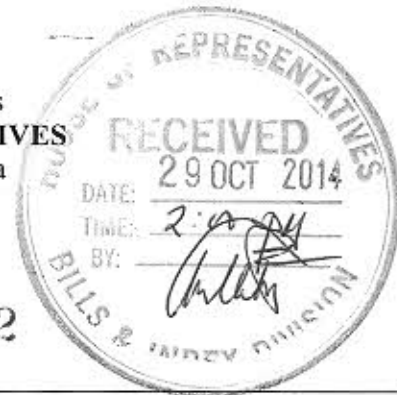




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Sixteenth Congress
Second Regular Session

House Bill No. **5162**



Introduced by Representative Sharon S. Garin

Explanatory Note

We must acknowledge that the success of the pig and poultry industries of the Philippines is also dependent on the feeds industry of the country. Our country's livestock programs go hand in hand with an organized and regulated feeds industry, both supported by the government, and its ultimate goal of economic success should be ensured by correct and relevant policies. This is the rationale behind the proposed Animal Feeds Act of 2014.

This bill, *An Act to Regulate and Control the Manufacture, Importation, Exportation, Labeling, Advertising, Distribution and Sale of Animal Feeds and Providing Funds Therefore*, seeks to organize, update and strengthen the livestock and poultry feeds industry in the Philippines. The original law, Republic Act 1556, was originally enacted way back in 1956 and since then, was supported only by various executive issuances. The changes brought about by the continued growth of the industry and the competition brought about by liberalized trading policies enhance the need for a better and new law that is more in tune with the demands of the present time.

The proposed amendments of the bill seek to update many of the outdated definition of terms, policies and penalties found in the original law. For example, the scope of the regulation of the animal feeds industry would not be limited to the importing of feeds but would also include the feeds the country is exporting, to ensure quality control and included all feeds intended for both terrestrial and aquatic animals. All the provisions of the proposed law are also in accordance with labeling requirements of the Consumer Act (RA 7394) and the Food Safety Act (RA 10611).

Also, a better licensing and registration process to ensure the quality of all feeds whether for commercial or non-commercial use is established, together with stricter labeling requirements, and the penalties and remedies for any complaints are all tasked to the Department of Agriculture's Bureau of Animal Industry for administration and regulation of this proposed law, working hand in hand with the proposed Animal Feed Control Advisory Committee.

Finally, aside from updated administrative fees and charges, the provisions for stricter regulations come with higher fees for penalties, which will ultimately benefit the industry. A revolving fund called the Philippine Livestock Promotion Fund will be the repository of all the charges and fees and all other income during the implementation of the proposed law will be used for the maintenance and improvement of the services of the BAI.

It is the hope of this Representation that this bill, when passed, together with the resulting IRR, would help update, strengthen and promote the Philippines' Livestock and Poultry Feeds Industry. The economic and commercial success of the livestock and poultry feeds will hopefully benefit the small and poor farm workers dependent upon the industry.



REP. SHARON S. GARIN
AAMBIS-Owa Party List



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An Act Amending Republic Act 1556, otherwise known as the "Livestock and Poultry Feeds Act of 1956"

Section 1. TITLE AND SCOPE. This Act shall be known as AN ACT REGULATING THE MANUFACTURE, IMPORTATION, EXPORTATION, LABELING, ADVERTISING, DISTRIBUTION AND SALE OF ANIMAL FEEDS INDUSTRY TO INCLUDE ALL FEEDS INTENDED FOR TERRESTRIAL AND AQUATIC ANIMALS AND PROVIDING FUNDS THEREFORE OR THE **"ANIMAL FEEDS ACT OF 2014."**

Section 2. Enforcing Official. This Act shall be administered by the Secretary of the Department of Agriculture (DA) through the Director of the Bureau of Animal Industry (BAI).

Section 3. Definitions. For the Purpose of this Act, the following terms shall mean:

- (A) ACCREDITATION-** REFERS TO THE PRIVILEGE GRANTED BY THE DA BAI TO A RENDERING PLANT TO EXPORT ITS PROCESSED ANIMAL PROTEINS TO THE PHILIPPINES AFTER DUE EVALUATION, VALIDATION, ON-SITE INSPECTION AND CONDUCT OF IMPORT RISK ANALYSIS BASED ON A SET OF RULES, REGULATIONS, RECOMMENDATIONS AND STANDARDS TO DETERMINE THE SOUNDNESS OF THE VETERINARY SERVICES, FEED INSPECTION SYSTEM, QUALITY AND SAFETY OF THEIR PRODUCTS.
- (B) ADDITIVE -** REFERS TO AN INGREDIENT OR COMBINATION OF INGREDIENTS WHICH MAY OR MAY NOT HAVE NUTRITIVE VALUE, BUT IS ADDED TO THE FEED IN MICRO QUANTITIES TO FULFILL SPECIFIC NEEDS, WHICH INCLUDES, BUT NOT LIMITED TO, ACIDIFIERS, ANTIOXIDANTS, AROMATICS, DEODORIZING AGENTS, FLAVOR ENHANCERS, MOLD INHIBITORS, PELLET BINDERS, PRESERVATIVES, SWEETENERS, TOXIN BINDERS.

