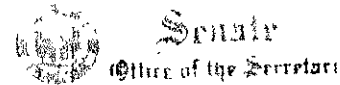


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SENATE

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Senate Bill No. 2831

(In Substitution of Senate Bill Nos. 294, 312, 1130 and 1885)

Prepared and submitted jointly by the Committees on Agriculture and Food, Trade, Commerce and Entrepreneurship and Finance, with Senators Revilla, Villar, Trillanes IV, and Defensor Santiago as authors

AN ACT
INSTITUTING THE PHILIPPINE HALAL EXPORT DEVELOPMENT AND PROMOTION PROGRAM, CREATING FOR THE PURPOSE THE PHILIPPINE HALAL EXPORT DEVELOPMENT AND PROMOTION BOARD, AND FOR OTHER PURPOSES

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

1 **SECTION 1. Title.** – This Act shall be known as the “Philippine Halal Export
2 Development and Promotion Act of 2015.”

3 **SEC. 2. Declaration of Policy.** – Recognizing the significant role of exports to
4 national economic development, and the potential contribution of Halal industries, it is
5 hereby declared the policy of the State to promote the growth and ensure the
6 integrity and quality of Philippine Halal exports.

7 With the internationalization of markets brought about by globalization and
8 economic integration, and mindful of the State’s commitment under international
9 trade agreements including multilateral and bilateral mutual recognition agreements,
10 harmonization of standards to international standards and compliance to standards of
11 Halal products, processes and services become indispensable. The State, therefore,
12 shall assert its right to exercise police power against trade malpractices.

13 It is also the policy of the State to develop and promote Halal industries as
14 mode of achieving equity and justice among our farmers and producers, and
15 increasing employment opportunities for the domestic labor force. With this, the State

1 shall adopt measures to make Halal exports more competitive through, among
2 others, research and product development, quality assurance measures, value-
3 adding mechanisms, thereby making the Philippines an active player in regional and
4 international markets and not just a mere spectator of globalized trade.

5 Lastly, it shall also be the policy of the State to protect consumers and users of
6 Halal products, processes and services from unscrupulous and unfair agricultural,
7 manufacturing and trade practices.

8 Towards these ends, the State shall establish a comprehensive program for
9 the development and promotion of Halal export, provide the policy, regulatory, and
10 coordinative structures and mechanisms for the promotion and export of Philippine
11 Halal products, and institute measures and provide programs to ensure compliance
12 and integrity of producers, manufacturers and providers of Halal products, processes
13 and services to national and/or international or foreign standards.

14 **SEC. 3. *Definition of Terms.*** – As used in this Act, the following terms shall
15 have the following definition:

- 16 a. *Accreditation* – means the procedure by which a government agency having
17 jurisdiction formally attests to the competence of an inspection and/or
18 certification body to provide inspection and certification services;
- 19 b. *Certification* – means third party attestation of conformance to standards and
20 guidelines related to products, processes, systems or persons;
- 21 c. *Halal* – means lawful or permissible under Sharia'h (Islamic Law);
- 22 d. *Processes* – refers to a set of interrelated or interacting activities which
23 transforms inputs to outputs;
- 24 e. *Products* – refers to food and non-food items produced by human or
25 mechanical effort, or by a natural process, or a combination thereof, and
26 marketed or sold as a commodity;
- 27 f. *Recognition* – refers to the acknowledgment of the validity of a conformity
28 assessment result provided by a person or body, and

1 g. *Services* – refers to an intangible result of at least one activity performed by a
2 supplier or provider for a customer.

3 **SEC. 4. *The Philippine Halal Export Development and Promotion***

4 ***Program.*** – There is hereby established the Philippine Halal Export Development
5 and Promotion Program, which shall refer to the comprehensive set of objectives,
6 targets, strategies and activities for the growth of Halal industries producing or
7 providing products, processes and services and resulting to increased exports of
8 Halal products.

