

As of 17 February 2023

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4 **DEPARTMENT ADMINISTRATIVE ORDER NO. _____**
5 **SERIES OF _____**
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8 **SUBJECT: “2023 REVISED GUIDELINES ON THE RECOGNITION OF CONSUMER**
9 **ORGANIZATION.”**
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11
12 **WHEREAS**, Section 23 Article II of the 1987 Philippine Constitution declares that
13 the State shall encourage the formation of non-governmental, community-based, or
14 sectoral organizations that promote the welfare of the nation;
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16 **WHEREAS**, under the Letter of Instructions No. 1337 issued on the 29th day of
17 June 1983, all consumer organizations are required to register with the Ministry of Trade
18 and Industry, now known as the Department of Trade and Industry;
19

20 **WHEREAS**, Republic Act No. 7394, otherwise known as the Consumer Act of the
21 Philippines, declares as basic State policy to implement measures to achieve involvement
22 of consumer representatives in the formulation of social and economic policies and further
23 provides that the DTI shall establish procedures for meaningful participation by
24 consumers or consumer organizations (COs) in the development and review of
25 department rules, policies and programs;
26

27 **WHEREAS**, in recognition of the role and valuable contributions of consumer
28 organizations, in the area of consumer protection, the DTI conducted a Tri-Sectoral
29 Conference on Consumer Welfare where action plans were developed focusing on the
30 following five areas, viz.: (i) Tri-Sectoral Cooperation and Organization, (ii) Consumer
31 Education, (iii) Consumer Issues, (iv) Consumer Groups’ Best Practices, and (v) Business
32 Sector’s Best Practices on 09 October 2000;
33

34 **WHEREAS**, the DTI issued Department Administrative Order No. 20-07 series of
35 2020 (DAO 20-07) which amended Department Administrative Order No 17-07, Series of
36 2017 (DAO No. 17-07, S2017), or the “Guidelines on the Recognition of Consumer
37 Organizations;
38

39 **WHEREAS**, in order to revitalize the involvement of consumer organizations in
40 consumer-related activities and programs, there is a need of to revisit and revise the
41 existing guidelines on the recognition of consumer organizations;
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43 **NOW, THEREFORE**, the following Guidelines are hereby prescribed and
44 promulgated for the information, guidance, and compliance of all concerned.
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OFFICE OF THE SECRETARY

RULE, I
GENERAL PROVISIONS

Section 1. Objectives. This Department Administrative Order (DAO) shall have the following objectives:

- 1.1 Encourage consumers to establish active COs;
- 1.2 Rationalize the guidelines and procedures for the recognition and availing of benefits to sustain programs or projects that positively contribute to the promotion of consumers' interests;
- 1.3 Recognize qualified COs that actively advocate, promote and advance consumers' interests and welfare;
- 1.4 Empower COs to champion the welfare of consumers;
- 1.5 Promote effective partnership between government and COs.
- 1.6 Empower COs to be the lead groups or to spearhead consumer policy advocacy; and
- 1.7 Strengthen the role of COs in monitoring the implementation of the Consumer Act, Price Act & other consumer-related laws, rules, and regulations.

Section 2. Scope and Coverage. The following Guidelines shall apply to groups of individuals who organized themselves for a common cause of promoting the welfare and protecting the rights of consumers.

Section 3. Definition of Terms. For purposes of these Guidelines, the following terms shall be defined as follows:

- 3.1 "Affiliated chapter" refers to a new consumer organization that is affiliated or associated with an existing Local Chapter organization similar in nature which thereby becomes its parent organization;
- 3.2 "*Certificate of Recognition (COR)*" refers to the document issued by the DTI attesting that the CO named therein has satisfactorily met all the requirements and qualifications as prescribed herein;
- 3.3 "*Consumer*" refers to a natural person who is a purchaser, lessee, recipient or prospective purchaser, lessor or recipient of products, services or credit;"
- 3.4 "*Consumer Assistance Facility (CAF)*" refers to any facility whether physical or online through which the CO can provide assistance to members or non-members on consumer-related concerns;
- 3.5 "*ConsumerNet*" refers to government agencies tasked by their respective mandate to deliver basic essential services to the public in general and the consumer in particular;
- 3.6 "*Consumer Organization (CO)*" refers to a group of individuals who organized themselves for a common cause of promoting the welfare and protecting the rights of consumers;
- 3.7 "*Consumer products and services*" means goods, services, credits, debts or obligations which are primarily for personal, family, household, or agricultural purposes, which shall include but not limited to, food, drugs, cosmetics, and devices;
- 3.8 "*Consumer-related activities*" refers to the plans, activities, and programs for the welfare of the consumers;

