

**[ EXECUTIVE ORDER NO. 574, December 07, 1979 ]**

**PROVIDING FOR THE RE-STRUCTURING OF THE  
ORGANIZATIONAL FRAMEWORK OF THE MINISTRY OF TRADE  
AND, FOR THE PURPOSE, AMENDING PRESIDENTIAL DECREE  
NUMBERED SEVEN HUNDRED TWENTY-ONE AND OTHER  
RELATED LAWS**

WHEREAS, far reaching developments in the world economy have necessitated a re-emphasis by the government of its priorities in its efforts to support the growth and development of foreign and domestic trade in order to achieve the national objectives of accelerated economic growth and development;

WHEREAS, for such programs to succeed, the capabilities of the nation to expand and diversify its export markets and secure more advantageous terms and trade for its commodities and services must be more vigorously mobilized;

WHEREAS, for such programs to succeed and, in particular, to achieve a continuing favorable balance of payments the imports of the nation must be marshalled and directed according to an operational framework incorporating a clear-cut and positive character to respond for each new external economic pressure;

WHEREAS, the Ministry of Trade is the primary instrumentality of the government for discharging its functions related to trade; and as such, it is the natural focus of lines of responsibility and authority necessary to develop a consolidated, integrated and coherent approach to the search for solutions to trade related problems and to the identification of opportunities in the generation of foreign currency earnings;

WHEREAS, in order to discharge its responsibilities, the Ministry of Trade must be provided with the organizational structure, the financial support, and the manpower capabilities commensurate with the scope of its tasks; and

WHEREAS, under Presidential Decree No. 1416, the President is empowered to undertake such organizational and related improvements as may be appropriate in the light of changing circumstances and new developments;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, and the authority vested in me by Presidential Decree No. 1416, do hereby order and ordain:

SECTION 1. Declaration of Policy. – It is hereby declared to be the policy of the government to promote and develop its domestic and foreign trade, and through a more effective Ministry of Trade; expand export and domestic trade activities and provide measures designed to facilitate trade and minimize cost increasing inefficiencies, disincentives and regulatory restraints in the market, for purposes of

achieving the national objectives of efficiently providing essential commodities to the people, attaining favorable foreign trade balances, full employment, and accelerated industrialization.

SEC. 2. The Ministry of Trade. – The primary responsibility for the development, promotion, rationalization, and regulation of commerce and trade, both domestic and foreign, is hereby lodged in the Ministry of Trade, hereinafter referred to as the Ministry, which is constituted as the principal governmental instrumentality for policy-making, planning programming, implementation, and inter-agency coordination for all domestic and foreign trade matters and activities.

SEC. 3. Authority and Responsibility. – The responsibility and authority for the exercise of the powers and the discharge of the functions of the Ministry shall be vested in a Minister of Trade who shall be assisted by two Deputy Ministers.

The Minister of Trade is hereby authorized to determine and assign the respective functional areas of responsibilities of the two deputy ministers provided that such delineation of responsibilities shall be limited to the substantive functions and operations of the Ministry. A deputy minister shall not be assigned to be responsible for purely administrative matters.

SEC. 4. Powers and Functions. – The Ministry shall have the following powers and functions:

a. Formulate and implement policies, plans, programs and projects, consistent with the policy declared in Section 1 hereof and based on approved national development plans, priorities and guidelines;

b. Supervise and coordinate governmental activities concerning trade, including the regulation thereof and the enforcement of laws relating thereto, in order not only to insure fair dealing and to protect property and consumer rights but to facilitate and promote trade through the removal of barriers to and distortions in trade by such means as may be found effective and expeditious, including deregulation and further simplification and integration of trade processes and procedures; and, in connection with the enforcement of laws on patents, fair trade, and other related statutes, the extension of government assistance and protection, where appropriate and in accordance with law, to, among others, Philippine distributors franchise holders, and beneficiaries of compulsory patent licensing;

c. Design and administer a comprehensive and integrated program of promotions, research, training, and consultancy assistance, intended to develop, expand, and diversify export markets and induce patronage of Philippine-made products and services in the domestic market; and, in connection therewith, develop an adequate system of registration for trading companies, especially those engaged in exports, in order to further develop the export potentials and capabilities of such companies and provide them with government assistance and support where called for and in accordance with law;

d. Collect and disseminate market intelligence data to appropriate entities, including Philippine exporters, and identify opportunities, for effecting foreign exchange savings in overseas sourcing of raw materials and the intermediate and capital goods requirements of export and import-substitution industries;

