



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 4855

Introduced by Representative **ANTONINO B. ROMAN III**

EXPLANATORY NOTE

The Philippines is a maritime nation whose prosperity and security are inextricably tied to the health and productivity of its coasts and oceans. Our marine wealth supports not only commerce and industry, but also the lives and livelihoods of millions of Filipinos, especially small-scale fishers who are the backbone of the blue economy. Yet these same waters face unprecedented pressures -- overfishing, habitat degradation, pollution, and the worsening impacts of climate change -- that threaten both economic potential and community well-being.

This bill seeks to establish a comprehensive Blue Economy Framework that promotes the stewardship, sustainable use, and development of our marine and coastal ecosystems, while ensuring that economic growth is inclusive and resilient. Unlike measures that focus solely on the fishing industry, this bill gives equal attention to the plight and empowerment of small-scale fishers, ensuring they are active participants and beneficiaries of blue economic growth.

A central feature of this measure is the creation of a Blue Finance Program, designed to unlock private capital and direct it toward sustainable ocean-based activities. By introducing innovative blue financial instruments such as blue bonds, concessional credit facilities, and credit guarantees, the program will enable small-scale fishers and coastal enterprises to access funding on fair and viable terms. This approach not only fuels industry development but also advances financial inclusion, enabling those at the grassroots to improve livelihoods, strengthen climate resilience, and contribute to marine conservation.

The bill further recognizes that our fishers are more than just resource users -- they are the custodians of our maritime heritage and essential partners in sustaining our oceans. To that end, it mandates capacity building, skills training, and access to modern technologies and markets, thereby integrating small-scale fishers into the broader blue economy value chain.

By combining sound marine governance, innovative financing, and inclusive development strategies, this measure aims to secure the long-term health of our marine ecosystems while creating economic opportunities that leave no one behind. It envisions a Philippines where the blue economy is both a driver of national prosperity and a guarantor of environmental sustainability for generations to come.

Immediate passage of this bill is earnestly sought.



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AN ACT
ESTABLISHING A FRAMEWORK FOR BLUE ECONOMY, PROMOTING
STEWARDSHIP AND SUSTAINABLE DEVELOPMENT OF COASTAL AND
MARINE ECOSYSTEMS AND RESOURCES

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

SECTION 1. Short Title. – This Act shall be known as the “Blue Economy Act.”

SECTION 2. Declaration of Principles. – It shall be the policy of the State to:

- a) Adopt blue economy as a framework for sustainable and safe use and development of marine wealth within our coastal and maritime domain, as a pillar of our national economy and patrimony;
- b) Exercise stewardship of our coasts and oceans, and protect and conserve the health and resilience of marine and coastal ecosystems and habitats to promote the well-being, inclusive prosperity and security of present and future generations;
- c) Preserve our maritime heritage, recognize the economic, social, cultural, and historical value of our coasts and oceans, and foster public understanding and respect of the value of our coasts and oceans to build a strong foundation for social responsibility;
- d) Enrich scientific understanding of ocean, marine and coastal ecosystems, the benefits we gain from these, their changing extent and conditions and the causes thereof, and use the best available scientific knowledge to inform decisions affecting our coasts and oceans, and to enhance our capacity to respond and adapt to changing ocean environments;
- e) Exercise rights and jurisdiction, and enjoyment of freedom of the high seas, in accordance with applicable international laws;
- f) Strategically address the factors that adversely affect the oceans and the living and non-living resources that comprise our seas, turning threats into opportunities and preventing

further harm to all water bodies including land-based pollution, biodiversity loss, and climate change; and

- g) Ensure a whole-of-nation approach and a comprehensive and integrated framework for the stewardship of our coasts and oceans to facilitate cohesive action of the National Government, local authorities, academe, civil society organizations, indigenous peoples and local communities, and private sector, to secure our people's safe and access to, enjoyment of, and opportunities to invest on sustaining their benefits from our blue economy.

SECTION 3. Definition of Terms. – As used in this act:

- a) "Aquaculture" refers to fishery operations involving all forms of raising and culturing fish and other fishery species in fresh, brackish, and marine water areas;
- b) "Aquisilviculture" refers to a multi-purpose production system that allows the production of fish in a mangrove reforestation project;
- c) "Blue economy" refers to the practical ocean-based economic model using green infrastructure and technologies, innovative financing mechanisms, and proactive institutional arrangements for meeting the twin goals of protecting our oceans and coasts and enhancing its potential contribution to sustainable development, including improving human well-being, and reducing environmental risks and ecological scarcities;
- d) "Blue Economy Skills" refers to competencies, technical expertise, and practical skills required for or beneficial to economic activities that sustainably use marine and coastal resources, ensure a family living wage, and enhance livelihood and community resilience, while promoting a healthful and balanced ecology, such as sustainable fishing, aquaculture, post-harvest processing, marine conservation, eco-tourism, and sustainable harvesting and processing of high-value marine resources, including commercially valuable marine species. These skills shall include ancillary skills such as maritime entrepreneurship, financing and financial stewardship, accounting, and management;
- e) "Coast" refers to the interface where the land meets the ocean, encompassing shoreline environments as well as adjacent coastal waters. Its components can include river deltas, coastal plains, wetlands, beaches and dunes, reefs, mangroves forests, lagoons and other coastal features;
- f) "Commercial fishing" refers to the taking of fishery species by passive or active gear for trade, business and profit beyond subsistence or sports fishing, to be further classified as:
 - 1) Small-scale commercial fishing - fishing with passive or active gear utilizing fishing vessels of 3.1 gross tons (gt) up to twenty (20) gt;
 - 2) Medium-scale commercial fishing - fishing utilizing active gears and vessels of 20.1 gt up to one hundred fifty (150) gt; and
 - 3) Large commercial fishing - fishing utilizing active gears and vessels of more than one hundred fifty (150) gt.
- g) "Ecosystem services" refer to the benefits supplied by the functions of ecosystems and received by humanity and all elements of living systems, which support life systems on

