

# MEMORANDUM CIRCULAR NO. 22-14

Series of 2022

To

: All Manufacturers and Importers of Steel Pipe Products Covered by

DAO 19-16, Series of 2019 and Others Concerned

**SUBJECT** 

Supplemental Guidelines for the Implementation of DAO 19-16,

Series of 2019

**WHEREAS,** the Department Administrative Order (DAO) 19-16, Series of 2019 took effect on 22 February 2020, the objective of which is to strictly ensure that steel pipe products comply with the specified safety and/or quality requirement/s as prescribed therein;

**WHEREAS,** Philippine National Standard (PNS) 2145:2020 – Steel – Black and galvanized longitudinally welded lightweight steel tubes – Specification was promulgated in December 2020 which specifies the classification and requirements for the materials, dimensions, color, methods of test, markings and bundling of black and pre-galvanized longitudinally welded lightweight steel tubes intended for steel frame structures;

**WHEREAS,** Rule 25.9 of DAO 19-16:2019 provides that all steel pipes declared not within the scope of the DAO (e.g. fence tube, scaffolding tube, structural tube, etc.) shall be subject for inspection and verification by the BPS/DTI/RO/PO or BPS-recognized Inspection Body. Certificate of Exemption shall be issued by BPS once verification showed that the inspected products are not within the scope of the DAO;

**WHEREAS**, the Philippine Association of Black Iron and Galvanized Iron Pipes and Tubes Manufacturers, Inc. requested the mandatory certification of black and galvanized longitudinally welded lightweight steel tubes due to influx of importation and to promote consumer safety;

**WHEREAS**, pursuant to Rule 23 of DAO 19-16, Series of 2019, BPS may issue such procedural guidelines as may be necessary in the implementation of this Order;

**WHEREFORE,** foregoing premises considered, this guideline is hereby issued to supplement the implementation of DAO 19-16, Series of 2019 for the guidance of all concerned:

## 1. SCOPE

This Supplemental Guideline includes the mandatory certification of black and galvanized longitudinally welded lightweight steel tubes, whether locally manufactured or imported. All provisions of DAO 19-16, Series of 2019 shall apply, unless repealed by conditions set herein.

## 2. SAMPLING PLAN

To determine the specific number of samples for black and galvanized longitudinally welded lightweight steel tubes, the table below shall apply:

For nominal size (DN) of 15mm to 40mm

Volume/Quantity	Sample	Sample Size	Acceptance Quality Limit (AQL)	
			ACCEPT14	REJECT15
			No. of failed/defective samples	
Up to 75,000pcs	1st set	3	0	2
	2 <sup>nd</sup> set	3	1	2
75,001pcs – 150,000pcs	1st set	5	0	3
	2 <sup>nd</sup> set	5	3	4
150,001pcs – 225,000pcs	1st set	8	0	3
	2 <sup>nd</sup> set	8	4	5
225,001pcs - 300,000pcs	1st set	13	2	5
	2 <sup>nd</sup> set	13	6	7
300,001pcs and above	1st set	20	3	6
	2 <sup>nd</sup> set	20	9	10

For nominal size (DN) of 50mm to 100mm

Volume/Quantity	Sample	Sample Size	Acceptance Quality Limit (AQL)	
			ACCEPT	REJECT
			No. of failed/defective samples	
Up to 18,000pcs	1st set	3	0	2
	2 <sup>nd</sup> set	3	1	2
18,001pcs – 36,000pcs	1st set	5	0	3
	2 <sup>nd</sup> set	5	3	4
36,001pcs – 54,000pcs	1st set	8	0	3
	2 <sup>nd</sup> set	8	4	5
54,001pcs – 72,000pcs	1st set	13	2	5
	2 <sup>nd</sup> set	13	6	7
72,001pcs and above	1st set	20	3	6
	2 <sup>nd</sup> set	20	9	10

2.1 The BPS, DTI ROs/POs, BPS-recognized auditing/inspection body shall facilitate the preparation of two (2) sets of black and hot dipped zinc-coated (galvanized) longitudinally welded steel pipes and black and galvanized longitudinally welded lightweight steel tubes per type, per class, per nominal size (DN) and per brand for every sample drawn properly labeled as first set and second set.

## 2.1.1 First set

One (1) meter long sample shall be cut from each piece, packed/sealed and signed in the presence of authorized representatives from BPS, DTI ROs/POs or BPS-recognized auditing/inspection body.

Sample Size Code Letters and Table 3-A – Double Sampling Plans for Normal Inspections of PNS 2859-1:2012 were used as reference.

ACCEPT : If the number of failed samples is equal and less than the number indicated REJECT : If the number of failed samples is equal to or more than the number indicated

#### 2.1.2 Second set

Test samples drawn shall be packed/sealed and signed in the presence of authorized representatives from BPS, DTI ROs/POs or BPS-recognized auditing/inspection body and shall be kept by the manufacturer or importer. The preparation of cut samples shall only commence if the number of failed samples from the first set is more than the AQL prescribed acceptance number but less than the prescribed rejection number.

#### 3. PRODUCT TESTING

- 3.1. Product testing for black and galvanized longitudinally welded lightweight steel tubes shall be conducted as follows:
  - 3.1.1. Dimensional Tests
    - 3.1.1.1. Length
    - 3.1.1.2. Workmanship, Finish, and Appearance
    - 3.1.1.3. Dimension
    - 3.1.1.4. Mass per unit length
  - 3.1.2. Mass of Zinc Coating
  - 3.1.3. Bend Test (for tubes with nominal diameter of 50mm and below)
  - 3.1.4. Flattening Test (for tubes with nominal diameter above 50mm)
- To verify conformance to the aforementioned testing requirements, the test methods prescribed by the PNS 2145:2020 shall be used. Considering the regular updating of standards, the latest edition of the PNS shall be used as reference. It is understood that future amendments of the PNS used in this Circular shall be effective two (2) years after its promulgation to provide ample time to all stakeholders to adjust and conform to the new requirements, if any.

#### 4. MARKINGS

For traceability and verification purposes, the required markings for manufactured or imported black and galvanized longitudinally welded lightweight steel tubes shall be properly marked at all times by rolling, stamping, inkjet printing or stenciling for verification by the BPS and DTI RO's/PO's, their authorized representatives, and by the duly authorized enforcement teams either at the manufacturer's/importer's warehouse or trader's/distributors'/retailers' warehouse, if applicable:

- 4.1 The required markings on the pipes for black and galvanized longitudinally welded lightweight steel tubes shall be as follows:
  - 4.1.1 Trademark or brand name
  - 4.1.2 The words "Structural Tube" or "Fence Tube"
  - 4.1.3 Nominal Diameter, in mm
  - 4.1.4 Length, in m
  - 4.1.5 Compliant to minimum weight per 6-m length as per PNS
  - 4.1.6 The words "Product of the Philippines", if locally manufactured or Country of Origin, if imported
  - 4.1.7 The words "Not for Water Use"
  - 4.1.8 Color code (black color) shall be marked on both ends of the tube
  - 4.1.9 Lot / Batch Number; and
  - 4.1.10 PS Mark with License Number

Note: Each pipe shall be marked with black paint on both ends of the tube.

- 4.2 Tags securely and properly attached to each bundle containing all the following information stamped or printed in a manner that is legible and not easily erasable:
  - 4.2.1 Trademark or brand name
  - 4.2.2 Manufacturer's or Importer's name and address in the Philippines
  - 4.2.3 No. of pieces
  - 4.2.4 PS Mark with License Number

In the absence of any of the required markings or submission of incomplete markings, the application for PS License, SOC or Certificate of Exemption shall not be processed until such time that the required markings are submitted or corrected.

#### 5 SURETY BOND

For imported black and hot dipped zinc-coated (galvanized) longitudinally welded steel pipes and black and galvanized longitudinally welded lightweight steel tubes, a Surety Bond amounting to One Hundred Fifty Thousand Pesos (Php 150,000.00) or five percent (5%) of the declared value/dutiable value in Philippine Peso, whichever is higher, shall be posted on a per shipment, per Bill of Lading/Airway Bill basis.

#### 6 REQUIRED CAPITALIZATION

All importers of black and hot dipped zinc-coated (galvanized) longitudinally welded steel pipes and black and galvanized longitudinally welded lightweight steel tubes shall be required to have at least Fifty (50) Million Pesos (Php 50,000,000.00) capitalization prior to importation. Proof of the same shall be submitted to BPS upon filing the application for Statement of Confirmation (SOC) and Certificate of Exemption as follows:

- 6.1 Duly filed Articles of Incorporation showing mınımum paid-up capitalization for corporations, or business permit and proof showing minimum declared capitalization for single proprietorship:
- 6.2 Copy of the latest Audited Financial Statement; and
- 6.3 Other documentary proof showing capitalization.

