using the PS Quality and/or Safety Mark as proof of certification of conformity to quality and safety standards.
- 2.23. PS Quality and/or Safety Certification Mark - A mark of conformity appearing on a product.
- 2.24. Product Recall- An established system of retrieving unsafe, sub-standard, uncertified or non-conforming products from the market by an entity.
- 2.25. Registration - A procedure by which the BPS recognizes and indicates the relevant qualifications of a company or person for a specific task in a publicly available list, after an evaluation of such qualifications under duly established guidelines.

- 2.26. Standard - A Philippine National Standard, international or foreign standard which is used as a basis for evaluating an applicant's quality control system and product for purposes of the PS Quality and/or Safety Certification Mark Scheme.
- 2.27. Surveillance Audit - Periodic evaluation of a licensee's quality control system to determine the conformity of its products to a specific standard and terms and conditions of the license.
- 2.28. Testing Laboratory - A laboratory which measures, examines, or determines the characteristics or performance of materials or products. It may also be a laboratory that calibrates inspection, measuring and test equipment.
- 2.29. Test Method - A defined technical procedure to determine one or more specified characteristics of materials or products.

3. AUTHORITIES AND RESPONSIBILITIES OF THE BPS

- 3.1. Formulate Philippine National Standards or adopt as Philippine National Standards relevant international or foreign standards/guides for purposes of licensing of local and foreign companies to use the PS Quality and/or Safety Certification Mark, recognition of testing, inspection and/or certification bodies, and registration of auditors.
- 3.2. Promote, through publications, seminars and trainings, the wide adoption in the Philippines of Philippine National Standards.
- 3.3. Promulgate, consistent with this Order, programs, guidelines and procedures for the implementation of PS Quality and/or Safety Certification Mark Scheme. The Director of the Bureau of Product Standards is authorized to issue said guidelines and procedures, and their amendments.
- 3.4. Conduct conformity audit and surveillance audits of applicant-companies and licensees, whether local or foreign, relative to the PS Quality and/or Safety Certification Mark Scheme.
- 3.5. Designate officially recognized National Standards Bodies, inspection bodies, certification bodies and/or qualified individuals.
- 3.6. Undertake Memorandum of Understanding (MOU) and/or Mutual Recognition Arrangement (MRA) with counterpart National Standards Bodies, inspection and/or certification bodies to facilitate the conduct of conformity audit of foreign companies relative to PS Quality and/or Safety Certification Mark Scheme.
- 3.7. Shall form an Advisory Committee which shall:
 - 3.7.1. Recommend policies to ensure impartiality in the operation of the BPS Product Certification Scheme.
 - 3.7.2. Act as the adviser of the Product Certification Division on the formulation of policies;
 - 3.7.3. Give impartial advice before the decision on changes in the certification requirements will be taken.
 - 3.7.4. Form an Appeal Committee when necessary.

- 3.8. Enter into a contract when necessary, with any entity or individuals in order to facilitate sampling, testing and/or inspection activities.
- 3.9. Conduct, through or in coordination with DTI Regional/Provincial Offices conformity and surveillance audits.
- 3.10. Conduct, through or in coordination with DTI Regional/Provincial Offices market monitoring of mandatory products relative to the PS Quality and/or Safety Certification Mark Scheme.
- 3.11. Grant a company, which meets the requirements of a specific standard and of this Order, the License to use the PS Quality and/or Safety Certification Mark.
- 3.12. Collect fees for audit, testing and certification services, and charges to be paid by applicant or licensed companies to cover traveling, board and lodging of auditors performing official assignments under this Order, freight charges for the transport of product samples to laboratories for testing and purchase of market samples.
- 3.13. Specify the rules governing the design and use of the PS Quality and/or Safety Certification Mark.
- 3.14. Suspend, withdraw or cancel for cause the license to use the PS Quality and/or Safety Certification Mark.
- 3.15. Require the preparation and submission of relevant documents to determine compliance by the licensee with the rules and regulations relative to the production, sale and disposition of goods, covered by the license.
- 3.16. Recognize, using international (ISO/IEC) guides, testing, inspection and/or certification bodies to conduct conformity audit of companies relative to the PS Quality and/or Safety Certification Mark Scheme.
- 3.17. Maintain a list of auditors who are qualified to conduct conformity assessment activities.
- 3.18. Maintain and publish a registry of the following:
 - 3.18.1. Companies licensed to use the PS Quality and/or Safety Certification Mark.
 - 3.18.2. Recognized and/or accredited testing, inspection and/or certification bodies.
- 3.19. Maintain and make available for public information a registry of qualified auditors.
- 3.20. Ensure confidentiality of all information received and gathered relative to the PS Quality and/or Safety Certification Mark Scheme, except upon orders of a court of competent jurisdiction.
- 3.21. Participate in regional and international activities for the continuous upgrading of the competence of auditors and of the PS Quality and/or Safety Certification Mark Scheme.
- 3.22. Negotiate, consistent with Philippine laws and international agreements, for the recognition of the PS Quality and/or Safety

