



**HOUSE OF REPRESENTATIVES**

**H. No. 5076**

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BY REPRESENTATIVES TEVES, NOGRALES, ROMUALDO, RODRIGUEZ (M.), DEL ROSARIO (A.G.), MASONGSONG, TAMBUNTING, ACOP, VILLAR, UNGAB, NAVA (J.), ALMARIO, LOBREGAT, PIAMONTE, ESPINA, GARCIA (G.), KHO, NAVA (P.), OCAMPO, SUANSING, TAN (A.), TINIO, ESCUDERO, PAQUIZ, BELMONTE (J.), FORTUNO, LAGMAN, UY (J.), PANCHO, DELOSO-MONTALLA, HOFER, AMATONG (I.), RODRIGUEZ (R.), GATCHALIAN (S.), FERRER (L.), TREÑAS, ABU, ALVAREZ (F.), CUA, HARESCO, SARMIENTO (C.) AND CORTUNA, PER COMMITTEE REPORT NO. 448

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**AN ACT CREATING THE PHILIPPINE TRADE REPRESENTATIVE OFFICE AND APPROPRIATING FUNDS THEREFOR**

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

1           SECTION 1. *Title.* – This Act shall be known as the “Charter of the  
2   Philippine Trade Representative Office”.

3           SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the  
4   State to pursue a trade policy that serves the general welfare, creates jobs,  
5   ensures food security and rural and industrial development, among others, and  
6   utilizes all forms and arrangements of exchange on the basis of fair trade. The  
7   State recognizes that market access in itself is not the end goal of trade  
8   negotiations.

1           It is also the declared policy of the State to ensure the right of the people  
2 and their organizations to be duly informed on matters of public concern, and  
3 the right to effectively and reasonably participate in economic decision  
4 making.

5           Congress has the power to regulate commerce including commerce with  
6 foreign nations, and the power to reorganize the bureaucracy in order to make  
7 it more responsive to the needs of all the stakeholders in the Philippine  
8 economy and the exigencies of international economic relations. As any  
9 international economic, commercial, or trade agreement entered into by the  
10 Government constitutes regulation of commerce and will affect the different  
11 stakeholders in our economy, it is essential that any agreement is harmonized  
12 with the Philippine Constitution and existing domestic commercial laws. Thus,  
13 the State shall ensure that a single office shall, with competence and  
14 accountability, direct, formulate and coordinate the efforts of government  
15 agencies towards formulating cohesive policies and measures, and conduct  
16 regular consultations with stakeholders on matters pertaining to international  
17 trade and investment relations and negotiations.

18           SEC. 3. *Definition of Terms.* – As used in this Act:

19           (a) *Ambassador* refers to a diplomatic official accredited to a foreign  
20 sovereign or government, or to an international organization, to serve as the  
21 official representative of the country. In everyday usage, it applies to the  
22 ranking plenipotentiary minister stationed in a foreign capital. The host country  
23 typically allows the ambassador control over a specific territory called  
24 embassy, whose territory, staff and even vehicles are generally afforded  
25 diplomatic immunity from most laws of the host country;

26           (b) *Civil society* refers to the totality of voluntary civic and social  
27 organizations and institutions that form the basis of a functioning society as  
28 opposed to the formal institutions and structures of a State;

1 (c) *Commerce* refers to the entire range of activities connected with the  
2 production, manufacturing, accumulation, gathering, mining, raising,  
3 harvesting, exchange or buying and selling of something of economic value  
4 such as agricultural products, minerals, goods, services, information, debt  
5 instruments, shares of stock or equity, derivatives, and money. It also includes  
6 capital formation, either through debt or equity; savings; and investments.  
7 Finally, it likewise includes the obligations, rights, and duties of all economic  
8 entities such as natural persons, corporations, partnerships, and governmental  
9 entities;

10 (d) *Consultation mechanism* refers to the means by which stakeholders  
11 and sectors could participate effectively and meaningfully in the governmental  
12 process of drawing up our international trade policy, and in coming up with all  
13 other policies and rules affecting all aspects of international trade;