(C) ADULTERATED FEED - REFERS TO A MIXED FEED, FEED INGREDIENT, SUPPLEMENT, ADDITIVE, BASE MIX, CONCENTRATE, SPECIALTY FEED, SPECIAL FEED NUTRIENT PREPARATION AND OTHER FEED PRODUCTS FOUND TO CONTAIN ANY MATERIAL THAT MAY BE HARMFUL, DAMAGED, OR OF NO VALUE; OR IF ANY SUBSTANCE HAS BEEN ADDED TO THE FEED PRODUCT THAT MAY INCREASE ITS BULK OR WEIGHT AND/ OR MAY REDUCE ITS QUALITY.

[(k)] (D) Analyst – [means any official analyst] REFERS TO A PERSONNEL appointed or designated [as such] by the Director [of Animal Industry for the purpose of implementation of this Act] to conduct laboratory tests on feed and feed ingredient.

(E) AQUATIC ANIMAL – REFERS TO AN ANIMAL NORMALLY MAINTAINED IN AN AQUARIUM, TANK, POND OR CAGE EITHER USED FOR FOOD SUCH AS BUT NOT LIMITED TO, MILKFISH, TILAPIA, CARP, GROUPER, POMPARO, SHRIMPS, PRAWN, ETC. OR FOR PLEASURE SUCH AS TROPICAL FISHES LIKE GOLDFISH, SILVERFISH, DAMSEL FISH, KOI FISH, ETC.

(F) BASE MIX - REFERS TO A MIXTURE OF ONE OR MORE MACRO-MINERAL SOURCES AND SEVERAL MICRO- INGREDIENT SOURCES SUCH AS VITAMIN PREMIXES TRACE MINERAL PREMIXES, ESSENTIAL AMINO ACIDS AND FEED ADDITIVES, WHEN MIXED WITH SOURCES OF PROTEIN AND ENERGY FORMS A COMPLETE FEED.

[f] (G) Brand – [means] refers to any distinctive mark or name applied to a feed or feed ingredient [stuff].

(H) CHEMIST- REFERS TO A PERSON WHO HAS A DEGREE IN B.S. CHEMISTRY, OR IN CASE OF OTHER ALLIED PROFESSIONS, HAS COMPLETED THE REQUIREMENTS FOR THE SAID DEGREE, AND DULY LICENSED BY THE PROFESSIONAL REGULATIONS COMMISSION.

(I) COMMERCIAL FEEDS- REFER TO FEEDS, FEED INGREDIENTS, FEED SUPPLEMENTS, FEED ADDITIVES, BASE MIXES, CONCENTRATES, SPECIALTY FEEDS, SPECIAL FEED NUTRIENT PREPARATIONS AND OTHER FEED PRODUCTS WHICH ARE MANUFACTURED OR PROCESSED WITH THE INTENTION TO SELL TO THE GENERAL PUBLIC, TO A LIMITED CLIENTELE OR TO A SPECIFIC BUYER OR CONSUMER. FOR PURPOSES OF THIS AO, CUSTOM-MIXED FEEDS AND FEED PRODUCTS ARE CONSIDERED AS COMMERCIAL FEEDS AND/ OR FEED PRODUCTS.

[(n)] (J) Concentrate- [shall apply to feedstuffs low in fiber and high in total digestible nutrients] refers to feed ingredient that is low in fiber and high in total digestible

nutrients. It is also a term used that refers to a feed for game fowls, fighting cocks, etc.

(K) CONDEMNATION- REFERS TO THE ACTION OF DECLARING FEED OR FEED INGREDIENTS UNFIT FOR USE.

(L) DAMAGED FEED- REFERS TO ANY FEED OR FEED INGREDIENT WHICH HAS BEEN SUBJECTED TO ANY FACTOR THAT HAS AFFECTED ITS QUALITY OR DECREASE ITS NUTRITIVE VALUE WHICH WHEN FED TO ANIMALS MAY BE INJURIOUS, HARMFUL OR DETRIMENTAL TO THEIR HEALTH.

[b] (M) Director- refers to the Director of the Bureau of Animal Industry.

(N) ENTITY- REFERS TO ANY PERSON, FIRM, CORPORATION OR ASSOCIATION DESIRING TO ENGAGE IN THE MANUFACTURE OR PRODUCTION OF COMMERCIAL AND NON-COMMERCIAL FEEDS.

(O) EXPIRED PRODUCT- REFERS TO A PRODUCT THAT HAS EXCEEDED ITS EXPIRY DATE, AFTER WHICH, IT IS NO LONGER PERMISSIBLE TO DISTRIBUTE, SELL OR USE.

