NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES

First Regular Session



22 NOV -3 P5:07

SENATE

s. B. No. <u>1450</u>

RECEIVED BY:

Introduced by SENATOR JOEL VILLANUEVA

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

Republic Act No. 8172, or "An Act for Salt Iodization Nationwide (ASIN)," was signed into law by former President Fidel V. Ramos in 1995, with the main objectives of protecting and promoting the health of Filipinos and eliminating micronutrient malnutrition, particularly iodine deficiency disorders. The ASIN law required all producers and manufacturers to iodize the salt that they produce, manufacture, import, trade, or distribute. This requirement to iodize all salt for human and animal consumption, however, made it difficult for subsistence, small, and medium salt farmers and producers to adapt, as it required technology and capital for them to fully comply and remain in operation.¹

The local salt industry has since been neglected. Despite having 36,000 km of shoreline, the fifth longest in the world, the number of salt farmers and the local salt industry has declined in the past decade. While the ASIN law has achieved most of its health objectives, local salt production has been left behind. In the 1990s, local producers supplied 85% of the country's salt requirement and imported only 15% of the total supply. In 2020, the Philippines' salt imports reached 93% of total supply, while only 7% were produced locally.² The average annual salt consumption amounting to 683,000 metric tons, is set to increase to about a billion metric tons in view of the passage of the Republic Act No. 1024, or the "Coconut Farmers and Industry Trust Fund Act," which creates an additional demand of at least 300,000 metric tons of salt per year to supply coconut trees with adequate fertilizers. ³

History and science have long established the value of salt in every aspect of human life. It has over 14,000 uses and has been an important good, not only for daily use, but also as a necessary raw material in the production of other products and chemicals.⁴

Op. cit. DTI

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Department of Trade and Industry (DTI) Inputs, 2021-2026 Philippine Salt Industry Roadmap, Emailed to the Office of Senator Villanueva on 2 September 2022.

Department of Health (DOH Inputs), Draft Progress Report to Congress on the ASIN Law, Emailed to the Office of Senator Villanueva on 2 September 2022.

The Philippines, with its tens of thousands of shoreline, has an enormous untapped and neglected resource that could have changed the lives of local salt farmers and families living in coastal areas. About 60% of the country's population live in coastal zones⁵ yet, according to data from Philippine Chamber of Agriculture and Food, Inc. (PCAFI), only 50,000 are recorded⁶ to have been previously employed in salt production. This number is still dwindling.

This bill seeks to revive the local salt industry by establishing a Salt Industry Development and Revitalization Program. To implement such Program, the Department of Agriculture (DA) and the Bureau of Fisheries and Aquatic Resources (BFAR) shall prepare a Plan, governed by the following objectives:

- 1) Increased productivity and income of local salt producers and manufacturers;
- 2) Rehabilitation and modernization of the salt industry;
- 3) Increased number of local producers and manufacturers;
- 4) Protection and promotion of the livelihood and welfare of salt farmers;
- 5) Efficient delivery of support services;
- 6) Preservation of local and traditional production techniques; and
- 7) Promotion and development of marketing agenda for Philippine artisanal salt.

As a cure to the original law, which has inadvertently resulted in the decline of our local salt industry, the Bill mandates that local producers and manufacturers of food-grade salt shall be encouraged, and not required, to iodize their salt production. Towards this end, the government shall extend all the necessary technology transfer, capital, and support services. Meanwhile, all importers, traders, and distributors of imported food-grade salt shall still be required to comply with the iodization standards set under the ASIN law. The DA and the BFAR shall ensure that, despite importation, the Plan shall give preferential attention to local salt producers and manufacturers.

The passage of this measure is earnestly sought.

SENATOR JOEL VILLANDEVA

The Global Environment Facility, *The sea is the future: expanding coastal and marine protection in the Philippines*, Published on 26 June 2020, Available at https://www.thegef.org/news/sea-future-expanding-coastal-and-marine-protection-philippines# (Accessed on 10 September 2022).