14 (e) *Fair trade* refers to a trading partnership, based on dialogue,  
15 transparency and respect, that seek greater equity in international trade.  
16 It contributes to sustainable development by securing and offering better  
17 trading conditions to marginalized producers and workers;

18 (f) *Investment* refers to the act of putting money to a business, either by  
19 directly buying or leasing assets, hiring personnel, and entering into a whole  
20 gamut of contracts needed to run an ongoing concern, or by buying equity in a  
21 business – typically in the form of shares of stock;

22 (g) *Multisectoral* refers to a grouping of different sectors of the  
23 economy;

24 (h) *Nongovernment organizations (NGOs)* refer to non-stock,  
25 non-profit corporations organized under the laws of the Republic of the  
26 Philippines doing charitable, educational, religious, social, economic, and  
27 other not-for-profit endeavours;

1 (i) *Private sector* refers to that sector of the economy that is owned by  
2 or is composed of private individuals, including natural persons doing business  
3 in their personal capacity;

4 (j) *Research* refers to the study of the potential or actual economic  
5 implications of a proposed or existing trade agreement and the validation of its  
6 findings among the stakeholders;

7 (k) *Sectors* refer to the different economic or commercial groups  
8 composed of members with substantially common commercial interest,  
9 including business, labor, peasants, farmers, fisherfolk, consumers, private  
10 sector, public sector, service sector, and manufacturing sector;

11 (l) *Stakeholders* refer to persons or groups of persons with legitimate  
12 interest in commerce or whose economic well-being will be affected by any  
13 government policy or law affecting commerce, either as factors in the  
14 production, sale, or distribution of goods and services, or as consumers or  
15 beneficiaries thereof;

16 (m) *Trade* refers to the voluntary exchange of goods, services and all  
17 things of economic value, whether or not across national borders;

18 (n) *Trade and Investment Agreement* or *International Trade and*  
19 *Investment Agreement* refers to an accord whereby two (2) or more countries  
20 bind themselves to a set of rules that govern the commercial and investment  
21 transactions of persons originating from any of the parties to the agreement.  
22 When it is just between two (2) countries, it is called a *Bilateral Agreement*.  
23 On the other hand, if it involves more than two (2) countries, then it is called a  
24 *Multilateral Agreement*. *Regional Agreements* are those among countries  
25 within the same geographical area as contemplated by the agreement.  
26 *Plurilateral Agreements* are specialized agreements included in a multilateral  
27 agreement, and where the parties have the option of acceding; and

1           (o) *Trade dispute* refers to a disagreement between two (2) or more  
2 countries to a trade agreement that arises when at least one (1) country adopts a  
3 trade policy measure or takes some action that one or more fellow members  
4 considers to be a breach of the agreement, or a failure to live up to the  
5 obligations under the agreement.

6           SEC. 4. *Creation.* – There is hereby created the Philippine Trade  
7 Representative Office, hereinafter referred to as the Trade Office, that shall be  
8 attached to the Office of the President.

9           The Trade Office shall be headed by the Philippine Trade  
10 Representative who shall hold a Cabinet rank.

11           The Trade Office shall have three (3) Deputy Trade Representatives,  
12 each of whom shall hold the rank of Undersecretary.

13           Within thirty (30) days from the effectivity of this Act, the President  
14 shall appoint the Philippine Trade Representative and the Deputy Trade  
15 Representatives upon the endorsement of various stakeholders.

16           SEC. 5. *Qualifications and Limitation on Appointments.* –

17           (a) *Qualifications.* – The Philippine Trade Representative and Deputy  
18 Trade Representatives must be natural-born citizens of the Philippines; must be  
19 at least forty (40) and thirty-five (35) years of age, respectively; of good moral  
20 character; of unquestionable integrity and known probity and patriotism; and  
21 must have academic training, experience and competence in business,  
22 economics, international trade law and policy or trade negotiations.

