

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

House Bill No. **5080**



Introduced by: Congressman **BIENVENIDO M. ABANTE, JR.**

AN ACT
CREATING A DEPARTMENT OF FISHERIES AND AQUATIC
RESOURCES, PROVIDING FOR ITS POWERS AND FUNCTIONS,
AND FOR OTHER PURPOSES

EXPLANATORY NOTE

In 2018, the Philippines ranked 8th among the top fish producing countries in the world with its total production of 4.35 million metric tons (MT) of fish, crustaceans, mollusks, and aquatic plants (including seaweed). The production constituted 2.06% of the total world production of 211.87 million MT (FAO, 2020).

In terms of aquaculture production, the country ranked 11th in the world with 826.01 thousand MT or 1.01% share of the total global aquaculture production of 82.10 million MT. The total value of the country's aquaculture production including fish, crustaceans, and mollusks is USD 1.89 billion (FAO, 2020).

The Philippines is also the world's 4th largest producer of aquatic plants (including seaweed) having a total of 1.48 million MT or 4.56% of the total world production of 32.39 million MT (FAO, 2020).

The fishing industry's contribution to the country's Gross Domestic

Product (GDP) is 1.52% at both current and constant 2018 prices. This translates to PhP 273.41 billion at current prices and PhP 266.22 billion at constant prices of the country's GDP of PhP 17,939 billion (current prices).

The industry also shared 12.27% (PhP 224.19 billion) and 12.54% (PhP 223.20 billion) for both current and constant prices of the Gross Value Added (GVA) in Aquaculture, Hunting, Forestry, and Fishing Group of PhP 1,827.01 billion (current prices) and PhP 1,780.54 (constant prices), respectively (PSA, 2021).

According to the Philippine Statistics Authority (PSA), approximately 1.6 million Filipinos depend on fisheries and aquaculture for their livelihood. However, despite the sector's vastness, poverty incidence continues to remain high among fishermen - estimated at 34% in 2018, higher by 12.4% than the poverty incidence of the general population.

In order to strategically develop and utilize the country's fisheries and aquatic resources, and curb poverty in the rural areas where most of the country's fishermen live, this bill proposes the creation of a Department of Fisheries and Aquatic Resources (DFAR) which shall be responsible for the development and management of fisheries and marine resources in Philippine waters including the exclusive economic zone, as well as the protection and conservation of the nation's marine wealth. The department will also ensure that the needs and concerns of the fisherfolk are adequately addressed to ultimately help them move out of poverty.

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



BIENVENIDO M. ABANTE, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

House Bill No. **5080**

Introduced by: Congressman **BIENVENIDO M. ABANTE, JR.**

AN ACT
CREATING A DEPARTMENT OF FISHERIES AND AQUATIC
RESOURCES, PROVIDING FOR ITS POWERS AND FUNCTIONS,
AND FOR OTHER PURPOSES

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

SEC. 1. Title. - This Act shall be known as the "*Department of Fisheries and Aquatic Resources Act of 2022.*"

SEC. 2. Creation. - The Department of Fisheries and Aquatic Resources, hereinafter referred to as the Department, is hereby created structurally and functionally in accordance with the provisions of this Act.

SEC. 3. Declaration of Policies. - It is hereby declared the policy of the State to promote the sustainable development and management of all fisheries and aquatic resources in Philippine waters including its territorial seas and waters within the exclusive economic zone (EEZ), consistent with the primordial objective of maintaining a sound ecological balance and protecting and enhancing the quality of the environment. It is the policy of the State to protect and conserve the nation's marine wealth in its archipelagic waters, territorial seas, and exclusive economic zone and reserve

its use and enjoyment exclusively to Filipino citizens.

It is the policy of the State to adopt the precautionary principle and to prioritize conservation of the country's marine and aquatic resources. It is also the policy of the State to protect the rights of small-scale fishermen to the preferential use of the country's fisheries and aquatic resources.

