

PRESIDENTIAL DECREE NO. 704

**REVISING AND CONSOLIDATING ALL LAWS AND
DECREES AFFECTING FISHING AND FISHERIES**

WHEREAS, fish is one of the major and cheapest sources of protein in the diet of the Filipino people;

WHEREAS, 2.2 million Filipinos depend directly on the fishery industry for their livelihood;

WHEREAS, the Philippines continues to import fish and fishery products in substantial quantities because of the insufficiency of domestic production;

WHEREAS, there is a compelling need to increase the production of fish to bring down its price to a level which will be within the reach of our people, and at the same time insure the continuity of our fishery resources in productive condition through wise utilization and proper conservation;

WHEREAS, the vast fishery resources of the Philippines have remained largely untapped due to unnecessary constraints brought by existing laws and regulations and by the failure to provide an integrated development program for the industry;

WHEREAS, there is an urgent need to revise and consolidate all laws and decrees affecting fishing and fisheries to make them even more responsive to the needs of the fishery industry.

NOW THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue

of the powers vested in me by the Constitution, do hereby decree as part of the law of the Philippines the following:

SECTION 1. *Title.* — This Decree shall be known as the Fisheries Decree of 1975

CHAPTER I

DECLARATION OF POLICY DEFINITION OF TERMS

SEC. 2. *Declaration of Policy.* — It is hereby declared the policy of the State to accelerate and promote the integrated development of the fishery industry and to keep the fishery resources of the country in optimum productive condition through proper conservation and protection.

The government shall promote and encourage the organization of, provide assistance to, and help integrate the activities of, persons, associations, cooperatives and corporations engaged in the industry so that the nation may achieve the maximum economic utilization of its fishery resources. In this connection, the fishery industry shall be considered as a preferred area of investment.

The government shall also encourage and promote the exportation of fish and fishery/aquatic products to enable the fishery industry to contribute positively to the development and growth of the national economy.

The private sector's privilege to utilize a fishery resource shall be exercised or continued to be exercised only under the basic concept that the grantee, licensee or permittee thereof shall not only be a privilege beneficiary of the State, but also an active participant and partner of the government in the conservation and development of the fishery resources of the country.

SEC. 3. *Definition of Terms.* — As used in this Decree, the following terms are defined as follows:

a) *Bureau* — Means the Bureau of Fisheries and Aquatic Resources.

b) *Closed season* — Refers to the period during which fishing is prohibited in a specified area or areas in Philippine waters, or to the period during which the catching or gathering of specified species of fish or fishery/aquatic products or the use of specified fishing gears to catch or gather fish or fishery/aquatic products is prohibited.

c) *Commercial fishing* — Fishing for commercial purposes in waters more than seven fathoms deep with the use of fishing boats more than three gross tons.

d) *Electro-fishing* — Means the use of electricity generated by dry-cell batteries, electric generators or other sources of electric power to kill, stupefy, disable or render unconscious fish or fishery/aquatic products in both fresh and salt water areas.

e) *Family-size fishpond* — An area of fishpond that permits the efficient use of labor and capital resources of a family to produce an income sufficient to meet a family's need for food, clothing shelter, health and education with reasonable reserves to absorb yearly fluctuation in income.

f) *Fish and fishery/aquatic products* — Fish includes all fishes and other aquatic animals, such as crustaceans (crabs, prawns, shrimps and lobsters), mollusks (clams, mussels, scallops, oysters, snails and other shellfish). Fishery/aquatic products include all other products of aquatic living resources in any form.

g) *Fishing boat* — Includes all boats, such as bancas, sailboats, motor boats or any other type of watercraft, whether licensed or not, used for fishing purposes: *Provided*, That any such boat used for the purpose of transporting the fish in the course of fishing operations shall be considered as a fishing boat.

h) *Fish corral or "baclad"* — Means a stationary weir or trap devised to intercept and capture fish, consisting of rows of stakes of bamboo, palma brava or other materials fenced with split bamboo mattings or wire nettings with one or more enclosures usually with easy entrance but difficult exit, and with or without leaders to direct the fish to the catching chambers or purse.

i) *Fish pen* — means fish enclosure made of close-

ly-woven bamboo screens, nylon screens or nets, or other materials attached to poles staked to the water bottom for the purpose of growing and/or culture of fish to various sizes in both fresh and salt water areas.

j) *Fishery* — Is the business of catching, taking, handlings, marketing and preserving fish or other fishery/aquatic products; the fishing grounds; and the right to fish or take such products therefrom.

k) *Fishery industry* — Includes fish producers, fish processors, fish traders, both wholesalers and retailers, and owners of refrigerating and cold storage plants serving the industry.

l) *Fishing with the use of explosives* — Means the use of dynamite, other explosives, or chemical compound that contains combustible elements or ingredients that, upon ignition by friction, concussion, percussion, or detonation of all or parts of the compound, kill, stupefy, disable or render unconscious any fish or fishery/aquatic product. It shall also refer to the use of any other substance and/or device that cause explosion capable of producing the said harmful effects on fish or fishery/aquatic products.

m) *Fishing with the use of obnoxious or poisonous substance* — Means the use of any substance, plants, extracts or juice thereof, chemicals, whether in raw or processed form, harmful or harmless to human beings, which kill, stupefy, disable, or render unconscious fish or fishery/aquatic products.