23           The Philippine Trade Representative and Deputy Trade Representatives  
24 shall not, during their tenure in office, engage in the practice of any profession  
25 or intervene, directly or indirectly, in the management or control of any private  
26 enterprise which may, in any way, be affected by the functions of their office,  
27 nor shall they be financially interested, whether directly or indirectly, in any  
28 contract with the Government, or in any franchise or special privilege granted

1 by the Government or any subdivision, agency or instrumentality thereof,  
2 including government-owned or -controlled corporations (GOCCs) or their  
3 subsidiaries. They shall strictly avoid conflicts of interest in the conduct of  
4 their office.

5 (b) *Limitations on Appointments; Disqualifications.* ~ No person shall  
6 be appointed Philippine Trade Representative or Deputy Trade Representative  
7 if the person has directly represented, aided, or advised a foreign entity in any  
8 trade and/or investment negotiation or trade dispute against the Philippines.

9 Likewise, the Philippine Trade Representative, the Deputy Trade  
10 Representatives, and all members of the research group and legal team of the  
11 Trade Office shall not be allowed to be employed, commissioned, or retained  
12 by foreign entities, or render any kind of consultancy service or related  
13 work for foreign clients on trade and investment issues within two (2)  
14 years after the expiration or termination of their service with the Trade Office.  
15 They shall likewise maintain at all times the confidentiality of all matters that  
16 they have handled during their service with the Trade Office.

17 SEC. 6. *Functions and Responsibilities of the Trade Office.* -- The  
18 Trade Office shall:

19 (a) Conduct research and legal studies related to trade and investments  
20 that will enhance trade policy formulation;

21 (b) Obtain, collate and maintain a database that shall include, but not  
22 be limited to, trade and investments statistics, trade and investment-related  
23 laws, policies, trade and investment agreements and initiatives which have  
24 implications on the development of the Philippine negotiating position in trade  
25 and investment agreements, and which shall be accessible to the stakeholders;

26 (c) Undertake consultations with stakeholders in all aspects of trade  
27 policy formulation and negotiation. Stakeholders must also be directly

1 involved in formulating positions related to trade and investment negotiations  
2 in line with the national development agenda;

3 (d) Formulate the Philippine Trade position aimed to support the  
4 achievement of the economic goals defined in the Constitution that is a product  
5 of a regular and meaningful consultation with relevant government agencies  
6 and various civil society stakeholders;

7 (e) Negotiate trade and investment agreements on the basis of the  
8 Philippine Constitution and other laws, and represent the Philippines in all  
9 international trade negotiations including any matter considered under the  
10 purview of world trade organizations, other regional and bilateral commodity  
11 and those pertaining to direct investment negotiations in which the Philippines  
12 participates;

13 (f) Advise the President and Congress on international trade and  
14 investments policies, its implications on the domestic economy and the impact  
15 of domestic policies on international trade and investment commitments;

16 (g) Assert and protect the rights and interests of the Philippines under  
17 all bilateral, regional and multilateral trade and investment agreements by  
18 coordinating quick and decisive inter-agency response including, but not  
19 limited to, cases of unfair trade practices, import surges and rules on  
20 investment;

21 (h) Provide the necessary staff support to the Multi-Sectoral and  
22 Sub-Sectoral Advisory Committee and the Inter-Agency Coordinating  
23 Committee;

24 (i) Appoint, employ and fix the compensation, in accordance with  
25 existing compensation laws, of such officers and employees as are necessary,  
26 and prescribe their authority and duties, subject to Civil Service Commission  
27 laws, rules and regulations;

1           (j) Employ and compensate experts and consultants in accordance with  
2 the relevant laws;

3           (k) Promulgate such rules and regulations as may be necessary to carry  
4 out the functions, powers and duties vested herein;

5           (l) Enter into and perform such contracts, leases, cooperative  
6 agreements or other transactions as may be necessary in the conduct of the  
7 work of the Trade Office and on such terms as the Philippine Trade  
8 Representative may deem appropriate with any agency or instrumentality of the  
9 Philippine government or with any public or private person, firm, association,  
10 corporation or institution; and

11           (m) Adopt an official seal.