the planet. Ecosystem services consist of provisioning services, regulating and maintenance services, and cultural services;

- h) “Environmental sustainability” refers to responsible use of coastal, marine, and freshwater resources offers protection of the marine ecosystem from harmful effects and degradation. Environmental sustainability includes (a) stewardship by the government and local communities to prevent, reduce and control pollution of the coastal, freshwater, and marine environment; (b) mitigate the impacts of climate change; and (c) protect biodiversity;
- i) “Integrated marine and coastal area management” refers to coordinated and sustainable management of coastal and marine resources, and participatory process for planning and decision-making to prevent, control, or mitigate adverse impacts from human activities in the marine and coastal environment, biodiversity and climate, and to contribute to the restoration of degraded coastal areas, protection of habits, and reduction of multiple resource-use conflicts among various stakeholders in order to pursue sustainable and inclusive growth, support jobs and livelihood, and enhance food, energy and water security, climate resilience, and well-being;
- j) “Investment promotion agencies” refer to government entities created by law, executive order, decree or other issuance, in charge of promoting investments, granting and administering tax and non-tax incentives, or overseeing the operations of the different economic zones and freeports in accordance with their respective special laws;
- k) “Land-based pollution” refers to municipal, industrial and agricultural wastes and run-off including but not limited to sewage and wastewater, persistent organic pollutants (including pesticides), heavy metals, oils, nutrients, sediments, and plastic wastes, whether brought by rivers or discharged directly into coastal waters;
- l) “Marine resources” refer to the diverse range of living and nonliving components found within the marine ecosystem, including oceans, seas, and coastal areas;
- m) “Marine science research” refers to any research activity, which is conducted for exclusively peaceful purposes, for the purpose of increasing scientific knowledge about the marine environment, including all-natural resources, biodiversity, and water quality toward the benefit of mankind and according to the UNCLOS;
- n) “Maritime domain awareness” refers to the effective understanding of any activity that could impact upon the security, safety, economy, or environment;
- o) “Maritime spatial planning” refers to a process by which human activities in Maritime Zones are analyzed and organized, based on best available scientific knowledge, and to achieve economic, ecological and social objectives;
- p) “Maritime Zones” refer to the Philippines’s internal waters, archipelagic waters, territorial sea, contiguous zone, exclusive economic zone, and continental shelf;
- q) “Ocean accounting” refers to statistical framework that guides the compilation and integration of a series of standardized regular measurements of stocks and flows of ocean economic, societal and environmental components through specific accounting table groups and comprehensive indicators critical for informed and evidence-based decisions;
- r) “Ocean accounts” refer to a structured compilation of consistent and comparable information such as maps, data, statistics and indicators concerning marine and coastal

environments, including related social circumstances and economic activity;

- s) “Ocean-based activities” refer to activities that are undertaken in the ocean, such as fisheries and aquaculture, offshore oil and gas, mining, ocean energy, desalination, shipping and marine transportation, ship building and repair, marine tourism, ports, tourist resorts, communication, marine construction, maritime insurance and law, maritime technical services, etc.;
- t) “Ocean literacy” refers to an understanding of the ocean’s influence on humans and human influence on the ocean as well as the linkage of ocean and climate and its effect on humans, water, and ecosystems;
- u) “Ocean-related activities” refer to activities that use products from the ocean such as seafood processing, marine biotechnology, chemicals, salt, etc., and produce products and services for the ocean and ocean-based activities;
- v) “Social sustainability” refers to the proactive way of ensuring that benefits of sustainable aquatic resource use are distributed equitably and that the needs of present and future generations are considered;
- w) “Subsistence fishing” refers to fishing for personal consumption or traditional/ceremonial purposes; and
- x) “Value chain” refers to maximizing the use existing resources in the full range of activities needed to create a product or service.

SECTION 4. Scope of Application. – For purposes of this Act, the Philippines shall exercise sovereign rights and jurisdiction, in accordance with international law, as appropriate, in internal waters, archipelagic waters, territorial sea, contiguous zone, exclusive economic zone and continent shelf, herein collectively referred to as “coastal and marine zones,” including its seabed and subsoil, and all maritime features within the Maritime Zones now known or to be known in the future.

