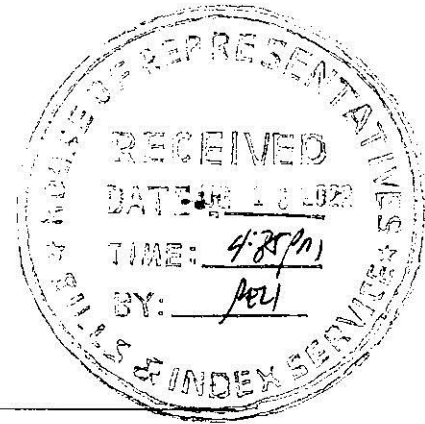


NINETEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
*First Regular Session*

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**HOUSE OF REPRESENTATIVES**

**H. B. No. 3706**



Introduced by Representative Ralph G. Recto

**AN ACT  
ESTABLISHING THE NATIONAL MARICULTURE PROGRAM, PROVIDING  
FUNDS THEREFOR, AND FOR OTHER PURPOSES**

**EXPLANATORY NOTE**

This bill aims to strengthen the Philippine fisheries sector through the formulation of a National Mariculture Program adopting the ecosystem-based approach. It seeks to expand and strengthen Mariculture Parks and Zones and proposes the creation of the Maritime Zone Advisory Council consisting of representatives from the Bureau of Fisheries and Aquatic Resources-Department of Agriculture (BFAR-DA), the Local Government Unit (LGU) Agriculturist, the LGU Planning and Development Coordinator, fisherfolk cooperatives/organizations and business with direct involvement in mariculture.

The bill sets a P500-Million initial fund for implementation of the program and mandates the Land Bank of the Philippines to extend financial assistance to fisherfolk at easy terms, low interest rates and low amortizations. The BFAR and the Southeast Asian Fisheries Development Center shall extend technical assistance and recommend culture structures and procedures, among others, to ensure effective implementation. This bill provides for the establishment of physical, and socio-economic support infrastructures to ensure the viability of investments and the equitable share of fisherfolk and LGUs from sustainable mariculture.

The Philippines is endowed with vast marine and coastal resources. Of the 2.2 million square kilometers of territorial waters, including the Exclusive Economic Zone, around 266,000 sq. kms. are under the jurisdiction of around 900 coastal

cities and towns along the whole length of the country's 36,289 km. coastline. Our archipelago lies at the Earth's center of marine biodiversity, the Coral Triangle, which hosts thousands of endemic and migratory species. We also lie in the Western Central Pacific (Food and Agriculture Office Statistical Area 71), deemed to be one of the highly diverse marine areas and covered by the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean.<sup>1</sup>

Fish is a major source of protein, constituting 11.7 percent of the Filipino diet, at 34.3 kilograms annual per capita.<sup>2</sup> In fine weather, coastal folk can depend on the sea for food and livelihood. The map of coastal areas largely reflects the most densely-populated areas, inhabited by poor Filipinos migrating to where they can get *libreng ulam*. However, coastal folk cut mangrove trees for fuel, charcoal production and house construction materials.

This situation of use and misuse in the light of abundant marine resources is best illustrated in the Verde Island Passage (VIP). An estimated seven (7) million people live in cities and towns along the VIP, which lies in the apex of the Coral Triangle, while 830,000 live right along the coastlines. Degradation of the VIP's coastlines has come from the destruction of mangrove forests, logging, various coastal developments and aquaculture.

Nationwide, our mangrove forests have whittled down to 248,000 hectares from the 450,000 hectares surveyed a hundred years ago. In addition, mangrove destruction has led to the loss of habitat of many species due to monoculture, or single-species aquaculture, such as prawn farming.

Decades of practicing unsustainable system of aquaculture has led to diminishing variety and volume of harvests with increasing numbers of abandoned, unutilized and underutilized aquaculture areas that had become less productive due to environmental degradation. In addition, Mariculture Parks and Zones are vulnerable to the pollution and contamination coming from farms, construction and other activities in inland waterways.

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<sup>1</sup> Food and Agriculture Organization – Major Fishing Areas in the Pacific Ocean  
<http://www.fao.org/docrep/w1310e/w1310E04.htm>

<sup>2</sup> Bureau of Fisheries and Aquatic Resources – Philippine Fisheries Profile 2020: Food Consumption

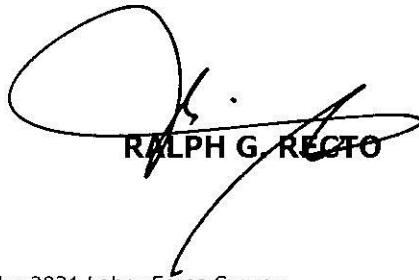
The latest BFAR data show total mariculture production in 2020 of 150,507 metric tons (mt) with the biggest production at 102,294.57 mt coming from Region I. However, reported figures are often not reliable because of the absence of a standard system for reporting yields and landings as well as collection and transmission of fees and earnings due the LGUs.