n) *Fully developed fishpond* — A clean, leveled area enclosed with dikes at least one foot higher than the highest flood water level in the locality and strong enough to resist water pressure at the highest flood tide, and consisting of at least of a nursery pond, a transition pond, a rearing pond, or a combination of any or all of said classes of ponds, and a water control system.

o) *Municipal and/or small-scale fishing* — Fishing utilizing fishing boats of three gross tons or less, or using gear not requiring the use of boats.

p) *Municipal waters* — Include not only streams, lakes, and tidal waters included within the municipality, not being the subject of private ownership,

and not comprised within national parks, public forests, timber lands, forest reserves, or fishery reserves, but also marine waters included between two lines drawn perpendicular to the general coastline from points where the boundary lines of the municipality touch the sea at low tide and a third line parallel with the general coastline and three nautical miles from such coastline. Where two municipalities are so situated on the opposite shores that there is less than six nautical miles of marine waters between them, the third line shall be a line equi-distant from the opposite shores of the respective municipalities.

Disputes regarding jurisdiction over freshwater lakes not included within the limits of a municipality or freshwater or tidal streams forming boundaries between municipalities, shall be referred by the councils of the municipalities concerned to the provincial board.

q) *Persons* — Include juridical entities such as associations, partnerships, cooperatives or corporations.

r) *Philippine waters* — Include all bodies of water within Philippine territory, such as rivers, streams, creeks, brooks, ponds, swamps, lagoons, gulfs, bays and seas and other bodies of water now existing, or which may hereafter exist in the provinces, cities, and municipalities, municipal districts, and barrios; and the sea or fresh water around, between and connecting each of the islands of the Philippine archipelago, irrespective of its depth, breadth, length and dimension, and all other waters belonging to the Philippines by historic or legal title, including the territorial sea, the seabed, the insular shelves and other submarine areas over which the Philippines has sovereignty or jurisdiction.

s) *Refrigerating and cold storage plants* — Consist of a set of refrigerating machinery housed in a building with cold storage compartments, for making ice and freezing and storing fish and fishery/aquatic products exclusively for the fishery industry.

t) *Secretary* — Means the Secretary of Natural Resources.

CHAPTER II

THE BUREAU OF FISHERIES AND AQUATIC RESOURCES

SEC. 4. *Jurisdiction of the Bureau* — The Bureau shall have jurisdiction and responsibility in

the management, conservation, development, protection, utilization and disposition of all fishery and aquatic resources of the country except municipal waters which shall be under the municipal or city government concerned: *Provided*, That fish pens and seaweed culture in municipal centers shall be under the jurisdiction of the Bureau: *Provided, further*, That all municipal or city ordinances and resolutions affecting fishing and fisheries and any disposition thereunder shall be submitted to the Secretary for appropriate action and shall have full force and effect only upon his approval. The Bureau shall also have the authority to regulate and supervise the production, capture and gathering of fish and fishery/aquatic products.

The Bureau shall prepare and implement, upon approval of the Fishery Industry Development Council, a Fishery Industry Development Program.

SEC. 5. *Supervision and Control*. — The Bureau shall be directly under the control and supervision of the Secretary of Natural Resources.

SEC. 6. *Review*. — All actions and decisions of the Director of Fisheries and Aquatic Resources are subject to review, *motu proprio* or upon appeal of any person aggrieved thereby, by the Secretary whose decision shall be final and executory after the lapse of thirty (30) days from receipt by the aggrieved party of said decision, unless appealed to the President in accordance with the Executive Order No. 19, series of 1966. The decision of the Secretary may not be reviewed by the courts except through the special civil action of certiorari and prohibition.

SEC. 7. *Rules and Regulations*. — The Secretary shall, upon recommendation of the Director, promulgate rules and regulations to implement effectively the provisions of the Code. Such rules and regulations shall, unless otherwise herein provided, take effect fifteen (15) days after its publication in the Official Gazette and/or two newspapers of

general circulation.

SEC. 8. *Technical Assistance and Training Program*. — The Bureau shall undertake or arrange special technical assistance and training programs for the enhancement of the fishery industry and provide assistance to fishery educational institutions in their research and instructional activities, and in connection therewith to maintain and operate fishing boats.

SEC. 9. *Research and Demonstration Service*. — The Bureau shall conduct research and studies regarding fish and fishery/aquatic products; establish fish hatcheries, nurseries and demonstration fishponds; conduct experiment and demonstration services on fish capture and gathering fishery/aquatic products, and the culture and processing thereof; conduct oceanographic and limnological surveys; and disseminate the result of such research, studies and surveys.

SEC. 10. *Fish landing points*. — The Bureau shall determine and designate fish landing points where all commercial fishing boats shall land and unload their catch: *Provided*, That all fish landing points established prior to the effectivity of this Decree shall be considered authorized fish landing points: *Provided, further*, That any fish landing point may, if circumstances so warrant, be closed.

SEC. 11. *New Divisions in the Bureau*. — To carry out efficiently its functions under this Decree, the following new divisions are hereby created in the Bureau: Legal Division, Fisheries Conservation and Enforcement Division, Fisheries Extension Division, Fisheries Utilization Division, Fisheries Engineering Division and Fisheries Training Division: *Provided*, That the new divisions shall be staffed by the Director from qualified personnel of the Bureau as first priority, and proposals for additional necessary personnel shall be included in the Bureau's appropriation for the succeeding year.

