

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. **3819**



**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO
AND JOCELYN P. TULFO**

AN ACT
ESTABLISHING A FRAMEWORK FOR BLUE ECONOMY, PROMOTING
STEWARDSHIP AND SUSTAINABLE DEVELOPMENT OF COASTAL AND
MARINE ECOSYSTEMS AND RESOURCES, REORGANIZING AND
RENAMING THE NATIONAL COAST WATCH SYSTEM AS THE NATIONAL
MARITIME MONITORING SYSTEM, AND PROVIDING FUNDS THEREFOR

EXPLANATORY NOTE

Article XII, Section 2 of the 1987 Constitution provides that the State shall protect the nation's marine wealth in its archipelagic waters, territorial sea, and exclusive economic zone, and reserve its use and enjoyment exclusively to Filipino citizens.

Likewise, the Supreme Court in the case of *Resident Mammals of the Protected Seascape Tañon Strait v. Secretary Reyes, et al.* (2015) reiterated the principle that "humans are stewards of nature", a doctrine that was first enunciated in the landmark case of *Oposa v. Factoran* (1993), insofar as it refers to minors and generations yet unborn. In *Oposa*, the Court stated that every generation has a responsibility to the next to preserve the rhythm and harmony for the full enjoyment of a balanced and healthful ecology, echoing the constitutional mandate enshrined under Article II, Section 16.

By adopting a whole-of-nation approach and a comprehensive framework for the stewardship of our seas and coasts, this bill seeks to develop, manage, protect, and preserve our marine ecosystems and coastal resources in a sustainable, inclusive, and resilient manner for the benefit of our present and future generations.

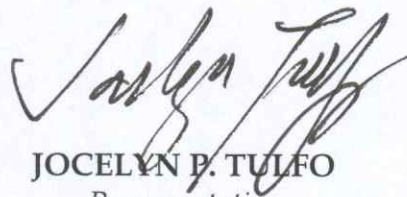
In view of the foregoing, the urgent passing of this bill is earnestly sought.



RALPH WENDEL P. TULFO

Representative

2nd District of Quezon City



JOCELYN P. TULFO

Representative

ACT-CIS Partylist

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

CHAPTER I
GENERAL PROVISIONS

1 **SECTION 1. *Short Title.*** - This Act shall be known as the "Blue Economy Act."

2
3 **SEC. 2. *Declaration of Policy.*** - It shall be the policy of the State to:

- 4
5 (1) Adopt blue economy as a framework for equitable and sustainable
6 development and safe use of marine wealth within our maritime zones,
7 as a pillar of our national economy and patrimony;
8
9 (2) Exercise stewardship of seas and coasts, and protect and conserve the
10 health and resilience of marine and coastal ecosystem and habitats,
11 through strong institutional mechanisms for maritime monitoring and
12 regulatory, enforcement, to promote the well-being, prosperity and
13 security of present and future generations;
14
15 (3) Preserve our maritime heritage, recognize the social, cultural, and
16 historical value of our seas and coasts, and foster public understanding
17 and respect of value of our seas and coasts to build a strong foundation
18 for social responsibility;

- 1
2 (4) Enrich scientific understanding of marine and coastal ecosystems, the
3 benefits we gain from these ecosystems like carbon sequestration, their
4 changing conditions and the causes thereof, and use best available
5 scientific knowledge to inform decisions affecting maritime
6 environment;
7
8 (5) Foster international cooperation and multi-stakeholder engagement,
9 and exercise rights and jurisdiction in accordance with applicable
10 international laws, including on freedom of navigation;
11
12 (6) Ensure a whole-of-nation approach and a comprehensive, integrated
13 framework for the stewardship of our seas and coasts to facilitate
14 cohesive action of the national government, local authorities, academe,
15 nongovernmental organizations, the private sector, and the public; and
16
17 (7) Promote, support, and monitor science, technology and innovation
18 programs of public and private academic and research institution to
19 strengthen interdisciplinary research in marine science, and to develop
20 emerging technologies to catalyze growth new maritime sectors.
21

