



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

Twentieth Congress
First Regular Session

HOUSE BILL NO. 4934



Introduced by Representative Katrina Reiko Chua - Tai

EXPLANATORY NOTE

This bill seeks to establish a framework for the blue economy and promote the stewardship and sustainable development of coastal and marine ecosystems and resources.

As enshrined in Article XII, Section 2 of the 1987 Constitution, it is a national policy 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.”* As a signatory to the United Nations Convention on the Law of the Sea (UNCLOS), the Philippines reaffirms its commitment to sustainable ocean governance.

In line with these principles, this bill proposes the adoption of a Blue Economy Initiative and the establishment of a National Maritime Council. This council will serve as the central coordinating body responsible for formulating, studying, and implementing a national blue economy framework. Through this, the international call for a comprehensive maritime policy by establishing a legal structure that ensures the protection, sustainability, and equitable use of the Philippines’ vast marine resources is answered.

The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) established the Global Ocean Accounts Partnership (GOAP) to bring together diverse member institutions that have common interest to ensure that the values and benefits of oceans are recognized and accounted for in decision-making about social and economic development. Further, it describes a statistical framework for measuring the ocean, its importance to people, and what people are doing to change it.

Widely recognized for its exceptional marine biodiversity and abundant natural resources, the Philippines is an archipelago composed of 7,641 islands. It features an extensive coastline stretching 36,289 kilometers and is surrounded by major bodies of water, including the Babuyan Channel, Pacific Ocean, Celebes Sea, Sulu Sea, and the West Philippine Sea.

The Philippines' economic mobility is significantly influenced by ocean-based activities, as coastal and marine resources play a vital role in the country's economy. A large proportion of the population resides in coastal zones, underscoring the importance of these areas for livelihoods, food security, and economic development. The country also has a long-standing history of environmental and economic accounting, beginning with a pioneering project led by the Department of Environment and Natural Resources (DENR) in 1991. This initiative resulted in a series of pilot accounts that have supported natural resource management policies and facilitated the integration of natural capital accounting into national development planning and policy analysis for the sustainable use of resources.

In 2023, these activities surged to P943.05 billion, reflecting a notable 9.9% annual growth. This sector accounted for 3.9% of the Philippines' Gross Domestic Product (GDP) at current prices.

The top three fastest-growing industries within the ocean economy were:

1. Coastal recreation: 139.6% growth;
2. Coastal accommodation and food and beverage services: 117.8% growth; and
3. Marine education: 14.4% growth.

In terms of contribution to the overall ocean economy, ocean fishing held the largest share at 28.6% followed by the manufacture of ocean-based products at 20.9%. Sea-based transportation and storage contributed 15.0%, while ocean-based power generation, transmission, and distribution accounted for 10.3%.

As the country moves forward toward the ultimate goal of development, marked by rapid industrialization and the integration of modern technology into daily lives, other critical factors must be taken into consideration. While innovation and transformative changes are implemented to improve the lives of Filipinos, it is essential not to forget the growing pressure placed on the environment —on Mother Nature herself.

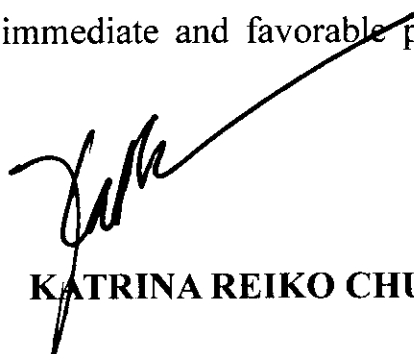
The triple planetary crisis, climate change, environmental pollution, and biodiversity loss has, brought about incalculable risks and irreversible losses across the globe. Yet, its most profound impact is felt by the most vulnerable: the children. In the Philippines, this reality is especially stark. From 2016 to 2021, an estimated 9.7 million Filipino children were displaced due to environmental hazards, the highest number recorded globally. Alarming, 97 percent of children have experienced three or more types of environmental shocks, hazards, or stresses, while 77 percent have endured four or more. Access to basic necessities remains critically low. Only 48 percent of the population has access to safely managed drinking water, and just 63 percent benefit from safe sanitation services, meaning open defecation is still practiced widely. In the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), these numbers drop even further, with figures nearly three times lower than the national average. The situation deteriorates further during emergencies, which are frequently intensified by the country's high exposure to extreme weather events.