12           SEC. 7. *Functions of the Philippine Trade Representative.* – For the  
13 purpose of carrying out the functions of the Trade Office, the Philippine Trade  
14 Representative shall:

15           (a) Create the organizational structure of the Trade Office consistent  
16 with its mandate and functions as provided for in this Act and according to  
17 strategic needs, which structure shall be reviewed regularly;

18           (b) Head the Trade Office and exercise control and supervision over all  
19 its functions, activities and its organization;

20           (c) Serve as the chief trade negotiator of the Philippines in international  
21 trade and investment agreements including, but not limited to, the World Trade  
22 Organization (WTO), regional, bilateral and plurilateral negotiations in which  
23 the Philippines participates;

24           (d) Create sectoral and thematic desks that will receive and facilitate  
25 referral to appropriate agencies of complaints, information and concerns  
26 pertaining to trade and investment matters;

27           (e) Chair the Inter-agency Coordinating Committee on international  
28 trade and investments;



1 (f) Monitor and enforce the implementation of Philippine international  
2 trade policy, including direct investment matters to the extent that they are  
3 related to international trade policy;

4 (g) Coordinate with national agencies in the performance of functions,  
5 including the right to issue compulsory processes pursuant to Section 15 of this  
6 Act;

7 (h) Call upon and deputize, in times of trade policy formulation and  
8 negotiations, the national agencies and their personnel, and correspondingly  
9 use the services of the deputized agency whose functions are related to or  
10 affect international trade policy, including direct investment matters to the  
11 extent that these are related to international trade policy;

12 (i) Act as co-chairperson of the Multi-Sectoral Advisory Committee in  
13 its regular and special meetings; and

14 (j) Perform such other functions inherent to the functions of the  
15 Philippine Trade Representative and as the President may direct pursuant to  
16 this Act.

17 SEC. 8. *Ex officio Positions and Functions of the Philippine Trade*  
18 *Representative.* – The Philippine Trade Representative shall be entitled to the  
19 following *ex officio* positions and functions:

20 (a) Senior representative on any body that the President may establish  
21 for the purpose of advising the President on overall economic policies in which  
22 international trade matters predominate; and

23 (b) Participant in all economic summits and other international  
24 meetings in which international trade is a major topic.

25 SEC. 9. *Functions and Duties of the Deputy Trade Representatives.*  
26 – The Deputy Trade Representatives shall, as their principal function, conduct  
27 trade negotiations under this Act, and shall have such other functions as the  
28 Philippine Trade Representative may direct, to wit:

1 (a) Lead the negotiations for their respective sectors and/or areas of  
2 concern;

3 (b) Convene and chair the Sub-Sectoral Advisory Committees and the  
4 Inter-Agency Coordinating Subcommittee for their respective sectors and/or  
5 areas of concern;

6 (c) Ensure proper coordination among various government agencies  
7 involved in their specific sectors of concern, and harmonize conflicting  
8 negotiating positions;

9 (d) Prepare sector-specific proposals and negotiating positions and  
10 strategies; and

11 (e) Perform all other functions as may be delegated by the Philippine  
12 Trade Representative or as may be required by the nature or exigencies of the  
13 functions and responsibilities of the Trade Office.

14 *SEC. 10. Inter-Agency Coordinating Committee and Subcommittees.*

15 – In connection with the performance of the functions, the Philippine Trade  
16 Representative shall, to the extent necessary for the proper administration and  
17 execution of the trade and investment agreements of the *Philippines*, draw  
18 upon the expertise of and consult with national agencies.

19 The Philippine Trade Representative shall consult with concerned  
20 agencies and any other agency on trade and investment policy issues without  
21 prejudice to the exercise by the *Bangko Sentral ng Pilipinas (BSP)* of its  
22 authority as an independent central monetary authority under the Constitution  
23 and Republic Act No. 7653, otherwise known as the *New Central Bank Act*.  
24 All agencies consulted by the Philippine Trade Representative shall participate  
25 actively, cooperate fully and promptly provide to the Philippine Trade  
26 Representative all documents and information requested.