[(d) "Feeds" or "Feeding Stuff" shall embrace all such articles to be used as feeds purporting to supply proteins, carbohydrates, fats, mineral, vitamins, antibiotics, growth promoting factors whether identified or unidentified, and/or correcting nutritional disorders. Such articles may be locally produced or imported, mixed or in the form of simple ingredients; Provided, however, that the following excluded:

(1) Whole seeds or grains, unmixed.

(2) Fresh green roughage and unprocessed liquid milk in all its forms.

(3) Dried and ground hays and straws, dried and ground corn stalks or other parts of the corn plant not included in the grain, rice hulls, cane sugar bagasse, dried beet pulp, oat hulls, barley hulls, clipped oat by-products, sorghum plant by-products and flax plant by-products cotton seed hulls, mongo bean hulls, buckwheat hulls, cocoa shells, or other materials of a similar character.]

(P) FEED- REFERS TO A COMBINATION OR MIXTURE OF FEED INGREDIENTS, SUPPLEMENTS AND ADDITIVES CAPABLE OF FURNISHING, IN PART OR IN WHOLE, THE NUTRITIONAL NEEDS OR REQUIREMENTS OF THE ANIMAL IN ORDER TO MAINTAIN LIFE, PROMOTE GROWTH, PRODUCTION AND REPRODUCTION.

(Q) FEED ESTABLISHMENT- REFERS TO AN ENTITY, PARTNERSHIP, COMPANY, CORPORATION OR COOPERATIVE ENGAGED IN THE MANUFACTURE, IMPORTATION, EXPORTATION, DEALERSHIP, DISTRIBUTION AND/ OR SALE OF FEED AND FEED INGREDIENT.

(R) FEED INGREDIENT - REFERS TO A COMPONENT, PART OR CONSTITUENT OF ANY COMBINATION OR MIXTURE MAKING UP A FEED, WHETHER OR NOT IT HAS A NUTRITIONAL VALUE IN THE ANIMAL'S DIET. IT INCLUDES RAW MATERIAL IN THE FORMULATION OF A RATION OR MIXED FEED, BASE MIX, CONCENTRATE, FEED SUPPLEMENT, FEED ADDITIVE, SPECIALTY FEED AND/OR SPECIAL FEED NUTRIENT PREPARATION. INGREDIENTS ARE OF PLANT, ANIMAL OR AQUATIC ORIGIN, OR OTHER ORGANIC OR INORGANIC SUBSTANCES.

(S) INJURIOUS - REFERS TO ANY SUBSTANCE; OR ARTICLE THAT CAN CAUSE PHYSICAL HARM TO ANIMALS.

(T) ILLEGAL - REFERS TO ANY ARTICLE OR SUBSTANCE AND ESTABLISHMENTS THAT ARE UNREGISTERED/EXPIRED OR COUNTERFEIT PRODUCT AND/ OR REGISTRATION WITH THE BUREAU OF ANIMAL INDUSTRY.

(U) IMPOUNDING- REFERS TO ANY ACTION FOR THE TEMPORARY ADMINISTRATIVE CUSTODY OF CONDEMNED PRODUCTS.

[(l)] "Ingredients" means any single articles of feed or feeding stuff which enters into the composition of a ration, concentrate, or supplement.]

[(g)] (V) Inspector- [is] refers to any TRAINED person authorized to enforce the provisions of the Act.

[(i)] (W) Label- refers to any written, printed or graphic matter attached [or], affixed to OR FOUND IN any package, BAG, bale, SACK, BARREL, BIN, CAN, CANISTER OR ANY OTHER CONTAINER OR MIXED FEEDS, FEED INGREDIENTS, FEED SUPPLEMENTS, FEED ADDITIVES, BASE MIXES, CONCENTRATES, SPECIALTY FEEDS, SPECIAL FEED NUTRIENT PREPARATIONS AND/ OR OTHER FEED PRODUCTS [or bundle of feeds].

[c] (X) Livestock- means and include horses, cattle, carabaos, sheep, swine, rabbits, poultry and such other animals or birds as the Secretary may, from time to time by regulation, prescribe.

(Y) MISLABELED/ MISBRANDED- REFERS TO A PRODUCT FALSELY LABELED AND IN VIOLATION OF STATUTORY AND REGULATORY REQUIREMENTS.

[(m)] (Z) Mixture - means any combination of two or more feed ingredients used in the manufacture of feeding stuff.

(AA) NON-COMMERCIAL FEEDS - REFER TO FEED OR FEED INGREDIENT MANUFACTURED OR PRODUCED FOR THE PURPOSE OF USING IT FOR OWN CONSUMPTION AND NOT INTENDED FOR SALE.

[(e) "Owner" is the person, firm, partnership, cooperative, association or corporation applying for the required registration under this Act or any person or establishment actually engaged in the manufacture, importation, distribution, and sale of livestock and poultry feed.]

[(h)] **(AB) Package-** [means] refers to a sack, bag barrel, box, bin, can, CANISTER or any other [container] for feeds and/ or feed ingredients.

[(j)] **(AC) Regulations** - mean rules prescribed under the authority of this Act.