Certification Mark by foreign/international certification or accreditation bodies.

- 3.23. Recognize MRAs/MOUs entered into by the BPS with ASEAN MRA, JPEPA MRA and other agreements such as but not limited to harmonization of technical regulatory regime, and other conformity assessment activities

4. THE PHILIPPINE STANDARD (PS) QUALITY AND/OR SAFETY CERTIFICATION MARK

- 4.1. The design of the PS Quality and/or Safety Certification Mark shall be in accordance with the illustration in Annex 1.
- 4.2. The PS Quality and/or Safety Certification Mark shall be affixed on the product covered by the license. In case marking or stamping of the PS Quality and/or Safety Certification Mark on the product is not possible, the Mark shall appear on the package of the product.
- 4.3. The PS Quality and/or Safety Certification Mark affixed on a product or its package may be enlarged or reduced to an appropriate size, provided that its dimensions conform to the specifications in Annex 1.

5. APPLICATION FOR PS CERTIFICATION MARK LICENSE

- 5.1. The application for the license to use the PS Quality and/or Safety Certification Mark shall be made in triplicate on BPS Form PS/SF01, obtainable from BPS or DTI Regional/Provincial Offices or BPS officially recognized counterpart National Standards Bodies, inspection and/or certification bodies.
- 5.2. The application shall include an undertaking by the applicant to abide by the terms and conditions of the license.
- 5.3. The application shall be duly subscribed and sworn to by the applicant, or his duly authorized management representative, and shall be filed with BPS.
- 5.4. An application, and the eventual license and certificates, shall be standard-specific, site-specific and brand-specific. Separate applications shall be made for products covered by different standards. Likewise, separate applications shall be filed for same products but manufactured at different plant sites.
- 5.5. The application shall be supported by information about the company and its capability to manufacture products consistently conforming to the requirements of a specific standard in the form of a Quality Manual.
- 5.6. The applicant shall make available to the Bureau Director, or his duly designated representative, such information and product samples as may be required for the evaluation of its application for the PS Quality and/or Safety Certification Mark, or for the periodic audit of its quality management system and product(s).

- 5.7. Audit work shall be undertaken by BPS or DTI Regional/Provincial auditors or recognized National Standards Bodies, inspection bodies, certification bodies and/or qualified individuals .
- 5.8. After evaluation, if BPS finds that an applicant consistently conforms to a specific standard, this Order and meets other requirements of the license to use the PS Quality and/or Safety Certification Mark, the Bureau Director or his duly designated representative shall approve the application and signs/issues the corresponding license.
- 5.9. Appeal on the decision of the Bureau Director or his duly designated representative with regard to an Application of PS Certification Mark License: If the application to use the PS Mark License is denied, a motion for reconsideration shall be filed by the applicant to the Official who rendered the decision within ten (10) working days from the date of denial of the license. If the concerned official sustains his decision, an appeal shall be filed to the Appeals Committee within (15) days from the receipt of the letter of denial. An appeal to the Appeals Committee shall only be filed when there is a reason to believe that the Official who rendered the decision acted with grave abuse of discretion amounting to lack or in excess of jurisdiction. The filing of a Motion for Reconsideration shall suspend the period within which to appeal. The decision of the appeals committee may be appealed to the Secretary of Trade and Industry within fifteen (15) days from the receipt of the said decision.
- 5.10. The license shall take effect from the date of its issue and shall be in full force and effect for a period of three (3) years, subject to a minimum annual surveillance audit. At any time, the license can be suspended, withdrawn or cancelled for cause.