Manila Times, More nails for the salt sector's coffin, Published on 4 September 2022, Available at https://www.manilatimes.net/2022/09/04/opinion/columns/more-nails-for-the-salt-sectors-coffin/1857100 (Accessed on 10 September 2022).



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

SECTION 1. Short Title. – This Act shall be known as the "Salt Industry Development and Revitalization Act"

SEC. 2. Section 3 of R.A. No. 8172 or "An Act for Salt Iodization Nationwide (ASIN)" is hereby amended, to read as follows:

"SEC. 3. *Purposes*. – The purposes of this Act are to:

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- b) [require—all] ENCOURAGE LOCAL producers AND [/] manufacturers of food-grade salt to iodize the salt that they produce AND [¬] manufacture [, import, trade or distribute];
- c) require the Department of Health (DOH) to undertake iodization program for its [Bureau of Food and Drugs (BFAD)] FOOD AND DRUG ADMINISTRATION (FDA), to set and enforce standards for food-grade iodized salt and to monitor compliance thereof by the food-grade salt manufacturers;

 $\mathbf{x} \mathbf{x} \mathbf{x}$

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;

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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."

SEC. 3. Section 4 of R.A. No. 8172 is hereby amended, to read as follows:

"SEC. 4. *Definition of Terms*. – For purposes of this Act, the following terms shall mean:

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- 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:
 - 1. SUBSISTENCE PRODUCER/MANUFACTURER A PERSON OR ASSOCIATION ENGAGED IN THE PRODUCTION, TRADE, AND DISTRIBUTION OF SALT NOT EXCEEDING TWO METRIC TONS (2 M.T.) PER YEAR.
 - 2. SMALL PRODUCER/MANUFACTURER A PERSON, CORPORATION, OR ASSOCIATION ENGAGED IN THE PRODUCTION, TRADE, AND DISTRIBUTION OF SALT RANGING FROM MORE THAN TWO METRIC TONS (2 MT) TO THREE METRIC TONS (3 MT) PER YEAR.
 - 3. MEDIUM PRODUCER/MANUFACTURER A PERSON, CORPORATION, OR ASSOCIATION ENGAGED IN THE PRODUCTION, TRADE, AND DISTRIBUTION OF SALT RANGING FROM MORE THAN THREE METRIC TONS (3 MT) TO TWO THOUSAND METRIC TONS (2,000 MT) PER YEAR.
 - 4. LARGE PRODUCER/MANUFACTURER A PERSON, CORPORATION, OR ASSOCIATION ENGAGED IN THE PRODUCTION, TRADE, AND DISTRIBUTION OF SALT EXCEEDING TWO THOUSAND METRIC TONS (2,000 MT) PER YEAR.

