



S E N A T E

S. No. 2243

PREPARED BY THE COMMITTEE ON AGRICULTURE, FOOD AND
AGRARIAN REFORM; TRADE, COMMERCE AND
ENTREPRENEURSHIP; FINANCE; AND WAYS AND MEANS
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AN ACT STRENGTHENING AND REVITALIZING THE
SALT INDUSTRY IN THE PHILIPPINES,
APPROPRIATING FUNDS THEREFOR

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

1 SECTION 1. *Short Title.* – This Act shall be known as
2 the “Philippine Salt Industry Development Act”.

3 SEC. 2. *Declaration of Policy.* – It is the policy of the
4 State to promote rural development based on sound
5 agricultural productivity, increase in rural income through
6 enterprises that make full and efficient use of human and
7 natural resources, and which are competitive in both

1 domestic and foreign markets. For this purpose, the State
2 shall provide support through appropriate technology and
3 research, and adequate financial, production, marketing,
4 and other support services to revitalize the salt industry,
5 attain increased production by salt farmers and salt
6 producers, achieve salt self-sufficiency, and become a net
7 exporter of salt.

8 It is further the policy of the State to preserve,
9 protect, and rehabilitate the natural environment in the
10 actualization of its developmental policies.

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

13 (a) *Artisanal Salt* refers to locally produced unrefined
14 salt, derived directly from a living sea or ocean, using
15 traditional methods. It retains natural traces of minerals
16 coming from sea water, and is produced by traditional or
17 community-based enterprises.

18 (b) *Artisanal Salt Producer* refers to one who utilizes
19 traditional methods of production using non-mechanized
20 means.

1 (c) *Food-grade salt* refers to salt for human
2 consumption.

3 (d) *Industrial salt* refers to salt used in the treatment,
4 processing, and/or manufacture of non-food commercial
5 products.

6 (e) *Iodized salt* refers to ordinary salt with Fortificant
7 Potassium Iodate (KIO₃).

8 (f) *Salt* refers to an unrefined salt derived directly
9 from a living sea or ocean, harvested through the process of
10 cooking, smoking or solar evaporation. Regardless of the
11 manner of production, it retains natural traces of minerals
12 coming from sea water.

13 (g) *Salt Farm* refers to areas of land, shorelines, or
14 coastal areas, including its buildings, machineries, and
15 equipment used in salt production. Salt farms may be
16 classified as:

17 (1) *Individual Salt Farm* – salt farm of not more than
18 fifty (50) hectares;

1 (2) *Corporate or Cooperative/Association Salt Farm* –
2 salt farm of not more than two hundred fifty (250)
3 hectares.

4 (g) *Salt Producer* refers to an individual, corporation,
5 cooperative or association involved in the production of
6 salt. Local salt producers shall be categorized as follows:

7 (1) *Subsistence producer/manufacturer* – A person or
8 association engaged in the production, trade, and
9 distribution of salt not exceeding two (2) metric tons (MT)
10 per year.

11 (2) *Small producer/manufacturer* – A person,
12 corporation, or association engaged in the production,
13 trade and distribution of salt ranging from more than two
14 (2) metric tons (MT) to three hundred (300) metric tons
15 (MT) per year.

16 (3) *Medium producer/manufacturer* – A person,
17 corporation, or association engaged in the production,
18 trade, and distribution of salt ranging from more than
19 three hundred (300) metric tons (MT) to two thousand
20 (2,000) metric tons (MT) per year.

1 (4) Large producer/manufacturer – A person,
2 corporation, or association engaged in the production,
3 trade, and distribution of salt exceeding two thousand
4 (2,000) metric tons (MT) per year.

5 (i) *Salt Production* refers to the process of generating
6 salt from salt water utilizing solar evaporation or cooking
7 and other acceptable methods.