[(o) "Roughages" shall include dried and ground hays and straws, dried and ground corn stalks or other parts of the corn plant not included in the grain, dried beet pulp, oat hulls, barley hulls, clipped oat by-products, sorghum plant by-products and flax plant by-products, cotton seed hulls, buckwheat hulls, cocoa shells, grain screening or other materials of a similar character. This shall not include "Adulterated Feed" or mixed material that is proven injurious, damaged or of no food value or if any substance has been added thereto thus increasing its bulk or weight or reducing its quality and strength. For purposes of this Act a mixture of two or more mixed feeds of different formulas or brand with intent to sell is also considered adulterated feed.]

[a] **(AD) Secretary-** means the Secretary of the Department of Agriculture.

(AE) TERRESTRIAL ANIMALS- REFERS TO ANIMALS THAT LIVE ON LAND WHICH ARE RAISED EITHER FOR HUMAN FOOD, FOR RESEARCH OR FOR PLEASURE.

Section 4. LICENSING AND Registration.

(a) **LICENSING OF FEED ESTABLISHMENTS.** Any ENTITY [person, firm, corporation or association] desiring to engage in the manufacture OR PRODUCTION OF COMMERCIAL AND NON-COMMERCIAL FEEDS, [or mixing of commercial and non-commercial feeds,] importation, EXPORTATION, REPACKING, INDENTING, [or] distribution AND SALE of feeds or [feeding stuffs] FEED INGREDIENTS shall first be [registered in the office of the director] LICENSED BY THE Bureau of Animal Industry.

[(b) Application for registration or annual renewal thereof, shall be made by the person, partnership, cooperative, firm corporation, or association, marketing, manufacturing, importing, indenting, or distributing such feeds or feeding stuffs, or by his accredited agent in such form and manner as may be prescribed from time to time by regulations.

Each type or kind of feed or feedstuffs manufactured or imported shall be registered separately.

(c) An application for registration shall be accompanied by a registration fee of five pesos for each store registered by a person, firm, cooperative, partnership, corporation, or association engaged in retailing commercial feeds or feeding stuffs, fifty pesos for distributors, one hundred pesos for local feedstuffs suppliers with gross sales of one hundred pesos or more, two hundred pesos for importers and/or indentors and three hundred pesos for manufacturers of commercial feeds or feeding stuffs. The registration fee shall be payable at the option of the person, partnership, firm cooperative, corporation or association engaged in the manufacture, importation, sale or distribution of feeds or feeding stuffs, annually, on or before the twenty first of January, or semi-annually, on or before the thirty first of January and July. When a business is newly opened during any year the registration fee shall be reckoned from the commencement of the current semester; and when either at any time abandoned the registration fee shall not be exacted for a longer period than to the end of the semester; Provided, that those who elected to pay the registration fee in full shall not be entitled to a refund of the fee corresponding to the unused period for which the fee had been paid.]

(B) REGISTRATION OF FEED PRODUCT. EACH TYPE, BRAND OR KIND OF FEED OR FEED INGREDIENTS MANUFACTURED, IMPORTED, DISTRIBUTED, EXPORTED OR OFFERED FOR SALE SHALL FIRST BE REGISTERED WITH THE BUREAU OF ANIMAL INDUSTRY.

(C) LICENSING AND REGISTRATION REQUIREMENTS. THE BUREAU OF ANIMAL INDUSTRY SHALL PROMULGATE THE NECESSARY REQUIREMENTS, STANDARDS AND GUIDELINES FOR LICENSING AND REGISTRATION, SUBJECT TO THE APPROVAL OF THE SECRETARY.

(D) VALIDITY. THE LICENSE AND REGISTRATION GRANTED SHALL HAVE AN INITIAL VALIDITY OF TWO (2) YEARS AND RENEWABLE EVERY THREE (3) YEARS THEREAFTER.

SECTION 5. PROHIBITIONS.

(A) [Section 4 (d)] No feed[s] or [feeding stuffs] FEED INGREDIENT in the form of complete mixture, concentrate, [ingredient] or supplement which have not been registered with the [Director] BUREAU OF ANIMAL INDUSTRY, shall be manufactured, imported, advertised, sold or offered for sale or held in possession for sale in the Philippines.

(B) [Section 4 (e)] No commercial feeds or [feeding stuffs] FEED INGREDIENTS shall be registered:

- 1) WITHOUT FIRST SECURING AN APPROVED BRAND NAME, WHEN APPLICABLE, IDENTICAL, CONFUSING, OR INAPPROPRIATE BRAND NAMES SHALL NOT BE ALLOWED. [1. If the brand thereof is identical or will likely be confused, with another brand already applied to a registered feeding stuffs;]

- 2) If the specific name of each and every ingredient of mixture, base or concentrates, and supplement is not clearly stated; or
 - 3) If the feeds or [feeding stuffs] FEED INGREDIENT do not conform to the provisions of this Act.
- (C) [Section 4(f)] No change, MODIFICATION OR AMENDMENT in the brand AND LABEL of a registered feed or [feeding stuff] FEED INGREDIENT shall be made without [a written notification to] the approval of the Director or his duly authorized representative.

