Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

SEVENTEENTH CONGRESS First Regular Session

HOUSE BILL NO.4015



Introduced by Honorable Michael L. Romero

Explanatory Note

The Philippines is an archipelagic country with a total marine area of 2,200,000 square kilometer and a length of coastline of 17,640 kilometer. The optimum utilization of the potentials of the vast marine resources will play a vital role in attaining food security.

However, a study pointed out that among the major issues affecting our fisheries include overfishing and excessive fishing pressure, lack of management, inappropriate exploitation patterns, and habitat degradation which resulted in the dwindling of our fish production. It is reported that from 5% global farmed fish supply in the last 20 years, the Philippines now contributes a little over 1% of world production.

The development of mariculture in the country is a means to improve fisheries production and help uplift the lives of our fisherfolks. The Bureau of Fisheries and Aquatic Resources (BFAR) define mariculture as a marine-based industrial estate subdivided into farm plots for mariculture activities and has communal storm-resistant mooring system and boundary markers. The concept is centered upon the development of an industrial estate in the sea, wherein aquaculture plots are leased to investors and infrastructure (mooring systems, navigation lanes and docking areas) utilities (support facilities) and technical services are provided by the government.

While mariculture parks have already been established and operational in different areas of the country, they represent only a small fraction of the areas that is suitable for the industry. The establishment of a national mariculture program will provide a blueprint for the desired development of mariculture in the country with the end view of increasing fish productions, uplift the lives of our fisherfolks and attain food security.

In view of the foregoing, approval of this bill is highly and earnestly recommended.

MICHAEL L. ROMERO Ph.D

Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

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AN ACT

PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

SECTION 1. Title. - This Act shall be known as "The National Mariculture Program of 2016".

SECTION 2. Declaration of Policy. - The State shall ensure food security to everyone, utilizing and developing the country's natural wealth, and shall protect the aquatic resources as valuable food reserve. Toward this end, the State shall ensure the utmost protection of the country's marine environment, while optimizing its potential contribution to food security. Likewise, the State shall uphold the rights and interests of the Filipino fisherfolk and they shall be given preferential use of the marine and fishing resources in the country. To this end, there shall be a comprehensive program on marine technology and research, financial and marketing assistance, and other services for the benefit of the fisherfolk and the local communities.

- **SECTION 3. National Mariculture Program.** The National Government, through the BFAR, shall undertake a National Mariculture Program, guided by the following objectives:
- 1. Promotion of mariculture as major source of livelihood for the fishermen;
- 2. The identification and establishment of mariculture parks in suitable areas in the country;
- 3. Increase socio-economic growth and ensure food security through mariculture industry;
- 4. Conservation, protection and preservation of the aquatic environment conducive to fisheries, species management and mariculture investment;
- 5. Development of technical skills for fishermen to sustain the mariculture industry;
- 6. Provide appropriate infrastructure and equipment for favorable investment climate and post-harvest technology;
- 7. Provide stakeholders easy access to lending institutions.
- **SECTION 4. Definition of Terms.** As used in this Code, the following terms shall mean as follows:
- 1. Mariculture -is designed to produce fish through sea cages, to grow high value marine species. such as bang us. siganids. seaweeds. oysters. mussels. red snappers. groupers and other related species.
- 2. Mariculture Park or Zone refers to duly designated fishery areas where mariculture is undertaken.
- 3. SEAFDEC refers to the Southeast Asian Fisheries Development Center, an inter-governmental organization established for the purpose of sustaining fishery development in the Southeast Asian Region.
- **SECTION 5.** Mariculture Development Parks and Zone. Subject to the limitations set forth under Sections 20 and 22 of Republic Act 8550. otherwise known as The Philippine Fisheries Code of 1988. and Section 149 of Republic Act 7160. otherwise known as The Local Government Code of 1991. the concerned officials of the local government unit shall supervise the establishment of mariculture parks and zones in duly designated areas located within the municipal waters. In case of waters located outside municipal waters, the Department of Agriculture (DA) shall designate and supervise the respective mariculture area. The technical social economic viability and sustainability, as well as the environmental protection, shall be taken into consideration in selecting an area for a mariculture parks or zone. For this

purpose, the province, city or municipality shall enter into a Lease Agreement with the registered fisherfolk or fisherfolk cooperative as well as private investors, where the terms and conditions, as well as profit sharing are specified therein. However, the BFAR shall provide a ceiling for rents to locators, in consultation with the sangguniang concerned taking into consideration its affordability to ordinary fisherfolks and the viability for its continued operation. In granting lease proposals by the local government unit, preference shall be given to local fisherfolks.

SECTION 6. Ownership of Mariculture Parks. Unless the mariculture park is established by private individual or corporation, the ownership of the park shall belong to the municipal or city which has jurisdiction over the area. If the park is established outside the municipal waters the ownership shall belong to the provincial government which has jurisdiction over the area. If the area is within the territorial jurisdiction of two or more municipal, cities or provinces, the concerned municipal, cities or provinces shall co-own the area and their interest therein shall be based on the size of the area in their jurisdiction being occupied by the parks.

