

EIGHTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

Senate
Office of the Secretary

*19 JUL 15 A10:31

SENATE

S. No. 467

RECEIVED 07

Introduced by Senator Ralph G. Recto

AN ACT

**CREATING THE DEPARTMENT OF FISHERIES AND AQUATIC RESOURCES,
PROVIDING FOR ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS
THEREFOR, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Given its geographical characteristics, the Philippines has been regarded as one of the major fish-producing countries of the world. The Philippines is blessed with some 220 million hectares of territorial waters¹, 18.46 million hectares of continental shelf area and 2.7 million hectares of coral reefs². Inland, the Philippines hosts about 246,063 hectares of swamplands, 253,854 hectares of fishponds and about 250,000 hectares of other inland resources³. The Food and Agriculture Organization of the United Nations (FAO UN) projected that the country would produce about 3.23 million tonnes of fish by 2030⁴.

The fisheries industry is a critical socioeconomic sector in terms of its role in production of food and generation of household income. On the one hand, an average Filipino household⁵ annually spends about P10,682 on fish and other seafood⁶ and consume about 19.27 kilogram of tuna, 12.67 kg of *tilapia*, 11.26 kg of *bangus*, and 5.10 kg of *galunggong*⁷. On the other hand, the fisheries sector contributes P214.87 billion to the national economy, or about 13.28% of the total Gross Value Added (GVA) of the Agriculture, Hunting, Forestry and Fishing in 2018⁸ while employing about 1.23 million people in 2019⁹.

¹ Including exclusive economic zones (EEZs).

² Philippine Statistics Authority. (2018). *The Fisheries Statistics of the Philippines, 2015–2017*. Quezon City: Philippine Statistics Authority.

³ Philippine Statistics Authority. (2018). *The Fisheries Statistics of the Philippines, 2015–2017*. Quezon City: Philippine Statistics Authority.

⁴ Food and Agriculture Organization of the United Nations (2018). *The State of World Fisheries and Aquaculture*. Rome: Food and Agriculture Organization of the United Nations

⁵ Average household size is about 4.4 persons per household. Data taken from <https://psa.gov.ph/content/highlights-household-population-number-households-and-average-household-size-philippines> on 25 June 2019.

⁶ Philippine Statistics Authority. (2017). Family Income and Expenditure Survey. Accessed from <https://psa.gov.ph/content/2015-fies-additional-tables-on-25-June-2019>.

⁷ Philippine Statistics Authority. (2019). OpenStat. Accessed from <http://openstat.psa.gov.ph> on 25 June 2019.

⁸ Philippine Statistics Authority. (2019). OpenStat. Accessed from <http://openstat.psa.gov.ph> on 25 June 2019.

⁹ Philippine Statistics Authority. (2019). Employment Rate in April 2019 is Estimated at 94.9 Percent. Accessed from <https://psa.gov.ph/content/employment-rate-april-2019-estimated-949-percent> on 25 June 2019.

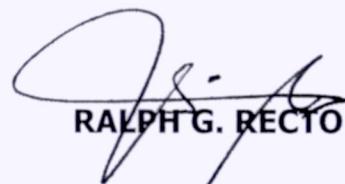
Despite the importance of the sector to Filipinos in terms of sustenance and livelihood, the Philippine fisheries industry experiences nominal growth without improvements in productivity. While the fisheries sector Gross Value Added (GVA) increased by an average of 2.31% per annum from 2011 to 2018¹⁰, the volume of fisheries production actually declined by an average of 2.07% annually during the same period¹¹. This seemingly-ironic situation reveals a deep-seated problem in the fisheries sector – one where the price inflation is one of, if not the, primary drivers of ‘growth.’

This predicament calls for a stronger government agency to maintain sufficient and sustainable food supply, to improve the productivity of the fisheries industry, to conserve our marine and aquatic resources, and to protect the welfare of small-scale fishermen and local fishing communities.