SECTION 6. ADMINISTRATIVE REMEDIES.

- (a) [Section 4 (g)] **SUSPENSION OF REGISTRATION** - The Director may suspend, subject to the rules and regulations promulgated for the implementation of this Act, the registration of any feed [and feeding stuff] or feed ingredients which [is] are found after proper investigation to be not in conformity with the provisions of this Act. [in registration, importation, manufacture, distribution, labeling, advertising for sale, unless subsequent production is proven to be innocuous, harmless and in accordance with the quality standard for the particular product set forth in the registration under this Act. Once suspended a formal investigation should be conducted thereon by the Committee created for this purpose pursuant to Section 5 of this Act. But the action of the Director of Animal Industry may be appealed to the Secretary of Agriculture and Natural Resources.]
- (b) **RECALL/SEIZURE** - [Section 4 (g)] ANY adulterated, damaged or injurious feed shall be impounded and subsequent manufacture thereof prohibited by the Director [of Animal Industry]: Provided further, that when there is a reasonable cause to believe that certain feed or feed ingredients are damaged, adulterated or injurious such feed or feed [stuffs] ingredients shall be immediately impounded and portion thereof [sold to the public be retrieved by] be recalled from the market at the expense of the manufacturer, importer or retailer upon notice of the Director.
- (C) **SEIZURE AND CONFISCATION**- ANY UNREGISTERED, BANNED AND/ OR EXPIRED PRODUCT SHALL BE SEIZED AND CONFISCATED.
- (d) [Section 4(h) That] The Director of BUREAU OF Animal Industry or his duly authorized representative shall have the power to investigate the sources and/or distribution or retailers of feed AND FEED ingredients. [such as rice mills, corn mills, flour mills, cassava mills, fish mills, meat mill, ipil-ipil leaf mills and such other mills that manufacture ingredients used in the compounding of feed or feeding stuff and to require them to register under this Act.]

SECTION 7. CREATION OF ANIMAL FEED CONTROL ADVISORY COMMITTEE. THE SECRETARY UPON THE RECOMMENDATION OF THE DIRECTOR, SHALL CREATE A COMMITTEE TO BE KNOWN AS ANIMAL FEED CONTROL ADVISORY COMMITTEE (AFCAC), COMPOSED OF THE FOLLOWING:

- 1) CHIEF, ANIMAL FEEDS, VETERINARY DRUGS AND BIOLOGICS CONTROL DIVISION, BUREAU OF ANIMAL INDUSTRY, CHAIRMAN;
- 2) CHIEF, VETERINARY LABORATORY DIVISION, BUREAU OF ANIMAL INDUSTRY, MEMBER;
- 3) PHILIPPINE ASSOCIATION OF FEED MILLERS, INC., MEMBER;
- 4) LEGAL DIVISION, DEPARTMENT OF AGRICULTURE, MEMBER;
- 5) LEGAL UNIT, BUREAU OF ANIMAL INDUSTRY, MEMBER;
- 6) A MEMBER FROM THE BUREAU OF FISHERIES AND AQUATIC RESOURCES, MEMBER;
- 7) PHILIPPINE COLLEGE OF FEED PRACTITIONERS, MEMBER
- 8) TWO (2) MEMBERS FROM STATE UNIVERSITIES AND COLLEGES WITH EXPERTISE ON ANIMAL NUTRITION.

THE COMMITTEE SHALL, UPON REQUEST OR REFERRAL OF THE DIRECTOR, CONDUCT STUDIES, EVALUATION AND FORMAL INVESTIGATION AND MAKE RECOMMENDATIONS ON POLICY AND TECHNICAL MATTERS ARISING FROM THE IMPLEMENTATION OF THIS ACT.

THE COMMITTEE MAY CREATE SUB-COMMITTEE WHICH SHALL ACT AS THE TECHNICAL WORKING GROUP.

THE COMMITTEE MAY REQUEST ASSISTANCE FROM AND USE OF FACILITIES TO OTHER AGENCIES IN THE PERFORMANCE OF ITS MANDATE.

THE COMMITTEE SHALL MEET QUARTERLY OR AS OFTEN AS THE NEED ARISES. THE COMMITTEE MEMBERS, INCLUDING THE TECHNICAL WORKING GROUP AND SECRETARIAT SHALL BE ENTITLED TO RECEIVE NO OTHER COMPENSATION EXCEPT FOR HONORARIA.

Section [5] 8. Labeling REQUIREMENTS. [Every package containing feed or feeding stuff] EACH TYPE, BRAND AND KIND OF FEED AND FEED INGREDIENT shall [be labeled as follows] FOLLOW THE LABELING REQUIREMENTS SET BY THE BAI IN ACCORDANCE WITH THE PROVISIONS OF THE CONSUMER ACT (RA 7394) AND FOOD SAFETY ACT (RA 10611).