22 **SEC. 3. *Definition of Terms.*** – As used in this Act:
23

- 24 (a) *Aquaculture* refers to fishery operations involving all forms of raising
25 and culturing fish and other fishery species in fresh, brackish, and
26 marine water areas;
27
28 (b) *Aquasilviculture* refers to a multi-purpose production system that allows
29 production of fish and other aquatic species in a mangrove reforestation
30 project;
31
32 (c) *Aquatic resources* refers to fish and other living resources of the aquatic
33 environment that have or will have commercial value when utilized;
34
35 (d) *Blue economy* refers to the integrated, holistic, cross-sectorial, and cross-
36 stakeholder approach for the sustainable resilient and inclusive use,
37 governance, management and conservation of oceans, seas as well as
38 marine and coastal resources and ecosystem for economic growth
39 leveraging green infrastructure and technologies innovative financing
40 mechanisms and proactive institutional mechanisms, and improving
41 human well-being and social equity, and reducing environmental risks
42 and ecological scarcities;
43

- 1 (e) *Blue carbon* refers to organic carbon that is captured by marine and coasts
2 ecosystems, such as algae, seagrass, mangroves, and other plants
3 growing in salt marshes and coastal wetland;
4
- 5 (f) *Blue public expenditure* refers to public expenditures that address issues
6 related to coastal and marine resources, environmental degradation,
7 and development aspirations that depend on marine resources and
8 environments;
9
- 10 (g) *By-catch* refers to fish or other marine species that a fisher does not
11 intend to catch, including juveniles of commercially- valuable species
12 and biologically-important species caught. unintentionally while trying
13 to catch a certain type of fish;
14
- 15 (h) *Commercial fishing* refers to the taking of fishery species by passive or
16 active gear for trade, business and profit beyond subsistence or sports
17 fishing, to be further classified as: small scale commercial fishing, or
18 fishing with passive or active gear utilizing fishing vessels of three and
19 one-tenth (3.1) gross tons (GT) up to twenty (20) GT; medium scale
20 commercial fishing or fishing utilizing active gear and vessels of twenty
21 and one-tenth (20.1) GT up to one hundred fifty (150) GT; and large
22 commercial fishing or fishing utilizing active gear and vessels of more
23 than one hundred fifty (150) GT;
24
- 25 (i) *Contiguous zone* refers to the contiguous zone of the Philippines to the
26 waters beyond and adjacent to its territorial sea and up to the extent of
27 twenty-four (24) nautical miles from the baselines from which the
28 breadth of the territorial seas is measured;
29
- 30 (j) *Continental shelf* refers to the seabed and subsoil of the submarine areas
31 of the Philippines that extend beyond its territorial sea throughout the
32 natural prolongation of its land territory to the outer edge of the
33 continental margin, or to a distance of two hundred (200) nautical miles
34 from the baseline from which the breadth of the territorial sea is
35 measured, where the outer edge of the continental margin does not
36 extend up to that distances;
37
- 38 (k) *Ecosystem services* refers to the flow of benefits which human gain from
39 ecosystems, through biological processes and climate, hydrological and
40 biochemical cycles, and experiences that contribute to intangible culture;
41
- 42 (l) *Environmental-economic accounts* refers to a systematic way to measure
43 and report on stocks and flows of natural assets and resources—both
44 biotic and abiotic, renewable and non-renewable - and ecosystem

1 services, to determine the contribution of the environment to the
2 economy and the impact of the economy on the environment;

3
4 (m) *Environmental-economic accounts* refer to statistical information, in
5 physical or monetary terms, about the extraction of natural resources,
6 their use within the economy, natural resource stock levels, the changes
7 in those stocks during a specific period, and such other economic
8 activities relate to the environment;

9
10 (n) *Exclusive economic zone (EEZ)* refers to the waters beyond and adjacent
11 to its territorial sea and up to the extent of two hundred (200) nautical
12 miles from the baselines from which the breadth of the territorial sea is
13 measured, as established by Presidential Decree No. 1599, otherwise
14 known as the "Philippine Exclusive Economic Zone of 1978", and to the
15 extent consistent with the other provisions of this Act and with the
16 provisions of the 1982 United Nations Convention on the Law of the Sea
17 (UNCLOS);

18
19 (o) *Fisheries* refers to all activities relating to the science and act of business
20 of fishing, culturing, preserving, processing, marketing, developing,
21 conserving, and managing of aquatic resources, and environment;

22
23 (p) *Integrated coastal management (ICM)* refers to a holistic and integrative
24 management that incorporates the following components: (1)
25 connectivity of various ecosystem—environment and resources; (2)
26 various sectors and shareholders; (3) institutional arrangements that are
27 relevant; and (4) assessment of drivers of coastal ecosystem degradation,
28 management planning and implementation, including research and
29 education, to address coastal degradation and biodiversity losses, and
30 to improve the well-being of communities in coastal and interconnected
31 areas;

