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SENATE

Senate Bill No. 2243

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(In substitution of Senate Bill Nos. 1334, 1450, 1685, 1718, 1870, 1932, 2185 taking into consideration Senate Resolution No. 211)

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Prepared by the Committees on Agriculture, Food and Agrarian Reform; Trade, Commerce and Entrepreneurship; Finance; and Ways and Means with Senators Cynthia A. Villar, Joel Villanueva, Raffy T. Tulfo, Imee R. Marcos, Loren Legarda, Maria Lourdes Nancy S. Binay, and Ronald "Bato" Dela Rosa as authors thereof.

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**AN ACT**  
**STRENGTHENING AND REVITALIZING THE SALT INDUSTRY IN THE PHILIPPINES, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES**

*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 "Philippine  
2 Salt Industry Development Act".

3           **SEC. 2. *Declaration of Policy.*** It is the policy of the State to promote  
4 rural development based on sound agricultural productivity, increase in rural  
5 income through enterprises that make full and efficient use of human and  
6 natural resources, and which are competitive in both domestic and foreign  
7 markets. For this purpose, the State shall provide support through appropriate  
8 technology and research, and adequate financial, production, marketing, and  
9 other support services to revitalize the salt industry, attain increased production  
10 by salt farmers and salt producers, achieve salt self-sufficiency, and become a  
11 net exporter of salt.

12           It is further the policy of the State to preserve, protect, and rehabilitate

1 the natural environment in the actualization of its developmental policies.

2 **SEC. 3. Definition of Terms.** - For purposes of this Act, the following  
3 terms are hereby defined as follows:

- 4 a. **Artisanal Salt** refers to unrefined salt, derived directly from a living  
5 sea or ocean, harvested through the process of cooking, smoking or  
6 solar evaporation. Regardless of the manner of production, it retains  
7 natural traces of minerals coming from sea water.
- 8 b. **Food-grade salt** refers to salt for human and animal consumption.
- 9 c. **Iodized salt** refers to salt artificially coated with iodine.
- 10 d. **Industrial salt** refers to salt used in the treatment, processing,  
11 and/or manufacture of non-food commercial products.
- 12 e. **Salt Farm** refers to areas of land, shorelines, or coastal areas,  
13 including its buildings, machineries, and equipment used in salt  
14 production. Salt farms may be classified as:
- 15 i. **Small-scale Salt Farm-** salt farm of not more than  
16 three (3) hectares;
- 17 ii. **Medium-scale Salt Farm-** salt farm of more than three  
18 (3) but not more than fifty (50) hectares;
- 19 iii. **Large-scale Salt Farm-** salt farm of more than fifty  
20 (50) but not more than five hundred (500) hectares for  
21 individuals and not more than 1,000 hectares for an  
22 association, cooperative or corporation.
- 23 f. **Salt Producer** refers to an individual, corporation, cooperative or  
24 association involved in the production of salt.
- 25 g. **Salt Production** refers to the process of generating salt from salt  
26 water utilizing solar evaporation or cooking and other acceptable  
27 methods.

28 **SEC. 4. Philippine Salt Industry Development Roadmap (Salt**  
29 **Roadmap).** - For the attainment of the objectives of this Act, there shall be  
30 formulated and established a Philippine Salt Industry Development Roadmap  
31 (Salt Roadmap), which shall include, but not limited to, programs, projects and  
32 interventions for the development and management, research, processing,

1 utilization, business modernization, and commercialization of Philippine salt.

2 The Roadmap shall include the following objectives, among others:

- 3 a. Increase salt production in order to attain salt-self-sufficiency, and  
4 become a net exporter of salt;
- 5 b. Encourage salt farming and expand the number of salt-producing areas;
- 6 c. Ensure the sustainable production, management and harvesting, and  
7 soil and water conservation practices in salt-farming areas;
- 8 d. Promote public and private investments in the salt industry development  
9 programs;
- 10 e. Ensure the sustainability and viability of the salt industry through the  
11 establishment of cooperatives among salt farmers and salt producers in  
12 order to optimize local production and improve access to government  
13 interventions, assistance, and incentives;
- 14 f. Advance market access for Philippine salt products locally and  
15 internationally;
- 16 g. Support research and development (R&D) activities for salt production  
17 and processing and introduce new and appropriate technology based on  
18 R&D outputs;
- 19 h. Ensure regular funding for salt production, processing, commercial and  
20 marketing programs and projects and provide technical and financial  
21 assistance in the local design and fabrication of high-capacity processing  
22 equipment and machineries for the salt industry; and
- 23 i. Provide continuous training and capacity building in the salt industry  
24 development;