This bill seeks to create a Department of Fisheries and Aquatic Resources, a government agency distinct from the Department of Agriculture, to address the needs of the Philippine fisheries sector. Through this intervention, proper institutional focus, sufficient technical expertise and adequate government support and funding can be extended on matters concerning the Philippine fishery sector.

Ultimately, this bill seeks to realize two noble objectives: ensuring sustainable livelihood for Filipino fisherfolk, and maintaining an adequate food supply for the country in the years to come.

In view of the foregoing, immediate passage of the bill is earnestly sought.



RALPH G. RECTO

/mdg

¹⁰ Philippine Statistics Authority. (2019). OpenStat. Accessed from <http://openstat.psa.gov.ph> on 25 June 2019.
¹¹ Philippine Statistics Authority. (2019). OpenStat. Accessed from <http://openstat.psa.gov.ph> on 25 June 2019.

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AN ACT

**CREATING THE DEPARTMENT OF FISHERIES AND AQUATIC RESOURCES,
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THEREFOR, AND FOR OTHER PURPOSES**

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

1 Section 1. *Title.* – This Act shall be known as the "Department of Fisheries and
2 Aquatic Resources Act."

3 Sec. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to:

4 (a) promote the sustainable development and management of all fisheries, marine
5 and aquatic resources in Philippine waters including its exclusive economic zones (EEZs),
6 in the adjacent high seas and in coastal and inland aquatic resources consistent with the
7 objective of maintaining a sound ecological balance, protecting and enhancing the quality
8 of the environment;

9 (b) protect and conserve the nation's aquatic wealth in its archipelagic waters,
10 territorial seas, and EEZs and reserve use and enjoyment exclusive to Filipino citizens;

11 (c) safeguard the rights of small-scale fishermen in the preferential use of
12 communal marine, fisheries and aquatic resources;

13 (d) ensure sustainable fisheries production in inland aquatic resources consistent
14 with the objective of ensuring availability of food staples and achieving food security; and

15 (e) to protect fisherfolk communities from the adverse effects of climate change
16 and natural and man-made hazards.

17 Sec. 3. *The Department of Fisheries and Aquatic Resources.* – The Department of
18 Fisheries and Aquatic Resources, hereinafter referred to as the "Department," is hereby
19 created in accordance with the provisions of this Act.

20 Sec. 4. *Mandate.* – The Department shall have primary jurisdiction over the
21 management, conservation, development, protection, utilization and disposition of all
22 fishery and aquatic resources of the country, including the habitats of fish and all other

1 marine life and other activities which impact on these habitats, with the exception of
2 municipal waters, which shall remain under the jurisdiction of local government units
3 (LGUs): *Provided*, That LGUs shall manage their respective municipal waters in
4 accordance with national fishery policies, laws, rules, and regulations, and in a manner
5 consistent with the policies set forth herein.

6 The Department shall have the authority to supervise and regulate the production
7 and capture of fish and fishery products within its jurisdiction, as well as the processing
8 and marketing of all fisheries and aquatic products in the country.

9 The Department shall also have the responsibility of rationalizing all ocean sector
10 initiatives which impact on fish and marine resources or their habitat including, but not
11 limited to: exploration and development of marine energy, promotion and management
12 of coastal and marine tourism, designation of shipping lanes, and identification and
13 management of protected areas and marine industry development areas.

14 Sec. 5. *Powers and Functions.* – The Department shall exercise the following
15 powers and functions:

16 (a) Exercise authority and responsibility over the utilization of the ocean, including
17 its fisheries and their habitat;

18 (b) Coordinate and monitor the implementation of fisheries and ocean sector
19 statutes, policies, plans and programs for all maritime components;

20 (c) Promulgate and enforce fisheries and oceans habitat regulations to clarify and
21 amplify the aforementioned departmental mandate in accordance with the published
22 fisheries and oceans management plans;

23 (d) Prepare and implement a comprehensive Fisheries Management Plan, based
24 on precautionary principle and the principle of sustainable development using
25 scientifically-generated information or best available evidence on the status of the
26 fisheries and marine resources;