Section [6] 9. [There should be created in the manner authorized by law a separate division, known as] The Animal FeedS, VETERINARY DRUGS AND BIOLOGICS Control Division [in] of the Bureau of Animal Industry [and providing positions thereof, for the purpose of implementing this Act in so far as registration, inspection, sample collection and field investigation are concerned.] SHALL BE RESPONSIBLE FOR FEED REGULATION AND PERFORM THE FOLLOWING FUNCTIONS:

- (A) LICENSING
- (B) REGISTRATION

- (C) ACCREDITATION
- (D) CERTIFICATION
- (E) INSPECTION
- (F) EVALUATION
- (G) SAMPLE COLLECTION
- (H) MONITORING
- (I) SURVEILLANCE
- (J) FIELD INVESTIGATION
- (K) COMPLAINT, INVESTIGATION AND ENFORCEMENT

TO EFFECTIVELY IMPLEMENT THE PROVISIONS OF THIS ACT, THE ANIMAL FEEDS, VETERINARY DRUGS AND BIOLOGICS CONTROL DIVISION NEEDS TO BE STRENGTHENED BY PROVIDING ADDITIONAL PLANTILLA POSITIONS AT THE NATIONAL AND REGIONAL LEVELS.

THE FEED LABORATORIES OF THE DEPARTMENT OF AGRICULTURE SHALL LIKEWISE BE STRENGTHENED TO UPGRADE ITS FACILITIES AND EQUIPMENT AND PROVIDING ADDITIONAL PLANTILLA POSITIONS FOR CHEMISTS THEREOF.

[The sum of five hundred thousand pesos is hereby authorized to the appropriated, out of any funds in the National Treasury not otherwise appropriated for the organization and operation of the said division during its first fiscal year. Such sums as may be necessary for its operation and maintenance in subsequent years shall be included in the annual "General Appropriations Act."]

Section [7] 10. The Director and/or his inspectors shall be permitted at all reasonable times to enter and inspect any premises and/or conveyances in which feeds or feed ingredients are sold, produced, processed, transported, or held in possession for sale or distribution [when he has reasonable cause to believe any feed or feed [stuff] ingredient is being prepared or has been prepared for sale] and may open any package containing or supposed to contain any feed or feed [stuff] INGREDIENT, and take therefrom samples for analysis without cost, and shall likewise be permitted to inspect any records or documents which are necessary in verifying the volume of production and/or importation for proper assessment of the inspection fee as provided for in this Act.

Section [8] 11. Regulations. The Director, upon recommendation of the ANIMAL FEED CONTROL Advisory Committee created under Section 7 hereof and subject to the approval of the Secretary, shall promulgate rules and regulations:

[(a) Prescribing the basis under which grains and their by-products may be classified;]

(A) PRESCRIBING THE LABELING REQUIREMENTS OF FEEDS AND FEED INGREDIENTS;

- (B) PRESCRIBING THE QUALITY AND SAFETY STANDARDS OF FEEDS AND FEED INGREDIENTS TO CONFORM WITH LOCAL AND INTERNATIONAL STANDARDS;**
- (C) PRESCRIBING PROCEDURES AND REGULATIONS IN THE MANUFACTURE, IMPORTATION, DISTRIBUTION AND/OR SALE OF MEDICATED FEEDS;**
- [(b)] (D) Providing for the prevention of false and/or misleading claims that may be made for any FEED OR feed ingredients;**
- [(c)] Prescribing the definition and uses of such terms as complete ration, concentrate, supplement, and/or base as used in livestock nutrition, deficient, damaged, adulterated, and injurious feeds to livestock and poultry and such other terms as may be necessary in clarifying the intention of this Act;]**
- [(d)] (E) Prescribing procedures for impounding, condemnation and/or disposition of deficient, damaged, adulterated and/or injurious feed or feed ingredient: Provided, that the disposal shall be at the expense of the feed establishment [manufacturer, importer, distributor or retailer] concerned;**
- [(e)] (F) Prescribing methods for collection and APPROPRIATE [analysis of samples] SAMPLING OF FEEDS AND FEED INGREDIENTS;**
- [(f)] (G) Requiring the services of AN ANIMAL NUTRITIONIST OR VETERINARIAN AND licensed chemist [and veterinarian or animal nutritionist by] for manufacturers of mixed feeds in connection with the FORMULATION, COMPOUNDING, MIXING, analysis AND tests, formulation [, compounding and mixing] of feed and [feeding stuff] FEED INGREDIENTS and to prescribe such other rules and regulations as may be necessary to carry out the purpose of this Act;**
- [(g)] (H) Prescribing methods of PHYSICAL, chemical, [and] biological AND RADIOLOGICAL AND OTHER APPROPRIATE ANALYSIS/ TESTS FOR DETERMINING THE PURITY AND SAFETY OF FEEDS AND FEED INGREDIENTS, and prescribing rules and regulations [for the supervision and control of said testings; and] THEREOF;**
- [(h)] Requiring the publication of the results of analysis and test of samples of feeds and feedstuffs collected from feed ingredients suppliers and feed manufacturers; said publication, at least three times in a calendar year preferably in January, May and September, should specify both which are in compliance and not in compliance with the guaranteed analysis or quality standard set forth under this Act or under the rules and regulations promulgated thereunder.]**
- (I) PRESCRIBING PROCEDURES FOR ADVERTISEMENT OF FEED AND FEED INGREDIENT.**
- (J) REQUIRING ALL LOCALLY MANUFACTURED FEEDS TO BE COMPOSED OF AT LEAST FIVE (5) PERCENT OF LOCAL FEED INGREDIENTS.**