CHAPTER III THE FISHERY INDUSTRY DEVELOPMENT COUNCIL

SEC. 12. *Creation and Membership of the Council*. — To implement the policy enunciated in Section Two of this Decree, there is hereby created a Fishery Industry Development Council, hereinafter referred to as the Council, which shall be com-

posed of the following:

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| Secretary of Natural Resources | Chairman |
| Secretary of Agriculture | Member |
| Secretary of National Defense | Member |
| Secretary of Trade | Member |

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| Secretary of Public Works, Transportation and Communications. | Member |
| Governor of the Central Bank of the Philippines. | Member |
| Chairman of the Development Bank of the Philippines | Member |
| President of the Philippine National Bank | Member |
| Chairman of the Board of Investments. | Member |
| Director of Fisheries and Aquatic Resources | Member and Executive Officer |
| A representative of the inland fisheries associations | Member |
| A representative of the marine fisheries associations | Member |

The two representatives from the private sector shall be appointed for a term of two (2) years by the Secretary upon the recommendation of the Director.

Upon the effectivity of this Decree, the Council shall be constituted. The Council shall meet at least once a month: *Provided*, That the Chairman may convene the Council in special meetings to consider urgent matters. If the Chairman cannot attend any meeting, the members present shall select from among themselves a temporary presiding officer. If any of the members shall not be able to attend any meeting of the Council, he shall send a duly authorized representative to exercise his powers and perform his functions.

The Council shall adopt rules and regulations necessary to govern its proceedings.

The Executive Officer shall be charged with the duty of implementing the policies and guidelines established by the Council.

SEC. 13. *Functions of the Council.* — The Council shall formulate and establish comprehensive policy guidelines for the management, protection, conservation and utilization of the fishery/aquatic resources of the country and for the creation of a healthy investment climate for the development of the fishery industry. It shall collate data and information from member agencies and the private sector for the formulation of policy guidelines.

SEC. 14. *Council Secretariat and its Director.* — The Council shall have a secretariat which shall furnish the necessary administration, secretarial and other service support to the Council. The sec-

retariat shall be under the direction and supervision of a Secretariat Director who shall be appointed, and whose compensation shall be fixed, by the Chairman of the Council. The personnel of the Secretariat shall be appointed, and their compensation fixed, by the Chairman upon recommendation of the Secretariat Director.

SEC. 15. *Role of Member-Agencies.* — A. The Central Bank of the Philippines, through the Monetary Board, shall be primarily responsible for seeking ways and means of financing the requirements of the Program in all its aspects. For this Purpose, it shall, in addition to its present powers and functions, undertake the following activities:

1. Coordinate the policies, programs and activities of all banks and financial institutions relating to the grant or extension of credit to persons, associations, cooperatives, and corporations engaged in the fishery industry;

2. Facilitate the grant of preferential rates in the rediscounting of papers involving loans for the fishery industry; and

3. Facilitate the grant of concessionary rate of interest on loans for the development of the fishery industry upon certification by the Director of Fisheries and Aquatic Resources.

B. The Department of National Defense, principally through the Philippine Coast Guard shall extend all assistance, including personnel and equipment, as may be necessary in the enforcement of fishery laws, rules and regulations to help attain the aims and objectives of this Decree.

C. The Department of Agriculture shall:

1. Undertake soil sampling and provide or help provide fertilizers for fish farming purposes; and

2. Perform such other functions as may be imposed upon it by law or requested by the Council in the acceleration of fish farming by and/or in the furtherance of the objectives of this Decree.

D. The Department of Trade shall:

1. Plan and prepare such measures as may be necessary to promote exports of fish and fishery/aquatic products; and

2. Perform such other functions as may be imposed upon it by law or requested by the Council in furtherance of the objectives of this Decree.

E. The Department of Public Works, Transportation and Communications shall:

1. Upon request of the Council, undertake site survey and investigation, draw plans for, and construct, infrastructure facilities for the fishery industry; and

2. Perform such other functions as may be imposed upon it by law or requested by the Council in furtherance of the objectives of this Decree.

F. The private sector of the fishery industry shall direct their collective efforts towards a more active cooperation and coordination with government agencies to attain the objectives of this Decree.

It shall:

1. Assume the primary responsibility of accelerating the development of the industry;

2. Conduct research and experiments in cooperation with government agencies;

3. Allow implementing agencies of the government access to such statistical data and information as would be necessary in the formulation of sound policies; and

4. Take active participation, in collaboration with the Bureau and other government agencies, in technical manpower training by giving on-the-job training opportunities to fisheries apprentices, trainees and volunteers.

CHAPTER IV

UTILIZATION AND EXPLOITATION OF FISHERY/AQUATIC RESOURCES

SEC. 16. *License, lease and permit.* — No person shall exploit, occupy, produce, culture, capture or gather fish, or fry or fingerling of any species of fish, or fishery/aquatic products, or engage in any fishery activity in Philippine or municipal waters without a license, lease or permit: *Provided*, That when due to destruction wrought upon fishponds, fishpens or fish nurseries, by typhoons, floods and other fortuitous events, or due to speculation, monopolistic and other pernicious practice which tend to create an artificial shortage of fry and/or fingerling, the supply of fish and fishery/aquatic products can reasonably be expected to fall below the usual demand therefore and the price thereof, to increase, the Secretary, upon recommendation of the Director, is hereby authorized to fix a fair and reasonable price for fry and fingerling of any species of fish, and in so doing and when necessary, fix different price levels for various areas or regions taking into account such variable factors as availability, accessibility to transportation facilities, packing and crating, and to regulate the movement, shipment and transporting of such fry and fingerling: *Provided, further*, That the price so fixed shall guarantee the gatherers of fry a just and equitable return for their labor: *Provided, finally*, That any administrative order issued by the Secretary to implement the foregoing shall take effect immediately, the provisions of Section 7 hereof to the contrary notwithstanding.