CHAPTER II

THE BLUE ECONOMY FRAMEWORK

SECTION 5. Policy Development Framework of Blue Economy. – The Blue Economy Framework, hereafter referred to as “Framework,” is a development model that aims to help the country define a roadmap to a diversified and sustainable ocean economy in a manner that provides long-term economic and social benefits while building resilience to climate change and without compromising the safety of our marine ecosystems. The Blue Economy is an integrated, holistic, cross-sectoral, and cross-stakeholder approach that creates a value-added and value-chain of resources from oceans, seas, and freshwater in an inclusive and sustainable way. The Blue Economy covers upstream and downstream sectors, serving as an accelerator of the conventional marine sector such as fisheries, aquaculture, fish-only processing, and tourism, and a catalyst for emerging sectors such as renewable energy, biotechnology, and marine and freshwater-based research and education, including emerging sectors from aquatic resources.

The Framework objectives are to:

- a) Ensure a cross-sectoral and cross-stakeholder approach, creating a value chain, supporting inclusiveness, and ensuring sustainability to make the blue economy a new engine for the country’s future economic growth;

- b) Develop a common understanding of the blue economy;
- c) Provide a foundation for regional actions relevant to the blue economy to maximize the economic potential of the country's ocean and inland water resources; and
- d) Foster collaborative actions, including cooperation in areas such as marine and coastal ecosystem protection; combatting illegal, unreported, and unregulated fishing; sustainable aquaculture and fishing practices; marine industrial development; food, water, and energy security; trade and connectivity; security and safety in navigation; marine and freshwater science; aquatic-based energy; blue governance and management; biotechnology; data statistics and data analytics; livelihood, adaptation to and mitigation of climate change; and innovation, taking into consideration supporting sustainable economic growth and prosperity.

The Framework shall serve as the basis to (i) institutionalize an integrated marine and coastal management; (ii) develop marine spatial plans (NSPs); (iii) align integrated coastal management (ICPI) plan, fisheries management plans, coastal resource management plan, climate action plan, and NSPs to determine zones, designate allowed, regulated, and restricted activities, and enhance economic and environmental regulations within our coastal and marine areas to preserve the value and sustainability of ocean resources and their protection from threats, such as land and sea-based pollution, and overfishing, and habitat degradation; (iv) identify climate resilient and environmentally sound investments, infrastructure and technologies; (v) institutionalize regular coastal and ocean monitoring and accounting; and (vi) conduct capacity development, research, education, and knowledge management activities to enhance marine domain awareness and ocean literacy, and support blue economic development.

SECTION 6. Development Framework on Blue Economy. -- The Framework shall have the principles of value creation, inclusivity, and sustainability to guide decisions and actions related to the development and implementation of a blue economy in the country, including adjusting existing activities in which this may not be sustainable to support continued growth, and developing new opportunities; Provided, that value creation recognizes the need to generate economic value while responsibly utilizing ocean and inland water resources; Provided further, that inclusivity ensures that all stakeholders, including micro, small and medium enterprises (MSMEs), small-scale fishers, and local and coastal communities, have access to the benefits of sustainable ocean and inland water resource utilization; Provided, finally, that sustainability encompasses environmental and social sustainability.

SECTION 7. Component of the Policy Framework on Blue Economy. – The Policy Framework shall include the following components:

- a) Review of all existing policies, plans, programs, projects, rules, and regulations on ocean-based and ocean-related activities;
- b) Adherence to international maritime laws;
- c) Analysis of current and emerging trends and changes in demography, consumption, trade, technology, environmental quality, and climate that show the interaction between the economy and the environment, present threats and pressures on coastal and marine environments, and damage estimation;
- d) Analysis of current and emerging trends and changes in demography, consumption, trade, technology, environmental quality, and climate that show the interaction between the economy and the environment, present and future threats and pressures on coastal and marine environments, and damage estimation;

- e) Environmental-economic accounting of coastal and marine assets and living and non-living resources, and ecosystem services from coastal and marine environments, including assessment of losses due to degradation or major pollution events such as oil spill;
- f) Priority strategic and sustainable ocean-based and ocean-related economic activities, which may include:
 - 1) Fisheries, including commercial fishing, seafood processing, and commercial research and development, but with preference to subsistence fisheries, as mandated by Section 7, Art. XIII, of the Constitution;
 - 2) Aquaculture, mariculture and aquasilviculture;
 - 3) Marine and coastal tourism;
 - 4) Environmentally and hydrologically appropriate reclamation;
 - 5) Shipping, logistics, and maritime transport;
 - 6) Shipbuilding and ship repair;
 - 7) Exploration, exploitation, and extraction of oil and natural gas;
 - 8) Production of renewable energy from marine sources;
 - 9) Submarine mining or extraction of minerals and aggregates;
 - 10) Installation of submarine cables and pipelines;
 - 11) Bioremediation, marine biotechnology and bioprospecting;
 - 12) Desalination; and
 - 13) Underwater cultural heritage and maritime archaeology.
- g) Guiding framework for integrated marine and coastal area management;
- h) Guiding framework for blue finance;
- i) Priority research and development agenda, maximizing opportunities created for pollution control, remediation, used water economics, and other industries that address threats;
- j) Promotion of ocean literacy and social responsibility towards the protection of coastal and marine environments;
- k) Enhancement of capability of the Armed Forces of the Philippines (AFP) and relevant agencies to enforce laws, rules and regulations to protect our marine wealth.
- l) Goals, targets, and indicators for growth, resilience, and sustainability of priority strategic and sustainable coastal and ocean-based and ocean-related activities, including its contribution to Gross Domestic Product, job creation, and livelihoods;
- m) Scaling up the expansion and management of marine protected areas (MPAs) in line

with integrated coastal management to help boost the country's blue economy by protecting and conserving the coastal and marine ecosystems and resources;