25 **SEC. 5. *Creation of Philippine Salt Industry Development***  
26 ***Council (Salt Council).*** - To ensure the unified and integrated  
27 implementation of the Salt Roadmap and accelerate the modernization and  
28 industrialization of the Philippine Salt industry, a Philippine Salt Industry  
29 Development Council (Salt Council) is hereby created with the following  
30 composition:

- 31 (a) Secretary of the Department of Agriculture (DA), as Chairperson;

1 (b) Director of the Bureau of Fisheries and Aquatic Resources (BFAR),  
2 as Vice-Chairperson;

3 Members:

4 (c) Secretary of the Department of Trade and Industry (DTI);

5 (d) Secretary of the Department of Environment and Natural Resources  
6 (DENR);

7 (e) Secretary of the Department of Science and Technology (DOST);

8 (f) Secretary of the Department of Health (DOH);

9 (g) Secretary of the Department of Tourism (DOT);

10 (h) Secretary of the Department of Public Works and Highways (DPWH);

11 (i) Chairperson of the Cooperative Development Authority (CDA);

12 (j) Chief Executive Officer of the Land Bank of the Philippines (LBP);  
13 and

14 (k) One representative each from the League of Provinces of the  
15 Philippines, League of Cities of the Philippines, and League of  
16 Municipalities of the Philippines;

17 (l) One (1) representative from the private sector engaged in salt-  
18 production business;

19 (m) Three (3) representatives from the salt farmer cooperative, two  
20 (2) representing Luzon and one (1) representing Visayas and  
21 Mindanao.

22 *Provided,* That the representatives from business sector shall be  
23 chosen by BFAR from a list of three (3) nominees submitted to it by  
24 the sector; representatives from the cooperatives shall be chosen by  
25 BFAR from a list of five (5) nominees for Luzon and three (3) for the  
26 Visayas and Mindanao submitted to it by the sector.

27 **SEC. 6. Functions of the Salt Council.** - The Salt Council shall  
28 have the following powers and functions:

- 29 a. Formulate the five (5)-year Salt Roadmap, which shall contain the  
30 short-term, medium term, and long-term development plan  
31 (Development Plan) for the industry, which shall be updated yearly,  
32 or earlier, as determined by the Salt Council;

- 1 b. Identify specific and priority programs and projects in support of, and  
2 in line with the Roadmap;
- 3 c. Provide development funds and technical assistance to salt farmers  
4 and the industry. The support shall be commensurate to the size of  
5 the salt farm;
- 6 d. Identify sources of financing and facilitate credit windows with  
7 government banks and the Agricultural Credit Policy Council (ACPC)  
8 to expand the salt industry development;
- 9 e. Increase production of local salt by increasing land area devoted to  
10 salt and improving farm productivity;
- 11 f. Institutionalize capacity building for salt farmers through the joint  
12 undertaking of the Agricultural Training Institute (ATI) and BFAR  
13 provincial offices under the Post-Harvest Training Division (PHTD);
- 14 g. Strengthen market linkage and promotion of Philippine salt;
- 15 h. Conduct continuing research and development on innovation and  
16 modernization of the salt industry;
- 17 i. Establish an Agri-Insurance Program for Salt producers:
- 18 j. Submit annual reports, not later than June 30, to the Office of the  
19 President and to each House of Congress, on the status of the  
20 implementation of the Roadmap and the salt industry development  
21 in the country;
- 22 k. Recommend to the Department of Budget and Management (DBM)  
23 the required yearly appropriations for the plan and implementation  
24 of the salt development programs;
- 25 l. Promulgate such rules and regulations, and exercise such other  
26 powers and functions, as may be necessary to carry out the  
27 objectives of this Act; and
- 28 m. Constitute the staffing complement of the PMO-Secretariat with the  
29 power to create and abolish positions.

