



Republic of the Philippines
House of Representatives
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6229



Introduced by: Rep. Esmael G. Mangudadatu

EXPLANATORY NOTE

While R.A. No. 10817, otherwise known as the Philippine Halal Export Development and Promotion Act of 2016, has provided the foundation for the growth of the Philippine Halal industry, the industry is having a difficulty in locally finding footing and actually taking off due to various challenges that need institutional dedication and capacitation in order to bridge the gap between the national government's aspirations for the Halal industry and the realities of making the local Halal industry become globally competent. While RA 10817 has laid the groundwork for expanding the Halal export sector, it has not addressed several underlying challenges that inhibit the holistic growth of the Halal industry. Bottlenecks such as fragmented regulatory systems, limited market access for MSMEs, and insufficient coordination among stakeholders continue to hinder the full realization of the law's objectives.

Despite the gains achieved through RA 10817, there remains a critical gap in the development of the Philippine Halal industry. The current legal framework primarily emphasizes export promotion, leaving gaps in the domestic Halal market, including challenges faced by MSMEs in meeting certification standards and the untapped potential in non-food sectors such as pharmaceuticals, cosmetics, and tourism. Furthermore, the absence of a unified coordinating body overseeing the entire Halal value chain has led to inefficiencies and missed opportunities for local market development and export diversification.

As such, this proposal seeks for the establishment of a Bureau of Halal Industry (BHA) as a dedicated government institution to address the challenges in attaining the national government aspirations as outlined in R.A. No. 10817, is the institutional calibration needed to fully capitalize and to overcome existing challenges on the Halal industry's potential.

The Halal industry is a rapidly expanding global sector, with the market estimated to be valued at \$7.7 trillion in 2025. It spans multiple industries, including food, pharmaceuticals, cosmetics, logistics, tourism, and more. For the Philippines, the Halal industry represents a critical avenue for economic growth, job creation, and increased foreign investment. By further integrating local producers, MSMEs, and manufacturers into the Halal ecosystem, the country can diversify its economy and tap into the enormous potential of both domestic and international Halal markets.

In this context, the National Commission on Muslim Filipinos (NCMF) plays a crucial role, as outlined in RA 9997 under Section 8, letter (h), which mandates the NCMF to "*promote and develop the Philippine Halal Industry and accredit halal-certifying entities/bodies for the utmost benefit of Muslim Filipinos, and in partnership or cooperation with appropriate agencies, individuals and institutions here and abroad.*" This legal framework positions the NCMF as a pivotal player in the Halal landscape, responsible for ensuring the integrity and development of Halal ecosystem including certification processes.

To effectively execute this mandate, the DTI through the creation of the herein contemplated Bureau of Halal Industry (BHAI), can complement the NCMF's efforts. The BHAI shall serve as a centralized body responsible for addressing the gaps left by RA 10817, ensuring that both export and domestic markets are developed comprehensively. By fostering collaboration between the NCMF and DTI, a unified approach can be established that not only strengthens export initiatives but also prioritizes the development of local MSMEs.

This partnership can facilitate the creation of policies and programs aimed at enhancing local production and processing capabilities, streamlining certification processes, and increasing market access for Halal products domestically. The BHAI will coordinate a whole-of-government approach, aligning efforts across key agencies such as NCMF, TESDA, DA, DOST, DFA, and others to ensure the effective implementation of the Philippine Halal Industry Development Strategic Plan 2023-2028.

As such, by integrating the mandate of the National Commission on Muslim Filipinos (NCMF) with the proposed BHAI's strategic oversight, a more efficient, inclusive, digitalized, and globally competitive Halal ecosystem can be built, positioning the Philippines as a premier Halal hub in the Asia-Pacific region by 2028; thus this proposal.


ESMAEL G. MANGUDADATU



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AN ACT

AMENDING REPUBLIC ACT NO. 10817, OTHERWISE KNOWN AS THE "PHILIPPINE HALAL EXPORT DEVELOPMENT AND PROMOTION ACT OF 2016" AND ESTABLISHING THE BUREAU OF HALAL INDUSTRY UNDER THE DEPARTMENT OF TRADE AND INDUSTRY, AND FOR OTHER PURPOSES

INTRODUCED BY: REP. ESMAEL G. MANGUDADATU

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

SECTION 1. TITLE. This Act shall be known as "Amendment to Republic Act No. 10817 creating the Bureau of Halal Industry under the Department of Trade and Industry".

SECTION 2. DECLARATION OF POLICY. It is hereby declared the policy of the State to promote and develop a robust, inclusive, and globally competitive halal industry that contributes to national economic development, Inclusive growth, and cultural diversity, in line with the Philippine Halal Industry Development Strategic Plan 2023-2028.

SECTION 3. AMENDMENT OF SECTION 4 OF RA 10817. Section 4 of RA 10817 is hereby amended to rename the "Philippine Halal Export Development and Promotion Board" to the Philippine Halal Industry Development and Promotion Board, with expanded functions to include:

- a. Formulating comprehensive policies and strategies for the halal industry development, both domestic and export;
- b. Overseeing certification, capacity building, MSME support, investment promotion, and global positioning; and

- c. Ensuring alignment with the Philippine Halal Industry Development Strategic Plan 2023-2028 and its successor plans.

SECTION 4. CREATION OF THE BUREAU OF HALAL INDUSTRY. A new Chapter is hereby inserted to create the Bureau of Halal Industry (BHAI) under the Department of Trade and Industry (DTI).

SECTION 5. MANDATE OF THE BHAI. The BHAI will lead the full implementation of all the policies and directions of the Halal Board. Further, BHAI shall be the lead agency in implementing the national halal development program, ensuring industry-wide capacity building, market access, regulatory compliance, and global competitiveness of Philippine halal products and services.

SECTION 6. POWERS AND FUNCTIONS. The BHAI shall:

1. Formulate and implement the Philippine Halal Industry Development Roadmap;
2. Coordinate with concerned agencies and stakeholders on halal certification, regulation, and compliance;
3. Promote investments in halal industries, MSME integration, and innovation;
4. Strengthen Philippine halal branding and global trade presence;
5. Administer a centralized digital Philippine Halal Registry and Database;
6. Manage the Philippine Halal Training Academy and research hubs;
7. Establish bilateral and multilateral partnerships with global halal stakeholders.
8. To ensure consumer protection, the BHAI shall exercise necessary police power to maintain continuing compliance of establishments and Halal Certifying Bodies. Nothing herein shall be construed as overriding the powers and functions of other agencies.
9. Absorb all functions of the Export Marketing Bureau (EMB) relative to promotion of Halal industry including its secretariat functions to the Halal Board.

SECTION 7. ORGANIZATIONAL STRUCTURE AND FUNDING.

1. The BHAI shall be headed by a Director IV, supported by divisions on Policy and Planning, Certification and Compliance, Market Development, and Capacity Building.
2. The BHAI shall absorb the existing staff of EMB Halal section.
3. The Bureau shall be provided with an initial budget from the DTI and succeeding appropriations from the General Appropriations Act.

SECTION 8. AMENDMENT OF OTHER PROVISIONS. Sections 5 to 13 of RA 10817 are hereby amended to align with the expanded scope covering the entire halal industry, and to update outdated references.

SECTION 9. APPROPRIATIONS. The amount necessary for the initial implementation of this Act shall be charged against available funds of the DTI. Thereafter, such sums as may be necessary shall be included in the annual General Appropriations Act.

SECTION 10. REPEALING CLAUSE. All laws, executive orders, rules, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 11. EFFECTIVITY. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

APPROVED.