e. Develop inter-agency cooperation and coordination for monitoring and assessing the impact on the balance of trade of imports and non-merchandise expenditures and receipts;

f. Represent the Government, together with such other government offices as may also be concerned, in trade conferences, meetings and negotiations; and discharge such responsibilities of the government relating to trade aspects as may arise from bilateral or multilateral treaties, agreements, and other commitments to which the Philippine is a signatory;

g. Promulgate standards and guidelines, as well as appropriate rules and regulations for their enforcement, in coordination with specialized governmental agencies and offices, for commodities, products, and services deemed vital to domestic or external trade;

h. Institute and administer an export product classification system adequate for product and market planning and for undertaking export promotion and diversification activities;

i. Maintain a registry of exporters and importers including individual firms as well as associations to facilitate the dissemination of trade information and the assembly of statistical data on the import and export industries suitable for market planning, and for this purpose, where necessary, require such firms and associations to submit periodic reports containing the requisite information;

j. Develop, install, and maintain a responsive and effective management information and performance evaluation system at all levels and stages of planning, execution, coordination, monitoring and control of the activities, programs and projects of the Ministry;

k. Establish and institutionalize a mechanism, for consultation, liaison, cooperation, and for formulating and implementing programs of assistance, with the business sectors and consumer groups;

l. Promulgate such rules and regulations as may be necessary to attain its objectives; and

m. Perform such other functions as may be provided by law.

SEC. 5. Organization of the Ministry. – The Ministry shall include the Ministry proper, composed of the Office of the Minister, the Planning Service, the Financial and Management Service, the Legal Service, and the Administrative Service.

The Bureau of Export Promotion, the Bureau of International Trade Relations, the Bureau of Domestic Trade Promotion, and the Bureau of Consumer Affairs which are hereby created, and the Philippines Bureau of Products Standards, the Philippines Patent Office and the Bureau of Fiber and Inspection Service which are retained in the Ministry shall be under the supervision and control of the Ministry.

The Metric System Board, Design Center Philippines, Accreditation Boards for Service and Repair Enterprises and the Foreign Trade Service Board shall be under

the administrative supervision of the Ministry.

The Philippine International Trading Corporation and the Philippine Shipper's Council shall be attached to the Ministry.

SEC. 6. Functions of the Minister. – The functions of the Minister shall be as follows:

- a. Advise the President on matters relative to foreign and domestic trade;
- b. Establish the policies and standards for the implementation of the plans and programs of the Ministry consistent with declared national policies on domestic and foreign trade;
- c. Promulgate rules and regulations necessary to attain the objectives, implement the policies, and perform the functions of the Ministry;
- d. Exercise supervision and control over all offices and bureaus under the Ministry, and, in the case of agencies attached to or under the administrative supervision of the Ministry exercise such appropriate authority as prescribed under pertinent provisions of Part II and Part XI of the Integrated Reorganization Plan, as amended;
- e. Except as otherwise provided by law, delegate authority for the performance of any function to such personnel or offices as he may deem best able to discharge the same; and
- f. Perform such other functions as may be provided by law and Presidential instructions and directives.

SEC. 7. Functions of the Staff Services in the Ministry Proper. – The functions of the Planning Service, Financial and Management Service and Administrative Service shall be those stated in the appropriate provisions of Part II of the Integrated Reorganization Plan, as amended, except that the functions of the Administrative Service pertaining to legal and other related matters shall be performed by the Legal Service of the Ministry.

SEC. 8. Bureau of Export Promotion. – The Bureau of Export Promotion shall assist and advise the Minister in the formulation of policies and programs related to the expansion of established markets for Philippine export products, in the provision of assistance to private exporters, as well as in the identification and development of new international outlets for Philippine export products.

The Foreign Trade Service Corps established in the Ministry under Executive Order No. 540 shall be under the supervision and control of the Director of Export Promotion who shall determine all matters related to the assignment abroad of the members of the Corps, including the scope shall be under such administrative supervision of the head of the Philippine mission in the country of their assignment as is provide for in existing applicable laws and rules and such memorandum of understanding which may be entered into between the Ministry of the Ministry of Foreign Affairs and revised from time to time as necessary.

SEC. 9. Bureau of International Trade Relations. – The Bureau of International Trade Relations shall assist and advice the Minister in the performance of the export