Section [9] 12. Fees, CHARGES and Expenditures

- (A) APPROPRIATE FEES AND CHARGES SHALL BE COLLECTED FOR EACH APPLICATION FOR LICENSING AND REGISTRATION, SUBJECT TO THE APPROVAL OF THE SECRETARY.**

[(a)] **(B)** Aside from the registration fee[s][as provided in Section Four, Subsection (c) of this Act, there], AN INSPECTION FEE WHICH shall be [collected an inspection fee at the rate of twenty centavos per metric ton of all complete mixed feeds, supplement, and/or concentrates] DETERMINED AND APPROVED BY THE SECRETARY, SHALL BE IMPOSED ON ALL LOCALLY MANUFACTURED AND IMPORTED FEEDS AND FEED INGREDIENTS.

[(b)] All fees, charges and other income derived from the operation of this Act, shall accrue to the Philippine Livestock Promotion Fund as provided in Commonwealth Act Numbered One Hundred and Eighteen, as amended, and shall be deposited with the National Treasury to the credit of the said fund: Provided, however, that eighty percent of said income shall be set aside and spent only for the maintenance and improvement of services and laboratory facilities in the Bureau of Animal Industry needed in the implementation of this Act, and for training and research directly relevant to the implementation of this Act.

(c) All other expenditures necessary to carry out the purposes of this Act, including all expenditures for the Advisory Committee created under Section 5 hereof, shall be paid from the unallotted balance of the Philippines Livestock Promotion Fund created under Commonwealth Act Numbered One Hundred and Eighteen, as amended.]

(C) EXPENSES RELATED TO INSPECTION AND EVALUATION OF ESTABLISHMENT FOR REGISTRATION AND LICENSING PURPOSES, SUCH AS TRAVELLING, ACCOMMODATION AND FOOD EXPENSES OF THE INSPECTORS SHALL BE SHOULDERED BY THE GOVERNMENT. THE NECESSARY GUIDELINES SHALL BE PRESCRIBED BY THE DIRECTOR SUBJECT TO THE APPROVAL BY THE SECRETARY.

SECTION 13. REVOLVING FUND. THE REVOLVING FUND KNOWN AS THE PHILIPPINE LIVESTOCK PROMOTION FUND AS PROVIDED IN COMMONWEALTH ACT NUMBERED ONE HUNDRED AND EIGHTEEN, AS AMENDED, SHALL BE THE REPOSITORY FOR ALL FEES AND CHARGES AND OTHER INCOME WHICH WILL BE DERIVED FROM THE IMPLEMENTATION OF THIS ACT. IT SHALL BE USED FOR THE MAINTENANCE AND IMPROVEMENT OF SERVICES, LABORATORY FACILITIES AND SUPPLIES, CAPACITY BUILDING FOR PERSONNEL, TRAININGS AND RESEARCH IN THE BUREAU OF ANIMAL INDUSTRY NEEDED IN THE IMPLEMENTATION OF THIS ACT, AS WELL AS EXPENDITURES AND HONORARIA FOR THE ANIMAL FEED CONTROL ADVISORY COMMITTEE.

Section [10] 14. PROHIBITED ACTS [Offenses and Penalties]. [(a)] It shall be unlawful for any person, partnership, firm, cooperative, corporation or association TO COMMIT THE FOLLOWING ACTS:

(a) to engage in the manufacture, importation, sale or distribution of feed or [feeding stuff] FEED INGREDIENT, without having first registered in accordance with this Act in the Office of the Director of the BUREAU OF Animal Industry.

