



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 4857



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

EXPLANATORY NOTE

Many small-scale fisherfolk own boats, nets, and other tools—but banks do not see these as “real” assets because they are not formally registered or accepted as collateral. So even if fisherfolk already have valuable equipment, they still cannot use it to get a loan.

This bill fixes that. It updates the law so that fishing boats, gear, future catch, and other movable assets can be used as legal collateral. It also makes it easier and cheaper for fisherfolk to register their assets and gives them access to ready-made legal templates to use in applying for loans.

Once their tools are recognized as collateral, fisherfolk can finally unlock credit from banks instead of relying on loan sharks. This means they will have more options to invest in safer, more sustainable gear, improve their businesses, and become part of the formal economy.

This measure is a crucial part of the *Blue Finance Legislative Package*.¹ Without it, fisherfolk will not be able to access the new credit programs proposed in the package. It

¹ This legislative package seeks to unlock the full potential of the Philippines’ blue economy by empowering small-scale fisherfolk, enhancing financial inclusion, and mobilizing both public and private investment in sustainable fisheries and coastal infrastructure. The five measures in this package, as listed below, are designed to function as a cohesive system addressing systemic gaps in credit access, investment incentives, institutional mandates, and infrastructure development.

1. *Blue Finance for Small-Scale Fisherfolk Act* – Establishes concessional credit programs and financial advisory services.
2. *Fisheries Asset Collateralization Act* – Allows use of fishing gear and future catch as loan collateral.
3. *RA 11901 Amendment* – Introduces mandatory fisheries sub-quotas and weighted incentives in agricultural lending, so banks cannot bury the sector under generic agri lending.
4. *Fisheries Financing Empowerment Act* – Mandates LandBank to create a Fisheries Financing Unit with a dedicated portfolio.
5. *DBP Blue Finance Infrastructure Amendment Act* – Expands DBP’s charter to prioritize post-harvest and climate-resilient infrastructure.

Together, these reforms will reduce fisherfolk poverty, enhance value-chain integration, and promote long-term sustainability of marine resources by making the sector more bankable, investable, and resilient.

strengthens the backbone of the entire package—making sure that loans can actually be delivered.

Immediate passage of this bill is earnestly sought.



ANTONINO B. ROMAN III



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 4857

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

AN ACT
STRENGTHENING ACCESS TO CREDIT FOR SMALL-SCALE FISHERFOLK
BY FACILITATING THE COLLATERALIZATION OF FISHERIES ASSETS
AND AMENDING REPUBLIC ACT NO. 11057, OTHERWISE KNOWN AS THE
“PERSONAL PROPERTY SECURITY ACT,” AND FOR OTHER PURPOSES

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 “Fisheries Asset Collateralization Act.”

SECTION 2. Declaration of Principles. – It is the policy of the State to promote financial inclusion among small-scale fishers and facilitate their access to formal credit. Recognizing that traditional collateral requirements often exclude fisherfolk from lending systems, the State shall enable the use of fisheries-related movable assets—such as fishing vessels, gear, equipment, receivables, and future catch—as viable collateral by strengthening the legal and institutional framework for their registration and recognition under the Personal Property Security Act (RA No. 11057).

SECTION 3. Definition of Terms. –

- a) “Fisheries Assets” – Movable properties used in or derived from small-scale fishing operations, including but not limited to:
- 1) Small fishing boats or bancas;
 - 2) Fishing gear and equipment;
 - 3) Cold storage containers;
 - 4) Marine engines and fuel tanks;
 - 5) Receivables from fish sales; and
 - 6) Future fish catch contractually committed to buyers.

- b) “Small-Scale Fishers” – Include both Subsistence Fishers and Small-Scale Commercial Fishing Operators as defined below.

1) “Small-Scale Commercial Fishing Operators” – Individuals, households, or cooperatives engaged in fishing and fisheries-related activities with passive or active gear utilizing fishing vessels of 3.1 gross tons (GT) up to twenty (20) GT who or which still face significant barriers in scaling their fishing operations and accessing affordable financing.

2) “Subsistence Fishers” – Individuals, households, or cooperatives engaged in fishing and fisheries-related activities, using fishing vessels of three (3) GT, or no vessels at all, and whose primary source of livelihood is fishing or fish-related work, including household-level, non-commercial, and artisanal fishers who generally operate with limited capital, low technology, and minimal access to formal financial services shall be included in the coverage of this definition.

The Department of Agriculture – Bureau of Fisheries and Aquatic Resources (DA-BFAR), in consultation with the Agricultural Credit Policy Council (ACPC), shall develop implementing guidelines to operationalize this definition and sub-categories, including the use of socioeconomic criteria and profiling data from the Registry System for Basic Sectors in Agriculture (RSBSA) and the Philippine Statistics Authority.

SECTION 4. Amendment to RA No. 11057. – Section 3 of Republic Act No. 11057 is hereby amended to include the following subparagraph:

(l) Fisheries Assets – Movable properties used by small-scale fisherfolk in fishing or fishery-based livelihoods, including boats, fishing gear, cold storage, receivables from fish sales, and future catch, shall be deemed personal property eligible for registration as collateral under this Act.

SECTION 5. Simplification of Registration Process. – The Department of Finance (DOF), in coordination with DA-BFAR, in coordination with the Land Registration Authority (LRA), the Department of Trade and Industry (DTI), and the Personal Property Security Registry (PPSR), shall:

- a) Issue guidelines to simplify documentary requirements and technical descriptions of fisheries assets for purposes of registration under RA No. 11057;
- b) Develop standardized templates for security agreements involving fisheries assets and promote the use of digital platforms for registration where feasible; and
- c) Waive or subsidize registration fees for qualified fisherfolk under the National Registry of Municipal Fisherfolk (NRMF).

SECTION 6. Minimum and Simplified Documentation for Creation of Security Interest over Receivables and Future Fish Catch. – To facilitate access to credit by small-scale fishers, the creation of a security interest over receivables from fish sales or future fish catch contractually committed to buyers shall require only the following minimum documents:

- a) A valid and identifiable sales contract, purchase order, or forward supply agreement specifying the buyer, product, quantity, delivery terms, and price;

- b) A financing agreement or equivalent written instrument indicating the intent to create a security interest in the receivables or future catch;
- c) A simple written declaration by the borrower or cooperative attesting to the existence and good faith execution of the contract or agreement;
- d) Proof of consistent sales or remittances from buyers over at least two prior harvest cycles;
- e) Written attestations from cooperatives, fish processors, or registered consolidators indicating volume and frequency of past transactions; or
- f) Written statements supported by barangay records, logbooks, or buyer attestations.

These documents shall be sufficient for purposes of registration in the PPSR under Republic Act No. 11057. No notarization, formal valuation, or additional certifications shall be required to perfect the security interest.

SECTION 7. Capacity Building and Awareness Campaign. – The DA-BFAR and Cooperative Development Authority (CDA), in partnership with accredited non-government organizations (NGOs) and fisherfolk cooperatives, shall conduct:

- a) Pre- and post-loan training on financial literacy and the use of fisheries assets as collateral;
- b) Legal clinics on drafting security agreements; and
- c) Information campaigns on the benefits and risks of asset-based lending.

The DA-BFAR shall designate focal persons at BFAR regional and municipal offices to assist small-scale fishers in collateral registration and legal documentation.

SECTION 8. Monitoring and Reporting. – The PPSR, DOF, and DA-BFAR shall jointly submit an annual report to Congress on the implementation of this Act, including data on registered fisheries assets under the PPSR, credit uptake under DOF, and impact on fisherfolk livelihoods under DA-BFAR.

The PPSR, DOF, and DA-BFAR, shall establish a comprehensive Monitoring and Evaluation Framework with clear indicators, real-time feedback mechanisms, and regular reporting to guide the implementation of this Act.

SECTION 9. Implementing Rules and Regulations. – Within ninety (90) days from the effectivity of this Act, the DA-BFAR, DTI, LRA, and PPSR, in consultation with stakeholders, shall promulgate the implementing rules and regulations.

SECTION 10. Separability Clause. – If any provision of this Act is declared unconstitutional or invalid, the remaining provisions shall not be affected.

SECTION 11. Repealing Clause. – All laws, executive orders, rules, and regulations or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 12. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,