

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **4035**

Introduced by CHRISTOPHER S. CO and RODEL M. BATOCABE

EXPLANATORY NOTE

This bill increases the authority and power of the Bureau of Fisheries and Aquatic Resources by elevating it to the level of a Department. Considering that the fisheries and aquatic resources sector has a significant potential in contributing more to the economy, this bill further empowers the office that has the power and authority to develop, conserve, manage, protect and utilize the country's fisheries and aquatic resources.

While agricultural crops is the primary contributor to the country's Gross Domestic Products (GDP) in the Agricultural sector, it cannot be denied that the Philippines is an archipelago and its marine resources come from 2,200,000 square kilometers (849,425 sq mi) of territorial waters and its inland waters amount to 1.5 million hectares.

In 2010, the Philippines was the world's third principal producer of aquatic plants and the tenth producer of fish, crustaceans, and mollusks. The country's production constitutes 3.06% of the total world production of 168.4 million metric tons.

In 2011, The fishing industry's contribution to the country's GDP were 1.9 % and 2.2% at current and constant 2000 prices, respectively. This translates to some P183.1 billion for current prices and P130.77 billion for constant prices of the country's GDP of P9,735.52 billion (current prices) and P5,924.4 billion (constant prices). The industry also accounted for 14.7% (P183.1 billion) and 19.2% (P130.77 billion) of the Gross Value Added (GVA) in Agriculture, Hunting, Forestry and Fishing Group of P1,245 billion and P680 billion at current and constant prices, respectively, the largest share next to agricultural crops.

This legislative measure is pursuant to the Philippine Constitution which states under Article XIII Agrarian and Natural Resources Reform, Section 7:

The State shall protect the rights of subsistence fishermen, especially of local communities, to the preferential use of the communal marine and fishing resources, both inland and offshore. It shall provide support to such fishermen through appropriate technology and research, adequate financial, production, and marketing assistance, and other services. The State shall also protect, develop, and conserve such resources. The protection shall extend to offshore fishing grounds of subsistence fishermen against foreign intrusion. Fishworkers shall receive a just share from their labor in the utilization of marine and fishing resources."

In view of the above circumstances, the swift passage of the bill is earnestly sought.

Rep. CHRISTOPHER S. CO

Rep. RODEL M. BATOCABE

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AN ACT
CREATING THE DEPARTMENT OF FISHERIES AND AQUATIC RESOURCES,
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 "Department of Fisheries and Aquatic Resources Act of 2014"

Section 2. Declaration of Policies.

It is hereby declared the national policy of the State to promote, encourage, conserve the country's fishing resources in order to insure a steady and sufficient supply of fish, and other fishery products for our increasing population. It is hereby declared the policy of the State to enable those who belong to the fisheries sector to participate and share in the fruits of development and growth in a manner that utilizes the nation's resources in the most efficient and sustainable way possible.

The State shall promote food security and shall adopt a market approach in assisting the fisheries sectors while recognizing the contribution of the sector to food security, environmental protection. The State shall promote market-oriented policies in production to encourage fisherfolks to engage in efficient and effective means of livelihood with the end in view of developing such sectors while modernizing the fisheries sector in a technology-based industry.

Section 4. Creation and Mandates of the Department of Fisheries and Aquatic Resources. – The Department of Fisheries and Aquatic Resources is hereby created to carry out the foregoing policy and shall be headed by a Secretary to be appointed

by the President of the Republic of the Philippines. It shall hereinafter be referred as the "Department".

Section 5. Powers and Functions. – The Department shall perform the following:

- (a) prepare and implement a Comprehensive National Fisheries Industry Development Plan;
- (b) issue licenses for the operation of commercial fishing vessels;
- (c) issue identification cards free of charge to fishworkers engaged in commercial fishing;
- (d) monitor and review joint fishing agreements between Filipino citizens and foreigners who conduct fishing activities in international waters, and ensure that such agreements are not contrary to Philippine commitment under international treaties and convention on fishing in the high seas;
- (e) enter into contracts, joint venture agreements, public-private partnerships, and such other memoranda of agreements or understanding, either domestic or foreign, under such terms and conditions as the Department may deem proper and reasonable and subject to existing laws;
- (f) formulate and implement a Comprehensive Fishery Research and Development Program, such as, but not limited to, sea farming, sea ranching, tropical/ornamental fish and seaweed culture, aimed at increasing resource productivity, improving resource use efficiency, and ensuring the long-term sustainability of the country's fishery and aquatic resources;
- (g) establish and maintain a Comprehensive Fishery Information System;
- (h) provide extensive development support services in all aspects of fisheries production, processing and marketing;
- (i) provide advisory services and technical assistance on the improvement of quality of fish from the time it is caught (i.e. on board fishing vessel, at landing areas, fish markets, to the processing plants and to the distribution and marketing chain);
- (j) coordinate efforts relating to fishery production undertaken by the primary fishery producers, LGUs, FARMCs, fishery and organizations/cooperatives;