9 It shall include, but not be limited to, the following areas of concern: the
10 development and application of Halal agricultural and manufacturing standards and
11 practices; the organization and development of accredited certification bodies
12 through, among others, capacity building and the formulation and application of
13 internationally-accepted accreditation standards; identification and expansion of
14 markets for Halal products, processes and services; forging of international and
15 bilateral agreements especially on harmonization of standards; compliance of
16 producers, manufacturers, service providers, traders and exporters to established
17 local or international standards; industry development and promotion, including
18 expansion into non-food Halal products and services; consumer awareness and fair
19 trade practices; and provision of common service facilities.

20 **SEC. 5. *Creation of Philippine Halal Export Development and Promotion***

21 ***Board.*** – To ensure the attainment of the objectives of this Act, there is hereby
22 created the Philippine Halal Export Development and Promotion Board, herein
23 referred to as the Halal Board. The Halal Board shall be the policy-making body on
24 Halal export development and shall set the overall direction for the implementation of
25 the Philippine Halal Export Development and Promotion Program. It shall be attached
26 to the Department of Trade and Industry.

27 In the performance of its mandate, the Halal Board shall institutionalize the
28 involvement of Muslim Filipino people's organizations and non-government

1 organizations through membership in consultative or advisory bodies, coordination of
2 activities with government agencies concerned with Halal industry development, and
3 participation in regular consultative mechanisms such as public hearings and round-
4 table discussions.

5 **SEC 6. Powers and Functions.** – The Halal Board shall have the following
6 powers and functions:

- 7 a. Formulate, advocate, coordinate, oversee and assess the implementation
8 of the Philippine Halal Export Development and Promotion Program;
- 9 b. Direct and coordinate the development and harmonization of Philippine
10 National Standards for Halal by standard setting agencies, and monitor,
11 through the government regulatory agencies, the application thereof on
12 products, processes and services;
- 13 c. Spearhead and support the forging of international agreements, and the
14 recognition of accredited Halal certification bodies in other countries, to
15 open new and expand existing markets for Halal products, processes and
16 services;
- 17 d. Issue the Philippine Halal Logo and the guidelines on the proper use
18 thereof: *Provided*, That the use of logos of certification bodies on certified
19 products, processes and services shall be without prejudice: *Provided*
20 *further*, That all other government agencies are prohibited to issue a logo
21 and require the use of such logo as proof of compliance to a standard or
22 regulation as Halal: and *Provided, finally*, That the use of logos previously
23 issued by government agencies involved in Halal development and
24 promotion is hereby disallowed;
- 25 e. Encourage and support the establishment of a single umbrella organization
26 of Halal certification bodies, which can be tapped by standard setting and
27 regulatory agencies to assist in the development and in monitoring the
28 application of internationally-accepted Halal certification standards;

- 1 f. Promulgate policies and guidelines as necessary or proper for the
2 accomplishment of the objectives of this Act, including the Board's
3 operation;
- 4 g. Create technical panels, working groups, or task forces that will assist the
5 Halal Board in the performance of its functions;
- 6 h. Investigate and make recommendations on complaints, controversies, or
7 disputes arising out of the implementation or enforcement of standards,
8 guidelines, rules and procedures adopted to promote and develop Halal
9 industries, the export of Halal products and the provision of Halal
10 processes and services;
- 11 i. Request the assistance and cooperation, of any department, bureau,
12 office, agency or instrumentality of the government, or private entities and
13 organizations in the implementation of its functions and the attainment of
14 the objectives of this Act, including the carrying out of recommendations as
15 a result of investigations and studies made pursuant to paragraphs g and h
16 hereof; and
- 17 j. Perform such other powers and function as may be prescribed by law, or
18 may be necessary, incidental, or proper to its mandate

19 **SEC 7. Composition of the Board.** – The Halal Board shall be composed of:

- 20 a. The Secretary of the Department of Trade and Industry (DTI) as Chairman;
21 b. The Secretary of the National Commission on Muslim Filipinos (NCMF) as
22 Vice-Chairman;
- 23 c. The Secretary of the Department of Agriculture (DA);
24 d. The Secretary of the Department of Health (DOH);
25 e. The Secretary of the Department of Science and Technology (DOST);
26 f. The Secretary of the Department of Foreign Affairs (DFA);
27 g. The Secretary of the Department of Tourism (DOT);
28 h. The Governor of the *Bangko Sentral ng Pilipinas (BSP)*;

- 1 i. The Chairperson of the Mindanao Development Authority (MinDA); and
- 2 j. Two (2) Muslim Filipino professionals from the academe, law, industry, or
- 3 food science who have experience in Halal industry development, to be
- 4 appointed by the President from at least four (4) nominees recommended
- 5 by Muslim Filipino people's organizations and non-government
- 6 organizations.

7 The two Muslim professionals shall serve for a term of three (3) years, and
8 may be reappointed once.

9 The *ex officio* members of the Halal Board may designate their respective
10 alternates who shall be at least Bureau Director in rank and their acts shall be
11 considered the acts of their principals

12 **SEC. 8. Secretariat of the Halal Board.** – The DTI Secretary, as Chairman of
13 the Halal Board, shall establish an inter-agency secretariat from the different bureaus
14 of the DTI concerned with Halal export development, the NCMF, DA and DOH. The
15 Secretariat shall be headed by the Director of the Export Marketing Bureau. For this
16 purpose, the Export Marketing Bureau shall be strengthened and is hereby
17 authorized to create a section that will serve as the nucleus of the Secretariat of the
18 Halal Board.

19 The Secretaries of NCMF, DA and DOH shall assign technical staff of their
20 offices as staff of the Secretariat. Other member agencies shall provide additional
21 staff support upon the determination of the necessity by the Chairman and conformity
22 of the Halal Board.

23 **SEC. 9. Accreditation of Halal Certification Bodies.** – As the agency
24 mandated to handle the accreditation of certification bodies, inspection bodies, and
25 testing and calibration laboratories, the Philippine Accreditation Bureau (PAB) is
26 hereby empowered to (a) formulate accreditation policies and guidelines which shall
27 govern the accreditation of Halal certification bodies; and (b) grant or deny

1 accreditation of Halal certification bodies and suspend or withdraw such accreditation
2 in accordance with established policies and guidelines.

3 In the formulation of accreditation policies and guidelines, and in the
4 performance of its accreditation function, the PAB shall consult and, when necessary,
5 collaborate with the Halal Board, its member agencies, and Halal industry
6 stakeholders.

7 **SEC. 10. *Philippine National Standards for Halal.*** – The development of
8 Philippine National Standards for Halal shall be the mandate of the following
9 standard setting agencies:

- 10 a. Department of Agriculture – Bureau of Agriculture and Fisheries Standards
11 (BAFS) – for primary and post-harvest foods;
- 12 b. Department of Health – Food and Drug Administration (FDA) – for
13 processed and pre-packaged foods, drugs and cosmetics; and
- 14 c. Department of Trade and Industry – Bureau of Philippine Standards (BPS)
15 – for non-food products aside from drugs and cosmetics.

16 Other products, processes and services that would necessitate the
17 development of the corresponding Philippine National Standards for Halal which are
18 not covered by the above agencies shall be assigned by the Halal Board to
19 appropriate government agencies.

20 **SEC. 11. *Export and Trade Regulation of Halal Products, Processes and***
21 ***Services.*** – The following conditions shall apply in the export and trade of Halal
22 products, processes and services:

- 23 a. All Philippine products that will be exported as Halal, and processes and
24 services whose outputs or benefits shall accrue or flow outside of the
25 Philippine territory, shall (i) undergo certification from an accredited Halal
26 certification body, (ii) comply with the appropriate Philippine National
27 Standards for Halal as developed, or with international or foreign standards
28 recognized, by standard setting agencies identified or mandated under

1 Section 10 of this Act, and (iii) be registered with the national regulatory
2 agency concerned;

3 b. The Philippine Halal Logo, with the permission of the relevant regulatory
4 agency, shall be affixed or used by producers, manufacturers, processors,
5 traders, exporters, and service providers on their products, packaging,
6 letterheads, brochures, leaflets and other forms of media after complying
7 with the conditions set in paragraph a hereof;

8 c. Halal certification of products, processes and services for domestic
9 consumption or use is voluntary on the part of the producer, manufacturer,
10 trader, retailer, or service provider; and

11 d. Producers, manufacturers, traders, retailers, and service providers catering
12 the domestic market and have undergone voluntary certification from
13 accredited Halal certification bodies may apply and be granted permission
14 to use the Philippine Halal Logo on their products, establishments, or
15 facilities.

16 **SEC. 12. Export Promotion.** – The DTI, particularly the Export Marketing
17 Bureau, in coordination with DA, DOH, and other concerned government agencies,
18 shall enhance the capabilities and global competitiveness of existing and potential
19 exporters of Halal products, processes and services, through business matching;
20 provision of trade and market information; organization of trade fairs and business
21 missions; conduct of seminars, workshops, conferences and symposium on export-
22 related subjects, including export documentation and procedures; product design and
23 development; market consultancy; and product consultancy.

24 To assist exporters find new and expand existing markets for Philippine Halal
25 products, processes and services, the DTI and DA shall task their Foreign Trade
26 Service Corps and Foreign Agriculture Service Corps, respectively, to conduct
27 commercial intelligence works and marketing activities. In addition, the DTI, together
28 with the NCMF and DFA, shall pursue the recognition of accredited Halal certification

1 bodies and certified Halal products, processes and services by accreditation and
2 certification bodies of other countries.

3 **SEC. 13. Infrastructure Support and Incentives.** – To enhance the growth of
4 Halal industries and assist farmers and producers in complying with the relevant
5 Halal standards, the government, especially the DA, shall provide and/or upgrade
6 necessary common service facilities such as slaughterhouses, warehouses,
7 refrigeration facilities, and laboratory facilities and equipment, in strategic production,
8 processing and manufacturing areas.

9 The Board of Investments, the Philippine Economic Zone Authority, and other
10 investment promotion agencies are hereby mandated to promote the growth of Halal
11 industries in the different economic zones and strategic locations in the country. They
12 shall, as their charters allow, grant fiscal and non-fiscal incentives to attract
13 investments in pioneering and essential industries to increase exports of Halal
14 products or as raw materials or ingredients in the production of Halal products.

15 **SEC. 14. Institutional and Human Resource Development.** – The DTI,
16 NCMF, DA, DOH, DOST, Commission on Higher Education (CHED), Technical
17 Education and Skills Development Authority (TESDA), state universities and colleges
18 (SUCs), certification bodies, the private sector, and Muslim Filipino organizations
19 shall establish and implement an institutional and human resource development
20 program for Halal industry development, which shall include, but not limited to:

21 a. Capacity building for producers, manufacturers and processors to enable
22 them to comply with certification standards, including knowledge on
23 facilities upgrading and retrofitting, adoption of accepted manufacturing
24 practices, product and packaging development, marketing and product
25 distribution, and business enterprise development;

26 b. Skills trainings for Halal industry workers, farmers, fishermen, and
27 producers to actively contribute in productivity, the practice of good

- 1 agricultural, animal husbandry and manufacturing practices, and
2 compliance to food safety, health, hygiene and sanitation standards;
- 3 c. Scholarship program for the underprivileged but deserving college and post
4 graduate students who are taking up courses in relevant field of disciplines
5 in SUCs which have programs in agriculture and fisheries; and for
6 technical- vocational courses for farmers, fishermen, farm technicians, and
7 skilled workers in processing and manufacturing plants producing or
8 providing Halal products, processes and services;
- 9 d. Formulation and implementation of competency standards and training
10 regulations for technical vocational education and training for the Halal
11 industry by the TESDA; and
- 12 e. Upgrading of facilities, faculty development and strengthening of the on-
13 the-job training program of higher education institutions in Halal technology
14 and standards towards the build-up of competent graduates needed by
15 Halal industries.

