

S. No. 1471
H. No. 10070

Republic of the Philippines
Congress of the Philippines
Metro Manila

Tenth Congress

Third Regular Session

Begun and held in Metro Manila, on Monday the twenty-eighth day of July, nineteen hundred and ninety-seven.

REPUBLIC ACT NO. 8423

AN ACT CREATING THE PHILIPPINE INSTITUTE OF TRADITIONAL AND ALTERNATIVE HEALTH CARE (PITAHC) TO ACCELERATE THE DEVELOPMENT OF TRADITIONAL AND ALTERNATIVE HEALTH CARE IN THE PHILIPPINES, PROVIDING FOR A TRADITIONAL AND ALTERNATIVE HEALTH CARE DEVELOPMENT FUND AND FOR OTHER PURPOSES

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

SECTION 1. Short Title. - This Act shall be known as the "Traditional and Alternative Medicine Act (TAMA) of 1997".

ARTICLE I GUIDING PRINCIPLES

SEC. 2. Declaration of Policy. - It is hereby declared the policy of the State to improve the quality and delivery of health care services to the Filipino people through the development of traditional and alternative health care and its integration into the national health care delivery system.

It shall also be the policy of the State to seek a legally workable basis by which indigenous societies would own their knowledge of traditional medicine. When such knowledge is used by outsiders, the indigenous societies can require the permitted users to acknowledge its source and can demand a share of any financial return that may come from its authorized commercial use.

SEC. 3. Objectives. - The objectives of this Act are as follows:

(a) To encourage scientific research on and develop traditional and alternative health care systems that have direct impact on public health care;

- (b) To promote and advocate the use of traditional, alternative, preventive and curative health care modalities that have been proven safe, effective, cost effective and consistent with government standards on medical practice;
- (c) To develop and coordinate skills training courses for various forms of traditional and alternative health care modalities;
- (d) To formulate standards, guidelines and codes of ethical practice appropriate for the practice of traditional and alternative health care as well as in the manufacture, quality control and marketing of different traditional and alternative health care materials, natural and organic products, for approval and adoption by the appropriate government agencies;
- (e) To formulate policies for the protection of indigenous and natural health resources and technology from unwarranted exploitation, for approval and adoption by the appropriate government agencies;
- (f) To formulate policies to strengthen the role of traditional and alternative health care delivery system; and
- (g) To promote traditional and alternative health care in international and national conventions, seminars and meetings in coordination with the Department of Tourism, Duty Free Philippines, Incorporated, Philippine Convention and Visitors Corporation and other tourism-related agencies as well as nongovernment organizations and local government units.

ARTICLE II DEFINITION OF TERMS

SEC. 4. Definition Terms. - As used in this Act, the following terms shall mean:

- (a) "Traditional and alternative health care" - the sum total of knowledge, skills and practices on health care, other than those embodied in biomedicine, used in the prevention, diagnosis and elimination of physical or mental disorder.
- (b) "Traditional medicine" - the sum total of knowledge, skills and practice on health care, not necessarily explicable in the context of modern, scientific philosophical framework, but recognized by the people to help maintain and improve their health towards the wholeness of their being the community and society, and their interrelations based on culture, history, heritage, and consciousness.
- (c) "Biomedicine" - that discipline of medical care advocating therapy with remedies that produce effects differing from those of the diseases treated. It is also called 'allopathy,' 'western medicine,' 'regular medicine,' 'conventional medicine,' 'mainstream medicine,' 'orthodox medicine,' or 'cosmopolitan medicine.'
- (d) "Alternative health care modalities" - other forms of nonallopathic, occasionally non-indigenous or imported healing methods, though not necessarily practiced for centuries nor handed down from one generation to another. Some alternative health care modalities include reflexology, acupuncture, massage, acupressure, chiropractics, nutritional therapy, and other similar methods.
- (e) "Herbal medicines" - finished, labeled, medicinal products that contain as active ingredient/s aerial or underground part/s of plant or other materials or combination thereof, whether in the crude state or as plant preparations. Plant material includes juices, gums, fatty oils, essential oils, and other substances of this nature. Herbal medicines, however, may contain excipients in addition to the active ingredient(s). Medicines containing plant material(s) combined with chemically-defined active substances, including chemically-defined, isolated constituents of plants, are not considered to be herbal medicines.

(f) "Natural product" - those foods that grow spontaneously in nature whether or not they are tended by man. It also refers to foods that have been prepared from grains, vegetables, fruits, nuts, meats, fish, eggs, honey, raw milk and the like, without the use or addition of additives, preservatives, artificial colors and flavors, or manufactured chemicals of any sort after harvest or slaughter.