SEC. 4. *Jurisdiction of the Department.* - The Department shall have primary jurisdiction over the management, conservation, development, protection, utilization, and disposition of all fishery and aquatic resources of the country, including the habitats of fish and all other marine life and other activities which impact on these habitats, except for municipal waters, which shall remain under the jurisdiction of local government units. The latter shall manage their municipal waters in accordance with national fishery policies, laws, rules, and regulations. The Department shall have the authority to supervise and regulate the production and capture of fish and fishery products within its jurisdiction, as well as the processing and marketing of all fisheries and aquatic products in the country. The Department shall have the responsibility of rationalizing all oceans sector initiatives which impact on fish and marine resources or their habitat including, but not limited to, marine energy exploration and development; coastal and marine tourism; designation of shipping lanes; protected areas; and marine industry development areas. The regulation of these marine activities, once rationalized by the Department, shall reside with the parent agency for the appropriate sector involved.

SEC. 5. *Powers and Functions.* - To accomplish its mandate, the Department shall have the following powers, functions, and responsibilities:

(a) Coordinate the implementation of fisheries and oceans sector policies, plans

and laws for all maritime components;

(b) Promulgate and enforce fisheries and oceans habitat regulations, which clarify and amplify the aforementioned departmental mandate in accordance with the published fisheries and oceans management plans within its territorial jurisdiction;

- (c) Prepare and implement a comprehensive Fisheries Management Plan, based on the precautionary principle and the principle of sustainable development, using scientifically generated information or best available evidence on the status of the fisheries and aquatic resources;
- (d) Formulate and implement, consistent with the development framework of the National Economic Development Authority, a fishery industry development program and set policies and standards for the efficient and economic operations of the fishing industry in accordance with the objectives of food security and rational and sustainable development;
- (e) Promulgate laws, rules, and regulations governing the conservation and proper utilization of fisheries and aquatic resources except in municipal waters;
- (f) Issue licenses for the operation of commercial fishing vessels and permits for the conduct of fishery activities subject to the specific carrying capacities of the resource as determined by scientific studies or best available evidence with preference given to resource users in the local communities living adjacent or nearest to the municipal waters;
- (g) Issue fish worker licenses and identification cards free of charge to fish workers engaged in commercial fishing;
- (h) Implement the provisions of Republic Act No. 8550 and the relevant provisions of Republic Act No. 8435 and enforce all fishery laws, rules, and regulations through its fishery officers and guardians, and through deputized government officials and employees, punong barangays and officers, and members of fisherfolk associations who have undergone training on law enforcement;
- (i) Perform quasi-judicial and allied functions and settle conflicts of resource use and allocation in consultation with the National Fisheries and Aquatic Resources Management Council (NFARMC) and local government units;
- (j) It shall prescribe rules and regulations including procedures and guidelines concerning the classification, establishment, construction, maintenance, and operation of all fishing ports, landing sites and fish markets and the operation of business therein except those that are owned

and operated by local government units;

(k) Establish and maintain a Philippine Fisheries and Aquatic Resources Information System (PFARIS) that will function as the principal depository and information server of all fisheries and oceans-related information in the country, including, but not limited to, the status of fisheries and aquatic resources and their habitat as well as all matters pertaining to fisheries production, processing, marketing and research results, and technology advances;

(l) Develop and implement a Monitoring Control and Surveillance System (MCSS) for Philippine fisheries and seas at the national and regional levels to ensure that the fisheries and aquatic resources in Philippine waters are judiciously and wisely utilized and managed on a sustainable basis;

(m) Actively engage in the conservation, protection and rehabilitation of rare, threatened, and endangered marine species as it may determine, including their habitats;

(n) Implement relevant provisions of international treaties and agreements such as, but not limited to, the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), United Nations Convention on the Law of the Sea (UNCLOS), and Convention on Biological Diversity (CBD) and formulate rules and regulations for the conservation and management of straddling fish stocks and highly migratory species;

(o) Formulate and enforce the Code of Practice for Aquaculture and Code of Conduct for Responsible Fisheries;

(p) Promote international economic and technical cooperation in the fisheries and oceans sectors and in integrated oceans management, especially within the ASEAN region;

(q) Acquire, maintain, operate, purchase, lease, or dispose, through the Philippine Fisheries Development Authority (PFDA), equipment and facilities such as shipyards, fishing vessels, fishing gears, and refrigerated trucks, ice plants and cold storages, communication, and aquaculture facilities;

