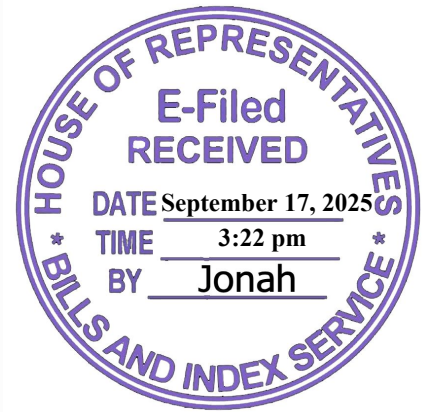




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 4653



Introduced by Representatives LORDAN G. SUAN, and BAMBI B. EMANO

AN ACT
ESTABLISHING THE FRAMEWORK STRATEGY FOR THE BLUE ECONOMY,
CREATING FOR THIS PURPOSE THE BLUE ECONOMY COUNCIL, AND FOR
OTHER PURPOSES

EXPLANATORY NOTE

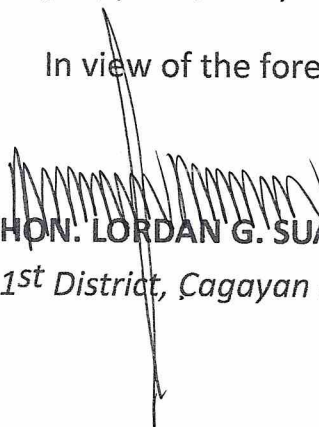
The unique geographical location and nature of the Philippines as an archipelagic state in the Pacific have their advantages and disadvantages. We suffer the onslaught of typhoons several times a year, wreaking havoc on infrastructure and the economy. We are also one of the countries that are most vulnerable to climate change. On one side, the Philippines is located within the Coral Triangle, known to be the center of marine life. We are within the area where 76% of all known coral species are located and home to 37% of the world's total coral reef fish. We have one of the longest coastlines in the world, hosting thriving aquaculture and tourism-related industries.

The adoption of the blue economy as an economic model of development perfectly suits the Philippines. It recognizes the potential of harnessing our vast marine and aquatic resources to create livelihoods, reduce poverty, attain food security, and improve the quality of life of our people. It will also open opportunities to develop marine-related industries and services that will competitively position us in the global economy. Yet, all of these can only be realized if, first and foremost, we commit to using these resources sustainably and put our heads together to protect and conserve them. Hence,

the challenge is always placing a premium on balancing economic development with environmental protection and conservation.

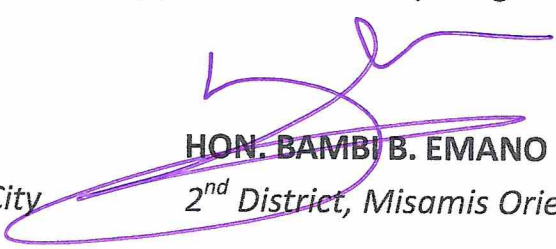
The goals envisioned in adopting the blue economy as a paradigm can be achieved through a combination of several important factors, namely, aligned policies, proactive institutional arrangements, well-thought-out financing mechanisms, and the right infrastructure. To lay out these foundations, this bill seeks to establish a strategic framework for the blue economy. This framework will serve as a guide for crafting the National Action Plan. This bill also provides for the creation of the Council, which will formulate and implement the strategies, plans, and programs for the Blue Economy.

In view of the foregoing, this bill's approval is fervently sought.



HON. LORDAN G. SUAN

1st District, Cagayan de Oro City



HON. BAMBI B. EMANO

2nd District, Misamis Oriental



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HOUSE BILL No. 4653

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OTHER PURPOSES

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

1 **Section 1. Short Title.**—This Act shall be known as the “Blue Economy
2 Act.”

3 **Section 2. Declaration of Policy.** —It shall be the policy of the state to:

4 (a) develop a self-reliant and independent national economy
5 effectively controlled by Filipinos;

6 (b) pursue a national economy whose goals are a more equitable
7 distribution of opportunities, income, and wealth; a sustained
8 increase in the amount of goods and services produced by the
9 nation for the benefit of the people; and an expanding
10 productivity as the key to raising the quality of life for all,
11 especially the underprivileged;

12 (c) ensure the protection and advancement of the right of the people
13 to a balanced and healthful ecology in accord with the rhythm and
14 harmony of nature; and

- (d) 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.

Towards this end, the state shall:

- (a) adopt and promote the blue economy as a model of economic development to propel economic growth, create jobs and livelihoods, and improve the lives of the people;
- (b) exercise effective stewardship towards protecting and conserving our marine and coastal resources;
- (c) promote the sustainable use of marine and coastal resources to benefit present and future generations;
- (d) advance scientific research in the use, management, protection, and conservation of resources; and
- (e) provide institutional mechanisms and adequate financing to promote the blue economy.