32
33 (q) *Integrated Marine and Coastal Area Management (IMCAM)* refers to a
34 participatory process for decision-making to prevent, control, or
35 mitigate adverse impact from human activities in the marine and coastal
36 environment, and to the restoration of degraded coastal areas;

37
38 (r) *Internal waters* refer to waters on the landward side of the archipelagic
39 baselines not forming part of archipelagic waters under Section 4 of this
40 Act and delineated in accordance with Article 50 of the UNCLOS; and
41 water on the landward side of the baselines of the territorial sea of
42 territories outside of the archipelagic baselines, dawn in accordance
43 with Article 8 of the UNCLOS;

- 1 (s) *Investment promotion agencies (IPAs)* refer to government entities created
2 by law, executive order, decree or other issuance in charge of promoting
3 investments, granting and administering tax and non- tax incentives,
4 and overseeing the operations of the different economic zones and
5 freeports in accordance with their respective special laws. These include
6 the Board of Investments (BOI), Bangsamoro Board of Investments,
7 Philippine Economic Zone Authority, Bases Conversion and
8 Development Authority, Subic Bay Metropolitan Authority, Clark
9 Development Corporation, John Hay Management Corporation Poro
10 Point Management Corporation, Cagayan Economic Zone Authority,
11 Zamboanga City Special Economic Zone Authority, PHIVIDEC
12 Industrial Authority, Aurora Pacific Economic Zone and Freeport
13 Authority, Authority of the Freeport Area of Bataan , Tourism
14 Infrastructure and Enterprise Zone Authority, and all other similar
15 existing authorities that may be created by law;
16
- 17 (t) *Mariculture* refers to the sea farming of aquatic plants and fishes;
18
- 19 (u) *Maritime scientific research* refers to any research activity, which is
20 conducted for exclusively peaceful purpose, for the purpose of
21 increasing scientific knowledge about the marine environment,
22 including all-natural resources, toward the benefit of mankind and
23 according to the UNCLOS;
24
- 25 (v) *Marine domain awareness* refers to the effective understanding of any
26 activity that could impact upon the security, safety, economy or
27 environment;
28
- 29 (w) *Maritime spatial planning* refers to a process by which human activities
30 in maritime zones are analyzed and organized, based on best available
31 scientific knowledge, to achieve economic, ecological and social object;
32
- 33 (x) *Maritime zones* refer to the maritime zones of the Philippines comprising
34 the internal water, archipelagic waters, territorial sea, contiguous zone,
35 EEZ, and continental shelf;
36
- 37 (y) *Ocean-based activities* refer to activities that are undertaken in the ocean,
38 such as fisheries and aquaculture, offshore oil and gas, mining, ocean
39 energy, desalination, shipping and marine transportation, marine
40 tourism, and marine construction;
41
- 42 (z) *Ocean-based activities* refer to activities that are undertaken in the ocean
43 such as seafood processing, marine biotechnology, chemicals, salt, and
44 produce products and services for the ocean and ocean-based activities

1 such as shipbuilding and repair, ports, tourist resorts, communication,
2 maritime insurances and law, and maritime technical service;

3
4 (aa) *Subsistence fishing* refers to fishing for personal consumption or
5 Traditional/ceremonial purposes; and

6
7 (bb) *Ocean literacy* refers to an understanding of the ocean's influence on
8 humans and human influence on the ocean.
9

10
11 **SEC. 4. *Scope of Application.*** - For purpose of this Act, the Philippines shall
12 exercise sovereignty, sovereign rights and jurisdiction, in accordance with
13 commitments under the UNCLOS and other related treaties which the Philippines has
14 ratified, in internal waters, archipelagic waters, territorial sea, contiguous zone,
15 exclusive economic zone and continental shelf, herein collectively referred to as
16 "maritime zones", including its seabed and subsoil, and any and all maritime features
17 within the maritime zones and where appropriate, the relevant airspace above the
18 territorial sea, internal waters and archipelagic waters now known or to be known in
19 the future.
20

21 **CHAPTER II** 22 **NATIONAL MARITIME MONITORING SYSTEM** 23

24 **SEC. 5. *National Maritime Monitoring System.*** - The National Coast Watch
25 System, established under Executive Order (EO) No. 57, series of 2011, is hereby
26 renamed as the National Maritime Monitoring System.
27

28 **SEC. 6. *National Maritime Council.*** - The National Coast Watch Council,
29 created under EO 57, series of 2011, is hereby renamed and reconstituted as the Nation
30 Maritime Council, herein referred to as the "Council", and its functions expanded to
31 include the Formulation of an integrated strategy to promote blue economy and
32 ecosystem-based management of coastal and marine resources.
33