27 (e) Formulate and implement a Fishery Industry Development Program consistent
28 with the national development plan, and set policies and standards for the efficient and
29 economic operation of the fishing industry in accordance with the principles of food
30 security and sustainable development;

31 (f) Promulgate rules and regulations governing the conservation and proper
32 utilization of fisheries and aquatic resources, with the exception of municipal waters which
33 shall remain under the jurisdiction of LGUs concerned;

34 (g) Issue licenses for the operation of commercial fishing vessels and permits for
35 the conduct of fishery activities, subject to the specific resource carrying capacities as
36 determined through scientific studies or best available evidence: *Provided*, That

1 preference shall be accorded to local communities situated in proximity to the municipal
2 waters;

3 (h) Issue fish worker licenses and identification cards free of charge to fish workers
4 engaged in commercial fishing;

5 (i) Enforce all fishery laws, rules and regulations and coordinate with appropriate
6 government agencies in the enforcement of the same;

7 (j) Provide technical and other forms of assistance in the settlement of conflicts
8 arising from the use and allocation of fisheries and other aquatic resources in consultation
9 with the National Fisheries and Aquatic Resources Management Council (NFARMC) and
10 LGUs concerned;

11 (k) Prescribe rules and regulations concerning the classification, establishment,
12 construction, maintenance, operation, and inspection of all fishing ports, landing sites
13 and fish markets and the operation of business therein, with the exception of those
14 owned, controlled, or operated by LGUs;

15 (l) Establish and maintain a Philippine Fisheries and Aquatic Information System
16 (PFARIS) which shall function as the primary repository of all information pertaining to
17 fisheries, oceanic and other aquatic resources, including, but not limited to: fisheries and
18 aquaculture production, domestic and international fisheries trade, consumption and
19 utilization of fisheries and other aquatic resources, and researches on fisheries
20 conservation, production, processing, marketing and innovations;

21 (m) Enforce laws, treaties, rules and regulations concerning the conservation,
22 protection of rare, threatened and endangered marine and other aquatic species and their
23 respective habitats, including the conservation and management of straddling stocks and
24 other highly migratory marine and aquatic species;

25 (n) Designate marine protected areas such as marine sanctuaries, marine reserves
26 and marine parks pursuant to existing laws, treaties, rules and regulations;

27 (o) Formulate and enforce a Code of Conduct for Responsible Fisheries and Code
28 of Practice for Responsible Aquaculture;

29 (p) Promote international cooperation in the sector of fisheries and integrated
30 ocean management;

31 (q) Impose administrative sanctions, including fines and penalties, for minor
32 infractions in accordance with the schedules and limits as embodied in fisheries laws,
33 rules and regulations and as agreed upon by the Department of Justice;

34 (r) Acquire, maintain, operate, purchase, ease, or dispose fisheries equipment and
35 facilities such as, but not limited to: fish port, shipyard, fishing vessel, fishing gear,

1 refrigerated truck, ice plant, cold storage, and aquaculture facilities through the Philippine
2 Fisheries Development Authority (PFDA);

3 (s) Fix, assess, collect and adjust fees and charges for the use and sale of
4 properties, equipment, facilities and services to support the programs and projects of the
5 Department;

6 (t) Provide infrastructure support such as, but not limited to: municipal fishing
7 port, municipal fish landing site, municipal fish market, fish health and food safety
8 laboratory, local shipbuilding and repair facility, post-harvest facilities and access roads
9 through the PFDA;

10 (u) Establish and implement a National Marketing Assistance Program through the
11 PFDA to ensure the generation of highest possible income for fisherfolk, and fishery-
12 related enterprises by harmonizing fisheries supply with the demand from domestic and
13 international markets; and

14 (v) To perform such other functions as may be necessary to carry out the purposes
15 of this Act or as may be provided by law.

16 Sec. 6. *Composition.* – The Department shall be headed by a Secretary. The
17 Department proper shall be composed of the Office of the Secretary, the Offices of the
18 Undersecretaries and the assistant secretaries.

