



## MEMORANDUM

**FOR** : **The Directors**  
Legal Affairs Service  
Policy and Planning Service  
Climate Change Service  
Knowledge Information Systems Service

**All Bureau Directors**

**The Executive Directors**  
Manila Bay Coordinating Office  
River Basin Control Office  
National Water Resources Board  
Palawan Council for Sustainable Development

**The Administrator**  
National Mapping and Resource Information Authority

**The General Manager**  
Laguna Lake Development Authority

**All Regional Executive Directors**

**FROM** : **The Director**  
Legislative Liaison Office

**SUBJECT** : **REQUEST FOR COMMENTS AND RECOMMENDATIONS ON THE PROPOSED MEASURES ESTABLISHING A FRAMEWORK FOR BLUE ECONOMY FROM THE COMMITTEE ON ECONOMIC AFFAIRS OF THE HOUSE OF REPRESENTATIVES**

**DATE** : 06 September 2023

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In reference to the electronic mail received by our Office, the Committee on Economic Affairs of the House of Representatives is anticipating forthcoming meetings to deliberate on the legislative measures **establishing a framework for Blue Economy**, as follows:

- **House Bill No. 8669** – *“An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources”* introduced by Representative Gus S. Tambunting;
- **House Bill No. 8708** – *“An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources”* introduced by Representative Luis Raymund F. Villafuerte Jr., Representative Miguel Luis R. Villafuerte, Representative Tsuyoshi Anthony G. Horibata and Representative Brian Raymund Yamsuan;

- **House Bill No. 8720** – *“An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources”* introduced by Representative Antonio B. Legarda Jr.;
- **House Bill No. 8816** – *“An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources”* introduced by Representative Ferdinand Alexander A. Marcos;
- **House Bill No. 8893** – *“An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystem and Resources”*, introduced by Representative Wilbert T. Lee

In this regard, may we respectfully request your good office **comments and recommendations on the abovementioned bills, in anticipation of the Committee meetings**, as requested by the Committee. Kindly send them on or before **11 September 2023, at 5:00 PM** via email at [denrilo@denr.gov.ph](mailto:denrilo@denr.gov.ph).

Attached herewith are the Letter Invitation and copies of the House bills for your reference.



**ROMIROSE B. PADIN**

cc: Undersecretary for Special Concerns and Legislative Affairs  
Undersecretary for Policy, Planning and International Affairs  
Undersecretary for Integrated Environmental Science



Republic of the Philippines  
**House of Representatives**  
Quezon City

Nineteenth Congress  
Second Regular Session

**COMMITTEE ON ECONOMIC AFFAIRS**

18 August 2023

**MRS. MA. ANTONIA YULO-LOYZAGA**

Secretary

**Department Of Environment And Natural Resources**

Visayas Avenue, Diliman, Quezon City

Dear **Secretary Yulo-Loyzaga**:

In anticipation of the forthcoming meeting(s) to deliberate on the proposed measures establishing a framework for Blue Economy, the Committee on Economic Affairs would like to request from your good office comments and recommendations on the said measures, namely:

1. House Bill No. 8669, entitled "*An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources*" introduced by Representative Gus S. Tambunting;
2. House Bill No. 8708, entitled "*An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources*" introduced by Representative Luis Raymund F. Villafuerte Jr., Representative Miguel Luis R. Villafuerte, Representative Tsuyoshi Anthony G. Horibata and Representative Brian Raymund Yamsuan;
3. House Bill No. 8720, entitled "*An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources*" introduced by Representative Antonio B. Legarda Jr.;
4. House Bill No. 8816, entitled "*An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources*" introduced by Representative Ferdinand Alexander A. Marcos;

5. House Bill No. 8893, entitled "*An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystem and Resources*", introduced by Representative Wilbert T. Lee

Attached herewith are copies of the bills for your reference. Kindly submit your position paper on or before 23 August 2023 (Wednesday).

Likewise, this serves as a follow-up on our request for comments and recommendations on House Bill No. 69, entitled "*An Act Establishing a Framework for Blue Economy, Promoting Stewardship and Sustainable Development of Coastal and Marine Ecosystems and Resources*" introduced by Representative Jose Francisco "Kiko B. Benitez. Kindly disregard if submission has been done already.


For queries, our Committee Secretariat can be reached at telephone numbers (+632) 8931-5361/89513006 or by email at [committee.economicaffairs@house.gov.ph](mailto:committee.economicaffairs@house.gov.ph).

Thank you.

Very truly yours,

**HON. GERARDO P. VALMAYOR, JR.**  
Chairperson

For the Chairperson:

  
Neria B. Aguila  
OIC- Committee Secretary

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**NINETEENTH CONGRESS**  
**Second Regular Session**

**HOUSE BILL NO. 8893**



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Introduced by Representative Wilbert T. Lee

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

**EXPLANATORY NOTE**

The 1987 Constitution under Article XII, Section 2 provides that “[t]he 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.”

The Philippines, known as the "Pearl of the Orient Seas," is an archipelagic country in Southeast Asia made up of 7,641 islands. Its whole coastline is 36,289 km (22,548.9 mi). The Babuyan Channel to the north, the Pacific Ocean to the east, the Celebes and Sulu Seas to the south, and the West Philippine Sea to the west encircle the country. The said bodies of water play a crucial role in Filipinos' transportation, food, trade, and economic development. We are obliged to make the most of the benefits of the sea.

Ocean economy, as defined in the Philippine Ocean Economy Satellite Accounts report of the Philippine Statistics Authority (PSA), refers to economic activities that take place in or near the ocean or receive outputs from or provide inputs to the ocean. In the said report, the ocean economy grew by 6.7 percent in 2021, posting a gross value added (GVA) of PhP 707.80 billion from PhP 663.06 billion in 2020. The largest share in the ocean economy is the Ocean fishing accounting of the share of 33.9 percent of the total ocean economy, equivalent to PhP 239.74 billion. This was followed by Manufacture of Ocean-based Products at 23.0 percent equivalent to PhP 163.12 billion, Sea-based Transportation and Storage at 14.8 percent equivalent to PhP 104.44 billion.


In the same report, ocean-based industries employ 1.99 million Filipinos with a share of 4.5 percent of the total employment in 2021, lower than the 4.8 percent share recorded in 2020. Fisherfolks, nevertheless, had the highest poverty incidence rate in the PSA’s

preliminary projection for 2021, at 30.6 percent which is much higher than the 26.2 percent in 2018.<sup>1</sup>

Likewise, the Philippines, located in the Coral Triangle, is center of the center of the marine biodiversity. Unfortunately, this biodiversity hotspot is neglected as human activities such as overexploitation, pollution, and climate change have damaged the country's coral reefs, mangrove forests, and endangered species.<sup>2</sup> As a result, there is a threat to the food security, fisheries, marine conservation, and tourism.

Thus, this measure aims to protect and sustainably develop the Philippine marine resources to ensure that the country continues to benefit from it for the present and future generations. This also establishes the National Maritime Council to coordinate the implementation to balance economic growth and environmental conservation. Through this measure, the Philippine government shall (1) adopt a blue economy framework for the sustainable development and safe use of marine wealth within the country's Maritime Zones; (2) exercise stewardship of the seas and coasts, protect and conserve marine and coastal ecosystems and habitats, preserve the maritime heritage, and foster international cooperation; and (3) ensure a whole-of-nation approach to the stewardship of the seas and coasts to facilitate cohesive action of the National Government, local authorities, academe, non-governmental organizations, the private sector, and the public.

In view of the foregoing, the approval of this bill is earnestly sought.



**HON. WILBERT T. LEE**  
Representative  
AGRI PARTYLIST

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<sup>1</sup> Philippine Statistics Authority. 2023. *Fisherfolks and Farmers Remain to Have the Highest Poverty Incidences Among the Basic Sectors in 2021*. March 23. Accessed at: <https://psa.gov.ph/content/fisherfolks-and-farmers-remain-have-highest-poverty-incidences-among-basic-sectors-2021>.

<sup>2</sup> Asian Development Bank. 2014. *State of the Coral Triangle: Philippines*. Mandaluyong City, Philippines: Asian Development Bank.

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**NINETEENTH CONGRESS**  
**Second Regular Session**

**HOUSE BILL NO. 8893**

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Introduced by **Representative Wilbert T. Lee**

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

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

**CHAPTER I**  
**GENERAL PROVISIONS**

**SECTION 1. Short Title.** – This Act shall be known as the “Blue Economy Act of 2023.”

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

- a. Adopt blue economy as a framework for sustainable and safe use and development of marine wealth within our Maritime Zones, as a pillar of our national economy and patrimony;
- b. Exercise stewardship of our seas and coasts, and protect and conserve the health and resilience of marine and coastal ecosystems and habitats to promote the well-being, prosperity and security of present and future generations;
- c. Preserve our maritime heritage, recognize the social, cultural, and historical value of our seas and coasts, and foster public understanding and respect of the value of our seas and coasts to build a strong foundation for social responsibility;

- 1 d. Enrich scientific understanding of marine and coastal ecosystems, the benefits we  
2 gain from these ecosystems (e.g. carbon sequestration), their changing conditions and  
3 the causes thereof, and use the best available scientific knowledge to inform decisions  
4 affecting our seas and coasts and to enhance our capacity to respond and adapt to  
5 changing maritime environments;  
6  
7 e. Foster international cooperation, and exercise rights and jurisdiction in accordance  
8 with applicable international laws, including on freedom of navigation;  
9  
10 f. Strategically address the factors that adversely affect the oceans and the living and  
11 non-living resources that comprise our seas, turning threats into opportunities and  
12 preventing further harm to all water bodies including land-based pollution;  
13  
14 g. Ensure a whole-of-nation approach and a comprehensive, integrated framework for  
15 the stewardship of our seas and coasts to facilitate cohesive action of the National  
16 Government, local authorities, academe, non-governmental organizations, the private  
17 sector, and the public.  
18

19 **SEC. 3. Definition of Terms.** – As used in this Act:  
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- 21 a. *Aquaculture* refers to the farming of aquatic organisms including fish, mollusks,  
22 crustaceans and aquatic plants. Farming implies some sort of intervention in the  
23 rearing process to enhance production, such as regular stocking, feeding, protection  
24 from predators, etc. Farming also implies individual or corporate ownership of the  
25 stock being cultivated, the planning, development and operation of aquaculture  
26 systems, sites, facilities and practices, and the production and transport;  
27  
28 b. *Aquasilviculture* refers to a multi-purpose production system that allows production  
29 of fish in a mangrove reforestation project;  
30  
31 c. *Blue economy* refers to a practical ocean-based economic model using green  
32 infrastructure and technologies, innovative financing mechanisms, and proactive  
33 institutional arrangements for meeting the twin goals of protecting our oceans and  
34 coasts and enhancing its potential contribution to sustainable development, including  
35 improving human well-being, and reducing environmental risks and ecological  
36 scarcities;  
37  
38 d. *Commercial fishing* refers to the harvesting of fish, either in whole or in part, for sale,  
39 barter or trade;  
40  
41 e. *Ecosystem services* refer to the flow of benefits which humans gain from ecosystems,  
42 through biological processes and climate, hydrological and biochemical cycles, and  
43 experiences that contribute to intangible culture;  
44  
45 f. *Environmental-economic accounting* refers to a systematic way to measure and report  
46 on stocks and flows of natural assets and resources – both biotic and abiotic,  
47 renewable and non-renewable – and ecosystem services, to determine the contribution  
48 of the environment to the economy and the impact of the economy on the  
49 environment;  
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- 1 g. *Environmental-economic accounts* refer to statistical information, in physical or  
2 monetary terms, about the extraction of natural resources, their use within the  
3 economy, natural resource stock levels, the changes in those stocks during a specific  
4 period, and such other economic activities related to the environment;  
5
- 6 h. *Integrated marine and coastal area management* refers to a participatory process for  
7 decision-making to prevent, control, or mitigate adverse impacts from human  
8 activities in the marine and coastal environment, and to contribute to the restoration of  
9 degraded coastal areas;  
10
- 11 i. *Investment promotion agencies* refer to government entities created by law, executive  
12 order, decree or other issuance, in charge of promoting investments, granting and  
13 administering tax and non-tax incentives, and overseeing the operations of the  
14 different economic zones and freeports in accordance with their respective special  
15 laws. These include the Board of Investments (BOI), Regional Board of Investments-  
16 Autonomous Region in Muslim Mindanao (RBOI-ARMM), Philippine Economic  
17 Zone Authority (PEZA), Bases Conversion and Development Authority (BCDA),  
18 Subic Bay Metropolitan Authority (SBMA), Clark Development Corporation (CDC),  
19 John Hay Management Corporation (JHMC), Poro Point Management Corporation  
20 (PPMC), Cagayan Economic Zone Authority (CEZA), Zamboanga City Special  
21 Economic Zone Authority (ZCSEZA), PHIVIDEC Industrial Authority (PIA), Aurora  
22 Pacific Economic Zone and Freeport Authority (APECO), Authority of the Freeport  
23 Area of Bataan (AFAB), Tourism Infrastructure and Enterprise Zone Authority  
24 (TIEZA), and all other similar existing authorities or that may be created by law;  
25
- 26 j. *Land-based pollution* – Municipal, industrial, and agricultural wastes and run-off  
27 including but not limited to sewage and waste water, persistent organic pollution  
28 (including pesticides), heavy metals, oils, nutrients and sediments – whether brought  
29 by rivers or discharged directly into coastal waters;  
30
- 31 k. *Mariculture* refers to the farming of organisms, both plants and animals, in an aquatic  
32 medium or environment which may be completely marine (sea), or sea water mixed to  
33 various degrees with fresh water. This definition would include both the sea and  
34 inland brackishwater areas;  
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- 36 l. *Marine scientific research* refers to any research activity, which is conducted for  
37 exclusively peaceful purposes, for the purpose of increasing scientific knowledge  
38 about the marine environment, including all natural resources, toward the benefit of  
39 mankind and according to the United Nations Convention on the Law of the Sea  
40 (UNCLOS);  
41
- 42 m. *Maritime domain awareness* refers to the effective understanding of any activity that  
43 could impact upon the security, safety, economy or environment;  
44
- 45 n. *Maritime spatial planning* refers to a process by which human activities in Maritime  
46 Zones are analyzed and organized, based on best available scientific knowledge, and  
47 to achieve economic, ecological and social objectives;  
48

- 1 o. *Ocean-based activities* refer to activities that are undertaken in the ocean, e.g.,  
2 fisheries and aquaculture, offshore oil and gas, mining, ocean energy, desalination,  
3 shipping and marine transportation, marine tourism, marine construction;  
4
- 5 p. *Ocean-related activities* refer to activities that use products from the ocean (e.g.,  
6 seafood processing, marine biotechnology, chemicals, salt, etc.) and produce products  
7 and services for the ocean and ocean-based activities (e.g., ship building and repair,  
8 ports, tourist resorts, communication, maritime insurance and law, maritime technical  
9 services, etc.);
- 10
- 11 q. *Subsistence fishing* – fishing for personal consumption or  
12 traditional/ceremonial purposes;  
13
- 14 r. *Ocean literacy* refers to an understanding of the ocean’s influence on humans and  
15 human influence on the ocean.  
16