34 In addition to the powers and functions of the Council enumerated in Section
35 3 of the same EO, the Council is likewise further mandated to:
36

37 (a) Steer the development, research, and sustainable resource explorations in
38 maritime zones, especially in areas with high economic potential such as the
39 Philippine Rise and the West Philippine Sea;
40

41 (b) Coordinate the maritime regulation or licensing and law enforcement for
42 strengthened preparedness and responsiveness to potential security threats
43 or concerns in the country's maritime areas and zones; and
44

- 1 (c) Build capacities in monitoring, including the use of digital and innovative
2 technologies for security and surveillance activities.
3

4 The Council is likewise authorized to convene committees or sub- committees
5 to oversee the abovementioned function. In this way, all strategic maritime zones will
6 be covered and will reduce the call creation of new bodies or authorities to manage
7 the same.
8

9 **SEC. 7. *Composition of National Maritime Council.*** - The Council is composed
10 of the Executive Secretary as Chairperson and the Secretaries of the following national
11 agencies as members:

- 12
13 (a) National Economic and Development Authority (NEDA);
14 (b) Department of Environment and Natural Resources;
15 (c) Department of National Defense;
16 (d) Department of Foreign Affairs (DFA);
17 (e) Department of Justice;
18 (f) Department of the Interior and local Government;
19 (g) Department of Agriculture;
20 (h) Department of Tourism;
21 (i) Department of Transportation;
22 (j) Department of Trade and Industry;
23 (k) Department of Energy;
24 (l) Department of Science and Technology;
25 (m) Department of Finance;
26 (n) Department of Education (DepEd);
27 (o) Department of Information and Communications Technology;
28 (p) National Security Council; and
29 (q) Bureau of Fisheries and Aquatic Resources.
30

31 Department Secretaries may designate an alternative representative, whose
32 portfolio covers matters directly or principally relating to the development or
33 management of coastal and marine resources and ecosystem, if applicable. They shall
34 sit in a permanent capacity, and their acts shall considered the acts of their principals.
35

36 **SEC. 8. *National Maritime Secretariat.*** - The Coastal Watch Council
37 Secretariat, established under Section 4 of EO 57, series of 2011, is hereby renamed as
38 the National Maritime Secretariat and shall continue to provide technical and
39 administrative support to the Council and perform its functions under the same EO.
40

41 **SEC. 9. *National Maritime Coordination Center*** - The National Coast Watch
42 Center, established under Section 5 of EO 57, series of the of 2011, is hereby renamed
43 as the National Maritime Coordination Center and shall continue to be the operational

1 support unit of the National Maritime Monitoring System and perform its functions
2 under the same EO.

3
4 **SEC. 10. *Support Agencies.*** – In order to ensure the efficient and effective
5 discharge of its responsibilities, in addition to the agencies enumerated under Section
6 6 of EO 57, series of 2011, the Council may call upon other departments, Bureaus,
7 offices and instrumentalities of the government, representatives from maritime
8 industries, and academic and research institutions engaged in marine groups, as it
9 may deem necessary.

11 **CHAPTER III** 12 **POLICY FRAMEWORK ON BLUE ECONOMY**

13
14 **SEC. 11. *Policy Framework on Blue Economy*** - The Council shall, within six (6)
15 months from the effectivity of this Act, formulate a Policy Framework on Blue
16 Economy, herein referred to as the Policy Framework. The Policy Framework shall
17 serve as the basis for marine spatial planning, determination of investments to
18 develop modern physical infrastructure and build an enabling environment for blue
19 economy to prosper, and enhance maritime domain awareness, and enforcement of
20 economic and environmental regulations within our maritime zones. The Policy
21 Framework shall be subject to mandatory review and modification every five (5)
22 years.

