

**[DTI DEPARTMENT ADMINISTRATIVE ORDER NO.
05, S. 2008, February 07, 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)**

Pursuant to the provisions of R.A. 4109, R.A. 7394 and E.O.913 Series of 1993, the following rules and regulations governing the issuance of the import commodity clearance are hereby prescribed and promulgated for the compliance, information and guidance of all concerned.

1.0 Scope

1.1 This Department Administrative Order prescribes the rules and regulations on the issuance of the Import Commodity Clearance (ICC) to import shipments covered by mandatory BPS product certification.

2.0 Definitions of Terms

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

2.1 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.

2.2 BPS - Bureau of Product Standards

2.3 BPS designated/recognized testing laboratory - A body authorized by BPS to conduct product tests under the scope of this Department Administrative Order which may include BPS Testing Center, testing laboratories accredited by PAO or by an accreditation body that is a signatory to regional/international agreements or its equivalent entered into by BPS/DTI (e.g. APLAC, I LAC, IECEE-CB Scheme), and any other testing laboratory allowed by BPS (e.g. under Mutual Recognition Agreements with ASEAN, APEC, etc.)

2.4 BOC - Bureau of Customs

2.5 Bond -An amount issued in favor of the Republic of the Philippines which shall guarantee the faithful and honest performance of the applicant/importer with regard to the conditions set forth in the conditional release order of the DTI.

2.6 Conditional Release - Document issued to an importer allowing the temporary release of goods from Custom's custody, upon compliance with the BOC and BPS requirements, while awaiting BPS decision on the issuance of an ICC.

2.7 DTI - Department of Trade and Industry

2.8 Evaluation - Systematic examination of the extent to which a product, process, or service fulfils specified requirements.

2.9 international 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.

2.10 Import Commodity Clearance (ICC) - A document issued by DTI attesting that the quality and/or safety of an imported product conforms to a Philippine National Standard or BPS - recognized international/foreign standard.

2.11 Inspection - Examination of a product design, product, process or installation and determination of its conformity with specific requirements or, on the basis of professional judgement, with general requirements which shall include sampling, measuring, observing or testing the relevant characteristics of a product.

2.12 Inspector – A qualified and competent person who performs inspection services on its own or on behalf of BPS.

2.13 Inspection Body - An organization that performs inspections services on its own or on behalf of BPS.

2.14 Mandatory Product Certification - A system and process by the BPS, specifically directed for products included in the List of PNS under Mandatory Product Certification dated 01 October 2006 and its future amendments.

2.15 National Standards Body - A nationally recognized body whose principal function at the national level, by virtue of its charter or national statutes is the development, promulgation, publication, promotion and implementation of national standards.

2.16 PAO-Philippine Accreditation Office

2.17 Philippine National Standards (PNS) - Standards issued or developed by the BPS through the BPS Technical Committees.

2.18 Processing Fee - a fee that includes review and evaluation of results of conformity assessment and other documents in relation to the application for ICC.

2.19 QMS -Quality Management System.

2.20 Review - Verification of the suitability, adequacy and effectiveness of selection and determination activities, and the results of these activities, with regard to fulfillment of specified requirements by an object of conformity assessment.

2.21 Sampling - A method of getting a representative sample of a product shipment according to a specified procedure.

2.22 Test Report -A document that presents test results and other information relevant a test;

2.23 Testing Laboratory - A laboratory which measures, examines, or determines the characteristics of performance of material or products. It may also be a laboratory that calibrates inspection, measuring and test equipment.

3.0 Application for Import Commodity Clearance

3.1 Prior to actual importation of product(s) covered by the mandatory BPS product certification and prior to application for Import Commodity Clearance the importer shall submit to BPS and QMS certification and/or other related QMS documents of the product manufacturer. BPS will review submitted documents and decides as follows:

3.1.1 Accepts the QMS documents of the product manufacturer submitted by the importer and allows shipment of such product under 4.1.1 or 4.1.2

3.1.2 Accepts the QMS documents of the product manufacturer submitted by the importer but subject to on-site audit/inspection of BPS qualified QMS auditors/inspectors to verify compliance to any needed corrective actions noted during the review of the said documents. BPS allows importation after submission of results of above activities has been made. Import shipment can be made under 4.1.1 or 4.1.2.

3.1.3 Rejects the QMS documents of the manufacturer submitted by the importer giving reason thereto and disallows importation except under 4.1.3.

The validity of acceptance of the QMS qualification of the product manufacturer is one (1) year. An annual review will be conducted by BPS to check consistent compliance to the established QMS of the product manufacturer. An on-site audit/inspection will be made by BPS if found necessary.

3.2 Importer of product(s) without QMS documentation can be processed under option 4.1.3.

3.3 Importers of products covered by the mandatory BPS product certification shall apply for the Import Commodity Clearance with the BPS or to the nearest DTI Regional/Provincial Office, immediately upon arrival of their import shipments and approval of their import entry with the Bureau of Customs (BOC).