THE BFAR SHALL MAINTAIN A REGISTRY OF ALL LOCAL PRODUCERS OR MANUFACTURERS IN EVERY PROVINCE. THE SAME LIST SHALL BE PROVIDED TO THE FOOD AND DRUG ADMINISTRATION (FDA) FOR THE MONITORING OF IODIZATION 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.]
- 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.]
- [Large producer/manufacturer one who produces, trades in, or distributes salt exceeding two thousand metric tons (2,000 m.t.) per year.]
- i) SALT IMPORTER, TRADER, AND DISTRIBUTOR REFERS TO A PERSON, CORPORATION, OR ASSOCIATION ENGAGED IN THE IMPORTATION, TRADE, AND/OR DISTRIBUTION OF IMPORTED SALT. THE FDA SHALL MAINTAIN A REGISTRY FOR THE MONITORING OF COMPLIANCE WITH THE SALT IODIZATION PROGRAM. THE SAME LIST SHALL BE SUBMITTED BY THE FDA TO THE BFAR FOR THE PROPER MONITORING OF THE ENTIRE SALT 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.
- k) ILOCANO COOKED SALT REFERS TO SALT PRODUCED IN THE ILOCOS REGION AND OTHER PROVINCES IN NORTHERN LUZON, WHICH IS PART OF THE CULTURAL HERITAGE OF THE ILOCANO PEOPLE.
- I) LOCAL FILIPINO SEA SALT ALSO REFERRED TO AS 'SOLAR SALT' AND 'TAKAL SALT,' IS A LOCALLY-PRODUCED SEA SALT BY SOLAR EVAPORATION OF SEA WATER INTO BRINE.
- m) PHILIPPINE ARTISANAL SALT REFERS TO LOCAL SALTS WHICH USE DIFFERENT AND TRADITIONAL PRODUCTION TECHNIQUES. THIS INCLUDES ASIN TIBUOK PRODUCED IN BOHOL, DULDUL SALT MADE IN GUIMARAS, ASIN SA BUY-O OF ZAMBALES, AND SUGPO ASIN OF PANGASINAN, AMONG OTHERS.
- **SEC. 4.** Section 6 of the same Act is hereby amended, to read as follows:
 - "SEC. 6. Support to the Salt Industry. TO REVITALIZE THE SALT INDUSTRY AND SUPPORT SUBSISTENCE AND SMALL SALT FARMERS/PRODUCERS/MANUFACTURERS, THERE IS HEREBY CREATED A SALT INDUSTRY DEVELOPMENT AND REVITALIZATION PROGRAM UNDER THE DEPARTMENT OF AGRICULTURE.
 - THE BFAR SHALL PREPARE THE SALT INDUSTRY PLAN FOR THE IMPLEMENTATION OF THE PROGRAM, CONSISTING OF POLICY DIRECTIONS, STRATEGIC ACTION POINTS, AND

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4	IN THE PERFORMANCE OF ITS FUNCTIONS AND IN THE
5	PREPARATION OF THE PLAN, THE DA AND THE BFAR SHALL
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6	CONSULT WITH LOCAL SALT PRODUCERS AND
7	MANUFACTURERS, IMPORTERS, TRADERS, AND DISTRIBUTORS,
8	LOCAL GOVERNMENT UNITS, CIVIL SOCIETY ORGANIZATIONS,
9	AND CONCERNED GOVERNMENT AGENCIES INCLUDING, BUT
10	NOT LIMITED TO, THE DEPARTMENT OF HEALTH (DOH) AND ITS
11	ATTACHED AGENCIES, THE DEPARTMENT OF TRADE AND
12	INDUSTRY (DTI), THE DEPARTMENT OF SCIENCE AND
13	TECHNOLOGY (DOST), THE DEPARTMENT OF ENVIRONMENT
14	AND NATURAL RESOURCES (DENR), THE DEPARTMENT OF
15	FINANCE (DOF), AND THE COOPERATIVE DEVELOPMENT
16	AUTHORITY (CDA).
	AUTHORITY (CDA).
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18	IN THE FORMULATION OF THE PLAN, THE DA AND THE BFAR
19	SHALL BE GUIDED BY THE FOLLOWING OBJECTIVES:
	STATE BE GOIDED BY THE FOLLOWING OBSECTIVES.
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21	A) INCREASED PRODUCTIVITY AND INCOME OF LOCAL
22	SALT PRODUCERS AND MANUFACTURERS;
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	D) DELIABILITATION AND MODERNIZATION OF THE CALT
24	B) REHABILITATION AND MODERNIZATION OF THE SALT
25	INDUSTRY TOWARDS PRODUCTIVITY;
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27	C) INCREASED NUMBER OF LOCAL PRODUCERS AND
28	MANUFACTURERS;
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30	D) PROTECTION AND PROMOTION OF THE LIVELIHOOD AND
31	WELFARE OF SALT FARMERS;
	WELLAND OF SALTTANWENS,
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33	E) EFFICIENT DELIVERY OF SUPPORT SERVICES FOR THE
34	SALT INDUSTRY;
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36	F) PRESERVATION OF LOCAL AND TRADITIONAL SALT
37	PRODUCTION TECHNIQUES; AND
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39	G) PROMOTION AND DEVELOPMENT OF MARKETING
40	AGENDA FOR PHILIPPINE ARTISANAL SALT.
	AGENDATION FILE TIME ANTIGANAL SALT.
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42	THE PLAN SHALL INCLUDE SPECIFIC OBJECTIVES AND
43	POLICIES ON THE IMPORTATION OF SALT: PROVIDED, THAT
44	PREFERENTIAL ATTENTION SHALL BE GIVEN TO LOCAL SALT
45	FARMERS, PRODUCERS, AND MANUFACTURERS.
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47	THE PLAN SHALL ALSO INCLUDE A SYSTEM OF INCENTIVES
48	FOR LOCAL PRODUCERS AND MANUFACTURERS TO
49	ENCOURAGE THE PRODUCTION AND MANUFACTURE OF SALT
50	WITH APPROPRIATE IODINE CONTENT.
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52	WITHIN NINETY (90) DAYS FROM THE EFFECTIVITY OF THIS
53	ACT, THE DA SHALL SUBMIT THE PLAN TO THE PRESIDENT OF
54	THE PHILIPPINES FOR APPROVAL.
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56	THE DA AND THE BFAR SHALL ENSURE THAT THE SALT
	INDUSTRY DEVELOPMENT AND REVITALIZATION PROGRAM IS
57	INDUSTRY DEVELOPMENT AND REVITALIZATION FROGRAM IS