27 Further, there is hereby created Inter-Agency Subcommittees to provide  
28 inputs and support to the Deputy Trade Representatives.

1           SEC. 11. *Membership in the National Economic and Development*  
2 *Authority (NEDA) Board.* -- The Philippine Trade Representative shall be a  
3 member of the National Economic and Development Authority (NEDA) Board  
4 which was reorganized under Executive Order No. 230. The Philippine Trade  
5 Representative shall have the same rights and obligations as all the other  
6 members of the Board.

7           SEC. 12. *Organization of the Trade Office.* -- Pursuant to the  
8 provisions of this Act and to function effectively, the Philippine Trade  
9 Representative shall be internally supported by a Trade Research, Data  
10 Collection, Analysis and Dissemination Service, and a Legal Service. Both  
11 Services shall comprise the Trade Office.

12           SEC. 13. *The Trade Research, Data Collection, Analysis and*  
13 *Dissemination Service.* -- The Trade Research, Data Collection, Analysis and  
14 Dissemination Service under the Trade Office shall have the following specific  
15 functions and responsibilities:

16           (a) Improve and strengthen the capacity of the Trade Office on  
17 research, data collection, analysis and dissemination of trade and investments  
18 statistics, laws and policies, agreements and other related information;

19           (b) Generate, maintain and update records/files of comprehensive  
20 national and international trade statistics, tariff and nontariff measures, and  
21 investment-related data;

22           (c) Conduct sectoral and macro level impact assessment and/or  
23 potential effects of the country's trade negotiating positions or an eventual  
24 trade agreement and validate such studies;

25           (d) Provide the general public access to trade data and information and  
26 other relevant documents through online databases, journals, publications, and  
27 other media;

1 (e) Collaborate with government and nongovernment research  
2 institutions on trade and investment policies and programs in relation to the  
3 national development program;

4 (f) Tap the foreign trade service corps to acquire market intelligence  
5 information with regard to commercial, industrial and general economic  
6 conditions as well as noneconomic conditions affecting Philippine products  
7 both in the export and domestic markets;

8 (g) Perform other functions as may be provided by law or assigned by  
9 the Trade Representative or Deputy Trade Representatives; and

10 (h) Conduct or facilitate the conduct of trainings and courses for the  
11 benefit of the technical staff of the Trade Office and other government  
12 personnel directly or indirectly engaged in trade and investment policy work in  
13 order to build, improve and enhance their capacity and competence in trade  
14 and investment negotiations.

15 SEC. 14. *The Legal Service.* – The Legal Service shall have the  
16 following functions and responsibilities:

17 (a) Provide legal advice to the Trade Office including legal advice on  
18 trade and investment negotiations;

19 (b) Interpret laws and rules affecting the operations of the Trade  
20 Office;

21 (c) Prepare contracts and instruments to which the Trade Office is a  
22 party, and interpret provisions of contracts covering work performed for the  
23 Trade Office by private entities;

24 (d) Assist in the promulgation of rules governing the activities of the  
25 Trade Office;

26 (e) Prepare comments on proposed legislation concerning the Trade  
27 Office;

1 (f) Assist the Solicitor General in suits or cases involving the Trade  
2 Office or its officers or employees, or act as their principal counsel in all  
3 actions taken in their official capacity before judicial or administrative bodies;

4 (g) Assist the Trade Office in ensuring that the rights and interests of  
5 the Republic of the Philippines are protected in the WTO agreements, other  
6 multilateral trade, regional, plurilateral and bilateral trade and investment  
7 agreements; and ensure that the counterpart countries comply with their  
8 obligations in the agreements;

9 (h) Represent the Republic of the Philippines in any dispute settlement  
10 before the WTO, other multilateral trade agreements, bilateral trade  
11 agreements or in any other suit involving international trade; and

12 (i) Perform such other functions as may be directed by the Philippine  
13 Trade Representative.

