



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 4859



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

EXPLANATORY NOTE

Our small-scale fisherfolk catch more than half of the country's fish, yet many of them live in poverty. Most do not have access to banks and rely instead on informal lenders who charge very high interest rates. This keeps them trapped in debt and prevents them from upgrading their boats, gear, and operations.

Although the Land Bank of the Philippines is supposed to support the fisheries sector, most of its lending still goes to large farms and agriculture. This bill will fix that by creating a special unit inside the Land Bank called the Fisheries Financing Unit. This unit will focus only on fisherfolk and the fishing industry.

The Fisheries Financing Unit will be required to set aside at least 5 percent of its loan portfolio for fisherfolk projects. It will also be allowed to raise money through "blue bonds," work with private banks, and accept grants from government and international donors. It will design loan programs that match the seasonal nature of fishing and address common problems like lack of collateral.

Other countries like Indonesia and Vietnam have shown that focused lending programs can modernize the fisheries sector and lift communities out of poverty. We can do the same.

This bill supports the other proposals in the *Blue Finance Legislative Package*.¹ It will ensure that public money helps bring in more private investment, and that all fisherfolk—no matter how small—have fair access to capital.

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.

Immediate passage of this bill is earnestly sought.



ANTONINO B. ROMAN III

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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.



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AN ACT
AMENDING REPUBLIC ACT NO. 3844, AS AMENDED, ESTABLISHING A
DEDICATED FISHERIES FINANCING UNIT AT THE LAND BANK OF THE
PHILIPPINES, MANDATING A MINIMUM PORTFOLIO FOR SMALL-SCALE
FISHERFOLK, 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 Financing Empowerment Act.”

SECTION 2. Declaration of Principles. – It is hereby declared the policy of the State to foster inclusive, sustainable, and resilient growth in the fisheries sector by guaranteeing sufficient, affordable, and appropriately structured credit for small-scale fisherfolk, their cooperatives, and fisheries value-chain enterprises.

SECTION 3. Definition of Terms. –

- a) “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” – are 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. Insertion of New Sections into RA No. 3844. – RA No. 3844 is hereby amended to include the following sections:

Sec. 99-A. Creation of the FFU. The Land Bank of the Philippines (Land Bank) shall establish a dedicated Fisheries Financing Unit (FFU) tasked exclusively with designing, managing, and monitoring credit, guarantee, and equity programs for the fisheries and coastal-based aquaculture sector.

Sec. 99-B. Portfolio Requirement. Landbank shall ensure that 5% of its total outstanding loan portfolio is allocated for direct loans to small-scale fishers and their cooperatives and associations and administered for this purpose by the FFU, on top of the 10% provided under Republic Act No. 8550 as amended.

Sec. 99-C. Preferential Terms. Loans or investments under the FFU shall feature concessionary terms; provided that, these shall not be extended to higher-income fishers not in need of targeted credit or support interventions, as identified by the FFU in accordance with relevant laws and regulations.

Sec. 99-D. Capital Infusion and Risk-Sharing Mechanisms. The Land Bank is authorized to allocate up to five percent (5%) of its net income to augment the FFU's reserves, enter into risk-sharing arrangements, and issue sustainability bonds.

Sec. 99-E. Technical-Assistance Facility. A Technical-Assistance Facility shall support financial literacy, business development, and environmental compliance.

Sec. 99-F. Annual Reporting. The Land Bank shall submit an annual FFU Impact Report to Congress and the Bangko Sentral ng Pilipinas.

SECTION 5. Government Support and Regulatory Alignment. – The BSP shall issue prudential guidelines allowing risk-weight concessions on FFU-originated loans. The DA-BFAR shall accredit eligible projects and cooperatives.

SECTION 6. Implementing Rules and Regulations. – Within sixty (60) days from effectivity, the Land Bank, DOF, DA-BFAR, NEDA, and BSP shall issue the implementing rules and regulations.

SECTION 7. Separability Clause. – If any provision is declared unconstitutional, the remainder shall remain in effect.

SECTION 8. Repealing Clause. – All laws, executive orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 9. Effectivity. – This Act shall take effect fifteen (15) days after publication in the Official Gazette or a newspaper of general circulation.

Approved,