30 **SEC. 7. Creation of a Program Management Office (PMO).** – The  
31 DA, through the BFAR, shall lead in the implementation of the Development  
32 Plan. Towards this end, a Program Management Office (PMO) is hereby created

1 under the Office of the BFAR Director to oversee the overall implementation of  
2 the Development Plan and the monitoring of its execution by the implementing  
3 agencies and/or partners. Further, the PMO shall also assume and perform  
4 secretariat functions such as to coordinate and manage the regular meetings  
5 of the Salt Council, prepare and/or consolidate reports, monitor the  
6 implementation of policy decisions that the Salt Council has adopted and liaise  
7 with all the member departments and relevant agencies of the government.  
8 The PMO shall have a staff complement, as approved by the Salt Council.

9 **SEC. 8. *Salt as an Aquatic Resource Product.*** – Salt, unprocessed  
10 or processed, is hereby classified as an aquatic resource product.

11 The DA shall also ensure that salt is a priority commodity to be produced  
12 locally in areas or regions identified in this Act. The required resources shall be  
13 allocated by the DA for this purpose.

14 **SEC. 9. *Mapping and Determination of Public Lands for Salt***  
15 ***Production; Role of the DENR and BFAR.*** –

16 Most areas suitable for salt production are public lands which are  
17 currently within the administrative jurisdiction of the DENR and the BFAR.

18 Pursuant to this Act, the DENR and its attached agency, the National  
19 Mapping and Resource Information Authority (NAMRIA), and the BFAR are  
20 hereby mandated to map out, identify, and designate public lands, including  
21 portions of municipal waters, as salt production areas. They shall prioritize  
22 public lands situated in the following provinces that are identified as suitable  
23 for salt production (Type 1 Climate), namely: Ilocos Norte, Ilocos Sur, La Union,  
24 Pangasinan, Zambales, Bataan, Occidental Mindoro, Oriental Mindoro, Palawan,  
25 and Antique, which are now hereby declared as priority areas for salt  
26 production. They shall finish the task within sixty (60) days from the effectivity  
27 of this Act: *Provided*, That public lands in other regions shall also be  
28 subsequently mapped out, identified and designated as potential salt  
29 production areas, within six (6) months from the effectivity of this Act:

30 *Provided further*, That the result of the mandatory mapping,  
31 identification, and designation of public lands for salt production shall be shared  
32 with the public, through the DENR and BFAR websites or otherwise, as their

1 respective agency rules shall allow, so as to inform interested salt industry  
2 investors: *Provided furthermore*, That they shall also provide a report on the  
3 completion of this mapping, identification, and designation to both Houses of  
4 Congress through the COCAFAM.

5 **SEC. 10. *Transfer of Public Lands Identified as Suitable for Salt***  
6 ***Production from DENR to BFAR.*** – The DENR is hereby mandated to  
7 transfer public lands mapped out, identified, and designated as suitable for salt  
8 production under its administrative jurisdiction to BFAR. It shall do so within  
9 ninety (90) days from the effectivity of this Act.

10 **SEC. 11. *Allocation and Use of Public Lands for Salt Production;***  
11 ***Role of BFAR; Miscellaneous Provisions.*** --

12 BFAR is hereby mandated to allocate public lands for salt production to  
13 qualified salt producers. For this purpose, it shall issue a tenurial instrument  
14 (herein referred to as the Salt Production Tenurial Instrument) to qualified salt  
15 producers for the use of these public lands, certified copies of which shall be  
16 furnished the Salt Council through the PMO: *Provided*, That tenurial  
17 instruments on public lands already issued to private entities shall be  
18 respected: *Provided further*, That tenurial instruments issued for salt  
19 production shall be strictly used only for the purpose for which it was granted,  
20 and that public land with salt farms shall not be converted to other uses, other  
21 than for fisheries and aquaculture purposes: *Provided furthermore*, That the  
22 procedure for such issuance shall take into utmost consideration Republic Act  
23 No. 11032 or the "Ease of Doing Business and Efficient Government Service  
24 Delivery Act."