14 SEC. 15. *Issuance of Compulsory Processes.* – Pursuant to Section 7  
15 of this Act, the Trade Office, in aid of trade policy formulation and  
16 negotiations, shall have the power and authority to invite or summon by  
17 *subpoena ad testificandum* any public official, private citizen or any other  
18 person to testify before it, or require any person by *subpoena duces tecum*  
19 to produce before it such records, reports, documents or other materials as it may  
20 require. It shall be complied within thirty (30) days from receipt of the  
21 *subpoena* issued; otherwise, failure to comply is punishable under Section 24  
22 of this Act.

23 SEC. 16. *Filing of Cases Against Violators.* – The Trade Office shall  
24 have the authority to file cases and other appropriate legal actions to further its  
25 mandate under Section 7(f) and (g) and collaborate, if necessary, with relevant  
26 government agencies and stakeholders in order to protect the rights and  
27 interests of the Philippines in relation to trade and trade-related investments.

1           SEC. 17. *The Multi-Sectoral Advisory Committee (MSAC)*. – There is  
2 hereby created a Multi-Sectoral Advisory Committee hereinafter referred to as  
3 the MSAC.

4           The MSAC shall be composed of representatives of industries,  
5 agriculture, labor, small business, service industries, retailers and consumers  
6 and shall be broadly representative of key economic sectors and groups  
7 affected by trade.

8           Members of the MSAC and the Subcommittees shall be appointed by  
9 the Philippine Trade Representative upon the endorsement of various NGOs  
10 and stakeholders. Members of the MSAC shall serve without either  
11 *compensation or reimbursement of expenses*.

12           The MSAC will meet as needed at the call of the MSAC Chairperson or  
13 the Philippine Trade Representative depending on various factors such as the  
14 level of activity of trade negotiations.

15           SEC. 18. *Duties and Functions of the MSAC*. – (a) The MSAC shall  
16 provide information and advice to the Philippine Trade Representative on trade  
17 and trade-related matters towards the achievement of the economic goals  
18 defined in the Constitution that are aimed at balancing the interest of these  
19 various stakeholders with respect to:

20           (1) Negotiating objectives and bargaining positions before entering into  
21 a trade and investment agreement;

22           (2) The operation, implementation and monitoring of any trade and  
23 investment agreement once entered into;

24           (3) Trade remedies, dispute settlements, noncompliance and/or  
25 violations to any trade and investment agreement; and

26           (4) Other matters arising in connection with the development,  
27 implementation and administration of the trade and investment policy.

1 (b) The MSAC shall provide technical support to the Philippine Trade  
2 Representative by drawing upon the knowledge and expertise of its members;

3 (c) Prior to any trade negotiations, the MSAC shall participate in the  
4 development of the negotiation objectives and bargaining positions of the  
5 country and at the conclusion of negotiation for its trade agreement entered  
6 into, provide a report to the Philippine Trade Representative to form part of the  
7 latter's report to the President and Congress, pursuant to Section 6(f) of this  
8 Act. The report of the MSAC shall include an assessment and evaluation of  
9 whether and to what extent the agreement promotes Philippine economic  
10 interests and achieves the applicable overall and principal negotiating  
11 objectives set forth;

12 (d) The MSAC shall accompany and advise the Philippine delegation  
13 in trade and investment negotiation missions; and

14 (e) The MSAC shall likewise recommend to the Philippine Trade  
15 Representative the participation of a private sector representative to  
16 accompany the Philippine delegation in an observer capacity in trade  
17 negotiations.

18 SEC. 19. *Meetings and Staff Support of the MSAC.* – The Philippine  
19 Trade Representative shall:

20 (a) Preside over the MSAC which shall meet as needed depending on  
21 various factors such as the level of activity of trade negotiations;

22 (b) Call for a regular meeting of the MSAC during the first and third  
23 quarters of the year, and may call for special meetings as may be necessary  
24 depending on various factors such as the level of activity of trade negotiations;

25 (c) Approve and set the agenda for all MSAC meetings; and

26 (d) Provide the secretariat and other necessary staff support for the  
27 MSAC meetings.