8 SEC. 4. *Philippine Salt Industry Development*
9 *Roadmap (Salt Roadmap)*. – For the attainment of the
10 objectives of this Act, there shall be formulated and
11 established a Philippine Salt Industry Development
12 Roadmap (Salt Roadmap), which shall include, but not
13 limited to, programs, projects and interventions for the
14 development and management, research, processing,
15 utilization, business modernization, and commercialization
16 of Philippine salt: *Provided*, That the Roadmap shall be
17 aligned with the objectives and continued implementation
18 of Republic Act No. 8172 or the “Act for Salt Iodization
19 Nationwide (ASIN)”, which shall include the mandatory

1 iodization of all food-grade salt and shall have the
2 following objectives, among others:

3 (a) Increase salt production in order to attain salt-
4 self-sufficiency, and become a net exporter of salt;

5 (b) Encourage salt farming and expand the number of
6 salt-producing areas;

7 (c) Ensure the sustainable production, management
8 and harvesting, and soil and water conservation practices
9 in salt-farming areas;

10 (d) Promote public and private investments in the
11 salt industry development programs;

12 (e) Ensure the sustainability and viability of the salt
13 industry through the establishment of cooperatives among
14 salt farmers and salt producers in order to optimize local
15 production and improve access to government
16 interventions, assistance, and incentives;

17 (f) Advance market access for Philippine salt
18 products locally and internationally;

1 (g) Support research and development (R&D)
2 activities for salt production and processing and introduce
3 new and appropriate technology based on R&D outputs;

4 (h) Ensure regular funding for salt production,
5 processing, commercial and marketing programs and
6 projects and provide technical and financial assistance in
7 the local design and fabrication of high-capacity processing
8 equipment and machineries for the salt industry and salt
9 iodization; and

10 (i) Provide continuous training and capacity building
11 in the salt industry development.

12 SEC. 5. *Creation of Philippine Salt Industry*
13 *Development Council (Salt Council).* – To ensure the
14 unified and integrated implementation of the Salt
15 Roadmap and accelerate the modernization and
16 industrialization of the Philippine Salt Industry, a Salt
17 Council is hereby created with the following composition:

18 (a) Secretary of the Department of Agriculture (DA),
19 as Chairperson;

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

3 Members:

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

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

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

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

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

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

14 (i) Secretary of the Department of Labor and
15 Employment (DOLE);

16 (j) Chairperson of the Cooperative Development
17 Authority (CDA);

18 (k) Executive Director of National Fisheries Research
19 and Development Institute (NFRDI);

1 (l) One representative each from the League of
2 Provinces of the Philippines, League of Cities of the
3 Philippines, and League of Municipalities of the
4 Philippines of salt-producing areas;

5 (m) One (1) representative from the private sector
6 engaged in salt-production business; and

7 (n) Three (3) representatives from the salt farmer
8 cooperative, two (2) representing Luzon and one (1)
9 representing Visayas and Mindanao.

10 *Provided*, That the respective agencies may designate
11 their permanent representatives whose rank shall not be
12 lower than an Assistant Secretary: *Provided, further*, That
13 the representatives from business sector shall be chosen by
14 BFAR from a list of three (3) nominees submitted to it by
15 the sector; representatives from the cooperatives shall be
16 chosen by BFAR from a list of five (5) nominees for Luzon
17 and three (3) for the Visayas and Mindanao submitted to it
18 by the salt farmers' cooperatives: *Provided, finally*, That
19 one-third (1/3) of all the members of the Salt Council shall
20 constitute a quorum.

1

2 SEC. 6. *Functions of the Salt Council.* – The Salt

3 Council shall have the following powers and functions:

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

9 (b) Identify specific and priority programs and
10 projects in support of, and in line with the Roadmap;

11 (c) Provide development funds and technical
12 assistance to salt farmers and the industry. The support
13 shall be commensurate to the size of the salt farm;

14 (d) Implement the mechanization of salt production
15 process through provision of machinery and equipment
16 such as, but not limited to, harvesters, and motorized
17 pumps to reduce operational cost.

18 (e) Identify sources of financing and facilitate credit
19 windows with government banks and the Agricultural

1 Credit Policy Council (ACPC) to expand the salt industry
2 development;

3 (f) Increase production of local salt by increasing land
4 area devoted to salt and improving farm productivity;

5 (g) Institutionalize capacity building for salt farmers
6 through the BFAR provincial offices under the Fisheries
7 Post-Harvest Technology Division (FPHTD);

8 (h) Strengthen market linkage and promotion of
9 Philippine salt;

10 (i) Conduct continuing research and development on
11 innovation and modernization of the salt industry;

12 (j) Establish an Agri-Insurance Program for Salt
13 producers:

14 (k) Submit annual reports, not later than June 30, to
15 the Office of the President and to each House of Congress,
16 on the status of the implementation of the Roadmap and
17 the salt industry development in the country;

18 (l) Recommend to the Department of Budget and
19 Management (DBM) the required yearly appropriations for

1 the plan and implementation of the salt development
2 programs;

3 (m) Promulgate such rules and regulations, and
4 exercise such other powers and functions, as may be
5 necessary to carry out the objectives of this Act; and

6 (n) Constitute the staffing complement of the PMO-
7 Secretariat with the power to create and abolish positions.