SEC. 17. *Commercial fishing boat license and other licenses.* — No person shall operate a commercial fishing boat, pearl fishing boat or fishing boat for scientific, research or educational purposes, or engage in any fishery activity, or seek employment as a fisherman without first securing a license from the Bureau: *Provided*, That no such special permit shall be required of a fishing boat engaged in scientific, research or educational purposes within Philippine waters pursuant to an international agreement of which the Philippines is a signatory, and which agreement defines the status, privileges and obligations of said boat and its crew and the non-Filipino officials of the international agency under which said boat operates: *Provided, further*, That the members of the crew of a fishing boat used for commercial fishing, including but not limited to duly licensed and/or authorized patrons, marine engineers, radio operators and cooks, shall be considered as fisherman: *Provided, furthermore*, That the commercial fishing boat license herein authorized to be granted shall allow the licensee to operate only in Philippine waters seven (7) or more fathoms deep subject to the conditions that may be stated therein and the rules and regulations that may, from time to time, be promulgated by the Secretary: *Provided, finally*, That baby trawls using fishing boats of three (3) gross tons or less may operate in areas four (4) fathoms deep or more if authorized by existing municipal ordinances duly

approved by the Secretary.

The Philippine Coast Guard shall perform all functions pertaining to the registration, documentation, inspection and manning of all types of fishing boats plying Philippine waters except those hereinabove vested in the Bureau of Fisheries and Aquatic Resources: *Provided*, That a fishing boat may, upon inspection and verification by the Maritime Safety Division and Naval Architecture and Engineering Section of the Philippine Coast Guard that the fishing boat is seaworthy and fit for operations, be accepted for registration, documentation, and licensing purposes: *Provided, further*, That the coastwise license shall not be required of fishing boats.

Every boat of Philippine registry of 10 gross tons or more but less than 500 tons, which is operated exclusively as a fishing boat for catching and transporting fish in the territorial waters of the Philippines may be operated at least by one licensed deck officer and one licensed engine officer, the qualifications of who shall be prescribed by the Philippine Coast Guard, which qualifications may, considering that the fishing boat will not transport passengers and/or cargo, be less than those required of similar officers employed in vessels engaged in the coastwise trade.

Any provision of law to the contrary notwithstanding, all fishing boats shall be provided with adequate medical supplies and life-saving devices to be determined by the Philippine Coast Guard: *Provided*, That a fishing boat twenty (20) gross tons or more shall have in its employ a person qualified as a First Aider duly certified by a government physician.

SEC. 18. *Permit for importation or exportation of fish or fishery/aquatic products.* — No person shall import or export any fish or fishery/aquatic product, whether adult or young, fry or fish eggs, for propagation or for other purposes, without first securing a permit therefor and paying the inspection and other fees: *Provided*, That exportation of fry, except "bangus" fry exportation of which is totally banned, shall be allowed only after the requirements of the domestic fishing industry are met: *Provided, further*, That no other inspection fee shall be imposed and collected by any other government office or agency.

SEC. 19. *Development of the Fish Meal Industry.* — To maximize the utilization of fish and fishery products and to complement the development of the animal industry, steps shall be taken to pro-

mote the production of fish meal.

A. DEEP-SEA OR OFFSHORE FISHING

SEC. 20. *Persons eligible for commercial fishing boat license.* — No commercial fishing boat license shall be issued except to citizens of the Philippines or to associations or corporations duly registered in the Philippines, at least sixty percent (60%) of the capital stock of which is owned by Filipino citizens. No person to whom a license has been issued shall sell, transfer, or assign, directly or indirectly, his stock or interest therein to any person not qualified to hold a license, and any such transfer, sale or assignment shall be null and void and shall not be registered in the books of the association or corporation.

For purposes of commercial fishing, fishing boats owned by citizens of the Philippines and corporations or associations qualified under this section, may be issued certificates of Philippine registry and such other documents as are necessary for fishing operations, any provision of law to the contrary notwithstanding: *Provided*, That the certificate of Philippine registry shall be valid only as long as the fishing boat is engaged in, or used for, fishing operations. For the purpose of this section, fishing operation include the transportation of the fish caught.

SEC. 21. *Charter contracts, lease or lease-purchase agreements and contracts for assistance.* — Citizens of the Philippines and qualified corporations or associations engaged in commercial fishing may, subject to the approval of the Secretary, enter into charter contracts, lease or lease-purchase agreements of fishing boats, or contracts for financial, technical or other forms of assistance with any foreign person, corporation or entity for the production, storage, marketing and processing of fish and fishery/aquatic products: *Provided*, That the foreign crew members of the foreign fishing boat who shall not exceed seventy-five percent (75%) of the complement of the boat, may be issued fisherman's license subject to security clearance by the Philippine Coast Guard and to the rules, regulations and guidelines to be promulgated by the Council: *Provided, further*, That it shall be a condition in all charter contracts, lease or lease purchase agreements that Filipino seamen and fishermen shall be given instruction and training by the foreign crew members in the operation of the fishing boat and the use of fishing gears and after two years shall replace all foreign crew members.

