

[REPUBLIC ACT NO. 9013, February 28, 2001]

AN ACT ESTABLISHING THE PHILIPPINE QUALITY AWARD IN ORDER TO ENCOURAGE ORGANIZATIONS IN BOTH THE PRIVATE AND PUBLIC SECTORS TO ATTAIN EXCELLENCE IN QUALITY IN THE PRODUCTION AND/OR DELIVERY OF THEIR GOODS AND SERVICES

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

SECTION 1. *Title.* — This Act shall be known and cited as the "Philippine Quality Award Act."

SEC. 2. *Declaration of Policy.* — It is hereby declared to be the policy of the State to promote industrialization and full employment through industries that make full and efficient use of human and natural resources, and which are competitive in both domestic and foreign markets. Towards this end, the State shall encourage all sectors of the economy to aim for optimum productivity and improved quality and shall recognize their contribution to raising the quality of life for all, especially the underprivileged. Thus, the State shall endeavor to:

- a. Help stimulate organizations to improve quality and productivity for the pride of recognition while obtaining a competitive edge through improved performance or business results;
- b. Recognize the achievements of those organizations which improve the quality of their processes, goods and services and provide examples to others;
- c. Establish guidelines and criteria that can be used by industrial, commercial, governmental and other organizations in evaluating their own quality improvement efforts; and
- d. Provide specific guidance for other organizations in the Philippines that wish to learn how to manage quality by making available relevant information on how winning organizations were able to change their cultures and achieve eminence.

SEC. 3. *Purposes.* - The two-fold purposes of this Act are as follows:

- a. To provide for the establishment and conduct of a national quality improvement system under which awards are given to selected organizations that practice effective quality management and as a result make significant improvements in the quality of their goods and services and organizational performance; and
- b. To generate and obtain useful information about successful strategies, programs and practices for improving quality of goods and services which can be disseminated to other organizations.

SEC. 4. *Establishment of the Philippine Quality Award System.* — There is hereby established the Philippine Quality Award, which shall be evidenced by a trophy bearing the Presidential Seal, PQA logo, and the inscriptions "Philippine Quality Award - Quest for Performance Excellence." The trophy shall be of such design and materials and bear such additional inscriptions as the Philippine Quality Award Committee may prescribe.

SEC. 5. *Philippine Quality Award Committee.* — The President of the Philippines shall appoint a Philippine Quality Award Committee, hereinafter referred to as the "Committee," consisting of the heads of the following government agencies: the Department of Trade and Industry (DTI), the Development Academy of the Philippines (DAP), the Department of Budget and Management (DBM), the National Wages and Productivity Commission (NWPC), the Technical Education and Skills Development Authority (TESDA), the Center for Industrial Competitiveness (CIC), and six (6) representatives from the private sector who shall come from the national quality movement/ organization; the association of quality practitioners; the association of management practitioners, employers or industries; the association of schools for higher education or technological institution; the labor sector and the technical professionals.

The Secretary of Trade and Industry shall serve as Chairperson of the Committee with the President of the Development Academy of the Philippines and the head of the national movement for quality and productivity shall serve as the vice chairpersons for the public and private sectors, respectively.

The Chairman of the Civil Service Commission (CSC) shall be invited to participate as member of the PQA Committee. This Committee shall meet as often as may be necessary to review and improve the award system.

SEC. 6. *Making and Presentation of Award.* — The President of the Philippines, on the basis of recommendations received from the Award Manager, shall periodically grant the award to organizations which in the judgment of the Award Manager have substantially benefited the economic or social well-being of the Philippines through improvements in the quality of their goods or services resulting from the effective practice of quality management, and which as a consequence are deserving of special recognition.

The conferment of the award shall be made by the President personally in accordance with such ceremonies as may be prescribed by the rules and regulations to be promulgated hereinafter.

A company or an organization to which an award is granted, and which agrees to help other Philippine organizations improve their quality management, may publicize its receipt of such award and use the award in its promotional activities.

SEC. 7. *The Philippine Quality Award for Performance Excellence.* — The Philippine Quality Award shall be conferred annually to qualified organizations in the private and public sectors which have demonstrated the highest level of performance excellence. The organization should have demonstrated management excellence by the purposefulness with which it continues to improve and build upon outstanding results and excellent systems. It should serve as a national and global model.