8 *SEC. 7. Creation of a Program Management Office*
9 *(PMO).* – The DA, through the BFAR, shall lead in the
10 implementation of the Development Plan. Towards this
11 end, a PMO is hereby created under the Office of the BFAR
12 Director to oversee the overall implementation of the
13 Development Plan and the monitoring of its execution by
14 the implementing agencies and/or partners. Further, the
15 PMO shall also assume and perform secretariat functions
16 such as to coordinate and manage the regular meetings of
17 the Salt Council, prepare and/or consolidate reports,
18 monitor the implementation of policy decisions that the
19 Salt Council has adopted and liaise with all the member
20 departments and relevant agencies of the government. The

1 PMO shall have a staff complement, as approved by the
2 Salt Council.

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

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

10 SEC. 9. *Mapping and Determination of Public Lands*
11 *for Salt Production; Role of the DENR and BFAR.* – Most
12 areas suitable for salt production are public lands which
13 are currently within the administrative jurisdiction of the
14 DENR and the BFAR.

15 Pursuant to this Act, the DENR through its
16 appropriate Bureaus and its attached agency, the National
17 Mapping and Resource Information Authority (NAMRIA),
18 and the BFAR are hereby mandated to map out, identify,
19 and designate public lands, including portions of municipal
20 waters, as salt production areas. They shall prioritize

1 public lands situated in the following provinces that are
2 identified as suitable for salt production (Type 1 Climate),
3 namely: Ilocos Norte, Ilocos Sur, La Union, Pangasinan,
4 Zambales, Bataan, Occidental Mindoro, Oriental Mindoro,
5 Palawan, and Antique, which are now hereby declared as
6 priority areas for salt production. They shall finish the
7 task within sixty (60) days from the effectivity of this Act:
8 *Provided*, That public lands in other regions shall also be
9 subsequently mapped out, identified and designated as
10 potential salt production areas, within six (6) months from
11 the effectivity of this Act: *Provided, further*, That the result
12 of the mandatory mapping, identification, and designation
13 of public lands for salt production shall be shared with the
14 public, through the DENR and BFAR websites or
15 otherwise, as their respective agency rules shall allow, so
16 as to inform interested salt industry investors: *Provided*,
17 *furthermore*, That they shall also provide a report on the
18 completion of this mapping, identification, and designation
19 to both Houses of Congress through the Congressional

1 Oversight Committee on Agriculture and Fisheries
2 Modernization (COCAFAM).

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

10 SEC. 11. *Allocation and Use of Public Lands for Salt*
11 *Production; Role of BFAR; Miscellaneous Provisions.* –
12 BFAR is hereby mandated to allocate public lands for
13 salt production to qualified salt producers. For this
14 purpose, it shall issue a tenurial instrument (herein
15 referred to as the Salt Production Tenurial
16 Instrument or SPTI) to qualified salt producers for
17 the use of these public lands, certified copies of which
18 shall be furnished the Salt Council through the PMO:
19 *Provided, That tenurial instruments on public lands*

1 already issued to private entities shall be respected:

2 *Provided, further,* That tenurial instruments issued

3 for salt production shall be strictly used only for the

4 purpose for which it was granted, and that public land

5 with salt farms shall not be converted to other uses,

6 other than for fisheries and aquaculture purposes:

7 *Provided, furthermore,* That the procedure for such

8 issuance shall take into utmost consideration

9 Republic Act No. 11032 or the “Ease of Doing

10 Business and Efficient Government Service Delivery

11 Act”: *Provided, finally,* That the BFAR shall maintain

12 a digital database of all applicants and holders of

13 SPTI to ensure integrity of data, stronger data

14 protection, and convenient data access.

15 (a) *Salt Production Tenurial Instrument (SPTI).*

16 An application for a SPTI on a public land for salt

17 farm production shall be submitted to BFAR. BFAR shall

18 issue the SPTI to qualified salt producers, which shall

19 indicate, *inter alia*, the following:

1 (1) Name and other relevant information about the
2 grantee;

3 (2) Terms and conditions in the use of the salt farm;

4 (3) Period of use of the public land on which the salt
5 farm is located;

6 (4) Conditions for termination, which shall include an
7 undertaking to start salt farm construction and operation
8 within one (1) year from the approval and granting of the
9 SPTI and to protect and preserve critical habitat for
10 marine life in the area; and

11 (5) Metes and bounds of the salt farm.