23
24 **SEC. 12. *Components of the Policy Framework on Blue Economic.*** – The Policy
25 Framework shall include the following components:

- 26
27 (a) Review of all existing policies, plan, programs, projections, rules and
28 regulations on ocean-based and ocean related activities in our maritime
29 zones, including seafood processing and storage, and commercial research
30 and development (R&D) activities for biomass resource and fish stock
31 estimation artificial intelligence for forecasting fish stocks and supply;
32
33 (b) Compliance to local and international maritime laws;
34
35 (c) Analysis of current and emerging trends in demography, consumption,
36 trade, technology and climate that show the interaction between the
37 economy and the environment, and present threats and pressures on coastal
38 and marine environments;
39
40 (d) Environmental-economic accounting of coastal and marine assets and
41 resources, and ecosystem goods and services from coastal and marine
42 environments;
43
44 (e) Priority strategic and sustainable ocean-based and ocean-related economic
45 activities within our maritime zones, which may include the following:

- (1) Fisheries, including commercial fishing, but with preference to subsistence fisheries, as mandated by Section 7, Article XIII, of the Constitution;
 - (2) Aquaculture, mariculture and aqua silviculture and support industries, including seafood processing and storage, and aquaculture feed milling;
 - (3) Marine and coastal tourism;
 - (4) Shipping logistics and maritime transport;
 - (5) Shipbuilding and ship repair;
 - (6) Production of renewable energy from marine sources;
 - (7) Installation of submarine cables and pipelines;
 - (8) Marine biotechnology and bioprospecting;
 - (9) Desalination;
 - (10) Underwater cultural heritage and maritime archaeology; and
 - (11) Commercial R&D activities and commercialization of new and emerging technologies developed from locally- undertaken R&D;
- (f) Principles and indicators to guide environmental impact assessment of ocean-based and ocean-related economic activities, taking into account the environmental-economic accounting of marine resources and ecosystem service that will be affected;
- (g) Adoption of integrated marine and coastal area management;
- (h) Strategies to promote blue finance;
- (i) Priority research and development agenda, including development of innovative technologies, and human capital support the blue economy;
- (j) Promotion of ocean literacy and social responsibility towards the protection of coastal and human marine environments;
- (k) Enhancement of capability of the armed Forces of the Philippine and civilian agencies to enforces laws, rules and regulations to protect our marine wealth;
- (l) Goals, targets and indicators for growth, resilience and sustainability of priority strategic and sustainable ocean-based an ocean-related activities, including the contribution to Gross Domestic Product and job creation; and
- (m) Such other components as may be determined by the Council as a result of its periodic review, to ensure that the Policy Framework is continually updated and adapted to the needs of the times.

CHAPTER IV
COMPLIANCE WITH INTERNATIONAL MARITIME INSTRUCTIONS

SEC. 13. *International Maritime Instruments.* - The Council shall direct the Inter-Agency Coordinating Committee, as created under EO No. 159, series of 2021, to Facilitate the Ratification of/ Accession to and Implementation of Maritime Conventions (ICCRIMC) to establish mechanisms for the full and effective implementation and enforcement of the following international maritime instruments and their subsequent amendment, including, but not limited to the following:

- (a) 1982 United Nations Convention on the Law of the Sea;
- (b) Convention on the International Trade of Endangered Species of Flora and Fauna;
- (c) United Nations Educational, Scientific and Cultural Organization (UNESCO) Convention on the Protection of the Underwater Cultural Heritage;
- (d) International Convention for the Safety of Life at Sea, 1974, as amended, and its Protocol of 1988 (SOLAS 74);
- (e) International Convention for the Prevention of Pollution from Ships and its Protocol of 1978 (MARPOL 73/78);
- (f) Convention on the International Regulations for Preventing Collisions at Sea, 1972, as amended (COLREG 72);
- (g) International Convention on Load Lines, 1966 and its Protocol of 1988, as amended (LL 66);
- (h) International Convention on the Tonnage Measurement of Ships, 1969 (TONNAGE 1969);
- (i) Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, 1988 (SUA) and its Protocol;
- (j) International Convention on Oil Pollution Preparedness, Response and Co-operation 1990 (OPRC 1990);
- (k) International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (BWM 2004);
- (l) Convention on the Prevention of Marine Pollution by dumping of Wastes and Other Matter, 1972, as amended, and its 1996 Protocol (LCP);
- (m) Special Trade Passenger Ship Agreement, 1971 (STP 71);
- (n) Convention on the International Mobile Satellite Organization, as amended (IMSO 1976) and its Operating Agreement (INMARSAT);
- (o) International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, As Amended (STCW 78);
- (p) International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001 (AFS 2001);
- (q) Protocol of 1992 to Amend the International Convention on Civil Liability for Oil Pollution Damage, 1971; and

- 1 (r) Protocol of 1992 to amend the International Convention on the
2 Establishment of an International Fund for Compensation for Oil Pollution
3 Damage, 1971; and
4 (s) Other relevant maritime treaties, conventions, or instruments as may be
5 agreed upon in the future.
6

7 **SEC. 14. *Application.*** - Unless otherwise indicated, the international
8 conventions enumerated in the preceding section shall apply to:
9

- 10 (a) All ships, whether seagoing or coastwise, which are registered under the
11 Philippine flag;
12
13 (b) All persons, partnerships, corporations, firms and other entities that engage
14 in ocean-based or ocean-related enterprise, or those acting on their behalf;
15 and
16
17 (c) All foreign ships that are within the waters, ports, harbors and offshore
18 terminals of the Philippines regardless of whether or not they are registered
19 in, or belong to, State Parties to the conventions sought to be implemented
20 by this Act.
21

22 **SEC. 15. *Reciprocity.*** - The rights and privileges of foreign vessels and aircraft
23 in Philippine archipelagic waters herein provided are recognized under conditions of
24 reciprocity and mutual respect. The President of the Philippines is hereby authorized
25 to institute countermeasures and other appropriate steps as may be recommended by
26 the DFA in response to foreign states that do not abide by, or that act inconsistently
27 with the UNCLOS, or which do not ensure that vessels and aircraft under their
28 authority comply with their right and obligations under the convention.
29

30 **CHAPTER V** 31 **ENVIRONMENTAL-ECONOMIC ACCOUNTING** 32

33 **SEC. 16. *Environmental-Economic Accounting.*** - The Philippine Statistics
34 Authority shall include the environmental-economic accounting of marine ecosystem,
35 as part of the Philippine ecosystem and natural capital accounting system, in the
36 generation of the Philippine Ocean economy satellite accounts.
37

38 **CHAPTER VI** 39 **INTERGRATED MARINE AND COASTAL AREA MANAGEMENT** 40

41 **SEC. 17. *Integrated Marine and Coastal Area Management.*** - The
42 IMCAM shall be framework to address human impacts on marine and coastal
43 ecosystem, and for promoting its conservation and sustainable use. The Integrated
44 Coastal Management Framework, principles, and mechanisms shall be aligned and
45 shall be an integral part of the IMCAM framework to be developed under this Act.

SEC. 18. *Elements of the National IMCAM Framework.* – The Council shall develop and implement the National IMCAM Framework within one (1) year from the effectivity of this Act to provide direction, support and guidance to relevant member and support agencies local government units and other stakeholders, according to Elaborated programmed of Work on Marine and Coastal Biological Diversity contained in the Annex to Decision VII/5 of the Conference of the Parties to the United Nations Environmental Programme Convention on Biological Diversity.

Accordingly, the National IMCAM Framework shall consider the following elements:

- (a) Build, capacity of stakeholders, in both national and local levels, to apply relevant policy instruments to address legal issues, institutionalize participatory processes, and develop strategies to promote multidisciplinary and multisectoral ecosystem- based management of coastal and marine environments;
- (b) Direct action to protect coastal and marine environments from negative impacts such as:
 - (1) Identification, protection, prevention of alternation and destruction, and restoration of coastal and marine habitats, particularly areas important for reproduction, inter *alia*, coral reef system;
 - (2) Prevention, reduction or control of marine pollution;
 - (3) Protection of coastal and marine environments from land-based sources, including proper coastal land use and watershed management;
 - (4) Establishment of closed fishing areas, and closed seasons, in accordance with Republic Act No. 8550, also known as the “Philippine Fisheries Code of 1998”, as amended by RA 10654; and
 - (5) Reduction of by-catch;
- (c) Establish mechanisms and guidelines for research, monitoring and assessment of coastal and marine ecosystems and resources, including indicators to measure natural and human-induced impacts; and
- (d) Establish guideline and mechanisms on green and blue businesses.

CHAPTER VII PROTECTION AND CONSERVATION OF COASTAL AND MARINE RESOURCES

SEC. 19. *Protection of Endangered Species.* - The Council shall spearhead the conservation, protection and rehabilitation of rare, threatened and endangered aquatic species as it may determine, including their habitats. It shall recommend to

1 the President of the Philippines and Congress the designation of coastal and marine
2 area as protected areas under the Expanded National Integrated Protected Areas
3 System or under RA 8550, as amended, and in compliance with the relevant
4 provisions of international treaties and agreements such as, the Convention on the
5 International Trade in Endangered Species of Wild Flora and Fauna, the UNCLOS,
6 and Convention on Biological Diversity.

7
8 **SEC. 20. *Policy Coordination.*** - The Council shall harmonize rules and
9 regulations of all relevant agencies responsible for the implementation and
10 enforcement of laws to prevent and eliminate illegal fishing such as RA 8550, as
11 amended.