SEC. 28. *No obstruction to navigation.* — Nothing in the foregoing sections shall be construed as permitting the lessee or licensee to undertake any construction which will obstruct the free navigation in any stream or lake flowing through or adjoining the fish pen or fishpond, or impede the flow and ebb of the tide to and from the area. Any construction made in violation hereof shall be removed upon order of the Secretary.

C. MUNICIPAL FISHERIES

SEC. 29. *Grant of Fishery Privileges.* — A municipal or city council, conformably with an ordinance duly approved by the Secretary pursuant to section 4 hereof may:

(a) grant to the highest qualified bidder the exclusive privilege of constructing and operating fish corrals, oyster culture beds, or of gathering "bangus" fry, or the fry of other species, in municipal waters for a period not exceeding five (5) years: *Provided*, That in the zoning and classification of municipal waters for purposes of awarding, through public bidding, areas for the construction or operation of fish corals, oyster culture beds or the gathering of fry, the municipal or city council shall set aside not more than one-fifth (1/5) of the area earmarked for the gathering of fry, as may be designated by the Bureau, as government "bangus" fry reservation: *Provided, Further*, That no fish corral shall be constructed within two hundred (200) meters of another fish corral in marine fisheries, or one hundred (100) meters in fresh water fisheries, unless they belong to the same licensee, but in no case shall the distance be less

than sixty (60) meters, except in waters less than two (2) meters deep at low tide, or unless previously approved by the Secretary;

(b) authorize the issuance to qualified persons of license for the operation of fishing boats three (3) gross tons or less, or for the privilege of fishing in municipal waters with nets, traps or other fishing gear: *Provided*, That it shall be beyond the power of the municipal or city council to impose a license for the privilege of gathering marine mollusca or the shells thereof, for pearling boats and pearl divers, or for prospecting, collecting, or gathering sponges or other aquatic products, or for the culture of fishery/aquatic products; *Provided, further*, That a licensee under this paragraph shall not operate within two hundred (200) meters of any fish corral licensed by the municipality, except when the licensee is the owner or operator of the fish corral but in no case within sixty (60) meters of said corral. The municipality or city council shall furnish the Bureau, for statistical purposes, on forms which shall be furnished by the Bureau, such information and data on fishery matters as are reflected in such forms.

SEC. 30. *Municipality concessions and leases concerning fisheries.* — No lease or concession granted by a municipal or city council under authority of an ordinance approved pursuant to section 4 hereof, concerning fishing or fisheries in streams, lakes, rivers, inland and/or municipal waters, shall be valid and enforceable unless the Secretary, upon recommendation of the Director, approves the same.

CHAPTER V

RESERVE FISHERIES AND FISH SANCTUARIES

SEC. 31. *Fishing areas reserved for exclusive use of government.* — Upon the recommendation of the Director, the Secretary may designate by fishery administrative order, area or areas in the Philippine waters as fishery reservation for the exclusive use of the Government or of any of its political subdivisions, agencies or instrumentalities, or of the inhabitants of any municipality, or for the culture of fish and other aquatic animals for educational, research and scientific purposes.

SEC. 32. *Fish refuges and sanctuaries.* — Upon the recommendation of the Director, the Secretary may set aside and establish fish refuges and sanctuaries to be administered in the manner to be prescribed by him. All streams, ponds, and waters within game refuges, bird sanctuaries, national parks, botanical gardens, communal forests and communal pastures are hereby declared fish refuges and sanctuaries.

Charter contracts, lease or lease-purchase agreements and contracts for financial, technical or other forms of assistance with any foreign person, corporation or entity, shall be subject to the guidelines promulgated by the Council and the approval of the Secretary: *Provided*, That payments under such contracts or agreements shall be made in kind, i.e., in export items of fish and/or fishery/aquatic products.

SEC. 22. *Operation of radio communication facilities on board fishing boats.* — Any employee on board a fishing boat capable of operating radio transceivers may be authorized by the Radio Control Office to operate such transceivers during fishing operations without the necessity of qualifying in the examination prescribed by existing laws and regulations: *Provided*, That the Radio Control Office shall give practical examinations to persons with sufficient experience and knowledge of radio telephone and/or telegraphy, for the purpose of qualifying them as radio operators on board fishing boats only.

No franchise shall be required for the installation and operation of radio transceivers on board fishing boats and in their home-based stations: *Provided*, That the radio Control Office shall, upon application, issue a permit and assign a pre-set frequency to a qualified applicant for the installation and operation of radio transceivers on board his fishing boats and home-based stations subject to the rules and regulations prescribed by said office and consistent with the requirements of national security: *Provided, Further*, That the Philippine Coast Guard shall be informed by the Radio Control Office of the pre-set radio frequencies assigned to fishing boat operators.

B. INLAND FISHERIES

SEC. 23. *Disposition of Public Lands for Fishponds.* — Upon the effectivity of this Decree, no public lands suitable for fishpond purposes shall be disposed by sale: *Provided*, That only fishpond sales patent already processed and approved on or before November 9, 1972, shall be given due course subject to the condition that such application covers a fully developed fishpond not exceeding twenty-four (24) hectares.