Section 3. *Definition of Terms.* —For the purpose of this Act, the following terms are defined as follows:

- (a) Blue Economy – refers to a model of economic development that leverages the potential of marine and coastal assets for economic growth and development while sustainably managing, protecting, and conserving these resources.
- (b) Blue Financing – refers to financial, investment, and insurance mechanisms specifically directed towards programs, projects, and initiatives that positively impact marine and coastal-related industries, and activities including the protection, regeneration, and conservation of marine and coastal ecosystems.
- (c) Council – shall refer to the Blue Economy Council
- (d) Environmental Accounting—refers to the method and system of recording and analyzing the environmental benefits and costs of economic activities.
- (e) Green Infrastructures – shall refer to nature-based solutions to conserve biodiversity, protect the ecosystem, and mitigate the risks brought about by climate change and human activities.
- (f) Green Technologies – shall refer to environmentally sound and climate-smart technologies used to monitor and assess the condition of the environment, prevent or minimize the damage of

51 economic activities to the environment, and restore damaged
52 ecosystems.

53 (g) Maritime Zones – shall refer to the internal waters, territorial sea,
54 contiguous zone, Exclusive Economic Zone (EEZ) and the High
55 Seas.

56 (h) Ocean Accounts – shall refer to information or records of ocean
57 environment assets, economic activity, and social conditions to
58 measure the sustainable development of the ocean.

59 (i) Secretariat – shall refer to the Blue Economy Council Secretariat

60 (j) Spatial Planning – refers to an approach that manages and
61 resolves the use, interactions, and activities in Maritime Zones.

62 **Section 4. *Creation of the Blue Economy Council.*** —There is hereby
63 created a Blue Economy Council under the Office of the President of the
64 Republic of the Philippines and shall hereinafter referred to as the “Council.”
65 The Council shall be composed of the following:

66 Chairperson:

67 Executive Secretary

68 Members:

69 Secretary of Agriculture

70 Secretary of Energy

71 Secretary of Environment and Natural Resources

72 Secretary of Finance

73 Secretary of Foreign Affairs

74 Secretary of Information and Communications Technology

75 Secretary of Interior and Local Government

76 Secretary of Justice

77 Secretary of Labor and Employment

78 Secretary of National Defense

79 Secretary of Science and Technology

80 Secretary of Tourism

81 Secretary of Trade and Industry

82 Secretary of Transportation

83 Secretary of the National Economic and Development Authority

84 The Department Secretaries may designate an Undersecretary or a
85 competent person under the Department who shall sit in a permanent capacity
86 and whose acts shall be considered acts of the designating authority.

87 The Council shall meet every three (3) months or as may be deemed
88 necessary by the Chairperson.

89 **Section 5. *Blue Economy Council Secretariat.*** —There is hereby created a
90 Blue Economy Council Secretariat, which shall provide administrative and
91 technical support to the Council.

92 The Secretariat shall be headed by an Executive Director, who shall be
93 appointed by the Chairperson upon the recommendation of the Council. The
94 Council shall have the authority to create positions and determine the number
95 of staff, subject to applicable laws, rules, and regulations.

96 **Section 6. *Support Agencies.*** —Subject to the rules and regulations
97 promulgated by the Council, the following agencies shall provide material or
98 technical support to the Council as may be deemed necessary:

- 99 (a) National Coastal Watch Council;
- 100 (b) Climate Change Commission;
- 101 (c) Armed Forces of the Philippines;
- 102 (d) Philippine Statistics Authority;
- 103 (e) Philippine Ports Authority
- 104 (f) Maritime Industry Authority
- 105 (g) National Mapping and Resources Information Authority;
- 106 (h) Board of Investments;
- 107 (i) Bangko Sentral ng Pilipinas;
- 108 (j) Philippine Coast Guard;
- 109 (k) Philippine Council for Agriculture, Aquatic and Natural Resources
110 and Development;
- 111 (l) Philippine Atmospheric, Geophysical and Astronomical Services
112 Administration;
- 113 (m) Maritime and Ocean Affairs Office; and
- 114 (n) University of the Philippines Marine Science Institute.

115 The Council may call upon other bureaus, offices, and instrumentalities
116 of the Government, and research institutions to provide material and technical
117 support.