25 a) *Salt Production Tenurial Instrument (SPTI)*

26 An application for a Salt Production Tenurial Instrument (SPTI) on a  
27 public land for salt farm production shall be submitted to BFAR. BFAR shall issue  
28 the SPTI to qualified salt producers, which shall indicate, *inter alia*, the  
29 following:

- 30 1) Name and other relevant information about the grantee;
- 31 2) Terms and conditions in the use of the salt farm;
- 32 3) Period of use of the public land on which the salt farm is located;

1 4) Conditions for termination, which shall include an undertaking to  
2 meet the period within which the salt farm should have been  
3 constructed and in operation, reckoned from the approval and  
4 granting of the SPTI and to protect and preserve critical habitat for  
5 marine life in the area; and

6 5) Metes and bounds of the salt farm.

7 *Provided*, That nothing herein shall be added that contradicts the  
8 principles and provisions in the "Ease of Doing Business and Efficient  
9 Government Service Delivery Act": *Provided further*, That new/renewal/transfer  
10 of application for SPTI shall be submitted to the BFAR Provincial Office, which  
11 shall process and issue the SPTI applied for within forty five (45) days from the  
12 complete submission of the four (4) requirements enumerated in subparagraph  
13 (b) of this Section, failure in the issuance of which shall render the application  
14 approved and BFAR shall immediately issue the SPTI applied for to the  
15 applicant: *Provided furthermore*, That the SPTI shall bear at most two (2)  
16 signatures of the officers of BFAR.

17 b) *Qualification of Salt Producers Applying for SPTI*

18 The BFAR shall approve application for SPTI on the bases of only the  
19 following four (4) requirements:

20 1) Certificate of Registration as a salt producer, secured under Section  
21 13 of this Act;

22 2) The applicant has an investible funds for actual use for salt farm  
23 development of not less than One Million Pesos (P1,000,000.00) per  
24 hectare of salt farm applied for, supported by a bank certification of  
25 the availability of such funds;

26 3) The applicant has an outstanding track record of engaging in salt  
27 farm business or other related business for at least three (3) years,  
28 or has an actual experience in salt production for at least three (3)  
29 years: *Provided*, That Cooperatives/Associations of marginalized salt  
30 producers/farmers may present certification and endorsement from  
31 the local government unit(s) within which their intended salt farm is



1 located of their capability to manage and operate a salt farm, in lieu  
2 of the three (3)-year period requirement; and

- 3 4) Payment of rental fee for the use of said public land in the amount  
4 equal to current rates exacted by BFAR on the use of these public  
5 lands.

6 *Provided,* That Cooperatives/Associations of marginalized salt  
7 producers/farmers shall be given preferential treatment in the grant of SPTI  
8 and shall be allowed rent-free use of the public land on which the salt farm and  
9 its facilities are built for a period of three (3) years from the start of salt farm  
10 operations: *Provided further,* That said Associations/Cooperatives shall present  
11 authenticity of the nature and composition of its members through Certification  
12 from the local office of the Department of Social Welfare and Development  
13 (DSWD) and the LGU where he/she resides: *Provided furthermore,* That  
14 misdeclaration or falsification or any other false deed to conceal the real nature  
15 and composition of its members shall render its officers liable for criminal acts  
16 under existing laws.

17 c) *Period of Use of Public Land for Salt Farm*

18 The salt producer with a SPTI shall be allowed use of public land for salt  
19 production for twenty-five (25) years, renewable for another twenty-five (25)  
20 years: *Provided,* That the lease agreement shall be subject to early termination  
21 upon a determination by BFAR, upon due process, of the grantee's violation of  
22 the provision(s) in the SPTI.

23 d) *Limitations on the Size of Salt Farms*

24 Individuals may lease up to five hundred (500) hectares of salt farms.  
25 Corporations, associations, and cooperatives may lease up to 1,000 hectares.  
26 A lease applicant may apply for a lease for more than one area and hold several  
27 lease agreements, but in no case shall the total area of such multiple lease  
28 agreements exceed the limits prescribed under this provision.