17 **SEC. 4. Scope of Application.** – For purposes of this Act, the Philippines shall exercise  
18 sovereignty, sovereign rights and jurisdiction, in accordance with international law, as  
19 appropriate, in internal waters, archipelagic waters, territorial sea, contiguous zone, exclusive  
20 economic zone and continent shelf, herein collectively referred to as “Maritime Zones”,  
21 including its seabed and subsoil, and any and all maritime features within the Maritime Zones  
22 now known or to be known in the future, without prejudice to the power, authority and right  
23 granted exclusively to the Bangsamoro Government under Republic Act No. 11054, also  
24 known as the “Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao,”  
25 to explore, develop, and utilize natural resources within its territorial jurisdiction.  
26

## 27 CHAPTER II 28 NATIONAL MARITIME COUNCIL 29

30 **SEC. 5. National Maritime Council.** – The National Coast Watch Council, created  
31 under Executive Order No. 57, Series of 2011, is hereby renamed and reconstituted as the  
32 National Maritime Council, herein referred to as the “Council,” and its functions expanded to  
33 include the formulation of an integrated strategy to promote blue economy and ecosystem-  
34 based management of coastal and marine resources.  
35

36 **SEC. 6. Composition.** – The Council is composed of the following:  
37

- 38 a. Executive Secretary, as Chairperson;  
39 b. Secretary of Socio-Economic Planning;  
40 c. Secretary of Environment and Natural Resources;  
41 d. Secretary of National Defense;  
42 e. Secretary of Foreign Affairs;  
43 f. Secretary of Justice;  
44 g. Secretary of the Interior and Local Government;  
45 h. Secretary of Agriculture;  
46 i. Secretary of Tourism;  
47 j. Secretary of Transportation;  
48 k. Secretary of Trade and Industry;  
49 l. Secretary of Energy;  
50 m. Secretary of Science and Technology; and

1 n. Secretary of Finance.  
2

3 Department Secretaries may designate an Undersecretary, whose portfolio covers matters  
4 directly or principally relating to the development or management of coastal and marine  
5 resources and ecosystems, if applicable. They shall sit in a permanent capacity, and their acts  
6 shall be considered the acts of their principals.  
7

8 **SEC. 7. Secretariat.** – The Coastal Watch Council Secretariat, created under Section 4 of  
9 Executive Order No. 57, Series of 2011, is hereby renamed as the National Maritime Office  
10 and shall continue to provide technical and administrative support to the Council.  
11

12 **SEC. 8. Support Agencies.** – Section 6 of Executive Order No. 57, Series of 2011 is  
13 hereby amended to include the following agencies to provide material or technical support to  
14 the Council, as may be deemed necessary:  
15

- 16 a. Climate Change Commission
- 17 b. Bangko Sentral ng Pilipinas;
- 18 c. Board of Investments;
- 19 d. Securities and Exchange Commission;
- 20 e. Philippine Statistics Authority;
- 21 f. National Mapping and Resources Information Authority;
- 22 g. Environmental Management Bureau;
- 23 h. Biodiversity Management Bureau-Coastal and Marine Division;
- 24 i. Bureau of Agriculture and Fisheries Standards;
- 25 j. Philippine Fisheries Development Authority;
- 26 k. Philippine Council for Agriculture and Fisheries;
- 27 l. Maritime Industry Authority;
- 28 m. Philippine Ports Authority;
- 29 n. Philippine Reclamation Authority;
- 30 o. Philippine Council for Agriculture, Aquatic and Natural Resources Research and  
31 Development;
- 32 p. Philippine Atmospheric, Geophysical and Astronomical Services Administration;
- 33 q. Department of Foreign Affairs-Maritime and Ocean Affairs Office;
- 34 r. National Museum-Maritime and Underwater Cultural Heritage Division;
- 35 s. National Anti-Poverty Commission;
- 36 t. Mines and Geosciences Bureau of the Department of Environment and Natural  
37 Resources;
- 38 u. Protected Areas and Wildlife Bureau;
- 39 v. Environmental Management Bureau;
- 40 w. Bureau of Fisheries and Aquatic Resources;
- 41 x. University of the Philippines-Marine Science Institute; and
- 42 y. Investment promotion agencies.  
43

44 In order to ensure the efficient and effective discharge of its responsibilities, the Council shall  
45 create working groups, and call upon other departments, bureaus, offices and  
46 instrumentalities of the Government, and academic and research institutions engaged in  
47 marine science and ocean-based or ocean-related activities to participate in working groups,  
48 as it may deem necessary to precisely perform their mandates to manage and synchronize  
49 many overlapping functions.  
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**CHAPTER III**  
**POLICY FRAMEWORK ON BLUE ECONOMY**

**SEC. 9. Policy Framework on Blue Economy.** – The Council shall, within six (6) months from the effectivity of this Act, formulate a Policy Framework on Blue Economy, herein referred to as the Policy Framework taking into considering the 1994 National Marine Policy. The Policy Framework shall serve as the basis for marine spatial planning, determination of investments to enhance maritime domain awareness, and enforcement of economic and environmental regulations within our Maritime Zones. The Policy Framework shall be subject to mandatory review and modification every five (5) years.

**SEC. 10. Components of the Policy Framework on Blue Economy.** – The Policy Framework shall include the following components:

- a. Review of all existing policies, plans, programs, projects, rules and regulations on ocean-based and ocean-related activities;
- b. Adherence to international maritime laws and protocols;
- c. Analysis of current and emerging trends and changes 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 services from coastal and marine environments;
- e. Priority strategic and sustainable ocean-based and ocean-related economic activities, which may include:
  - 1) Fisheries, including commercial fishing, but with preference to subsistence fisheries, as mandated by Section 7, Art. XIII, of the Constitution;
  - 2) Aquaculture, mariculture and aquisilviculture;
  - 3) Marine and coastal tourism;
  - 4) Environmentally and hydrologically appropriate reclamation;
  - 5) Shipping, logistics and maritime transport;
  - 6) Ship-building and ship repair;
  - 7) Exploration, exploitation and extraction of oil and natural gas;
  - 8) Production of renewable energy from marine sources;
  - 9) Submarine mining or extraction of minerals and aggregates;
  - 10) Installation of submarine cables and pipelines;
  - 11) Bioremediation, Marine biotechnology and bioprospecting;
  - 12) Desalination; and
  - 13) Underwater cultural heritage and maritime archaeology.
- f. Guiding framework for integrated marine and coastal area management;
- g. Guiding framework for blue finance;
- h. Priority research and development agenda;

- 1 i. Promotion of ocean literacy and social responsibility towards the protection of coastal  
2 and marine environments;
- 3
- 4 j. Enhancement of capability of the Armed Forces of the Philippines and civilian  
5 agencies to enforce laws, rules and regulations to protect our marine wealth;
- 6
- 7 k. Goals, targets and indicators for growth, resilience and sustainability of priority  
8 strategic and sustainable ocean-based and ocean-related activities, including its  
9 contribution to Gross Domestic Product and job creation.

10  
11 **CHAPTER IV**  
12 **ADHERENCE TO INTERNATIONAL MARITIME INSTRUMENTS**  
13

14 **SEC. 11. International Maritime Instruments.** – The Council shall establish  
15 mechanisms for the full and effective implementation and enforcement of the following  
16 international maritime instruments and their subsequent amendments and the reporting of  
17 compliance and adherence to the President and Congress:  
18

- 19 a. Convention on the International Trade of Endangered Species of Flora and Fauna;
- 20 b. UNESCO Convention on the Protection of the Underwater Cultural Heritage;
- 21 c. International Convention for the Safety of Life at Sea, 1974, as amended, and its  
22 Protocol of 1988 (SOLAS 74);
- 23 d. International Convention for the Prevention of Pollution from Ships and its Protocol  
24 of 1978 (MAPROL 73/78);
- 25 e. Convention on the International Regulations for Preventing Collisions at Sea, 1972, as  
26 amended (COLREG 72);
- 27 f. International Convention on Load Lines, 1966 and its Protocol of 1988, as amended  
28 (LL 66);
- 29 g. International Convention on the Tonnage Measurement of Ships, 1969 (TONNAGE  
30 69);
- 31 h. Convention for the Suppression of Unlawful Acts Against the Safety of Maritime  
32 Navigation, 1988 (SUA) and its Protocol;
- 33 i. International Convention on Oil Pollution Preparedness, Response and Co-operation  
34 1990 (OPRC 1990);
- 35 j. International Convention for the Control and Management of Ships' Ballast Water  
36 and Sediments, 2004 (BWM 2004);
- 37 k. Convention on the Prevention of Marine Pollution by dumping of Wastes and Other  
38 Matter, 1972, as amended, and its 1996 Protocol (LCP);
- 39 l. Special Trade Passenger Ships Agreement, 1971 (STP 71);
- 40 m. Convention on the International Mobile Satellite Organization, as amended (IMSO  
41 1976) and its Operating Agreement (INMARSAT);
- 42 n. International Convention on Standards of Training, Certification and Watchkeeping  
43 for Seafarers, 1978, As Amended (STCW 78);
- 44 o. International Convention on the Control of Harmful Anti-Fouling Systems on Ships,  
45 2001 (AFS 2001);
- 46 p. Protocol of 1992 to Amend the International Convention on Civil Liability for Oil  
47 Pollution Damage, 1969;
- 48 q. Protocol of 1992 to amend the International Convention on the Establishment of an  
49 International Fund for Compensation for Oil Pollution Damage, 1971;



1 Accordingly, the National IMCAM Framework shall consider the following elements:  
2

- 3 a. Building capacity of stakeholders, in both national and local levels, to apply relevant  
4 policy instruments to address legal issues, institutionalize participatory processes, and  
5 develop strategies to promote multidisciplinary and multisectoral ecosystem-based  
6 management of coastal and marine environments;  
7
- 8 b. Direct action to protect coastal and marine environments from negative impacts, such  
9 as:
- 10 i. Alteration and destruction, of coastal and marine habitats, particularly areas  
11 important for reproduction, *inter alia*, coral reef systems, sea grass areas and  
12 the sea bed;
  - 13 ii. Marine and land-based pollution;
  - 14 iii. Improper coastal land use and the mismanagement of watersheds;
  - 15 iv. Illegal, unreported and unregulated fishing, by-catch especially of threatened  
16 species;
- 17
- 18 c. Establishment of mechanisms and guidelines for research, monitoring and assessment  
19 of coastal and marine ecosystems and resources, including indicators to measure  
20 natural and human-induced impacts.  
21

## 22 CHAPTER VII

### 23 PROTECTION AND CONSERVATION OF COASTAL AND MARINE RESOURCES 24

25 **SEC. 17. Protection of Endangered Species.** – The Council shall spearhead the  
26 conservation, protection, and rehabilitation of rare, threatened and endangered aquatic species  
27 as it may determine, including their habitats and migratory routes such as the East Asian  
28 Current. It shall recommend to the President and Congress the designation of coastal and  
29 marine areas as protected areas under the Expanded National Integrated Protected Areas  
30 System, or sanctuaries of local conservation areas under the Fisheries Code and the Local  
31 Government Code, and in compliance with the relevant provisions of international treaties  
32 and agreements such as, the Convention on the International Trade in Endangered Species of  
33 Wild Flora and Fauna, the United Nations Convention on the Law of the Sea, and Convention  
34 on Biological Diversity.  
35

36 **SEC. 18. Policy Coordination.** – The Council shall harmonize rules and regulations  
37 of all relevant agencies responsible for the implementation and enforcement of laws to  
38 prevent and eliminate illegal fishing such as Republic Act (RA) No. 8550, also known as the  
39 “Philippine Fisheries Code of 1998,” as amended by RA 10654.  
40

## 41 CHAPTER VIII 42 DEVELOPMENT PLANNING 43

44 **SEC. 19. Maritime Spatial Planning.** – The Council shall undertake a nationwide  
45 maritime spatial planning to identify the spatial and temporal distribution of priority activities  
46 and uses and the interactions thereof in Maritime Zones, in order to reduce conflict among  
47 uses, facilitate complementary uses, mitigate environmental impacts, and preserve ecosystem  
48 services.  
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**CHAPTER X**  
**MARINE SCIENCE AND OCEAN LITERACY**

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**SEC. 27. Marine Scientific Research and Development.** – 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 unified 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.

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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.

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**SEC. 28. Ocean Literacy Framework.** – The Department of Education (DepEd), Commission on Higher Education (CHED), Technical Education and Skills Development Authority (TESDA) and other government agencies implementing sector-specific literacy programs, in consultation with relevant Members of the Council or support agencies, shall integrate into the curricula of K-12, the Alternative Learning System (ALS), 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:

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- a. Understanding the importance of the ocean to humankind;
  - b. Communicating about the ocean in a meaningful way; and,
  - c. Making informed and responsible decisions regarding the ocean and its resources

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**CHAPTER XI**  
**FREEDOM OF NAVIGATION**

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

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**CHAPTER XII**  
**ROLE OF LOCAL GOVERNMENTS**

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**SEC. 30. Role of Local Government Units.** – Cities and municipalities shall continue to exercise jurisdiction over municipal waters, pursuant to RA 7160, also known as the “Local Government Code of 1991,” as amended, and RA 8550, as amended. Consistent with this mandate, local government units shall act as the frontline agencies in the formulation, planning and implementation of IMCAM in their respective jurisdictions. LGUs

1 shall integrate the National Maritime Spatial Plan and opportunities such as the National  
2 Sewage and Septage Management Plan and the funds under the Clean Water Act in their  
3 Comprehensive Development and Annual Investment Plans. *Provided*, That the Council shall  
4 clarify territorial boundaries between and among LGUs in different parts of the country for  
5 better enforcement and regulation.  
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7 **SEC. 31. Inter-LGU Cooperation.** – Consistent with the provisions of RA 7160, as  
8 amended, LGUs may group themselves, consolidate or coordinate their efforts, services, and  
9 resources for the accomplishment of the objectives of this Act.  
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11 **CHAPTER XIII**  
12 **FINAL PROVISIONS**  
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14 **SEC. 32. Congressional Oversight.** – For the effective implementation of this Act, a  
15 Congressional Oversight Committee is created to be known as the Blue Economy Oversight  
16 Committee. The Blue Economy Oversight Committee shall be composed of five (5) Senators  
17 and five (5) Representatives to be appointed by the Senate President and the Speaker of the  
18 House of Representatives, respectively. The Minority shall be entitled to pro rata  
19 representation. The Blue Economy Oversight Committee shall be jointly chaired by the  
20 Chairperson of the Senate Committee on Economic Affairs and the Chairperson of the House  
21 Committee on Economic Affairs.  
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23 **SEC. 33. Appropriations.** – The amount of One Hundred Million Pesos  
24 (P100,000,000.00) as initial funding for the Council to be charged against the unexpended  
25 Contingency Fund of the Office of the President is hereby appropriated. Thereafter, the  
26 amount needed for the implementation of this Act shall be included in the annual General  
27 Appropriations Act.  
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29 **SEC. 34. Implementing Rules and Regulations.** – The Council shall issue the  
30 implementing rules and regulations within sixty (60) days from the approval of this Act:  
31 *Provided*, That failure to issue rules and regulations shall not in any manner affect the  
32 executory nature of the provisions of this Act.  
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34 **SEC. 35. Separability Clause.** – If any provision of this Act is held invalid or  
35 unconstitutional, the remaining provisions not affected shall remain in full force and effect.  
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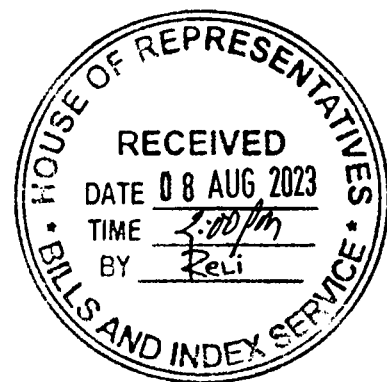
37 **SEC. 36. Repealing Clause.** – All other laws, decrees, executive orders, and rules  
38 and regulations contrary to or inconsistent with the provisions of this Act are repealed or  
39 modified accordingly.  
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41 **SEC. 37. Effectivity.** – This Act shall take effect fifteen (15) days after its publication  
42 in the Official Gazette or in a newspaper of general circulation.