(g) "Manufacture" - any and all operations involved in the production, including preparation, propagation, processing, formulating, filling, packing, repacking, altering, ornamenting, finishing, or otherwise changing the container, wrapper, or labeling of a consumer product in the furtherance of the distribution of the same from the original place of manufacture to the person who makes the final delivery or sale to the ultimate consumer.

(h) "Traditional healers" - the relatively old, highly respected people with a profound knowledge of traditional remedies.

(i) "Intellectual property rights" - is the legal basis by which the indigenous communities exercise their rights to have access to, protect, control over their cultural knowledge and product, including but not limited to, traditional medicines, and includes the right to receive compensation for it.

ARTICLE III

THE PHILIPPINE INSTITUTE OF TRADITIONAL AND ALTERNATIVE HEALTH CARE

SEC. 5. Philippine Institute of Traditional and Alternative Health Care. - There is hereby established a body corporate to be known as the Philippine Institute of Traditional and Alternative Health Care, hereinafter referred to as the Institute. The Institute shall be attached to the Department of Health. Its principal office shall be in Metro Manila, but it may establish other branches or offices elsewhere in the Philippines as may be necessary or proper for the accomplishment of its purposes and objectives.

SEC. 6. Powers and Functions. - In furtherance of its purposes and objectives, the Institute shall have the following powers and functions:

(a) To plan and carry out research and development activities in the areas of traditional and alternative health care and its ultimate integration into the national health care delivery system;

(b) To verify, package and transfer economically viable technologies in the field of traditional and alternative health care, giving emphasis on the social engineering aspects necessary for group endeavor;

(c) To provide the data base or policy formulation that will stimulate and sustain production, marketing and consumption of traditional and alternative health care products;

(d) To organize and develop continuing training programs for physicians, nurses, pharmacists, physical therapists, and other professional health workers and students, as well as scientists, research managers and extension workers in the field of traditional and alternative health care;

(e) To formulate policies that would create public awareness through educational activities, conventions, seminars, conferences, and the like by focusing on the promotion of healthy living for preventing diseases, thereby uplifting the health care industry;

(f) To acquire or obtain from any governmental authority whether national or local, foreign or domestic, or from any person, corporation partnership, association or other entity, such charters, franchises, licenses, rights, privileges, assistance, financial or otherwise, and

concessions as are conducive to and necessary or proper for the attainment of its purposes and objectives;

(g) To receive and acquire from any person and/or government and private entities, whether foreign or domestic, grants, donations and contributions consisting of such properties, real or personal, including funds and valuable effects or things, as may be useful, necessary or proper to carry out its purposes and objectives and administer the same in accordance with the terms of such grants, donations and contributions, consistent with its purposes and objectives;

(h) To serve as the coordinating center of a national network of traditional and alternative health care stations located in the different regions of the country;

(i) To formulate a code of ethics and standards for the practice of traditional and alternative health care modalities for approval and adoption by the appropriate professional and government agencies;

(j) To formulate standards and guidelines for the manufacture, marketing and quality control of different traditional and alternative health care materials and products for approval and adoption by the Bureau of Food and Drugs;

(k) To coordinate with other institutions and agencies involved in the research on herbal medicines;

(l) To adopt and use a corporate seal;

(m) To sue and be sued in its corporate name;

(n) To succeed by its corporate name;

(o) To adopt its bylaws and promulgate such rules and regulations as may be necessary or proper to implement this Act, and to amend or repeal the same from time to time;

(p) To enter into, make and execute contracts and agreements of any kind or nature;

(q) To borrow, raise or obtain funds, or to enter into any financial or credit arrangement in order to support or carry out its research programs, finance its capital and operating expenses, subject to pertinent laws governing public debts and expenditures;

(r) To invest in, purchase or otherwise acquire, own, hold, use, mortgage, pledge, encumber, sell, assign, convey, exchange, or otherwise deal in real and/or personal properties of whatever kind and nature, or any interest therein, including shares of stock, bonds, notes, securities and other evidences of indebtedness of natural or juridical persons, whether domestic or foreign and whether government or private;

(s) To exercise all the powers of a corporation under the General Corporation Law, insofar as such powers are not in violation of the provisions of this Act; and

(t) To exercise such other powers and functions, and perform such other acts as may be necessary, proper or incidental to the attainment of its purposes and objectives.