- 98 3.9 *“Federation”* refers to a consumer organization, comprised of at least three (3)
99 smaller organizations of similar nature, purposely organized to deal with consumer-
100 related concerns; and
101 3.10 *“Recognition”* refers to DTI’s certification that a consumer organization complies
102 with the requirements or meets the qualifications as provided by these Guidelines;
103

104 **RULE II**
105 **CONSUMER ORGANIZATION**

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107 **Section 1. Classification of Consumer Organizations (COs).** Consumer organizations
108 are classified as follows:
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- 110 1.1 **Enlisted Consumer Organization (ECO).** A consumer organization that
111 voluntarily enlisted in the DTI Register of Consumer Organizations which, if qualified,
112 may be recognized by DTI either as a local CO or national CO.
113 1.2 **Recognized Consumer Organization (RCO).** An enlisted consumer organization
114 that is recognized by the DTI, having met all the qualifications as provided herein.
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116 **Section 2. Categories of Consumer Organizations.** Consumer organizations are
117 categorized as follows:
118

- 119 2.1 **Local Consumer Organization (LCO).** A consumer organization whose
120 programs, activities, and affairs directly affect the consumers of a city, municipality,
121 province, or region where it is based.
122 2.2 **National Consumer Organization (NCO).** A consumer organization whose,
123 programs, activities, and affairs directly affect the consumers all over the Philippines.
124

125 **Section 3. Enlistment of Consumer Organizations.** Consumer organizations may
126 enlist voluntarily with the DTI Office which has jurisdiction over the place/location of the
127 organization by filling out the Consumer Organization Enlistment Form at the DTI-
128 Consumer Policy and Advocacy Bureau (CPAB) or DTI Regional Office/Provincial Office
129 (RO/PO). Currently recognized COs shall be automatically enlisted in the DTI Register of
130 Consumer Organizations. ECOs may apply for recognition as a local or national CO,
131 whichever is applicable, subject to compliance with the requirements provided in Section
132 3 Rule IV of this DAO.
133

134 A list of ECOs shall be uploaded to the DTI Register of Consumer Organizations for use
135 by the DTI.
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137 **RULE III**
138 **DTI REGISTER OF CONSUMER ORGANIZATIONS**

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140 **Section 1. DTI Register of Consumer Organizations.** The DTI shall maintain the
141 Register of Consumer Organizations, a database of DTI-recognized and ECOs.
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143 **Section 2. Responsibilities of the CPAB, RO/PO**

144 2.1 The CPAB shall:

- 145
146 a. Act as the administrator of the DTI Register of Consumer Organizations (DTI
147

- 148 Register);
- 149 b. Upload in the DTI Register the list of ECOs based in the National Capital Region
- 150 (NCR).
- 151 c. Upload in the DTI Register recognized NCOs and recognized LCOs based in NCR.
- 152 d. Update the record/status of the recognized NCOs, and recognized LCOs in NCR
- 153 e. Maintain the list of RCOs and ECOs in the DTI Register for use of the DTI; and
- 154 f. Monitor the uploading of the DTI-RO/POs of the list of RCOs, and ECOs in their
- 155 respective jurisdiction.

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- 157 2.2 The RO/PO shall:
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- 159 a. Upload in the DTI Register the list of recognized LCOs and ECOs within their
- 160 jurisdiction.
- 161 b. Update the record/status of the recognized LCOs in their jurisdiction
- 162 c. Maintain the list of recognized LCOs and ECOs in their jurisdiction in the DTI
- 163 Register for use of the DTI, and
- 164 d. Submit to CPAB the list of recognized LCOs, and ECOs within one week from such
- 165 recognition or enlistment.
- 166

167 **RULE IV**

168 **RECOGNITION OF CONSUMER ORGANIZATIONS**

169 **Section 1. Minimum Qualifications of a Local Consumer Organization (LCO).** To

170 qualify for recognition as LCO, a CO shall meet the following:

- 171
- 172 1.1 Enlisted as a CO;
- 173 1.2 Has at least five (5) individual members including its officers, the majority of which
- 174 are Filipino citizens;
- 175 1.3 Possesses good standing as certified by the head or official representative of the
- 176 city, municipality, province, or region where the declared address of the CO is
- 177 located; and
- 178 1.4 At least one (1) year of proven track record as a local consumer organization
- 179 supported with actual record of relevant activities or programs undertaken as
- 180 certified by at least a Barangay Chairman.

181

182 **Section 2. Minimum Qualifications of a National Consumer Organization (NCO).** To

183 qualify for recognition as NCO, a CO shall meet the following:

- 184
- 185 2.1 Enlisted as a CO;
- 186 2.2 A Securities and Exchange Commission (SEC) or a Cooperative Development
- 187 Authority (CDA) registered consumer organization; and
- 188 2.3 Have at least thirty (30) individual members including its officers, the majority of
- 189 which are Filipinos. If its total membership is below thirty (30), the CO shall have at
- 190 least two (2) affiliates or federations from each of the major islands other than that
- 191 of the NCO, provided that the combined number of members shall not be less than
- 192 thirty (30).
- 193 2.4 Possesses good standing as certified by the head or official representative of the
- 194 city, municipality, province, or region where the declared address of the CO is
- 195 located; and

- 196 2.5 At least one (1) year of proven track record as a local consumer organization
197 supported with actual record of relevant activities or programs undertaken as
198 certified by at least a Barangay Chairman.
199
200

201 **Section 3. Requirements for Recognition.**
202

- 203 3.1 For LCO, the following shall be submitted:
204 3.1.1 Names, postal address, e-mail address, contact numbers, and citizenship of
205 all members as specified in Annex A;
206 3.1.2 Certificate of good standing issued by the city, municipality, province, or
207 region where the declared address of the CO is located;
208 3.1.3 Proof of relevant track record; and
209 3.1.4 Other documents that may be deemed necessary.
210 3.2 For NCO, a copy of the SEC/CDA Certificate of Registration shall be submitted, in
211 addition to the documents required from LCO as listed in Section 3 (3.1).
212 3.3. For renewal of COR, submit the requirements listed in this Section, as may be
213 applicable, and attach a copy of the most recently issued COR.
214
215

216 **Section 4. Procedure for Recognition.** The recognition of COs shall be in accordance
217 with the following:
218

- 219 4.1 Upon voluntary enlistment, a CO shall be informed of DTI's recognition program;
220 4.2 Interested ECOs shall submit the requirements personally, via e-mail, registered
221 mail, or through courier within office hours on or before December 31 and on or
222 before June 30, at DTI-CPAB for LCOs located in NCR and NCOs, and at DTI
223 RO/PO for LCOs under their jurisdiction;
224 4.3 The DTI-CPAB or DTI-RO/PO shall evaluate the completeness of documents listed
225 in Annex B within three (3) working days from receipt;
226 4.3.1 For incomplete submission, inform the CO of any deficiency and complete or
227 rectify the same within five (5) working days from receipt of the notice;
228 4.3.2 For complete submission, inform the CO of the next steps.
229 4.4 The concerned DTI Office shall conduct necessary verification or validation of
230 information, authenticity of documents through ocular inspection, interview, or other
231 available method;
232 4.5 A report on the result of verification and validation shall be documented and
233 submitted for the approval of the DTI Director concerned as indicated in Annex C;
234 4.6 The CO shall be notified of the result within three (3) working days from the approval
235 thereof. Qualified COs shall be required to submit an Undertaking duly signed by its
236 president or duly authorized officer, and sworn to before a notary public or the
237 Director of DTI-CPAB/RO/PO at least fifteen (15) days from notice. Copy of the
238 Undertaking is hereto attached as Annex D;
239 4.7 A COR shall be issued upon the completion of all the requirements.
240 4.8 The concerned Regional Director of DTI shall sign and award the COR to the
241 recognized LCOs, based in their jurisdiction, upon recommendation by the
242 concerned DTI-PO Director.
243

244 The Undersecretary for Consumer Protection Group (CPG) shall sign and award the
245 COR to recognized LCOs located in NCR upon recommendation by the CPAB
246 Director.

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248 4.9 For recognized NCOs, the CPG Undersecretary shall sign and award the COR upon
249 recommendation of the CPAB Director.

250
251 **RULE V**
252 **THE CERTIFICATE OF RECOGNITION**

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254 **Section 1. Contents of the Certificate of Recognition (COR).** The Certificate of
255 Recognition shall contain the following:

- 256
257 1.1 Name of the recognized CO and its complete address;
258 1.2 Category of the recognized CO;
259 1.3 Validity period;
260 1.4 Date and place of issue;
261 1.5 COR Number or Quick Response (QR) Code;
262 1.6 Statement that the Certificate of Recognition is non-transferable; and
263 1.7 Name and signature of the approving authority.

264
265 **Section 2. Validity Period of the COR.** The COR shall be valid for a period of three (3)
266 years unless sooner suspended or cancelled on grounds prescribed in this Guidelines.

267
268 Upon expiration of the COR, the NCO or LCO, as applicable, must apply for its renewal
269 by submitting the requirements specified in Section 3 Rule IV within the period provided
270 in Section 4.2 Rule IV of this Order.

271
272 However, non-performance by the RCO of its mandatory responsibilities and/or non-
273 compliance with the required corrective/preventive action within the period given by the
274 DTI shall not be allowed to renew its COR.

275
276 **Section 3. Random Monitoring of Activities.** The DTI CPAB or RO/PO shall conduct
277 random monitoring of recognized CO twice a year, to verify compliance with the
278 Undertaking submitted.

279
280 **RULE VI**
281 **RESPONSIBILITIES, BENEFITS, AND PRIVILEGES OF**
282 **CONSUMER ORGANIZATIONS**

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284 **Section 1. Minimum Responsibilities of Enlisted Consumer Organizations (ECOs).**
285 All ECOs are expected to perform the following:

- 286
287 1.1 Initiate consumer-related activities and conscientiously advocate respect for
288 consumer rights including consumer education activities and dissemination of
289 consumer-related information materials.
290 1.2 Participate in the annual celebration of the World Consumer Rights Day every 15th
291 day of March and the Consumer Welfare Month every October.
292 1.3 Promote equality among its members or non-members regardless of gender, race,
293 religion, or background.

294 1.4 Advise the DTI, other concerned government agencies, and the consumers about
295 any pressing issues and concerns that violate the Consumer Act of the Philippines,
296 Fair Trade Laws (FTLs), and other consumer-related laws.

297
298 **Section 2. Mandatory Responsibilities of Recognized Consumer Organizations**
299 **(RCOs).** In order to maintain their status as RCOs, the latter shall perform the following:
300

- 301 2.1 Participate actively in local consumer-related seminars/webinars, info sessions,
302 workshops, and the like, initiated by the members of the ConsumerNet;
- 303 2.2 Represent consumers in public consultations or hearings on the formulation of
304 consumer laws and policies;
- 305 2.3 Initiate consumer-related plans, activities, and programs;
- 306 2.4 Establish a Consumer Assistance Facility (CAF), whether physical or online, within
307 one month after the issuance of the COR, to provide assistance on consumer-related
308 concerns;
- 309 2.5 Submit highlights of accomplishments, in narrative, photo/video, or media release,
310 to DTI-CPAB or DTI-PO every semester. For January-June, reports shall be
311 submitted no later than July 30. For July-December, reports shall be submitted not
312 later than January 30 of the following year;
- 313 2.6 Report to the DTI or other government agencies any observation on potential
314 violation/s of the Consumer Act of the Philippines, Price Act, and other Trade and
315 Industry Laws, with supporting documents, and coordinate, and cooperate with the
316 latter for case build-up purposes.
- 317 2.7 Report in writing to the CPAB or the concerned DTI-RO/PO any change in the RCO's
318 information within 15 days from the effectivity of such change.

319
320 **RULE VII**
321 **PRIVILEGES AND BENEFITS OF**
322 **RECOGNIZED CONSUMER ORGANIZATIONS**
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324 **Section 1. Privileges of Recognized Local and National Consumer Organizations.**
325 RCOs are entitled to the following:
326

- 327 1.1. Assist consumers or groups of consumers with consumer-related issues and
328 concerns.
- 329 1.2. Endorsement by DTI to represent the consumer in bodies/forum/activities.
- 330 1.3. Feature article on RCOs programs, accomplishments, and projects on the DTI
331 website and social media accounts.
- 332 1.4. Technical assistance through training/workshop/capability building and the like
333 conducted by DTI.
- 334 1.5. Inclusion in the list of RCOs to be published on the DTI website.
- 335 1.6. Provision of consumer information materials for dissemination to their respective
336 members and consumers.

337
338 **Section 2. Benefits of SEC/CDA Registered RCOs.** In addition to the above privileges,
339 Recognized Consumer Organizations may upon request avail of any of the following:
340

- 341 2.1. Represent a consumer or group of consumers in public hearings/consultations,
342 consumer-related issues, and concerns.

- 343 2.2. Conduct of consumer education and other related-activities with the assistance of
- 344 DTI.
- 345 2.3. Nomination as official representative of the Philippines in international consumer
- 346 protection related fora/meetings or trainings.
- 347 2.4. Endorsement by DTI to attend/participate in consumer-related local fora/ meetings
- 348 or trainings.
- 349 2.5. Membership to the relevant committee with honorarium subject to availability of
- 350 funds and existing Commission on Audit (COA) and Department of Budget and
- 351 Management (DBM) auditing rules and regulations.