(r) Fix, assess, and collect reasonable fees, tolls, charges, rentals and the like, through the PFDA, for the use or sale of properties, equipment, facilities, and services to support the Department's projects and to adjust the same as warranted;

(s) Provide, through the PFDA, infrastructure support such as municipal fishing ports and markets, farm-to-market roads, quality laboratories in fish ports, marketing facilities, local fisheries shipbuilding and repair facilities, and post-harvest facilities, in cooperation with concerned agencies;

(t) Establish and implement, through the PFDA, a National Marketing Assistance Program, aimed at ensuring the generation of the highest possible income for fisherfolk and fishery-related enterprises, matching supply and demand in both domestic and foreign markets;

(u) Administer a fisheries modernization credit program to finance fishery projects of fisherfolk, fish farmers, fish processors, commercial fishers, and other qualified borrowers; and

(v) Perform all other functions consistent with this Act and as may be provided by law.

SEC. 6. *Department Proper.* - The Department shall consist of the Office of the Secretary and three (3) Undersecretaries for Fisheries Production and Utilization; Fisheries Conservation and Management; and Operations; one (1) council, the National Fisheries and Aquatic Resources Management Council; one (1) institute, the National Fisheries Research and Development Institute; and one (1) office, the Office of Oceans and Marine Affairs. The Office of Oceans and Marine Affairs shall have authority and responsibility over oceans use. It shall be the Department's primary agency tasked with the implementation of the National Marine Policy and the relevant provisions of the United Nations Convention on the Law of the Sea (UNCLOS). Any and all use of the oceans shall require the assessment and clearance by this Office, which shall rationalize initiatives that will negatively impact on fisheries or their habitat. It shall coordinate the implementation of fisheries and oceans sector policies, plans and laws for all maritime components. It shall be headed by a Director and shall have the following divisions:

- (a) Oceans Use Assessment and Clearance Division;
- (b) National and International Oceans Law and Policy Division;
- (c) Special Projects Division; and
- (d) Technical Division.

The Philippine Fisheries Development Authority created by Presidential Decree No. 977 as amended, shall be an attached agency of the Department of Fisheries and Aquatic Resources under the Office of the Secretary.

SEC. 7. *Functions of the Secretary.* - The Secretary of Fisheries and Aquatic Resources, hereinafter referred to as the Secretary, shall be appointed by the President with the consent of the Commission on Appointments, and shall have the following functions:

- (a) Supervision and control of the Department and all the offices under it;
- (b) Authority and responsibility for the performance of the powers and functions of the Department;
- (c) Advise the President on the promulgation of policies, rules and regulations, and other issuances relative to the sustainable development and management of fisheries and aquatic resources;
- (d) Establish management policies and standards for the efficient and effective operation of the Department in accordance with the programs of the government;
- (e) Promulgate rules, regulations, and other issuances in carrying out the Department's mandate, objectives, policies, plans, programs, and projects; and
- (f) Perform such other functions as may be provided by law or assigned by the President.

SEC. 8. *Functions of the Undersecretaries.* - There shall be three (3) Undersecretaries: (1) Undersecretary for Fisheries Production and Utilization; (2) Undersecretary for Fisheries Conservation and Management; and (3) Undersecretary for Operations who shall be appointed by the President upon the recommendation of the Secretary.

The Undersecretaries for Fisheries Production and Utilization and for Fisheries Conservation and Management shall have the following functions:

- (a) Advise the Secretary on the formulation of policies, programs, plans, rules, and regulations, as well as on the promulgation of Department Orders, Administrative Orders, and other issuances with respect to his/her area of responsibility;
- (b) Exercise supervision and control over the bureaus, offices, services, and operating units under his/her responsibility;
- (c) Coordinate the functions and activities of the units under his/her responsibility with those of the other units in the Department;
- (d) Liaise with concerned government departments, agencies, and offices to ensure effective coordination in the management of the fisheries and oceans sector; and
- (e) Perform such other functions as may be provided by law or assigned by the Secretary.

The Undersecretary for Operations shall have the following functions:

- (a) Exercise supervision and control over the regional offices;
- (b) Coordinate, harmonize, and package the policies, plans, programs, and projects of all the offices the Department for the proper implementation by the regional offices;
- (c) Advise the Secretary in the formulation of policies, plans, and programs as well as on the promulgation of rules, regulations, and orders with respect to his/her area of responsibility;
- (d) Exercise supervision and control over the Fisheries Inspection and Quarantine Inspection Service and the Bureau of Fishery Economics and Statistics;
- (e) Establish linkage with local government units, local fisherfolk associations and organizations, and non-government organizations and supervise support and extension services at the regional, provincial, city,

and municipal levels; and

(f) Perform such other functions as may be provided by law or assigned by the Secretary.

SEC. 9. *Qualifications of the Undersecretaries.* - No person shall be appointed Undersecretary of the Department unless he or she is a Filipino citizen; at least a degree holder in fisheries, public administration, management, economics, law or other equivalent relevant disciplines; has actual experience in administration and management for at least ten (10) years; and has general practical knowledge of fisheries.

SEC. 10. *Organizational Structure of the Department.* - The functions of the Department under this Act shall be carried out by the bureaus, agencies and services created in the Department.

Under the supervision and control of the Undersecretary for Fisheries Production and Utilization, the following bureaus, services, and offices are hereby created;

(a) Bureau of Aquaculture and Inland Fisheries (BAIF) - The BAIF shall, among others, be responsible for regulating aquaculture operations in line with the International Code of Conduct for Aquaculture; promoting the intensification of aquaculture operations in existing areas; formulating aquaculture development programs; establishing and maintaining model aquaculture farms and ponds; providing technical assistance to cooperatives and fishpond operators in the development of a viable fishmeal and fish feeds industry, undertaking inland fishery resources evaluation; and recommending management and conservation measures. The Bureau shall be headed by a Director and shall be composed of the following divisions:

- (1) Aquaculture Management and Development Division;
- (2) Inland Fisheries Resource Assessment and Conservation Division;
- (3) Inland Fishery Development and Extension Division; and
- (4) Environmental Impact Assessment and Monitoring Division.

(b) Bureau of Postharvest and Fisheries Product Standards (BPFPS) - The

fishery component of the Bureau of Agriculture and Product Standards created under Section 61 of Republic Act No. 8435 shall be transferred to the BPFPS which shall formulate and enforce standards of quality in the processing, preservation, packaging, labeling, importation, exportation, distribution, and advertising of fishery products; conduct research on product standardization and the alignment of local standards with international standards; and promote and strengthen semi-processing and handling.

The Bureau shall have a Director and two (2) Assistant Directors: one for Product Standards and Technical Services and one for Industry Compliance and Consumer Protection. It shall have the following divisions:

Under the Assistant Director for Product Standards and Technical Services:

- (1) Technical Services Division;
- (2) Fish Processing Technology Division;
- (3) Standards Development and Promotion Division; and
- (4) Value-added Products Development and Promotion Division.

Under the Assistant Director for Industry Compliance and Consumer Protection:

- (1) Industry Compliance Division;
- (2) Consumer Affairs Division; and
- (3) Arbitration and Dispute Resolution Division.

(c) Bureau of Fisheries Extension, Training, and Support Service (BFETSS) - The BFETSS shall coordinate all development activities with respect to fisheries and oceans technology and shall have a development section for all components including inland and oceans fishing, and fishing gears and methods. It shall formulate a National Extension System for Fisheries, which shall be composed of three (3) subsystems: (1) the national government subsystem, (2) the local government subsystem, and (3) the private sector subsystem. It shall deliver the following major services: training services; credit and financing support services; business advisory services; demonstration services; and information and communication support services through tri-media. It shall have the following divisions:

- (1) Training and Skills Development Division;
- (2) Technology Transfer and Demonstration Division; and
- (3) Business Advisory and Information Support Division.

(d) Bureau of Fishing Technology and Capture Fisheries (BFTCF) - The BFTCF shall have direct supervision and control over the utilization of marine resources including commercial, international, and small-scale fisheries. It shall formulate development programs for the expansion of the marine fishery industry; explore new fishery resources and development environment-friendly but efficient fishing gears. It shall be headed by a Director and two (2) Assistant Directors and shall have the following divisions:

- (1) Municipal Fisheries Division;
- (2) Commercial Fisheries Division;
- (3) Fishing Technology Division; and
- (4) High Seas Fisheries Division

(e) Fisheries Modernization Credit and Financing Agency (FMCFA) - The FMCFA shall administer the funds under Sections 108 to 113 of Republic Act No. 8550 as well as the fisheries-related provisions of Sections 20 to 25 of Republic Act No. 8435, harmonizing and integrating the two so as to package and deliver various credit assistance programs for the following:

- (1) Fisheries production including processing of fisheries products and inputs;
- (2) Acquisition or construction of fishery equipment, machinery, fishing vessels, and fishing gears;
- (3) Acquisition of fry, fingerlings, fertilizers, feeds, and similar items;
- (4) Procurement of fisheries products for storage, trading, processing, and distribution;
- (5) Construction, acquisition and repair of facilities for production, processing, storage, transportation, communication, marketing and such other facilities in support of fisheries and economic activities;
- (6) Working capital for fisheries graduates to enable them to engage in fisheries-related activities which support marine and freshwater bodies conservation and ecology-enhancing activities such as, but not limited to, mangrove reforestation, promotion of whale shark and manta ray and other endangered marine species watching and ecotourism; and
- (7) Development of appropriate technology, both in fishery and ancillary industries, that are ecologically sound, locally-sourced, and labor intensive,

based on the requirements of the Fisheries and Aquatic Management Councils.

Under the supervision and control of the Undersecretary for Fisheries Conservation and Management, the following bureaus, services, and offices are hereby created:

(a) Marine Resources Conservation and Management Bureau - The Marine Resources Conservation and Management Bureau is a line bureau tasked with the formulation and implementation of a Comprehensive Fisheries Management Plan. It shall undertake marine fishery resources assessment and biological and environmental investigations, and formulate conservation measures. In coordination with the National Fisheries Research and Development Institute, it shall determine and establish the carrying capacity and total allowable catch (TAC) for a particular resource. It shall set the allowable fishing effort based on the carrying capacity of the resource and TAC and accordingly issue commercial fishing licenses and permits. It shall be headed by a Director and two (2) Assistant Directors and shall have the following divisions:

- (1) Coastal Resources Management Division;
- (2) Oceanography Division;
- (3) Fisheries Licensing Division;
- (4) Biotechnology, Biosafety and Bioprospecting Division; and
- (5) Fisheries Law Enforcement Division.

The Fisheries Law Enforcement Division shall operate the National and Zonal Monitoring Surveillance System. It shall establish fishery, air and ocean patrol as well as conduct law enforcement trainings and recommend to the Secretary the deputation of government employees and members of fisherfolk associations as fishery guardians. It shall have the supervision and control of fishery officers and guardians and the corps of specialists responsible for the enforcement of fishery laws, rules and regulations, and the efficient monitoring and surveillance of fishing activities within Philippine territorial waters.

(b) The Bureau of Marine Protected Areas and Wildlife (BMPAW) - The

BMP AW is a line bureau responsible for establishing and maintaining marine protected areas and wildlife sanctuaries. It shall lead in the conduct of scientific researches on the proper strategies for the conservation and protection of marine wildlife and their habitat including breeding and propagation. It shall also establish Marine Wildlife Rescue Centers to take custody of all confiscated, stranded, or abandoned marine wildlife. It shall have the authority to issue Convention on International Trade in Endangered Species (CITES) permits and shall be both the CITES management and scientific authority of the Philippines. It shall be the lead agency in the fulfillment of the country's obligations under CITES, the Convention on Biological Diversity, and other treaties and international agreements.

It shall have the following divisions;

- (1) Marine Protected Areas Division;
- (2) Marine Wildlife Rescue Centers;
- (3) CITES Management Authority;
- (4) Endangered Marine Species Captive Breeding Centers;
- (5) Endangered Marine Wildlife Research Center shall be the Department's CITES scientific authority which shall coordinate with academic institutions designated as scientific authorities; and
- (6) Biodiversity Division

The Undersecretary for Operations shall have direct control and supervision over all regional offices and the following units and bureaus:

- (a) Fisheries Inspection and Quarantine Inspection Service (FIQIS) – The FIQIS shall be responsible for the inspection and quarantine of all fishery related activities including the conduct of quarantine and quality inspection of all fish and aquatic products coming into and going out of the country by air or water transport to detect the presence of fish pest and diseases; the regular inspection of processing plants, storage facilities, abattoirs, as well as public and private markets in order to ensure freshness, safety and quality of products and to ensure that these products conform to the standards prescribed by the Department; and the quarantine of aquatic animals and fishery products determined or suspected to be with fishery pest and diseases and prevent the movement or trade from and/or into the country of these products so prohibited or regulated under existing laws, rules, or regulations and international agreements of which the Philippines

is a State Party.

It shall have the following units:

- (1) Regional Fishery Inspection and Quarantine Offices;
- (2) Cyanide Detection Centers;
- (3) Product Standards Enforcement Division; and
- (4) Regional Fish Health Centers.

(b) Bureau of Fishery Economics and Statistics (BEES) - The BFES shall be a line bureau responsible for establishing benchmark data on the structure of the fisheries industry. It shall conduct research and studies on the socioeconomics of various fishery operations, collect data on fishery production, and establish a network of fishery information, documentation and dissemination.

It shall have the following divisions:

- (1) Fishery Statistics Division;
- (2) Socio-economic Division; and
- (3) Fishery Information Division.

SEC. 11. *Regional Offices and Functions.* - The Department shall have regional offices as may be necessary in the administrative regions, each to be headed by a Regional Director, who shall be assisted by an Assistant Regional Director. Each regional office shall have support staff as may be necessary and four (4) line divisions which shall have the following duties and responsibilities:

- (a) Provide efficient and effective frontline services to the fisheries sector, particularly to the municipal fishermen;
- (b) Implement in its area of jurisdiction the laws, policies, plans, programs, projects, rules, and regulations of the Department;
- (c) Coordinate with the regional office of other departments and agencies in the region; and
- (d) Perform such other functions as may be provided by law or assigned by the Secretary.

Sec. 12. *Appointment And Qualification Of Directors.* - The Directors of the Bureaus and Offices, and the Regional Directors shall be appointed by the Secretary, upon recommendation of the Undersecretaries concerned. The Directors must have a degree in law or a Master of Science degree in marine fisheries, oceanography, fisheries biology, marine biology, fisheries technology, microbiology or related sciences, or public administration and at least five (5) years of experience, either in the public or private sector, in marine fisheries research and development or in the fisheries industry.

SEC. 13. *Abolition, Transfer, and Merger.* - The Bureau of Fisheries and Aquatic Resources reconstituted by Republic Act No. 8550, is hereby abolished and its relevant functions, appropriations, records, properties, equipment, and personnel are hereby transferred to the Department of Fisheries and Aquatic Resources: Provided, however, that no official or employee of the BFAR shall be laid off in the implementation of this section.

The National and Municipal Fisheries and Aquatic Resources Management Councils created by Republic Act No. 8550 shall be transferred to the Office of the Secretary of the Department of Fisheries and Aquatic Resources. The National Fisheries Research and Development Institute created by Republic Act No. 8550 is transferred to the Department and shall serve as its principal research arm.

The Philippine Fisheries Development Authority (PFDA) created by Presidential Decree No. 977, including its relevant functions, appropriations, records, properties, equipment, and personnel, is hereby transferred to the Department of Fisheries and Aquatic Resources as an attached agency under the Office of the Secretary: Provided, however, That the Secretary of the Department of Fisheries and Aquatic Resources shall be the new chairman of the Board: Provided, further, That no official or employee of the PFDA shall be laid off in the implementation of this Section.

The Philippine Technical Advisory Committee of the SEAFDEC Aquaculture Department created under Executive Order No. 834 dated 04 October 1982, including its relevant functions, appropriations, records, properties, equipment, and personnel, is hereby transferred and attached to

the Department of Fisheries and Aquatic Resources: Provided, that no official or employee of the Board shall be laid off in the implementation of this Section.

The fisheries-related functions of the Laguna Lake Development Authority (LLDA), including its relevant appropriations, records, and personnel, are hereby transferred to the Department of Fisheries and Aquatic Resources: Provided, however, That no official or employee of the LLDA shall be laid off in the implementation of this Section.

The Philippine Council for Aquatic and Marine Research and Development is abolished and all its functions, appropriations, records, property, equipment, and personnel are transferred to the National Fisheries Research and Development Institute of the Department of Fisheries and Aquatic Resources.

All marine and coastal related projects and programs of the Department of Environment and Natural Resources (DENR) and all fisheries related functions of the DENR, except the enforcement of water pollution laws, rules, and regulations, are hereby transferred to the Department of Fisheries and Aquatic Resources. The fisheries related sections of the Bureau of Agricultural Research, the Bureau of Agricultural Statistics, and the Agricultural Training Institute of the Department of Agriculture is hereby abolished, and all its appropriations, records, property, equipment, and personnel are transferred to the Department of Fisheries and Aquatic Resources.

SEC. 14. *Transitory Provisions.* - In creating and organizing the Department as herein prescribed, the following provisions shall be complied with:

(a) The transfer of a government unit or agency shall include the functions, appropriations, funds, records, equipment, facilities, choses in action, rights, and other assets and liabilities, if any, of the transferred unit or agency as well as the personnel thereof, as may be necessary, who shall, pending reappointment, continue to perform their respective duties and responsibilities and receive the corresponding salaries and benefits in a holdover capacity.

(b) The transfer of functions, which results in the abolition of the government unit or agency that has exercised them, shall include the appropriations, funds, records, equipment, facilities, choses in action, rights, other assets, and personnel, as may be necessary, for the proper discharge of the transferred functions. Its liabilities, if any, shall likewise be treated in accordance with the Government Auditing Code and other pertinent laws, rules, and regulations. Its personnel shall, pending reappointment, continue to perform their duties and responsibilities and receive the corresponding salaries and benefits in a hold-over capacity.

SEC. 15. *Organization Committee.* - The duly appointed Secretary of Fisheries and Aquatic Resources shall immediately create an organization committee which shall study and formulate the staffing pattern, qualification standards, and placement of personnel in the Department, its services, bureaus, and offices. The Committee shall be composed of representatives from the Department of Budget and Management, Civil Service Commission, the fishery industry, and the academe.

SEC. 16. *Appropriations.* - For the effective implementation of this Act, the amount of Five Billion Pesos (Ph5,000,000,000.00) is hereby appropriated from the unappropriated funds of the National Treasury, the current budgetary appropriations of the Bureau of Fisheries and Aquatic Resources, including its regional offices, the appropriations of the Philippine Fisheries Development Authority, and the budgetary provision of the Philippine Council for Aquatic and Marine Research and Development.

The amount necessary for the construction of a national office of the Department of Fisheries and Aquatic Resources equivalent to Five Hundred Million Pesos (P500,000,000.00) is hereby appropriated from the unappropriated funds of the National Treasury.

The revenues which the Department will generate from its licensing

operations, the fees collected and the proprietary services delivered by the Department, and the administrative fines imposed by the National Fisheries Regulatory and Adjudication Board shall constitute the Department's revolving fund from which the amounts necessary to carry out special research projects, management and conservation programs, staff development programs, and acquisition of equipment, vessels, and aircraft for the Monitoring and Surveillance Center shall be taken: Provided, however,

That the fishpond rentals shall accrue to the National Fisheries Research and Development Institute as provided under Section 46 (c) of Republic Act No. 8550. The use of such funds shall be subject to COA rules and regulations.

SEC. 17. *Separability Clause* - If any provision of this Act is declared unconstitutional or inoperative, the other provisions not so declared shall remain in force and effect.

SEC. 18. *Repealing Clause*. - All laws, executive orders, administrative orders, and rules and regulations inconsistent with this Act are hereby repealed or amended accordingly.

SEC. 19. *Effectivity Clause*. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,