12 *Provided*, That nothing herein shall be added that
13 contradicts the principles and provisions in the “Ease of
14 Doing Business and Efficient Government Service Delivery
15 Act”: *Provided, further*, That new/renewal/transfer of
16 application for SPTI shall be submitted to the BFAR
17 Provincial Office, which shall process and issue the SPTI
18 applied for within forty-five (45) days from the complete
19 submission of the three (3) requirements enumerated in
20 subparagraph (b) of this section, failure in the issuance of

1 which shall render the application approved and BFAR
2 shall immediately issue the SPTI applied for to the
3 applicant: *Provided, furthermore,* That the SPTI shall bear
4 only the signature of the Regional Director and the BFAR
5 Director.

6 (b) *Qualification of Salt Producers Applying for SPTI.*

7 The BFAR shall approve application for SPTI on the
8 bases of only the following three (3) requirements:

9 (1) Certificate of Registration as a salt producer,
10 secured under Section 13 of this Act;

11 (2) The applicant has an outstanding track record of
12 engaging in salt farm business or other related business for
13 at least three (3) years, or has an actual experience in salt
14 production for at least three (3) years: *Provided,* That
15 Cooperatives/Associations of subsistence and small salt
16 producers/farmers may present certification and
17 endorsement from the local government unit(s) (LGUs)
18 within which their intended salt farm will be established of
19 their capability to manage and operate a salt farm, in lieu
20 of the three (3)-year period requirement; and

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

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

19 (c) *Period of Use of Public Land for Salt Farm.*

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

8 (d) *Limitations on the Size of Salt Farms.*

9 Individuals may lease up to fifty (50) hectares of salt
10 farms. Corporations or cooperatives/associations may lease
11 up to two hundred fifty (250) hectares. A lease applicant
12 may apply for a lease for more than one (1) area and hold
13 several lease agreements, but in no case shall the total
14 area of such multiple lease agreements exceed the limits
15 prescribed under this provision.

16 SEC. 12. *Utilization of Public Lands Already Issued*
17 *Fishpond Lease Agreements (FLAs) for Salt Production;*
18 *Other Forms of Public Land Possession.* – Fishpond Lease
19 Agreements (FLAs) issued by BFAR before the enactment
20 of this law may now include salt production as among the

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

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

1 SEC. 13. *Registration as Salt Producer; Control*
2 *Measures.* – All salt producers, whether holders of SPTI or
3 otherwise, shall register with the BFAR: *Provided, That*
4 the Food and Drug Administration (FDA) shall retain its
5 jurisdiction over the registration of salt for human
6 consumption as provided under the ASIN Law and
7 Republic Act No. 10611, or the “Food Safety Act of 2013”.
8 The following are the qualification requirements for
9 registration:

10 (a) For Cooperatives/Associations

11 (1) Existing

12 (i) Certification as Existing Salt Producer from the
13 LGU where salt farm operates;

14 (ii) Certificate of Registration from CDA for
15 Cooperatives, or from LGU where the farm site is located
16 for farmers’ association;

17 (iii) Production Record for the immediately preceding
18 year; and

19 (iv) Affidavit from applicant of existence of at least
20 fifty (50) members.

1 (2) New Registrants

2 (i) Certificate of Registration from CDA for
3 Cooperatives, or from LGU where the Proposed Farm Site
4 is located for Farmers' Association;

5 (ii) Business Plan;

6 (iii) Farm Site Inspection Report from the Provincial
7 Fisheries Officer (PFO); and

8 (iv) Affidavit from Applicant of Existence of at least
9 Fifty (50) members.

10 (b) For Corporations

11 (1) Existing

12 (i) Securities and Exchange Commission (SEC)
13 Registration;

14 (ii) Certification as Existing Salt Producer from the
15 LGU where salt farm operates;

16 (iii) Updated Tax Payment Record; and

17 (iv) Proof of SSS, Pag-IBIG, PhilHealth remittances.

18 (1) New Registrants

19 (i) SEC Registration;

20 (ii) Business Plan; and

1 (iii) Farm Site Inspection Report from the Provincial
2 Fisheries Officer (PFO).

3 (c) For Individuals/Artisanal

4 (1) Existing

5 (i) Certificate as a Salt Producer from the LGU, and
6 indication as artisanal, if applicable; and

7 (ii) Production Report for the immediately preceding
8 year.

9 (2) New Registrants

10 (i) Business Plan; and

11 (ii) Farm/Production Site Inspection Report from the
12 PFO.

13 Registration shall be renewed every three (3) years.

14 Upon complete submission of the qualification
15 requirements, BFAR shall issue the Certificate of
16 Registration as a salt producer, or a notice of the denial of
17 the application for registration, accompanied by an
18 explanation for such denial, within forty-five (45) days
19 from completion. The failure of BFAR to act on the
20 application renders the application approved, and it shall

1 immediately issue the said Certificate of Registration. An
2 appeal for such denial shall be filed with the BFAR
3 Director within fifteen (15) days from receipt of Notice of
4 Denial, which in turn shall be decided with administrative
5 finality by the Director, within fifteen (15) days from filing.

6 SEC. 14. *Support for the Development of Salt Farms*
7 *and Salt Producers.* – The DA-BFAR, in consultation with
8 individuals, corporations, associations, and cooperatives
9 from the salt industry, shall provide technical support in
10 the development and operation of existing salt farms. It
11 shall assist in the design of salt farms of
12 cooperatives/associations.

13 BFAR is hereby mandated and authorized to grant
14 material and technical assistance to salt farms of
15 cooperatives/associations through its own projects and
16 programs for the salt industry, on the following concerns:

- 17 (a) Establishment of salt farm warehouses;
- 18 (b) Provision of inputs for salt development,
19 machinery, and equipment;
- 20 (c) Conduct of extension services;

1 (d) Establishment and strengthening of salt
2 producers cooperative;

3 (e) Development of modern salt production and
4 processing technology.

5 This mandate shall be funded out of the tariff
6 collection on imported salt as provided in Sections 27 and
7 28 of this Act. The BFAR shall institutionalize the
8 Development of Salt Industry Program (DSIP) as a regular
9 program funded by the General Appropriations Act (GAA)
10 and shall cover the interventions that are not included for
11 funding by the SIDCEF over and above the regular budget
12 of BFAR under the General Appropriations Act (GAA).

13 SEC. 15. *Construction of Salt Farm Roads.* –
14 Consistent with the Development Plan, the DA-BFAR, in
15 coordination with LGUs and the resident-salt producers,
16 shall identify priority locations of roads linking the salt
17 farms to the market, which shall be known as *Daan*
18 *Asinan*. In the construction of the *Daan Asinan*, the DA-
19 BFAR shall consider the investment cost for salt
20 production in the area, the number of salt producers and

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

7 SEC. 16. *Research and Promotion of Salt Farming*
8 *Methodologies and Techniques*. – The Department of
9 Agriculture- National Fisheries Research and Development
10 Institute (DA-NFRDI), in close coordination with the
11 DA-Philippine Center for Postharvest Development and
12 Mechanization (DA-PhilMech), shall spearhead the
13 development of the latest technology in salt production,
14 particularly technology that allows year-round production
15 of salt even under erratic weather patterns. It shall also
16 encourage the mechanization of salt production from pre-
17 to post-harvest and develop technologies that promote
18 alternative methods and cost-effective techniques in salt
19 production.

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

4 SEC. 17. *Extension Programs.* – The BFAR, in
5 coordination with the DTI, DOST, DOLE, TESDA and
6 other relevant government agencies, shall provide
7 complementary training programs that shall develop and
8 upgrade the skills and competencies of Philippine salt
9 producers, ensure product traceability and compliance to
10 food safety, hasten technology acquisition including
11 product labelling and packaging, enhance skills on market
12 positioning for Philippine artisanal/specialty and
13 industrial salts and such other capabilities necessary in
14 the maintenance and development of the local salt
15 industry.

16 SEC. 18. *Corps of Salt Production Trainers.* – Within
17 thirty (30) days from the effectivity of this Act, BFAR shall
18 form the Corps of Trainers for salt production, whose
19 members shall be recruited from BFAR personnel in the
20 provinces, under the FPHTD; experts from State

1 Universities and Colleges (SUCs) with a track record for
2 studying and researching on salt production and
3 post-production techniques and technology; experts from
4 ATI; and from practitioners in actual salt farm production
5 in the country. The Corps members shall be tasked to help
6 out in the establishment of salt farms in areas designated
7 as such by this Act. BFAR shall spend for their travel,
8 lodging, *honoraria* and other necessary expenses, within
9 existing budgetary rules.