The Philippines consumes a staggering 163 million pieces of sachets every day. Like many rapidly developing countries, the Philippines grapples with unsustainable plastic production, consumption and insufficient solid waste management infrastructure. A staggering 2.7 million tons of plastic waste are generated in the Philippines each year, and an estimated 20 percent ends up in the ocean. Comprised of more than 7,500 islands, the livelihoods of the Philippines' coastal communities, and the fishing, shipping and tourism industries are especially vulnerable to the impacts of marine debris.

This is a serious call for a national policy initiative.

The Philippines must remain steadfast in its commitment to preserve, conserve, and protect the oceans, while responsibly harnessing the immense potential of ocean-based economic activities to drive inclusive and sustainable national development.

In view of the foregoing, the immediate and favorable passage of this measure is earnestly sought.



KATRINA REIKO CHUA - TAI



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AN ACT
ESTABLISHING A FRAMEWORK FOR THE BLUE ECONOMY AND
PROMOTING THE 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:

CHAPTER I
PRELIMINARY PROVISIONS

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

SEC. 2. ***Declaration of Policy.*** – It is the policy of the State to:

- (a) Adopt blue economy as a framework for equitable and sustainable development and safe use of marine wealth within the country’s maritime zones, and as a pillar of national economy and patrimony;
 - (b) Exercise stewardship of the seas and coasts, and protect and
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conserve the health and resilience of marine and coastal ecosystems habitats, through strong institutional mechanisms for maritime monitoring and regulatory enforcement, to promote the well-being, prosperity and security of present and future generations;

(c) Preserve the maritime heritage, recognize the social culture, historical value and foster a public understanding and respect for the seas and coasts to build a strong foundation for social responsibility;

(d) Enrich scientific understanding of marine and coastal ecosystems, including the benefits from these ecosystems, their changing conditions and the causes thereof, and use the best available scientific knowledge to inform decisions affecting the seas and coasts and enhance the capacity to respond and adopt to changing maritime environments;

(e) Foster international cooperation and multi-stakeholder engagement, and exercise rights and jurisdiction in accordance with the applicable internal laws, including the freedom of navigation;

(f) Ensure a whole-of-nation approach and a comprehensive, integrated framework for the stewardship of the seas and coasts to facilitate cohesive action of the national government, local authorities, academe, nongovernmental organizations, the private sector, and the public; and

(g) Spearhead, promote, support, and monitor science, technology, and innovation programs of public and private academic and research institutions to strengthen interdisciplinary research in marine science, and

develop emerging technologies to catalyze the growth of new maritime sectors.

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

(a) *Blue economy* refers to the integrated, holistic, cross-sectoral, and cross-stakeholder approach for the sustainable, resilient and inclusive use, governance, management and conservation of oceans, seas as well as marine and coastal resources and ecosystems for economic growth, leveraging green infrastructure and technologies, innovative financing mechanism and proactive institutional mechanisms, and improving human well-being and social equity, and reducing environmental risks and ecological scarcities;

(b) *Blue public expenditure* refers to public expenditures that address issues related to coastal and marine resources, environmental degradation, and development aspirations that depend on marine resources and environments;

(c) *Environmental-economic accounting* refers to a systematic way to measure and report on stocks and flows of natural asset and resources - both biotic and abiotic, renewable and non-renewable - and ecosystem services, to determine the contribution of the environment to the economy and the impact of the economy on the environment;

(d) *Integrated Marine and Coastal Area Management (IMCAM)* refers to a participatory process for decision-making to prevent, control, or

mitigate adverse impacts from human activities in the marine and coastal environment, and contribute the restoration of degraded coastal areas;

(e) *Investment promotion agencies (IPAs)* refer to government entities in charge of promoting investments, granting and administering tax and non-tax incentives, and overseeing the operations of the different economic zones and freeports.

(f) *Marine scientific research* refers to any research activity for the purpose of increasing scientific knowledge about the marine environment, including all-natural resources, toward the benefit of mankind and according to the United Nations Convention on the Law of the Seas (UNCLOS);

(g) *Maritime spatial planning* refers to a process by which human activities in maritime zones are analyzed and organized, based on the best available scientific knowledge, to achieve economic, ecological and social objectives;

(h) *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, marine tourism, and marine construction; and

(i) *Ocean-related activities* refer to activities that use products from the ocean such as seafood processing, marine biotechnology, chemicals, salt, and produce products and services for the ocean and ocean-based activities

such as shipbuilding and repair, ports, tourist resorts, communication, maritime insurance and law, and maritime technical services.

