



Republic of the Philippines
HOUSE OF REPRESENTATIVES

Quezon City
TWENTIETH CONGRESS
First Regular Session



House Bill No. 5747

Introduced by CIBAC Party-List Representative
EDUARDO “BRO. EDDIE” C. VILLANUEVA

EXPLANATORY NOTE

As an archipelagic country with over 7,600 islands and one of the world’s richest marine biodiversity zones, the Philippines possesses vast and strategic coastal and marine resources. These resources are not only vital to our food security and environmental sustainability but are also central to our national identity, heritage, economy, and security.

However, the full potential of our maritime domain remains largely untapped. Fragmented policies, institutional overlaps, and weak enforcement mechanisms have hindered cohesive development, conservation, and governance of our marine and coastal areas. At the same time, climate change, habitat degradation, illegal fishing, and pollution continue to threaten our ocean ecosystems and the millions of Filipinos who depend on them for their livelihood and survival.

The *Blue Economy Act*, which was approved on Third (3rd) and Final Reading at the House of Representatives during the 19th Congress, seeks to address these gaps through a comprehensive, science-based, and future-proof framework that promotes the stewardship, protection, and sustainable development of our marine and coastal ecosystems.

This measure establishes the Blue Economy Framework as a national policy—anchored on environmental resilience, social equity, economic growth, and maritime security. It reorganizes the existing National Coast Watch System into the National Maritime Monitoring System, with enhanced mandates to coordinate interagency efforts, enforce maritime regulations, and oversee the implementation of blue economy initiatives across all maritime zones of the country.

Among its key features are:

- a) The creation of a National Maritime Council to spearhead marine spatial planning, strategic maritime development, and integrated coastal management;

- b) The formulation of a Policy Framework on Blue Economy and the development of industry-specific plans for fisheries, marine tourism, renewable energy, biotechnology, shipping, marine infrastructure, and other ocean-based or ocean-related sectors;
- c) The recognition and integration of marine scientific research, marine innovation, and ocean literacy in national development priorities;
- d) The institutionalization of environmental-economic accounting to assess and quantify the value of marine ecosystems in GDP and policy decisions;
- e) Promotion of blue public expenditures, blue finance, and green investments through incentives, credit access, and regulatory guidance;
- f) Strengthening of international maritime cooperation and compliance with global maritime conventions such as UNCLOS, MARPOL, STCW, and others;
- g) Empowerment of local government units as frontline implementers of integrated marine and coastal area management (IMCAM); and
- h) Protection of marine biodiversity and endangered species, and the establishment of sustainable blue economic zones.

This bill reaffirms the Philippines' commitment to a whole-of-nation, whole-of-society, and whole-of-government approach to marine governance, aligned with the United Nations Sustainable Development Goals (SDG 14: Life Below Water) and other international frameworks.

By ensuring that our maritime resources are used responsibly, equitably, and strategically, the *Blue Economy Act* lays the groundwork for a sustainable maritime future—one that safeguards our ecosystems, secures our sovereignty, empowers our coastal communities, and drives inclusive national development.

Its timely passage into law is essential for realizing our vision of a resilient, self-reliant, and prosperous maritime nation.


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AN ACT
ESTABLISHING A FRAMEWORK FOR BLUE ECONOMY, PROMOTING STEWARDSHIP AND SUSTAINABLE DEVELOPMENT OF COASTAL AND MARINE ECOSYSTEMS AND RESOURCES, REORGANIZING AND RENAMING THE NATIONAL COAST WATCH SYSTEM AS THE NATIONAL MARITIME MONITORING SYSTEM, AND PROVIDING FUNDS THEREFOR

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

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

3 **SEC. 2. Declaration of Policies** - It shall be the policy of the State to:
4

- 5 (a) Adopt blue economy as a framework for equitable and sustainable
6 development and safe use of marine wealth within our maritime zones, as
7 a pillar of our national economy and patrimony;
8
9 (b) Exercise stewardship of our seas and coasts, and protect and conserve
10 the health and resilience of marine and coastal ecosystems and habitats,
11 through strong institutional mechanisms for maritime monitoring and
12 regulatory enforcement, to promote the well-being, prosperity and security
13 of present and future generations;
14
15 (c) Preserve our maritime heritage, recognize the social, cultural, and
16 historical value of our seas and coasts, and foster public understanding
17 and respect of the value of our seas and coasts to build a strong foundation
18 for social responsibility;
19
20 (d) Enrich scientific understanding of marine and coastal ecosystems, the
21 benefits we gain from these ecosystems like carbon sequestration, their
22 changing conditions and the causes thereof, and use the best available
23 scientific knowledge to inform decisions affecting our seas and coasts and