SECTION 7. Mariculture Zone Advisory Council. The Mariculture Zone Advisory Council is hereby created which shall be composed of the following:

- 1. Representative from the BFAR with a rank equivalent to a Director as Chairman;
- 2. The City or Municipal Agriculturist. or in the absence thereof, the Provincial Agriculturist as Vice Chairman;
- A representative from the registered Fisherfolk organization or cooperative;
- 4. A representative from the private business sector directly involved with Mariculture Zone. All the above-mentioned members of the Advisory Council, and not their respective proxies, shall be required to attend all council meetings.

SECTION 8. Functions of the Mariculture Zone Advisory Council. The Mariculture Zone Advisory Council shall have the following functions:

- 1. To operate, administer, manage and develop the Mariculture Zone according to the principles set forth in this Act;
- 2. To register, regulate, supervise the enterprises in the Mariculture Zone in an efficient and decentralized manner;
- 3. To exercise general supervision over the development, plans, activities and operations of the Mariculture Zone;

- 4. To ensure that all revenues of the Mariculture Zone are properly collected and remitted to the local government unit.
- **SECTION 9. Mooring Spaces.** Grant of Mariculture Zone areas shall be based on mooring spaces to ensure that usage of area-space for sea cage farming is solely based on the granted space as provided. Granted mooring spaces not developed/installed with cage within 6 months will be forfeited and awarded to other applicants. The BFAR shall prescribe the guidelines in installation of sea cages.
- **SECTION 10. Support Infrastructures.** To make the mariculture park and zone more convenient and useful to potential investors, there shall be support infrastructures such as, but not limited to floating, guardhouses, an onshore feed warehouse, an shore net mending and drying shed, a pier where small crafts can dock safely and a small ice plant or an insulated ice house. In addition to the physical infrastructure, socio-economic infrastructure shall likewise be placed in order to ensure the success of the mariculture park and zone.
- SECTION 11. Aquaculture Technical Assistance and Training to Local Units, Government Fisherfolk Cooperatives/Associations, Organizations. The SEAFDEC, through its Aquaculture Government Department, shall provide technical assistance, training and marketing support. local government units. coastal fishermen. cooperatives/associations, and non-government organizations with respect to the establishment, utilization and management of mariculture system in their respective jurisdictions. The SEAFDEC shall closely coordinate with the concerned stakeholders for this purpose.
- **SECTION 12. Private Sector as Economic Partners.** Private individual investors or enterprises shall, as far as practicable, be encouraged to take an active role in establishment, utilization and management of mariculture parks. Qualified private investors or entrepreneurs shall coordinate with the concerned local government officials, local fishing community and appropriate government agencies, for this purpose.
- **SECTION 13. Financing Scheme.** The LandBank of the Philippines (LBP) shall provide loan assistance to qualified fisherfolk organizations/cooperatives for the construction of the fish cage and to finance the initial stocks and feeds. The LBP shall issue guidelines on the scheduled annual payments of the loan.
- **SECTION 14. Continuing Research and Development.** The BFAR shall conduct continuing research and development as well as application of technological advancements in mariculture industry. A one-hectare Research and Development area shall be designated within a province, city or

municipality for the conduct of research and demonstration activities as well as a venue for the manpower capability trainings in the mariculture zone. This area shall be jointly managed by the LGU and BFAR.

SECTION 15. Monitoring and Evaluation. - The DA shall monitor the implementation of Research and Development programs and mariculture projects. The BFAR shall review all existing mariculture parks and zones every four (4) years, to determine their viability or effectiveness. The BFAR shall employ the services of independent evaluators to assess the over-all impact of the country's mariculture development. A quarterly Performance Evaluation issued by independent evaluators shall be submitted to the BFAR for this purpose.

SECTION 16. Appropriations. The initial amount of Five Hundred Million Pesos is hereby appropriated to effectively carry out the provisions of this Act during the first year of implementation. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the succeeding General Appropriations Act.

SECTION 17. Identification of Mariculture Areas. Within six (6) months from the effectivity of this Act, the BFAR shall identify the local government units which have potential areas for the establishment of mariculture parks. Provided that, not later than one year from the effectivity of this Act, the BFAR, in coordination with the local government units concerned, shall complete the blueprint of each mariculture park in the said identified areas.

SECTION 18. Annual Report.- The DA, through the BFAR, shall render an annual report to Congress on the accomplishment of the program. A review on the viability of the program, which includes a complete list of the areas suitable for establishment of mariculture parks in the country with their respective feasibility study, shall be made by the concerned agencies after three (3) years of its implementation.

SECTION 19. Information Campaign. The BFAR shall undertake intensive public information campaign within three (3) months from the effectivity of this Act.

SECTION 20. Implementing Rules and Regulations.- The DA, through the BFAR, together with the Department of Interior and Local Government(DILG) and the representatives of the League of Provinces, League of Cities, and League of Municipalities, shall adopt rules and regulations necessary to implement the provisions of this Act within ninety (90) days from the effectivity thereof.

SECTION 21. Separability Clause- If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SECTION 22. Repealing Clause.-All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 23. Effectivity.- This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved.