

RLA BILL NO. 46

Republic of the Philippines
Autonomous Region in Muslim Mindanao
REGIONAL ASSEMBLY
Cotabato City

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SIXTH LEGISLATIVE ASSEMBLY
(Second Regular Session)

[MUSLIM MINDANAO AUTONOMY ACT NO. 254]

Begun and held in Cotabato City, on Monday, the twenty-seventh day of October, two thousand and eight.

AN ACT REGULATING THE USE OF THE TERM HALAL OR HALAL LABEL IN THE PREPARATION, DISTRIBUTION, AND SALE OF HALAL PRODUCTS, CREATING THE REGIONAL HALAL ACCREDITATION AND REGULATORY BOARD FOR THE PURPOSE, PROVIDING GUIDELINES FOR ITS OPERATIONS AND FOR OTHER PURPOSES.

Be it enacted by the Regional Assembly in session assembled:

Section 1. SHORT TITLE. – This Act shall be known and cited as the “ARMM Halal Labeling Act of 2009.”

Sec. 2. DECLARATION OF POLICIES. – It is the declared policy of the Autonomous Regional Government to promote consumer education and protect the rights, interests and general welfare of the consumers.

To carry out the above declared policies, the Autonomous Regional Government shall regulate the use of the term halal or halal label in the preparation, distribution and sale of halal products and cause the creation of the Regional Halal Accreditation and Regulatory Board responsible for the implementation of the guidelines for the purpose.

The Autonomous Regional Government shall, likewise, adopt measures to achieve the following objectives:

- a. Promotion of halal products in Muslim Mindanao Region;
- b. Protection of consumers against hazards to health and safety;

- c. Protection of consumers against deceptive, unfair and unconscionable sales acts and practices;
- d. Prohibition against misrepresentation and false claim in the preparation, distribution, and sale of halal products;
- e. Provision of information and education to facilitate sound choice and ensuring proper exercise of rights by the halal consumers; and
- f. Provision of adequate remedies and means of redress for aggrieved halal consumers.

Sec. 3. CONSTRUCTION AND INTERPRETATION. – The best interest of the halal consumers shall be considered in the interpretation and implementation of the provisions of this Act and its implementing rules and regulations.

Sec. 4. DEFINITION OF TERMS. – As used in this Act, the following terms shall mean:

1. **ACCREDITATION** – refers to the procedure by which the Regional Halal Accreditation and Regulatory Board grants formal authority, under duly established guidelines and regulations, upon competent certifying body to attest the product or establishment as halal or halal-compliant.

2. **ACCREDITING BODY** – refers to the Regional Halal Accreditation and Regulatory Board of the Autonomous Region in Muslim Mindanao.

3. **ARG** – refers to the Autonomous Regional Government.

4. **ARMM** – refers to the Autonomous Region in Muslim Mindanao.

5. **CERTIFICATION** – refers to the process or procedure by which an accredited certifying body attests or confirms the product or establishment as halal or halal-compliant.

6. **FOOD PRODUCT** – refers to any food or food commodity whether raw, prepared or manufactured for human consumption and nourishment, food ingredient or additive, medicine, food supplement or beverage.

7. **HALAL** - means lawful and when used in relation to food or food product and other consumer goods, means permissible for consumption wherein the food or its ingredients do not contain any components or products of animals that are unlawful as food to Muslims by Shariah or of lawful animals which are not slaughtered according to the Shariah; the food does not contain any ingredients that are considered as filth or unclean by Shariah; the food is not

prepared, processed or manufactured by using equipment that is contaminated with things that are filthy or unclean according to Shariah; and during its preparation, processing, storage or transportation, the food should be fully separated from any other food that does not meet the requirements prescribed by the Shariah or any other things that have been decreed as unclean or filthy by Shariah.

8. **HALAL BOARD** – refers to the Regional Halal Accreditation and Regulatory Board.

9. **HALAL CERTIFYING BODY** – refers to the competent certifying body duly accredited by the Regional Halal Accreditation and Regulatory Board of the Autonomous Region in Muslim Mindanao, including those accredited by the National Halal Accreditation Board of the Philippines, Inc. (NHABPI) duly validated by the Regional Halal Board.

10. **HALAL CONSUMERS** – refers to consumers seeking halal-compliant goods, products or commodities, and services both food and non-food.

11. **HALAL FRAUD** – refers to acts or practices involving false representation or misdeclaration of products and services as halal-compliant without the benefit of certification or attestation by any accredited halal certifying body.

12. **HALAL LABEL/LABELING** – refers to the display or imprint of the halal term or symbol, whether in Arabic text or other languages or symbols, on the products claimed as halal or at any portion of establishment claiming to be offering halal products, including the name of the issuer of such label.

13. **HALAL PRODUCT** - refers to any food or non-food product in its raw, prepared or manufactured form in compliance with the Halal Standards.

14. **HALAL STANDARD** – refers to the guidelines provided in the Philippine National Standard on Halal Foods (PNS 2067:2008), the general guidelines under this Act and the technical guidelines of the accredited halal certifying bodies.

15. **HARAM** – means unlawful or forbidden and when used referring to food or food product or other consumer products means disallowed for human consumption by the Shariah.

16. **LABEL/LABELING** – refers to the display of written, printed or graphic matter on any consumer product, its immediate container, tag, literature or other suitable material affixed thereto for the purpose of giving information as to the identity, components, ingredients, attributes, directions for use, specifications and such other information as may be required by applicable laws or regulations.

17. **NON-FOOD PRODUCT** – refers to consumer products for external application as in personal care products, perfumes, body sprays, ointments, toiletries, garments, fashion accessories and other related products.

18. **PRIMARY PACKAGE** – refers to package that is in direct contact with, or serves as holder/container of the product, as in the case of a tube for a toothpaste.

19. **SECONDARY PACKAGE** – refers to any package other than the primary package.

20. **SHARIAH** – refers to the Islamic law which is based on the Qur'an (Holy Book of Islam), Hadith (Traditions of the Holy Prophet Mohammad), Ijma (Consensus of Muslim Scholars) and Qiyas (Legal Deduction or Analogy).

Sec. 5. USE OF HALAL TERM OR HALAL LABEL. – Any person, processor, distributor, retailer or manufacturer may use the halal term or symbol, or any equivalent word, or affix the halal label, in whatever language or form, to describe its product as halal-compliant, or any establishment may display in any portion of its structure the symbol or term halal or halal label to convey that it is offering halal-compliant foods or products. Provided that such person, processor, distributor, retailer, manufacturer or establishment opted to enjoy the privilege shall secure certification from any certifying body duly accredited by the Halal Board. Provided, further, that those certifying bodies already accredited by NHABPI, and wished to operate in ARMM shall also secure validation from the Halal Board.

In the case of certified halal products in package form, the halal term or symbol or halal label bearing the name of the certifying body must be placed in any portion of the primary and secondary package of subject products, where appropriate; while in certified establishments, the owners or operators thereof, shall have the option to place the same in their offered products or in any part of their place of business.

Display of halal label on unpackaged foods or products shall be made by placing it at the conspicuous portion of the display cabinet, in clearly visible block letters, where the products are stored.

Sec. 6. GENERAL GUIDELINES. - For the purpose of this Act, the following guidelines in the preparation, handling, storage and verification of halal products to serve as basic requirements for certification are hereby established:

1) The food or product or their ingredients must not contain any component of animals that are prohibited under Shariah or animals that are not slaughtered according to Shariah ;

- 2) The food or product must not contain ingredients that are considered haram by Shariah;
- 3) The food or product is not prepared, processed or manufactured using equipments that have been contaminated with Haram;
- 4) During its preparation, processing, storage or transportation, the food or product is fully separated from, and does not come in contact with any other food or product that has been decreed Haram by Shariah or does not meet the requirements stated in items (1), (2) or (3) above;
- 5) Service establishments such as, but not limited to, hotels, motels, lodging houses, restaurants, carenderias, cafeterias, resorts and other similar service facilities purposely established for and catering to the public, particularly Muslim customers or clients, and factories or similar establishments purposely producing halal products shall conform to the existing Philippine National Standards for Halal; and
- 6) Labels of products that are certified halal shall contain the word "Halal" or its equivalent term or symbol, bearing the name of the accredited halal certifying body.

These guidelines shall be observed together with the existing Philippine National Standards (PNS) for Halal without prejudice to certifying bodies adopting a stricter and more comprehensive guidelines or requirements for the issuance of certifications to applicants.