1           SEC. 20. *Sub-Sectoral Advisory Committee (SSAC).* – There is hereby  
2 created a Sub-Sectoral Advisory Committee, hereinafter referred to as the  
3 SSAC, to be organized by the Philippine Trade Representative for trade and  
4 investment policy formulation and negotiations.

5           The SSAC shall be broadly representative of the key sectors and groups  
6 of the economy particularly with respect to those sectors and groups which are  
7 affected by trade, and shall consist of representatives of industry, the academe,  
8 agriculture, fisheries, labor, small business, service industries, retailers,  
9 consumer interest and other stakeholder groups.

10           Members of the MSAC and the SSAC shall be appointed by  
11 the Philippine Trade Representative upon the endorsement of various NGOs  
12 and stakeholders. Members of the committees shall serve without either  
13 compensation or reimbursement of expenses.

14           The Chairperson of the MSAC and the SSAC shall be elected by their  
15 respective members.

16           SEC. 21. *Confidentiality Agreement.* – To protect the Trade Office  
17 from the unauthorized disclosure of classified information and information  
18 relating to trade policy, the members of the MSAC and its Subcommittees shall  
19 enter into a confidentiality agreement with the Trade Office and comply with  
20 other requirements established by the Trade Office.

21           SEC. 22. *Joint Congressional Oversight Committee on Trade and*  
22 *Investment Matters.* – There shall be a Joint Congressional Oversight  
23 Committee on Trade and Investment Matters, hereinafter referred to as the  
24 Congressional Oversight Committee. The Congressional Oversight Committee  
25 shall be composed of five (5) Members from the Senate which shall include the  
26 Senate President, the Senate Majority and Minority Leaders, and five (5)  
27 Members from the House of Representatives which shall include the Speaker  
28 of the House and the Majority and Minority Leaders.



1           The Congressional Oversight Committee shall conduct a periodic  
2 review and evaluation of the performance of the Trade Office, including its  
3 officials, every three (3) years. An independent panel composed of experts to  
4 be appointed by the Congressional Oversight Committee shall review the  
5 activities and performance of the Trade Office and shall make  
6 recommendations, based on its findings, to the Congressional Oversight  
7 Committee. The independent panel of evaluators shall likewise conduct  
8 consultations with stakeholders in the conduct of the review.

9           The Congressional Oversight Committee shall set the guidelines and  
10 overall framework for the monitoring of the implementation of this Act and  
11 shall adopt its internal rules of procedure: *Provided, further,* That the  
12 secretariat of the Congressional Oversight Committee shall be drawn from the  
13 existing personnel of the concerned Senate and House of Representatives  
14 offices comprising the Congressional Oversight Committee.

15           SEC. 23. *Reportorial Requirements.* – The Trade Office shall:

16           (a) Submit to the Congressional Oversight Committee and to the  
17 MSAC, as herein created, reports on the accomplishment of its goals and  
18 strategies and on any intention to negotiate any economic treaty, whether  
19 bilateral, regional, or multilateral. At the minimum, the report shall contain the  
20 subject matter for negotiations and the general objectives of the Government.  
21 The Trade Office shall regularly update the Congressional Oversight  
22 Committee and the MSAC on the negotiations, including the offers and  
23 counteroffers of all the parties, and shall also notify the Congressional  
24 Oversight Committee and the MSAC of any tentative or final agreement of the  
25 parties;

26           (b) Submit a report at least twice a year and as may be directed by the  
27 President or the Congressional Oversight Committee and as may be requested

1 by the MSAC on the developments of any international trade and investment  
2 negotiations and/or agreements; and

3 (c) Submit a biannual report directly to the President, the  
4 Congressional Oversight Committee and the MSAC regarding the  
5 implementation, operation and effectiveness of any trade and investment  
6 agreement entered into, including the status of ongoing trade and investment  
7 negotiations in which the Philippines participates.