- n) Mainstreaming of circular and resource efficiency approaches on the blue economy framework to address the longstanding problem on marine litter and microplastics;
- o) Integration of climate change adaptation and mitigation (CCAM) strategies to help operationalize the country's nationally determined contributions (NDC).
- p) Strengthening of management capacities of national and local governments, including relevant sectors, to enhance the protection of coastal and marine ecosystems; and
- q) Enhancement of capabilities of agencies for the protection of the environment and such other components as may be determined by the council.

SECTION 8. Blue Economy Strategies. – The Framework shall be based on the following strategies:

- a) Blue Conservation management centers around three (3) development areas, such as implementing a neutral carbon balance from aquatic and coastal-based activities; promoting sustainable use of natural resources, ecological health, and combating pollution; and increasing resilience and strengthening disaster risk management;
- b) Blue Science, Technology and Innovation focuses on leveraging technological advancement for the development of sectors relevant to the blue economy such as the development and deployment of digital platforms that enable better coordination and cooperation among government agencies, improving value chain efficiency using technological innovations; and
- c) Blue Priority Sectors focus on six (6) key areas, such as defining the blue economy's fields of application and key areas, and providing coherent definition; increasing the knowledge of blue potential and associated constraints; supporting marine spatial planning (MSP); ensuring communication; developing and encouraging sustainable blue financing mechanisms; and stimulating traditional and emerging sectoral growth.

SECTION 9. Blue Enablers. – The Framework shall contain enabling elements to ensure inclusivity and sustainability that encourage investment. The Framework shall guide the development of a modern and efficient infrastructure that supports the sustainable use of marine resources, well-organized institutional setting, strong cooperation, and capacity building that builds the necessary knowledge and competencies required for the blue economy, and sustainable investment and finance.

CHAPTER III

OCEAN ACCOUNTING

SECTION 10. Ocean accounting. – The Philippine Statistics Authority (PSA) shall undertake environmental-economic accounting of ocean, maritime ecosystems, and resources, based on the United Nations System of Environmental-Economic Accounting. Members of the Council and heads of support agencies shall contribute data and submit reports on environmental-economic accounts relating to their mandates including damage estimation and sea level rise projections.

SECTION 11. Framework. – The PSA shall develop a framework for the collection, compilation, processing, analysis, publication, and dissemination of environmental-economic

accounts and its integration in the national accounts, in addition to improving its satellite ocean accounts: Provided, That PSA shall integrate the collection of environmental-economic accounts into the Community-Based Monitoring System for local government units (LGUs); Provided, further, That the PSA shall coordinate with and provide technical assistance to members of the Council, support agencies, investment promotion agencies and LGUs to ensure compliance to standard environmental-economic accounting techniques, methodologies, concepts, definitions and classifications to prevent duplication in collection of statistical information.

CHAPTER IV

INTEGRATED MARINE AND COASTAL AREA MANAGEMENT

SECTION 12. The Integrated Marine and Coastal Area Management (IMCAM). – The Integrated Marine and Coastal Area Management (IMCAM) shall be the framework to address human impacts on marine and coastal biological diversity, and for promoting the conservation and sustainable use of this biodiversity.

SECTION 13. Elements of the National IMCAM Framework. – The Blue Economy 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, LGUs, and other stakeholders, according to the Elaborated Programme 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) Building capacity of stakeholders, at 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) Alteration and destruction, of coastal and marine habitats, particularly areas important for reproduction, such as coral reef systems, seagrass areas, and the seabed;
 - 2) Marine and land-based pollution;
 - 3) Improper coastal land use, and the mismanagement of watersheds; and
 - 4) Illegal, unreported, and unregulated fishing, by-catch especially of threatened species; and
- c) Establishment of mechanisms and guidelines for research, monitoring, assessment and valuation of coastal and marine ecosystems and resources, including indicators to measure natural and human-induced impacts.

CHAPTER V

PROTECTION AND CONSERVATION OF COASTAL AND MARINE RESOURCES

SECTION. 14. Protection of Endangered Species. – The Blue Economy Council shall monitor, coordinate, and ensure the conservation, protection, and rehabilitation of rare, threatened, and endangered aquatic species as it may determine, including their habitats and migratory routes, in coordination with BFAR and in accordance with existing laws, rules and regulations. It shall recommend to the President and Congress the designation of coastal and marine areas as protected areas under the Expanded National Integrated Protected Areas System, or sanctuaries of local conservation areas under the Fisheries Code and the Local Government Code, and in compliance with the relevant provisions of international treaties and agreements, such as the United Nations Convention on the Law of the Sea, convention on biological diversity, convention on the conservation of migratory species of wild animals, and Convention on the International Trade in Endangered Species of Wild Flora and Fauna.