16 **SEC. 15. *Research, Development and Extension (RDE).*** – The DTI, DA,
17 DOH, DOST, CHED, state universities and colleges and private organizations shall
18 formulate and implement a national research, development and extension program to
19 develop, propagate, or commercialize products and technologies and to improve and
20 expand the number of Halal products, processes and services.

21 State universities and colleges with the capability to support RDE for Halal
22 shall be identified and assisted by CHED, in coordination with the DOST, DA, DTI
23 and DOH, the private sector, and Muslim Filipino organizations to become centers of
24 development and excellence in Halal.

25 The DOST shall upgrade the capability of the PAB, BPS, FDA, BAFS, other
26 regulatory agencies, Halal certification bodies, producers, manufacturers and service
27 providers in ensuring integrity and compliance to standards by imparting scientific

1 and technical knowledge on Halal standards and in conducting laboratory analyses
2 through its Philippine National Halal Laboratory and Science Center.

3 **SEC. 16. *Applicability of Fair Trade, Consumer Protection and Copyright***
4 ***Laws and Regulatory Agency Charters.*** – The relevant provisions of fair trade,
5 consumer protection and copyright laws, and their implementing rules or orders, as
6 well as the charters of regulatory and standard setting agencies shall be applied in
7 the implementation of this Act to ensure compliance with Philippine National
8 Standards on Halal and the use of the Philippine Halal Logo. Nothing herein shall be
9 construed as limiting any department, agency or bureau from imposing, applying or
10 enforcing the necessary fines and penalties under these laws.

11 The appropriate agencies of the DTI, NCMF, DA, and DOH shall conduct
12 consumer protection and advocacy programs to create awareness among consumers
13 on Halal products, processes and services, and enable them to determine and
14 complain unfair trade practices.

15 **SEC. 17. *Authority to Receive Donations and/or Grants.*** – The Halal Board
16 is hereby authorized to accept grants, contributions, endowments, bequests, from
17 local and foreign sources in support of the development and growth of Philippine
18 Halal industries, including the development of Philippine National Standards for Halal,
19 institutional development of certification bodies, producers, manufacturers and
20 service providers, and consumer advocacy campaigns: *Provided*, that such donations
21 shall not be used to fund personal services and other operating expenses of the
22 Halal Board.

23 **SEC. 18. *Appropriations.*** – The sum of Fifty Million Pesos (P50,000,000.00) is
24 hereby appropriated for the initial year of implementation of this Act. Thereafter, such
25 amount as may be necessary for the continuous operation of the Halal Board and the
26 implementation of the Program shall be included in the annual General
27 Appropriations Act.

1 **SEC. 19. *Transitory Provisions.*** – The Philippine Halal Promotion,
2 Development and Accreditation Board, under the National Commission on Muslim
3 Filipinos, is hereby dissolved. All Halal promotion and development records of the
4 Board shall be transferred to the Philippine Halal Export Development and Promotion
5 Board, while accreditation records shall be transferred to the PAB.

6 **SEC. 20. *Implementing Rules and Regulations.*** – The Halal Board, in
7 consultation with concerned government agencies, Muslim Filipino organizations, and
8 Halal industry stakeholders, shall issue the Implementing Rules and Regulations of
9 this Act within ninety (90) days starting from the effectivity of this Act.

10 **SEC. 21. *Amendatory and Repealing Clause.*** – Section 8, paragraph (h) of
11 Republic Act No. 9997, otherwise known as the “National Commission on Muslim
12 Filipinos Act of 2009,” is hereby amended to read, as follows:

13 “Assist in the formulation and attainment of the objectives,
14 targets, strategies and activities of the Philippine Halal Export
15 Development and Promotion Program.”

16 All other laws, decrees, executive orders and rules and regulations or part or
17 parts thereof inconsistent with any provision of this Act are hereby repealed, modified
18 or amended accordingly.

19 **SEC. 22. *Separability Clause.*** – If any provision of this Act is declared
20 unconstitutional, the validity of the remaining provisions hereof shall remain in full
21 force and effect.

22 **SEC. 23. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
23 publication in the Official Gazette or in a newspaper of general circulation.

Approved,