Despite the economic services derived from marine resources, the sector has one of the most insecure labor conditions. The 2021 Labor Force Survey has reported that 1.3 million employed in Fishing and Aquaculture received an Average Daily Basic Pay of P379.55, which is P155.14 less or 29% smaller than the all-industry daily basic pay of P534.69, as of 2021.<sup>3</sup> If a fisherman would work for 30 days in a month, he would earn P11,386.50, which is P695.50 lower than the 2021 first-half poverty threshold of P12,082<sup>4</sup>. It is a basket case of food producers under the shadow of hunger. Municipal fisherfolk are one of the lowest-paid and most insecure workers in the country.

The proposed bill will address the issues of food safety and security; low wages and insecure livelihood; declining yields due to many factors such as habitat destruction or imprecise reporting systems; and degradation of coastal ecosystems from anthropomorphic activities that affect the mariculture industry. The Mariculture Zone Advisory Council to be created is tasked with the over-all management and supervision of Mariculture Parks and Zones as well as revenue collection and transmission of the same to local governments.

Food security and employment for millions of Filipinos are immediate direct benefits to be gained with the implementation of a sustainable ecosystem-based National Mariculture Program proposed herein.

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



**RALPH G. RECTO**

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<sup>3</sup> As of April 2021 based on Preliminary Data from the 2021 Labor Force Survey

<sup>4</sup> Philippine Statistics Authority 2021 First Semester Official Poverty Statistics

NINETEENTH CONGRESS OF THE )  
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**HOUSE OF REPRESENTATIVES**

**H. B. No. 3706**

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Introduced by Representative Ralph G. Recto

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**AN ACT  
ESTABLISHING THE NATIONAL MARICULTURE PROGRAM, PROVIDING  
FUNDS 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 National Mariculture  
2 Program”.

3       Sec. 2. *Declaration of Policy.* – The State shall ensure food security to  
4 everyone, utilizing and developing the country’s natural wealth, and shall protect the  
5 aquatic resources as valuable food reserve. Toward this end, the State shall ensure  
6 the utmost protection of the country’s marine environment while optimizing the  
7 potential contribution to food security.

8       Likewise, the State shall uphold the rights and interests of the Filipino  
9 fisherfolk and they shall be given preferential use of the marine and fishing  
10 resources in the country.

11       To this end, there shall be a comprehensive program on marine technology  
12 and research, financial and marketing assistance, and other services for the benefit  
13 of the fisherfolk and the local communities.

14       Sec. 3. *National Mariculture Program.* – The National Government, through  
15 the Bureau of Fisheries and Aquatic Resources (BFAR), shall undertake a National  
16 Mariculture Program (NMP), guided by the following objectives:

17       1. To promote mariculture as a major source of livelihood for fisherfolk;

2. To identify and establish mariculture parks in suitable areas adopting the ecosystem-based approach;
3. To ensure food security and enhance socio-economic growth through a sustainable mariculture industry;
4. To conserve, protect and manage the aquatic environment conducive to fisheries, species management and mariculture investment;
5. To develop procedures in order to minimize the adverse effects from mariculture in view of the multiple uses of marine and coastal areas where mariculture parks may be established;
6. To develop the technical skills of fisherfolk throughout the production, harvesting, processing, storage and transport stages in the value chain;
7. To provide appropriate infrastructure and equipment for post-harvest technology;
8. To provide stakeholders easy access to financial institutions; and
9. To enable stakeholders to implement activities for climate change resiliency and disaster risk reduction and management capability.

Sec. 4. *Definition of Terms.* – As used in this Code, the following terms shall mean as follows:

1. *Mariculture* shall refer to an integrated branch of aquaculture designed to produce fish through sea cages, long lines and other culture structures in marine and coastal areas to grow high value species, such as but not limited to *bangus*, *siganid*, seaweeds, oysters, mussels, red snappers, groupers and other related species;
2. *Mariculture Park or Zone* shall refer to duly designated fishery areas where mariculture is undertaken; and
3. *Southeast Asian Fisheries Development Center (SEAFDEC)* shall refer to an intergovernmental organization established for the purpose of sustaining fishery development in Southeast Asia.

Sec. 5. *Mariculture Development Parks and Zones.* – Subject to the limitations set forth under Sections 20 and 22 of Republic Act No. 8550, otherwise known as the Philippine Fisheries Code of 1988, and Section 149 of Republic Act No. 7160,

1 otherwise known as the Local Government Code, the officials of the local  
2 government unit (LGU) concerned shall supervise the establishment of mariculture  
3 parks and zones in duly designated areas located within the municipal waters. In  
4 case of waters located outside of municipal waters, the Department of Agriculture  
5 (DA) shall designate and supervise the respective mariculture area.

6 The technical, social, economic viability and sustainability, as well as  
7 environmental protection, shall be taken into consideration in selecting an area for a  
8 mariculture park or zone.

9 For this purpose, the province, city or municipality shall enter into a Lease  
10 Agreement with the registered fisherfolk cooperative as well as private investors,  
11 where the terms and conditions, as well as profit-sharing terms, are specified  
12 therein.

13 However, the BFAR shall provide a ceiling for rental fees to locators, in  
14 consultation with the *Sanggunian* concerned, taking into consideration its  
15 affordability to ordinary fisherfolks and the viability for its continued operation. In  
16 granting lease agreements, LGUs shall give preference to local fisherfolk.

17 A development plan shall always be required of applicants to form part of the  
18 bases for the grant of a license by the Mariculture Zone Advisory Council.

19 Considering the competing uses of seas and ocean space, the Philippine Coast  
20 Guard (PCG), shall be required to determine if a proposed mariculture park or zone  
21 and its facilities therein pose a significant navigational hazard or obstruct safe travel,  
22 and, to issue a certification of its findings and recommendations and submit the  
23 same to the DA.

24 *Sec. 6. Ownership of Mariculture Parks.* – Unless the Mariculture Park is  
25 established by a private individual or corporation, the ownership of the park shall  
26 belong to the municipality or city which has jurisdiction over the area. If the park is  
27 established outside the municipal waters or within the territorial jurisdiction of two  
28 (2) or more cities or municipalities, the ownership shall belong to the provincial  
29 government which has jurisdiction over the area. If the area is within the territorial  
30 jurisdiction of two (2) or more provinces, the provinces concerned shall enter into a  
31 Joint Venture Agreement where the issue of ownership shall be defined.

1           *Sec. 7. Mariculture Zone Advisory Council.* – The Mariculture Zone Advisory  
2 Council is hereby created which shall be composed of the following:

- 3           1. Representative from the BFAR with a rank equivalent to a Director as  
4           Chairperson;
- 5           2. The City or Municipal Agriculturist, or in the absence thereof, the Provincial  
6           Agriculturist as Vice-Chairperson;
- 7           3. The City or Municipal Planning and Development Coordinator;
- 8           4. A representative from the registered fisherfolk organization or cooperative;  
9           and
- 10          5. A representative from the private business sector directly involved with the  
11          Mariculture Zone.

12          All members of the Advisory Council, and not their respective proxies, shall be  
13 required to attend all council meetings.

14           *Sec. 8. Functions of the Maritime Zone Advisory Council.* – The Mariculture  
15 Zone Advisory Council shall have the following functions:

- 16          1. To operate, administer, manage and develop the Mariculture Zone  
17          according to the principles set forth in this Act;
- 18          2. To register, regulate and supervise the enterprises in the Mariculture Zone  
19          in an efficient and decentralized manner;
- 20          3. To exercise general supervision over the development, plans, activities  
21          and operations of the Mariculture Zone; and
- 22          4. To ensure that all revenues of the Mariculture Zone are properly collected  
23          and remitted to the LGUs.

24           *Sec. 9. Mooring Spaces.* – Grant of Mariculture Zone areas shall be based on  
25 mooring spaces to ensure that usage of area for sea cages, long lines and other  
26 culture structures is limited to the granted space as provided. Granted mooring  
27 spaces not developed/installed with culture structures within six (6) months will be  
28 forfeited and awarded to other qualified applicants. The BFAR shall prescribe the  
29 guidelines in the installation of sea cages, long lines and other culture structures.

30           *Sec. 10. Support Infrastructures.* – To ensure reliable access, cost-effective  
31 distance and economic feasibility of the Mariculture Park and Zone, the Advisory

1 Council shall cause the establishment of support infrastructures such as, but not  
2 limited to floating guardhouses, onshore feed warehouse, net mending and drying  
3 shed, a pier, ice plant and cold storage facility.

4 To ensure fish safety and control diseases, the Advisory Council shall provide  
5 for a water quality monitoring system to determine the presence of marine litter,  
6 agricultural run-off and pathogenic contaminants in the Mariculture Parks and Zones.

7 In addition to the physical infrastructure, socio-economic infrastructure shall  
8 likewise be placed to ensure the success of the Mariculture Park and Zone such as  
9 the registration of fisherfolk, fisheries cooperatives and organizations.

10 Sec. 11. *Energy Supply.* – The LGU shall ensure twenty-four (24)-hour electric  
11 power supply for the Mariculture Park and Zone cold storage facility through self-  
12 generation or through a power supply agreement with an electric cooperative,  
13 distribution utility, sub-transmission or transmission company serving the area  
14 nearest the Mariculture Park and Zone: *Provided,* That the Advisory Council shall first  
15 determine the feasibility of installing a self-generating renewable energy system for  
16 the exclusive use of the Mariculture Park and Zone: *Provided, further,* That the  
17 Advisory Council shall utilize power from self-generation if the price per kilowatt hour  
18 is lower than power from other entities.

19 Sec. 12. *Aquaculture Technical Assistance and Training to LGUs, Fisherfolk*  
20 *Cooperatives and Associations, and, Non-Governmental Organizations.* – The  
21 SEAFDEC, through its Aquaculture Department, shall provide technical assistance,  
22 training and marketing support to LGUs, coastal fishermen, fisherfolk  
23 cooperatives/association, and non-government organizations with respect to the  
24 establishment, utilization and management of mariculture systems in their respective  
25 jurisdictions. The SEAFDEC shall closely coordinate with the stakeholders concerned  
26 for this purpose.

27 Sec. 13. *Private Sector as Economic Partners.* – Private individual investors or  
28 enterprises shall, as far as practicable, be encouraged to take an active role in the  
29 establishment, utilization and management of mariculture systems. Qualified private  
30 investors or entrepreneurs shall coordinate with the local government officials

1 concerned, local fishing community and appropriate government agencies, for this  
2 purpose.

3       Sec. 14. *Financing Scheme.* – The Land Bank of the Philippines (LBP) shall  
4 provide financial assistance to registered fisherfolk organizations/cooperatives for  
5 the construction of the fish cage, long line and other culture structures and for the  
6 procurement of the initial stocks and feeds. The LBP shall issue guidelines on the  
7 scheduled annual payments of the loan. It shall reduce the interest rate and/or  
8 reduce the principal obligation to make the repayment affordable for the fisher-folk.  
9 The LBP shall render quarterly reports on the disbursement of funds for the National  
10 Mariculture Program.

11       Sec. 15. *Continuing Research and Development.* – The BFAR shall conduct  
12 continuing research and development as well as application of technological  
13 advancements in the mariculture industry. A one (1)-hectare Research and  
14 Development area shall be designated within a province, city or municipality for the  
15 conduct of research and demonstration activities as well as a venue for the  
16 manpower capability trainings in the mariculture zone. This area shall be jointly  
17 managed by the LGU and BFAR.

18       Sec. 16. *Monitoring and Evaluation.* – The DA shall monitor the  
19 implementation of Research and Development programs and mariculture projects.  
20 The BFAR shall review all existing mariculture parks and zones every four (4) years,  
21 to determine their viability or effectiveness. The BFAR shall employ the services of  
22 independent evaluators to assess the overall impact of the country's mariculture  
23 development. A quarterly Performance Evaluation issued by independent evaluators  
24 shall be submitted to the BFAR for this purpose.

25       Sec. 17. *Identification of Mariculture Areas.* – Within six (6) months from the  
26 effectivity of this Act, the BFAR shall identify the LGUs which have potential areas for  
27 the establishment of mariculture parks: *Provided, That* not later than one (1) year  
28 from the effectivity of this Act, the BFAR, in coordination with the LGUs concerned,  
29 shall complete the blueprint of each mariculture park in the identified areas.

30       Sec. 18. *Annual Report.* – The DA, through the BFAR, shall render an annual  
31 report to Congress on the accomplishment of the program. A review on the viability

1 of the program which includes a complete list of areas suitable for the establishment  
2 of mariculture parks in the country with their respective feasibility study shall be  
3 made by the agencies concerned after three (3) years of its implementation.

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

6       Sec. 20. *Appropriations.* – To effectively carry out the provisions of this Act  
7 during the first year of implementation, the initial amount of Five Hundred Million  
8 Pesos (P500,000,000.00) is authorized to be taken from the applicable  
9 appropriations of the DA and from Over-All savings of the Executive Branch of  
10 government. Thereafter, such sums as may be necessary for the continued  
11 implementation of this Act shall be included in the succeeding annual General  
12 Appropriations Act.

13       Sec. 21. *Implementing Rules and Regulations.* – Within ninety (90) days upon  
14 the approval of this Act, the DA, through the BFAR, together with the Department of  
15 Interior and Local Government (DILG) and the representatives of the League of  
16 Provinces, League of Cities, and League of Municipalities, shall adopt rules and  
17 regulations necessary to implement the provisions of this Act.

18       Sec. 22. *Repealing Clause.* – All laws, acts, decrees, executive orders,  
19 issuances, presidential proclamations and rules and regulations or parts thereof  
20 which are contrary to and inconsistent with this Act are hereby repealed, amended  
21 or modified accordingly.

22       Sec. 23. *Effectivity.* - This Act shall take effect fifteen (15) days following its  
23 publication in the *Official Gazette* or in at least two (2) newspapers of general  
24 circulation.

Approved,