SEC. 24. *Lease of Fishponds.* — Public lands available for fishpond development including those earmarked for family-size fishponds and not yet leased prior to November 9, 1972 shall be leased

only to qualified persons, associations, cooperatives or corporations, subject to the following conditions:

1. The lease shall be for a period of twenty-five (25) years, renewable for another twenty-five (25) years.

2. Fifty percent (50%) of the area leased shall be developed and be producing in commercial scale within three (3) years and the remaining portion shall be developed and be producing in commercial scale within five (5) years, both periods to begin from the execution of the lease contract;

3. All areas not fully developed within five (5) years from the date of execution of the lease contract shall automatically revert to the public domain for disposition by the Bureau. *Provided*, That a lessee who failed to develop the area or any portion thereof shall not be permitted to re-apply for said area or any portion thereof or any public land under this Decree; and

4. No portion of the lease shall be sub-leased.

SEC. 25. *Size of Fishponds.* The area of fishponds leased under the preceding section shall not exceed the following:

1. For individuals fifty hectares; and

2. For associations and corporations — five hundred hectares.

Provided, That, if circumstances so warrant, a larger area may, with the approval of the Secretary, be leased to qualified applicants.

SEC. 26. *Construction and Development of Family-Size Fishponds.* — For the purpose of accelerating the development of fishponds, the Bureau, subject to the approval of the Secretary, shall identify and set aside public lands which shall be subdivided into family-size fishponds and leased in accordance with guidelines established by the Council.

SEC. 27. *License to Operate Fishpens.* — No person shall construct and/or operate a fishpen without first securing a license from the Bureau, any license or permit issued by the mayor of the municipality claiming jurisdiction over the area in which the fish pen will be constructed to the contrary notwithstanding. The license shall be for a period of five (5) years renewable for another five (5) years.

The maximum area that can be licensed for a fish pen shall be ten (10) hectares in the case of an individual and fifty (50) hectares in the case of an association, partnership, cooperative or corporation.

CHAPTER VI

PROHIBITION AND PENALTIES

SEC. 33. *Illegal fishing dealing in illegally caught fish or fishery/aquatic products.* – It shall be unlawful for any person to catch, take or gather or cause to be caught, taken or gathered fish or fishery/aquatic products in Philippine waters with the use of explosives, obnoxious or poisonous substance, or by the use of electricity as defined in paragraphs (1), (m) and (d), respectively, of Section 3 hereof: *Provided*, That the Secretary may, upon recommendation of the Director and subject to such safeguards and conditions he deems necessary, allow for research, educational or scientific purposes only, the use of explosives, obnoxious or poisonous substance or electricity to catch, take or gather fish or fishery/aquatic products in specified area: *Provided, further*, That the use of chemicals to eradicate predators in fishponds in accordance with accepted scientific fishery practices without causing deleterious effects in neighboring waters shall not be construed as the use of obnoxious or poisonous substance within the meaning of this section: *Provided, finally*, That the use of mechanical bombs for killing whales, crocodiles, sharks or other large dangerous fishes, may be allowed, subject to the approval of the Secretary.

It shall, likewise, be unlawful for any person knowingly to possess, deal in, sell or in any manner dispose of, for profit, any fish or fishery/aquatic products which have been illegally caught, taken or gathered.

The discovery of dynamite, other explosives and chemical compounds containing combustible elements, or obnoxious or poisonous substance, or equipment or device for electric fishing in any fishing boat or in the possession of a fisherman shall constitute a presumption that the same were used for fishing in violation of this Decree, and the discovery in any fishing boat of fish caught or killed by the use of explosives, obnoxious or poisonous substance or by electricity shall constitute a presumption that the owner, operator or fisherman were fishing with the use of explosives, obnoxious or poisonous substance or by electricity.

SEC. 34. *Fishing with fine-mesh nets.* – It shall be unlawful for any person to fish with nets with mesh smaller than that which may be fixed by rules and regulations promulgated conformably

with the provisions of Section 7 hereof: *Provided*, That this prohibition in the use of fine-mesh nets shall not apply to the gathering of fry, glass cells and elvers and such species which by their very nature are small but already mature.

SEC. 35. *Trawl fishing in waters seven fathoms deep or less.* – Subject to the provisions of Section 17 hereof, no person shall operate trawls in waters seven fathoms deep or less.

SEC. 36. *Ban on exportation of Bangus Fry.* – It shall be unlawful for any person to export "bangus" fry.

SEC. 37. *Pollution of waters.* – It shall be unlawful to place, cause to be placed, discharge or deposit, or cause to be discharged or deposited, or to pass or place where it can pass into Philippine waters, petroleum, acid, coal, or oil tar, lampblack, aniline, asphalt, bitumen, or residuary products of petroleum or carbonaceous material or substance, mollasses, mining and mill tailings, or any refuse, liquid or solid, from any refinery, gas house, tannery, distillery, chemical works, sugar central, mill or factory of any kind, or any sawdust, shavings, slabs, edgings, or any factory refuse or any substance or material deleterious to fish or fishery/aquatic life.