19 Sec. 7. *The Secretary of Fisheries and Aquatic Resources.* – The Secretary of
20 Fisheries and Aquatic Resources, hereinafter referred to as the Secretary, shall be
21 appointed by the President subject to the confirmation of the Commission on
22 Appointments, and shall exercise the following duties and functions:

23 (a) Exercise supervision and control over all bureaus, institutes, center and offices
24 under the Department;

25 (b) Exercise authority and assume responsibility for the performance of the powers
26 and functions of the Department;

27 (c) Provide advice to the President on the promulgation of policies, rules and
28 regulations, and other matters pertinent to the sustainable development, utilization and
29 management of fisheries and other aquatic resources;

30 (d) Establish policies and standards for the efficient and effective operation of the
31 Department in accordance with establish plans, programs and standards of the
32 Government;

33 (e) Promulgate rules, regulations, and other issuances to carry out the mandates,
34 objectives, plans, programs and projects of the Department; and

35 (f) Perform such other functions as may be provided by law or assigned by the
36 President.

1 Sec. 8. *Undersecretaries*. – The Secretary shall be assisted by three (3)
2 undersecretaries, who shall be appointed by the President upon the recommendation of
3 the Secretary: *Provided*, That two (2) of the undersecretaries shall be career officers.

4 Sec. 9. *Assistant Secretaries*. – The Secretary shall be assisted by three (3)
5 assistant secretaries who shall be appointed by the President upon the recommendation
6 of the Secretary: *Provided*, That two (2) of the assistant secretaries shall be career
7 officers.

8 Sec. 10. *Regional Offices*. – The Department may establish, operate, and maintain
9 a regional office in the different administrative regions of the country as may be
10 necessary. Each regional office shall be headed by a Regional Director, who may be
11 assisted by one (1) Assistant Regional Director. The Regional Director and Assistant
12 Regional Director shall be appointed by the President upon the recommendation of the
13 Secretary. The regional offices shall have support staffs as may be necessary to perform
14 the following duties and functions:

15 (a) Implement laws, policies, plans, programs, projects, rules and regulations of
16 the Department;

17 (b) Provide efficient and effective frontline services to the fisheries sector,
18 particularly to municipal fishermen;

19 (c) Coordinate with regional offices of other departments, offices, and agencies,
20 as well as with the LGUs within their respective jurisdictions; and

21 (d) Perform such other functions as may be provided by law or assigned by the
22 Secretary.

23 Sec. 11. *Qualifications*. – No person shall be appointed Secretary, Undersecretary,
24 or Assistant Secretary of the Department unless the appointee is a citizen and resident of
25 the Philippines, of good moral character, of proven integrity, and with at least seven (7)
26 years of competence and expertise in any of the following: biology, ecology,
27 biogeochemistry, biotechnology, marine sciences, limnology, oceanography, fisheries
28 management or other related disciplines, either in the private or public sector.

29 No person shall be appointed Director of the Department unless the appointee is
30 a citizen and resident of the Philippines, of good moral character, of proven integrity, with
31 at least a degree in law or a graduate degree in biology, ecology, biogeochemistry,
32 biotechnology, marine sciences, limnology, oceanography, fisheries management or other
33 related disciplines, or public administration, and with at least three (3) years of relevant
34 experience in marine conservation, fisheries management or related fields, either in
35 private or public sector.

1 Sec. 12. *Abolition, Transfer and Merger of Agencies and Personnel.* – The Bureau
2 of Fisheries and Aquatic Resources (BFAR) reconstituted by Republic Act No. 8550, is
3 hereby abolished. All relevant functions, appropriations, records, properties, equipment
4 and personnel shall be transferred to the Department: *Provided*, That no official or
5 employee of the BFAR shall be separated from the service in a manner inconsistent with
6 Section 13 of this Act.

7 The National Fisheries and Aquatic Resources Management Council (NFARMC)
8 created by Republic Act No. 8550 shall be transferred to the Department: *Provided*, That
9 an Undersecretary of the Department shall be appointed as the Chairperson of the
10 NFARMC.

