

S. No. 2831
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Republic of the Philippines
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[REPUBLIC ACT No. 10817]

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 House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Title.* - This Act shall be known as the "Philippine Halal Export Development and Promotion Act of 2016".

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

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

It is also the policy of the State to develop and promote Halal industries as a mode of achieving equity and justice among our farmers and producers, and increasing employment opportunities for the domestic labor force. With this, the State shall adopt measures to make Halal exports more competitive through, among others, research and product development, quality assurance measures, value-adding mechanisms, thereby making the Philippines an active player in regional and international markets and not just a mere spectator of globalized trade.

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

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

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

- (a) *Accreditation* refers to the procedure by which a government agency having jurisdiction formally attests to the competence of an inspection and/or certification body to provide inspection and certification services;
- (b) *Certification* refers to third party attestation of conformance to standards and guidelines related to products, processes, systems or persons;
- (c) *Halal* refers to lawful or permissible under Sharia'h (Islamic Law);
- (d) *Processes* refer to a set of interrelated or interacting activities which transforms inputs to outputs;
- (e) *Products* refer to food and nonfood items produced by human or mechanical effort, or by a natural process, or a combination thereof, and marketed or sold as a commodity;
- (f) *Recognition* refers to the acknowledgment of the validity of a conformity assessment result provided by a person or body; and
- (g) *Services* refer to an intangible result of at least one (1) activity performed by a supplier or provider for a customer.

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

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

SEC. 5. *Creation of Philippine Halal Export Development and Promotion Board.* - To ensure the attainment of the objectives of this Act, there is hereby created the Philippine Halal Export Development and Promotion Board, herein referred to as the Halal Board. The Halal Board shall be the policy-making body on Halal export development and shall set the overall direction for the implementation of the Philippine Halal Export Development and Promotion Program. It shall be attached to the Department of Trade and Industry.

In the performance of its mandate, the Halal Board shall institutionalize the involvement of Muslim Filipino people's organizations and nongovernment organizations through membership in consultative or advisory bodies, coordination of activities with government agencies concerned with Halal industry development, and participation in regular consultative mechanisms such as public hearings and roundtable discussions.

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

- (a) Formulate, advocate, coordinate, oversee and assess the implementation of the Philippine Halal Export Development and Promotion Program;
- (b) Direct and coordinate the development and harmonization of Philippine National Standards for Halal by standard setting agencies, and monitor, through the government regulatory agencies, the application thereof on products, processes and services;
- (c) Spearhead and support the forging of international agreements, and the recognition of accredited Halal certification bodies in other countries, to open new and expand existing markets for Halal products, processes and services;
- (d) Issue the Philippine Halal Logo and the guidelines on the proper use thereof; *Provided,* That the use of logos of certification bodies on certified products, processes and services

regulation as Halal: *Provided, finally,* That the use of logos previously issued by government agencies involved in Halal development and promotion is hereby disallowed;

(e) Encourage and support the establishment of a single umbrella organization of Halal certification bodies, which can be tapped by standard setting and regulatory agencies to assist in the development and in monitoring the application of internationally-accepted Halal certification standards;

(f) Promulgate policies and guidelines as necessary or proper for the accomplishment of the objectives of this Act, including the Halal Board's operation;

(g) Create technical panels, working groups, or task forces that will assist the Halal Board in the performance of its functions;

(h) Investigate and make recommendations on complaints, controversies, or disputes arising out of the implementation or enforcement of standards, guidelines, rules and procedures adopted to promote and develop Halal industries, the export of Halal products and the provision of Halal processes and services;

(i) Request the assistance and cooperation of any department, bureau, office, agency or instrumentality of the government, or private entities and organizations in the implementation of its functions and the attainment of the objectives of this Act, including the carrying out of recommendations as a result of investigations and studies made pursuant to paragraphs (g) and (h) hereof; and

(j) Perform such other powers and functions as may be prescribed by law, or may be necessary, incidental, or proper to its mandate.

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

- (a) The Secretary of the Department of Trade and Industry (DTI) as Chairperson;
- (b) The Secretary of the National Commission on Muslim Filipinos (NCMF) as Vice Chairperson;
- (c) The Secretary of the Department of Agriculture (DA);
- (d) The Secretary of the Department of Health (DOH);
- (e) The Secretary of the Department of Science and Technology (DOST);
- (f) The Secretary of the Department of Foreign Affairs (DFA);
- (g) The Secretary of the Department of Tourism (DOT);
- (h) The Governor of the Bangko Sentral ng Pilipinas (BSP);
- (i) The Chairperson of the Mindanao Development Authority (MinDA); and
- (j) Two (2) Muslim Filipino professionals from the academe, law, industry, or food science who have experience in Halal industry development, to be appointed by the President from at least four (4) nominees recommended by Muslim Filipino people's organizations and nongovernment organizations.

The two (2) Muslim professionals shall serve for a term of three (3) years, and may be reappointed once.

