

Republic of the Philippines )  
Taguig City ) s.s.  
)

**KNOW ALL MEN BY THESE PRESENTS:**

This Memorandum of Agreement (MOA) is entered into this 3rd day of May 2016 in Taguig City, Philippines, by and between:

**PHILIPPINE ECONOMIC ZONE AUTHORITY**, government investment promotion agency created and operating under Republic Act No. 7916 or "The Special Economic Zone Act of 1995", as amended by Republic Act No. 8748, with office address at DOE – PNOG Complex, 34<sup>th</sup> Street Bonifacio Global City, Taguig, represented herein by its Director General, **LILIA B. DE LIMA**, who is duly authorized, and is hereinafter referred to as the "**PEZA**";

**DANGEROUS DRUGS BOARD**, the policy arm in the implementation of Republic Act No. 9165, or the "Comprehensive Dangerous Drugs Act of 2002", with office address at DDB-PDEA Bldg., NIA Site cor. NIA Road, Diliman, Quezon City, represented herein by its Executive Director, **JOSE MARLOWE S. PEDREGOSA**, who is duly authorized, and is hereinafter referred to as the "**DDB**"; and,

**PHILIPPINE DRUG ENFORCEMENT AGENCY**, as the implementing arm of the DDB, created also under Republic Act No. 9165, with office address at DDB-PDEA Bldg., NIA Site cor. NIA Road, Diliman, Quezon City, represented herein by its Director General, **ARTURO G. CACDAC JR.**, who is duly authorized, and is hereinafter referred to as the "**PDEA**"

**WITNESSETH That:**

WHEREAS, the DDB is the policy-making and strategy-formulating body in the planning and formulation of policies and programs on drug prevention and control, and is mandated to develop and adopt a comprehensive, integrated, unified, and balanced national drug abuse prevention and control strategy;

WHEREAS, in line with its mandate, the DDB is in charge of gathering and preparing detailed statistics on the importation, exportation, manufacture, stocks, seizures of, and estimated need for any dangerous drug and/or controlled precursors and essential chemicals (CPECs);

WHEREAS, the DDB formulates guidelines, in coordination with other government agencies, on the importation, distribution, production, manufacture, compounding, prescription, dispensing and sale of, and other lawful acts in connection with any dangerous drug, CPECs and other similar or analogous substances of such kind and in such quantity as it may deem necessary according to the medical and research needs or requirements of the country;

WHEREAS, the DDB has issued comprehensive guidelines on importation, distribution, manufacture, prescription, dispensing and sale of, and other lawful acts in connection with any dangerous drugs, controlled precursors and essential chemicals and other similar or analogous substances. That the said guidelines contains provisions for exemption from certain regulatory control measure/s on finished product/s or controlled chemical mixture/s in concentration equal or less than those specified in the "Table of Concentration Limits" or unless otherwise specified, and/or those that are contained in articles of finished product/s intended for sale to the general public;

WHEREAS, PDEA is mandated to cause the efficient and effective implementation of the national drug control strategy formulated by the DDB and carry out the national drug campaign

program to include drug law and regulatory enforcement, control and prevention campaign with the assistance of concerned government agencies;

WHEREAS, in line with its mandate, PDEA shall take charge and have custody of all dangerous drugs and/or CPECs seized, confiscated or surrendered from any national, provincial or local law enforcement agency, if no longer needed for purposes of evidence in court;

WHEREAS, PDEA coordinates with the DDB for the facilitation of the issuance of the necessary guidelines, rules and regulations for the proper implementation of the Dangerous Drugs Act;

WHEREAS, PEZA is mandated to create, develop, and administer special economic zones and hasten countryside development, to promote investments, create employment and generate exports;

WHEREAS, PEZA monitors the movement of goods and people in the economic zones, and conducts regular inspection of facilities of locator enterprises to ensure compliance with government rules and regulations and that there are no clandestine operations within the economic zones;