3.4 Application for an Import Commodity Clearance shall be made using forms obtainable from BPS or the nearest DTI/Regional/Provincial Offices. It shall be filed in duplicate with the BPS or nearest DTI Regional/Provincial Office, together with the following documents:

3.4.1 Packing List

3.4.2 Certified True Copy of Import Entry

3.4.3 Commercial Invoice

- 3.4.4 Bill of Lading/Airway Bill
- 3.4.5 Certified True Copy of Custom Examiner's Findings
- 3.4.6 DTI Business Registration Certificate/SEC Registration Certificate
- 3.4.7 Summary of Batch Numbers/Serial Numbers of the product(s) covered by mandatory standard
- 3.4.8 Power of Attorney (In cases where the ICC application is filed by persons with managerial/supervisory capability connected with a sole proprietor or partnership organization authorizing them to process said ICC application)
- 3.4.9 Board Resolution (In cases where the application is filed by persons with managerial or supervisory capability connected with the corporations authorizing them to process said ICC applications)
- 3.4.10 Where applicable, original copy of the test reports from the BPS designated/recognized testing laboratory to be sent directly to BPS/DTI Regional or Provincial Offices where the application is filed.
- 3.4.11 Bond, if to be issued Conditional Release.

4. Processing and Issuance of Import Commodity Clearance

4. Processing and Issuance of Import Commodity Clearance

4.1 Applications for the Import Commodity Clearance (ICC) shall be processed through any of the following four (4) options available to an importer:

- 4.1.1 Import Shipment
 - without Product Test Report
 - with Quality Management System based on ISO 9001:2000 and its future amendments

4.1.1.1 An importation without test report may be issued conditional release from BOC's custody by the BPS or DTI Regional/Provincial Office, upon importer's compliance with BOC's requirements and any other requirements of the DTI.

4.1.1.2 Pending the issuance of the Import Commodity Clearance, no distribution, sale, use and/or transfer to any place other than the warehouse duly approved by BPS/DTI Regional or Provincial Office, in whole or in part, shall be made by the importer or any person. To ensure that no distribution, sale, use and/or transfer to any place other than the address specified in the Conditional Release, the importer shall allow the BPS or authorized DTI personnel or any BPS authorized inspection body/inspector conduct verification/ inspection/inventory of the import shipment.

4.1.1.3 The import shipment shall be subjected to inspection and sampling by the BPS or authorized DTI Regional/Provincial personnel or any BPS authorized inspection body/inspector. Samples drawn for testing shall be properly sealed and signed in such a way as to preserve the integrity of the samples. It shall be sent to the BPS designated/recognized testing laboratory for proper coding and testing. The test results of sampled product(s) which are found complying with the requirement of the relevant Philippine National Standard (PNS) will

be valid for a period as specified by the guidelines implementing said PNS.

4.1.1.4 Based on the results of the inspection, sampling and testing, the importation shall be evaluated by duly authorized BPS personnel to determine its compliance with the requirements of a specific Philippine National Standard and other applicable DTI rules and regulations.

4.1.1.5 Upon compliance with the requirements of the specific Philippine National Standard and other applicable DTI rules and regulations, the Import Commodity Clearance will be issued by the BPS Bureau Director or his duly designated representative for a specific product on a per shipment per Bill of Lading/Airway Bill basis.

4.1.1.6 In cases where tests {whether partial or complete) showed noncompliance with the requirements of a specific Philippine National Standard, the importer shall allow the BPS or authorized DTI personnel or any BPS authorized inspection body/inspector to conduct inspection/inventory of the import shipment within the official working hours to ensure that the shipment is intact. A re-sampling and retest maybe conducted if there is a reason to believe that the initial test were not done as per established procedure or a corrective measures can be undertaken on the product. The results of the retest shall show conformance to the requirements of the specific Philippine National Standard, before an ICC can be issued.

4.1.2 Import Shipment-	-with Product Test Report
	-with Quality Management
	System based on ISO
	9001:2000 and its future
	amendments

4.1.2.1 Import shipment with accompanying product test report, based on relevant Philippine National Standards, issued by BPS designated/recognized testing laboratory. The said test report may be accepted provided that the original copy is directly sent by the BPS designated/recognized test ing laboratory to the office where the ICC application is filed- The test report after review and acceptance by BPS will have a validity for a period as specified by the guidelines implementing said PNS. BPS has the prerogative to draw another set of samples for testing if results of verification of the shipment or evaluation of test report found to be with nonconformity.

4.1.2.2 Upon compliance with the requirements of the specific Philippine National Standard and other applicable DTI rules and regulations, the ICC will be issued by the Bureau Director or his duly designated representative for a specific product on a per shipment per Bill of Lading/Airway Bill basis.

4.1.2.3 In the event that random checks of import shipment reveal inconsistencies of the quality/safety of the actual products with the test report issued as per 4.1.2.1 the following actions will be considered: