Office of the Secretary

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES *First Regular Session*

23 MAY 15 P2:08

RECEIVED BY

SENATE S. No. 2185

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INTRODUCED BY SENATOR RONALD "BATO" DELA ROSA

AN ACT

PROMOTING AND REVITALIZING THE SALT INDUSTRY OF THE PHILIPPINES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8172, OTHERWISE KNOWN AS "AN ACT FOR SALT IODIZATION NATIONWIDE (ASIN)," PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

To borrow words from the title of a news article, if we continue to neglect our local salt industry, it would be 'a sin.'¹ Sadly, it appears that such neglect and languishing has been the unintended consequence of a well-intentioned law, Republic Act No. 8172, otherwise known as the 'ASIN.' It was the goal of the Asin Law to prioritize the over-all health of the country, thereby putting premium on iodization in order to address our iodine deficiency rate. And while the iodine deficiency rate did decrease, unfortunately, so did our local production rate.

Since many of our salt farmers could not afford the cost of iodization, they were forced to move on to other industries. Such is a painful irony, that a country that is blessed with so many glorious seas and beaches, with a 36,000-kilometer shoreline, is the same one that is importing majority of its salt supply, able only to produce 20% locally.² In response to this problem, the Department of Agriculture (DA) issued in September of 2022 the implementing guidelines of the Development of Salt Industry

¹ Yvette Tan, "It's a sin to let the local salt industry languish," 21 May 2021. Retrieved from: <u>https://mb.com.ph/2021/05/21/its-a-sin-to-let-the-local-salt-industry-languish/</u>, retrieved on 26 February 2023.

² Ibid.

Project, which was allotted a funding of P100-million.³ The aim of the said program is to boost local salt production with the use of modern technology.

While this initiative from the DA is laudable, it is also necessary that this initiative be paired with legislative action. This bill seeks to amend the ASIN Law in order to stimulate the local salt industry through the establishment of a Salt Industry Development and Revitalization Program. The Salt Industry shall be guided by a Salt Industry Development and Revitalization Plan to be crafted by the DA and the Bureau of Fisheries and Aquatic Resources (BFAR). Ultimately, the goal is to institutionalize our support for our local salt producers, without undermining the original intent of the ASIN Law, which is to promote the health of Filipinos.

For these reasons, let us not be guilty of 'a sin' of neglect of our salt farmers, and push for the swift passage of this bill into law.

RONALD "BATO" DELA ROSA

³ Jordeene Lagare, "Salt industry revival plan to start with 'profiling' – DA," 16 September 2022. Retrieved from: <u>https://newsinfo.inquirer.net/1665198/salt-industry-revival-plan-to-start-with-profiling-da</u>, retrieved on 26 February 2023.

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Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 Section 1. Short Title. – This Act shall be known as the "Salt Industry 2 Development and Revitalization Act." 3 4 Sec. 2. Section 3 of R.A. No. 8172 or "An Act for Salt lodization Nationwide 5 (ASIN)" is hereby amended, to read as follows: 6 "SEC. 3. Purposes. - The purposes of this Act are to: 7 a) $x \times x$; b) [require -- all] ENCOURAGE LOCAL producers AND [/] manufacturers of 8 9 food-grade salt to iodize the salt that they produce **AND** [-] manufacture [-, 10 import, trade or distribute]; 11 c) require the Department of Health (DOH) to undertake iodization program for 12 [Bureau of Food and Drugs (BFAD)] its FOOD AND DRUG 13 **ADMINISTRATION (FDA)**, to set and enforce standards for food-grade 14 iodized salt and to monitor compliance thereof by the food-grade salt 15 manufacturers; 16 ХХХ

- f) direct the Department of Science and Technology (DOST) [, in collaboration
 with the Technology and Livelihood Resource Center (TLRC),] to initiate,
 promote, and cause the transfer of technology for salt iodization;
- 4 x x x
- j) REQUIRE ALL IMPORTERS, TRADERS, AND DISTRIBUTORS OF
 IMPORTED FOOD-GRADE SALT TO COMPLY WITH THE IODIZATION
 STANDARDS SET UNDER THIS ACT; AND
- k) DIRECT THE DEPARTMENT OF AGRICULTURE (DA), BUREAU OF
 FISHERIES AND AQUATIC RESOURCES (BFAR), DEPARTMENT OF
 TRADE AND INDUSTRY (DTI), DEPARTMENT OF LABOR AND
 EMPLOYMENT (DOLE), AND THE DEPARTMENT OF SCIENCE AND
 TECHNOLOGY (DOST) TO PROVIDE SUPPORT TO SALT FARMERS,
 REVITALIZE THE LOCAL SALT INDUSTRY, AND ENSURE THE
 SUSTAINABLE DEVELOPMENT OF OUR AQUATIC RESOURCES."
- 15
- 16 Sec. 3. Section 4 of R.A. No. 8172 is hereby amended, to read as follows:
- 17 "Sec. 4. *Definition of Terms*. For purposes of this Act, the following
 18 terms shall mean:
- 19 x x x

 h) LOCAL PRODUCER OR Manufacturer - [one who produces, imports, trades, and distributes salt] A PERSON, CORPORATION, OR ASSOCIATION THAT
 TRANSFORMS RAW MATERIALS OR COMPONENTS, BY HAND OR BY
 MACHINE, INTO SALT, AND TRADES AND DISTRIBUTES SAID
 PRODUCT. LOCAL SALT PRODUCERS OR MANUFACTURERS ARE
 CATEGORIZED AS FOLLOWS:

- 261. SUBSISTENCE PRODUCER/MANUFACTURER A PERSON OR27ASSOCIATION ENGAGED IN THE PRODUCTION, TRADE, AND28DISTRIBUTION OF SALT NOT EXCEEDING TWO METRIC TONS29(2 M.T.) PER YEAR.
- 302. SMALLPRODUCER/MANUFACTURER- APERSON,31CORPORATION, ORASSOCIATIONENGAGEDINTHE32PRODUCTION, TRADE, AND DISTRIBUTION OF SALT RANGING
 - 2

1FROM MORE THAN TWO METRIC TONS (2 MT) TO THREE2METRIC TONS (3 MT) PER YEAR.

3 3. MEDIUM **PRODUCER/MANUFACTURER** Α PERSON, 4 CORPORATION, OR ASSOCIATION ENGAGED IN THE 5 **PRODUCTION, TRADE, AND DISTRIBUTION OF SALT RANGING** 6 FROM MORE THAN THREE METRIC TONS (3 MT) TO TWO 7 THOUSAND METRIC TONS (2,000 MT) PER YEAR,

8 4. LARGE **PRODUCER/MANUFACTURER** PERSON, - A 9 CORPORATION, OR ASSOCIATION ENGAGED IN THE 10 PRODUCTION, TRADE, AND DISTRIBUTION OF SALT 11 EXCEEDING TWO THOUSAND METRIC TONS (2,000 MT) PER 12 YEAR.

13THE BFAR SHALL MAINTAIN A REGISTRY OF ALL LOCAL14PRODUCERS OR MANUFACTURERS IN EVERY PROVINCE. THE15SAME LIST SHALL BE PROVIDED TO THE FOOD AND DRUG16ADMINISTRATION (FDA) FOR THE MONITORING OF17IODIZATION EFFORTS.

i) [Subsistence producer/manufacturer - one who produces, trades in,
 or distributes salt not exceeding two metric tons (2 m.t.) of salt per
 year.]

18

j) [Small_producer/manufacturer_one_who_produces, trades_in, or
 distributes salt ranging from more than two metric tons (2 m.t.) to three
 metric tons (3 m.t.) per year.]

- k) [Medium producer/manufacturer --- one who produces, trades in, or
 distributes salt ranging from more than three metric tons (3 m.t.) to two
 thousand metric tons (2,000 m.t.) per year.]
- 28 I) [Large producer/manufacturer one who produces, trades-in, or
 29 distributes salt exceeding two thousand metric tons (2,000 m.t.) per
 30 year; J
- 31i) SALT IMPORTER, TRADER, AND DISTRIBUTOR- REFERS TO A32PERSON, CORPORATION, OR ASSOCIATION ENGAGED IN THE

1IMPORTATION, TRADE, AND/OR DISTRIBUTION OF IMPORTED2SALT. THE FDA SHALL MAINTAIN A REGISTRY FOR THE3MONITORING OF COMPLIANCE WITH THE SALT IODIZATION4PROGRAM. THE SAME LIST SHALL BE SUBMITTED BY THE FDA5TO THE BFAR FOR THE PROPER MONITORING OF THE ENTIRE6SALT INDUSTRY.

j) AQUATIC RESOURCES - INCLUDE FISH, ALL OTHER AQUATIC
 FLORA AND FAUNA AND OTHER LIVING RESOURCES OF THE
 AQUATIC ENVIRONMENT, INCLUDING, BUT NOT LIMITED TO,
 SALT AND CORALS.

11k) IL OCANO COOKED SALT - REFERS TO SALT PRODUCED IN12THE ILOCOS REGION AND OTHER PROVINCES IN NORTHERN13LUZON, WHICH IS PART OF THE CULTURAL HERITAGE OF THE14ILOCANO PEOPLE.

15 I) LOCAL FILIPINO SEA SALT - ALSO REFERRED TO AS 'SOLAR
 16 SALT' AND 'TAKAL SALT,' IS A LOCALLY-PRODUCED SEA SALT
 17 BY SOLAR EVAPORATION OF SEA WATER INTO BRINE.

18m) PHILIPPINE ARTISANAL SALT - REFERS TO LOCAL SAL TS19WHICH USE DIFFERENT AND TRADITIONAL PRODUCTION20TECHNIQUES. THIS INCLUDES ASIN TIBUOK PRODUCED IN21BOHOL, DULDUL SALT MADE IN GUIMARAS, ASIN SA BUY-O OF22ZAM BALES, AND SUGPO ASIN OF PANGASINAN, AMONG23OTHERS.

24 Sec. 4. Section 6 of the same Act is hereby amended, to read as follows:

25 "SEC. 6. Support to the Salt Industry. - TO REVITALIZE THE SALT
 26 INDUSTRY AND SUPPORT SUBSISTENCE AND SMALL SALT
 27 FARMERS/PRODUCERS/MANUFACTURERS, THERE IS HEREBY
 28 CREATED A SALT INDUSTRY DEVELOPMENT AND REVITALIZATION
 29 PROGRAM UNDER THE DEPARTMENT OF AGRICULTURE.

30THE BFAR SHALL PREPARE THE SALT INDUSTRY PLAN FOR THE31IMPLEMENTATION OF THE PROGRAM, CONSISTING OF POLICY

4

1DIRECTIONS, STRATEGIC ACTION POINTS, AND MEASURABLE2TARGETS, CONSISTENT WITH THE PROVISIONS OF THIS ACT.

3 IN THE PERFORMANCE OF ITS FUNCTIONS AND IN THE 4 PREPARATION OF THE PLAN, THE DA AND THE BFAR SHALL CONSULT 5 WITH LOCAL SALT PRODUCERS AND MANUFACTURERS, IMPORTERS, 6 TRADERS, AND DISTRIBUTORS, LOCAL GOVERNMENT UNITS, CIVIL 7 SOCIETY ORGANIZATIONS, AND CONCERNED GOVERNMENT 8 AGENCIES INCLUDING, BUT NOT LIMITED TO, THE DEPARTMENT OF 9 HEAL TH (DOH) AND ITS ATTACHED AGENCIES, THE DEPARTMENT OF 10 TRADE AND INDUSTRY (DTI), THE DEPARTMENT OF SCIENCE AND 11 TECHNOLOGY (DOST), THE DEPARTMENT OF ENVIRONMENT AND 12 NATURAL RESOURCES (DENR), THE DEPARTMENT OF FINANCE 13 (DOF), AND THE COOPERATIVE DEVELOPMENT AUTHORITY (CDA). 14 IN THE FORMULATION OF THE PLAN, THE DA AND THE BFAR SHALL

15 **BE GUIDED BY THE FOLLOWING OBJECTIVES:**

 16
 A) INCREASED PRODUCTIVITY AND INCOME OF LOCAL

 17
 SALT PRODUCERS AND MANUFACTURERS;

18B) REHABILITATION AND MODERNIZATION OF THE SALT19INDUSTRY TOWARDS PRODUCTIVITY;

20C) INCREASED NUMBER OF LOCAL PRODUCERS AND21MANUFACTURERS;

22D)PROTECTION AND PROMOTION OF THE LIVELIHOOD23AND WELFARE OF SALT FARMERS;

24E) EFFICIENT DELIVERY OF SUPPORT SERVICES FOR THE25SALT INDUSTRY;

26F)PRESERVATION OF LOCAL AND TRADITIONAL SALT27PRODUCTION TECHNIQUES; AND

28G) PROMOTION AND DEVELOPMENT OF MARKETING29AGENDA FOR PHILIPPINE ARTISANAL SALT.

30THE PLAN SHALL INCLUDE SPECIFIC OBJECTIVES AND31POLICIES ON THE IMPORTATION OF SALT: PROVIDED, THAT

 1
 PREFERENTIAL ATTENTION SHALL BE GIVEN TO LOCAL SALT

 2
 FARMERS, PRODUCERS, AND MANUFACTURERS.

THE PLAN SHALL ALSO INCLUDE A SYSTEM OF INCENTIVES
 FOR LOCAL PRODUCERS AND MANUFACTURERS TO
 ENCOURAGE THE PRODUCTION AND MANUFACTURE OF SALT
 WITH APPROPRIATE IODINE CONTENT.

WITHIN NINETY (90) DAYS FROM THE EFFECTIVITY OF THIS
ACT, THE DA SHALL SUBMIT THE PLAN TO THE PRESIDENT OF
THE PHILIPPINES FOR APPROVAL.

10THE DA AND THE BFAR SHALL ENSURE THAT THE SALT11INDUSTRY DEVELOPMENT AND REVITALIZATION PROGRAM IS12CONSISTENT WITH THE SALT IODIZATION EFFORTS OF13GOVERNMENT. The following agencies and institutions shall support14the salt iodization program through their respective internal programs.

A) The DTI is hereby required to assist and support local salt producers/manufacturers in upgrading their production technologies to include iodization [by helping them obtain soft loans and financial assistance for the procurement of salt iodization machines, packaging equipment and technology fortificant; and] by ensuring systematic distribution of the iodized salt in the market;

- 21 x x x
- 22 C) x x x; [and]

23 D) x x x; [-];

24 E) THE DTI, THROUGH THE SMALL BUSINESS CORPORATION, 25 THE LAND BANK OF THE PHILIPPINES (LBP), AND THE 26 DEVELOPMENT BANK OF THE PHILIPPINES (DBP) SHALL 27 PROVIDE SOFT LOANS AND FINANCIAL ASSISTANCE TO 28 QUALIFIED SUBSISTENCE, SMALL, AND MEDIUM PRODUCERS 29 AND MANUFACTURERS FOR THE PROCUREMENT OF SALT 30 IODIZATION MACHINES, PACKAGING EQUIPMENT, TECHNOLOGY FORTIFICANT, AND SUCH OTHER PURPOSES 31

6

 1
 THAT WILL FACILITATE THE GROWTH AND RECOVERY OF THE

 2
 SALT INDUSTRY; AND

F) THE DOLE AND THE TECHNICAL EDUCATION AND SKILLS
 DEVELOPMENT AUTHORITY SHALL DETERMINE AND PROVIDE
 THE NECESSARY SKILLS DEVELOPMENT, TRAINING, AND
 EMPLOYMENT NEEDS OF WORKERS IN THE SALT INDUSTRY.
 x x x"

8 Sec. 5. A new Section 7 is hereby inserted after the amended Section 6 of the9 same Act, to read as follows:

"SEC. 7. SALT INDUSTRY DEVELOPMENT FUND. - THE AMOUNT 10 11 NEEDED FOR THE INITIAL IMPLEMENTATION OF THE SALT 12 INDUSTRY DEVELOPMENT AND REVITALIZATION PROGRAM SHALL 13 **BE CHARGED TO THE CURRENT YEAR'S APPROPRIATIONS OF THE DA:** 14 PROVIDED, THAT THE AMOUNT SHALL NOT BE LESS THAN FIVE 15 HUNDRED MILLION PESOS (P500,000,000.00). THEREAFTER, SUCH 16 SUMS AS BE MAY NECESSARY FOR ITS CONTINUED **IMPLEMENTATION SHALL BE INCLUDED IN THE ANNUAL GENERAL** 17 18 **APPROPRIATIONS ACT.**

19THE AMOUNT ALLOCATED SHALL BE RELEASED DIRECTLY TO20THE IMPLEMENTING AGENCIES, BASED ON THE OBJECTIVES OF THE21SALT INDUSTRY DEVELOPMENT AND REVITALIZATION PLAN."

Sec. 6. *Separability Clause*. If any part or provision of this Act is held unconstitutional or invalid, other parts or provisions hereof which are not affected shall continue to remain in full force and effect.

25 Sec. 7. *Repealing Clause.* - All laws, executive orders, issuances, rules and 26 regulations inconsistent with this Act are hereby amended, repealed or modified 27 accordingly.

28 Sec. 8. *Effectivity.* - This Act shall take effect fifteen (15) days after its 29 publication in a newspaper of general circulation.

Approved,

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