SEC. 38. *Penalties.* – (a) *For illegal fishing and dealing in illegally caught fish or fishery/aquatic products.* – Violation of Section 33 hereof shall be punished as follows:

(1) By imprisonment from ten (10) to twelve (12) years, if explosives are used: *Provided*, That if the explosion results 1) in physical injury to any person, the penalty shall be imprisonment from twelve (12) to twenty (20) years, or 2) in the loss of human life, then the penalty shall be imprisonment from twenty (20) years to life, or death;

(2) By imprisonment from eight (8) to ten (10) years, if obnoxious or poisonous substances are used: *Provided*, That if the use of such substances results 1) in physical injury to any person, the penalty shall be imprisonment from ten (10) to twelve (12) years, or 2) in the loss of human life, then the penalty shall be imprisonment from twenty (20) years to life or death;

(3) By imprisonment from two (2) to four (4) years, if electricity is used; and

(4) By imprisonment from two (2) to six (6) years for dealing in illegally caught fish or fishery/aquatic products.

(b) *Trawl fishing* – Violation of section 35 hereof shall be punished by a fine not exceeding

one thousand pesos (P1,000.00) or imprisonment for a period not exceeding one (1) year, or both fine and imprisonment, in the discretion of the Court.

(c) *Exportation of "bangus" fry.* – Violation of section 36 shall be punished by a fine of not less than one thousand pesos (P1,000.00) nor more than five thousand pesos (P5,000.00) or by imprisonment for not less than one (1) year nor more than five (5) years, or both such fine and imprisonment, in the discretion of the Court.

(d) *Other violations.* – Violation of any other provision of this Decree, or of any rule or regulation already existing, or which may be promulgated pursuant to this Decree, shall subject the offender to a fine of from five hundred pesos (P500.00) to five thousand pesos (P5,000.00) or imprisonment from ~~six (6) months~~ to four (4) years, or both such fine and imprisonment, in the discretion of the Court: *Provided*, That the Director of Fisheries and Aquatic Resources is hereby empowered to impose upon the offender an administrative fine of not more than five thousand (P5,000.00) or to cancel his permit or license, or to impose such fine and to cancel his permit or license, in the discretion of the Director: *Provided, further*, That the Director, or his duly authorized representative, and law enforcement agents are hereby empowered to impound with the assistance of the Philippine Coast Guard, if necessary, the fishing boat including the dynamite, blasting caps and other explosives, obnoxious or poisonous substances, and apparatus used in electric fishing, and other apparatus used in illegal fishing, pending the termination of the criminal case by competent courts: *Provided; finally*, That any person who unlawfully obstructs or delays the inspection and/or movement of fish and fishery/aquatic products when such inspection and/or movement is authorized under this Decree, shall be subject to a fine of not more than two thousand pesos (P2,000.00) or imprisonment of not more than two (2) years, or both such fine and imprisonment, in the discretion of the Court.

Any public official, who enforces an ordinance, resolution, rule and/or regulation concerning fishing and fisheries not previously approved by the Secretary, shall be criminally prosecuted and, upon conviction, shall suffer the penalty of not more than five (5) years imprisonment or a fine of not more than ten thousand pesos (P10,000.00) or both such fine and imprisonment, in the discretion of the Court.

Action on any violation mentioned in this Chapter shall be taken if the Secretary so decides.

SEC. 39. *Seizure Proceedings.* – Any foreign fishing boat illegally engaged in fishing within Philippine waters shall be summarily confiscated administratively, including its catch and fishing equipment, without prejudice to any civil or criminal action that may be taken against its owners and/or operators.

SEC. 40. *Persons authorized to enforce this Decree and fisheries rules and regulations.* – Members of the Philippine Coast Guard, Philippine Constabulary, local police force, government law enforcement agencies and other competent government employees duly designated in writing by the Secretary, are hereby made deputies of said Secretary in the enforcement of this Decree and fisheries rules and regulations.

SEC. 41. *Compromise.* – With the approval of the Secretary, the Director may, at any stage of the proceeding, compromise any case arising under any provision of the Decree, subject to the following schedule of administrative fines:

a) *Vessels entering fishery reserve or closed areas.* – Any vessel, licensed or unlicensed, entering a fishery reserve or a declared closed area for the purpose of fishing shall be fined in a sum not exceeding five thousand pesos (P5,000.00).

b) *Vessels fishing or continuing to fish after the expiration of the license.* – A vessel continuing to fish within sixty (60) days from the date of expiration of the license shall pay the ordinary annual license fee in full. A vessel fishing or continuing to fish without having procured the renewal of the license therefore shall be fined in a sum not exceeding fifty pesos (P50.00) for every month the license remains unrenewed.

c) *Vessel employing unlicensed fishermen.* – A vessel found employing unlicensed fishermen shall be fined in a sum of not less than fifty pesos (P50.00) nor more than one hundred pesos (P100.00) for each fisherman and for each month such fisherman is employed.

d) *Obstruction of fishery officers.* – The owner, master or operator of any fishing boat, whether licensed or not, who obstructs or hinders, or causes to be obstructed or hindered, any fishery officer from boarding such boat to enable said officer to perform his duty shall be fined in an amount not exceeding five hundred pesos (P500.00). In addition, the license of the

fishing boat may be cancelled.

e) *Failure to submit required reports.* – The owner, master or operator of a fishing boat who fails to submit a required report within thirty (30) days after due date shall be fined in an amount not exceeding five pesos (P5.00).

g) *Transfer of ownership or lease of fishing boat to be reported.* – Any owner of a fishing boat who fails to notify the Director of the sale or lease of the boat to another person within ten (10) days after the sale or lease, shall be fined in an amount not exceeding two hundred pesos (P200.00).

h) *Vessel engaging in fishing without license.* – The owner, master or operator of a fishing boat engaging in fishing operations without a license shall be fined in an amount not exceeding one thousand pesos (P1,000.00) for each month or fraction thereof of operation.

i) *Other violations.* – Other violations may be compromised: *Provided*, That the fine shall not be less than fifty percent (50%) of the fine originally imposed for the violation.