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

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

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

SEC. 9. *Accreditation of Halal Certification Bodies.* - As the agency mandated to handle the accreditation of certification bodies, inspection bodies, and testing and calibration laboratories, the Philippine Accreditation Bureau (PAB) is hereby empowered to: (a) formulate accreditation policies and guidelines which shall govern the accreditation of Halal certification bodies; and (b) grant or deny accreditation of Halal certification bodies and suspend or withdraw such accreditation in accordance with established policies and guidelines.

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

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

- (a) Department of Agriculture - Bureau of Agriculture and Fisheries Standards (BAFS) - for primary and post-harvest foods;
- (b) Department of Health - Food and Drug Administration (FDA) - for processed and prepackaged foods, drugs and cosmetics; and
- (c) Department of Trade and Industry - Bureau of Philippine Standards (BPS) - for nonfood products aside from drugs and cosmetics.

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

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

- (a) All Philippine products that will be exported as Halal, and processes and services whose outputs or benefits shall accrue or flow outside of the Philippine territory, shall (i) undergo certification from an accredited Halal certification body, (ii) comply with the appropriate Philippine National Standards for Halal as developed, or with international or foreign standards recognized, by standard setting agencies identified or mandated under Section 10 of this Act, and (iii) be registered with the national regulatory agency concerned;
- (b) The Philippine Halal Logo, with the permission of the relevant regulatory agency, shall be affixed or used by producers, manufacturers, processors, traders, exporters, and service providers on their products, packaging, letterheads, brochures, leaflets and other forms of media after complying with the conditions set in paragraph (a) hereof;
- (c) Halal certification of products, processes and services for domestic consumption or use is voluntary on the part of the producer, manufacturer, trader, retailer, or service provider; and
- (d) Producers, manufacturers, traders, retailers, and service providers catering the domestic market and have undergone voluntary certification from accredited Halal certification bodies may apply and be granted permission to use the Philippine Halal Logo on their products, establishments, or facilities.

SEC. 12. *Export Promotion.* - The DTI, particularly the Export Marketing Bureau, in coordination with the DA, the DOH, and other concerned government agencies, shall enhance the capabilities and global competitiveness of existing and potential exporters of Halal products, processes and services, through business matching; provision of trade and market information; organization of trade fairs and business missions; conduct of seminars, workshops, conferences and symposium

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

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

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

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

- (a) Capacity building for producers, manufacturers and processors to enable them to comply with certification standards, including knowledge on facilities upgrading and retrofitting, adoption of accepted manufacturing practices, product and packaging development, marketing and product distribution, and business enterprise development;
- (b) Skills trainings for Halal industry workers, farmers, fishermen, and producers to actively contribute in productivity, the practice of good agricultural, animal husbandry and manufacturing practices, and compliance to food safety, health, hygiene and sanitation standards;
- (c) Scholarship program for the underprivileged but deserving college and post graduate students who are taking up courses in relevant field of disciplines in SUCs which have programs in agriculture and fisheries; and for technical-vocational courses for farmers, fishermen, farm technicians, and skilled workers in processing and manufacturing plants producing or providing Halal products, processes and services;
- (d) Formulation and implementation of competency standards and training regulations for technical-vocational education and training for the Halal industry by the TESDA; and
- (e) Upgrading of facilities, faculty development and strengthening of the on-the-job training program of higher education institutions in Halal technology and standards towards the build-up of competent graduates needed by Halal industries.

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

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

The DOST shall upgrade the capability of the PAB, the BPS, the FDA, the BAFS, other regulatory agencies, Halal certification bodies, producers, manufacturers and service providers in ensuring integrity and compliance to standards by imparting scientific and technical knowledge on Halal standards and in conducting laboratory analyses through its Philippine National Halal Laboratory and Science Center.

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

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

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

SEC. 18. *Appropriations.* - The amount necessary for the initial implementation of this Act shall be charged against the current appropriations of the DTI. Thereafter, such amount as may be necessary for the continuous operation of the Halal Board and the implementation of the Program shall be included in the annual General Appropriations Act.

SEC. 19. *Transitory Provisions.* - The Philippine Halal Promotion, Development and Accreditation Board, under the NCMF, is hereby dissolved. All Halal promotion and

development records of the Board shall be transferred to the Halal Board, while accreditation records shall be transferred to the PAB.

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

SEC. 21. *Repealing Clause.* - All laws, decrees, executive orders and rules and regulations or part or parts thereof inconsistent with any provision of this Act are hereby repealed, modified or amended accordingly.

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

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

Approved,
FELICIANO BELMONTE JR., Speaker of the House of Representatives
FRANKLIN M. DRILON, President of the Senate

Senate Bill No. 2831, which was approved by the Senate on September 21, 2015, was adopted as an amendment to House Bill No. 6347 by the House of Representatives on February 1, 2016.

MARILYN B. BARUA-YAP, Secretary General, House of Representatives
OSCAR G. XABES, Secretary of the Senate

Approved: MAY 16 2016
BENIGNO S. AQUINO III, President of the Philippines

shall be without prejudice: *provided, further*, that all other government agencies are prohibited to issue a logo and require the use of such logo as proof of compliance to a standard or

on export-related subjects, including export documentation and procedures; product design and development; market consultancy; and product consultancy.