CHAPTER II

NATIONAL MARITIME MONITORING SYSTEM

SEC. 4. *National Maritime Monitoring System.* – The National Coast Watch System, established under Executive Order (EO) No. 57, Series of 2011, is renamed as the National Maritime Monitoring System (NMMS). It shall serve as the central inter-agency mechanism for a coordinated and coherent approach on maritime issues and maritime security operations towards enhancing governance in the country's maritime domain.

SEC. 5. *National Maritime Council.* – The National Coast Watch Council, created under EO 57, is renamed and reconstituted as the National Maritime Council, hereinafter referred to as the "*Council.*" The Council shall have the following powers and functions:

(a) Provide strategic direction and policy guidelines for NMMS maritime security operations, and multinational and cross-border cooperation on maritime security;

(b) Conduct periodic review of maritime security operations and render periodic reports to the President of the Philippines and the National Security Council (NSC);

(c) Recommend to the President of the Philippines policies and procedures in managing and securing the country's maritime domain, as

well as the issuance of administrative rules and regulations to enhance the maritime security;

(d) Harmonize capability plans and fund requirements relative to maritime security missions;

(e) Harmonize and coordinate the roles and relationships of different government agencies, pursuant to their mandates, relative to the policy direction of maritime security and governance framework as may be determined by the Council;

(f) Convene or dissolve, as the need arises, inter-agency committees or working groups to assist the Council in the performance of its functions;

(g) Exercise overall jurisdiction and direction over policy-formulation, implementation and coordination with other government agencies, experts and organizations, both foreign and local, on all maritime issues affecting the country;

(h) Enlist or require the support or assistance of any department, bureau or agency of the government in the pursuit of its mandates and functions;

(i) Promulgate rules and regulations as may be necessary for the Council to perform its mandate under this Act;

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

(k) Coordinate the maritime regulation or licensing and law enforcement

for strengthened preparedness and responsiveness to potential security threats or concerns in the country's maritime areas and zones;

(l) Build capacities in monitoring, including the use of digital and innovative technologies for security and surveillance activities;

(m) Formulate an integrated strategy to promote blue economy and ecosystem-based management of coastal and marine resources; and

(n) Perform such other functions as may be necessary for the effective discharge of its mandate or as may be directed by the President of the Philippines;

SEC. 6. *Composition of the Council.* – The Council is composed of the Executive Secretary as Chairperson and the Secretaries of the following national agencies as members:

(a) Department of Economy, Planning and Development (DEPDev);

(b) Department of Environment and Natural Resources;

(c) Department of National Defense;

(d) Department of Foreign Affairs;

(e) Department of Justice;

(f) Department of the Interior and Local Government;

(g) Department of Agriculture;

(h) Department of Tourism;

(i) Department of Trade and Industry;

(j) Department of Energy;

- (k) Department of Science and Technology;
- (l) Department of Finance;
- (m) Department of Education (DepEd);
- (n) Department of Information and Communications Technology; and
- (o) National Security Council.

The Executive Secretary may appoint an *ad hoc* member from another government agency whose expertise is required to fulfill the purpose of this Act. The Secretaries may designate an alternative representative to fulfill the duties of a member of the Council.

SEC. 7. ***National Maritime Secretariat.*** – The Coast Watch Council Secretariat, established under Section 4 of EO 57, is renamed as the National Maritime Secretariat. The Secretariat shall provide technical and administrative support to the Council and have the following functions:

(a) Provide consultative research and administrative services to the Council;

(b) Assist the Council in proposing and reviewing legislative and administrative issuances on maritime security;

(c) Assist inter-agency committees and working groups created by the Council in the performance of their respective mandates, including the provision of administrative, technical and secretariat support; and

(d) Perform such other functions and tasks as the Council may direct.

The Secretariat shall be headed by an Executive Director, who shall be appointed by the Chairperson, upon the recommendation of the Council. The Council shall determine the personnel requirements of the Secretariat in accordance with applicable laws, rules and regulations.

SEC. 8. ***National Maritime Coordination Center.*** – The National Coast Watch Center, established under Section 5 of EO 57, is renamed as the National Maritime Coordination Center, hereinafter referred to as the “*Center,*” and shall be headed by the Philippine Coast Guard. The Center shall implement and coordinate maritime security operations and have the following functions:

- (a) Gather, consolidate, synthesize and disseminate information relevant to maritime security;
- (b) Develop and maintain effective communications and information systems to enhance inter-agency coordination in maritime security operations;
- (c) Coordinate the conduct of maritime surveillance or response operations upon the request of a member agency or when an exigency arises;
- (d) Plan, coordinate, monitor, evaluate, document and report on the conduct of maritime security operations;
- (e) Coordinate cross-border and multinational maritime security cooperation, when authorized by the Council;
- (f) Coordinate support for the prosecution of apprehended violators;

- (g) Develop a common operating picture to enhance maritime situational awareness;
- (h) Conduct periodic assessments on maritime security;
- (i) Initiate cross-border and multinational maritime security cooperation in cooperation with the Department of Foreign Affairs, when authorized by the Council; and
- (j) Perform such other functions as may be directed by the Council.

CHAPTER III

POLICY FRAMEWORK ON BLUE ECONOMY

SEC. 9. ***Policy Framework.*** – Within six (6) months from the effectivity of this Act, the Council shall formulate a Policy Framework on Blue Economy, herein referred to as the Policy Framework. The Policy Framework shall serve as the basis for maritime spatial planning, determination of investments to develop modern physical infrastructure and build an enabling environment for blue economy to prosper, and enhance maritime domain awareness, and enforcement of economic and environmental regulations within the Philippine maritime zones. The Policy Framework is subject to mandatory review and modification every three (3) years.

SEC. 10. ***Components.*** – The Policy Framework shall include the following components:

- (a) Review of existing policies, plans, programs, projects, rules and regulations on ocean-based and ocean-related activities in the maritime

zones, including seafood processing and storage, commercial research and development activities for biomass resource and fish stock estimation, and artificial intelligence for forecasting fish stocks and supply;

(b) Compliance with local and international maritime laws;

(c) Analysis of current and emerging trends in demography, consumption, trade, technology, and climate that show the interaction between the economy and the environment, and present threats and pressures on coastal and marine environments;

(d) Environmental-economic accounting of coastal and marine assets and resources, and ecosystem goods and services from coastal and marine environments;

(e) Priority strategic and sustainable ocean-based and ocean-related economic activities within the maritime zones, which may include the following:

(1) Fisheries, including commercial fishing, but with preference to subsistence fisheries;

(2) Aquaculture, mariculture and aquasilviculture, and support industries, including seafood processing and storage, and aquaculture feed milling;

(3) Marine and coastal tourism;

(4) Shipping, logistics and maritime transport;

(5) Ship building 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 culture heritage and marine archaeology; and
- (11) Commercial research and development activities and commercialization of new and emerging technologies developed from locally-undertaken research and development.

(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 services that may be affected;

(g) Adoption of integrated marine and coastal area management;

(h) Strategies to promote blue finance;

(i) Priority research and development agenda, including the development of innovative technologies, and human capital to support the blue economy;

(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 and civilian agencies to enforce laws, rules and regulation to protect marine wealth;

(l) Goals, targets and indicators for growth, resilience and sustainability of priority strategic and sustainable ocean-based and ocean-related activities, including its 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 the Policy Framework is continually updated and adapted to the needs of the times.

CHAPTER IV

COMPLIANCE WITH INTERNATIONAL MARITIME INSTRUMENTS

SEC. 11. *International Maritime Instruments.* – The Council shall direct the Inter-Agency Coordinating Committee, created under EO 159, Series of 2021, to facilitate the ratification of, or accession to, and implementation of, marine conventions and establish mechanisms for the full and effective implementation and enforcement of international maritime instruments including:

- (a) United Nations Convention on the Law of the Seas (UNCLOS);
- (b) Convention on the International Trade of Endangered Species of Flora and Fauna;
- (c) United Nations Educational, Scientific and Cultural Organization 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;

(e) International Convention for the Prevention of Pollution from Ships and its Protocol of 1978;

(f) Convention on the International Regulations for Preventing Collisions at Sea (1972), as amended;

(g) International Convention on Load Lines (1966) and its Protocol of 1988, as amended;

(h) International Convention on the Tonnage Measurement of Ships (1969);

(i) Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation (1988) and its Protocol;

(j) International Convention on Oil Pollution Preparedness, Response and Co-operation (1990);

(k) International Convention for the Control and Management of Ships' Ballast Water and Sediments (2004);

(l) Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter (1972), as amended, and its 1996 Protocol;

(m) Special Trade Passenger Ships Agreement (1971);

(n) Convention on the International Mobile Satellite Organization, as amended (IMSO 1976) and its Operating Agreement;

(o) International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (1978), as amended;

(p) International Convention on the Control of Harmful Anti-Fouling

Systems on Ships (2001);

(q) Protocol of 1992 to amend the International Convention on Civil Liability for Oil Pollution Damage (1969);

(r) Protocol of 1992 to amend the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage (1971); and

(s) Other relevant maritime treaties, conventions, or instruments as may be agreed upon in the future.

SEC. 12. ***Application.*** – Unless otherwise indicated, the international conventions enumerated in the preceding section apply to:

(a) All ships, whether seagoing or coastwise, which are registered under the Philippine flag;

(b) All persons, partnerships, corporations, firms, and other entities that engage in ocean-based or ocean-related enterprise, or those acting on their behalf; and

(c) All foreign ships that are within the waters, ports, harbors, and offshore terminals of the Philippines regardless of whether or not they are registered in, or belong to, states or parties to the conventions sought to be implemented by this Act.

SEC. 13. ***Reciprocity.*** – The rights and privileges of foreign vessels and aircraft in the Philippine archipelagic waters herein provided are recognized under the conditions of reciprocity and mutual respect. The President of the

Philippines is hereby authorized to institute countermeasures and other appropriate steps, as may be recommended by the Department of Foreign Affairs, in response to foreign states that do not abide by, or act inconsistently with the UNCLOS, or which do not ensure that vessels and aircraft under their authority comply with the rights and obligations under the convention.

SEC. 14. ***Environmental Accounting.*** – The Philippine Statistics Authority shall include the environmental-economic accounting of marine ecosystems, as part of the Philippine ecosystem and natural capital accounting system, in the generation of the Philippine Ocean economy satellite accounts.

CHAPTER VI

INTEGRATED MARINE AND COASTAL AREA MANAGEMENT

SEC. 15. ***Integrated Marine and Coastal Area Management Framework.*** – Within one (1) year from the effectivity of this Act, the Council shall develop and implement the National Integrated Marine and Coastal Area Management Framework (IMCAM), which shall address the human impact on marine and coastal ecosystems and promote its conservation and sustainable use. The IMCAM shall provide direction, support, and guidance to relevant member and support agencies, local government units (LGUs) and other stakeholders.

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 in addressing legal issues, institutionalize

participatory processes, and develop strategies in promoting 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 alteration and destruction, and restoration of coastal and marine habitats, particularly areas important for reproduction such as coral reef systems;

(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; 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 guidelines and mechanisms on green and blue businesses.

CHAPTER VII

PROTECTION AND CONSERVATION OF COASTAL AND MARINE RESOURCES

SEC. 16. *Protection of Endangered Species.* – The Council shall spearhead the conservation, protection and rehabilitation of rare, threatened and

endangered aquatic species, including their habitats. It shall recommend to the President and Congress of the Philippines the designation of coastal and marine areas as protected areas and in compliance with the relevant provision of international treaties and agreements.

SEC. 17. ***Policy Coordination.*** – The Council shall harmonize rules and regulations of all relevant agencies responsible for the implementation and enforcement of laws to prevent and eliminate illegal fishing.

CHAPTER VIII

DEVELOPMENT PLANNING

SEC. 18. ***Maritime Spatial Planning.*** – The Council, in consultation with relevant agencies, regional bodies and LGUs, shall undertake a nationwide maritime spatial planning, guided by the standards of the Intergovernmental Oceanographic Commission, to identify the spatial and temporal distribution of priority activities and uses and the interactions thereof in maritime zones, to reduce conflict among uses, facilitate complementary uses, mitigate environmental impacts, and preserve ecosystem services.

SEC. 19. ***Industry Development Plans.*** – The Council shall, through working groups created for the purpose, prepare five-year and ten-year development plans for priority strategic and sustainable ocean-based or ocean-related industry, in accordance with the Policy Framework and in consideration of the existing development plans and strategies formulated by the agencies involved in coastal and marine protection and development. The Council shall

also ensure the integration of the Policy Framework in existing industry plans.

SEC. 20. ***Integration with Area and National Development Plans.*** – The Department of Economy, Planning, and Development (DEPDev) shall integrate the maritime spatial plan and industry development plans into the Philippine Development Plan, the National Priority Plan, the National Physical Framework Plan, and Area Spatial Development Framework.

SEC. 21. ***Inclusion in Strategic Investment Priority Plan.*** – The Council shall recommend to the Board of Investments the inclusion of identified priority strategic ocean-based and ocean-related activities in the Strategic Investment Priority Plan.

SEC. 22. ***Blue Economic Zones.*** – Investment promotion agencies (IPAs) shall encourage the establishment of, and the transformation of existing special economic zones into blue economic zones: *Provided,* That registered business enterprises (RBEs) engaged in ocean-based or ocean-related activities in blue economic zones, duly registered by an IPA, may be entitled to the incentives under Title XIII (Tax Incentives) of the National Internal Revenue Code, as amended.

CHAPTER IX

BLUE FINANCE

SEC. 23. ***Role of the Bangko Sentral ng Pilipinas (BSP).*** – In the exercise of its regulatory power over financial institutions, the BSP shall mandate banks and quasi-banks to adopt the United Nations Environment

Programme Sustainable Blue Economy Finance Principles as a foundation of corporate governance and risk management.

SEC. 24. ***Role of Securities and Exchange Commission (SEC).*** – The SEC shall encourage the issuance of blue bonds where proceeds are exclusively applied to finance or refinance, in part or in full, eligible blue economy activities, in accordance with SEC Guidelines, the Association of Southeast Asian Nations (ASEAN) Green Bonds Standards and Green Bonds Principles, as developed and may be revised from time to time by the SEC, ASEAN Capitals Markets Forum, and the International Capital Market Association, respectively. All designated blue economy projects or activities must provide clear benefits to ocean health and the blue economy or must contribute substantially to United Nations Sustainable Development Goals 6 (Clean Water and Sanitation) or 14 (Life Below Water), which shall be assessed and, where feasible, quantified by the issuer.

SEC. 25. ***Role of the 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.

SEC. 26. ***Blue Public Expenditures.*** – The Department of Budget and Management (DBM) shall allocate funds to implement blue economy programs, activities and projects (PAPs), in consonance with Section 15 of Republic Act No. 9729, as amended, otherwise known as the “*Climate Change Act of 2009.*”

The DBM shall include blue public expenditures as part of its efforts to increase convergence in programming and implementation of climate change and disaster risk reduction PAPs through the Risk Resiliency Program.

CHAPTER X

MARINE SCIENCE, TECHNOLOGY, AND INNOVATION (STI) AND OCEAN LITERACY

SEC. 27. *Marine Scientific Research.* – The Council shall promulgate the rules and regulations on the conduct of marine scientific research within the country’s maritime zones, in accordance and compliance with the international laws, treaties and agreements: *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 any part of the marine environment or its resources.

Marine scientific 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, in accordance with the UNCLOS.

SEC. 28. *Marine Technology and Innovation.* – The government shall support the development and adoption of locally-developed marine-related technologies.

SEC. 29. *Ocean Literacy Framework.* – The DepEd, Commission on Higher Education, Technical Education and Skills Development Authority, and other government agencies implementing sector-specific literacy programs

shall, in consultation with relevant members of the Council or support agencies, 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 economic, socio-cultural, spiritual, scientific, and political importance of the ocean to humankind in general and the Filipinos in particular;
- (b) Communicating about the ocean in a meaningful way; and
- (c) Making informed and responsible decisions regarding the ocean and its resources.

CHAPTER XI

FREEDOM OF NAVIGATION

SEC. 30. *Archipelagic Sea Lanes.* – The President shall designate sea lanes and air routes suitable for the continuous and expeditious passage of foreign ships and aircrafts through or over the archipelagic waters and the adjacent territorial sea, and where necessary as regards the safety and navigation, require foreign ships exercising the right of innocent passage to use such lanes and traffic separation schemes in accordance with the UNCLOS.

CHAPTER XII

ROLE OF THE LOCAL GOVERNMENTS

SEC. 31. ***Role of Local Government Units.*** – The local government units shall integrate the National Maritime Spatial Plan in their Comprehensive Development and Annual Investment Plans. LGUs may group themselves, consolidate or coordinate their efforts, services, and resources for the accomplishments of the objectives of this Act.

CHAPTER XIII

FINAL PROVISIONS

SEC. 32. ***Joint Congressional Oversight.*** – A Joint Congressional Oversight Committee, to be known as the Blue Economy Oversight Committee, to monitor the implementation of this Act is created. The Committee shall be composed of five (5) Members of the Senate and five (5) Members of the House of Representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The Minority is entitled to 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.

SEC. 33. ***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, the amount necessary for its continued implementation shall be included in the annual General Appropriations Act.

SEC. 34. ***Implementing Rules and Regulations.*** – Within sixty (60) days from the effectivity of this Act, the Council shall issue the rules and regulations necessary for the effective implementation of this Act.

SEC. 35. ***Separability Clause.*** – If any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected shall remain in full force and effect.

SEC. 36. ***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.

SEC. 37. ***Effectivity.*** – The Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,