SECTION. 15. Policy Coordination. – The Blue Economy Council shall harmonize rules and regulations of all relevant agencies responsible for the implementation and enforcement of laws to prevent and eliminate illegal fishing, such as Republic Act (RA) No. 8550, also known as the "Philippine Fisheries Code of 1990," as amended by RA No. 10654. Further, the Council shall act as the coordinating and monitoring arm of the government in ensuring other government agencies' compliance with such laws.

CHAPTER VI

DEVELOPMENT PLANNING

SECTION. 16. Marine Spatial Planning. – The Blue Economy Council shall undertake a nationwide marine spatial planning (MSP) with the participation of key stakeholders to identify the spatial and temporal distribution of priority activities and uses and the interactions thereof in Maritime Zones, in order to reduce conflict among uses, facilitate complementary uses, mitigate environmental impacts, prevent marine dead zones and preserve ecosystem services with the national MSP providing the guiding principles and overarching delineations, and identifying the spatial and temporal distribution of allowed, restricted and regulated human activities and priority uses and the interactions thereof in the coastal and marine zones, and encourage and support the development of regional and local MSPs, which can provide a level of granularity that can be linked to actionable investments, regulations, and enforcement. coastal and marine resource management and conservation measures, and reduction of risks from climate change and natural disasters.

SECTION. 17. Industry Development Plans. – The Blue Economy Council, through working groups created for the purpose, shall prepare five-year and ten-year development plans for each priority strategic and sustainable ocean-based or ocean- related industry, in accordance with the Policy Framework.

SECTION 18. Integration with Area and National Development Plan. – The National Economic and Development Authority (NEDA) shall integrate the maritime spatial plan and industry development plans into all development plans and master plans.

SECTION 19. Inclusion in Investment Programming Plans. – The Blue Economy Council shall (a) recommend to the Board of Investments the inclusion of identified priority strategic ocean-based and ocean-based activities in the Strategic Investment Priority Plan, (b) ensure the inclusion of such programs, activities, and projects (PAPs) in the public investment program.

SEC. 20. Blue Economic Zones. – Investment promotion agencies shall encourage the establishment of blue economic zones and the transformation of existing special economic zones (SEZs) into the same, where locator enterprises engaged in ocean-based or ocean-related activities shall enjoy the privileges, benefits, advantages, or exemptions granted to economic zones and freeports in accordance with their respective special laws.

In addition, the incentives provided under relevant laws may be granted to blue SEZ.

CHAPTER VII

BLUE FINANCE

SECTION 21. Establishment of the Blue Finance Program. – The Blue Finance Program shall be designed and implemented to:

- a) Identify and develop pipelines of Blue Economy projects with strong potential for private investment and scalable impact;
- b) Develop and offer standardized blue financial instruments (e.g., blue bonds, ESG-linked loans, revenue-backed financing facilities) in coordination with financial institutions and capital market actors;
- c) Facilitate the use of a government-backed first-loss facility and credit guarantee fund to de-risk private lenders and investors from defaults by small enterprises investing in the blue economy, including municipal and small-scale fishers, and small-scale commercial fishers as defined under RA No. 8550 as amended, with clear claims processes and payout triggers;
- d) Facilitate on-lending and subsidiary loan arrangements to microfinance institutions, rural banks, and accredited cooperatives through official development assistance (ODA) and proceeds from blue financial instruments, with concessional terms calibrated to match the seasonal cash flows and risk profiles of small enterprises investing in the blue economy, including municipal and small scale fishers, and small scale commercial fishers as defined under RA No. 8550 as amended, and subject to performance-based lending and transparent fund administration mechanisms.
- e) Support fisheries industry and value chain integration; and
- f) Develop sustainability linked criteria ensuring funded activities promote marine conservation and climate resilience.

SECTION 22. Incentives to Issuers of Blue Financial Instruments, or Blue Enterprises and Projects. – Issuers of Blue Financial Instruments, as well as the enterprises and projects financed through such instruments, shall be entitled to the following incentives without need of further determination of eligibility by the Fiscal Incentives Review Board (FIRB) and other relevant incentive-granting agencies:

- a) Fiscal and non-fiscal incentives under the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act (Republic Act No. 11534), including income tax holidays, enhanced deductions, and special corporate income tax rates for qualified activities in sustainable fisheries or marine conservation;
- b) Tax deductions and duty-free importation under the Philippine Green Jobs Act of 2016 (Republic Act No. 10771) for projects that promote environmental sustainability and create green employment;

- c) Access to credit guarantees and co-financing arrangements under the Agricultural and Fisheries Modernization Act (Republic Act No. 8435) and its implementing mechanisms, including those managed by the Agricultural Credit Policy Council (ACPC);
- d) Fiscal and non-fiscal incentives granted by the BOI and other IPAs, provided that qualified blue economy projects shall hereby be included in the Strategic Investment Priority Plan (SIPP) pursuant to the CREATE Act and its implementing rules and regulations; and
- e) Other incentive programs and facilities as may be authorized by the Bangko Sentral ng Pilipinas, the Department of Finance, and relevant government financial institutions (GFIs), including support from the Philippine Guarantee Corporation.