6. TERMS AND CONDITIONS OF THE LICENSE

- 6.1. The following terms and conditions shall be binding on all licensees. Any infraction thereof shall constitute sufficient grounds for the institution of suspension, withdrawal or cancellation proceedings against a licensee.
 - 6.1.1. The licensee shall abide by R.A. 4109, E.O. 133: 1987, E.O. 913: 1983 and R.A. 7394 and their implementing rules and regulations, and orders which the BPS issues in pursuance with its authority under law.
 - 6.1.2. The licensee shall ensure that its certified product conforms at all times to a specific standard and shall be liable for any damage cause by the said product to its consumers, for this purpose, shall maintain to the satisfaction of BPS its quality management system. The quality management system of the PS Licensee shall be aligned with the requirements of ISO 9001:2000 and its future amendments.
 - 6.1.3. The licensee shall affix the PS Quality and/or Safety Certification Mark only on its certified product.

- 6.1.4. The licensee shall establish and maintain a system of product recall, and addressing complaints filed by its clients or customers concerning its certified products and shall maintain records thereof.
- 6.1.5. The licensee shall give duly-authorized representatives of the BPS or DTI Regional/Provincial Offices or in the case of foreign companies by BPS officially recognized counterpart National Standards Bodies, inspection and/or certification bodies, access during working hours to the premises where certified product is manufactured, for the purpose of evaluating materials, production processes, finished articles, quality assurance facilities, records and others in accordance with the "Guidelines of Auditing the Quality Control Systems of Manufacturing Firms Relative to the Issuance of the License to Use the PS Quality and/or Safety Certification Mark", as issued by BPS.
- 6.1.6. The licensee shall be subject to at least once a year audit to ensure consistent compliance with the BPS requirements on Philippine Standard (PS) Quality and/or Certification Mark Scheme.
- 6.1.7. In cases of subcontracts, it is understood that the licensee shall assume full responsibility for the compliance of its sub-assemblies, semi-finished and finished products to the specific requirements.
- 6.1.8. The licensee shall inform BPS in writing of any change of management, business name, brand name and/or transfer of plant site, as well as product designs or specifications. In the case of transfer of plant site, notice must be made within one (1) month after such transfer is accomplished. For change or addition of brand name, BPS shall be notified for the necessary product audit.
- 6.1.9. Upon transfer of plant site, the license shall be deemed valid only after factory and product audit at the new site by BPS or DTI Regional/Provincial Office or in case of foreign companies by BPS officially recognized counterpart National Standards Bodies, inspection and/or certification bodies.
- 6.1.10. The licensee shall pay the applicable fees and other charges as billed or stipulated by BPS or DTI Regional/Provincial Offices or BPS officially recognized counterpart National Standards Bodies, inspection and/or certification bodies or individual auditor.
- 6.1.11. The license to use the PS Quality and/or Safety Mark is non-transferable.

7. QUALITY MANAGEMENT SYSTEM REQUIREMENTS

- 7.1. In recognition of the need to upgrade the PS Quality and/or Safety Certification Mark Scheme, the quality system requirements of local and foreign companies shall be aligned with the requirements of ISO 9001:2000 and its future amendments.

8. PROHIBITED ACTS

- 8.1. The PS Quality and/or Safety Certification Mark shall not be used on a product not covered by the license and in any misleading manner.
- 8.2. The licensee shall not use the PS Quality and/or Safety Certification Mark if its license has been suspended, withdrawn or canceled for cause.
- 8.3. The maximum administrative fine as per E.O. 913 shall be imposed to any person found guilty of forging the signature of the Bureau Director in order to secure and/or use the PS Certification Mark License. In case of a juridical entity, the president or general manager of such entity shall be liable, without prejudice to the separate filing of civil and/or criminal case.
- 8.4. The administrative fine as per Section 6, E.O. 913, and as provided for by the applicable Rules and Regulations or Orders issued by the DTI and the ipso facto revocation, cancellation or withdrawal of the PS Certification Mark License which may have been issued by the BPS shall be imposed as a penalty to any person or entity found guilty of using falsified document or record in obtaining a PS Certification Mark License, without prejudice to the separate filing of civil and/or criminal case.
- 8.5. Violation of any of the terms and conditions of the license.