#### 7 TRANSITORY PROVISIONS

- 7.1 All manufacturers with existing valid PS License shall comply with the procedures and requirements of this Circular on the subsequent surveillance audit. All pending PS applications received prior to the effectivity of this Circular shall be processed in accordance with DAO 04:2008 and after the issuance of the PS License, manufacturers shall comply with the procedures and requirements of this Circular on the subsequent surveillance audit.
- 7.2 For existing foreign PS License holders with multiple importers, a list of existing importers shall be forwarded to BPS. The importers within the said list shall submit a copy of the authorization from the manufacturer upon applying for SOC.
- 7.3 The authority to import for existing importers shall be valid until the expiration of the License unless sooner revoked or superseded. Upon recertification, the foreign PS License holder shall appoint a specific importer to continue using the

- license number. For other and new/additional importers, new PS application shall be required.
- 7.4 All PS License applications received after the effectivity of this Circular shall be subject to the procedures and requirements prescribed herein.
- 7.5 All importations of black and galvanized longitudinally welded lightweight steel tubes shall be subject for inspection and verification by BPS/DTI RO/PO or BPS-recognized Inspection Body within twenty-four (24) months after the date of effectivity of this Circular. Certificate of Exemption and corresponding mark shall be issued by BPS upon satisfactory result of inspection and verification.
- 7.6 All existing manufacturers, both local and foreign, of black and galvanized longitudinally welded lightweight steel tubes covered by this Circular shall apply and secure a PS License within twenty-four (24) months after the date of effectivity of this Circular.
- 7.7 Twenty-four (24) months after the effectivity of this Circular, all local manufacturers of black and galvanized longitudinally welded lightweight steel tubes shall have a valid PS License. Likewise, all importations of black and galvanized longitudinally welded lightweight steel tubes shall be sourced from manufacturing plant/s with a valid PS License and shall comply with the SOC application requirements prescribed by DAO 19-16, Series of 2019 and this Circular.
- 7.8 All uncertified black and galvanized longitudinally welded lightweight steel tubes that are already distributed or offered for sale in the local market or remaining inventories at the local manufacturer's plant or warehouse prior to the effectivity of this Circular shall apply for a certification from the BPS within thirty-six (36) months after the effectivity of this Circular. The application shall be supported by the following:
  - 7.8.1 Summary of Products being applied for Certificate of Exemption listed in accordance to the format provided in Annex A or B.
  - 7.8.2 Any documentary proof that the products are locally manufactured or imported prior to the effectivity of this Circular (e.g. Production Records, Import Entry, Bill of Lading, Notice of Arrival, etc.)

Certificate of Exemption and corresponding mark shall be issued upon satisfactory result of evaluation.

- 7.9 To ensure strict compliance, monitoring and enforcement shall be conducted thirty-six (36) months after the effectivity of this Circular. After this period, only black and galvanized longitudinally welded lightweight steel tubes bearing a valid PS Mark and other BPS-issued certification mark shall be sold, offered for sale or distributed in the local market.
- 7.10 All non-compliant products shall be subject to the following:
  - 7.10.1 First Offense Notice of Violation shall be issued but retailers/distributors shall only be advised to pull-out the items from the selling area.
  - 7.10.2 Second Offense onwards Notice of Violation shall be issued subject to the regular adjudication process.

# 8 REPEALING CLAUSE

All other orders or parts thereof which are inconsistent with the provisions of this Circular are hereby repealed or amended accordingly. Other provisions not covered by this Memorandum Circular shall remain effective thereof.

This Memorandum Circular shall be effective fifteen (15) days after its publication in a newspaper of general circulation, a copy of which shall be submitted to the UP Office of National Administrative Register.

For the information and guidance of those concerned.

Done in the City of Makati this 15th day of June in the year 2022.

Recommended by:

NEIL P. CATAJAY Director, BPS ATTY. RUTH B. CASTELO Undersecretary, CPG

DO 22.60

Approved by

RAMON M. COPEZ

Secretary