Approved,

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

NINETEENTH CONGRESS  
Second Regular Session  
**HOUSE BILL NO. 8816**



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**Introduced by Rep. FERDINAND ALEXANDER A. MARCOS**  
1<sup>st</sup> District, Ilocos Norte

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***EXPLANATORY NOTE***

That the Philippines is a maritime nation is basically reflected in its fundamental law which speaks of the national territory as comprising “the Philippine *archipelago*, with all the *islands and waters* embraced therein, and all other territories over which the Philippines has sovereignty or jurisdiction, consisting of its terrestrial, fluvial, and aerial domains, including its *territorial sea*, the *seabed*, the subsoil, the *insular shelves*, and *other submarine areas*. (Article I, National Territory, 1987 Philippine Constitution). It continues, “The *waters around, between, and connecting the islands of the archipelago*, regardless of their breadth and dimensions, form part of the internal waters of the Philippines.” (italics supplied)

As a maritime or a “blue economy”, our country is blessed with a vibrant fishing industry, having one of the most bio-diverse marine habitats, and with some of the best beaches in the world (the pride of our coastal and marine tourism). We are also one of the top suppliers of seafarers in the global shipping industry.

In view, however, of the political and economic headwinds in the international arena, there is a compelling need for us to develop, manage, protect and preserve our marine ecosystems and coastal resources in a sustainable, inclusive and resilient manner.

On the basis of the foregoing considerations, the early approval of this measure is earnestly recommended.

  
**FERDINAND ALEXANDER A. MARCOS**

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

NINETEENTH CONGRESS  
Second Regular Session  
**HOUSE BILL NO. 8816**

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**Introduced by Rep. FERDINAND ALEXANDER A. MARCOS**  
1<sup>st</sup> District, Ilocos Norte

---

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

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

**CHAPTER I**  
**GENERAL PROVISIONS**

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

**SEC. 2.** Declaration of Policy. - It shall be the policy of the State to:

- a) Adopt blue economy as a framework for sustainable and safe use and development of marine wealth within our maritime zones, as a pillar of our national economy and patrimony;
- b) Exercise stewardship of our seas and coasts, and protect and conserve the health and resilience of marine and coastal ecosystems and habitats to promote the well-being, prosperity and security of present and future generations;
- c) Preserve our maritime heritage, recognize the social, cultural, and historical value of our seas and coasts, and foster public understanding and respect of the value of our seas and coasts to build a strong foundation for social responsibility;
- d) Enrich scientific understanding of marine and coastal ecosystems, the benefits we gain from these ecosystems (for example, through carbon sequestration), their changing conditions and the causes thereof; and use the best available scientific knowledge to inform decisions affecting our seas and coasts and to enhance our capacity to respond and adapt to changing maritime environments;
- e) Foster international cooperation, and exercise rights and jurisdiction in accordance with applicable international laws, including on freedom of

navigation;

- f) Ensure a whole-of-nation approach and a comprehensive, integrated framework for the stewardship of our seas and coasts to facilitate cohesive action of the National Government, local authorities, academe, non-governmental organizations, the private sector, and the public.

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

- (a) *Aquaculture* refers to the farming of aquatic organisms including fish, mollusk, crustaceans and aquatic plants. Farming implies some sort of intervention in the rearing process to enhance production, such as regular stocking, feeding, protection from predators, etc. Farming also implies individual or corporate ownership of the stock being cultivated, the planning, development and operation of aquaculture systems, sites, facilities and practices, and the production and transport;
- (b) *Aquasilviculture* refers to a multi-purpose production system that allows production of fish in a mangrove reforestation project;
- (c) *Blue economy* refers to a practical ocean-based economic model using green infrastructure and technologies, innovative financing mechanisms, and proactive institutional arrangements for meeting the twin goals of protecting our oceans and coasts and enhancing its potential contribution to sustainable development, including improving human well-being, and reducing environmental risks and ecological scarcities;
- (d) *Commercial fishing* refers to the harvesting of fish, either in whole or in part, for sale, barter or trade;
- (e) *Ecosystem services* refer to the flow of benefits which humans gain from ecosystems. through biological processes and climate. hydrological and biochemical cycles and experiences that contribute to intangible culture;
- (f) *Environmental-economic accounting* refers to a systematic way to measure and report on stocks and flows of natural assets and resources - both biotic and biotic, 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;
- (g) *Environmental-economic accounts* refer to statistical information, in physical or monetary terms, about the extraction of natural resources. their use within the economy, natural resource stock levels, the changes in those stocks during a specific period, and such other economic activities related to the environment;
- (h) *Integrated marine and coastal area management* 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 to contribute to the restoration of degraded coastal areas;

- (i) *Investment promotion agencies* refer to government entities created by law, executive order, decree or other issuance, in charge of promoting investments, granting and administering tax and non-tax incentives, and overseeing the operations of the different economic zones and freeports in accordance with their respective special laws. These include the Board of Investments (BOI), Regional Board of Investments-Autonomous Region in Muslim Mindanao (RBOI-ARMM), Philippine Economic Zone Authority (PEZA), Bases Conversion and Development Authority (BCDA), Subic Bay Metropolitan Authority (SBMA), Clark Development Corporation (CDC), John Hay Management Corporation (JHMC), Poro Point Management Corporation (PPMC), Cagayan Economic Zone Authority (CEZA), Zamboanga City Special Economic Zone Authority (ZCSEZA), PHIVIDEC Industrial Authority (PIA), Aurora Pacific Economic Zone and Freeport Authority (APECO), Authority of the Freeport Area of Bataan (AFAB), Tourism Infrastructure and Enterprise Zone Authority (TIEZA), and all other similar existing authorities or that may be created by law;
- (j) *Mariculture* refers to the farming of organisms, both plants and animals, in an aquatic medium or environment which may be completely marine (sea), or sea water mixed to various degrees with fresh water. This definition would include both the sea and inland brackishwater areas;
- (k) *Marine scientific research* refers to any research activity, which is conducted for exclusively peaceful purposes, for the purpose of increasing scientific knowledge about the marine environment, including all natural resources, toward the benefit of mankind and according to the United Nations Convention on the Law of the Sea;
- (l) *Maritime domain awareness* refers to the effective understanding of any activity that could impact upon the security, safety, economy or environment;
- (m) *Maritime spatial planning* refers to a process by which human activities in maritime zones are analyzed and organized, based on best available scientific knowledge, and to achieve economic, ecological and social objectives;
- (n) *Ocean-based activities* refer to activities that are undertaken in the ocean, e.g. fisheries and aquaculture, offshore oil and gas, mining, ocean energy, desalination, shipping and marine transportation, marine tourism, marine construction;
- (o) *Ocean-related activities* refer to activities that use products from the ocean (e.g., seafood processing, marine biotechnology, chemicals, salt, etc.) and produce products and services for the ocean and ocean-based activities (e.g., ship building and repair, ports, tourist resorts, communication, maritime insurance and law, maritime technical services, etc.);
- (p) *Subsistence fishing* refers to fishing for personal consumption or traditional/ceremonial purposes;

(q) *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 international law, as appropriate, in internal waters, archipelagic waters, territorial sea, contiguous zone, exclusive economic zone and continent shelf, herein collectively referred to as "Maritime Zones", including its seabed and subsoil, and any and all maritime features within the Maritime Zones now known or to be known in the future, without prejudice to the power, authority and right granted exclusively to the Bangsamoro Government under Republic Act No. 11054, also known as the "Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao," to explore, develop, and utilize natural resources within its territorial jurisdiction.

## **CHAPTER II NATIONAL MARITIME COUNCIL**

**SEC. 5. National Maritime Council.** - The National Coast Watch Council, created under Executive Order No. 57, Series of 2011, is hereby renamed and reconstituted as the National Maritime Council, herein referred to as the "Council," and its functions expanded to include the formulation of an integrated strategy to promote blue economy and ecosystem-based management of coastal and marine resources.

**SEC. 6. Composition.** - The Council is composed of the following:

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

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

**SEC. 7. Secretariat.** - The Coastal Watch Council Secretariat, created under Section 4 of Executive Order No. 57, Series of 2011, is hereby renamed as the National Maritime Office and shall continue to provide technical and administrative support to the Council.

**SEC. 8. Support Agencies.** - Section 6 of Executive Order No. 57, Series of 2011 is hereby amended to include the following agencies to provide material or technical support to the Council, as may be deemed necessary:

- a) Bangko Sentral ng Pilipinas;
- b) Board of Investments;
- c) Securities and Exchange Commission;
- d) Philippine Statistics Authority;
- e) National Mapping and Resources Information Authority;
- f) Environmental Management Bureau;
- g) Biodiversity Management Bureau-Coastal and Marine Division;
- h) Bureau of Agriculture and Fisheries Standards;
- i) Philippine Fisheries Development Authority;
- j) Philippine Council for Agriculture and Fisheries;
- k) Maritime Industry Authority;
- l) Philippine Ports Authority;
- m) Philippine Reclamation Authority;
- n) Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development;
- o) Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA);
- p) Department of Foreign Affairs-Maritime and Ocean Affairs Office;
- q) National Museum-Maritime and Underwater Cultural Heritage Division;
- r) University of the Philippines-Marine Science Institute; and
- s) Investment promotion agencies.

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

### **CHAPTER III POLICY FRAMEWORK ON BLUE ECONOMY**

**SEC. 9. Policy Framework on Blue Economy.** - The Council shall, within six (6) months from the effectivity of this Act, formulate a Policy Framework on Blue Economy, herein referred to as the Policy Framework. The Policy Framework shall serve as the basis for marine spatial planning, determination of investments to enhance maritime domain awareness, and enforcement of economic and environmental regulations within our maritime zones. The Policy Framework shall be subject to mandatory review and modification every five (5) years.

**SEC. 10. Components of the Policy Framework on Blue Economy.** - The Policy Framework shall include the following components:

- a) Review of all existing policies, plans, programs, projects, rules and regulations on ocean-based and ocean-related activities;



- b) Adherence to international maritime laws;
- c) Analysis of current and emerging trends and changes in demography, consumption, trade, technology 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 services from coastal and marine environments;
- e) Priority strategic and sustainable ocean-based and ocean-related economic activities, which may include:
  1. Fisheries, including commercial fishing, but with preference to subsistence fisheries, as mandated by Section 7, Art. XIII, of the Constitution;
  2. Aquaculture, mariculture and aquasilviculture;
  3. Marine and coastal tourism;
  4. Reclamation;
  5. Shipping, logistics and maritime transport;
  6. Ship-building and ship repair;
  7. Exploration, exploitation and extraction of oil and natural gas;
  8. Production of renewable energy from marine sources;
  9. Submarine mining or extraction of minerals and aggregates;
  10. Installation of submarine cables and pipelines;
  11. Marine biotechnology and bioprospecting;
  12. Desalination; and
  13. Underwater cultural heritage and maritime archaeology.
- (f) Guiding framework for integrated marine and coastal area management;
- (g) Guiding framework for blue finance;
- (h) Priority research and development agenda;
- (i) Promotion of ocean literacy and social responsibility towards the protection of coastal and marine environments;
- (j) Enhancement of capability of the Armed Forces of the Philippines and civilian agencies to enforce laws, rules and regulations to protect our marine wealth;
- (k) 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;

#### **CHAPTER IV**

#### **ADHERENCE TO INTERNATIONAL MARITIME INSTRUMENTS**

**SEC. 11. International Maritime Instruments.** - The State shall adhere to the provisions of the 1982 United Nations Convention on the Law of the Sea and

relevant international conventions relating to maritime activities. Towards this end, the Council shall establish mechanisms for the full and effective implementation and enforcement of the following international maritime instruments and their subsequent amendments:

Fauna;

- a) Convention on the International Trade of Endangered Species of Flora and
- b) UNESCO Convention on the Protection of the Underwater Cultural Heritage;
- c) International Convention for the Safety of Life at Sea, 1974, as amended, and its Protocol of 1988 (SOLAS 74);
- d) International Convention for the Prevention of Pollution from Ships and its Protocol of 1978 (MAPROL 73/78);
- e) Convention on the International Regulations for Preventing Collisions at Sea, 1972, as amended (COLREG 72);
- f) International Convention on Load Lines, 1966 and its Protocol of 1988, as amended (LL 66);
- g) International Convention on the Tonnage Measurement of Ships, 1969 (TONNAGE 69);
- h) Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, 1988 (SUA) and its Protocol;
- i) International Convention on Oil Pollution Preparedness, Response and Co-operation 1990 (OPRC 1990);
- j) International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (BWM 2004);
- k) Convention on the Prevention of Marine Pollution by dumping of Wastes and Other Matter, 1972, as amended, and its 1996 Protocol (LCP);
- l) Special Trade Passenger Ships Agreement, 1971 (STP 71);
- m) Convention on the International Mobile Satellite Organization, as amended (IMSO 1976) and its Operating Agreement (INMARSAT);
- n) International Convention on Standards of Training, Certification and Watchkeeping for Seafarers. 1978, As Amended (STCW 78);
- o) International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001 (AFS 2001);
- p) Protocol of 1992 to Amend the International Convention on Civil Liability for Oil Pollution Damage, 1969; and
- q) Protocol of 1992 to amend the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1971.

**SEC. 12.** Application. - Unless otherwise indicated, the international conventions enumerated in the preceding section shall 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 duly registered or licensed in the Philippines to engage in ocean-based or ocean-related enterprise, or those acting on their behalf;
- 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, State Parties to the conventions sought to be implemented by this Act.

## **CHAPTER V ENVIRONMENTAL-ECONOMIC ACCOUNTING**

**SEC. 13. Environmental-Economic Accounting.** - The Council shall undertake environmental-economic accounting of maritime ecosystems and resources, based on the United Nations System of Environmental-Economic Accounting. Members of the Council and heads of support agencies shall contribute data on environmental-economic accounts relating to their mandates.

**SEC. 14. Framework.** - The Philippine Statistics Authority (PSA) shall develop a framework for the collection, compilation, processing, analysis, publication and dissemination of environmental-economic accounts and its integration in the national accounts: Provided, That PSA shall integrate the collection of environmental-economic accounts into the Community-Based Monitoring System for local government units (LGUs); Provided, further, That the PSA shall coordinate with and provide technical assistance to Members of the Council, support agencies, investment promotion agencies and LGUs to ensure compliance to standard environmental-economic accounting techniques, methodologies, concepts, definitions and classifications to prevent duplication in collection of statistical information.

## **CHAPTER VI INTEGRATED MARINE AND COASTAL AREA MANAGEMENT**

**SEC. 15. Integrated Marine and Coastal Area Management (IMCAM).** - The Integrated Marine and Coastal Area Management (IMCAM) shall be the framework to address human impacts on marine and coastal biological diversity, and for promoting conservation and sustainable use of this biodiversity.

**SEC. 16. Elements of the National IMCAM Framework.** - The Council shall develop and implement the National IMCAM Framework within one (1) year from the effectivity of this Act to provide direction, support and guidance to relevant member and support agencies, LGUs and other stakeholders, according to the Elaborated Programme of Work on Marine and Coastal Biological Diversity contained in the Annex to Decision VII/5 of the Conference of the Parties to the United Nations Environmental Programme Convention on Biological Diversity.

Accordingly, the National IMCAM Framework shall consider the following elements:

- a) Building capacity of stakeholders, in both national and local levels, to apply relevant policy instruments to address legal issues, institutionalize participatory processes, and develop strategies to promote multidisciplinary and multisectoral ecosystem-based management of coastal and marine environments;

- b) Direct action to protect coastal and marine environments from negative impacts, such as:
1. Identification, protection, prevention of alteration and destruction, and restoration of coastal and marine habitats, particularly areas important for reproduction, inter alia, 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;
  5. Reduce by-catch.
- c) Establishment of mechanisms and guidelines for research, monitoring and assessment of coastal and marine ecosystems and resources, including indicators to measure natural and human-induced impacts.

## **CHAPTER VII PROTECTION AND CONSERVATION OF COASTAL AND MARINE RESOURCES**

**SEC. 17.** Protection of Endangered Species. - The Council shall spearhead the conservation, protection and rehabilitation of rare, threatened and endangered aquatic species as it may determine, including their habitats. It shall recommend to the President and Congress the designation of coastal and marine areas as protected areas under the Expanded National Integrated Protected Areas System or under the Fisheries Code, as amended, and in compliance with the relevant provisions of international treaties and agreements such as, the Convention on the International Trade in Endangered Species of Wild Flora and Fauna, the United Nations Convention on the Law of the Sea, and Convention on Biological Diversity.

**SEC. 18.** 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 such as Republic Act (RA) No. 8550, also known as the "Philippine Fisheries Code of 1998," as amended by RA 10654.

## **CHAPTER VIII DEVELOPMENT PLANNING**

**SEC. 19.** Maritime Spatial Planning. - The Council shall undertake a nationwide maritime spatial planning to identify the spatial and temporal distribution of priority activities and uses and the interactions thereof in maritime zones, in order to reduce conflict among uses, facilitate complementary uses, mitigate environmental impacts, and preserve ecosystem services.

**SEC. 20.** Industry Development Plans. - The Council, through working groups created for the purpose, shall prepare five-year and ten-year development plans for each priority strategic and sustainable ocean-based or ocean-related industry, in accordance with the Policy Framework.

**SEC. 21.** Integration with Area and National Development Plans. - The National Economic and Development Authority 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. 22.** 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. 23.** Blue Economic Zones. - Investment promotion agencies shall encourage the establishment of blue economic zones and the transformation of existing special economic zones (SEZs) into the same, where locator enterprises engaged in ocean-based or ocean-related activities shall enjoy the privileges, benefits, advantages or exemptions granted to economic zones and freeports in accordance with their respective special laws.

In addition, the incentives provided for under the following laws may be granted to blue SEZs:

- a) RA 9003, or the "Ecological Solid Waste Management Act of 2000;"
- b) RA 9275, or the "Philippine Clean Water Act of 2004;"
- c) RA 9513, or the "Renewable Energy Act of 2008;" and
- d) RA 10771, or the "Philippine Green Jobs Act of 2016."

Blue SEZs may also qualify for financing provided for under RA 11293, or the "Philippine Innovation Act."

## **CHAPTER IX BLUE FINANCE**

**SEC. 24.** Role of the Bangko Sentral ng Pilipinas (BSP). - In the exercise of 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. 25.** 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, strategic and sustainable ocean-based or ocean-related activities, in accordance with ASEAN Green Bonds Standards and Green Bonds Principles, as developed and may be revised from time to time by the ASEAN Capital Markets Forum and the International Capital Market Association, respectively.

**SEC. 26.** Role of Government Financial Institutions. - The Land Bank of the Philippines and the Development Bank of the Philippines shall allocate five percent (5%) of its regular loan portfolio for credit to strategic and sustainable ocean-based or ocean-related enterprises.

**CHAPTER X  
MARINE SCIENCE AND OCEAN LITERACY**

**SEC. 27. 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. 28. Ocean Literacy Framework.** - The Department of Education, Commission on Higher Education, Technical Education and Skills Development Authority and other government agencies implementing sector-specific literacy programs, in consultation with relevant Members of the Council or support agencies, shall integrate into the curricula of K- 12, the Alternative Learning System, general education programs of higher education institutions, technical and vocational education and training, and other community-based training programs, the essential principles and fundamental concepts of ocean sciences to develop the following competencies:

- a) Understanding the importance of the ocean to humankind;
- b) Communicating 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. 29. Archipelagic Sea Lanes.** - The Council shall designate sea lanes and air routes there above, suitable for the continuous and expeditious passage of foreign ships and aircrafts through or over the archipelagic waters and the adjacent territorial sea, and shall, where necessary as regards to the safety of 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 LOCAL GOVERNMENTS**

**SEC. 30. Role of Local Government Units.** - Cities and municipalities shall continue to exercise jurisdiction over municipal waters, pursuant to RA 7160, also known as the "Local Government Code of 1991," as amended, and RA 8550, as amended.

Consistent with this mandate, local government units shall act as the frontline agencies in the formulation, planning and implementation of IMCAM in their respective jurisdictions. LGUs shall integrate the National Maritime Spatial Plan in their Comprehensive Development and Annual Investment Plans.

**SEC. 31. Inter-LGU Cooperation.** - Consistent with the provisions of RA 7160, as amended, LOUs may group themselves, consolidate or coordinate their efforts, services, and resources for the accomplishment of the objectives of this Act.

### **CHAPTER XIII FINAL PROVISIONS**

**SEC. 32. Congressional Oversight.** - For the effective implementation of this Act, a Congressional Oversight Committee is created to be known as the Blue Economy Oversight Committee. The Blue Economy Oversight Committee shall be composed of five (5) Senators and five (5) Representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The Minority shall be entitled to pro rata representation. The Blue Economy Oversight Committee shall be jointly chaired by the Chairperson of the Senate Committee on Economic Affairs and the Chairperson of the House Committee on Economic Affairs.

**SEC. 33. Appropriations.** - The amount of One hundred million pesos (P100,000,000.00) as initial funding for the Council to be charged against the unexpended Contingency Fund of the Office of the President is hereby appropriated. Thereafter, the amount needed for the continued implementation of this Act shall be included in the annual General Appropriations Act.

**SEC. 34. Implementing Rules and Regulations.** - The Council shall issue the implementing rules and regulations within sixty (60) days from the approval of this Act: Provided however, That the failure to issue rules and regulations shall not in any manner affect the executory nature of the provisions of this Act.

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

**SEC. 36. Repealing Clause.** - All 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.** - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,

NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*Second Regular Session* )



**HOUSE OF REPRESENTATIVES**  
**House Bill No. 8720**

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Introduced by Hon. Antonio B. Legarda Jr.

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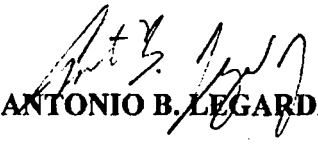
**AN ACT**  
**ESTABLISHING A FRAMEWORK FOR BLUE ECONOMY,**  
**PROMOTING STEWARDSHIP AND SUSTAINABLE DEVELOPMENT**  
**OF COASTAL AND MARINE ECOSYSTEMS AND RESOURCES**

**EXPLANATORY NOTE**

As an archipelago, the Philippines relies heavily on its maritime resources. Despite such fact, heavy ocean pollution has been a huge problem. In 2019, it was reported that the Philippines had the largest share of global plastic waste discarded in the ocean, accounting for 36.38% of global oceanic plastic waste.

Thus, there is an immense need for government intervention and creation of a framework that will be used to protect and preserve our maritime ecosystems for future generations to come.

In line with the policy adopted by its original proponent Senator Loren Legarda, this bill therefore likewise serves as a counter-part House Bill. It is for the reasons stated above that the passage of this measure is earnestly sought.

  
**ANTONIO B. LEGARDA JR.**



NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
*Second Regular Session* )

**HOUSE OF REPRESENTATIVES**  
**House Bill No. 8720**

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Introduced by Hon. Antonio B. Legarda Jr.

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

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

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

Sec. 2. *Declaration of Policy.* – It shall be the policy of the State to:

(a) Adopt blue economy as a framework for sustainable and safe use and development of marine wealth within our Maritime Zones, as a pillar of our national economy and patrimony;

(b) Exercise stewardship of our seas and coasts, and protect and conserve the health and resilience of marine and coastal ecosystems and habitats to promote the well-being, prosperity and security of present and future generations;

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

(d) Enrich scientific understanding of marine and coastal ecosystems, the benefits we gain from these ecosystems (e.g. carbon sequestration), their changing conditions and the causes thereof, and use the best available scientific knowledge to inform decisions affecting our seas and coasts and to enhance our capacity to respond and adapt to changing maritime environments;

(e) Foster international cooperation, and exercise rights and jurisdiction in accordance with applicable international laws, including on freedom of navigation;

(f) Strategically address the factors that adversely affect the oceans and the living and non-living resources that comprise our seas, turning threats into opportunities and preventing further harm to all water bodies including land-based pollution;

(g) Ensure a whole-of-nation approach and a comprehensive, integrated framework for the stewardship of our seas and coasts to facilitate cohesive action of the National Government, local authorities, academe, non-governmental organizations, the private sector, and the public.

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

(a) *Aquaculture* refers to the farming of aquatic organisms including fish, molluscs, crustaceans and aquatic plants. Farming implies some sort of intervention in the rearing process to enhance production, such as regular stocking, feeding, protection from predators, etc. Farming also implies individual or corporate ownership of the stock being cultivated, the planning, development and operation of aquaculture systems, sites, facilities and practices, and the production and transport;

(b) *Aquisilviculture* refers to a multi-purpose production system that allows production of fish in a mangrove reforestation project;

(c) *Blue economy* refers to a practical ocean-based economic model using green infrastructure and technologies, innovative financing mechanisms, and proactive institutional arrangements for meeting the twin goals of protecting our oceans and coasts and enhancing its potential contribution to sustainable development, including improving human well-being, and reducing environmental risks and ecological scarcities;

(d) *Commercial fishing* refers to the harvesting of fish, either in whole or in part, for sale, barter or trade;

(e) *Ecosystem services* refer to the flow of benefits which humans gain from ecosystems, through biological processes and climate, hydrological and biochemical cycles, and experiences that contribute to intangible culture;

(f) *Environmental-economic accounting* refers to a systematic way to measure and report on stocks and flows of natural assets and resources – both

biotic and biotic, 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;

(g) *Environmental-economic accounts* refer to statistical information, in physical or monetary terms, about the extraction of natural resources, their use within the economy, natural resource stock levels, the changes in those stocks during a specific period, and such other economic activities related to the environment;

(h) *Integrated marine and coastal area management* 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 to contribute to the restoration of degraded coastal areas;

(i) *Investment promotion agencies* refer to government entities created by law, executive order, decree or other issuance, in charge of promoting investments, granting and administering tax and non-tax incentives, and overseeing the operations of the different economic zones and freeports in accordance with their respective special laws. These include the Board of Investments (BOI), Regional Board of Investments-Autonomous Region in Muslim Mindanao (RBOI-ARMM), Philippine Economic Zone Authority (PEZA), Bases Conversion and Development Authority (BCDA), Subic Bay Metropolitan Authority (SBMA), Clark Development Corporation (CDC), John Hay Management Corporation (JHMC), Poro Point Management Corporation (PPMC), Cagayan Economic Zone Authority (CEZA), Zamboanga City Special Economic Zone Authority (ZCSEZA), PHIVIDEC Industrial Authority (PIA), Aurora Pacific Economic Zone and Freeport Authority (APECO), Authority of the Freeport Area of Bataan (AFAB), Tourism Infrastructure and Enterprise Zone Authority (TIEZA), and all other similar existing authorities or that may be created by law;

(j) *Land-based pollution* - Municipal, industrial and agricultural wastes and run-off including but not limited to sewage and waste water, persistent organic pollutants (including pesticides), heavy metals, oils, nutrients and sediments - whether brought by rivers or discharged directly into coastal waters

(k) *Mariculture* refers to the farming of organisms, both plants and animals, in an aquatic medium or environment which may be completely marine (sea), or sea water mixed to various degrees with fresh water. This definition would include both the sea and inland brackishwater areas;

(l) *Marine scientific research* refers to any research activity, which is conducted for exclusively peaceful purposes, for the purpose of increasing scientific knowledge about the marine environment, including all natural resources, toward the benefit of mankind and according to the United Nations Convention on the Law of the Sea;

(m) *Maritime domain awareness* refers to the effective understanding of any activity that could impact upon the security, safety, economy or environment;

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

(o) *Ocean-based activities* refer to activities that are undertaken in the ocean, e.g. fisheries and aquaculture, offshore oil and gas, mining, ocean energy, desalination, shipping and marine transportation, marine tourism, marine construction;

(p) *Ocean-related activities* refer to activities that use products from the ocean (e.g., seafood processing, marine biotechnology, chemicals, salt, etc.) and produce products and services for the ocean and ocean-based activities (e.g., ship building and repair, ports, tourist resorts, communication, maritime insurance and law, maritime technical services, etc.);

(q) *Subsistence fishing* – fishing for personal consumption or traditional/ceremonial purposes;

(r) *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 international law, as appropriate, in internal waters, archipelagic waters, territorial sea, contiguous zone, exclusive economic zone and continent shelf, herein collectively referred to as “Maritime Zones”, including its seabed and subsoil, and any and all maritime features within the Maritime Zones now known or to be

known in the future, without prejudice to the power, authority and right granted exclusively to the Bangsamoro Government under Republic Act No. 11054, also known as the “*Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao*,” or the powers of Protected Area Management Boards over protected seascapes to explore, develop, and utilize natural resources within its territorial jurisdiction.