SECTION 23. Role of Government Agencies. – To fulfill the foregoing objectives, the following agencies shall undertake the corresponding roles and responsibilities:

- a) **Bangko Sentral ng Pilipinas.** – In the exercise of its regulatory powers over financial institutions, the BSP shall provide an enabling regulatory environment to promote the development of the country's blue economy, considering international standards and best practices.
- b) **Security and Exchange Commission (SEC).** – The SEC shall encourage the issuance of blue bonds where proceeds will be exclusively applied to finance or refinance, in part or in full, eligible blue PAPs in accordance with SEC guidelines, and ASEAN Green Bonds Standards and Green Bonds Principles, developed and may be revised from time to time by the SEC, the ASEAN Capital Markets Forum and the International Capital Market Association, respectively. All designated blue PAPs must provide clear benefits to ocean health and the blue economy and must contribute substantially to United Nations Sustainable Development Goals 6 and 14, which will be assessed and, where feasible, quantified by the corporation that will issue the blue bonds. The eligibility of these blue PAPs shall be subject to the guidelines that will be issued by the SEC.
- c) **Government Financial Institutions.** – The Land Bank of the Philippines and the Development Bank of the Philippines shall provide credit to strategic and sustainable ocean-based or ocean-related enterprises.
- d) **Philippine Guarantee Corporation (PGC).** – The PGC shall implement credit guarantee programs and support lending arrangements to microfinance institutions, rural banks, and cooperatives.
- e) **Department of Trade and Industry (DTI).** –The DTI, in coordination with relevant agencies, shall enhance the value chain of Blue Economy sectors through supporting small enterprises, including small-scale fishers, in product development, market access, investment readiness, technology adoption, and training.
- f) **Department of Agriculture, Bureau of Fisheries and Aquatic Resources (DA BFAR).** – The DA-BFAR shall lead in identifying fisheries, aquaculture, mariculture and aquasilviculture projects, organizing fisherfolk into eligible enterprises, and providing technical support for business formalization;
- g) **Technical Education and Skills Development Authority (TESDA)** shall:
 - 1) Design and set standards for specific programs on Blue Economy skills training.

- 2) Partner with the Bangko Sentral ng Pilipinas, the Department of Trade and Industry, and other relevant agencies and stakeholders to design and prepare training modules and materials on financial literacy, credit readiness, and business development.
 - 3) Allocate at least five per centum (5%) of scholarships for blue economy skills training, with special attention to small-scale and small commercial fishers.
 - 4) Partner with national government agencies and local government units in supporting and providing training programs and facilities for local communities based on identified community needs; and
 - 5) Partner with non-government organizations, local schools, faith-based groups, cooperatives, and community organizations in establishing community-based training facilities for local communities, especially remote coastal areas.
- h) **Local Governments.** – For the purpose of this Section, in the exercise of their functions under the Local Government Code and their respective charters, local governments shall:
- 1) Issue bonds, debentures, securities, collaterals, notes and other obligations pursuant to Section 299 of the RA No. 7160 and other applicable laws and regulations, for the development of enterprises related to the blue economy;
 - 2) Assist small enterprises investing in the blue economy, including municipal and small-scale fishers, and small-scale commercial fishers as defined under RA No. 8550, as amended, in applying for applicable credits and incentives;
 - 3) Provide education and capacity building for small enterprises investing in the blue economy, including municipal and small-scale fishers, and small-scale commercial fishers as defined under RA No. 8550, as amended; and
 - 4) Provide exemptions and incentives for the benefit of small enterprises investing in the blue economy, including municipal and small-scale fishers, and small-scale commercial fishers.

CHAPTER VIII

MARINE SCIENCE AND OCEAN LITERACY

SECTION 24. Marine Science Research. – The State recognizes marine science as a foundation of maritime governance. All rules, policies, and plans governing the utilization and conservation of coastal and marine resources must be based on sound scientific understanding of the coastal and marine environment. In accordance with UNCLOS, the Philippines has the exclusive rights to regulate, authorize and conduct marine scientific research in our international waters, archipelagic waters, and territorial sea; whereas, the Philippines has rights to regulate, authorize and conduct maritime research in our exclusive economic zone and continental shelf: Provided, That the marine scientific research activities shall not unjustifiably interfere with other legitimate uses of the sea and shall not constitute the legal basis for any claim to and part of the marine environment or its resources.

Marine science research by foreign states and competent international organizations may only be conducted with the express consent of and the conditions set forth by the Council, after coordination with PCG, DA, DND, DENR, DOST, and other relevant agencies, in accordance with the UNCLOS. Activities undertaken in ocean and coastal waters as part of marine science shall observe the principle of transparency. These activities include research and

its entire research process from the planning stage including the design of methodologies, to the conduct of activities, and to the dissemination of results and the analysis and interpretation thereof.