9. SUSPENSION, WITHDRAWAL OR CANCELLATION OF LICENSE

- 9.1. A license issued under this Order may be, during its validity, suspended, withdrawn or cancelled on any or all of the following grounds:
 - 9.1.1. That the product bearing the PS Quality and/or Safety Certification Mark fails to conform to the requirements of a specific standard through surveillance audit and market monitoring among others.
 - 9.1.2. That the licensee fails to comply with the terms and conditions of the license.
 - 9.1.3. That the licensee made false statements in connection with its application for or maintenance of the license.
 - 9.1.4. That the licensee violates any of the provisions of this Order.
 - 9.1.5. That the licensee violates any of the trade and industry laws enumerated under Ministry Order No. 69, Series of 1983, as amended.

9.2. Notwithstanding the preceding provisions, the Director may direct that the matter of suspension, withdrawal or cancellation shall be adjudicated under E.O. 913: 1983 and as provided for by the applicable Rules and Regulations or Orders issued by the DTI.

9.3. The license shall be suspended, withdrawn or cancelled after the Bureau Director has served the licensee a notice of his intention to do so, stating therein the grounds for the contemplated action, granting the licensee the opportunity to be heard within fifteen (15) days from the date the notice has been received by the licensee.

10. PENALTIES

10.1 Any violation of this Order shall be subject to the administrative actions as provided for by the applicable Rules and Regulations or Orders issued by the DTI, E.O. No. 913, Series of 1993 without prejudice to the criminal or civil actions under R.A. No. 4109 and/or R.A. 7394.

11. FEES AND CHARGES

11.1. Fees and charges to be paid by the local and foreign companies to BPS or DTI Regional/Provincial Offices or BPS officially recognized counterpart National Standards Bodies, inspection and/or certification bodies, and individual auditor, unless otherwise stated, shall be as per Schedule 1.

11.2. Fees and charges are subject to changes as may be necessary.

11.3. In the event of any untoward incident, the company shall be legally liable and responsible for the auditor during the entire duration of the audit.

11.4. The BPS shall not refund any fee paid, if the application is not approved, withdrawn or discontinued or if the PS Certification Mark License is suspended or cancelled.

11.5. In the event that a case is filed against BPS by any consumer regarding the licensee's product included in the coverage of its PS Certification Mark License, all expenses incurred by BPS in defending its case shall be charged to the licensee.

12. SEPARABILITY CLAUSE

12.1. Should any provision of this Order or any part thereof be declared invalid, the other provisions, so far as they are separable from the invalid ones, shall remain in force and effect.

13. REPEALING CLAUSE

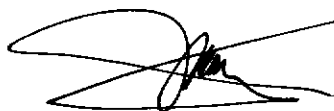
13.1. This repeals Department Administrative Order No. 1 series of 1997. *Provided*, That the rights under the existing laws, rules and regulations vested upon or acquired by any manufacturer who is already granted a PS Certification Mark License as of the effectivity of this Order shall remain in force and effect until the scheduled surveillance audit as determined by the BPS or until the BPS declares it invalid as per guidelines to be established in relation to this Order: *Provided, further*, That subsequent to the effectivity of this Order, a new PS applicant shall be covered by the provisions of this Order.

14. EFFECTIVITY

14.1 This order shall take effect upon its publication in a national newspaper of general circulation / official gazette.