29 **SEC. 12. Utilization of Public Lands Already Issued Fishpond**  
30 **Lease Agreements (FLAs) for Salt Production; Other forms of public**  
31 **land possession.** – Fishpond Lease Agreements (FLAs) issued by BFAR before  
32 the enactment of this law may now include salt production as among the valid

1 activities that may be undertaken by the leaseholder: *Provided*, That if the  
2 lessee so decides to engage in salt production, such lease agreement, or such  
3 portion of that public land under the FLA to be used for salt production, shall  
4 be governed by the provisions of this Act. In such case, the already issued FLA  
5 shall be amended accordingly to reflect salt production: *Provided*, That the  
6 period in the amended FLA for salt production shall state the full twenty-five  
7 (25)-year period.

8 If other public lands identified for salt production purposes under this  
9 Act are already in the possession of private entities, BFAR shall notify the  
10 possessor that such public land has been identified as suitable for salt  
11 production, and if the possessor shall accede to develop such public land into  
12 salt production area, then the process of developing the area into salt  
13 production shall continue in accordance with the provisions of this Act.

14 **SEC. 13. *Registration as Salt Producer; Control Measures.*** – All  
15 salt producers, whether holders of SPTI or otherwise, shall register with the  
16 BFAR. The BFAR shall draw a list of qualification requirements for salt  
17 producers, which shall take with utmost consideration the “Ease of Doing  
18 Business and Efficient Government Service Delivery Act”.

19 Upon complete submission of the qualification requirements, BFAR shall  
20 issue the Certificate of Registration as a salt producer, or a notice of the denial  
21 of the application for registration, accompanied by an explanation for such  
22 denial, within forty-five (45) days from completion. The failure of BFAR to act  
23 on the application renders the application approved, and it shall immediately  
24 issue the said Certificate of Registration. An appeal for such denial shall be filed  
25 with the BFAR Director within fifteen (15) days from receipt of Notice of Denial,  
26 which in turn shall be decided with administrative finality by the Director, within  
27 fifteen (15) days from filing.

28 BFAR shall continue to implement measures ensuring compliance of salt  
29 producers with food safety laws and guidelines intended for human and animal  
30 consumption: *Provided*, That any salt product which is not intended for food  
31 consumption shall not be subjected to food safety laws and guidelines. In this  
32 regard, BFAR shall tap the expertise of the Philippine Council for Agriculture,

1 Aquatic and Natural Resources Research and Development (PCAARRD) and the  
2 Food and Nutrition Research Institute (FNRI).

3 The BFAR Regional Offices shall ensure that pure, un-iodized salt shall  
4 be issued the necessary transport permits and certification documents.

5 **SEC. 14. *Support for the Development of Salt Farms and Salt***  
6 ***Producers.*** -

7 The DA-BFAR, in consultation with individuals, corporations,  
8 associations, and cooperatives from the salt industry, shall provide technical  
9 support in the development and operation of existing salt farms. It shall assist  
10 in the design of small and medium scale artisanal salt farms, either on its own  
11 or through partnership with the private sector, while the DOST shall provide  
12 the necessary technology in the construction of large-scale salt farms  
13 employing modern technologies to increase production efficiency and  
14 environmentally-sound practices.

15 BFAR is hereby mandated and authorized to grant financial and technical  
16 assistance to small and medium scale salt producers, indirectly through its  
17 implementing partners, or directly through its own projects and programs for  
18 the salt industry, on the following concerns:

- 19 a) Establishment of salt farm warehouses;  
20 b) Provision of salt production materials, machinery, and equipment;  
21 c) Conduct of capability building/training;  
22 d) Establishment and strengthening of salt producers cooperative;  
23 e) Development of modern salt production and processing technology.

24 This mandate shall be funded out of the regular annual budget of BFAR,  
25 and from other sources by law or otherwise, over and above what BFAR has  
26 been receiving on its other programs.

27 **SEC. 15. *Construction of Salt Farm Roads.*** - Consistent with the  
28 Development Plan, the DA-BFAR, in coordination with the Local Government  
29 Units (LGUs) and the resident-salt producers, shall identify priority locations of  
30 roads linking the salt farms to the market, which shall be known as *Daan*  
31 *Asinan*. In the construction of the *Daan Asinan*, the DA-BFAR shall consider the  
32 investment cost for salt production in the area, the number of salt producers

1 and their families who shall benefit from the venture and the amount of salt  
2 produced or to be potentially produced in the salt production areas. Thereafter,  
3 the DA-BFAR shall coordinate with the DPWH for the latter to undertake the  
4 construction, improvement, and maintenance of the *Daan Asinan*.