12 13 **CHAPTER VIII** 14 **DEVELOPMENT PLANNING** 15

16 **SEC. 21. *Maritime Spatial Planning.*** - The Council, in consultation with
17 relevant agencies, regional bodies and local government units (LGU's), shall
18 undertake a nationwide maritime spatial planning, guided by the standards of the
19 Intergovernmental Oceanographic Commission, to identify the spatial and temporal
20 distribution of priority activities and uses and the interactions thereof in maritime
21 zones, in order to reduce conflict among use, facilitate complementary use, mitigate
22 environmental impact, and preserve ecosystem service.

23
24 **SEC. 22. *Industry Development Plan.*** - The Council, through working groups
25 created for the purpose, shall prepare five-year and ten-year development plans for
26 priority strategic and sustainable ocean-based or ocean-related industry, in
27 accordance with the Policy Framework and in consideration of the existing
28 development plans and strategies formulated by agencies involved in coastal and
29 marine production and development. The Council shall also ensure the integration of
30 the framework in existing industry plans.

31
32 **SEC. 23. *Integration with Area and National Development Plan.*** - The NEDA
33 shall integrate the maritime spatial plan and industry development plans into the
34 Philippine Development Plan, the National Priority Plan, the National Physical
35 Framework Plan, and Area Spatial Development Framework.

36
37 **SEC. 24. *Inclusion in Strategic Investment Priority Plan.*** - The Council shall
38 recommend to the BOI the inclusion of identified priority strategic ocean-based and
39 ocean-related activities in the Strategic Investment Priority Plan.

40
41 **SEC. 25. *Blue Economic Zones.*** - Investment Promotion Agencies (IPAs) shall
42 encourage the establishment of blue economic zones and the transformation of
43 existing special economic zones into the same: *Provided, That* Registered Business
44 Enterprises (RBEs) engaged in ocean-based or ocean-related activities in these blue
45 economic zones, duly registered by an IPA, may be entitled to the incentives under

1 Title XIII (Tax Incentives) of the National Internal Revenue Code of 1997, as amended.
2 In addition, the incentives provided under this Act shall be without Prejudice to the
3 following laws:

- 4
5 (a) RA 9003, otherwise known as the "Ecological Solid Waste Management Act
6 of 2000";
7 (b) RA 9275, otherwise known as the "Philippine Clean Water Act of 2004";
8 (c) RA 9513, otherwise known as the "Renewable Energy Act of 2008"; and
9 (d) RA 1771, otherwise known as the "Philippine Green Jobs Act of 2016".

10
11 The RBEs operating within blue economic zones may also qualify for financing
12 provided under RA 11293, otherwise known as the "Philippine Innovation Act", as
13 applicable.

14
15 **CHAPTER IX**
16 **BLUE FINANCE**
17

18 **SEC. 26. *Role of the Bangko Sentral ng Pilipinas (BSP).*** - In the exercise of its
19 regulatory powers over financial institutions, the BSP shall mandate banks and quasi-
20 banks to adopt the United Nations environment Programme Sustainable Blue
21 Economy Finance Principles as a foundation of corporate governance and risk
22 management.

23
24 **SEC. 27. *Role of Securities and Exchange Commission (SEC).*** - In the SEC shall
25 encourage the issuance of blue bonds where proceeds will be exclusively applied to
26 finance or refinance, in part or in full, eligible Blue Economy activities, in accordance
27 with SEC Guidelines, the Association of Southeast Asian Nations (ASEAN) Green
28 Bonds Standards and Green Bonds Principles, as developed and may be revised from
29 time to time by the SEC, ASEAN Capital Markets Forum, and the International Capital
30 Market Association. respectively. All designated Blue Projects or Activities must
31 provide clear benefits to ocean health and the blue economy or must contribute
32 substantially to United Nations Sustainable Development Goals (UN SDG) 6 or 14,
33 which shall be assessed and, where feasible, quantified by Issuer.

34
35 **SEC. 30. *Marine Scientific Research.*** - The State recognize marine science as a
36 foundation of maritime governance, insofar as rules governing the use of coastal and
37 marine resources must be based on the sound scientific understanding of the marine
38 environment. In accordance with UNCLOS, the Philippines has the exclusive rights to
39 regulate, authorize and conduct marine scientific research in our internal waters,
40 archipelagic waters and territorial sea; whereas, the Philippines has right to regulate,
41 authorize and conduct maritime scientific research activities shall not unjustifiably
42 interfere with other legitimate uses of the sea and shall not constitute the legal basis
43 for any claim to any part of the marine environment its resources. Marine scientific
44 research by foreign states and competent international organization may only be

1 conducted with the express consent of and the conditions set forth by the Council, in
2 accordance with the UNCLOS.