CHAPTER VII

GENERAL PROVISIONS

SEC. 41. *The Fisheries Loan and Guarantee Fund.* – There is hereby created the Fisheries Loan and Guarantee Fund which shall be administered by the Central Bank of the Philippines. The fund shall, through the financial institutions mentioned in Section 42 hereof, be available for lending to qualified borrowers to finance the development of the fishery industry.

The Fund shall also guarantee eighty-five percent (85%) of the losses which may be suffered by the lending institution in case of default by the borrower, with the remaining fifteen percent (15%) of such losses being absorbed by the lending institution.

SEC. 42. *Loans to the Fishery Industry.* – The Development Bank of the Philippines, the Philippine National Bank, and the Philippine Veterans Bank and other government-owned or controlled banking or financial institutions and rural banks shall make loans available to eligible borrowers as their respective charters and articles of incorporation and by-laws provide and policies of the Central Bank of the Philippines allow: *Provided*, That projects of veterans and their qualified heirs within the purview of the Program shall be funded by the Philippine Veterans Bank, with priority to family-size fishponds: *Provided, further*, That the Development Bank of the Philippines, the Philippine National Bank, and the Philippine Veterans Bank and other government-owned or controlled banking or financial institutions and rural banks dealing with medium and long-term loans shall:

a) Grant loans for the development, rehabilitation and maintenance of fishponds, fishpens and

acquisitions of fishing boats and fishing equipment;

b) Extend loan for production, handling, processing and marketing, including the establishment and operation of refrigerating plants and cold storage facilities;

c) Grant loans to leaseholders of public lands for the development of fishponds: *Provided*, That the duration of the lease contract shall be longer than the period of repayment of the loan.

All loans shall be extended under supervised credit as prescribed by Republic Act Numbered Sixty-three hundred and ninety or other laws; or under project supervision.

SEC. 43. *Financing of Municipal and/or Small-Scale Fishing.* – Municipal and/or small-scale fisherman who are members of a cooperative may avail of financing from any fund administered by the Central Bank or from rural banks under a supervised credit scheme. Such loan may cover the acquisition and/or repair of bancas, engines and fishing equipment.

SEC. 44. *Establishment and Operation of Refrigerating and Cold-Storage Plants.* – Any provision of law to the contrary notwithstanding, any person, association, cooperative or corporation may establish and operate subject to the guidelines established by the Council and the approval of the Secretary, refrigerating and cold storage plants which shall serve the fishing industry exclusively.

SEC. 45. *Exemption of Fisherman from Operation of the Blue Sunday Law and the Eight-Hour Labor Law.* – Fishermen on board fishing boats engaged in fishing operations are hereby exempted from the provisions of the Blue Sunday Law and

the Eight-Hour Labor Law.

SEC. 46. *Auditor.* — The Chairman, Commission on Audit, shall act as the ex-officio auditor of the Fishery Industry Development Council and the Bureau of Aquatic Resources. The provisions of Section 584 of the Revised Administrative Code, as amended by Presidential Decree No. 61, shall apply to the office of the representative of the said Chairman in the Council and the Bureau.

SEC. 47. *Receipts of Bureau automatically appropriated for certain purposes.* — In addition to the amount appropriated for the Bureau in the annual general appropriations act/decreed, all fees collected pursuant to this Decree and the rules and regulations promulgated by virtue of this Decree and other laws, bonds that may be forfeited, fines, proceeds from the sale of fish and fishery/aquatic products raised in fish farms, experimental and demonstration stations, rentals from fishponds and receipts from other sources except the proceeds of the sale of assets of the Bureau, will be released by the President upon recommendation of the Secretary annually and made available to the Bureau for the conservation and development of fishery/aquatic resources, construction of permanent improvement including offices and other buildings and acquisition of sites, promotion and development of the fishing industry, operation and maintenance of experimental fishery stations, and for salaries and wages of necessary personnel.

SEC. 48. *Appropriation.* — The sum of twenty-one million pesos (P21,000,000.00), one million pesos (P1,000,000.00) of which shall be for the operational expenses of the Fishery Industry Development Council for the current fiscal year and the remaining balance to constitute the Fisheries Loan and Guarantee Fund, is hereby authorized to be appropriated out of any funds in the National Treasury not otherwise appropriated.

SEC. 49. *Repealing Clause.* — Presidential Decree Nos. 43, 534 and 553, Act No. 4003, as amended, Republic Act No. 428, as amended, 3048, 3512, and 3586, and all Decrees, Acts, Executive Orders, rules, regulations or parts thereof inconsistent with the provisions of this Decree are hereby repealed or modified accordingly.

SEC. 50. *Separability Clause.* — The provisions of this Decree are hereby declared to be separable and, if any clause, sentence, provision or section of this Decree or application thereof to any person or circumstances should for any reason be held invalid, such invalidity shall not affect the other provisions or application of this Decree.

SEC. 51. *Effectivity.* — This Decree shall take effect upon promulgation.

Done in the City of Manila, this 16th day of May, in the year of Our Lord, nineteen hundred and seventy-five.