WHEREAS, PEZA-registered locator enterprises import raw materials containing mixtures of exempted amounts of CPECs, particularly but not limited to Acetone, Ethyl ether, Hydrochloric acid, Methy ethyl ketone, Sulphuric acid, Thionyl chloride and Toluene, that can be found in sealed lead acid batteries, industrial solvents, adhesives, resins, paints, and cleaning agents for use in important and legitimate manufacturing operations in the economic zones and subsequent export of product/s. Moreover, the extraction of the content of these controlled chemical/s in mixture/s or finished product/s for illegal purposes may prove to be impossible and costly;

WHEREAS, PEZA, DDB and PDEA are ISO 9001:2008 Certified, and thus, aim to continually improve their services through active cooperation among trade regulatory agencies (TRGAs) by initiating measures to streamline procedures, processes and guidelines in the timely issuance/approval of license or permit, with the end view of reducing the cost of doing business in the Philippines.

WHEREAS, the interface of processes may be abbreviated cognizant of the trends in doing business and to foster customer satisfaction, which in turn, will contribute significantly in greater production for export by PEZA-registered locator enterprises;

WHEREAS, PEZA-registered enterprises have undergone appropriate evaluation as to legitimacy of operations including their activities inside the economic zone and that a significant number of these enterprises fall within the Fortune Top 500 or the Philippines' Top 1000 Corporations;

WHEREAS, PEZA, DDB and PDEA are willing to coordinate, cooperate, collaborate and share best practices in creating a globally competitive environment for PEZA-registered locator enterprises;

NOW, THEREFORE, for and in consideration of the foregoing premises, the parties to this MOA have agreed to the following:

### 1.0 Roles and Responsibilities of PEZA

- 1.1. To provide initial screening of applications for registration of license and import / export permits of PEZA-registered enterprises prior to submission to the Compliance Service or PDEA Regional Compliance Unit;
- 1.2. To periodically provide PDEA with an updated official list of PEZA economic zones, PEZA-registered locator enterprise nationwide, names of Zone Managers including their

- contact addresses, phone numbers / emails as well as PEZA liaison unit/s to address concerns relating to the implementation of the Dangerous Drugs Act;
- 1.3. To allow entry of Regulatory Compliance officer/s (RCOs) in PEZA zones for the conduct of legitimate compliance inspection / investigation of PDEA-registered locators in coordination with the office of the concerned PEZA Zone official;
  - 1.4. To assist PDEA in monitoring compliance of PEZA-registered and PDEA-registered locator enterprises and report infringement by locators to PDEA;
  - 1.5. To assist members and representatives of the Technical Working Group (TWG) of the DDB in monitoring activities in order to ensure compliance with the provision of the Certificate of Exemption issued by the DDB;
  - 1.6. To assist in disseminating advisory on controlled substances, requirements for application for licenses or permits, including regulatory updates;
  - 1.7. To actively participate in policy reviews and/or formulation of implementing rules and regulations by the DDB and PDEA at the TWG or Committee level which may have an effect on the operations of PEZA-registered enterprises;
  - 1.8. To assist, share information and best practices with DDB and PDEA in the implementation of a drug-free workplace and inform the DDB and PDEA of economic zone activities related to drug prevention and control; and,
  - 1.9. To perform other necessary actions as may be needed in the course of cooperating and/or coordinating with the DDB and PDEA provided that the latter is informed before or immediately after.

## 2.0 Roles and Responsibilities of DDB

- 2.1 To designate a point person to receive and process concerns of PEZA-registered locator enterprises especially those relating to request for Exemption and Certification;
- 2.2 To establish a "PEZA lane" for applications filed by PEZA-registered enterprises as regards Exemption and Certification;
- 2.3 To involve PEZA in drafting new, and/or review of existing policies, guidelines, rules and regulations on raw materials or chemical mixture/s or finished product/s containing controlled substances; and,
- 2.4 To disseminate information to PEZA and its locators regarding updates on the regulations, policies and other issuances of the Board.