8 SEC. 24. *Penalties.* –

9 (a) Noncompliance on the Issuance of Compulsory Processes. – Any  
10 person or entity who fails to comply to the *subpoena* issued by the Trade  
11 Office within the thirty (30)-day deadline shall suffer the penalty of  
12 imprisonment for a period of not less than six (6) months but not more than  
13 one (1) year or shall be imposed a fine of not less than one hundred thousand  
14 pesos (P100,000.00) but not more than five hundred thousand pesos  
15 (P500,000.00), at the discretion of the court.

16 (b) Violation of Confidentiality of Agreement. – Any person or entity  
17 who shall violate the confidentiality of agreement under this Act shall suffer  
18 the penalty of imprisonment for a period of not less than six (6) months but not  
19 more than one (1) year or shall be imposed a fine of not less than two hundred  
20 fifty thousand pesos (P250,000.00) but not more than five hundred thousand  
21 pesos (P500,000.00), at the discretion of the court. The Trade Office shall  
22 have the power to remove any member who violates this provision from  
23 membership in the MSAC.

24 (c) Other Violations. – After due notice and hearing, the Philippine  
25 Trade Representative shall, upon finding of culpability, impose administrative  
26 fines against any person, organization, or any other entity in such amount as it  
27 may deem reasonable which in no case shall be less than fifty thousand pesos

1 (P50,000.00) but not more than five million pesos (P5,000,000.00) for any  
2 violation of any provision under this Act.

3       SEC. 25. *Transfer of Functions.* -- The functions of the Bureau of  
4 International Trade Relations under the Department of Trade and Industry  
5 (DTI), Attachés and Permanent Mission to the WTO, the Association of  
6 Southeast Asian Nations (ASEAN) and the United Nations International  
7 Organization (UNIO), and the trade negotiating and policy-making functions  
8 of the Tariff and Related Matters Committee (TRMC) are hereby transferred to  
9 the Trade Office.

10       The foregoing transfer of powers and functions shall include all  
11 applicable funds and appropriations, records, equipment, property and  
12 personnel as may be necessary.

13       SEC. 26. *Transitory Provision.* -- The TRMC created under Section 6  
14 of Executive Order No. 230, series of 1987, together with the Technical  
15 Committee on WTO Matters, shall continue to function for six (6) months or  
16 until the Trade Office is set up, whichever comes earlier, after which it shall  
17 cease to function.

18       SEC. 27. *Implementing Rules and Regulations.* -- The Trade Office, in  
19 consultation with the DTI, the Department of Agriculture, the Department of  
20 Foreign Affairs and the NEDA, shall issue the rules and regulations necessary  
21 to implement the provisions of this Act sixty (60) days from the date of  
22 appointment of the Philippine Trade Representative.

23       SEC. 28. *Appropriations.* -- The amount necessary to implement the  
24 provisions of this Act shall be charged against the current year's appropriations  
25 of the Bureau of International Trade Relations under the DTI, Attachés and  
26 Permanent Mission to the WTO, the ASEAN, the UNIO, the TRMC and other  
27 concerned agencies. Thereafter, such sums as may be necessary for its

1 continued implementation shall be included in the annual General  
2 Appropriations Act.

3 SEC. 29. *Repealing Clause.* – All laws, rules and regulations and  
4 other issuances inconsistent with the provisions of this Act, including Section 6  
5 of Executive Order No. 230, series of 1987, and relevant provisions of  
6 Executive Order No. 133, series of 1987, are deemed modified, revoked or  
7 repealed accordingly.

8 SEC. 30. *Separability Clause.* – If any section or provision of this Act  
9 shall be declared unconstitutional or invalid, the other sections or provisions  
10 not affected thereby shall continue to be in full force and effect.

11 SEC. 31. *Effectivity.* – This Act shall take effect fifteen (15) days  
12 following its complete publication in the *Official Gazette* or in a newspaper of  
13 general circulation.

Approved,

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