



Republic of the Philippines  
CITY COUNCIL  
City of Manila

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SPECIAL SESSION NO. 3

11<sup>th</sup> CITY COUNCIL

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Begun and held in the City Council on Saturday,  
the fourteenth day of March, Two Thousand Twenty

**ORDINANCE NO. 8618**

**AN ORDINANCE** REGULATING ALL BUSINESS ESTABLISHMENTS AND PRESCRIBING SAFETY MEASURES FOR THE PROTECTION OF CONSUMERS IN THE CITY OF MANILA AGAINST HOARDING, PROFITEERING AND CARTELS WITH RESPECT TO SUPPLY, DISTRIBUTION, MARKETING AND PRICING OF GOODS AND MEDICINES DURING CALAMITY AND EMERGENCY SITUATIONS AND SIMILAR OCCASIONS AND PROVIDING PENALTY FOR VIOLATION THEREOF

PRINCIPAL AUTHORS:

**HON. ERNESTO C. ISIP, JR.**  
President Pro-Tempore

and

**HON. JOEL R. CHUA**  
Majority Floor Leader



## PREAMBLE

WHEREAS, the 1987 Constitution provides that; the "maintenance of peace and order, the protection of life, liberty, and property, and the promotion of general welfare are essential for the enjoyment by all the people of the blessings of democracy" (*Section 5, Article II, Declaration of Principles and State Policies*), Also, "The State shall protect and promote the right of health of the people and instill health consciousness among them" (*Sections 15, Article II, Declaration of Principles and State Policies*);

WHEREAS, the Price Act clearly articulated the following: "It is the policy of the State to ensure the availability of basic necessities and prime commodities at reasonable prices at all times without denying legitimate business a fair return on investment. It is also a declared policy of the State to provide effective and sufficient protection to consumers against hoarding, profiteering and cartels with respect to the supply, distribution, marketing and pricing of said goods especially during periods of calamity, emergency, widespread illegal price manipulation and other similar situations." (*Section 2, Republic Act No. 7581, May 27, 1992*);

WHEREAS, the General Welfare Clause under the Local Government Code likewise stated that: "Every local government shall exercise the powers expressly granted, those necessarily implied therefrom, as well as powers necessary, appropriate, or incidental for its efficient and effective governance, and those which are essential to the promotions of the general welfare. Within their respective territorial jurisdiction, local government units shall ensure and support, among other things, the preservation and enrichment of culture, promote health and safety, enhance the right of the people to a balanced ecology, encourage and support the development of appropriate and self-reliant scientific and technological capabilities, improve public morals, enhance economic prosperity and social justice, promote full employment among their residents, maintain peace and order, and preserve the comfort and convenience of their inhabitants." (*Section 16, Republic Act No. 7160*);

WHEREAS, on March 8, 2020, President Rodrigo Roa Duterte issued Proclamation No. 922 Declaring the Philippines Under the State of Public Health Emergency In View of the Novel Coronavirus Disease or COVID-19 outbreak;

WHEREAS, consequently, an Executive Order No. 14, Series of 2020, was issued by His Honor, Mayor Francisco "Isko Moreno" Domagoso, providing for precautionary measures to contain the spread of Coronavirus Disease (COVID-19), including suspension of all public events and mass gatherings organized by or to be conducted in collaboration with the City Government of Manila;

WHEREAS, the Department of Health has confirmed a growing number of cases infected by the virus in our country particularly in the National Capital Region (NCR). In fact, this virus has affected more than a hundred countries worldwide and a significant number of people were reported to have been inflicted with several fatalities prompting the World Health Organization (WHO) to declare the outbreak as a pandemic;

WHEREAS, despite this catastrophic incident, unscrupulous businessmen are taking advantage of this appalling situation to earn more profit by hoarding, profiteering and cartels on basic necessities and prime commodities: NOW, THEREFORE,

Be it ordained by the City Council of Manila, in session assembled, *THAT*:

**SECTION 1. Title.** – This Ordinance shall be known as "Anti-Hoarding, Profiteering and Cartel Ordinance of the City of Manila".

**SEC. 2. Definition of Terms.** – For purposes of this Ordinance, the terms:

- (1) "*Basic necessities*" are goods vital to the needs of consumers for their sustenance and existence in times of any of the cases provided under the Sections 6 and 7 of the Price Act, such as, but not limited to, rice, corn, bread, fresh, dried and canned fish and other marine products, fresh pork, beef and poultry meal, fresh eggs, potable water in bottles and containers, fresh and processed milk, fresh vegetables, locally manufactured instant noodles, root crops, coffee, sugar, cooking oil, salt, laundry soap, detergents, firewood, charcoal, household liquefied petroleum gas (LPG) and kerosene, candles, and drugs classified as essential by the Department of Health and such other goods as may be included under Section 4 of the Price Act; unless otherwise excluded;
- (2) "*Cartel*" is committed when any combination of or agreement between two (2) or more persons engaged in the production, manufacture, processing, storage, supply, distribution, marketing, sale or disposition of any basic necessity or prime commodity designed to artificially and unreasonably increase or manipulate its price;
- (3) "*Hoarding*" is the undue accumulation by a person or combination of persons of any basic commodity beyond his or their normal inventory levels or the unreasonable limitation or refusal to dispose of, sell or distribute the stocks of any basic necessity or prime commodity to the general public or the unjustified taking out of any basic necessity or prime commodity from the channels of reproduction, trade, commerce and industry;
- (4) "*Panic-buying*" is the abnormal phenomenon where consumers buy basic necessities and prime commodities grossly in excess of their normal requirement resulting in undue shortages of such goods to the prejudice of less privileged consumers;
- (5) "*Person*" means a natural person or juridical person;
- (6) "*Prevailing price*" means the average price at which any basic necessity has been sold in a given time within a month from the occurrence of any of the conditions enumerated under Section 6 of the Price Act;
- (7) "*Price ceiling*" means the maximum price at which any basic necessity or prime commodity may be sold to the general public;
- (8) "*Prime commodities*" include fresh fruits; flours; dried processed and canned pork; beef and poultry meat; dairy products not falling under basic necessities; noodles; onions; garlic; vinegar; patis; soy sauce; toilet soap; fertilizer; pesticides; herbicides; poultry; swine; and cattle feeds; veterinary products for poultry; swine and cattle; paper; school supplies; nipa shingles; sawali; cement; clinker; GI sheets; hollow blocks; plywood; plyboard; construction nails; flashlight; batteries; electrical supplies; light bulbs; steel wire; and all drugs not classified as essential drugs by the Department of Health; and
- (9) "*Profiteering*" is the sale or offering for sale of any basic necessity or prime commodity at a price grossly in excess of its true worth.

**SEC. 3. Coverage.** - Unless otherwise provided by any law or ordinance, all business establishments within the City of Manila are covered by this Ordinance.

**SEC. 4. Illegal Acts.** - It shall be unlawful for any business establishment operating within the City of Manila to commit an act of hoarding, profiteering and/or cartel. The prima facie evidence of hoarding, profiteering and/or cartel are those defined under Section 5 of Republic Act No. 7581.

**SEC. 5. Mandatory Requirements for all Business Establishments in the City of Manila during the period of calamity or emergency situation and similar occasions.** - During the effectivity of this Ordinance, all business establishments within the City of Manila are mandated to comply the following:

- (1) Posting in a conspicuous place the following list of the items together with the prevailing price and limitations regulated by this Ordinance;
- (2) All basic necessity or prime commodity being sold should have its corresponding price tag;
- (3) Subject to reasonable changes as may be duly determined by the implementing offices, there shall be limitations of items to be sold per person per day. The list of the Kind of Goods with its corresponding Limit for individual consumers and for registered retailers, sari-sari store customers, restaurants, hotels, and the likes is attached and marked herewith as ANNEX "A" and intended to be made part and parcel of this Ordinance.

**SEC. 6. Powers and Responsibility of the City Mayor.** - The City Mayor or his duly authorized representative shall have the following additional powers and responsibilities to carry out the intents and purposes of this Ordinance.

- (1) The City Mayor is authorized to create a special task force for the proper implementation and monitoring of this Ordinance and to issue, if necessary, additional implementing rules and regulation covering additional items and goods that need regulation or deregulation;
- (2) The City Mayor is also authorized, upon recommendation of the task force, to add items to the list of basic necessities and prime commodities enumerated in Section 5 (3) of this Ordinance.
- (3) Institute and establish temporary measures to ensure orderly and equitable distribution of sale to consumers so as to avoid hoarding, profiteering and cartel of basic necessities and prime commodities during the time of emergency.

**SEC. 7. Appropriations.** - To carry out the provisions of this Ordinance, such amount as hereby necessary is hereby authorized to be appropriated from the calamity fund or discretionary fund under the Office of the Mayor.

**SEC. 8. Penalty.** - Any establishment found violating this Ordinance shall suffer the penalty of closure and/or revocation of their Mayor's and/or Business Permits and shall be prohibited from doing business in the City of Manila for a period not to exceed Five (5) years to be reckoned from the time of closure and/or revocation of permits. This does not preclude the City Government from filing appropriate charges of violating the Price Act law, among others.


**SEC. 9. Repealing Clause.** - Any City Ordinance contrary to or inconsistent with any provisions of this Ordinance is hereby repealed and/or modified accordingly.

**SEC. 10. Separability Clause.** - If, for any reason, a part of this Ordinance is declared illegal or invalid, other parts or provisions hereof which are not affected thereby shall remain valid and in full force and effect.


**SEC. 11. Effectivity Clause.** – This Ordinance shall take effect immediately upon approval due to the urgency of the concern caused by the COVID-19 pandemic. Should the declared state of emergency be lifted, the regulations imposed in this Ordinance shall accordingly be suspended. This Ordinance shall be effective during the time that the President of the Philippines shall declare the entire country, or part thereof which includes the City of Manila, under the state of emergency or calamity or any similar situation and/or the City Mayor shall declare the entire City under the state of emergency or calamity or any similar situation. Should the City Mayor declare only part or portion of the City under the state of emergency or calamity or any similar situation, only in that part or portion of the City that this Ordinance shall apply.

This Ordinance was finally enacted by the City Council of Manila on March 14, 2020.

PRESIDED BY:

  
**ERNESTO C. ISIP, JR.**  
President Pro-Tempore and  
Acting Presiding Officer  
City Council, Manila

ATTESTED:

  
**JOSHUA R. SANTIAGO, MPMG**  
City Government Assistant Department Head III  
(Assistant Secretary to the City Council)

APPROVED BY HIS HONOR, THE MAYOR, ON

MAR 14 2020

  
**FRANCISCO "Isko Moreno" DOMAGOSO**  
Mayor  
City of Manila

ATTESTED:

  
**BERNARDITO C. ANG**  
City Government Department Head III  
(Secretary to the Mayor)

RNF: rb/jhb/md/cpl/eee