



Republic of the Philippines
Office of the President
DANGEROUS DRUGS BOARD

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BOARD RESOLUTION NO. 121
Series of 2012

SUBJECT: RELEASE OF THE SEPTEMBER 8, 2012 SHIPMENT OF COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC. AND CLEARING THE SAME FROM ANY FURTHER LIABILITY

WHEREAS, pursuant to Section 81 (b) and (r) of Article IX of RA 9165, otherwise known as the Comprehensive Dangerous Drugs Act of 2002 (RA 9165), the Board issued Board Regulation No. 3, Series of 2003 which provides for the “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”;

WHEREAS, pursuant to Section 81 (b) and (r) of Article IX of RA 9165, the Board likewise issued Board Regulation No. 5, Series of 2006, which provides for the “Imposition of Fines and other Sanctions for Violations Committed on the Pertinent Provisions of Board Regulation No. 3, Series of 2003”;

WHEREAS, COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC., with address at Visayas Ave., BEZ, Mariveles, Bataan, is possessed of a PDEA P5-IM license with license number P5-IM-01365001-RO38 (License to import specified controlled chemicals, as End – user, Acquisition of controlled chemical shall be made through importation. The license holder is authorized to acquire controlled chemicals from local sources but is not authorized to resell acquired chemicals) issued on April 4, 2012 and valid until May 21, 2013;

WHEREAS, on September 8, 2012, **COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC.’s** shipment of resin solutions (with <10% Acetone) used for the production of fiberglass reinforced products arrived at the Port of Manila from France without the necessary importation permit / certificate of exemption, in violation of Section 6 (2) (b) of Board Regulation No. 3, Series of 2003 which states that no operator shall import any dangerous drug or controlled chemicals and their preparations in the absence of a separate import permit or Certificate of Exemption;

WHEREAS, Section 29 (d) of Board Regulation No. 3, Series of 2003 provides that a consignment of a dangerous drug or controlled chemical is liable to forfeiture if there is no import permit from the PDEA;

WHEREAS, on September 14, 2012, PDEA directed **COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC.** to pay Php 10,000.00 fine without prejudice for the conduct of forfeiture proceedings by the Bureau of Customs;

WHEREAS, on September 21, 2012, **COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC.** paid the Php 10,000.00 fine but requested both the PDEA and the DDB in writing that the subject shipment be not subjected to forfeiture proceedings;

WHEREAS, after evaluation of documents submitted, it has been determined that the violation committed by **COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC.** was not willful and it has no participation in the acquisition of the resin solutions, as the same was undertaken by Bahrain Fiberglass, Limited (BFG), its mother company, Nord Composites, the producer of aforesaid resin solutions, for the construction of train panels in favor of BFG's client, Downer EDI Rail;

WHEREAS, the resin solutions used by **COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC.** from previous suppliers did not contain any controlled chemicals and were thus surprised to learn that the subject shipment had a controlled chemical component;

WHEREAS, the Acetone content in the subject shipment is less than 10%, therefore, the controlled chemical component is very minimal and neither does it present a risk of abuse nor the quantity of the same be recovered to present such risk;

WHEREAS, COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC. is a registered Freeport Area of Bataan (FAB) enterprise and records of the PDEA Compliance Service show that Composite has not been previously involved in any violations relating to want of importation permit and / or Certificate of Exemption;

WHEREAS, COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC. has already paid the imposed fine and to subject the shipment to forfeiture proceedings due to an unintentional lapse or simple negligence would not be commensurate to the violation committed and may be construed as an act that will hamper operations of legitimate industries;

WHEREAS, considering the fact that **COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC.** was in good faith relative to the importation of subject shipment since the same was merely done in the ordinary course of business and that the controlled chemical content in the shipment is very minimal (< 10% Acetone), the subject shipment may be released.

WHEREFORE, be it **RESOLVED**, as it is hereby **RESOLVED**: That-

- a. The **SEPTEMBER 8, 2012 SHIPMENT** of **COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC.** has satisfactorily **COMPLIED** with the DDB / PDEA administrative and regulatory requirements;
- b. The forfeiture proceedings provided for in Section 29 (d) of DDB Board Regulation No. 3, Series of 2003 be **WAIVED**; and,
- c. **COMPOSITE DESIGNS AND TECHNOLOGIES LIMITED, INC. IS STERNLY WARNED THAT A REPETITION OF SAID ACT SHALL BE DEALT WITH MORE SEVERELY.**

APPROVED and ADOPTED this 18th day of October, in the year of Our Lord, 2012 in Quezon City.

(Sgd.) **Secretary ANTONIO A. VILLAR, JR.**
Chairman, Dangerous Drugs Board

Attested:

(Sgd.) **Assistant Secretary BENJAMIN P. REYES**
OIC-Secretary of the Board