

as of 31 May 2022

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2 **DEPARTMENT ADMINISTRATIVE ORDER NO. _____**
3 Series of 2022

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5 **SUBJECT: GUIDELINES FOR SUGGESTED RETAIL PRICE BULLETIN LISTING**
6 **AND DELISTING OF BASIC NECESSITIES AND PRIME**
7 **COMMODITIES UNDER THE DTI'S JURISDICTION**

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9 **WHEREAS**, Section 9, Article XVI of the 1987 Constitution provides that the State
10 shall protect consumers from trade malpractices;

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12 **WHEREAS**, under Article 2 of Republic Act No. 7394 (RA7394), known as the
13 Consumer Act of the Philippines, it is the policy of the State to protect the interests of
14 the consumers, promote their general welfare, and establish standards of conduct for
15 business and industry;

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17 **WHEREAS**, Section 2 of Republic Act No.7581 (RA7581) or the Price Act, as
18 amended, states that it is the policy of the State to ensure the availability of basic
19 necessities and prime commodities at reasonable prices at all times without denying
20 legitimate business a fair return on investment and to provide effective and sufficient
21 protection to consumers against hoarding, profiteering, and cartels with respect to the
22 supply, distribution, marketing and pricing of said goods, especially during periods of
23 calamity, emergency, widespread illegal price manipulation, and other similar
24 situations;

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26 **WHEREAS**, paragraph 5, Section 10 of the same law states that the head of
27 implementing agency, from time to time, may issue suggested reasonable retail prices
28 for any or all basic necessities and prime commodities (BNPC) under its jurisdiction
29 for the information and guidance of producers, manufacturers, traders, dealers,
30 sellers, retailers, and consumers;

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32 **WHEREAS**, the DTI recognizes the need to allow market forces to determine the
33 movement in prices vis-à-vis supply and demand wherein players in the industry can
34 compete among each other and gain reasonable profits through increased efficiency
35 and greater production, which can lead to sufficient supply and lower prices while
36 ensuring physical and economic access to BNPCs as well as to protect consumers
37 from trade malpractices;

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39 **WHEREAS**, the DTI regularly evaluates and publishes the Suggested Retail Prices
40 (SRP) of BNPCs to ensure the reasonableness of prices;

41 **WHEREAS**, the DTI recognizes the need to institutionalize standards and streamline
42 procedures for listing and delisting of Stock Keeping Unit (SKUs) to ensure systematic
43 evaluation, processing, and action on the recommendation either from the DTI,
44 manufacturer, or relevant stakeholder;

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45 **WHEREAS**, certain criteria shall be established as a basis in the delisting and/or listing
46 process to ensure adequate supply and reasonableness of prices of SKUs;

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48 **WHEREFORE**, this Order is hereby issued for the information and compliance by all
49 concerned:

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51 **RULE I**
52 **GENERAL PROVISIONS**
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54 **Section 1. Objective.** This Order is issued to establish guidelines for the listing and
55 delisting of SKUs classified as BNPC in the DTI SRP Bulletin to ensure the availability
56 and reasonableness of prices of BNPCs for consumers.

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58 **Section 2. Definition of Terms.** For purposes of this Order, the following terms shall
59 be defined:

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61 2.1 **Basic Necessities (BN)** – refers to goods vital to the needs of consumers
62 for their sustenance and existence in times of any of the cases provided
63 under RA7581 or the Price Act, as amended. (*Reference: RA7581 as*
64 *amended by RA10623*)
- 65 2.2 **Delisting** – refers to the deletion or removal of SKUs from the DTI SRP
66 Bulletin ;
- 67 2.3 **DTI Suggested Retail Price Bulletin (DTI SRP Bulletin)** - refers to the list
68 of BNPCs with their corresponding SRPs issued by the DTI for the
69 information and guidance of producers, manufacturers, traders, sellers,
70 retailers, and consumers;
- 71 2.4 **Hoarding** – undue accumulation by a person or combination of persons of
72 any basic necessity or prime commodity beyond his or their normal
73 inventory levels or the unreasonable limitation or refusal to dispose of, sell
74 or distribute the stocks of any basic necessity or prime commodity to the
75 general public or the unjustified taking out of basic necessity or prime
76 commodity from the channels of production, trade, commerce, and industry.
77 (*Reference: RA7581 as amended by RA10623*)
- 78 2.5 **Listing** - refers to the inclusion/addition of SKUs in the DTI SRP Bulletin.
- 79 2.6 **Manufacturer** - refers to any person who produces, manufactures,
80 assembles, or processes consumer products, except that if the goods are
81 manufactured, assembled, or processed for another person who attaches
82 his own brand name to the consumer products, the latter shall be deemed
83 the manufacturer. In case of imported products, the manufacturer's
84 representatives; (*Reference: DAO17-09, S2017*)
- 85 2.7. **Prime Commodities (PC)** – refers to goods not considered as basic
86 necessities but are essential to consumers in times of any of the cases
87 provided under RA7581 or the Price Act, as amended. (*Reference: RA7581*
88 *as amended by RA10623*)
- 89 2.8 **Profiteering** - refers to the sale or offering for sale of any basic necessity
90 or prime commodity at a price grossly in excess of its true worth. A price
91 shall be deemed grossly in excess of its true worth if the price thereof has
92 been raised by more than ten percent (10%) in the immediately preceding
93 month; (*Reference: DAO17-09 - Guidelines in the Implementation of SRP*
94 *& IRR of RA7581 or the Price Act*)

95 **2.9 Stock Keeping Unit (SKU)** - refers to a unique identifier that is assigned
96 to a product for easier and more efficient record-keeping; and

97 **2.10 Suggested Retail Price (SRP)** - refers to the reasonable retail price of any
98 or all BNPCs for the information and guidance of producers, manufacturers,
99 traders, sellers, retailers and consumers. (*Reference: DAO17-09, S2017*)

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**RULE II
SCOPE AND COVERAGE**

Section 1. Scope and Coverage. This Order shall apply to the listing or delisting of the SKUs in the DTI SRP Bulletin as initiated either by the DTI- CPAB, Fair Trade Enforcement Bureau (FTEB), Regional Offices (ROs) or manufacturers.

Section 2. BNPC under the jurisdiction of DTI. Under RA 7581, as amended, the following products are the BNPC under the jurisdiction of DTI:

Basic Necessities	Prime Commodities
1) Bread	1) Flour
2) Canned fish and other marine products	2) Processed and canned pork
3) Potable water in bottles and containers	3) Processed and canned beef
4) Processed milk	4) Vinegar
5) Locally manufactured instant noodles	5) Fish sauce (Patis)
6) Coffee	6) Soy sauce
7) Salt	7) Toilet soap
8) Laundry soap	8) Paper
9) Detergents	9) School supplies
10) Candles	10) Cement
	11) Clinker
	12) G.I. Sheets
	13) Hollow blocks
	14) Construction nails
	15) Batteries
	16) Electrical supplies
	17) Light bulbs
	18) Steel wires

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**RULE III
DOCUMENTARY REQUIREMENTS**

Section 1. Documentary Requirements for Listing and Delisting of the SKU/s. -
The following documents shall be submitted to the CPAB and considered in the evaluation for listing and/or delisting of SKUs:

1.1 DTI Initiated – based on CPAB, FTEB or RO/POs Recommendation

- 1. Memorandum for CPAB from the FTEB/RO with the recommendation;

- 120 2. Copy of the market study supporting the request for the listing of the SKU in
121 the DTI SRP Bulletin with monitored prices for the immediately preceding three-
122 month period in their area of jurisdiction.
123 3. Other document/s that the CPAB may deem necessary such as sales report,
124 inventory level, etc., for listing and study on socio-economic class and market
125 study, etc., for delisting of SKUs.
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127 **1.2 Manufacturer Initiated**