5 **SEC. 16. *Research and Promotion of Salt Farming***  
6 ***Methodologies and Techniques.*** - The Department of Agriculture- National  
7 Fisheries Research and Development Institute (DA-NFRDI), in close  
8 coordination with the DOST, shall spearhead the development of the latest  
9 technology in salt production, particularly technology that allows year-round  
10 production of salt even under erratic weather patterns. It shall also develop  
11 technologies that promote alternative methods and cost-effective techniques in  
12 salt production.

13 The DA-NFRDI shall immediately transfer the results of their completed  
14 study/technology/product to salt producers/manufacturers.

15 **SEC. 17. *Training Programs.*** - The Agricultural Training Institute  
16 (ATI) and BFAR shall provide complementary training programs that shall  
17 develop and upgrade the skills and competencies of Philippine salt producers,  
18 ensure product traceability and compliance to food safety, hasten technology  
19 acquisition including product labelling and packaging, enhance skills on market  
20 positioning for Philippine artisanal/specialty and industrial salts and such other  
21 capabilities necessary in the maintenance and development of the local salt  
22 industry.

23 **SEC. 18. *Corps of Salt Production Trainers.*** – Within thirty (30) days  
24 from the effectivity of this Act, BFAR shall form the Corps of Trainers for salt  
25 production, whose members shall be recruited from BFAR personnel in the  
26 provinces, under the PHTD; experts from State Universities and Colleges (SUCs)  
27 with a track record for studying and researching on salt production and post-  
28 production techniques and technology; experts from ATI; and from  
29 practitioners in actual salt farm production in the country. The Corps members  
30 shall be tasked to help out in the establishment of salt farms in areas designated  
31 as such by this Act. BFAR shall spend for their travel, lodging, honoraria and  
32 other necessary expenses, within existing budgetary rules.

1           **SEC. 19. Model Salt Farms.** – BFAR shall establish model salt farms  
2 from existing salt farms in the country, at least two (2) in Luzon, one (1) each  
3 in the Visayas and Mindanao, within three hundred sixty-five (365) days from  
4 the effectivity of this Act. The model farms shall showcase the best practices in  
5 salt farm production and use of technology. They shall be visited and studied  
6 by salt producers all over the country.

7           **SEC. 20. Salt Farmers Cooperatives and Association.** - The  
8 Cooperative Development Authority (CDA) shall assist in the formation,  
9 organizational strengthening, and financial literacy of cooperatives and their  
10 local salt farmers-members and producers. It shall aim to build capabilities of  
11 cooperatives and associations to leverage their own resources, run sustainable  
12 operations, and increase the number of successful cooperative-managed salt  
13 farms in the country.

14           **SEC. 21. Trade and Export Assistance.** - The DTI and the DA shall  
15 assist and support local salt producers in the trade and exportation of their  
16 product. They shall enhance the capabilities and global competitiveness of  
17 potential and existing producers and exporters through export financing;  
18 business matching; provision of trade and market information; organization of  
19 trade fairs and business missions; conduct of seminars, workshops,  
20 conferences and symposium on export-related subjects, including export  
21 documentation and procedures; product design and development; and market  
22 and product consultancy. The government shall give preference to locally  
23 produced salt in government purchases.

24           **SEC. 22. Role of LGUs.** - LGUs shall, as far as practicable, establish  
25 their respective Salt Industry Development Task Force (Salt Task Force). LGUs  
26 shall regularly conduct a survey of existing salt farms and salt processing  
27 enterprises in their respective localities.

28           LGUs in cooperation with the DENR, BFAR, DA-NFRDI, and DTI and the  
29 appropriate DOST-Regional Office shall identify appropriate areas for local salt  
30 production in their respective localities.

1           **SEC. 23. *Importation and Exportation of Salts.*** - No person shall  
2 import and/or export salt without first securing a permit from the following  
3 agencies:

- 4           a. DA-BFAR and DOH-FDA- for food grade salt; and
- 5           b. DA-BFAR- for non-food grade salt.