Done in the city of Makati this 7th day of
February in the year 2008

RECOMMENDED BY:



JESUS L. MOTOOMULL


BPS Bureau Director



ZENAIDA CUISON MAGLAYA

Undersecretary

APPROVED:

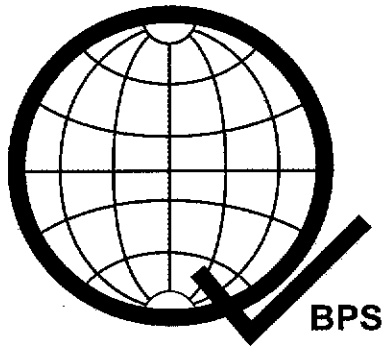


PETER B. FAVILA

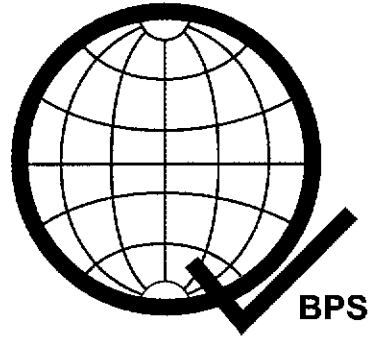
Secretary

ANNEX 1

Product Certification Marks



CERTIFIED
Product Quality



CERTIFIED
Product Safety

SCHEDULE 1: FEES AND CHARGES RELATIVE TO PS QUALITY AND/OR SAFETY CERTIFICATION MARK SCHEME

	LOCAL	FOREIGN	PAYABLE TO
1. Application Form	PHP300.00	US Dollar Equivalent of Local charges	BPS/DTI
2. Quality Manual Review (Payable within 15 days after billing)	PHP5,000.00	US Dollar Equivalent of Local charges and/or as charged by Designated Inspection Body	BPS/DTI/Designated Inspection Body
3. Pre-Audit/Audit/Surveillance Audits per Man-Hour (Payable within 15 days after billing)			
3.1 Micro	PHP100.00 or as charged by Designated Inspection Body	US Dollar Equivalent of Local charges and/or as charged by Designated Inspection Body	BPS/DTI/Designated Inspection Body
3.2 Small	PHP300.00 or as charged by Designated Inspection Body	US Dollar Equivalent of Local charges and/or as charged by Designated Inspection Body	BPS/DTI/Designated Inspection Body
3.3 Medium	PHP400.00 or as charged by Designated Inspection Body	US Dollar Equivalent of Local charges and/or as charged by Designated Inspection Body	BPS/DTI/Designated Inspection Body
3.4 Large	PHP500.00 or as charged by Designated Inspection Body	US Dollar Equivalent of Local charges and/or as charged by Designated Inspection Body	BPS/DTI/Designated Inspection Body
4. Original License Fee (Payable within 15 days after billing)			
4.1 Micro/	PHP5,000.00		BPS/DTI
4.2 Small	PHP7,500.00	US Dollar Equivalent of Local Charges	BPS/DTI
4.3 Medium	PHP10,000.00	As determined by DTI/BPS	BPS/DTI
4.4 Large	PHP12,500.00		BPS/DTI
5. Annual License Fee (Payable within 15 days after billing)			
5.1 Micro	PHP2,500.00		
5.2 Small	PHP3,750.00	US Dollar Equivalent of Local Charges	BPS/DTI
5.3 Medium	PHP5,000.00	As determined by DTI/BPS	BPS/DTI
5.4 Large	PHP6,250.00		BPS/DTI
6. Transportation	As per arrangement (if necessary)	Provided by applicant-company or as charged by inspection/certification body	Designated Inspection Body
7. Hotel Accommodation	As per arrangement (if necessary)	Provided by applicant-company or as charged by inspection/certification body	Designated Inspection Body
8. Testing Fee	As charged by Designated Testing Laboratory	As charged by Testing Laboratory	Designated Testing Laboratory
9. Freight Charges of Samples	As charged by Freight Forwarder	As charged by Freight Forwarder	Freight Forwarder
10. Market Sample	As per Official Receipts/Sales Invoice	As per Official Receipts / Sales Invoice	DTI-BPS / Establishment

NOTE: For the size of business establishments in terms of assets please refer to ANNEX 2.

SIZE OF BUSINESS ESTABLISHMENTS
(In terms of assets)

ESTABLISHMENT	ASSETS
1. Micro	Up to PHP3,000,000
2. Small	PHP 3,000,001 up to PHP 15,000,000
3. Medium	PHP 15,000,001 up to PHP 100,000,000
4. Large	Over PHP 100,000,000