SECTION 25. Ocean Literacy Framework. – The Department of Education, Commission on Higher Education, Technical Education and Skills Development Authority, and other government agencies implementing sector-specific literacy programs, in consultation with relevant Members of the Council or support agencies, shall integrate into the curricula of K-12, the Alternative Learning System, general education programs of higher education institutions, technical and vocational education and training, and other community-based training programs, the essential principles and fundamental concepts of ocean sciences to develop the following competencies:

- a) Understanding the importance of the ocean to humankind;
- b) Communicating the socio-economic and cultural importance of the ocean to normalize and inculcate a culture of valuing and protecting our ecological heritage;
- c) Making informed and responsible decisions regarding the ocean and its resources;
- d) Identifying and incorporating traditional ecological knowledge (TEK) as an important component of archipelagic ocean science and Philippine national heritage; and
- e) Data collection and compilation retrieval system.

CHAPTER IX

ROLE OF LOCAL GOVERNMENTS

SECTION. 26. Role of Local Government Units. – Cities and municipalities shall continue to exercise jurisdiction over municipal waters, pursuant to RA No. 7160, also known as the "Local Government Code of 1991," as amended, and RA No. 8550, as amended. Consistent with this mandate, LGUs shall act as the frontline agencies in the formulation, planning, and implementation of IMCAM in their respective jurisdictions. The LGUs shall develop their local marine spatial plan in accordance with the National Maritime Spatial Plan, and integrate them in their comprehensive land use plan, comprehensive development, and annual investment plan, ICM or Coastal Resource Management Plan, Climate Change Action Plan, and Disaster Risk Reduction and Management Plan, and opportunities such as the National Sewage and Septage Management Plan and the funds under the Clean Water Act.

SECTION 27. Inter-LGU Cooperation. – Consistent with the provisions of RA No. 7160, as amended, LGUs may group themselves, consolidate, or coordinate their efforts, services, and resources for the accomplishment of the objectives of this Act

CHAPTER X

BLUE ECONOMY COUNCIL

SECTION 28. Blue Economy Council. – The Blue Economy Council, herein referred to as the "Council," is hereby established to formulate an integrated strategy to strengthen, grow, and sustain the Philippines's blue economy, integrated marine and coastal management, and ecosystem-based management of coastal and marine resources.

SECTION 29. Composition. – The Council is composed of the following:

- a) Executive Secretary - Chairperson;
- b) Secretary of Environment and Natural Resources - Co-Vice Chairperson;
- c) Secretary of Socio-Economic Planning - Co-Vice Chairperson;
- d) Secretary of National Defense - Member;
- e) Secretary of Foreign Affairs - Member;
- f) Secretary of Justice - Member;
- g) Secretary of the Interior and Local Government - Member;
- h) Secretary of Agriculture - Member;
- i) Secretary of Tourism - Member;
- j) Secretary of Transportation - Member;
- k) Secretary of Trade and Industry - Member;
- l) Secretary of Energy - Member;
- m) Secretary of Science and Technology - Member; and
- n) Secretary of Finance - Member.

Department Secretaries may designate an Undersecretary, whose portfolio covers matters directly or principally relating to the development or management of coastal and marine resources and ecosystems, if applicable. They shall sit in a permanent capacity, and their acts shall be considered the acts of their principals.

Majority of the members shall constitute a quorum.

SECTION 30. Mandates, Powers, and Functions of the Blue Economy Council. – The Council shall be responsible for formulating a clear, coherent, and comprehensive Policy Framework and Strategic Action Plan on Blue Economy. It shall:

- a) Develop the country's policy framework and strategic vision for the growth and sustainable development of the country's blue economy;
- b) Institutionalize an integrated marine and coastal management;
- c) Enhance the country's ecosystem-based management of coastal and marine resources;
- d) Align integrated coastal management (ICM) plans, fisheries management plans, coastal resource management plans, climate action plans, and marine spatial plans to determine zones, designate allowed, regulated, and restricted activities;
- e) Strengthen economic and environmental regulations within our coastal and marine areas to preserve the value and sustainability of ocean resources and their protection from

threats;

- f) Identify climate-resilient and environmentally sound investments, infrastructure, and technologies;
- g) Ensure an enabling environment for the growth and development of sustainable investment and finance;
- h) Identify priority blue economy sectors;
- i) Institutionalize regular coastal and ocean monitoring and accounting;
- j) Coordinate the development of marine spatial plans;
- k) Coordinate with various sectors and agencies to promote policy and program coherence;
- l) Coordinate and cooperate with maritime industry authority to ensure that the Framework shall be in harmony with and not overlap with the maritime industry development plan;
- m) Coordinate with the Inter-Agency Coordinating Committee on Ratification and Accession to and Implementation of Maritime Conventions (ICCRAIMC) and ensure that it will aid in the implementation thereof;
- n) Conduct, support, fund, engage, collaborate, and/or coordinate research and development in blue economy;
- o) Develop, expand, and strengthen investments in capacity building and skills enhancement programs for the blue economy, and encourage such to be featured in the work planning of governments, the private sector, and civil society organizations;
- p) Review, update, and disseminate the policy framework and strategic action plan on blue economy; and
- q) Perform other functions as may be necessary for the implementation of this Act.