- (B) TO WILLFULLY OBSTRUCT, HINDER, RESIST OR IN ANY OTHER WAY OPPOSE THE DISPOSITION OF FEEDS PLACED UNDER DETENTION;
- (C) TO IMPORT, MANUFACTURE, DISTRIBUTE, ADVERTISE, SELL OR OFFER FOR SALE OR POSSESS FOR SALE ANY FEED WHICH DOES NOT CONFORM WITH OR CONTRAVENES THE PROVISIONS OF THIS ACT; AND
- [(b) Any firm, partnership, cooperative, corporation or association or its president/general manager or any person which will] (D) TO unlawfully use a registration/ LOT/ BATCH NUMBER;
- (D) TO fraudulently lessen or adulterate the feeding value of any feed or [feeding stuff] FEED INGREDIENTS;
- (E) TO tamper with packaged feeds for fraudulent purposes, [willfully removed, alter or effaced the prescribed tags, labels,] markings, or other information placed on packages of feeds or [feeding stuff] FEED INGREDIENTS;
- (F) TO fraudulently alter or use certificates of analysis of any official analyst; [willfully obstruct, hinder, resist, or in any other way oppose disposition of feeds placed under detention; imports, manufacture, distribute, advertise, sell or offer for sale or possess for sale any feed which does not conform with or contravenes the provisions of this Act;]
- (G) [or otherwise violate] any [provision] VIOLATION of this Act, and the rules and regulations issued thereunder; [shall be punished by a fine of not less than one thousand pesos or by imprisonment of not more than one year and one day, or by both, in the discretion of the court aside from the fine imposed in the court.]
- (H) REFUSAL TO ALLOW ENTRY OF INSPECTOR;
- (I) UNREGISTERED FEED MANUFACTURER/IMPORTER;
- (J) DIVERSION OF FEED INGREDIENTS FOR HUMAN CONSUMPTION;
- (K) FALSIFICATION OF LICENSE TO OPERATE;
- (L) DISPOSITION OF FEED/FEED INGREDIENT UNDER DETENTION/CUSTODY;
- (M) VIOLATION OF SUSPENSION/CANCELLATION ORDER.

SECTION 15. PENALTIES.

FOR VIOLATION OF SECTION 14 A, B, C, D, H, I J, K, L, AND M, A PENALTY OF IMPRISONMENT OF ONE (1) YEAR TO SIX (6) YEARS AND A FINE OF ONE MILLION PESOS SHALL BE IMPOSED.

FOR VIOLATIONS OF SECTION 14 E, F, AND G, A PENALTY OF IMPRISONMENT OF SIX (6) MONTHS TO ONE (1) YEAR AND A FINE OF FIVE HUNDRED THOUSAND PESOS.

FOR CORPORATIONS, ASSOCIATION, PARTNERSHIP OR FIRM, THE PERSON LIABLE SHALL BE THE PRESIDENT, BOARD OF DIRECTORS, BOARD OF TRUSTEES AND MANAGING PARTNERS WHENEVER APPLICABLE.

IN ADDITION TO THE ABOVEMENTIONED PENALTIES ARE THE FOLLOWING FINES AND SANCTIONS:

Violation	Penalty	Fines
Unregistered Feed/ Feed Ingredient	Suspension of License to Operate (LTO)	P 500,000.00
Falsified Certificate of Feed Product Registration (CFPR)	Suspension of LTO	P 500,000.00
Unauthorized use of Brand Name	Suspension of LTO	P 500,000.00
Misbranded Feed/ Feed Ingredient	Suspension of LTO	P 500,000.00
Distribution and sale of custom mixed feeds in open market	Suspension of LTO	P 500,000.00
Unlawful use of registration number	Suspension of LTO	P 50,000.00
Production, Distribution and Sale of Unlabeled Feed/Feed Ingredient	Suspension of LTO	P 500,000.00
Importation of Unregistered Feed/Feed Ingredient	Suspension of LTO	P 1,000,000.00
Misleading Advertisement/False Advertising	Suspension of LTO	P 500,000.00
Mixture of two or more feeds of different formula or brand	Suspension of LTO	P 500,000.00
Distribution, sale or use of expired feed and feed ingredient	Suspension of LTO	P 1,000,000.00
Presence of antibiotic in feeds not registered as medicated feed	Suspension of LTO	P 1,000,000.00
Substandard Feed/ Feed Ingredient	Suspension of the CFPR	P 500,000.00
Adulterated Feed Ingredient	Suspension of the CFPR	P 500,000.00
Mislabeled/ Unlabeled Feed/ Feed Ingredient	Suspension of the CFPR	P 500, 000.00
Tampered packages/ tags/ labels	Suspension of the CFPR	P 500,000.00
Falsified analysis results	Cancellation of LTO	P 500,000.00
Refusal to allow entry of Inspector	Revocation of LTO + Criminal Prosecution	
Violation of Suspension/Cancellation Order (for mixed feed and feed ingredient manufacturer)	Criminal Prosecution (six (6) years imprisonment)	
Presence of Heavy Metals/Mycotoxin beyond maximum level	Seizure	P500,000.00
Presence of Salmonella/E-Coli	Seizure	P1,000,000.00
Presence of prohibited/ banned drugs within the premises of establishments	Cancellation of LTO	P1,000,000.00
Non-display of Registration Certificate		P50,000.00
Unregistered Feed Establishment		P50,000.00

(Suppliers/Retailers)		
Other types of violation related to suspension/ cancellation of registration and licensing		

Section [11] 16. REPEALING CLAUSE. All acts or parts thereof inconsistent with the provisions of this Act are hereby repealed.

Section [12] 17. This Act shall take effect thirty days from the date of its approval.

Approved.