11 The National Fisheries Research and Development Institute (NFRDI) created by
12 Republic Act No. 8550 shall be transferred to the Department and shall serve as the
13 principal research arm of the Department: *Provided*, That an Undersecretary of the
14 Department and the Executive Director of the NFRDI shall be appointed as Chairperson
15 and Vice-Chairperson of the NFRDI Governing Board: *Provided, further*, That no official
16 or employee of the NFRDI shall be separated from the service in a manner inconsistent
17 with Section 13 of this Act.

18 The Philippine Fisheries Development Authority (PFDA) created by Presidential
19 Decree No. 977, as amended, shall be transferred as an attached government corporation
20 to the Department, including its relevant functions, appropriations, records, properties,
21 equipment and personnel: *Provided*, That the Secretary shall be appointed as the
22 Chairperson of the PFDA Board of Directors: *Provided, further*, That no official or
23 employee of the PFDA shall be separated from the service in a manner inconsistent with
24 Section 13 of this Act.

25 All other operating units of the Department of Agriculture (DA) with functions and
26 responsibilities dealing with fisheries and aquatic resources, including units under its
27 attached agencies and corporations, are hereby transferred to the Department: *Provided*,
28 That no official or employee of the DA shall be separated from the service in a manner
29 inconsistent with Section 13 of this Act.

30 Sec. 13. *Separation and Retirement from Service.* – Employees who are separated
31 from service within six (6) months from the effectivity of this Act as a result of the
32 consolidation and/or reorganization under the provisions of this Act shall receive
33 separation benefits to which they may be entitled under Executive Order No. 366, s.
34 2004: *Provided*, That those who are qualified to retire under existing retirement laws shall
35 be allowed to retire and receive retirement benefits to which they may be entitled under
36 applicable laws and issuances.

1 Sec. 14. *Organizational Structure and Staffing Pattern.* – Subject to the approval
2 of the Department of Budget and Management (DBM), the Department shall determine
3 its organizational structure and create new bureaus, divisions or units as it may deem
4 necessary, and shall appoint officers and employees of the Department in accordance
5 with the civil service law, rules, and regulations.

6 Sec. 15. *Transition Period.* – The transfer of functions, assets, funds, equipment,
7 properties, transactions, and personnel of the affected agencies, and the formulation of
8 the internal organic structure, staffing pattern, operating system, and revised budget of
9 the Department, shall be completed within six (6) months from the effectivity of this Act,
10 during which time, the existing personnel shall continue to assume their posts in holdover
11 capacities until new appointments are issued: *Provided*, That the Department, in
12 coordination with the DBM, shall determine and create new positions, the funding
13 requirements of which shall not exceed the equivalent cost of positions that may be
14 abolished or reorganized.

15 Sec. 16. *Appropriations.* – The amount needed for the initial implementation of this
16 Act shall be taken from the current fiscal year's appropriation of the BFAR and all agencies
17 herein absorbed by or attached to the Department. Thereafter, the amount needed for
18 the operation and maintenance of the Department shall be included in the General
19 Appropriations Act.

20 Sec. 17. *Implementing Rules and Regulations.* – Within sixty (60) days from the
21 effectivity of this Act, the BFAR, Civil Service Commission (CSC) and DBM shall, in
22 coordination with the DA, PFDA, NFRDI, NFARMC and other government agencies
23 concerned, promulgate the necessary rules and regulations to effectively implement the
24 provisions of this Act.

25 Sec. 18. *Separability Clause.* - If, for any reason, any provision of this Act or any
26 part thereof shall be held unconstitutional and invalid, the other parts or provisions of
27 this Act, which are not affected thereby, shall remain in full force and effect.

28 Sec. 19. *Repealing Clause.* – All laws, decrees, orders, rules and regulations or
29 parts thereof inconsistent with any of the provisions of this Act are hereby repealed,
30 amended or modified accordingly.

31 Sec. 20. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete
32 publication in at least two (2) newspapers of general circulation or in the *Official Gazette*.

Approved,