MEASURABLE TARGETS, CONSISTENT WITH THE PROVISIONS OF THIS ACT.

 CONSISTENT WITH THE SALT IODIZATION EFFORTS OF GOVERNMENT. The following agencies and institutions shall support the 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;

C) x x x; [and]

X X X

D) $x \times x[.]$;

XXX"

- E) THE DTI, THROUGH THE SMALL BUSINESS CORPORATION, THE LAND BANK OF THE PHILIPPINES (LBP), AND THE DEVELOPMENT BANK OF THE PHILIPPINES (DBP) SHALL PROVIDE SOFT LOANS AND FINANCIAL ASSISTANCE TO QUALIFIED SUBSISTENCE, SMALL, AND **MEDIUM PRODUCERS** AND **MANUFACTURERS FOR PROCUREMENT** OF SALT **IODIZATION** MACHINES. PACKAGING EQUIPMENT, TECHNOLOGY FORTIFICANT, AND SUCH OTHER PURPOSES THAT WILL FACILITATE THE GROWTH AND RECOVERY OF THE 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.

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

"SEC. 7. SALT INDUSTRY DEVELOPMENT FUND. – THE AMOUNT NECESSARY FOR THE INITIAL IMPLEMENTATION OF THE SALT INDUSTRY DEVELOPMENT AND REVITALIZATION PROGRAM SHALL BE CHARGED TO THE CURRENT FISCAL YEAR'S APPROPRIATIONS, IN CASE THE GENERAL APPROPRIATIONS ACT (GAA) WAS APPROVED BEFORE THIS LAW IS ENACTED: PROVIDED, THAT THE AMOUNT SHALL NOT BE LESS THAN FIVE HUNDRED MILLION PESOS (P500,000,000.00) AND SHALL THEREAFTER BE INCLUDED IN SUBSEQUENT GENERAL APPROPRIATIONS ACTS.

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

SEC. 6. Repealing Clause. – All laws, decrees, executive orders, proclamations, rules and regulations, and other issuances, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 7. Separability Clause. – If, for any reason, any part, section, or provision of this Act is held invalid or unconstitutional, the remaining provisions not affected shall continue to be in full force and effect.

SEC. 8. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,