352
353 **RULE VIII**
354 **SUSPENSION, CANCELLATION, RECALL AND**
355 **REINSTATEMENT OF THE CERTIFICATE OF RECOGNITION**
356

357 **Section 1. Section 1. Grounds for Suspension of the Certificate of Recognition.** An
358 RCO may be suspended for a period of one (1) month but not more than three (3) months
359 depending on the number of non-performance of responsibilities they incur as specified
360 in Rule VI Section 2 or the Mandatory Responsibilities of Recognized Consumer
361 Organizations, of this Guidelines, based on the matrix below:
362

Period of Suspension	Non-performance committed
1 month	Any 3
2 months	Any 5
3 months	All items from 2.1. to 2.5

363
364 **Section 2. Suspension of the Certificate of Recognition.** If based on the assessment
365 of reports submitted by the concerned DTI Office, there is a finding of non-performance
366 of any of the RCOs' mandatory responsibilities, the DTI Office concerned shall notify the
367 RCO of such finding and shall give the latter a certain period within which to implement
368 corrective and/or preventive action. If despite receipt of such notice, the RCO fails to
369 comply therewith, the DTI Director may suspend the COR for a period of not less than
370 one (1) month but not more than three (3) months from the last date of the period of
371 compliance with the corrective/preventive action required.
372

373 **Section 3. Reinstatement of Suspended COR.** A Notice of Reinstatement shall be
374 issued to RCOs whose COR was suspended, after its submission of the required
375 documents and/or performance of the required corrective/preventive action within the
376 suspension period. The COR shall be reinstated for the remaining period of its validity.
377

378 **Section 4. Cancellation and Recall of the COR.** After due notice and hearing, the
379 concerned DTI Director may cancel and recall the Certificate of Recognition on any of the
380 following grounds:
381

- 382 4.1 Material misrepresentation or falsehood in the documentary requirements submitted
- 383 in support of the recognition;
- 384 4.2 Conduct inimical or prejudicial to the interest of its members, the consumers in
- 385 general, to the DTI Office that granted its COR and to the DTI as a whole, such as
- 386 but not limited to:
 - 387 4.2.1 Promoting business enterprises or endorsing a product of or granting awards
 - 388 to business enterprises that engage in activities that violate the provisions of

- 389 the Consumer Act or any other consumer-related laws, rules, and regulations
390 or endorsing a product of or granting awards to said business enterprises;
391 4.2.2 Receiving any monetary or material support that may compromise the CO's
392 independence.
393 4.2.3 Divulging confidential information that may be detrimental to consumer
394 interest.
395 4.3 Incurring at least two (2) consecutive suspensions within the validity period of the
396 COR;
397 4.4 Engaging primarily in profit-making activities not incidental to their operations,
398 political endeavors, or analogous circumstances.
399 4.5 Cancellation by SEC or CDA of the Certificate of Registration.
400 4.6 Failure to submit the required documents and/or perform the required
401 corrective/preventive action within the suspension period.
402

403 MISCELLANEOUS PROVISIONS

406 **Section 1. Transitory Provision.** All Certificates of Recognition previously issued in
407 favor of COs, shall remain valid until their expiration unless sooner cancelled or revoked.
408

409 **Section 2. Separability Clause.** If any clause, provision, paragraph, or part thereof shall
410 be declared unconstitutional or invalid, such judgment shall not affect, invalidate or impair
411 any other part hereof but such judgment shall be merely confined to the clause, provision,
412 paragraph, or part directly involved in the controversy in which such judgment has been
413 rendered.
414

415 **Section 3. Repealing Clause.** All administrative orders, rules, regulations, memoranda,
416 circulars, resolutions, and other issuances that are contrary to or inconsistent with the
417 provisions of this Order are hereby modified, superseded, or repealed accordingly.
418

419 **Section 4. Effectivity.** This Order shall take effect fifteen (15) days after its publication
420 in the Official Gazette or in a major daily newspaper of general circulation in the
421 Philippines and filing with the Office of the National Administrative Register (ONAR) of
422 the UP Law Center.
423

424 Signed this ____ day of _____2023 in Makati City, Philippines.
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428 **ALFREDO E. PASCUAL**
429 Secretary
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431 RECOMMENDING APPROVAL:

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435 **ATTY. RUTH B. CASTELO**
436 Undersecretary
437 Consumer Protection Group
438

BLESILA A. LANTAYONA
Undersecretary
Regional Operations Group

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RECOMMENDED BY:

ATTY. M. MARCUS N. VALDEZ II
Director
Consumer Policy and Advocacy Bureau