## **CHAPTER II**

### **NATIONAL MARITIME COUNCIL**

Sec. 5. *National Maritime Council.* – The National Coast Watch Council, created under Executive Order No. 57, Series of 2011, is hereby renamed and reconstituted as the National Maritime Council, herein referred to as the “Council,” and its functions expanded to include the formulation of an integrated strategy to promote blue economy and ecosystem-based management of coastal and marine resources.

Sec. 6. *Composition.* – The Council is composed of the following:

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

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

Sec. 7. *Secretariat.* – The Coastal Watch Council Secretariat, created under Section 4 of Executive Order No. 57, Series of 2011, is hereby renamed as the National Maritime Office and shall continue to provide technical and administrative support to the Council.

Sec. 8. *Support Agencies.* – Section 6 of Executive Order No. 57, Series of 2011 is hereby amended to include the following agencies to provide material or technical support to the Council, as may be deemed necessary:

- (a) Climate Change Commission
- (b) Bangko Sentral ng Pilipinas;
- (c) Board of Investments;
- (d) Securities and Exchange Commission;
- (e) Philippine Statistics Authority;
- (f) National Mapping and Resources Information Authority;
- (g) Environmental Management Bureau;
- (h) Biodiversity Management Bureau-Coastal and Marine Division;
- (i) Bureau of Agriculture and Fisheries Standards;
- (j) Philippine Fisheries Development Authority;
- (k) Philippine Council for Agriculture and Fisheries;
- (l) Maritime Industry Authority;
- (m) Philippine Ports Authority;
- (n) Philippine Reclamation Authority;
- (o) Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development;
- (p) Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA);
- (q) Department of Foreign Affairs-Maritime and Ocean Affairs Office;
- (r) National Museum-Maritime and Underwater Cultural Heritage Division;
- (s) University of the Philippines-Marine Science Institute; and
- (t) Investment promotion agencies.

In order to ensure the efficient and effective discharge of its responsibilities, the Council may create working groups, and call upon other departments, bureaus, offices and instrumentalities of the Government, and academic and research

institutions engaged in marine science and ocean-based or ocean-related activities to participate in working groups, as it may deem necessary.

### CHAPTER III

#### POLICY FRAMEWORK ON BLUE ECONOMY

SEC. 9. *Policy Framework on Blue Economy.* – The Council shall, within six (6) months from the effectivity of this Act, formulate a Policy Framework on Blue Economy, herein referred to as the Policy Framework. The Policy Framework shall serve as the basis for marine spatial planning, determination of investments to enhance maritime domain awareness, the preservation of value and sustainability of ocean resources and their protection from threats such as land-based pollution and overfishing and enforcement of economic and environmental regulations within our Maritime Zones. The Policy Framework shall be subject to mandatory review and modification every five (5) years.

Sec. 10. *Components of the Policy Framework on Blue Economy.* – The Policy Framework shall include the following components:

- (a) Review of all existing policies, plans, programs, projects, rules and regulations on ocean-based and ocean-related activities;
- (b) Adherence to international maritime laws;
- (c) Analysis of current and emerging trends and changes in demography, consumption, trade, technology, environmental quality and climate that show the interaction between the economy and the environment, present threats and pressures on coastal and marine environments and damage estimation;
- (d) Environmental-economic accounting of coastal and marine assets and resources, and ecosystem services from coastal and marine environments, including assessment of losses due to degradation or major pollution events such as oil spills;
- (e) Priority strategic and sustainable ocean-based and ocean-related economic activities, which may include:
  - (1) Fisheries, including commercial fishing, but with preference to subsistence fisheries, as mandated by Section 7, Art. XIII, of the Constitution;
  - (2) Aquaculture, mariculture and aquasilviculture;
  - (3) Marine and coastal tourism;

- (4) Environmentally and hydrologically appropriate reclamation;
  - (5) Shipping, logistics and maritime transport;
  - (6) Ship-building and ship repair;
  - (7) Exploration, exploitation and extraction of oil and natural gas;
  - (8) Production of renewable energy from marine sources;
  - (9) Submarine mining or extraction of minerals and aggregates;
  - (10) Installation of submarine cables and pipelines;
  - (11) Bioremediation, Marine biotechnology and bioprospecting;
  - (12) Desalination; and
  - (13) Underwater cultural heritage and maritime archaeology.
- (f) Guiding framework for integrated marine and coastal area management;
- (g) Guiding framework for blue finance;
- (h) Priority research and development agenda, maximizing opportunities created for pollution control, remediation, used water economics and other industries that address threats;
- (i) Promotion of ocean literacy and social responsibility towards the protection of coastal and marine environments;
- (j) Enhancement of capability of the Armed Forces of the Philippines and civilian agencies to enforce laws, rules and regulations to protect our marine wealth;
- (k) 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;

#### **CHAPTER IV**

#### **ADHERENCE TO INTERNATIONAL MARITIME INSTRUMENTS**

##### *Sec. 11. International Maritime Instruments Implementation and Reporting.*

– The Council shall establish mechanisms for the full and effective implementation and enforcement of the following international maritime instruments and their subsequent amendments and the reporting of compliance and adherence to the President and Congress:



- (a) Convention on the International Trade of Endangered Species of Flora and Fauna;
- (b) UNESCO Convention on the Protection of the Underwater Cultural Heritage;
- (c) International Convention for the Safety of Life at Sea, 1974, as amended, and its Protocol of 1988 (SOLAS 74);
- (d) International Convention for the Prevention of Pollution from Ships and its Protocol of 1978 (MAPROL 73/78);
- (e) Convention on the International Regulations for Preventing Collisions at Sea, 1972, as amended (COLREG 72);
- (f) International Convention on Load Lines, 1966 and its Protocol of 1988, as amended (LL 66);
- (g) International Convention on the Tonnage Measurement of Ships, 1969 (TONNAGE 69);
- (h) Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, 1988 (SUA) and its Protocol;
- (i) International Convention on Oil Pollution Preparedness, Response and Co-operation 1990 (OPRC 1990);
- (j) International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (BWM 2004);
- (k) Convention on the Prevention of Marine Pollution by dumping of Wastes and Other Matter, 1972, as amended, and its 1996 Protocol (LCP);
- (l) Special Trade Passenger Ships Agreement, 1971 (STP 71);
- (m) Convention on the International Mobile Satellite Organization, as amended (IMSO 1976) and its Operating Agreement (INMARSAT);
- (n) International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, As Amended (STCW 78);
- (o) International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001 (AFS 2001);
- (p) Protocol of 1992 to Amend the International Convention on Civil Liability for Oil Pollution Damage, 1969;

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

Sec. 12. *Application.* – Unless otherwise indicated, the international conventions enumerated in the preceding section shall 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 duly registered or licensed in the Philippines to engage in ocean-based or ocean-related enterprise, or those acting on their behalf;

(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, State Parties to the conventions sought to be implemented by this Act.

(d) All entities that have land-based activities with substantial positive or adverse impact on the marine ecosystem;

## CHAPTER V

### ENVIRONMENTAL-ECONOMIC ACCOUNTING

SEC. 13. *Environmental-Economic Accounting.* – The Council shall undertake environmental-economic accounting of maritime ecosystems and resources, based on the United Nations System of Environmental-Economic Accounting. Members of the Council and heads of support agencies shall contribute data on environmental-economic accounts relating to their mandates including damage estimation and sea level rise projections.

Sec. 14. *Framework.* – The Philippine Statistics Authority (PSA) shall develop a framework for the collection, compilation, processing, analysis, publication and dissemination of environmental-economic accounts and its integration in the national accounts: *Provided,* That PSA shall integrate the collection of environmental-economic accounts into the Community-Based Monitoring System for local government units (LGUs); *Provided, further,* That the PSA shall coordinate with and provide technical assistance to Members of the

Council, support agencies, investment promotion agencies and LGUs to ensure compliance to standard environmental-economic accounting techniques, methodologies, concepts, definitions and classifications to prevent duplication in collection of statistical information.

## CHAPTER VI

### INTEGRATED MARINE AND COASTAL AREA MANAGEMENT

Sec. 15. *Integrated Marine and Coastal Area Management (IMCAM)*. – The Integrated Marine and Coastal Area Management (IMCAM) shall be the framework to address human impacts on marine and coastal biological diversity, and for promoting conservation and sustainable use of this biodiversity.

Sec. 16. *Elements of the National IMCAM Framework*. – The Council shall develop and implement the National IMCAM Framework within one (1) year from the effectivity of this Act to provide direction, support and guidance to relevant member and support agencies, LGUs and other stakeholders, according to the Elaborated Programme of Work on Marine and Coastal Biological Diversity contained in the Annex to Decision VII/5 of the Conference of the Parties to the United Nations Environmental Programme Convention on Biological Diversity.

Accordingly, the National IMCAM Framework shall consider the following elements:

(a) Building capacity of stakeholders, in both national and local levels, to apply relevant policy instruments to address legal issues, institutionalize participatory processes, and develop strategies to promote multidisciplinary and multisectoral ecosystem-based management of coastal and marine environments;

(b) Direct action to protect coastal and marine environments from negative impacts, such as:

(1) Alteration and destruction, of coastal and marine habitats, particularly areas important for reproduction, *inter alia*, coral reef systems, sea grass areas and the sea bed;

(2) Marine and land-based pollution;

(3) Improper coastal land use and the mismanagement of watersheds;

(4) Illegal, unreported and unregulated fishing, by-catch especially of threatened species, ;

(c) Establishment of mechanisms and guidelines for research, monitoring, assessment and valuation of coastal and marine ecosystems and resources, including indicators to measure natural and human-induced impacts

## **CHAPTER VII**

### **PROTECTION AND CONSERVATION OF COASTAL AND MARINE RESOURCES**

SEC. 17. *Protection of Endangered Species.* – The Council shall spearhead the conservation, protection and rehabilitation of rare, threatened and endangered aquatic species as it may determine, including their habitats and migratory routes such as the East Asian Current. It shall recommend to the President and Congress the designation of coastal and marine areas as protected areas under the Expanded National Integrated Protected Areas System, or sanctuaries of local conservation areas under the Fisheries Code and the Local Government Code, and in compliance with the relevant provisions of international treaties and agreements such as, the Convention on the International Trade in Endangered Species of Wild Flora and Fauna, the United Nations Convention on the Law of the Sea, and Convention on Biological Diversity.

Sec. 18. *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 such as Republic Act (RA) No. 8550, also known as the “*Philippine Fisheries Code of 1998*,” as amended by RA 10654.

## **CHAPTER VIII**

### **DEVELOPMENT PLANNING**

Sec. 19. *Maritime Spatial Planning.* – The Council shall undertake a nationwide maritime spatial planning to identify the spatial and temporal distribution of priority activities and uses and the interactions thereof in Maritime Zones, in order to reduce conflict among uses, facilitate complementary uses, mitigate environmental impacts, prevent marine dead zones and preserve ecosystem services.

Sec. 20. *Industry Development Plans.* – The Council, through working groups created for the purpose, shall prepare five-year and ten-year development

plans for each priority strategic and sustainable ocean-based or ocean-related industry, in accordance with the Policy Framework.

Sec. 21. *Integration with Area and National Development Plans.* – The National Economic and Development Authority 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. 22. *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-based activities in the Strategic Investment Priority Plan.

Sec. 23. *Blue Economic Zones.* – Investment promotion agencies shall encourage the establishment of blue economic zones and the transformation of existing special economic zones (SEZs) into the same, where locator enterprises engaged in ocean-based or ocean-related activities shall enjoy the privileges, benefits, advantages or exemptions granted to economic zones and freeports in accordance with their respective special laws.

In addition, the incentives provided for under the following laws may be granted to blue SEZs:

- (a) RA 9003, or the “*Ecological Solid Waste Management Act of 2000;*”
- (b) RA 9275, or the “*Philippine Clean Water Act of 2004;*”
- (c) RA 9513, or the “*Renewable Energy Act of 2008;*” and
- (d) RA 10771, or the “*Philippine Green Jobs Act of 2016.*”

Blue SEZs may also qualify for financing provided for under RA 11293, or the “*Philippine Innovation Act.*”

## **CHAPTER IX**

### **BLUE FINANCE**

Sec. 24. *Role of the Bangko Sentral ng Pilipinas (BSP).* – In the exercise of 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. 25. *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, strategic and sustainable ocean-based or ocean-related activities, in accordance with ASEAN Green Bonds Standards and Green Bonds Principles, as developed and may be revised from time to time by the ASEAN Capital Markets Forum and the International Capital Market Association, respectively.

Sec. 26. *Role of Government Financial Institutions.* – The Land Bank of the Philippines and the Development Bank of the Philippines shall allocate five percent (5%) of its regular loan portfolio for credit to strategic and sustainable ocean-based or ocean-related enterprises.

## **CHAPTER X**

### **MARINE SCIENCE AND OCEAN LITERACY**

Sec. 27. *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. 28. *Ocean Literacy Framework.* – The Department of Education, Commission on Higher Education, Technical Education and Skills Development Authority and other government agencies implementing sector-specific literacy programs, in consultation with relevant Members of the Council or support agencies, shall integrate into the curricula of K-12, the Alternative Learning System, general education programs of higher education institutions, technical and

vocational education and training, and other community-based training programs, the essential principles and fundamental concepts of ocean sciences to develop the following competencies:

- (a) Understanding the importance of the ocean to humankind;
- (b) Communicating 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. 29. *Archipelagic Sea Lanes.* – The Council shall designate sea lanes and air routes there above, suitable for the continuous and expeditious passage of foreign ships and aircrafts through or over the archipelagic waters and the adjacent territorial sea, and shall, where necessary as regards to the safety of 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 LOCAL GOVERNMENTS**

Sec. 30. *Role of Local Government Units.* – Cities and municipalities shall continue to exercise jurisdiction over municipal waters, pursuant to RA 7160, also known as the “*Local Government Code of 1991*,” as amended, and RA 8550, as amended. Consistent with this mandate, local government units shall act as the frontline agencies in the formulation, planning and implementation of IMCAM in their respective jurisdictions. LGUs shall integrate the National Maritime Spatial Plan and opportunities such as the National Sewage and Septage Management Plan and the funds under the Clean Water Act in their Comprehensive Development and Annual Investment Plans.

Sec. 31. *Inter-LGU Cooperation.* – Consistent with the provisions of RA 7160, as amended, LGUs may group themselves, consolidate or coordinate their efforts, services, and resources for the accomplishment of the objectives of this Act.

## **CHAPTER XIII FINAL PROVISIONS**

Sec. 32. *Congressional Oversight.* – For the effective implementation of this Act, a Congressional Oversight Committee is created to be known as the Blue Economy Oversight Committee. The Blue Economy Oversight Committee shall be composed of five (5) Senators and five (5) Representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The Minority shall be entitled to pro rata representation. The Blue Economy Oversight Committee shall be jointly chaired by the Chairperson of the Senate Committee on Economic Affairs and the Chairperson of the House Committee on Economic Affairs.

Sec. 33. *Appropriations.* – The amount of One hundred million pesos (P100,000,000.00) as initial funding for the Council to be charged against the unexpended Contingency Fund of the Office of the President is hereby appropriated. Thereafter, the amount needed for the implementation of this Act shall be included in the annual General Appropriations Act.

Sec. 34. *Implementing Rules and Regulations.* – The Council shall issue the implementing rules and regulations within sixty (60) days from the approval of this Act: *Provided,* That That failure to issue rules and regulations shall not in any manner affect the executory nature of the provisions of this Act.

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

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

*Approved,*



Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**NINETEENTH CONGRESS**  
Second Regular Session

**HOUSE BILL NO. 8708**



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Introduced by **HON. LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.,  
HON. MIGUEL LUIS "MIGZ" R. VILLAFUERTE, HON. TSUYOSHI ANTHONY  
"HORI" G. HORIBATA AND HON. BRIAN RAYMUND S. YAMSUAN**

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**EXPLANATORY NOTE**

A quick look at the numbers show how important bodies of water are to the Philippines. The country's territory is mostly marine, covering 2.2 million square kilometers. We rank 11th in the world in both capture fisheries and aquaculture fish production. We have the second highest coastline of 32,289 kilometers after Indonesia, an average precipitation rate of 4,604mm.

Our rich bodies of water enable our people to also make a living on sea transportation, oil and gas, and tourism among others. It is thus imperative for us to preserve and protect our waters, our national patrimony. This proposed measure seek to reconstitute the National Coast Watch Council, created 10 under Executive Order No. 57, Series of 2011, as the National Maritime Council. It shall be tasked to formulate a policy framework on blue economy, which shall serve as the basis for marine spatial planning, determination of investments to enhance maritime domain awareness, the preservation of value and sustainability of ocean resources.

In view of the foregoing, the immediate passage of this bill is earnestly sought.

  
**LUIS RAYMUND "LRAY" F. VILLAFUERTE, JR.**

  
**MIGUEL LUIS R. VILLAFUERTE**

  
**TSUYOSHI ANTHONY "HORI" G. HORIBATA**

  
**BRIAN RAYMUND S. YAMSUAN**

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**NINETEENTH CONGRESS**  
Second Regular Session

**HOUSE BILL NO. 8708**

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Introduced by **HON. LUIS RAYMUND “LRAY” F. VILLAFUERTE, JR.,  
HON. MIGUEL LUIS “MIGZ” R. VILLAFUERTE, HON. TSUYOSHI ANTHONY  
“HORI” G. HORIBATA AND HON. BRIAN RAYMUND S. YAMSUAN**

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

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

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

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

- (a) Adopt blue economy as a framework for sustainable and safe use and development of marine wealth within our Maritime Zones, as a pillar of our national economy and patrimony;
- (b) Exercise stewardship of our seas and coasts, and protect and conserve the health and resilience of marine and coastal ecosystems and habitats to promote the well-being, prosperity and security of present and future generations;
- (c) Preserve our maritime heritage, recognize the social, cultural, and historical value of our seas and coasts, and foster public understanding and respect of the value of our seas and coasts to build a strong foundation for social responsibility;

- (d) Enrich scientific understanding of marine and coastal ecosystems, the benefits we gain from these ecosystems (e.g. carbon sequestration), their changing conditions and the causes thereof, and use the best available scientific knowledge to inform decisions affecting our seas and coasts and to enhance our capacity to respond and adapt to changing maritime environments;
- (e) Foster international cooperation, and exercise rights and jurisdiction in accordance with applicable international laws, including on freedom of navigation;
- (f) Strategically address the factors that adversely affect the oceans and the living and non-living resources that comprise our seas, turning threats into opportunities and preventing further harm to all water bodies including land-based pollution;
- (g) Ensure a whole-of-nation approach and a comprehensive, integrated framework for the stewardship of our seas and coasts to facilitate cohesive action of the National Government, local authorities, academe, non-governmental organizations, the private sector, and the public.

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

- (a) **Aquaculture** refers to the farming of aquatic organisms including fish, molluscs, crustaceans and aquatic plants. Farming implies some sort of intervention in the rearing process to enhance production, such as regular stocking, feeding, protection from predators, etc. Farming also implies individual or corporate ownership of the stock being cultivated, the planning, development and operation of aquaculture systems, sites, facilities and practices, and the production and transport;
- (b) **Aquisilviculture** refers to a multi-purpose production system that allows production of fish in a mangrove reforestation project;
- (c) **Blue economy** refers to a practical ocean-based economic model using green infrastructure and technologies, innovative financing mechanisms, and proactive

institutional arrangements for meeting the twin goals of protecting our oceans and coasts and enhancing its potential contribution to sustainable development, including improving human well-being, and reducing environmental risks and ecological scarcities;

- (d) **Commercial fishing** refers to the harvesting of fish, either in whole or in part, for sale, barter or trade;
- (e) **Ecosystem services** refer to the flow of benefits which humans gain from ecosystems, through biological processes and climate, hydrological and biochemical cycles, and experiences that contribute to intangible culture;
- (f) **Environmental-economic accounting** refers to a systematic way to measure and report on stocks and flows of natural assets 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;
- (g) **Environmental-economic accounts** refer to statistical information, in physical or monetary terms, about the extraction of natural resources, their use within the economy, natural resource stock levels, the changes in those stocks during a specific period, and such other economic activities related to the environment;
- (h) **Integrated marine and coastal area management** 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 to contribute to the restoration of degraded coastal areas;
- (i) **Investment promotion agencies** refer to government entities created by law, executive order, decree or other issuance, in charge of promoting investments, granting and administering tax and non-tax incentives, and overseeing the operations of the different economic zones and freeports in accordance with their respective special laws. These include the Board of Investments (BOI), Regional Board of Investments-Autonomous Region in Muslim Mindanao (RBOI-ARMM),

Philippine Economic Zone Authority (PEZA), Bases Conversion and Development Authority (BCDA), Subic Bay Metropolitan Authority (SBMA), Clark Development Corporation (CDC), John Hay Management Corporation (JHMC), Poro Point Management Corporation (PPMC), Cagayan Economic Zone Authority (CEZA), Zamboanga City Special Economic Zone Authority (ZCSEZA), PHIVIDEC Industrial Authority (PIA), Aurora Pacific Economic Zone and Freeport Authority (APECO), Authority of the Freeport Area of Bataan (AFAB), Tourism Infrastructure and Enterprise Zone Authority (TIEZA), and all other similar existing authorities or that may be created by law;

- (j) **Land-based pollution** - Municipal, industrial and agricultural wastes and run-off including but not limited to sewage and waste water, persistent organic pollutants (including pesticides), heavy metals, oils, nutrients and sediments - whether brought by rivers or discharged directly into coastal waters;
- (k) **Mariculture** refers to the farming of organisms, both plants and animals, in an aquatic medium or environment which may be completely marine (sea), or sea water mixed to various degrees with fresh water. This definition would include both the sea and inland brackishwater areas;
- (l) **Marine scientific research** refers to any research activity, which is conducted for exclusively peaceful purposes, for the purpose of increasing scientific knowledge about the marine environment, including all natural resources, toward the benefit of mankind and according to the United Nations Convention on the Law of the Sea;
- (m) **Maritime domain awareness** refers to the effective understanding of any activity that could impact upon the security, safety, economy or environment;
- (n) **Maritime spatial planning** refers to a process by which human activities in Maritime Zones are analyzed and organized, based on best available scientific knowledge, and to achieve economic, ecological and social objectives;

- (o) ***Ocean-based activities*** refer to activities that are undertaken in the ocean, e.g. fisheries and aquaculture, offshore oil and gas, mining, ocean energy, desalination, shipping and marine transportation, marine tourism, marine construction;
- (p) ***Ocean-related activities*** refer to activities that use products from the ocean (e.g., seafood processing, marine biotechnology, chemicals, salt, etc.) and produce products and services for the ocean and ocean-based activities (e.g., ship building and repair, ports, tourist resorts, communication, maritime insurance and law, maritime technical services, etc.);
- (q) ***Subsistence fishing*** - fishing for personal consumption or traditional/ceremonial purposes;
- (r) ***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 international law, as appropriate, in internal waters, archipelagic waters, territorial sea, contiguous zone, exclusive economic zone and continent shelf, herein collectively referred to as “Maritime Zones”, including its seabed and subsoil, and any and all maritime features within the Maritime Zones now known or to be known in the future, without prejudice to the power, authority and right granted exclusively to the Bangsamoro Government under Republic Act No. 11054, also known as the “*Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao*,” or the powers of Protected Area Management Boards over protected seascapes to explore, develop, and utilize natural resources within its territorial jurisdiction.

## CHAPTER II

### NATIONAL MARITIME COUNCIL

**SEC. 5. National Maritime Council.** – The National Coast Watch Council, created under Executive Order No. 57, Series of 2011, is hereby renamed and reconstituted as the National Maritime Council, herein referred to as the “Council,” and its functions

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

**SEC. 6. *Composition.*** – The Council is composed of the following:

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

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

**SEC. 7. *Secretariat.*** – The Coastal Watch Council Secretariat, created under Section 4 of Executive Order No. 57, Series of 2011, is hereby renamed as the National Maritime Office and shall continue to provide technical and administrative support to the Council.

**SEC. 8. *Support Agencies.*** – Section 6 of Executive Order No. 57, Series of 2011 is hereby amended to include the following agencies to provide material or technical support to the Council, as may be deemed necessary:

- (a) Climate Change Commission;
- (b) Bangko Sentral ng Pilipinas;

- (c) Board of Investments;
- (d) Securities and Exchange Commission;
- (e) Philippine Statistics Authority;
- (f) National Mapping and Resources Information Authority;
- (g) Environmental Management Bureau;
- (h) Biodiversity Management Bureau-Coastal and Marine Division;
- (i) Bureau of Agriculture and Fisheries Standards;
- (j) Philippine Fisheries Development Authority;
- (k) Philippine Council for Agriculture and Fisheries;
- (l) Maritime Industry Authority;
- (m) Philippine Ports Authority;
- (n) Philippine Reclamation Authority;
- (o) Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development;
- (p) Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA);
- (q) Department of Foreign Affairs-Maritime and Ocean Affairs Office;
- (r) National Museum-Maritime and Underwater Cultural Heritage Division;
- (s) University of the Philippines-Marine Science Institute; and
- (t) Investment promotion agencies.

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

### **CHAPTER III**

#### **POLICY FRAMEWORK ON BLUE ECONOMY**

**SEC. 9. *Policy Framework on Blue Economy.*** – The Council shall, within six (6) months from the effectivity of this Act, formulate a Policy Framework on Blue Economy, herein referred to as the Policy Framework. The Policy Framework shall serve as the basis for marine spatial planning, determination of investments to enhance maritime domain awareness, the preservation of value and sustainability of ocean resources



and their protection from threats such as land-based pollution and overfishing and enforcement of economic and environmental regulations within our Maritime Zones. The Policy Framework shall be subject to mandatory review and modification every five (5) years.

**SEC. 10. *Components of the Policy Framework on Blue Economy.*** – The Policy Framework shall include the following components:

- (a) Review of all existing policies, plans, programs, projects, rules and regulations on ocean-based and ocean-related activities;
- (b) Adherence to international maritime laws;
- (c) Analysis of current and emerging trends and changes in demography, consumption, trade, technology, environmental quality and climate that show the interaction between the economy and the environment, present threats and pressures on coastal and marine environments and damage estimation;
- (d) Environmental-economic accounting of coastal and marine assets and resources, and ecosystem services from coastal and marine environments, including assessment of losses due to degradation or major pollution events such as oil spills;
- (e) Priority strategic and sustainable ocean-based and ocean-related economic activities, which may include:
  - (1) Fisheries, including commercial fishing, but with preference to subsistence fisheries, as mandated by Section 7, Art. XIII, of the Constitution;
  - (2) Aquaculture, mariculture and aquasilviculture;
  - (3) Marine and coastal tourism;
  - (4) Environmentally and hydrologically appropriate reclamation;
  - (5) Shipping, logistics and maritime transport;
  - (6) Ship-building and ship repair;
  - (7) Exploration, exploitation and extraction of oil and natural gas;
  - (8) Production of renewable energy from marine sources;
  - (9) Submarine mining or extraction of minerals and aggregates;
  - (10) Installation of submarine cables and pipelines;
  - (11) Bioremediation, Marine biotechnology and bioprospecting;
  - (12) Desalination; and
  - (13) Underwater cultural heritage and maritime archaeology.

- (f) Guiding framework for integrated marine and coastal area management;
- (g) Guiding framework for blue finance;
- (h) Priority research and development agenda, maximizing opportunities created for pollution control, remediation, used water economics and other industries that address threats;
- (i) Promotion of ocean literacy and social responsibility towards the protection of coastal and marine environments;
- (j) Enhancement of capability of the Armed Forces of the Philippines and civilian agencies to enforce laws, rules and regulations to protect our marine wealth;
- (k) 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;

## CHAPTER VI

### ADHERENCE TO INTERNATIONAL MARITIME INSTRUMENTS

#### **SEC. 11. *International Maritime Instruments Implementation and Reporting.* –**

The Council shall establish mechanisms for the full and effective implementation and enforcement of the following international maritime instruments and their subsequent amendments and the reporting of compliance and adherence to the President and Congress:

- (a) Convention on the International Trade of Endangered Species of Flora and Fauna;
- (b) UNESCO Convention on the Protection of the Underwater Cultural Heritage;
- (c) International Convention for the Safety of Life at Sea, 1974, as amended, and its Protocol of 1988 (SOLAS 74);
- (d) International Convention for the Prevention of Pollution from Ships and its Protocol of 1978 (MAPROL 73/78);
- (e) Convention on the International Regulations for Preventing Collisions at Sea, 1972, as amended (COLREG 72);
- (f) International Convention on Load Lines, 1966 and its Protocol of 1988, as amended (LL 66);
- (g) International Convention on the Tonnage Measurement of Ships, 1969 (TONNAGE 69);

- (h) Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, 1988 (SUA) and its Protocol;
- (i) International Convention on Oil Pollution Preparedness, Response and Co-operation 1990 (OPRC 1990);
- (j) International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (BWM 2004);
- (k) Convention on the Prevention of Marine Pollution by dumping of Wastes and Other Matter, 1972, as amended, and its 1996 Protocol (LCP);
- (l) Special Trade Passenger Ships Agreement, 1971 (STP 71);
- (m) Convention on the International Mobile Satellite Organization, as amended (IMSO 1976) and its Operating Agreement (INMARSAT);
- (n) International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, As Amended (STCW 78);
- (o) International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001 (AFS 2001);
- (p) Protocol of 1992 to Amend the International Convention on Civil Liability for Oil Pollution Damage, 1969;
- (q) Protocol of 1992 to amend the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1971;

**SEC. 12. *Application.*** – Unless otherwise indicated, the international conventions enumerated in the preceding section shall 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 duly registered or licensed in the Philippines to engage in ocean-based or ocean-related enterprise, or those acting on their behalf;
- (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, State Parties to the conventions sought to be implemented by this Act.
- (d) All entities that have land-based activities with substantial positive or adverse impact on the marine ecosystem;

## CHAPTER V

## ENVIRONMENTAL-ECONOMIC ACCOUNTING

**SEC. 13. *Environmental-Economic Accounting.*** – The Council shall undertake environmental-economic accounting of maritime ecosystems and resources, based on the United Nations System of Environmental-Economic Accounting. Members of the Council and heads of support agencies shall contribute data on environmental economic accounts relating to their mandates including damage estimation and sea level rise projections.