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

18 SEC. 20. *Salt Farmers Cooperatives and Association.* –
19 The Cooperative Development Authority (CDA) shall assist
20 in the formation, organizational strengthening, and

1 financial literacy of cooperatives and their local salt
2 farmers-members and producers. It shall aim to build
3 capabilities of cooperatives and associations to leverage
4 their own resources, run sustainable operations, and
5 increase the number of successful cooperative-managed
6 salt farms in the country.

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

1 SEC. 22. *Role of LGUs.* – LGUs shall, as far as
2 practicable, establish their respective Salt Industry
3 Development Task Force (Salt Task Force). LGUs shall
4 regularly conduct a survey of existing salt farms and salt
5 processing enterprises in their respective localities.

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

10 SEC. 23. *Importation of Salts.* – No person shall
11 import salt without first securing a permit from the
12 following agencies:

13 (a) DA-BFAR and DOH-FDA for food grade salt; and

14 (b) DA-BFAR for non-food grade salt.

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

17 SEC 24. *Mandatory Use of Domestically-Produced*
18 *Salt.* – The government shall mandate the use of
19 domestically-produced salt in its programs, including the

1 fertilization of coconut farms by the Philippine Coconut
2 Authority (PCA).

3 SEC. 25. *National Iodization Program.* –
4 Notwithstanding the provisions of Republic Act No. 8172 or
5 the “ASIN Law”, iodization of salt that is not intended for
6 human consumption or local food production, as well as
7 artisanal salt, is hereby rendered optional in the country.

8 Importers, traders and distributors of imported food-
9 grade salt that will undertake fortification shall comply
10 with the iodization standards set by the DOH.

11 For this purpose, the DOH shall develop guidelines
12 for the implementation of this new mandate, taking into
13 consideration international trade nuances and standards
14 impacting on local food manufacturers and exporters.

15 The BFAR-Fisheries Post-Harvest Technology
16 Division (BFAR-FPHTD) is hereby tasked to develop and
17 implement a comprehensive program for the acquisition,
18 design, and manufacture of salt iodization equipment, and
19 the further development of salt iodization technology.

1 SEC. 26. *Incentives.* – The following incentives shall
2 be provided to investors in salt farms development and salt
3 processing facilities:

4 (a) The Board of Investments shall classify salt farms
5 as preferred areas of investment under its Investment
6 Priorities Plan (IPP) subject to pertinent rules and
7 regulations;

8 (b) Salt farm owners, salt processors and other
9 related businesses shall be exempt from the payment of
10 import duties for imported machines and equipment to be
11 actually and directly used in their businesses, subject to
12 pertinent rules and regulations;

13 (c) The salt producers and processors shall be given
14 priority to access credit assistance and guarantee schemes
15 granted by Government Financial Institutions (GFIs); and

16 (d) Salt farm development and their equipment shall
17 be covered by the Philippine Crop Insurance Corporation.

18 SEC. 27. *Tariff on Salt.* – There shall be levied,
19 collected, and paid upon all imported salt a duty of nine
20 percent (9%) *ad valorem*.

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

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

7 2501 – Salt (including table salt and denatured salt)
8 and pure sodium chloride, whether or not in aqueous
9 solution of containing added anti-caking or free flowing
10 agents; sea water.

11 (a) 2501.00.10 - Table salt

12 (b) 2501.00.20 - Unprocessed rock salt

13 (c) 2501.00.50 - Sea water

14 (d) - Other

15 (e) 2501.00.51 - Salt, denatured, industrial

16 (f) 2501.00.91 - With sodium chloride content
17 more than 60% but less than 97%, calculated on a dry
18 basis, fortified with iodine.

1 (g) 2501.00.92 - Other, with sodium chloride
2 content 97% or more but less than 99.9%, calculated on a
3 dry basis.

4 (h) 2501.00.99 - Other

5 SEC. 28. *Creation of the Salt Industry Development*
6 *and Competitiveness Enhancement Fund (SIDCEF)*. – The
7 SIDCEF is hereby created from the salt tariff collections
8 special account with the National Treasury. The SIDCEF
9 shall exist for the next ten (10) years following the
10 effectivity of this Act.

