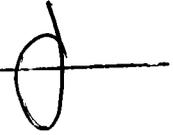


**NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)**

23 SEP 25 P5:38

SENATE

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COMMITTEE REPORT NO. 138

Prepared and submitted jointly by the Committee on Economic Affairs (upon recommendation of its Sub-Committee on PENCAS Law and Blue Economy); Committees on Environment, Natural Resources and Climate Change; and Finance on

SEP 25 2023

Re: **Senate Bill No. 2450**

Recommending its approval in substitution of Senate Bill Nos. 1993, and 2377, taking into consideration Senate Resolution No. 81

Sponsor: **Senator Loren Legarda**

Mr. President:

The Committee on Economic Affairs, upon the recommendation of its Subcommittee on PENCAS Law and Blue Economy, jointly with the Committees on Environment, Natural Resources and Climate Change; and Finance, to which were referred **Senate Bill No. 1993**, introduced by **Senators Legarda, Villanueva, and Revilla, Jr.**, *entitled:*

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

Senate Bill No. 2377, introduced by **Senator Estrada**, *entitled:*

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

and **Senate Resolution No. 81**, introduced by **Senator Poe**, *entitled*:

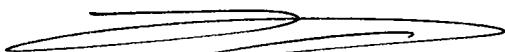
RESOLUTION
URGING THE SENATE COMMITTEE ON ECONOMIC AFFAIRS TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE ENORMOUS UNTAPPED POTENTIAL OF THE PHILIPPINE 'BLUE ECONOMY', AND TO REVIEW THE EFFECTIVENESS OF EXISTING LAWS IN BOOSTING ITS DEVELOPMENT

have considered the same and have the honor to report back to the Senate with the recommendation that the attached **Senate Bill No. 2450**, *entitled*:

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

be approved in substitution of **Senate Bill Nos. 1993** and **2377**, taking into consideration **Senate Resolution No. 81**, with **Senators Legarda, Estrada, Villanueva, Revilla, Jr., and Poe** as authors thereof.

Respectfully submitted,



SEN. LOREN LEGARDA
Chairperson, Sub-Committee on PENCAS
Law and Blue Economy



SEN. GRACE POE
Chairperson, Committee on Economic
Affairs
Vice-Chairperson, Committee on
Finance



SEN. CYNTHIA VILLAR
Chairperson
Committee on Environment,
Natural Resources and Climate Change
Vice-Chairperson, Committee on Finance

SEN. SONNY ANGARA
Chairperson, Committee on Finance
Vice-Chairperson, Committee on
Economic Affairs

Senior Vice-Chairpersons:



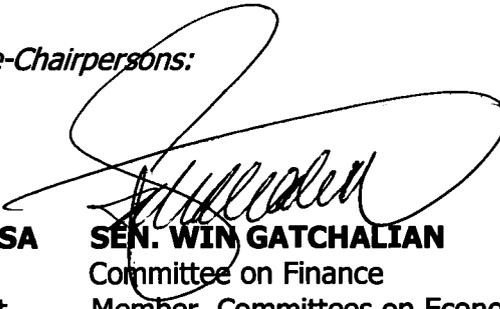
SEN. PIA S. CAYETANO
Committee on Finance
Vice-Chairperson, Environment,
Natural Resources and Climate Change
Member, Committee on Economic
Affairs

SEN. IMEE R. MARCOS
Committee on Finance
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Member, Committee on Environment,
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Vice-Chairpersons:



SEN. RONALD "BATO" DELA ROSA
Committee on Finance
Member, Committee on Environment,
Natural Resources and Climate Change



SEN. WIN GATCHALIAN
Committee on Finance
Member, Committees on Economic
Affairs and Environment, Natural
Resources and Climate Change



**SEN. CHRISTOPHER LAWRENCE
"BONG" T. GO**
Committee on Finance
Member, Committee on Environment,
Natural Resources and Climate Change

**SEN. MARIA LOURDES NANCY
S. BINAY**
Committee on Finance
Member, Committees on Economic
Affairs, and Environment,
Natural Resources and Climate Change

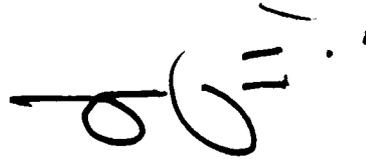


**SEN. FRANCIS "TOL" N.
TOLENTINO**
Committee on Finance
Member, Committees on Environment,
Natural Resources and Climate Change;
and Finance



SEN. RISA HONTIVEROS
Committee on Finance
Member, Committee on Economic Affairs

May interpellate.