**SEC. 14. *Framework.*** – The Philippine Statistics Authority (PSA) shall develop a framework for the collection, compilation, processing, analysis, publication and dissemination of environmental-economic accounts and its integration in the national accounts: *Provided,* That PSA shall integrate the collection of environmental-economic accounts into the Community-Based Monitoring System for local government units (LGUs); *Provided, further,* That the PSA shall coordinate with and provide technical assistance to Members of the Council, support agencies, investment promotion agencies and LGUs to ensure compliance to standard environmental-economic accounting techniques, methodologies, concepts, definitions and classifications to prevent duplication in collection of statistical information.

## CHAPTER VI

### INTEGRATED MARINE AND COASTAL AREA MANAGEMENT

**SEC. 15. *Integrated Marine and Coastal Area Management (IMCAM).*** – The Integrated Marine and Coastal Area Management (IMCAM) shall be the framework to address human impacts on marine and coastal biological diversity, and for promoting conservation and sustainable use of this biodiversity.

**SEC. 16. *Elements of the National IMCAM Framework.*** – The Council shall develop and implement the National IMCAM Framework within one (1) year from the effectivity of this Act to provide direction, support and guidance to relevant member and support agencies, LGUs and other stakeholders, according to the Elaborated Programme of Work on Marine and Coastal Biological Diversity contained in the Annex to Decision VII/5 of the Conference of the Parties to the United Nations Environmental Programme Convention on Biological Diversity.

Accordingly, the National IMCAM Framework shall consider the following elements:

(a) Building capacity of stakeholders, in both national and local levels, to apply relevant policy instruments to address legal issues, institutionalize participatory processes, and develop strategies to promote multidisciplinary and multisectoral ecosystem-based management of coastal and marine environments;

(b) Direct action to protect coastal and marine environments from negative impacts, such as:

- (1) Alteration and destruction, of coastal and marine habitats, particularly areas important for reproduction, *inter alia*, coral reef systems, sea grass areas and the sea bed;
- (2) Marine and land-based pollution;
- (3) Improper coastal land use and the mismanagement of watersheds;
- (4) Illegal, unreported and unregulated fishing, by-catch especially of threatened species;

(c) Establishment of mechanisms and guidelines for research, monitoring, assessment and valuation of coastal and marine ecosystems and resources, including indicators to measure natural and human-induced impacts.

## CHAPTER VII

### PROTECTION AND CONSERVATION OF COASTAL AND MARINE RESOURCES

**SEC. 17. *Protection of Endangered Species.*** – The Council shall spearhead the conservation, protection and rehabilitation of rare, threatened and endangered aquatic species as it may determine, including their habitats and migratory routes such as the East Asian Current. It shall recommend to the President and Congress the designation of coastal and marine areas as protected areas under the Expanded National Integrated Protected Areas System, or sanctuaries of local conservation areas under the Fisheries Code and the Local Government Code, and in compliance with the relevant provisions of international treaties and agreements such as, the Convention on the International Trade in Endangered Species of Wild Flora and Fauna, the United Nations Convention on the Law of the Sea, and Convention on Biological Diversity.

**SEC. 18. *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 such as Republic Act (RA) No. 8550, also known as the "*Philippine Fisheries Code of 1998*," as amended by RA 10654.

## **CHAPTER VIII**

### **DEVELOPMENT PLANNING**

**SEC. 19. *Maritime Spatial Planning.*** – The Council shall undertake a nationwide maritime spatial planning to identify the spatial and temporal distribution of priority activities and uses and the interactions thereof in Maritime Zones, in order to reduce conflict among uses, facilitate complementary uses, mitigate environmental impacts, prevent marine dead zones and preserve ecosystem services.

**SEC. 20. *Industry Development Plans.*** – The Council, through working groups created for the purpose, shall prepare five-year and ten-year development plans for each priority strategic and sustainable ocean-based or ocean-related industry, in accordance with the Policy Framework.

**SEC. 21. *Integration with Area and National Development Plans.*** – The National Economic and Development Authority 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. 22. *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-based activities in the Strategic Investment Priority Plan.

**SEC. 23. *Blue Economic Zones.*** – Investment promotion agencies shall encourage the establishment of blue economic zones and the transformation of existing special economic zones (SEZs) into the same, where locator enterprises engaged in ocean-based or ocean-related activities shall enjoy the privileges, benefits, advantages or exemptions granted to economic zones and freeports in accordance with their respective special laws.

In addition, the incentives provided for under the following laws may be granted to blue SEZs:

- (a) RA 9003, or the “*Ecological Solid Waste Management Act of 2000;*”
- (b) RA 9275, or the “*Philippine Clean Water Act of 2004;*”
- (c) RA 9513, or the “*Renewable Energy Act of 2008;*” and
- (d) RA 10771, or the “*Philippine Green Jobs Act of 2016.*”

Blue SEZs may also qualify for financing provided for under RA 11293, or the “*Philippine Innovation Act.*”

## **CHAPTER IX BLUE FINANCE**

**SEC. 24. *Role of the Bangko Sentral ng Pilipinas (BSP).*** – In the exercise of 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. 25. *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, strategic and sustainable ocean-based or ocean-related activities, in accordance with ASEAN Green Bonds Standards and Green Bonds Principles, as developed and may be revised from time to time by the ASEAN Capital Markets Forum and the International Capital Market Association, respectively.

**SEC. 26. *Role of Government Financial Institutions.*** – The Land Bank of the Philippines and the Development Bank of the Philippines shall allocate five percent (5%) of its regular loan portfolio for credit to strategic and sustainable ocean-based or ocean-related enterprises.

## **CHAPTER X MARINE SCIENCE AND OCEAN LITERACY**

**SEC. 27. *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. 28. *Ocean Literacy Framework.*** – The Department of Education, Commission on Higher Education, Technical Education and Skills Development Authority and other government agencies implementing sector-specific literacy programs, in consultation with relevant Members of the Council or support agencies, shall integrate into the curricula of K-12, the Alternative Learning System, general education programs of higher education institutions, technical and vocational education and training, and other community-based training programs, the essential principles and fundamental concepts of ocean sciences to develop the following competencies:

- (a) Understanding the importance of the ocean to humankind;
- (b) Communicating 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. 29. *Archipelagic Sea Lanes.*** – The Council shall designate sea lanes and air routes there above, suitable for the continuous and expeditious passage of foreign ships and aircrafts through or over the archipelagic waters and the adjacent territorial sea, and shall, where necessary as regards to the safety of 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 LOCAL GOVERNMENTS**



**SEC. 30. *Role of Local Government Units.*** – Cities and municipalities shall continue to exercise jurisdiction over municipal waters, pursuant to RA 7160, also known as the “*Local Government Code of 1991,*” as amended, and RA 8550, as amended. Consistent with this mandate, local government units shall act as the frontline agencies in the formulation, planning and implementation of IMCAM in their respective jurisdictions. LGUs shall integrate the National Maritime Spatial Plan and opportunities such as the National Sewage and Septage Management Plan and the funds under the Clean Water Act in their Comprehensive Development and Annual Investment Plans.

**SEC. 31. *Inter-LGU Cooperation.*** – Consistent with the provisions of RA 7160, as amended, LGUs may group themselves, consolidate or coordinate their efforts, services, and resources for the accomplishment of the objectives of this Act.

### **CHAPTER XIII FINAL PROVISIONS**

**SEC. 32. *Congressional Oversight.*** – For the effective implementation of this Act, a Congressional Oversight Committee is created to be known as the Blue Economy Oversight Committee. The Blue Economy Oversight Committee shall be composed of five (5) Senators and five (5) Representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The Minority shall be entitled to pro rata representation. The Blue Economy Oversight Committee shall be jointly chaired by the Chairperson of the Senate Committee on Economic Affairs and the Chairperson of the House Committee on Economic Affairs.

**SEC. 33. *Appropriations.*** – The amount of One hundred million pesos (P100,000,000.00) as initial funding for the Council to be charged against the unexpended Contingency Fund of the Office of the President is hereby appropriated. Thereafter, the amount needed for the implementation of this Act shall be included in the annual General Appropriations Act.

**SEC. 34. *Implementing Rules and Regulations.*** – The Council shall issue the implementing rules and regulations within sixty (60) days from the approval of this Act: *Provided, That* That failure to issue rules and regulations shall not in any manner affect the executory nature of the provisions of this Act.

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

**SEC. 36. *Repealing Clause.*** – Any 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.*** – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

*Approved,*

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City  
NINETEENTH CONGRESS  
Second Regular Session



HOUSE BILL NO. 8669

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Introduced by HON. GUS S. TAMBUNTING

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

**EXPLANATORY NOTE**

Blue economy is central to the future of human security, including new sources of food, medicines, and renewable energy. As an archipelagic country with long coastlines, the Philippines has great potential to become a driver of blue economy development. Many of our people depend on healthy seas and oceans for their livelihoods, food security, health, and recreation. We are custodian to an immense waters and home to rich and diverse marine and coastal resources, and the sustainable use of marine and coastal resources is a centerpiece of our healthy sustenance and prosperity. This can only be done through a holistic approach addressing the needs of all coastal communities, promoting sustainable practices, and protecting our biodiversity. Furthermore, it is high time that the government effectively address the extensive effects of climate change and safeguard and promote sustainable development for the nation. The fragile state of our ecosystems demands decisive action, as impacts of climate change, habitat loss, and pollution threaten the very foundation of our nation's well-being.

This bill will allow the Philippines to account for the value of natural resources by integrating its worth into national accounts. This way, our national government agencies can make more informed decisions which balance economic growth and environmental protection.

On behalf of the people of Parañaque City's Second District, and for the common good of the Filipino people, the approval of the said measure is earnestly sought.

  
**REP. GUS S. TAMBUNTING**  
2nd District, Parañaque City

Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City  
NINETEENTH CONGRESS  
Second Regular Session

HOUSE BILL NO. 8669

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Introduced by HON. GUS S. TAMBUNTING

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

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

**CHAPTER I  
GENERAL PROVISIONS**

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

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

- (a) Adopt blue economy as a framework for sustainable and safe use and development of marine wealth within our Maritime Zones, as a pillar of our national economy and patrimony;
- (b) Exercise stewardship of our seas and coasts, and protect and conserve the health and resilience of marine and coastal ecosystems and habitats to promote the well-being, prosperity and security of present and future generations;
- (c) Preserve our maritime heritage, recognize the social, cultural, and historical value of our seas and coasts, and foster public understanding and respect of the value of our seas and coasts to build a strong foundation for social responsibility;
- (d) Enrich scientific understanding of marine and coastal ecosystems, the benefits we gain from these ecosystems (e.g. carbon sequestration), their changing conditions and the causes thereof, and use the best available scientific knowledge to inform decisions affecting our seas and coasts and to enhance our capacity to respond and adapt to changing maritime environments;

(e) Foster international cooperation, and exercise rights and jurisdiction in accordance with applicable international laws, including on freedom of navigation;

(f) Ensure a whole-of-nation approach and a comprehensive, integrated framework for the stewardship of our seas and coasts to facilitate cohesive action of the National Government, local authorities, academe, non-governmental organizations, the private sector, and the public.

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

(a) *Aquaculture* refers to the farming of aquatic organisms including fish, molluscs, crustaceans and aquatic plants. Farming implies some sort of intervention in the rearing process to enhance production, such as regular stocking, feeding, protection from predators, etc. Farming also implies individual or corporate ownership of the stock being cultivated, the planning, development and operation of aquaculture systems, sites, facilities and practices, and the production and transport;

(b) *Aquisilviculture* refers to a multi-purpose production system that allows production of fish in a mangrove reforestation project;

(c) *Blue economy* refers to a practical ocean-based economic model using green infrastructure and technologies, innovative financing mechanisms, and proactive institutional arrangements for meeting the twin goals of protecting our oceans and coasts and enhancing its potential contribution to sustainable development, including improving human well-being, and reducing environmental risks and ecological scarcities;

(d) *Commercial fishing* refers to the harvesting of fish, either in whole or in part, for sale, barter or trade;

(e) *Ecosystem services* refer to the flow of benefits which humans gain from ecosystems, through biological processes and climate, hydrological and biochemical cycles, and experiences that contribute to intangible culture;

(f) *Environmental-economic accounting* refers to a systematic way to measure and report on stocks and flows of natural assets 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;

(g) *Environmental-economic accounts* refer to statistical information, in physical or monetary terms, about the extraction of natural resources, their use within the economy, natural resource stock levels, the changes in those stocks during a specific period, and such other economic activities related to the environment;

(h) *Integrated marine and coastal area management* 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 to contribute to the restoration of degraded coastal areas;

(i) *Investment promotion agencies* refer to government entities created by law, executive order, decree or other issuance, in charge of promoting investments, granting and

administering tax and non-tax incentives, and overseeing the operations of the different economic zones and freeports in accordance with their respective special laws. These include the Board of Investments (BOI), Regional Board of Investments-Autonomous Region in Muslim Mindanao (RBOI-ARMM), Philippine Economic Zone Authority (PEZA), Bases Conversion and Development Authority (BCDA), Subic Bay Metropolitan Authority (SBMA), Clark Development Corporation (CDC), John Hay Management Corporation (JHMC), Poro Point Management Corporation (PPMC), Cagayan Economic Zone Authority (CEZA), Zamboanga City Special Economic Zone Authority (ZCSEZA), PHIVIDEC Industrial Authority (PIA), Aurora Pacific Economic Zone and Freeport Authority (APECO), Authority of the Freeport Area of Bataan (AFAB), Tourism Infrastructure and Enterprise Zone Authority (TIEZA), and all other similar existing authorities or that may be created by law;

(j) *Mariculture* refers to the farming of organisms, both plants and animals, in an aquatic medium or environment which may be completely marine (sea), or sea water mixed to various degrees with fresh water. This definition would include both the sea and inland brackishwater areas;

(k) *Marine scientific research* refers to any research activity, which is conducted for exclusively peaceful purposes, for the purpose of increasing scientific knowledge about the marine environment, including all natural resources, toward the benefit of mankind and according to the United Nations Convention on the Law of the Sea;

(l) *Maritime domain awareness* refers to the effective understanding of any activity that could impact upon the security, safety, economy or environment;

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

(n) *Ocean-based activities* refer to activities that are undertaken in the ocean, e.g. fisheries and aquaculture, offshore oil and gas, mining, ocean energy, desalination, shipping and marine transportation, marine tourism, marine construction;

(o) *Ocean-related activities* refer to activities that use products from the ocean (e.g., seafood processing, marine biotechnology, chemicals, salt, etc.) and produce products and services for the ocean and ocean-based activities (e.g., ship building and repair, ports, tourist resorts, communication, maritime insurance and law, maritime technical services, etc.);

(p) Subsistence fishing – fishing for personal consumption or traditional/ceremonial purposes;

(q) *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 international law, as appropriate, in internal waters, archipelagic waters, territorial sea, contiguous zone, exclusive economic zone and continent shelf, herein collectively referred to as “Maritime Zones”, including its seabed and subsoil, and any and all maritime features within the Maritime Zones now known or to be known in the future, without prejudice to the power, authority and right granted exclusively to the Bangsamoro Government under Republic Act No. 11054, also known as the “*Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao,*” to explore, develop, and utilize natural resources within its territorial jurisdiction.