SEC. 7. Board of Trustees. - The corporate powers of the Institute shall be exercised, and all its business, activities and properties shall be controlled by a Board of Trustees, hereinafter referred to as the Board.

(a) Composition. - The Board shall be composed of the following:

Secretary of Health - ex-officio chairman.

Permanent representatives of the following government offices:

Department of Science and Technology;

Department of Environment and Natural Resources;

Department of Agriculture;
Department of Education, Culture and Sports; and
Commission on Higher Education.
Representatives of the following industries/sectors:

One (1) physician who is engaged in the practice of traditional and alternative health care;
One (1) member from a duly recognized academe/research institution engaged in traditional and alternative health care research;
One (1) traditional and alternative health care practitioner who is not a physician;
One (1) biomedical/allopathic/western medical practitioner preferably from the Philippine Medical Association;
One (1) member from the natural food industry and/or organic food industry; and
One (1) member from the environmental sector organization.

The six (6) members representing the abovementioned sectors/ industry shall be appointed by the President of the Philippines upon recommendation of the Secretary of Health. Of the appointive members, two (2) members shall have a term of three (3) years; the second two (2) members appointed shall each have a term of two (2) years; and, the third two (2) members shall each have a term of one (1) year.

Any member appointed to a vacancy shall serve only for the unexpired term of the member whom he/she shall succeed.

(b) Meetings and quorum. - The Board shall meet regularly at least once a month or as open as the exigencies of the service demand. The presence of at least six (6) members shall constitute a quorum, and the majority vote of the members present, there being a quorum, shall be necessary for the adoption of any resolution, decision or any other act of the Board.

(c) Allowances and per diems. - The members of the Board shall receive a per diem for every meeting actually attended subject to the pertinent budgetary laws, rules and regulations on compensation, honoraria and allowances.

SEC. 8. Powers and Functions of the Board - The Board shall exercise the following powers and functions:

(a) To define and approve the programs, plans, policies, procedures and guidelines for the Institute in accordance with its purposes and objectives, and to control the management, operation and administration of the Institute;

(b) To approve the Institute's organizational structure, staffing pattern, operating and capital expenditure, and financial budgets prepared in accordance with the corporate plan of the Institute;

(c) To approve salary ranges, benefits, privileges, bonuses and other terms and conditions of service for all officers and employees of the Institute upon recommendation of the Director General and consistent with the salary standardization and other laws;

(d) To appoint, transfer, promote, suspend, remove or otherwise discipline any subordinate officer or employee of the Institute, upon recommendation of the Director General;

(e) To create such committee or committees and appoint the members thereof, as may be necessary or proper for the management of the Institute or for the attainment of its purposes and objectives;

- (f) To determine the research priorities of the Institute consistent with the framework of its purposes and objectives and in coordination with other government agencies; and
- (g) To exercise such other powers and functions and perform such other acts as may be necessary or proper for the attainment of the purposes and objectives of the Institute, or as may be delegated by the Secretary of Health.

SEC. 9. Director General and other Officers. - The Institute shall be headed by a Director General who shall be appointed by the President of the Philippines upon recommendation of the Secretary of Health. The Director General shall have a term of six (6) years.

The Director General shall be assisted by such Deputy Director General(s) and program managers/coordinators as the Board may determine to carry out the purposes and objectives of this Act.

SEC. 10. Powers, Functions and Duties of the Director General. - The Director General shall have the following powers, functions and duties:

- (a) To exercise overall supervision and direction over the implementation of all research and development programs of the Institute, and to supervise and direct the management, operation and administration of the Institute;
- (b) To execute contracts, including deeds that may incur obligations, acquire and dispose of assets and deliver documents on behalf of the Institute, within the limits of authority delegated to him by the Board;
- (c) To implement and enforce policies, decisions, orders, rules and regulations adopted by the Board;
- (d) To submit to the Board an annual report of the Institute;
- (e) To submit to the Board an annual budget and such supplemental budget as may be necessary for its consideration and approval; and
- (f) To exercise such other powers and functions and perform such other duties as may be authorized or assigned by the Board.

SEC. 11. Government Agency Support and Coordination. - The Institute may, for the purpose of its research and development activities, obtain and secure the services of scholars, scientists and technical personnel of any unit of the Department of Health and other agencies of the Philippine Government. Such personnel may be paid honoraria as may be fixed and authorized by the Board following the usual government rules and regulations governing honoraria and allowances. The Institute shall also assist, cooperate and coordinate with other government agencies, such as the Bureau of Food and Drugs of the Department of Health and the Philippine Council for Health Research and Development of the Department of Science and Technology for the implementation of the purposes and objectives of this Act.