11 The allocation and utilization of the SIDCEF shall be
12 subject to the following guidelines:

13 (a) The SIDCEF shall be earmarked, released, and
14 implemented as follows:

15 (1) Provision of machinery and equipment, including
16 sea water pumps, salt graders, salt harvesters, dump
17 trucks and bagging machines, and salt iodization machine
18 for beneficiaries who are into salt iodization; fifty percent
19 (50%); to be utilized and implemented by BFAR;

1 (2) Establishment of salt farm warehouses/storage
2 areas; forty percent (40%); to be utilized and implemented
3 by DPWH;

4 (3) Conduct of extension services; five percent (5%); to
5 be utilized and implemented by BFAR provincial offices;
6 and

7 (4) Development of modern salt production and
8 processing technology; five percent (5%) to be utilized and
9 implemented by NFRDI.

10 *Provided*, That the beneficiaries of the SIDCEF are
11 the salt cooperatives/associations of subsistence and small
12 farmers fisherfolk: *Provided, further*, That the earmarking
13 percentage shall be reviewed at the end of the fifth (5th)
14 year following the effectivity of this Act, for possible
15 revisions and upgrading based on changes in intervention
16 priorities: *Provided, furthermore*, That the allocation and
17 disbursement of funds shall focus on the provinces that
18 have the most number of salt farms.

19 (b) At the end of the tenth (10th) year from the
20 effectivity of this Act, a mandatory review shall be

1 conducted by the COCAFAM to determine whether SIDCEF
2 and its use as provided for under this Act shall be
3 continued, amended, or terminated. The COCAFAM shall
4 utilize the increase or decrease in farmers' incomes as a
5 primary benchmark in determining the effectiveness of the
6 interventions under the SIDCEF and its possible
7 extension.

8 (c) The Secretary of the DA and BFAR Director shall
9 be accountable and responsible for the management and
10 utilization of the said fund in coordination with the other
11 government agencies concerned;

12 (d) The amount allocated shall be released directly to
13 the implementing agencies as provided for in this Act
14 based on the objectives of the Salt Industry Development
15 Roadmap: *Provided*, That the unutilized portion of the
16 SIDCEF shall not revert to the general fund but shall
17 continue to be used for the purpose for which it was set
18 aside. The fund releases shall not be subject to any ceiling
19 by the DBM; and

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

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

13 (a) The President may revise or adjust existing rates
14 of customs duties on salt imports consonant with the
15 country's international agreements, including any
16 necessary change in classification applicable to their
17 importation: *Provided*, That the adjustment is time-bound
18 and that the power herein delegated to the President shall
19 only be exercised when Congress is not in session:
20 *Provided, further*, That any order issued by the President

1 adjusting the applied tariff rates shall take effect fifteen
2 (15) days after publication;

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

10 The power herein delegated to the President may be
11 withdrawn or terminated by Congress through a joint
12 resolution.

13 SEC. 30. *Reporting.* – The various departments and
14 agencies specified in this Act shall provide regular updates
15 to the Salt Council on the progress of their programs and
16 activities toward the realization of the objectives of this
17 Act.

18 SEC. 31. *Congressional Oversight.* – The COCAF
19 shall regularly exercise its oversight powers to ensure full
20 implementation of this Act.

1 SEC. 32. *Agencies Regular Programs.* – The additional
2 mandates, functions and activities of the various
3 departments and agencies provided for and identified in
4 this Act shall be considered regular programs and shall be
5 funded accordingly in their annual budgets as particularly
6 provided in Sections 15, 20, and 21 of this Act.

7 SEC. 33. *Appropriations.* – The amount necessary for
8 the effective implementation of this Act shall be taken
9 from the appropriations of the BFAR. Thereafter, such
10 amount as may be needed for the continued
11 implementation of this Act shall be included in the annual
12 General Appropriations Act (GAA).

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

17 SEC. 35. *Repealing Clause.* – Sections 3 and 5 of
18 Republic Act No. 8172 or the “ASIN Law” are modified
19 accordingly. All laws, decrees, orders, rules and regulations

1 or other issuances or parts inconsistent with the provisions
2 of this Act are hereby repealed or modified accordingly.

3 SEC. 36. *Effectivity.* – This Act shall take effect
4 fifteen (15) days after its complete publication in the
5 *Official Gazette* or in two (2) newspapers of general
6 circulation.

Approved,