## **CHAPTER II NATIONAL MARITIME COUNCIL**

**SEC. 5. *National Maritime Council.*** – The National Coast Watch Council, created under Executive Order No. 57, Series of 2011, is hereby renamed and reconstituted as the National Maritime Council, herein referred to as the “Council,” and its functions expanded to include the formulation of an integrated strategy to promote blue economy and ecosystem-based management of coastal and marine resources.

**SEC. 6. *Composition.*** – The Council is composed of the following:

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

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

**SEC. 7. *Secretariat.*** – The Coastal Watch Council Secretariat, created under Section 4 of Executive Order No. 57, Series of 2011, is hereby renamed as the National Maritime Office and shall continue to provide technical and administrative support to the Council.

**SEC. 8. *Support Agencies.*** – Section 6 of Executive Order No. 57, Series of 2011 is hereby amended to include the following agencies to provide material or technical support to the Council, as may be deemed necessary:

- (a) Bangko Sentral ng Pilipinas;
- (b) Board of Investments;
- (c) Securities and Exchange Commission;
- (d) Philippine Statistics Authority;
- (e) National Mapping and Resources Information Authority;
- (f) Environmental Management Bureau;
- (g) Biodiversity Management Bureau-Coastal and Marine Division;
- (h) Bureau of Agriculture and Fisheries Standards;
- (i) Philippine Fisheries Development Authority;
- (j) Philippine Council for Agriculture and Fisheries;
- (k) Maritime Industry Authority;
- (l) Philippine Ports Authority;
- (m) Philippine Reclamation Authority;
- (n) Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development;
- (o) Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA);
- (p) Department of Foreign Affairs-Maritime and Ocean Affairs Office;
- (q) National Museum-Maritime and Underwater Cultural Heritage Division;
- (r) University of the Philippines-Marine Science Institute; and
- (s) Investment promotion agencies.

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

### **CHAPTER III POLICY FRAMEWORK ON BLUE ECONOMY**

**SEC. 9. *Policy Framework on Blue Economy.*** – The Council shall, within six (6) months from the effectivity of this Act, formulate a Policy Framework on Blue Economy, herein referred to as the Policy Framework. The Policy Framework shall serve as the basis for marine spatial planning, determination of investments to enhance maritime domain awareness, and enforcement of economic and environmental regulations within our Maritime Zones. The Policy Framework shall be subject to mandatory review and modification every five (5) years.

**SEC. 10. *Components of the Policy Framework on Blue Economy.*** – The Policy Framework shall include the following components:



- (a) Review of all existing policies, plans, programs, projects, rules and regulations on ocean-based and ocean-related activities;
- (b) Adherence to international maritime laws;
- (c) Analysis of current and emerging trends and changes in demography, consumption, trade, technology 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 services from coastal and marine environments;
- (e) Priority strategic and sustainable ocean-based and ocean-related economic activities, which may include:
  - (1) Fisheries, including commercial fishing, but with preference to subsistence fisheries, as mandated by Section 7, Art. XIII, of the Constitution;
  - (2) Aquaculture, mariculture and aquasilviculture;
  - (3) Marine and coastal tourism;
  - (4) Reclamation;
  - (5) Shipping, logistics and maritime transport;
  - (6) Ship-building and ship repair;
  - (7) Exploration, exploitation and extraction of oil and natural gas;
  - (8) Production of renewable energy from marine sources;
  - (9) Submarine mining or extraction of minerals and aggregates;
  - (10) Installation of submarine cables and pipelines;
  - (11) Marine biotechnology and bioprospecting;
  - (12) Desalination; and
  - (13) Underwater cultural heritage and maritime archaeology.
- (f) Guiding framework for integrated marine and coastal area management;
- (g) Guiding framework for blue finance;
- (h) Priority research and development agenda;
- (i) Promotion of ocean literacy and social responsibility towards the protection of coastal and marine environments;
- (j) Enhancement of capability of the Armed Forces of the Philippines and civilian agencies to enforce laws, rules and regulations to protect our marine wealth;

(k) 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.

#### **CHAPTER IV ADHERENCE TO INTERNATIONAL MARITIME INSTRUMENTS**

**SEC. 11. *International Maritime Instruments.*** – The State shall adhere to the provisions of the 1982 United Nations Convention on the Law of the Sea and relevant international conventions relating to maritime activities. Towards this end, the Council shall establish mechanisms for the full and effective implementation and enforcement of the following international maritime instruments and their subsequent amendments:

(a) Convention on the International Trade of Endangered Species of Flora and Fauna;

(b) UNESCO Convention on the Protection of the Underwater Cultural Heritage;

(c) International Convention for the Safety of Life at Sea, 1974, as amended, and its Protocol of 1988 (SOLAS 74);

(d) International Convention for the Prevention of Pollution from Ships and its Protocol of 1978 (MAPROL 73/78);

(e) Convention on the International Regulations for Preventing Collisions at Sea, 1972, as amended (COLREG 72);

(f) International Convention on Load Lines, 1966 and its Protocol of 1988, as amended (LL 66);

(g) International Convention on the Tonnage Measurement of Ships, 1969 (TONNAGE 69);

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

(i) International Convention on Oil Pollution Preparedness, Response and Cooperation 1990 (OPRC 1990);

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

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

(l) Special Trade Passenger Ships Agreement, 1971 (STP 71);

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

(n) International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, As Amended (STCW 78);

(o) International Convention on the Control of Harmful Anti-Fouling Systems on Ships, 2001 (AFS 2001);

(p) Protocol of 1992 to Amend the International Convention on Civil Liability for Oil Pollution Damage, 1969;

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

SEC. 12. **Application.** – Unless otherwise indicated, the international conventions enumerated in the preceding section shall 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 duly registered or licensed in the Philippines to engage in ocean-based or ocean-related enterprise, or those acting on their behalf;

(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, State Parties to the conventions sought to be implemented by this Act.

## CHAPTER V ENVIRONMENTAL-ECONOMIC ACCOUNTING

SEC. 13. **Environmental-Economic Accounting.** – The Council shall undertake environmental-economic accounting of maritime ecosystems and resources, based on the United Nations System of Environmental-Economic Accounting. Members of the Council and heads of support agencies shall contribute data on environmental-economic accounts relating to their mandates.

SEC. 14. **Framework.** – The Philippine Statistics Authority (PSA) shall develop a framework for the collection, compilation, processing, analysis, publication and dissemination of environmental-economic accounts and its integration in the national accounts: *Provided*, That PSA shall integrate the collection of environmental-economic accounts into the Community-Based Monitoring System for local government units (LGUs); *Provided, further*,

That the PSA shall coordinate with and provide technical assistance to Members of the Council, support agencies, investment promotion agencies and LGUs to ensure compliance to standard environmental-economic accounting techniques, methodologies, concepts, definitions and classifications to prevent duplication in collection of statistical information.

## **CHAPTER VI INTEGRATED MARINE AND COASTAL AREA MANAGEMENT**

SEC. 15. ***Integrated Marine and Coastal Area Management (IMCAM)***. – The Integrated Marine and Coastal Area Management (IMCAM) shall be the framework to address human impacts on marine and coastal biological diversity, and for promoting conservation and sustainable use of this biodiversity.

SEC. 16. ***Elements of the National IMCAM Framework***. – The Council shall develop and implement the National IMCAM Framework within one (1) year from the effectivity of this Act to provide direction, support and guidance to relevant member and support agencies, LGUs and other stakeholders, according to the Elaborated Programme of Work on Marine and Coastal Biological Diversity contained in the Annex to Decision VII/5 of the Conference of the Parties to the United Nations Environmental Programme Convention on Biological Diversity.

Accordingly, the National IMCAM Framework shall consider the following elements:

- (a) Building capacity of stakeholders, in both national and local levels, to apply relevant policy instruments to address legal issues, institutionalize participatory processes, and develop strategies to promote multidisciplinary and multisectoral ecosystem-based management of coastal and marine environments;
- (b) Direct action to protect coastal and marine environments from negative impacts, such as:
  - (1) Identification, protection, prevention of alteration and destruction, and restoration of coastal and marine habitats, particularly areas important for reproduction, *inter alia*, coral reef systems sea grass and the sea bed;
  - (2) Prevention, reduction or control of marine and land-based pollution;
  - (3) Improper coastal land use and the mismanagement of watersheds
  - (4) Establishment of closed fishing areas;
  - (5) Reduce by-catch.
- (c) Establishment of mechanisms and guidelines for research, monitoring and assessment of coastal and marine ecosystems and resources, including indicators to measure natural and human-induced impacts

## **CHAPTER VII PROTECTION AND CONSERVATION OF COASTAL AND MARINE RESOURCES**

SEC. 17. ***Protection of Endangered Species.*** – The Council shall spearhead the conservation, protection and rehabilitation of rare, threatened and endangered aquatic species as it may determine, including their habitats. It shall recommend to the President and Congress the designation of coastal and marine areas as protected areas under the Expanded National Integrated Protected Areas System or under the Fisheries Code, as amended, and in compliance with the relevant provisions of international treaties and agreements such as, the Convention on the International Trade in Endangered Species of Wild Flora and Fauna, the United Nations Convention on the Law of the Sea, and Convention on Biological Diversity.

SEC. 18. ***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 such as Republic Act (RA) No. 8550, also known as the “*Philippine Fisheries Code of 1998,*” as amended by RA 10654.

## CHAPTER VIII DEVELOPMENT PLANNING

SEC. 19. ***Maritime Spatial Planning.*** – The Council shall undertake a nationwide maritime spatial planning to identify the spatial and temporal distribution of priority activities and uses and the interactions thereof in Maritime Zones, in order to reduce conflict among uses, facilitate complementary uses, mitigate environmental impacts, and preserve ecosystem services.

SEC. 20. ***Industry Development Plans.*** – The Council, through working groups created for the purpose, shall prepare five-year and ten-year development plans for each priority strategic and sustainable ocean-based or ocean-related industry, in accordance with the Policy Framework.

SEC. 21. ***Integration with Area and National Development Plans.*** – The National Economic and Development Authority 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. 22. ***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-based activities in the Strategic Investment Priority Plan.

SEC. 23. ***Blue Economic Zones.*** – Investment promotion agencies shall encourage the establishment of blue economic zones and the transformation of existing special economic zones (SEZs) into the same, where locator enterprises engaged in ocean-based or ocean-related activities shall enjoy the privileges, benefits, advantages or exemptions granted to economic zones and freeports in accordance with their respective special laws.

In addition, the incentives provided for under the following laws may be granted to blue SEZs:

- (a) RA 9003, or the “*Ecological Solid Waste Management Act of 2000;*”
- (b) RA 9275, or the “*Philippine Clean Water Act of 2004;*”
- (c) RA 9513, or the “*Renewable Energy Act of 2008;*” and
- (d) RA 10771, or the “*Philippine Green Jobs Act of 2016.*”

Blue SEZs may also qualify for financing provided for under RA 11293, or the “*Philippine Innovation Act.*”

## **CHAPTER IX BLUE FINANCE**

**SEC. 24. *Role of the Bangko Sentral ng Pilipinas (BSP).*** – In the exercise of 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. 25. *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, strategic and sustainable ocean-based or ocean-related activities, in accordance with ASEAN Green Bonds Standards and Green Bonds Principles, as developed and may be revised from time to time by the ASEAN Capital Markets Forum and the International Capital Market Association, respectively.

**SEC. 26. *Role of Government Financial Institutions.*** – The Land Bank of the Philippines and the Development Bank of the Philippines shall allocate five percent (5%) of its regular loan portfolio for credit to strategic and sustainable ocean-based or ocean-related enterprises.

## **CHAPTER X MARINE SCIENCE AND OCEAN LITERACY**

**SEC. 27. *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. 28. *Ocean Literacy Framework.*** – The Department of Education, Commission on Higher Education, Technical Education and Skills Development Authority and other government agencies implementing sector-specific literacy programs, in consultation with relevant Members of the Council or support agencies, shall integrate into the curricula of K-12, the Alternative Learning System, general education programs of higher education institutions, technical and vocational education and training, and other community-based training programs, the essential principles and fundamental concepts of ocean sciences to develop the following competencies:

- (a) Understanding the importance of the ocean to humankind;
- (b) Communicating 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. 29. *Archipelagic Sea Lanes.*** – The Council shall designate sea lanes and air routes there above, suitable for the continuous and expeditious passage of foreign ships and aircrafts through or over the archipelagic waters and the adjacent territorial sea, and shall, where necessary as regards to the safety of 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 LOCAL GOVERNMENTS**

**SEC. 30. *Role of Local Government Units.*** – Cities and municipalities shall continue to exercise jurisdiction over municipal waters, pursuant to RA 7160, also known as the “*Local Government Code of 1991*,” as amended, and RA 8550, as amended. Consistent with this mandate, local government units shall act as the frontline agencies in the formulation, planning and implementation of IMCAM in their respective jurisdictions. LGUs shall integrate the National Maritime Spatial Plan in their Comprehensive Development and Annual Investment Plans.

**SEC. 31. *Inter-LGU Cooperation.*** – Consistent with the provisions of RA 7160, as amended, LGUs may group themselves, consolidate or coordinate their efforts, services, and resources for the accomplishment of the objectives of this Act.

## **CHAPTER XIII FINAL PROVISIONS**

SEC. 32. **Congressional Oversight.** – For the effective implementation of this Act, a Congressional Oversight Committee is created to be known as the Blue Economy Oversight Committee. The Blue Economy Oversight Committee shall be composed of five (5) Senators and five (5) Representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The Minority shall be entitled to pro rata representation. The Blue Economy Oversight Committee shall be jointly chaired by the Chairperson of the Senate Committee on Economic Affairs and the Chairperson of the House Committee on Economic Affairs.

SEC. 33. **Appropriations.** – The amount of One hundred million pesos (P100,000,000.00) as initial funding for the Council to be charged against the unexpended Contingency Fund of the Office of the President is hereby appropriated. Thereafter, the amount needed for the implementation of this Act shall be included in the annual General Appropriations Act.

SEC. 34. **Implementing Rules and Regulations.** – The Council shall issue the implementing rules and regulations within sixty (60) days from the approval of this Act: *Provided*, That That failure to issue rules and regulations shall not in any manner affect the executory nature of the provisions of this Act.

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

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

*Approved,*