## 3.0 Roles and Responsibilities of PDEA

- 3.1 To provide assistance to PEZA-registered enterprises in the application for registration of license and import/export permits for controlled substance/s;
- 3.2 To initiate in coordination with PEZA, the conduct of inspections and monitoring activities when necessary;
- 3.3 To provide assistance or technical expertise in the proper dissemination of PDEA's operational regulatory thrusts to PEZA and PEZA-registered locator enterprises;
- 3.4 To train and orient designated PEZA staff on the licensing and/or permitting requirements for raw materials containing CPECs;
- 3.5 To disseminate and provide information to PEZA on updates concerning requirements, guidelines and procedures in the application of licenses or permits; and,
- 3.6 To initiate in coordination with PEZA the conduct of inspections and post-market surveillance or monitoring of enterprises or products of PEZA-registered enterprises;

**4.0 Implementing Rules and Regulations or Supplemental Guidelines** – The PEZA, DDB and PDEA shall jointly prepare and formulate the rules and regulations to ensure the smooth and effective implementation of this MOA.

**5.0 Amendments.** - This MOA may be amended or modified upon mutual agreement of the parties, *Provided* that all amendments shall be covered by Supplemental Provisions as integral part of this MOA, *Provided further*, that any amendment or modification of this MOA or any part thereof shall take effect upon execution of a written instrument duly signed among parties; *Provided furthermore* that should circumstances warrant the revision of the agreements contained in this MOA, the concerned party shall, prior to such revision, grant a reasonable transition or grace period of implementation.

**6.0 Separability Clause.** - If any part or provision of this MOA is held invalid, other provisions not affected thereby shall remain in force and effect.

**7.0 Termination.** - This MOA or any part thereof may be terminated upon the written agreement of the parties.

**8.0 Effectivity.** - This MOA shall take effect upon execution and remain in force until all parties decide to terminate the same in accordance with the provisions of this MOA.

IN WITNESS WHEREOF, the parties hereunto have set their hands on the date and at the place above written.

**DANGEROUS DRUGS BOARD**

**PHILIPPINE DRUG ENFORCEMENT AGENCY**

By:

By:

  
**JOSE MARLOWE S. PEDREGOSA**  
Executive Director

  
**ARTURO G. CACDAC JR.**  
Director General

**PHILIPPINE ECONOMIC ZONE AUTHORITY**

By:

  
**LILIA D. DE LIMA**  
Director General

SIGNED IN THE PRESENCE OF:

  
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**ACKNOWLEDGEMENT**

Republic of the Philippines )  
Taguig City )s.s

BEFORE ME, a Notary Public for and in the above jurisdiction this 3rd day of May 2016, personally appeared:

<u>NAME</u>	<u>ID Name and Number</u>	<u>ISSUED ON/AT</u>
LILIA B DE LIMA	PEZA ID No. 01000101	Pasay
JOSE MARLOWE S. PEDREGOSA	DDB ID No. 104	QC
ARTURO G. CACDAC JR.	PDEA ID No. 20120018	QC

known to me and to me known to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their free act and voluntary deed as well as that of the entities represented.

This instrument refers to a Memorandum of Agreement consisting of five (5) pages including the page on which this acknowledgement is written, and signed by the parties and their instrumental witnesses.

WITNESS MY HAND AND NOTARIAL SEAL affixed at the place and on the date first above written.

Doc. No. 461 ;  
Page No. 94 ;  
Book No. 11 ;  
Series of 2016

*Jessica P. Palisog*  
**JESSICA P. PALISOG**  
 Notary Public for Pasay City  
 Commission No. 15-22 Until December 31, 2016  
 5/F PEZA Building, Roxas Blvd., Pasay City  
 Roll No. 52112  
 IBP O.R. No. 0991833/Rizal San Juan  
 PTR No. 2344825

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