SEN. MARK VILLAR
Committees on Economic Affairs;
Environment, Natural Resources and
Climate Change; and Finance

SEN. JOSEPH VICTOR G. EJERCITO
Committee on Finance
Member, Committees on Economic
Affairs; and Environment, Natural
Resources and Climate Change

Members:

**SEN. ALAN PETER "COMPAÑERO"
S. CAYETANO**
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SEN. RAMON "BONG" REVILLA, JR.
Committees on Economic Affairs;
Environment, Natural Resources and
Climate Change; and Finance

SEN. RAFFY T. TULFO
Committees on Environment, Natural
Resources and Climate Change; and,
Finance

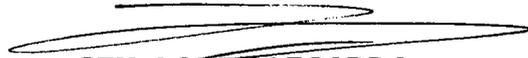
MANUEL "LITO" M. LAPID
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Climate Change; and, Finance

**SEN. FRANCIS "CHIZ" G.
ESCUDERO**
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Resources and Climate Change; and,
Finance

SEN. JINGGOY EJERCITO ESTRADA
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Resources and Climate Change; and,
Finance

SEN. ROBINHOOD C. PADILLA
Committees on Environment, Natural
Resources and Climate Change; and,
Finance

Ex-Officio Members:

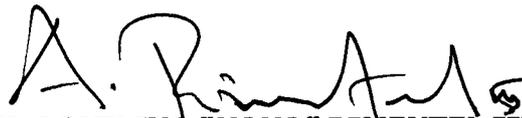


SEN. LOREN LEGARDA
Senate President Pro-Tempore
Senior Vice-Chairperson, Committee on Finance

“will interpellate”



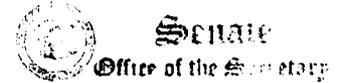
SEN. JOEL VILLANUEVA
Majority Leader



SEN. AQUILINO “KOKO” PIMENTEL III
Minority Leader

HON. JUAN MIGUEL “MIGZ” F. ZUBIRI
Senate President

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



23 SEP 25 P5:38

SENATE
S. No. 2450

RECEIVED BY: _____

(In substitution of S. Nos. 1993 and 2377, taking into consideration S. R. No. 81)

Prepared and submitted jointly by the Committee on Economic Affairs (upon the recommendation of its Sub-Committee on PENCAS Law and Blue Economy); Committees on Environment, Natural Resources and Climate Change; and Finance with Senators Legarda, Estrada, Villanueva, Revilla, Jr., and Poe as authors thereof.

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:

- 1 **SECTION 1. *Short Title.*** – This Act shall be known as the "*Blue Economy*
2 *Act.*"
- 3 **SEC. 2. *Declaration of Policy.*** – It shall be the policy of the State to:
- 4 (a) Adopt blue economy as a framework for sustainable and safe use and
5 development of marine wealth within our coastal and maritime domain, as a pillar of
6 our national economy and patrimony;
- 7 (b) Exercise stewardship of our coasts and oceans, and protect and
8 conserve the health and resilience of marine and coastal ecosystems and habitats to
9 promote the well-being, inclusive prosperity and security of present and future
10 generations;
- 11 (c) Preserve our maritime heritage, recognize the economic, social, cultural,
12 and historical value of our coasts and oceans, and foster public understanding and
13 respect of the value of our coasts and oceans to build a strong foundation for social
14 responsibility;

1 (d) Enrich scientific understanding of ocean, marine and coastal
2 ecosystems, the benefits we gain from these, their changing extent and conditions
3 and the causes thereof, and use the best available scientific knowledge to inform
4 decisions affecting our coasts and oceans, and to enhance our capacity to respond
5 and adapt to changing ocean environments;

6 (e) Exercise rights and jurisdiction, and enjoyment of freedom of the high
7 seas, in accordance with applicable international laws;

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

12 (g) Ensure a whole-of-nation approach and a comprehensive and integrated
13 framework for the stewardship of our coasts and oceans to facilitate cohesive action
14 of the National Government, local authorities, academe, civil society organizations,
15 indigenous peoples and local communities, and private sector, to secure our people's
16 safe and access to, enjoyment of, and opportunities to invest on sustaining their
17 benefits from our blue economy.

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

19 (a) *Aquaculture* refers to fishery operations involving all forms of raising and
20 culturing fish and other fishery species in fresh, brackish, and marine water areas;

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

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

29 (d) *Coast* refers to the interface where the land meets the ocean,
30 encompassing shoreline environments as well as adjacent coastal waters. Its
31 components can include river deltas, coastal plains, wetlands, beaches and dunes,
32 reefs, mangroves forests, lagoons and other coastal features;

1 (e) *Commercial fishing* refers to the taking of fishery species by passive or
2 active gear for trade, business and profit beyond subsistence or sports fishing, to be
3 further classified as:

- 4 1. small-scale commercial fishing - fishing with passive or active gear utilizing
5 fishing vessels of 3.1 gross tons (gt) up to twenty (20) gt;
- 6 2. medium-scale commercial fishing - fishing utilizing active gears and vessels
7 of 20.1 gt up to one hundred fifty (150) gt; and
- 8 3. large commercial fishing - fishing utilizing active gears and vessels of more
9 than one hundred fifty (150) gt.

10 (f) *Ecosystem services* refer to the benefits supplied by the functions of
11 ecosystems and received by humanity and all elements of living systems, which
12 support life systems on the planet. Ecosystem services consist of provisioning services,
13 regulating and maintenance services, and cultural services;

14 (g) *Environmental sustainability* refers to responsible use of coastal, marine,
15 and freshwater resources offers protection of the marine ecosystem from harmful
16 effects and degradation. Environmental sustainability includes (a) stewardship by the
17 government and local communities to prevent, reduce and control pollution of the
18 coastal, freshwater, and marine environment; (b) mitigate the impacts of climate
19 change; and (c) protect biodiversity;

20 (h) *Integrated marine and coastal area management* refers to coordinated
21 and sustainable management of coastal and marine resources, and participatory
22 process for planning and decision-making to prevent, control, or mitigate adverse
23 impacts from human activities in the marine and coastal environment, biodiversity and
24 climate, and to contribute to the restoration of degraded coastal areas, protection of
25 habits, and reduction of multiple resource-use conflicts among various stakeholders in
26 order to pursue sustainable and inclusive growth, support jobs and livelihood, and
27 enhance food, energy and water security, climate resilience, and wellbeing;

28 (i) *Investment promotion agencies* refer to government entities created by
29 law, executive order, decree or other issuance, in charge of promoting investments,
30 granting and administering tax and non-tax incentives, or overseeing the operations
31 of the different economic zones and freeports in accordance with their respective
32 special laws;

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

5 (k) *Marine resources* refer to the diverse range of living and non-living
6 components found within marine ecosystems, including oceans, seas, and coastal
7 areas;

8 (l) *Marine science research* refers to any research activity, which is
9 conducted for exclusively peaceful purposes, for the purpose of increasing scientific
10 knowledge about the marine environment, including all-natural resources,
11 biodiversity, and water quality toward the benefit of mankind and according to the
12 UNCLOS;

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

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

18 (o) *Maritime zones* refer to the Philippines' internal waters, archipelagic
19 waters, territorial sea, contiguous zone, exclusive economic zone, and continental
20 shelf;

21 (p) *Ocean accounting* refers to a statistical framework that guides the
22 compilation and integration of a series of standardized and regular measurements of
23 stocks and flows of ocean economic, societal and environmental components through
24 specific accounting table groups and comprehensive indicators critical for informed
25 and evidence-based decisions;

26 (q) *Ocean accounts* refer to a structured compilation of consistent and
27 comparable information such as maps, data, statistics and indicators concerning
28 marine and coastal environments, including related social circumstances and economic
29 activity;

30 (r) *Ocean-based activities* refer to activities that are undertaken in the
31 ocean, such as fisheries and aquaculture, offshore oil and gas, mining, ocean energy,
32 desalination, shipping and marine transportation, ship building and repair, marine

1 tourism, ports, tourist resorts, communication, marine construction, maritime
2 insurance and law, maritime technical services, etc.;

3 (s) *Ocean literacy* refers to an understanding of the ocean’s influence on
4 humans and human influence on the ocean as well as the linkage of ocean and climate
5 and its effect on humans, water, and ecosystems;

6 (t) *Ocean-related activities* refer to activities that use products from the
7 ocean such as seafood processing, marine biotechnology, chemicals, salt, etc., and
8 produce products and services for the ocean and ocean-based activities;

9 (u) *Social sustainability* refers to the proactive way of ensuring that benefits
10 of sustainable aquatic resource use are distributed equitably and that the needs of
11 present and future generations are considered;

12 (v) *Subsistence fishing* refers to fishing for personal consumption or
13 traditional/ceremonial purposes; and

14 (w) *Value chain efficiency* refers to maximizing the use existing resources in
15 the full range of activities needed to create a product or service.

16 **SEC. 4. *Scope of Application.*** – For purposes of this Act, the Philippines shall
17 exercise sovereignty, sovereign rights and jurisdiction, in accordance with
18 international law, as appropriate, in internal waters, archipelagic waters, territorial
19 sea, contiguous zone, exclusive economic zone and continent shelf, herein collectively
20 referred to as “coastal and marine zones”, including its seabed and subsoil, and any
21 and all maritime features within the Maritime Zones now known or to be known in the
22 future.

23 **CHAPTER II**

24 **THE BLUE ECONOMY FRAMEWORK**

25 **SEC. 5. *Policy Development Framework on Blue Economy.*** – The Blue
26 Economy Framework, hereafter referred to as “Framework”, is a development model
27 that aims to help the country define a roadmap to a diversified and sustainable ocean
28 economy in a manner that provides long-term economic and social benefits while
29 building resilience to climate change and without compromising the safety of our
30 marine ecosystems. The Blue Economy is an integrated, holistic, cross-sectoral, and

1 cross-stakeholder approach that creates a value-added and value-chain of resources
2 from oceans, seas, and freshwater in an inclusive and sustainable way. The Blue
3 Economy covers upstream and downstream sectors, serving as an accelerator of the
4 conventional marine sector such as fisheries, aquaculture, fish-only processing, and
5 tourism, and a catalyst for emerging sectors such as renewable energy, biotechnology,
6 and marine and freshwater-based research and education, including emerging sectors
7 from aquatic resources.

8 The Framework objectives are to:

9 (a) Ensure a cross-sectoral and cross-stakeholder approach, creating a
10 value chain, supporting inclusiveness, and ensuring sustainability to make the blue
11 economy a new engine for the country's future economic growth;

12 (b) Develop a common understanding of the blue economy;

13 (c) Provide a foundation for regional actions relevant to the blue economy
14 to maximize the economic potential of the country's ocean and inland water resources;
15 and

16 (d) Foster collaborative actions, including cooperation in areas such as
17 marine and coastal ecosystem protection; combatting illegal, unreported, and
18 unregulated fishing; sustainable aquaculture and fishing practices; marine industrial
19 development; food, water, and energy security; trade and connectivity; security and
20 safety in navigation; marine and freshwater science; aquatic-based energy; blue
21 governance and management; biotechnology; data statistics and data analytics;
22 livelihood, adaptation to and mitigation of climate change; and innovation, taking into
23 consideration supporting sustainable economic growth and prosperity.

24 The Framework shall serve as the basis to (i) institutionalize an integrated
25 marine and coastal management; (ii) develop marine spatial plans (MSPs); (iii) align
26 integrated coastal management (ICM) plan, fisheries management plans, coastal
27 resource management plan, climate action plan, and MSPs to determine zones,
28 designate allowed, regulated, and restricted activities, and enhance economic and
29 environmental regulations within our coastal and marine areas to preserve the value
30 and sustainability of ocean resources and their protection from threats, such as land-
31 and sea-based pollution, and overfishing, and habitat degradation; (iv) identify climate
32 resilient and environmentally sound investments, infrastructure and technologies; (v)

1 institutionalize regular coastal and ocean monitoring and accounting; and (vi) conduct
2 capacity development, research, education, and knowledge management activities to
3 enhance marine domain awareness and ocean literacy, and support blue economic
4 development.

5 **SEC 6. Guiding Principles for the Implementation of the Policy**
6 **Development Framework on Blue Economy.** – The Framework shall have the
7 principles of value creation, inclusivity, and sustainability to guide decisions and
8 actions related to the development and implementation of a blue economy in the
9 country, including adjusting existing activities in which this may not be sustainable to
10 support continued growth, and developing new opportunities. *Provided,* That value
11 creation recognizes the need to generate economic value while responsibly utilizing
12 ocean and inland water resources. *Provided, further,* That inclusivity ensures that all
13 stakeholders, including micro, small and medium enterprises (MSMEs), small-scale
14 fishers, and local and coastal communities, have access to the benefits of sustainable
15 ocean and inland water resource utilization. *Provided, finally,* That sustainability
16 encompasses environmental and social sustainability.

17 **SEC. 7. Components of the Policy Framework on Blue Economy.** – The
18 Policy Framework shall include the following components:

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

21 (b) Adherence to international maritime laws;

22 (c) Analysis of current and emerging trends and changes in demography,
23 consumption, trade, technology, environmental quality, and climate that show the
24 interaction between the economy and the environment, present threats and pressures
25 on coastal and marine environments, and damage estimation;

26 (d) Analysis of current and emerging trends and changes in demography,
27 consumption, trade, technology, environmental quality, and climate that show the
28 interaction between the economy and the environment, present and future threats
29 and pressures on coastal and marine environments, and damage estimation;

30 (e) Environmental-economic accounting of coastal and marine assets and
31 living and non-living resources, and ecosystem services from coastal and marine

1 environments, including assessment of losses due to degradation or major pollution
2 events such as oil spills;

3 (f) Priority strategic and sustainable ocean-based and ocean-related
4 economic activities, which may include:

5 (1) Fisheries, including commercial fishing, seafood processing, and
6 commercial research and development, but with preference to subsistence
7 fisheries, as mandated by Section 7, Art. XIII, of the Constitution;

8 (2) Aquaculture, mariculture and aquasilviculture;

9 (3) Marine and coastal tourism;

10 (4) Environmentally and hydrologically appropriate reclamation;

11 (5) Shipping, logistics, and maritime transport;

12 (6) Ship-building and ship repair;

13 (7) Exploration, exploitation, and extraction of oil and natural gas;

14 (8) Production of renewable energy from marine sources;

15 (9) Submarine mining or extraction of minerals and aggregates;

16 (10) Installation of submarine cables and pipelines;

17 (11) Bioremediation, marine biotechnology and bioprospecting;

18 (12) Desalination; and

19 (13) Underwater cultural heritage and maritime archaeology.

20 (g) Guiding framework for integrated marine and coastal area management;

21 (h) Guiding framework for blue finance;

22 (i) Priority research and development agenda, maximizing opportunities
23 created for pollution control, remediation, used water economics, and other industries
24 that address threats;

25 (j) Promotion of ocean literacy and social responsibility towards the
26 protection of coastal and marine environments;

27 (k) Enhancement of capability of the Armed Forces of the Philippines (AFP)
28 and relevant agencies to enforce laws, rules and regulations to protect our marine
29 wealth;

30 (l) Goals, targets, and indicators for growth, resilience, and sustainability of
31 priority strategic and sustainable coastal and ocean-based and ocean-related

1 activities, including its contribution to Gross Domestic Product, job creation, and
2 livelihoods;

3 (m) Scaling up the expansion and management of marine protected areas
4 (MPAs) in line with integrated coastal management to help boost the country's blue
5 economy by protecting and conserving the coastal and marine ecosystems and
6 resources;

7 (n) Mainstreaming of circular and resource efficiency approaches on the blue
8 economy framework to address the longstanding problem on marine litter and
9 microplastics;

10 (o) Integration of climate change adaptation and mitigation (CCAM)
11 strategies to help operationalize the country's nationally determined contributions
12 (NDC);

13 (p) Strengthening of management capacities of national and local
14 governments, including relevant sectors, to enhance the protection of coastal and
15 marine ecosystems; and,

16 (q) Enhancement of capabilities of agencies for the protection of the
17 environment and such other components as may be determined by the council.