- (k) advise and coordinate with LGUs on the maintenance of proper sanitation and hygienic practices in fish markets and fish landing areas;
- (l) establish a corps of specialists in collaboration with the Department of National Defense, Department of the Interior and Local Government, Department of Foreign Affairs for the efficient monitoring, control and surveillance of fishing activities within Philippine territorial waters and provide the necessary facilities, equipment and training therefor;
- (m) implement an inspection system for import and export of fishery/aquatic products and fish processing establishments, consistent with international standards to ensure product quality and safety;
- (n) coordinate with LGUs and other concerned agencies for the establishment of productivity enhancing and market development programs in fishing communities to enable women to engage in other fisheries/economic activities and contribute significantly to development efforts;
- (o) enforce all laws, formulate and enforce all rules and regulations governing the conservation and management of fishery resources, except in municipal waters, and to settle conflicts of resource use and allocation in consultation with the NFARMC, LGUs and local FARMCs;
- (p) receive, take and hold by bequest, device, gift, purchase or lease, either absolutely or in trust for any of its purposes from foreign and domestic sources, any asset, grant or property, real or personal, subject to such limitations as are provided under existing laws and regulations;
- (q) exercise oversight function, coordinate, monitor and evaluate the policies and programs of all its attached agencies;
- (r) monitor local and government compliance with housing and urban development laws, standards, and guidelines, as well with their judicious and fair application of local fisheries and aquatic resource ordinances
- (s) effect and oversee a single regulatory system that shall govern all activities relative to the planning, production, marketing, and management of fisheries and aquatic resources
- (t) develop value-added fishery-products for domestic consumption and export;
- (u) recommend measures for the protection/enhancement of the fishery industries;

- (v) assist the LGUs in developing their technical capability in the development, management, regulation, conservation, and protection of the fishery resources;
- (w) formulate rules and regulations for the conservation and management of straddling fish stocks and highly migratory fish stocks; and
- (x) perform such other related functions which shall promote the development, conservation, management, protection and utilization of fisheries and aquatic resources.

Section 6. Composition. – The Department shall be composed of the Office of the Secretary, its immediate staff, the Offices of the Undersecretaries and Assistant Secretaries with respect to their areas of responsibilities, and their respective staff, and the Offices directly supporting the Office of the Secretary.

Section 7. The Secretary. – The Secretary shall:

- (a) Advise the president on the promulgation of rules, regulations and other issuances relative to matters under the jurisdiction of the Department;
- (b) Establish policies and standards for the efficient and effective operations of the Department in accordance with the programs of the government;
- (c) Promulgate rules, regulations, and other issuances necessary in carrying out the Department's mandate, objectives, policies, plans, programs, and projects;
- (d) Exercise control and supervision over all personnel and functions of the Department;
- (e) Delegate authority for the performance of any administrative or substantive function to the subordinate officials of the Department;
- (f) Call on other agencies and instrumentalities of the government and private entities for cooperation and assistance in the performance of its functions;
- (g) Perform such other functions as may be provided by law or assigned by the President;

Section 8. The Undersecretaries. Taking into account the requirements of the Department and subject to the approval of the President, the Secretary shall be assisted by:

- (a) One (1) Undersecretary for Finance and Administration
- (b) One (1) Undersecretary for Policy, Planning, and Project Development
- (c) One (1) Undersecretary for Research and Development
- (d) One (1) Undersecretary for Technical Support and Infrastructure

Section 9. Qualifications and Appointment. – The Secretary and Undersecretaries shall be citizens and residents of the Philippines, of good moral character, and of proven competence and integrity. They shall all be appointed by the President. The Undersecretaries shall be career officers.

Section 10. Department Bureaus and Regional Offices. – The Department shall establish, operate, and maintain Bureaus under it such as but not limited to:

- (a) Fisheries Resources Management Bureau
- (b) Licenses and Regulations Bureau
- (c) Fisheries Policy Industry Development Support Bureau
- (d) Inland Fisheries and Aquaculture Bureau
- (e) Fisheries Research Bureau

Section 11. Staffing Patterns. The development of the staffing pattern shall be based on an assessment of the personnel requirements of the entire Department as recommended by the Secretary and as approved by the Department of Budget and Management (DBM). The remuneration structure of the positions in the staffing pattern shall strictly conform to the Salary Standardization Law, as amended.