Sec. 7. PROHIBITED ACTS. – It shall be unlawful for any person, manufacturer, retailer, distributor, entity or establishment to:

1. Knowingly use, indicate or affix the halal term or symbol or halal label or equivalent word to the product offered to the public for sale to appear as halal-compliant or display the same in any part of the establishment to convey that the latter is serving halal-compliant products, without the required certification by any halal certifying body;
2. Falsely represent any food or non-food product sold, prepared, served or offered for sale to be halal;
3. Falsely represent any animal sold, grown, or offered for sale to be grown in a halal way to become food for human consumption;
4. Label or identify a product in package form to be halal or possesses such labels or means of identification, unless he or she is the manufacturer or packer of the product;

5. Advertise in whatever means any product for sale as halal or place of business to be serving halal-compliant products without the necessary certification of said product or place of business by accredited certifying body;

6. Sell or have in his or her possession for the purpose of resale as halal any product not having affixed thereto the original label, or other means of identification employed to indicate that the product is halal;

7. Falsely label any product in package form as halal by having or permitting to be inscribed on it, in any language, the word "halal" or any equivalent mark or symbol, not limited to characters in Arabic writing, which would tend to deceive or otherwise lead a reasonable individual to believe that the product is halal; and

8. Sell, offer for sale, prepare, or serve in or from the same place of business both unpackaged non-halal food and unpackaged food he or she represents to be halal.

It shall likewise be unlawful for any organization, aggregation or body to issue halal certification to products or establishments unless it is duly accredited by the Halal Board.

The halal certifying bodies contemplated under this Act shall not issue halal certifications to applicants unless the general guidelines and criteria herein prescribed are fully met.

Sec. 8. PENALTIES. – Any violation of Section 5, 6 or 7 of this Act committed by any establishment, manufacturer, retailer or distributor shall be a ground for the cancellation of its halal certification. The Halal Board, as a consequence, may direct also the confiscation, recall or withdrawal of subject products. It may likewise recommend suspension of operations of violators for a period not exceeding six (6) months or cancellation of their licenses or permits to conduct business, depending on the gravity of the infractions, to the concerned Local Government Units.

Violations to Section 5, 6 or 7 hereof shall also constitute the crime of false description or representation punishable under the provisions of paragraph 2, Article 189 of the Revised Penal Code of the Philippines, with imposable penalty of six (6) months and one (1) day imprisonment or a fine ranging from 500 to 2,000 pesos, or both at the discretion of the court.

The criminal penalty shall be imposed upon the owner of the establishment and other responsible persons. In the case of corporation, partnership, association, cooperative or other juridical entities, the penalty provided for by law shall be imposed upon the directors, officers, employees or other persons therein responsible for the offense.

Any organization, aggrupation or association found guilty of violating the applicable provision under Section 7 hereof, shall be prosecuted and penalized in accordance with the laws governing such infringement without prejudice to the proper agency, office or instrumentality of the Government issuing cease and desist order to prevent further operations by said organization, aggrupation or association.

Any halal certifying body found guilty of misfeasance, malfeasance, non-feasance, collusion or conspiracy with the establishment, producer, manufacturer, distributor, retailer or processor in the commission of the acts prohibited under this Act shall be a ground for the cancellation of its accreditation without prejudice to criminal liabilities provided under existing laws.

Sec. 9. REGIONAL HALAL ACCREDITATION AND REGULATORY BOARD. – There is hereby created the Regional Halal Accreditation and Regulatory Board hereinafter referred to as the Halal Board.

The Halal Board shall be responsible in the proper implementation of this Act. It shall coordinate quarterly its programs and policies to the Office of the Regional Governor of the ARG.

Sec. 10. COMPOSITION OF THE HALAL BOARD. – The Halal Board shall be composed of a chairperson and six (6) members who shall be the heads of the proper divisions or offices of the Regional Departments of Trade and Industry, Health, Agriculture and Fisheries, Science and Technology, Interior and Local Government, or in their incapacity or refusal to represent, division chiefs or higher but below the Department Secretary, and one (1) representative from the ARMM-based consumer group, and one (1) from the religious group, to be determined by the Halal Board, and shall receive honoraria on such amount to be determined by the Halal Board depending on the budgetary allocations intended for the operations of the Board. Provided, that, not more than thirty percent (30%) of the existing funds of the Board shall be used for the honoraria of the members.