1 to enhance our capacity to respond and adapt to changing maritime
2 environments;

- 3
- 4 (e) Foster international cooperation and multi-stakeholder engagement, and
5 exercise rights and jurisdiction in accordance with applicable international
6 laws, including on freedom of navigation;
- 7
- 8 (f) Ensure a whole-of-nation approach and a comprehensive, integrated
9 framework for the stewardship of our seas and coasts to facilitate cohesive
10 action of the national government, local authorities, academe,
11 nongovernmental organizations, the private sector, and the public; and
12
- 13 (g) Promote, support and monitor science, technology and innovation
14 programs of public and private academic and research institutions to
15 strengthen interdisciplinary research in marine science, and to develop
16 emerging technologies to catalyze growth of new maritime sectors.
17

18 **SEC. 3. Definition of Terms.** – As used in this Act:
19

- 20 (a) **Aquaculture** refers to fishery operations involving all forms of raising and
21 culturing fish and other fishery species in fresh, brackish, and marine water
22 areas;
23
- 24 (b) **Aquasilviculture** refers to a multi-purpose production system that allows
25 production of fish and other aquatic species in a mangrove reforestation
26 project;
27
- 28 (c) **Aquatic resources** refer to fish and other living resources of the aquatic
29 environment that have or will have commercial value when utilized;
30
- 31 (d) **Blue economy** refers to the integrated, holistic, cross-sectoral, and cross-
32 stakeholder approach for the sustainable, resilient and inclusive use,
33 governance, management and conservation of oceans, seas as well as
34 marine and coastal resources and ecosystems for economic growth,
35 leveraging green infrastructure and technologies, innovative financing
36 mechanisms and proactive institutional mechanisms, and improving
37 human well-being and social equity, and reducing environmental risks and
38 ecological scarcities;
39
- 40 (e) **Blue carbon** refers to organic carbon that is captured by marine and
41 coastal ecosystems, such as algae, seagrass, mangroves, and other plants
42 growing in salt marshes and coastal wetlands;
43
- 44 (f) **Blue public expenditure** refers to public expenditures that address issues
45 related to coastal and marine resources, environmental degradation, and
46 development aspirations that depend on marine resources and
47 environments;
48
- 49 (g) **By-catch** refers to fish or other marine species that a fisher does not intend
50 to catch, including juveniles of commercially-valuable species and

1 biologically-important species caught unintentionally while trying to catch a
2 certain type of fish.

- 3
- 4 (h) **Commercial fishing** refers to the taking of fishery species by passive or
5 active gear for trade, business and profit beyond subsistence or sports
6 fishing, to be further classified as: small scale commercial fishing, or fishing
7 with passive or active gear utilizing fishing vessels of three and one-tenth
8 (3.1) gross tons (GT) up to twenty (20) GT; medium scale commercial
9 fishing or fishing utilizing active gears and vessels of twenty and one-tenth
10 (20.1) GT up to one hundred fifty (150) GT; and large commercial fishing
11 or fishing utilizing active gears and vessels of more than one hundred fifty
12 (150) GT;
- 13
- 14 (i) **Contiguous zone** refers to the contiguous zone of the Philippines to the
15 waters beyond and adjacent to its territorial sea and up to the extent of
16 twenty-four (24) nautical miles from the baselines from which the breadth
17 of the territorial sea is measured;
- 18
- 19 (j) **Continental shelf** refers to the seabed and subsoil of the submarine areas
20 of the Philippines that extend beyond its territorial sea throughout the
21 natural prolongation of its land territory to the outer edge of the continental
22 margin, or to a distance of two hundred (200) nautical miles from the
23 baselines from which the breadth of the territorial sea is measured, where
24 the outer edge of the continental margin does not extend up to that
25 distance;
- 26
- 27 (k) **Ecosystem services** refer to the flow of benefits which humans gain from
28 ecosystems, through biological processes and climate, hydrological and
29 biochemical cycles, and experiences that contribute to intangible culture;
- 30
- 31 (l) **Environmental-economic accounting** refers to a systematic way to
32 measure and report on stocks and flows of natural assets and resources –
33 both biotic and abiotic, renewable and non-renewable – and ecosystem
34 services, to determine the contribution of the environment to the economy
35 and the impact of the economy on the environment;
- 36
- 37 (m) **Environmental-economic accounts** refer to statistical information, in
38 physical or monetary terms, about the extraction of natural resources, their
39 use within the economy, natural resource stock levels, the changes in
40 those stocks during a specific period, and such other economic activities
41 related to the environment;
- 42
- 43 (n) **Exclusive economic zone (EEZ)** refers to the waters beyond and
44 adjacent to its territorial sea and up to the extent of two hundred (200)
45 nautical miles from the baselines from which the breadth of the territorial
46 sea is measured, as established by Presidential Decree No. 1599,
47 otherwise known as the “Philippine Exclusive Economic Zone of 1978”, and
48 to the extent consistent with the other provisions of this Act and with the
49 provisions of the 1982 United Nations Convention on the Law of the Sea
50 (UNCLOS);

- 1
- 2 (o) **Fisheries** refer to all activities relating to the science and act of business
- 3 of fishing, culturing, preserving, processing, marketing, developing,
- 4 conserving, and managing of aquatic resources, and environment;
- 5
- 6 (p) **Integrated coastal management (ICM)** refers to a holistic and integrative
- 7 management that incorporates the following components: (1) connectivity
- 8 of various ecosystems – environment and resources; (2) various sectors
- 9 and stakeholders; (3) institutional arrangements that are relevant; and (4)
- 10 assessment of drivers of coastal ecosystem degradation, management
- 11 planning and implementation, including research and education, to address
- 12 coastal degradation and biodiversity losses, and to improve the well-being
- 13 of communities in coastal and interconnected areas;
- 14
- 15 (q) **Integrated Marine and Coastal Area Management (IMCAM)** refers to a
- 16 participatory process for decision-making to prevent, control, or mitigate
- 17 adverse impacts from human activities in the marine and coastal
- 18 environment, and to contribute to the restoration of degraded coastal
- 19 areas;
- 20
- 21 (r) **Internal waters** refer to waters on the landward side of the archipelagic
- 22 baselines not forming part of archipelagic waters under Section 4 of this
- 23 Act and delineated in accordance with Article 50 of the UNCLOS; and
- 24 waters on the landward side of the baselines of the territorial sea of
- 25 territories outside of the archipelagic baselines, drawn in accordance with
- 26 Article 8 of the UNCLOS;
- 27
- 28 (s) **Investment promotion agencies (IPAs)** refer to government entities
- 29 created by law, executive order, decree or other issuance, in charge of
- 30 promoting investments, granting and administering tax and non-tax
- 31 incentives, and overseeing the operations of the different economic zones
- 32 and freeports in accordance with their respective special laws. These
- 33 include the Board of Investments (BOI), Bangsamoro Board of
- 34 Investments, Philippine Economic Zone Authority, Bases Conversion and
- 35 Development Authority, Subic Bay Metropolitan Authority, Clark
- 36 Development Corporation, John Hay Management Corporation, Poro Point
- 37 Management Corporation, Cagayan Economic Zone Authority,
- 38 Zamboanga City Special Economic Zone Authority, PHIVIDEA Industrial
- 39 Authority, Aurora Pacific Economic Zone and Freeport Authority, Authority
- 40 of the Freeport Area of Bataan, Tourism Infrastructure and Enterprise Zone
- 41 Authority, and all other similar existing authorities that may be created by
- 42 law;
- 43
- 44 (t) **Mariculture** refers to the sea farming of aquatic plants and fishes;
- 45
- 46 (u) **Marine scientific** research refers to any research activity, which is
- 47 conducted for exclusively peaceful purposes, for the purpose of increasing
- 48 scientific knowledge about the marine environment, including all-natural
- 49 resources, toward the benefit of mankind and according to the UNCLOS;
- 50

- (v) **Maritime domain awareness** refers to the effective understanding of any activity that could impact upon the security, safety, economy or environment;
- (w) **Maritime spatial planning** refers to a process by which human activities in maritime zones are analyzed and organized, based on best available scientific knowledge, to achieve economic, ecological and social objectives;
- (x) **Maritime zones** refer to the maritime zones of the Philippines comprising the internal waters, archipelagic waters, territorial sea, contiguous zone, EEZ, and continental shelf;
- (y) **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;
- (z) **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;
- (aa) **Subsistence fishing** refers to fishing for personal consumption or traditional/ceremonial purposes; and
- (bb) **Ocean literacy** refers to an understanding of the ocean's influence on humans and human influence on the ocean.

SEC. 4. Scope of Application. – For purposes of this Act, the Philippines shall exercise sovereignty, sovereign rights and jurisdiction, in accordance with commitments under the UNCLOS and other related treaties which the Philippines has ratified, in internal waters, archipelagic waters, territorial sea, contiguous zone, exclusive economic zone and continental shelf, herein collectively referred to as “maritime zones”, including its seabed and subsoil, and any and all maritime features within the maritime zones and where appropriate, the relevant airspace above the territorial sea, internal waters and archipelagic waters now known or to be known in the future.

CHAPTER II NATIONAL MARITIME MONITORING SYSTEM

SEC. 5. National Maritime Monitoring System. – The National Coast Watch System, established under Executive Order (EO) No. 57, series of 2011, is hereby renamed as the National Maritime Monitoring System.

SEC. 6. National Maritime Council. – The National Coast Watch Council, created under EO 57, series of 2011, is hereby renamed and reconstituted as the National Maritime Council, herein referred to as the “Council”, and its functions

1 expanded to include the formulation of an integrated strategy to promote blue
2 economy and ecosystem-based management of coastal and marine resources.

3
4 In addition to the powers and functions of the Council enumerated in Section 3
5 of the same EO, the Council is likewise further mandated to:

- 6
7 (a) Steer the development, research, and sustainable resource explorations in
8 maritime zones, especially in areas with high economic potential such as
9 the Philippine Rise and the West Philippine Sea;
10
11 (b) Coordinate the maritime regulation or licensing and law enforcement for
12 strengthened preparedness and responsiveness to potential security
13 threats or concerns in the country's maritime areas and zones; and
14
15 (c) Build capacities in monitoring, including the use of digital and innovative
16 technologies for security and surveillance activities.
17

18 The Council is likewise authorized to convene committees or subcommittees to
19 oversee the abovementioned functions. In this way, all strategic maritime zones will
20 be covered and will reduce the call for the creation of new bodies or authorities to
21 manage the same.
22

23 **SEC. 7. Composition of National Maritime Council.** – The Council is
24 composed of the Executive Secretary as Chairperson and the Secretaries of the
25 following national agencies as members:
26

- 27 (a) National Economic and Development Authority (NEDA);
28 (b) Department of Environment and Natural Resources;
29 (c) Department of National Defense;
30 (d) Department of Foreign Affairs (DFA);
31 (e) Department of Justice;
32 (f) Department of the Interior and Local Government;
33 (g) Department of Agriculture;
34 (h) Department of Tourism;
35 (i) Department of Transportation;
36 (j) Department of Trade and Industry;
37 (k) Department of Energy;
38 (l) Department of Science and Technology;
39 (m) Department of Finance;
40 (n) Department of Education (DepEd);
41 (o) Department of Information and Communications Technology;
42 (p) National Security Council; and
43 (q) Bureau of Fisheries and Aquatic Resources.
44

45 Department Secretaries may designate an alternative representative, whose
46 portfolio covers matters directly or principally relating to the development or
47 management of coastal and marine resources and ecosystems, if applicable. They
48 shall sit in a permanent capacity, and their acts shall be considered the acts of their
49 principals.
50

1 **SEC. 8. National Maritime Secretariat.** – The Coastal Watch Council
2 Secretariat, established under Section 4 of EO 57, series of 2011, is hereby renamed
3 as the National Maritime Secretariat and shall continue to provide technical and
4 administrative support to the Council and perform its functions under the same EO.
5

6 **SEC. 9. National Maritime Coordination Center.** – The National Coast Watch
7 Center, established under Section 5 of EO 57, series of 2011, is hereby renamed as
8 the National Maritime Coordination Center and shall continue to be the operational
9 support unit of the National Maritime Monitoring System and perform its functions
10 under the same EO.
11

12 **SEC. 10. Support Agencies.** – In order to ensure the efficient and effective
13 discharge of its responsibilities, in addition to the agencies enumerated under Section
14 6 of EO 57, series of 2011, the Council may call upon other departments, bureaus,
15 offices and instrumentalities of the government, representatives from maritime
16 industries, and academic and research institutions engaged in marine science and
17 ocean-based or ocean-related activities to participate in working groups, as it may
18 deem necessary.
19

20 **CHAPTER III** 21 **POLICY FRAMEWORK ON BLUE ECONOMY** 22

23 **SEC. 11. Policy Framework on Blue Economy.** – The Council shall, within six
24 (6) months from the effectivity of this Act, formulate a Policy Framework on Blue
25 Economy, herein referred to as the Policy Framework. The Policy Framework shall
26 serve as the basis for marine spatial planning, determination of investments to develop
27 modern physical infrastructure and build an enabling environment for blue economy
28 to prosper, and enhance maritime domain awareness, and enforcement of economic
29 and environmental regulation within our maritime zones. The Policy Framework shall
30 be subject to mandatory review and modification every five (5) years.
31

32 **SEC. 12. Components of the Policy Framework on Blue Economy.** – The
33 Policy Framework shall include the following components:
34

- 35 (a) Review of all existing policies, plans, programs, projects, rules and
36 regulations on ocean-based and ocean-related activities in our maritime
37 zones, including seafood processing and storage, and commercial
38 research and development (R&D) activities for biomass resource and fish
39 stock estimation, artificial intelligence for forecasting fish stocks and
40 supply;
41
- 42 (b) Compliance to local and international maritime laws;
43
- 44 (c) Analysis of current and emerging trends in demography, consumption,
45 trade, technology and climate that show the interaction between the
46 economy and the environment, and present threats and pressures on
47 coastal and marine environments;
48

- 1 (d) Environmental-economic accounting of coastal and marine assets and
2 resources, and ecosystem goods and services from coastal and marine
3 environments;
4
- 5 (e) Priority strategic and sustainable ocean-based and ocean-related economic
6 activities within our maritime zones, which may include the following:
7
- 8 (1) Fisheries, including commercial fishing, but with preference to
9 subsistence fisheries, as mandated by Section 7, Article XIII, of the
10 Constitution;
11 (2) Aquaculture, mariculture and aquasilviculture and support industries,
12 including seafood processing and storage, and aquaculture feed
13 milling;
14 (3) Marine and coastal tourism;
15 (4) Shipping, logistics and maritime transport;
16 (5) Shipbuilding and ship repair;
17 (6) Production of renewable energy from marine sources;
18 (7) Installation of submarine cables and pipelines;
19 (8) Marine biotechnology and bioprospecting;
20 (9) Desalination;
21 (10) Underwater cultural heritage and maritime archaeology; and
22 (11) Commercial R&D activities and commercialization of new and
23 emerging technologies developed from locally-undertaken R&D;
24
- 25 (f) Principles and indicators to guide environmental impact assessment of
26 ocean-based and ocean-related economic activities, taking into account
27 the environmental-economic accounting of marine resources and
28 ecosystem services that will be affected;
29
- 30 (g) Adoption of integrated marine and coastal area management;
31
- 32 (h) Strategies to promote blue finance;
33
- 34 (i) Priority research and development agenda, including development of
35 innovative technologies, and human capital to support the blue economy;
36
- 37 (j) Promotion of ocean literacy and social responsibility towards the protection
38 of coastal and marine environments;
39
- 40 (k) Enhancement of capability of the Armed Forces of the Philippines and
41 civilian agencies to enforce laws, rules and regulations to protect our
42 marine wealth;
43
- 44 (l) Goals, targets and indicators for growth, resilience and sustainability of
45 priority strategic and sustainable ocean-based and ocean-related activities,
46 including its contribution to Gross Domestic Product and job creation; and
47
- 48 (m) Such other components as may be determined by the Council as a result
49 of its periodic review, to ensure that the Policy Framework is continually
50 updated and adapted to the needs of the times.

CHAPTER IV
COMPLIANCE WITH INTERNATIONAL MARITIME INSTRUMENTS

SEC. 13. International Maritime Instruments. – The Council shall direct the Inter-Agency Coordinating Committee, as created under EO No. 159, series of 2021, to Facilitate the Ratification of/Accession to and Implementation of Maritime Conventions (ICCRIMC) to establish mechanisms for the full and effective implementation and enforcement of the following international maritime instruments and their subsequent amendments, including, but not limited to the following:

- (a) 1982 United Nations Convention on the Law of the Sea;
- (b) Convention on the International Trade of Endangered Species of Flora and Fauna;
- (c) United Nations Educational, Scientific and Cultural Organization (UNESCO) 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 (SOLAS 74);
- (e) International Convention for the Prevention of Pollution from Ships and its Protocol of 1978 (MARPOL 73/78);
- (f) Convention on the International Regulations for Preventing Collisions at Sea, 1972, as amended (COLREG 72);
- (g) International Convention on Load Lines, 1966 and its Protocol of 1988, as amended (LL 66);
- (h) International Convention on the Tonnage Measurement of Ships, 1969 (TONNAGE 69);
- (i) Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, 1988 (SUA) and its Protocol;
- (j) International Convention on Oil Pollution Preparedness, Response and Co-operation 1990 (OPRC 1990);
- (k) International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (BWM 2004);
- (l) Convention on the Prevention of Marine Pollution by dumping of Wastes and Other Matter, 1972, as amended, and its 1996 Protocol (LCP);
- (m) Special Trade Passenger Ships Agreement, 1971 (STP 71);
- (n) Convention on the International Mobile Satellite Organization, as amended (IMSO 1976) and its Operating Agreement (INMARSAT);
- (o) International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, As Amended (STCW 78);
- (p) International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001 (AFS 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.

1 **SEC. 14. Application.** – Unless otherwise indicated, the international
2 conventions enumerated in the preceding section shall apply to:

- 3
4 (a) All ships, whether seagoing or coastwise, which are registered under the
5 Philippine flag;
6 (b) All persons, partnerships, corporations, firms and other entities that engage
7 in ocean-based or ocean-related enterprise, or those acting on their behalf;
8 and
9 (c) All foreign ships that are within the waters, ports, harbors and offshore
10 terminals of the Philippines regardless of whether or not they are registered
11 in, or belong to, State Parties to the conventions sought to be implemented
12 by this Act.

13
14 **SEC. 15. Reciprocity.** – The rights and privileges of foreign vessels and aircraft
15 in Philippine archipelagic waters herein provided are recognized under conditions of
16 reciprocity and mutual respect. The President of the Philippines is hereby authorized
17 to institute countermeasures and other appropriate steps as may be recommended by
18 the DFA in response to foreign states that do not abide by, or that act inconsistently
19 with the UNCLOS, or which do not ensure that vessels and aircraft under their authority
20 comply with their rights and obligations under the convention.

21
22
23
24 **CHAPTER V**
25 **ENVIRONMENTAL-ECONOMIC ACCOUNTING**

26
27 **SEC. 16. Environmental-Economic Accounting.** – The Philippine Statistics
28 Authority shall include the environmental-economic accounting of marine ecosystems,
29 as part of the Philippine ecosystem and natural capital accounting system, in the
30 generation of the Philippine ocean economy satellite accounts.

31
32 **CHAPTER VI**
33 **INTEGRATED MARINE AND COASTAL AREA MANAGEMENT**

34
35 **SEC. 17. Integrated Marine and Coastal Area Management.** – The IMCAM
36 shall be the framework to address human impacts on marine and coastal ecosystem,
37 and for promoting its conservation and sustainable use. The Integrated Coastal
38 Management Framework, principles, and mechanisms shall be aligned and shall be
39 an integral part of the IMCAM framework to be developed under this Act.

40
41 **SEC. 18. Elements of the National IMCAM Framework.** – The Council shall
42 develop and implement the National IMCAM Framework within one (1) year from the
43 effectivity of this Act to provide direction, support and guidance to relevant member
44 and support agencies, local government units and other stakeholders, according to
45 the Elaborated Programme of Work on Marine and Coastal Biological Diversity
46 contained in the Annex to Decision VII/5 of the Conference of the Parties to the United
47 Nations Environmental Programme Convention on Biological Diversity.

48
49 Accordingly, the National IMCAM Framework shall consider the following
50 elements:

- 1
- 2 (a) Build capacity of stakeholders, in both national and local levels, to apply
- 3 relevant policy instruments to address legal issues, institutionalize
- 4 participatory processes, and develop strategies to promote
- 5 multidisciplinary and multisectoral ecosystem-based management of
- 6 coastal and marine environments;
- 7
- 8 (b) Direct action to protect coastal and marine environments from negative
- 9 impacts, such as:
- 10
- 11 (1) Identification, protection, prevention of alteration and destruction, and
- 12 restoration of coastal and marine habitats, particularly areas important
- 13 for reproduction, inter alia, coral reef systems;
- 14 (2) Prevention, reduction or control of marine pollution;
- 15 (3) Protection of coastal and marine environments from land-based
- 16 sources, including proper coastal land use and watershed
- 17 management;
- 18 (4) Establishment of closed fishing areas, and closed seasons, in
- 19 accordance with Republic Act (RA) No. 8550, also known as the
- 20 "Philippine Fisheries Code of 1998", as amended by RA 10654; and
- 21 (5) Reduction of by-catch.
- 22
- 23 (a) Establish mechanisms and guidelines for research, monitoring and
- 24 assessment of coastal and marine ecosystems and resources, including
- 25 indicators to measure natural and human-induced impacts; and
- 26
- 27 (b) Establish guidelines and mechanisms on green and blue businesses.
- 28

29 **CHAPTER VII**

30 **PROTECTION AND CONSERVATION OF COASTAL**

31 **AND MARINE RESOURCES**

32

33 **SEC. 19. Protection of Endangered Species.** – The Council shall spearhead

34 the conservation, protection and rehabilitation of rare, threatened and endangered

35 aquatic species as it may determine, including their habitats. It shall recommend to the

36 President of the Philippines and Congress the designation of coastal and marine areas

37 as protected areas under the Expanded National Integrated Protected Areas System

38 or under RA 8550, as amended, and in compliance with the relevant provisions of

39 international treaties and agreements such as, the Convention on the International

40 Trade in Endangered Species of Wild Flora and Fauna, the UNCLOS, and Convention

41 on Biological Diversity.

42

43 **SEC. 20. Policy Coordination.** – The Council shall harmonize rules and

44 regulations of all relevant agencies responsible for the implementation and

45 enforcement of laws to prevent and eliminate illegal fishing such as RA 8550, as

46 amended.

47

48 **CHAPTER VIII**

49 **DEVELOPMENT PLANNING**

50

1 **SEC. 21. Maritime Spatial Planning.** – The Council, in consultation with relevant
2 agencies, regional bodies and local government units (LGUs), shall undertake a
3 nationwide maritime spatial planning, guided by the standards of the
4 Intergovernmental Oceanographic Commission, to identify the spatial and temporal
5 distribution of priority activities and uses and the interactions thereof in maritime
6 zones, in order to reduce conflict among uses, facilitate complementary uses, mitigate
7 environmental impacts, and preserve ecosystem services.

8
9 **SEC. 22. Industry Development Plans.** – The Council, through working groups
10 created for the purpose, shall prepare five-year and ten-year development plans for
11 priority strategic and sustainable ocean-based or ocean-related industry, in
12 accordance with the Policy Framework and in consideration of the existing
13 development plans and strategies formulated by agencies involved in coastal and
14 marine protection and development. The Council shall also ensure the integration of
15 the framework in existing industry plans.

16
17 **SEC. 23. Integration with Area and National Development Plans.** – The
18 NEDA shall integrate the maritime spatial plan and industry development plans into
19 the Philippine Development Plan, the National Priority Plan, the National Physical
20 Framework Plan, and Area Spatial Development Framework.

21
22 **SEC. 24. Inclusion in Strategic Investment Priority Plan.** – The Council shall
23 recommend to the BOI the inclusion of identified priority strategic ocean-based and
24 ocean-related activities in the Strategic Investment Priority Plan.

25
26 **SEC. 25. Blue Economic Zones.** – Investment Promotion Agencies (IPAs) shall
27 encourage the establishment of blue economic zones and the transformation of
28 existing special economic zones into the same: Provided, That Registered Business
29 Enterprises (RBEs) engaged in ocean-based or ocean-related activities in these blue
30 economic zones, duly registered by an IPA, may be entitled to the incentives under
31 Title XIII (Tax Incentives) of the National Internal Revenue Code of 1997, as amended.

32
33 In addition, the incentives provided under this Act shall be without prejudice to
34 the following laws:

- 35
36 (a) RA 9003, otherwise known as the “Ecological Solid Waste Management Act
37 of 2000”;
38 (b) RA 9275, otherwise known as the “Philippine Clean Water Act of 2004”;
39 (c) RA 9513, otherwise known as the “Renewable Energy Act of 2008”; and
40 (d) RA 10771, otherwise known as the “Philippine Green Jobs Act of 2016”.

41
42 The RBEs operating within blue economic zones may also qualify for financing
43 provided under RA 11293, otherwise known as the “Philippine Innovation Act”, as
44 applicable.

45 46 **CHAPTER IX** 47 **BLUE FINANCE** 48

49 **SEC. 26. Role of the Bangko Sentral ng Pilipinas (BSP).** – In the exercise of
50 its regulatory powers 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. 27. Role of Securities 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 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 Capital Markets Forum, and the International Capital Market Association, respectively. All designated Blue Projects or Activities must provide clear benefits to ocean health and the blue economy or must contribute substantially to United Nations Sustainable Development Goals (UN SDG) 6 or 14, which shall be assessed and, where feasible, quantified by the Issuer.

SEC. 28. Role of 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. 29. 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. 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. 30. Marine Scientific Research. – The State recognizes marine science as a foundation of maritime governance, insofar as rules governing the use of coastal and marine resources must be based on the sound scientific understanding of the marine environment. In accordance with UNCLOS, the Philippines has the exclusive rights to regulate, authorize and conduct marine scientific research in our internal 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 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. 31. Marine Technology and Innovation. – The State recognizes that science, technology, and innovation have a critical role in harnessing ocean resources for the blue economy while ensuring sustainability. Marine technology and innovations are needed to address technical and logistical constraints that impede the development of Philippine blue industries. Among these technologies are advanced

1 materials, subsea engineering and technology, sensors and imaging, big data
2 analytics, autonomous systems, biotechnology, nanotechnology, marine spatial
3 planning, and circular blue economy. The government shall also support the
4 development and adoption of locally-developed marine-related technologies.

5
6 **SEC. 32. Ocean Literacy Framework.** – The DepEd, Commission on Higher
7 Education, Technical Education and Skills Development Authority, and other
8 government agencies implementing sector-specific literacy programs, in consultation
9 with relevant members of the Council or support agencies, shall integrate into the
10 curricula of K-12, the Alternative Learning System, general education programs of
11 higher education institutions, technical and vocational education and training, and
12 other community-based training programs, the essential principles and fundamental
13 concepts of ocean sciences to develop the following competencies:

- 14
15 (a) Understanding the economic, socio-cultural, spiritual, scientific and political
16 importance/significance of the ocean to humankind in general and the
17 Filipinos in particular;
18 (b) Communicating about the ocean in a meaningful way; and
19 (c) Making informed and responsible decisions regarding the ocean and its
20 resources.

21
22 **CHAPTER XI**
23 **FREEDOM OF NAVIGATION**
24

25 **SEC. 33. Archipelagic Sea Lanes.** – The President of the Philippines shall
26 designate sea lanes and air routes thereabove, suitable for the continuous and
27 expeditious passage of foreign ships and aircrafts through or over the archipelagic
28 waters and the adjacent territorial sea, and shall, where necessary as regards the
29 safety of navigation, require foreign ships exercising the right of innocent passage to
30 use such lanes and traffic separation schemes in accordance with the UNCLOS.

31
32 **CHAPTER XII**
33 **ROLE OF LOCAL GOVERNMENTS**
34

35 **SEC. 34. Role of Local Government Units.** – Cities and municipalities shall
36 continue to exercise jurisdiction over municipal waters, pursuant to RA 7160,
37 otherwise known as the “Local Government Code of 1991”, as amended, and RA
38 8550, as amended subject to the jurisdiction and authority of national government
39 agencies as stated in the provisions of special laws as the case may be. Consistent
40 with this mandate, LGUs shall act as the frontline agencies in the formulation,
41 planning, and implementation and enforcement of the law of IMCAM in their respective
42 jurisdictions. The LGUs shall integrate the National Maritime Spatial Plan in their
43 Comprehensive Development and Annual Investment Plans.

44
45 **SEC. 35. Inter-LGU Cooperation.** – Consistent with the provisions of RA 7160,
46 as amended, LGUs may group themselves, consolidate or coordinate their efforts,
47 services, and resources for the accomplishment of the objectives of this Act.

48
49 **CHAPTER XIII**
50 **FINAL PROVISIONS**

1
2 **SEC. 36. Joint Congressional Oversight.** – For the effective implementation of
3 this Act, a Joint Congressional Oversight Committee is created, to be known as the
4 Blue Economy Oversight Committee, which shall be composed of five (5) Senators
5 and five (5) Representatives to be appointed by the Senate President and the Speaker
6 of the House of Representatives, respectively. The Minority shall be entitled to pro rata
7 representation. The Blue Economy Oversight Committee shall be jointly chaired by the
8 Chairperson of the Senate Committee on Economic Affairs and the Chairperson of the
9 House Committee on Economic Affairs.

10
11 **SEC. 37. Appropriations.** – The amount necessary for the initial implementation
12 of this Act shall be charged against the current year's appropriations of the Office of
13 the President. Thereafter, such amount shall be included in the annual General
14 Appropriations Act.

15
16 **SEC. 38. Implementing Rules and Regulations.** – The Council shall issue the
17 necessary rules and regulations to efficiently carry out the provisions of this Act within
18 sixty (60) days from its effectivity.

19
20 **SEC. 39. Separability Clause.** – If any provision of this Act is held invalid or
21 unconstitutional, the remaining provisions not affected shall remain in full force and
22 effect.

23
24 **SEC. 40. Repealing Clause.** – All other laws, decrees, executive orders, and
25 rules and regulations contrary to or inconsistent with the provisions of this Act are
26 repealed or modified accordingly.

27
28 **SEC. 41. Effectivity.** – This Act shall take effect fifteen (15) days after its
29 publication in the Official Gazette or in a newspaper of general circulation.

30
31 *Approved,*