Section 12. National Technology Centers. The following national technology centers, which are operated and maintained for activities related to technology generation, field testing of technologies, extension services, demonstration and training / seminars in support of policy formulation and project implementation on fisheries development and conservation in coordination with concerned agencies and

organizations, are hereby attached to the Department but shall continue to perform their respective functions and powers not otherwise inconsistent with this Act:

- (a) National Integrated Fisheries Technology Development Center
- (b) National Inland Fisheries Technology Center
- (c) National Marine Fisheries Development Center
- (d) National Freshwater Fisheries Technology Center
- (e) National Seaweeds Technology Center
- (f) National Brackishwater Fisheries Technology Center
- (g) Fisheries Biological Station Complex
- (h) Mindanao Freshwater Fisheries Technology Center
- (i) Fisheries Information Management Center

All actions taken by the foregoing Centers with respect to investment, allocation and disposition of funds, issuance of credit instruments, and such matters as may bear directly or indirectly on the policies, programs, and rules and regulations adopted by the Department shall require the prior approval of the Secretary.

Section 13. The Fisheries and Aquatic Resources Management Councils (FARMCs). The Municipal, City, or National FARMCs are hereby attached to the Department but shall continue to perform their respective functions, powers, terms of office, and composition not otherwise inconsistent with this Act.

All actions taken by the FARMCs with respect to investment, allocation and disposition of funds, issuance of credit instruments, and such matters as may bear directly or indirectly on the policies, programs, and rules and regulations adopted by the Department shall require the prior approval of the Secretary.

Section 14. Composition of the National Fisheries and Aquatic Resources Management Council. - The NFARMC shall be composed of fifteen (15) members consisting of:

- (a) Secretary of the Department of Fisheries and Aquatic Resources;
- (b) Secretary of the Interior and Local Government;
- (c) Undersecretary for Policy, Planning, and Project Development

- (d) Five (5) members representing the fisherfolk and fishworkers;
- (e) Five (5) members representing commercial fishing and aquaculture operators and the processing sectors;
- (f) Two (2) members from the academe; and
- (g) One (1) representative of NGOs involved in fisheries.

The members of the NFARMC except for the Secretary of the Department of Fisheries and Aquatic Resources and the Secretary of the Interior and Local Government, shall be appointed by the President upon the nomination of their respective organizations.

Section 15. Absorption of Employees of the Consolidated Agencies. The existing civil servants of the Bureau of Fisheries shall enjoy security of tenure and shall be absorbed by the Department in accordance with their staffing patterns and the selection process as prescribed under R.A. No. 6656 on the Rules on Government Reorganization, unless the civil servant wants to avail of Section 18 hereof.

Section 16. Transfer of Assets and Obligations. – The following actions shall be implemented within six (6) months from the effectivity of this Act:

- (a) The Department shall be subrogated to all the rights and assume all the assets, liabilities and funds, including any unexpended appropriation or allocation, as well as records, property, equipment and such necessary personnel of the BFAR;
- (b) The Department shall cause the creation of additional positions and augment their budget appropriations as may be needed; and
- (c) All contracts and liabilities of the BFAR are hereby transferred to and assumed by the Department and shall be acted upon in accordance with the relevant auditing procedures, laws, rules and regulations.

Section 17. Transition Period. – All transfer of functions, assets, funds, personnel, equipment, properties, transactions, and personnel in the affected national government agencies and the formulation and implementation of the internal organic

structures, staffing patterns, operating systems, and revised budgets of the Department shall be completed within six (6) months from the effectivity of this Act, during which existing personnel shall continue to assume their posts in holdover capacities until new appointments are issued.

Section 18. Separation from the Service. – Employees separated and/or phased out from the service as a result of the consolidation and/or reorganization under the provisions of this Act shall within one (1) month from their separation and/or phase out from the service, receive separation benefits in accordance with existing laws. In addition, those who are qualified to retire shall be allowed to retire and be entitled to all benefits provided, under any of the existing retirement laws.

Section 19. Formulation of Implementing Rules and Regulations. – The Secretary shall prepare and issue the implementing rules and regulations (IRR) of the Department within sixty (60) days upon the effectivity of this Act.

Section 20. Implementing Authority. – The Secretary is hereby authorized to undertake the implementation of the provisions of this Act and implement the necessary organizational changes within the specified six (6) month transition period.

Section 21. Funding. – The amount necessary for the initial implementation of the provisions of this Act shall be charged against the current year's appropriations of the BFAR. Thereafter, such sums as may be necessary for the continued implementation of this Act shall be included in the annual General Appropriations Act.

Section 22. Mandatory Review of the Implementation of this Act. - The Department shall conduct and submit a report to Congress a review of the implementation of this Act at the end of the second year from the date of its effectivity.

Section 23. Repealing Clause. All laws, decrees, orders, rules and regulations or parts thereof, which are inconsistent with or contrary to the provision of this Act are hereby repealed, amended or modified accordingly.

Section 24. Separability Clause. – If, for any reason or reasons, any portion of provision of this Act shall be held unconstitutional or invalid, the remaining provisions not affected thereby shall continue to be in full force and effect.

Section 25. Effectivity. - This Act shall take effect fifteen (15) days after its publication in at least two (2) national newspapers of general circulation.

Approved,