SECTION 31. Secretariat. – A Secretariat to the Council shall be established within NEDA, to be headed by an Executive Director III (Salary Grade 28) who shall be appointed by the President of the Philippines. The Secretariat shall be under the control and supervision of the NEDA Director General. The Executive Director III shall have at least seven (7) years of experience and practice in the fields of marine science and research, blue economy and ecosystem-based management of coastal and marine resources, environmental economics, environmental accounts, and financial analysis to qualify for appointment. The Executive Director III shall be appointed by the Council.

The initial staffing structure and complement of the Secretariat shall be submitted by the NEDA to the Department of Budget and Management (DBM) for funding. NEDA shall constitute an interim Secretariat within one (1) month from the effectivity of this Act, through the temporary detail of personnel from its member agencies.

The Secretariat shall have the following functions:

- a) Provide secretariat support to the Council, including the preparation of draft strategies, priorities, and other outputs to be adopted by the council;
- b) Consult with experts who can offer insights on blue economy and ecosystem-based

management of coastal and marine resources policymaking and priority setting;

- c) Coordinate with various agencies of the government, private sector, academe, scientific community, civil society organizations, indigenous peoples and local communities, and the public;
- d) Design and implement a blue economy development program to promote its use and adoption in the government bureaucracy;
- e) Develop recommendations for consideration by the Council; and
- f) Perform other functions as may be directed by the Council.

SECTION 32. Support Agencies. – The following Agencies to provide material or technical support to the Council as may be deemed necessary:

- a) Climate Change Commission (CCC);
- b) Bangko Sentral ng Pilipinas (BSP);
- c) Board of Investments (BOI);
- d) Securities and Exchange Commission (SEC);
- e) Philippine Statistics Authority (PSA);
- f) National Mapping and Resources Information Authority (NAMRIA);
- g) Environmental Management Bureau (EMB);
- h) Biodiversity Management Bureau (BMB);
- i) Bureau of Fisheries and Aquatic Resources (BFAR);
- j) National Fisheries Research and Development Institute (NFRDI);
- k) Philippine Fisheries Development Authority (PFDA);
- l) Philippine Council for Agriculture and Fisheries (PCAF);
- m) Maritime Industry Authority (MARINA);
- n) Philippine Ports Authority (PPA);
- o) Philippine Reclamation Authority (PRA);
- p) Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAANRRD);
- q) Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA);
- r) Department of Foreign Affairs (DFA);

- s) Philippine Coast Guard (PCG);
- t) Philippine National Police-Maritime Group (PNP-MG);
- u) Philippine Navy (PN);
- v) National Museum-Maritime and Underwater Cultural Heritage Division (NM-MUCHD);
- w) Commission on Higher Education (CHED);
- x) Relevant institutions and components of the University of the Philippines (UP); and
- y) Investment promotion agencies.

To ensure the efficient and effective discharge of its responsibilities, the Council may create working groups and call upon other departments, bureaus, offices, and instrumentalities of the Government and academic and research institutions engaged in marine science and ocean-based or ocean-related activities to participate in working groups, as it may deem necessary.

CHAPTER XI

FINAL PROVISIONS

SECTION 33. Congressional Oversight. – For the effective implementation of this Act, a Congressional Oversight Committee is created to be known as the Blue Economy Oversight Committee. The Blue Economy Oversight Committee 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 on Economic Affairs.

SECTION 34. Reportorial Requirements. – The Council shall, within six (6) months from the effectivity of this Act, formulate the Policy Framework and Strategic Action Plan on Blue Economy. The Framework shall be subjected to mandatory review and modification every five (5) years. The Strategic Action Plan shall be subjected to mandatory annual review and reporting. The Framework and the Strategic Action Plan reports shall be submitted to the Office of the President and to the Chairpersons of the Committees on Economic Affairs of the Senate and the House of Representatives. The reports shall be made publicly available through the respective websites of the relevant government agencies.

The National State of Ocean and Coasts Report (NSOC) may be used for the blue economy review, monitoring, evaluation, and reporting process.

SECTION 35. Appropriations. – The initial implementation of this Act shall be charged against the current year's appropriations of the departments or agencies concerned. Thereafter, the amount necessary for its continued implementation shall be included in the respective budgets of the departments, and agencies concerned in the annual General Appropriations Act.

SECTION 36. Implementing Rules and Regulations. – The Council shall issue the implementing rules and regulations within sixty (60) days from the approval of this Act: Provided, that failure to issue rules and regulations shall not in any manner affect the executory

nature of the provisions of this Act.

SECTION 37. 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.

SECTION 38. Repealing Clause. – All other laws, decrees, executive orders, and rules and regulations contrary to or inconsistent with the provisions of this Act are repealed or modified accordingly.

SECTION 39. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,