6           The DOH-FDA and DA-BFAR are hereby mandated to harmonize and  
7 streamline their processes.

8           **SEC 24. *Mandatory Use of Domestically-Produced Salt.*** – The  
9 government shall mandate the use of domestically-produced salt in its  
10 programs, including the fertilization of coconut farms by the Philippine Coconut  
11 Authority (PCA).

12           **SEC. 25. *National Iodization Program.*** - Notwithstanding the  
13 provisions of Republic Act No. 8172 or the "ASIN Law", salt iodization for food-  
14 grade salt is hereby rendered optional in the country, thereby modifying  
15 accordingly Sections 3 and 5 of said Act: *Provided,* That the DOH shall review  
16 and continue in the implementation of the existing national iodization program  
17 and shall explore and institutionalize programs to continue salt iodization in the  
18 country. Such programs shall encourage and incentivize salt producers to iodize  
19 the production of food-grade salt.

20           For this purpose, the DOH shall develop guidelines for the  
21 implementation of this new mandate, taking into consideration international  
22 trade nuances and standards impacting on local food manufacturers and  
23 exporters.

24           The DOST-Forest Products Research and Development Institute (DOST-  
25 FPRDI) is hereby tasked to develop and implement a comprehensive program  
26 for the acquisition, design, and manufacture of salt iodization equipment, and  
27 the further development of salt iodization technology.

28           **SEC. 26. *Incentives.*** - The following incentives shall be provided to  
29 investors in salt farms development and salt processing facilities:

- 30           a. The Board of Investments shall classify salt farms as preferred areas  
31           of investment under its Investment Priorities Plan (IPP) subject to  
32           pertinent rules and regulations;

- 1 b. Salt farm owners, salt processors and other related businesses shall  
2 be exempt from the payment of import duties for imported machines  
3 and equipment to be actually and directly used in their businesses,  
4 subject to pertinent rules and regulations;
- 5 c. The salt producers and processors shall be given priority to access  
6 credit assistance and guarantee schemes granted by Government  
7 Financial Institutions (GFIs); and
- 8 d. Salt farm development and their equipment shall be covered by the  
9 Philippine Crop Insurance Corporation.

10 **SEC. 27. *Tariff on Salt.*** – There shall be levied, collected, and paid  
11 upon all imported salt a duty of nine percent (9%) *ad valorem*, subject to  
12 existing free trade agreements.

13 Tariff collections shall be credited automatically to a special account  
14 with the National Treasury, which shall be in place within ninety (90) days from  
15 the effectivity of this Act, for the purpose of developing the salt industry.

16 Salt imports include imported products under the following HS headings  
17 or AHTN Codes, the Descriptions:

18 2501 – Salt (including table salt and denatured salt) and pure sodium  
19 chloride, whether or not in aqueous solution of containing added anti-caking or  
20 free flowing agents; sea water.

- 21 i. 2501.00.10 - Table salt
- 22 ii. 2501.00.20 - Unprocessed rock salt
- 23 iii. 2501.00.50 - Sea water
- 24 iv. - Other
- 25 v. 2501.00.51 - Salt, denatured, industrial
- 26 vi. 2501.00.91 - With sodium chloride content more than  
27 60% but less than 97%, calculated on a dry basis, fortified with iodine.
- 28 vii. 2501.00.93 - Other, with sodium chloride content 97%  
29 or more but less than 99.9%, calculated on a dry basis.
- 30 ix. 2501.00.99 - Other

31 **SEC. 28. *Creation of the Salt Industry Development and***  
32 ***Competitiveness Enhancement Fund (SIDCEF).*** – The Salt Industry

1 Development and Competitiveness Enhancement Fund (SIDCEF) is hereby  
2 created from the salt tariff collections account with the National Treasury.

3 The allocation and utilization of the SIDCEF shall be subject to the  
4 following guidelines:

5 a) SIDCEF shall be earmarked, released, and implemented as follows:

6 1) Establishment of salt farm warehouses/storage areas; twenty-five  
7 percent (25%) of the available fund at a given time; to be utilized  
8 and implemented by BFAR;

9 2) Provision of salt production materials, machinery, and equipment;  
10 twenty-five percent (25%); to be utilized and implemented by BFAR;

11 3) Conduct of capability building/training; fifteen percent (15%); to be  
12 utilized and implemented equally by the ATI and BFAR Provincial  
13 Offices;

14 4) Provision of easy-access, low-interest loans; ten percent (10%); to  
15 be serviced by LBP;

16 5) Establishment and strengthening of salt producers cooperative; five  
17 percent (5%); to be implemented by the Cooperative Development  
18 Authority (CDA);

19 6) Development of modern salt production and processing technology;  
20 ten percent (10%); to be utilized and implemented by the NFRDI;

21 7) Construction of Roads or "*Daan Asinar*"; ten percent (10%); to be  
22 utilized and implemented by DPWH.

23 b) The Secretary of the DA and BFAR Director shall be accountable and  
24 responsible for the management and utilization of the said fund in  
25 coordination with the other government agencies concerned;

26 c) The amount allocated shall be released directly to the implementing  
27 agencies as provided for in this Act based on the objectives of the Salt  
28 Industry Development Roadmap. *Provided, That* the unutilized portion  
29 of the SIDCEF shall not revert to the general fund but shall continue to  
30 be used for the purpose for which it was set aside. The fund releases  
31 shall not be subject to any ceiling by the DBM; and



1 d) Any program undertaken in accordance with this Act shall only be  
2 deemed complementary and supplementary to, and shall not be a  
3 replacement of any existing programs for the fisherfolk already  
4 implemented by the DA-BFAR and other agencies concerned.

5 **SEC. 29. Powers of the President.** – Notwithstanding Section 27 of  
6 this Act and consistent with the Philippine national interest and the objective of  
7 safeguarding local salt producers and consumers, the President is hereby  
8 empowered to act with full delegated authority subject to the provisions of the  
9 Customs Modernization and Tariff Act (CMTA), in the following circumstances:

10 a) The President may revise or adjust existing rates of customs  
11 duties on salt imports consonant with the country's international agreements,  
12 including any necessary change in classification applicable to their importation:  
13 *Provided*, That the adjustment is time-bound and that the power herein  
14 delegated to the President shall only be exercised when Congress is not in  
15 session: *Provided further*, That any order issued by the President adjusting the  
16 applied tariff rates shall take effect fifteen (15) days after publication;

17 b) In the event of any imminent or forecasted shortage, or such  
18 other situation requiring government intervention, the President is empowered  
19 for a limited period and/or a specified volume, to allow the importation of salt  
20 at a lower applied tariff rate to address the situation. Such order shall take  
21 effect immediately and can be issued even when Congress is in session.

22 The power herein delegated to the President may be withdrawn or  
23 terminated by Congress through a joint resolution.

24 **SEC. 30. Reporting.** - The various departments and agencies specified  
25 in this Act shall provide regular updates to the Salt Council on the progress of  
26 their programs and activities toward the realization of the objectives of this Act.

27 **SEC. 31. Congressional Oversight.** - The Congressional Oversight  
28 Committee on Agriculture and Fisheries Modernization (COCAFAM) shall regularly  
29 exercise its oversight powers to ensure full implementation of this Act.

30 **SEC. 32. Agencies Regular Programs.** - The additional mandates,  
31 functions and activities of the various departments and agencies provided for

1 and identified in this Act shall be considered regular programs and shall be  
2 funded accordingly in their annual budgets.

3 **SEC. 33. Appropriations.** - The amount necessary for the effective  
4 implementation of this act shall be taken from the appropriations of the BFAR.  
5 Thereafter, such amount as may be needed for the continued implementation  
6 of this Act shall be included in the annual General Appropriations Act (GAA).

7 **SEC. 34. Separability Clause.** – If any provision of this Act is declared  
8 invalid or unconstitutional, the other provisions of this Act not affected by such  
9 declaration shall remain in full force and effect.

10 **SEC. 35. Repealing Clause.** – Sections 3 and 5 of Republic Act No.  
11 8172 or the “ASIN Law” are modified accordingly. All laws, decrees, orders,  
12 rules and regulations or other issuances or parts inconsistent with the  
13 provisions of this Act are hereby repealed or modified accordingly.

14 **SEC. 36. Effectivity Clause.** - This Act shall take effect fifteen (15)  
15 days after its complete publication in the Official Gazette or in two (2)  
16 newspapers of general circulation.

17 *Approved,*