Upon appointment by the Regional Governor, the members of the Halal Board so chosen shall elect the chair of the Halal Board from the representatives of the Regional Departments of Trade and Industry, Health, Agriculture and Fisheries, Science and Technology, Interior and Local Government. After the chair shall have been elected, the others shall serve as regular members thereof. The chair of the Board shall serve for a term of three (3) years with reelection, but in no case shall he/she serve for two (2) or more consecutive terms.

In case of vacancy in the Halal Board, replacement or successor shall come from the department or sector represented by the outgoing or replaced member of the Halal Board.

The chair and members of the Halal Board shall not lose their permanent or regular positions in their respective offices or departments by virtue of their representations to the Halal Board and they shall perform their respective assigned duties and functions in concurrent capacity.

The chair and members of the Halal Board may be removed from the Board for causes provided under existing applicable laws.

In all deliberations of the Halal Board, the chair acts as the presiding officer and shall vote only to break a tie.

Sec. 11. COMMITTEES OF THE HALAL BOARD. - The Halal Board shall create its committees to carry out effectively the mandate of this Act. It shall determine the composition, responsibilities, powers, functions and other related provisions of these committees.

Sec. 12. SECRETARIAT. – The Regional Department of Trade and Industry of the Autonomous Region shall render secretariat and other support services to the Halal Board. The secretariat shall be under the direction and supervision of the chair of the Halal Board.

Sec. 13. POWERS AND FUNCTIONS. – The Halal Board shall have the following powers and functions:

- 1) Promulgate rules of procedures governing the proceedings before the Halal Board, and regulations necessary or proper for the accomplishment of its purposes and objectives, including guidelines and standards for accreditation;
- 2) Issue criteria to be used in the assessment and review of credentials of the applicants for accreditation;
- 3) Supervise, regulate, grant, deny or cancel halal accreditation of any certifying body for failure to comply with the provisions of this Act;
- 4) Investigate, decide and settle all complaints, controversies or disputes arising out of or connected with halal fraud, accreditation and regulation in accordance with the rules of procedures that it may be adopted;
- 5) Cancel or suspend halal certification, after due process of law, issued by accredited certifying body for failure to comply with this Act;

- 6) Levy, assess and collect periodically reasonable regulatory fees and charges for the issuance of accreditation;
- 7) Administer and manage the funds for the operations of the Halal Board;
- 8) Conduct information drive or campaign towards the development of halal industry in the Muslim Mindanao Region, halal accreditation system and other related matters;
- 9) Undertake technical briefings to applicants for halal accreditation;
- 10) Coordinate and cooperate with other government agencies and entities concerned with any aspect involving halal products, halal labeling and halal accreditation with the end in view of effecting continuing improvement of such services; and
- 11) Perform such other duties and functions as may be provided by law, or as may be necessary, or incidental to the purposes and objectives of this Act.

Sec. 14. PHILIPPINE NATIONAL STANDARDS FOR HALAL. – In addition to the general guidelines herein provided, the Halal Board shall adopt the Philippine National Standards (PNS) for Halal as its system guidelines and standards which will serve as the basis for the accreditation system.

Sec. 15. TERM OF ACCREDITATION AND REGULATORY FEE. - The certificate of accreditation issued by the Halal Board to qualified certifying bodies shall have a term of one (1) year and renewable every year, subject to conditions and evaluation by the Halal Board. For the purpose, reasonable accreditation fee shall be collected. Such fee may be periodically reviewed and increased by the Halal Board as the need arises and depending on the services rendered.

Sec. 16. COMPLAINTS. – The Halal Board, upon finding of prima facie violation of this Act or its rules, regulations or procedures, moto proprio (through its own initiative) or through petition or complaint by any aggrieved consumer, shall commence an investigation in connection to a filed complaint.

Sec. 17. INVESTIGATION PROCEDURE. – In the investigation, the following procedures shall be observed : a) The Halal Board shall conduct hearings for the purpose and parties to the case shall be entitled to notice of the hearing. The notice shall contain information on the date, time and place of the hearing. The copy of the complaint or petition shall be attached to the notice ; and b) The Halal Board shall afford all interested parties the opportunity to submit a statement of facts and arguments.