ARTICLE IV PROMOTION OF TRADITIONAL AND ALTERNATIVE HEALTH CARE

SEC. 12. Traditional and Alternative Health Care Advocacy and Research Program. - The Institute shall promulgate a nationwide campaign to boost support for the realization of the objectives of this Act. It shall encourage the participation of nongovernment organizations in traditional and alternative health care and health-related projects. The Institute shall also

formulate and implement a research program on the indigenous Philippine traditional health care practices performed by "traditional healers" using scientific research methodologies.

SEC. 13. Standards for the Manufacture, Marketing and Quality Control of Traditional Medicine. - The Institute, in collaboration with the Bureau of Food and Drugs, shall formulate standards and guidelines for the manufacture, quality control and marketing of different traditional and alternative health care materials and products.

SEC. 14. Incentives for Manufacturers of Traditional and Alternative Health Care Products. - Manufacturers of traditional and alternative health care products like herbal medicinal plants shall enjoy such exemptions, deductions and other tax incentives as may be provided for under the Omnibus Investment Code, as amended.

SEC. 15. Traditional and Alternative Health Care Development Fund. - To implement the provisions of this Act, there is hereby created a Traditional and Alternative Health Care Development Fund which shall be used exclusively for the programs and projects of the Institute, in the amount of Fifty million pesos (P50,000,000.00) for the first year, Seventy-five million pesos (P75,000,000.00) for the second year, and One hundred million pesos (P100,000,000.00) for the third year from the earnings of the Duty Free Philippines: Provided, That not more than fifteen percent (15%) of said fund shall be used for administrative costs of the Institute.

Thereafter, such amount as may be necessary to fund the continued implementation of this Act shall be included in the annual General Appropriations Act.

ARTICLE V TRANSITORY PROVISIONS

SEC. 16. Appointment of Board Members. - Within thirty (30) days from the date of effectivity of this Act, the President of the Philippines shall appoint the members of the Board as well as the Director General and Deputy Director General(s).

SEC. 17. Transfer of Functions of the Traditional Medicine Unit and Other Related Units. - Upon the establishment of the Institute, the functions, personnel and assets of the Traditional Medicine Unit and all the pharmaceutical and herbal processing plants of the Department of Health shall be transferred to the Institute without need of conveyance, transfer or assignment.

For the year during which this Act was approved, the unexpended portion of the budget of the offices, agencies and units merged shall be utilized for establishing the Institute and initiating its operations, including the formulation of the rules and regulations necessary for the implementation of this Act.

Incumbent officials and employees of the affected offices shall continue to exercise their respective functions, duties and responsibilities with the corresponding benefits and privileges. To the greatest extent possible and in accordance with existing laws, all employees of the affected offices, agencies and units shall be absorbed by the Institute.

ARTICLE VI MISCELLANEOUS PROVISIONS

SEC. 18. Oversight Function. - The Institute shall submit to Congress an annual accomplishment report which shall include the status of its priority researches and operation . In the exercise of its oversight functions, Congress may inquire into the programs of the Institute.

SEC. 19. Implementing Rules and Regulations. - Within thirty (30) days from the completion of their appointments, the Board shall convene and, in collaboration with the Department of Health - Traditional Medicine Unit, formulate the rules and regulations necessary for the implementation of this Act. Said rules and regulations shall be issued within one hundred eighty (180) days from the date of the Board's initial meeting and shall take effect upon publication in a newspaper of general circulation.

SEC. 20. Repealing Clause. - All laws, decrees, executive orders, and other laws including their implementing rules and regulations inconsistent with the provisions of this Act are hereby amended, repealed or modified accordingly.

SEC. 21. Separability Clause. - If any provision of this Act is declared unconstitutional or invalid, other provision thereof which are not affected thereby shall continue in full force and effect.

SEC. 22. Effectivity. - This Act shall take effect fifteen (15) days following its publication in the Official gazette or in at least two (2) newspapers of general circulation.

Approved,

JOSE DE VENECIA, JR.
Speaker of the House of Representatives

ERNESTO M. MACEDA
President of the Senate

This Act, which is a consolidation of Senate Bill No. 1471 and House Bill No. 10070 was finally passed by the Senate and the House of Representatives on December 8, 1997.

ROBERTO P. NAZARENO
Secretary General
House of Representatives

LORENZO E. LEYNES, JR.
Secretary of the Senate

Approved: Dec 09 1997

FIDEL V. RAMOS
President of the Philippines