3
4 **SEC 31. *Marine Technology and Innovation.*** – The State recognizes that
5 science, technology and innovation have a critical role in harnessing ocean resources
6 for the blue economy while ensuring sustainability. Marine Technology and
7 innovations are needed to address technical and logistical constraints that impede the
8 development of the Philippine blue industries. Among these technologies are
9 advanced materials, subsea engineering and technology, sensors and imaging, big
10 data analytics, autonomous systems, biotechnology, nanotechnology, marine spatial
11 planning, and circular blue economy. The government shall also support the
12 development and adoption of locally-developed marine-related technologies.

13
14 **SEC. 32. *Ocean Literacy Framework.*** – The DepEd, Commission on Higher
15 Education, Technical Education and Skills Development Authority, and other
16 government agencies implementing sector-specific literacy programs, in consultation
17 with relevant members of the Council or support agencies, shall integrate into the
18 curricula of K-12, the Alternatives Learning System, general education programs of
19 higher education institutions, technical and vocational education and training, and
20 other community-based training programs, the essential principles and fundamental
21 concepts of ocean sciences to develop the following competencies:

- 22
23 (a) Understanding the economic, socio-cultural, spiritual, scientific and
24 political importance/significance of the ocean to humankind in general and
25 the Filipino in particular;
26
27 (b) Communication about the ocean in a meaningful way; and
28
29 (c) Making informed and responsible decisions regarding the ocean and its
30 resources.

31
32 **CHAPTER XI**
33 **FREEDOM OF NAVIGATION**
34

35 **SEC. 33. *Archipelagic Sea Lanes.*** - The President of the Philippines shall
36 designate sea lanes and air routes there above, suitable for the continuous and
37 expeditious passage of foreign ships and aircrafts through or over the archipelagic
38 waters and the adjacent territorial sea, and shall, where necessary as regards the safety
39 of navigation, require foreign ships exercising the right of innocent passage to use
40 such lanes and traffic separation schemes in accordance with the UNCLOS.

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CHAPTER XII ROLE OF LOCAL GOVERNMENTS

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SEC. 34. *Role of Local Government Unit.* - Cities and municipalities shall continue to exercise jurisdiction over municipal water, pursuant to RA 7160, otherwise known as the "Local Government Code of 1991", as amended, and RA 8550, as amended subject to the jurisdiction and authority of national government agencies as stated in the provisions of special laws as the case may be. Consistent with this mandate, LGUs shall act as the frontline agencies in the formulation, planning, and implementation and enforcement of the law of IMCAM in their respective jurisdictions. The LGUs shall integrate the National Maritime Spatial Plan in their Comprehensive Development and Annual Investment Plan.

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SEC. 35. *Inter-LGU Cooperation.* - Consistent with the provision of RA 7160, as amended, LGUs may group themselves, consolidate or coordinate their effort, services, and resources for the accomplishment of the objectives of this Act.

CHAPTER XIII FINAL PROVISIONS

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SEC. 36. *Joint Congressional Oversight* - For the effective implementation of this Act, a Joint Congressional Oversight Committee is created to be known as the Blue Economy Oversight Committee, which shall be composed of five (5) Senators and five (5) Representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The Minority shall be entitled to *pro rata* representation. The Blue Economy Oversight Committee shall be jointly chaired by the Chairperson of the Senate Committee on Economic Affairs and the Chairperson of the House Committee Economic Affairs.

SEC. 37. *Appropriations.* - The amount necessary for the initial implementation of this Act shall be charged against the current year's appropriations of the Office of the President. Thereafter, such amount shall be included in the annual General Appropriations Act.

SEC. 38. *Implementing Rules and Regulations.* - The Council shall issue the necessary rules and regulations to efficiently carry out the provisions of this Act within sixty (60) days from effectivity.

SEC. 39. *Separability Clause.* -If any provision of this Act is held invalid or unconstitutional, the remaining provisions not affected shall remain in full force and effect.

SEC. 40. *Repealing Clause.* - All other laws, decrees, executives orders, and rules and regulations contrary to or inconsistent with the provisions of this Act are repealed or modified accordingly.

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2 **SEC. 41. Effectivity.** - This Act shall take effect fifteen (15) days after its
3 publication in the *Official Gazette* or in a newspaper of general circulation.
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5 *Approved,*