118 **Section 7. Powers and Functions of the Council.** —The Council shall have
119 the following powers and functions:

- 120 (a) Formulate the Framework Strategy for the Blue Economy;
- 121 (b) Formulate a Blue Economy National Action Plan
- 122 (c) Conduct a policy and program review of all maritime and coastal
123 activities;
- 124 (d) Coordinate and synchronize policies and programs of the national
125 government agencies relating to the Blue Economy;
- 126 (e) Establish mechanisms for the effective implementation of
127 international maritime agreements and commitments;
- 128 (f) Undertake environmental accounting to measure the marine and
129 coastal environmental benefits and costs of economic activities;
- 130 (g) Conduct ocean accounts on marine environment assets, economic
131 activities, and social conditions;
- 132 (h) Recommend marine and coastal development investments that
133 will propel economic growth;
- 134 (i) Create an enabling environment for marine and coastal
135 development investments;
- 136 (j) Recommend legislation, policies, strategies, programs, and
137 appropriations for the development of the Blue Economy;
- 138 (k) Identify and recommend national strategic priorities for leveraging
139 the marine economy for economic growth; and
- 140 (l) Undertake maritime spatial planning to identify the spatial and
141 temporal distribution of priority activities and uses and the
142 interactions thereof in Maritime Zones.

143 **Section 8. Panel of Technical Experts.**— The council shall constitute a
144 panel of technical experts on maritime and coastal industries; tourism;
145 economic development strategies; management, protection, and conservation;
146 security; and green infrastructures and technologies.

147 They shall provide technical advice to the Council on competitively
148 positioning the country in the global economy through the sustainable
149 utilization of the country's marine and coastal assets while protecting and
150 conserving them for the benefit of future generations.

151 The Council shall set the qualifications and compensation of the
152 technical experts.

Section 9. Framework Strategy on Blue Economy. —The Council, within six (6) months from the effectivity of this Act, shall formulate a Framework Strategy for Blue Economy. The Framework Strategy shall serve as the basis for programs, investments, development planning, policy formulation, regulations, monitoring, and research on the Blue Economy. It shall be subject to a mandatory review and modification every five (5) years.

Section 10. Components of the Framework Strategy on Blue Economy. — The Framework Strategy shall include, but not be limited to, the following components:

- (a) Policy and program review of all maritime and coastal activities;
- (b) Compliance with international agreements and commitments;
- (c) Environmental accounting;
- (d) Ocean accounts;
- (e) Blue financing mechanisms;
- (f) Institutional capacity;
- (g) Research and development;
- (h) National strategic priorities; and
- (i) Blue Economy investments

Section 11. Blue Economy National Action Plan. —The Council shall formulate a National Climate Change Action Plan in accordance with the Framework Strategy within six (6) months after its formulation. The Blue Economy National Action Plan shall include, but not be limited to, the following components:

- (a) Optimization of the Marine Infrastructure Highway;
- (b) Expansion of tourism and recreational opportunities;
- (c) Mapping and Exploration of the Maritime Zones;
- (d) Creation and leveraging of strategic partnerships;
- (e) Formulation of policies and passing of legislation;
- (f) Identification and promotion of investment opportunities;
- (g) Formulation of financing mechanisms; and
- (h) All other actionable inputs from partners and stakeholders.

Section 12. Authority to Receive Donations and/or Grants. — The Council is hereby authorized to accept grants, contributions, donations, endowments, bequests, or gifts in cash or kind from local and foreign sources in support of the development and implementation of the Blue Economy's plans, programs, and projects. Provided, that in the case of donations from foreign

governments, acceptance thereof shall be subject to prior clearance and approval of the President of the Philippines upon recommendation of the Secretary of Foreign Affairs; and provided, further, that such donations shall not be used to fund personal service expenditures and other operating expenses of the Council.

Section 13. Congressional Oversight. — For the effective implementation of this Act, a Congressional Oversight Committee is hereby created to be known as the Blue Economy Oversight Committee. It shall be composed of five (5) Senators and five (5) Representatives to be appointed by the Senate President and Speaker of the House of Representatives, respectively. It shall be co-chaired by the Chairperson of the Senate Committee on Economic Affairs and the Chairperson of the House Committee on Economic Affairs.

Section 14. Appropriations. — The amount of One Hundred Million Pesos (Php100,000,000.00) is hereby appropriated as initial funding for the Council, to be charged against the unexpended Contingency Fund of the Office of the President. Thereafter, the amount necessary for the effective implementation of this Act shall be included in the annual General Appropriations Act.

Section 15. Implementing Rules and Regulations. — Within sixty (60) days from the approval of this Act, the Council shall formulate the necessary rules and regulations for its effective implementation.

Section 16. Separability Clause. — if any provision of this Act is declared invalid or unconstitutional, the provisions not hereby affected shall remain in full force and effect.

Section 17. Repealing Clause.— All laws, decrees, orders, rules and regulations or parts thereof, inconsistent with or contrary to the provisions of this Act are hereby repealed, amended or modified, accordingly.

Section 18. Effectivity. — This Act shall take effect fifteen (15) days from the date of its publication in the Official Gazette, or a newspaper of general circulation or a website provided for by law

Approved,