In hearing the petition or complaint, the Halal Board shall use every reasonable means to ascertain the facts in each complaint or petition speedily and objectively. The complaint or petition shall be decided within fifteen (15) days from the time the investigation was terminated.

To effectively implement this Act, the Halal Board shall establish procedures for systematically logging in, investigating and responding to consumer complaints or petitions, assuring as far as practicable, simple and speedy disposition of cases with easy access on the part of the consumers to seek redress for their grievances.

Sec. 18. DECISION OF THE HALAL BOARD. - The Halal Board, in the exercise of its powers and functions, shall sit and render its decisions en banc. The decisions of the Halal Board must be unanimous. Every such decision, order, or resolution must bear the concurrence and signature of at least three (3) members thereof.

Sec. 19. APPEAL FROM DECISIONS, ORDERS OR RESOLUTIONS OF THE HALAL BOARD. - The decision, order or resolution of the Halal Board shall be appealable to the Regional Governor within thirty (30) days from receipt or tender of the copy of the decision to the parties. The Regional Governor shall decide the appeal within thirty (30) days from receipt thereof. In the case of inaction, the decision of the Halal Board shall become final and executory after the lapse of said period, as if the Regional Governor has concurred or affirmed the same.

Sec. 20. SANCTIONS. - The Halal Board shall be empowered to impose or effect the penalties provided under paragraph 1, Section 8 of this Act.

Imposition of penalties provided under paragraph 2, Section 8 of this Act shall be governed by the Revised Penal Code of the Philippines and the Rules of Court.

Sec. 21. IMPLEMENTING RULES AND REGULATIONS. - The Regional Departments of Trade and Industry, Agriculture and Fisheries, Health, Science and Technology, Interior and Local Government, Bureau on Public Information of ARMM, Regional Planning and Development Office, Regional Board of Investment, Consumer and Religious groups representatives, and the Halal Technical Team of the Regional Assembly shall, within sixty (60) days from the effectivity of this Act, promulgate the necessary implementing rules and regulations for the effective enforcement of the provisions of this Act.

Sec. 22. TRANSITORY PROVISION. - Those products and establishments certified by existing certifying bodies as halal-compliant before the effectivity of this Act may continue to use such certification until the date of its expiration. Thereafter, the concerned shall be obliged to secure certification from accredited certifying body in order to avail of the privileges under this Act.

Sec. 23. PRESCRIPTION. – All causes of action accruing under the provisions of this Act and the rules or regulations issued pursuant thereto shall prescribe after one (1) year from the date the violation was committed.

Sec. 24. SUPPLEMENTARY LAW. – The Republic Act 7394 (Consumers Act of the Philippines), Revised Penal Code of the Philippines and the Rules of Court shall be supplementary to the provisions of this Act.

Sec. 25. APPROPRIATIONS. – Initially, funds needed to carry out the provisions of this Act shall be taken from any available funds of the DTI-ARMM and DAF-ARMM intended for the purpose including any available funds in the Regional Treasury that may be appropriated for the implementation of this Act. Thereafter, the budget of the Board shall come from its collections on accreditation and regulatory fees, subsidy from DAF-ARMM and DTI-ARMM and such funds that shall be regularly appropriated by the Regional Assembly.

Sec. 26. REPEALING CLAUSE. – All regional laws, executive orders, rules or regulations, or any part thereof, which are inconsistent herewith, are hereby repealed, amended or modified accordingly.

Sec. 27. SEPARABILITY CLAUSE. – If any provision or part hereof is held invalid or unconstitutional by competent court, the remainder of this Act or the provision not otherwise affected shall remain valid and subsisting.

Sec. 28. EFFECTIVITY. - This Act shall take effect fifteen (15) days after the completion of its publication in a newspaper of general circulation in the Autonomous Region in Muslim Mindanao.

APPROVED.

(SGD) REJIE M. SAHALI-GENERALE
Speaker

This Act was passed by the Regional Assembly on November 17, 2009.

(SGD) JAIME M. AYUB, MPA, CSEE
Chief, Plenary Affairs Division

APPROVED:

(SGD) ANSARUDDIN A. ADIONG
Acting Regional Governor
Date: _____