- 128 1. Letter Request signed by the company President or by the authorized
129 representative of the manufacturer with justification and supporting documents
130 such as those containing details of the frequency of the replenishment and
131 stock inventory of the supplies, sales report, study on socio-economic class.
132 The proposed SRP will also be required for listing of SKUs.
133 2. Proof of Authority to represent the manufacturer as evidenced by any relevant
134 document.
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137 **RULE IV** 138 **CRITERIA FOR LISTING and DELISTING** 139 **OF SKU/s IN THE DTI SRP BULLETIN** 140

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142 **Section 1. Listing of SKU/s.** The following factors shall be considered by the CPAB
143 in the listing of SKU/s for the immediately preceding three-month period:

- 144 1.1. Saleability/viability of the product – fast selling or fast-moving SKUs;
145 1.2. Affordability of the product with maximum value for the lowest possible cost;
146 1.3. Availability/accessibility of the products in a given area especially during
147 calamities, emergencies, and like occurrences; and
148 1.4. Sustainability of the supply and demand.

149 The foregoing may be supported by the weekly Price Monitoring Report (PMR)
150 encoded by the FTEB and Regional Offices (for key cities) in the e-Presyo and/or
151 inventory submitted by manufacturers/retailers.

152 **Section 2. Delisting of SKU/s.** The following shall be considered by the CPAB in the
153 study/validation of request for delisting:

- 154 2.1 Consumers demand;
155 2.2 Product's saleability;
156 2.3 Affordability or least percentage of consumption by the buying public;
157 2.4 Non-availability of SKUs in the retail market as their stocks depleted or have
158 been phased out;
159 2.5 Frequency of the replenishment and stock inventory of the finished goods,
160 raw materials, and supplies;
161 2.6 Continued availability of the BNPC, whichever is applicable, in the retail
162 shelves as shown in the latest PMR encoded by the FTEB and ROs.
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164 The manufacturer may be allowed to provide a replacement for the delisted SKU/s to
165 be assessed based on the criteria set forth under Section 1 of this Rule.

**RULE V
PROCEDURE FOR LISTING AND DELISTING OF SKU/s**

Section 1. Listing Process/Procedure. The procedure for the inclusion of SKUs in the DTI SRP Bulletin shall commence upon receipt of the pertinent documentary requirements.

1.1 Initiated either by the CPAB or DTI-FTEB/RO

1.1.1 **Submission of Recommendation.** The process for the inclusion of SKUs into the DTI SRP Bulletin is commenced motu proprio by the CPAB or by FTEB/ROs upon submission to the CPAB of its recommendation, which shall be contained in the Memorandum issued for the purpose, stating therein its basis and/or attaching thereto supporting documents to justify the recommendation.

1.1.2 **Notice to the Manufacturer/s.** – The CPAB shall issue a written notice to the manufacturer/s within three (3) working days upon the approval of the Secretary to inform them that their product/s had been identified for listing.

1.1.3 **Periodic Review and Evaluation.** – Guided by the criteria under Rule IV Section 1, the CPAB shall periodically review and evaluate whether a SKU still meets the criteria for listing, otherwise the SKU shall be delisted.

1.2 Listing Initiated by Manufacturer

1.2.1. A written request signed by the President or a duly authorized representative of said manufacturer shall be filed with the CPAB.

1.2.2. Review and Evaluation. – Guided by the criteria under Rule IV Section 1, the CPAB shall periodically review and evaluate whether a SKU still meets the criteria for listing, otherwise the SKU shall be delisted.

Section 2. Delisting Procedure of SKUs. The procedure for delisting SKUs from the DTI SRP Bulletin is commenced by filing the pertinent documentary requirements prescribed in Section 1, Rule III of this Guidelines with the Consumer Policy and Advocacy Bureau (CPAB), initiated either by the DTI-FTEB/RO or the manufacturer.

2.1. DTI - FTEB/RO Initiative	2.2. Delisting initiated by the Manufacturer
2.1.1. Submission of Recommendation. If, as a	2.2.1. Filing of Formal Request. – Where a manufacturer

<p>result of its monitoring activities and market study, the FTEB or RO finds that certain products are no longer available in the retail market, it shall submit to the CPAB a corresponding recommendation therefor which shall be contained in Memorandum issued for the purpose, and/or attaching thereto supporting documents to justify the recommendation</p>	<p>seeks for the delisting of its products in the SRP Bulletin, a written request, signed by the president or a duly authorized representative of the said manufacturer, shall be filed with the CPAB. The request shall be accompanied by supporting documents as would justify the delisting of the requested products.</p>
<p>2.1.2. Review and Evaluation. The CPAB shall conduct a review and evaluation including the market study of the recommendation from FTEB/RO within ten (10) working days from receipt thereof based on the criteria outlined in Section 1 Rule IV of this Order.</p>	<p>2.2.2. Review of Manufacturers' Request. – The CPAB shall conduct a review and evaluation of the submitted formal request including its supporting documents within seven (7) working days from receipt thereof based on the criteria outlined in Section 2 Rule IV of this Order.</p>
<p>2.1.3. Notice to the Manufacturer/s. After the review and evaluation, the CPAB shall, within two (2) working days, issue a written notice to the manufacturer/s informing them of the non-availability of its SKUs in the retail market and the DTI recommendation for the delisting of the said SKUs in the SRP Bulletin.</p> <p>The manufacturer shall reply in writing via personal mail/courier/email of their comments and decision on the recommendation within three (3) working days upon receipt.</p>	
<p>2.1.4 Issuance of Findings and Submission for Approval. After the evaluation, the</p>	<p>2.2.3. Issuance of Findings and Submission for Approval. Upon the</p>

<p>CPAB shall within two (2) working days submit a recommendation together with the list of the SKUs proposed to be delisted in the SRP Bulletin to the Supervising Undersecretary for the approval of the DTI Secretary;</p>	<p>completion of the evaluation, the CPAB shall issue its findings as to whether the delisting of the SKUs mentioned therein is proper based on the criteria set in this Guidelines.</p> <p>The findings shall be endorsed to the Office of the Secretary after the recommendation of the Supervising Undersecretary</p>
<p>2.1.5 Notice of Final Disposal – Within two (2) working days after notice of the approval or disapproval of the Secretary of the delisting of the SKUs in the SRP Bulletin, the CPAB shall send a written notice to the manufacturer and FTEB/RO concerned, as the case may be, for its information of such approval/disapproval.</p>	<p>2.2.4. Notice of Final Disposal. Within two (2) working days after notice of the approval or disapproval of the Secretary of the delisting of the SKUs in the SRP Bulletin, the CPAB shall send a written notice to the manufacturer and FTEB/RO concerned, as the case may be, for its information.</p>

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Section 3. Effectivity of the Listing and/or Delisting of SKU. The implementation of the listing and/or delisting of SKU and the inclusion or deletion of its entry data in the ePresyo shall take effect upon the approval of the Secretary and after its posting at the DTI website and social media applications.

210 The DTI shall continue the conduct of its regular price monitoring of BNPCs including
211 the delisted SKUs to identify causes of market and price irregularities, determine price
212 trends, and provide the basis for establishing SRP and/or price ceiling/freeze in case
213 of declaration of a state of calamity or emergency.

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**RULE VI
Other Provisions**

218 **Section 1. Separability Clause.** If any provision of this Order is declared
219 unconstitutional or invalid, the validity of the other provisions shall not be affected by
220 such declaration.

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222 **Section 2. Repealing Clause.** All other existing DTI issuances or parts thereof
223 inconsistent with this DAO are hereby amended, repealed, or superseded accordingly.
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225 **Section 3. Effectivity.** This Order shall take effect fifteen (15) days after its publication
226 and submission of a copy thereof to the Office of the National Administrative Register
227 (ONAR) of the University of the Philippines.

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229 Issued this _____ day of _____ 2022 in Makati City, Philippines.

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RAMON M. LOPEZ
Secretary