18 **SEC. 8. Blue Economy Strategies.** – The Framework shall be based on the
19 following strategies:

20 (1) Blue Conservation Management centers around three (3) development
21 areas, such as implementing a neutral carbon balance from aquatic and coastal-based
22 activities; promoting sustainable use of natural resources, ecological health, and
23 combatting pollution; and increasing resilience and strengthening disaster risk
24 management;

25 (2) Blue Science, Technology and Innovation focuses on leveraging
26 technological advancement for the development of sectors relevant to the blue
27 economy such as the development and deployment of digital platforms that enable
28 better coordination and cooperation amongst government agencies, improving value
29 chain efficiency using technological innovations;

30 (3) Blue Priority Sectors focus on six (6) key areas, such as defining the blue
31 economy's fields of application and key areas, and providing coherent definition;
32 increasing the knowledge of blue potential and associated constraints; supporting

1 marine spatial planning (MSP); ensuring communication; developing and encouraging
2 sustainable blue financing mechanisms; and stimulating traditional and emerging
3 sectoral growth.

4 **SEC. 9. *Blue Enablers.*** – The Framework shall contain enabling elements to
5 ensure inclusivity and sustainability that encourage investment. The Framework shall
6 guide the development of a modern and efficient infrastructure that supports the
7 sustainable use of marine resources, well-organized institutional setting, strong
8 cooperation, and capacity building that builds the necessary knowledge and
9 competencies required for the blue economy, and sustainable investment and finance.

10 **CHAPTER III**
11 **OCEAN ACCOUNTING**

12 **SEC. 10. *Ocean Accounting.*** – The Philippine Statistics Authority (PSA) shall
13 undertake environmental-economic accounting of ocean, maritime ecosystems, and
14 resources, based on the United Nations System of Environmental-Economic
15 Accounting. Members of the Council and heads of support agencies shall contribute
16 data and submit reports on environmental-economic accounts relating to their
17 mandates including damage estimation and sea level rise projections.

18 **SEC. 11. *Framework.*** – The PSA shall develop a framework for the collection,
19 compilation, processing, analysis, publication, and dissemination of environmental-
20 economic accounts and its integration in the national accounts, in addition to
21 improving its satellite ocean accounts: *Provided,* That PSA shall integrate the collection
22 of environmental-economic accounts into the Community-Based Monitoring System
23 for local government units (LGUs); *Provided, further,* That the PSA shall coordinate
24 with and provide technical assistance to Members of the Council, support agencies,
25 investment promotion agencies and LGUs to ensure compliance to standard
26 environmental-economic accounting techniques, methodologies, concepts, definitions
27 and classifications to prevent duplication in collection of statistical information.

28 **CHAPTER IV**
29 **INTEGRATED MARINE AND COASTAL AREA MANAGEMENT**

1 **SEC. 12. *Integrated Marine and Coastal Area Management (IMCAM).***

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

5 **SEC. 13. *Elements of the National IMCAM Framework.*** – The Blue
6 Economy Council shall develop and implement the National IMCAM Framework within
7 one (1) year from the effectivity of this Act to provide direction, support, and guidance
8 to relevant member and support agencies, LGUs, and other stakeholders, according
9 to the Elaborated Programme of Work on Marine and Coastal Biological Diversity
10 contained in the Annex to Decision VII/5 of the Conference of the Parties to the United
11 Nations Environmental Programme Convention on Biological Diversity.

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

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

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

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

23 (2) Marine and land-based pollution;

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

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

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

1 guiding principles and overarching delineations, and identifying the spatial and
2 temporal distribution of allowed, restricted and regulated human activities and priority
3 uses and the interactions thereof in the coastal and marine zones, and encourage and
4 support the development of regional and local MSPs, which can provide a level of
5 granularity that can be linked to actionable investments, regulations and enforcement,
6 coastal and marine resource management and conservation measures, and reduction
7 of risks from climate change and natural disasters.

8 **SEC. 17. *Industry Development Plans.*** – The Blue Economy Council,
9 through working groups created for the purpose, shall prepare five-year and ten-year
10 development plans for each priority strategic and sustainable ocean-based or ocean-
11 related industry, in accordance with the Policy Framework.

12 **SEC. 18. *Integration with Area and National Development Plans.*** – The
13 National Economic and Development Authority (NEDA) shall integrate the maritime
14 spatial plan and industry development plans into all development plans and master
15 plans.

16 **SEC. 19. *Inclusion in Investment Programming Plans.*** – The Blue
17 Economy Council shall (a) recommend to the Board of Investments the inclusion of
18 identified priority strategic ocean-based and ocean-based activities in the Strategic
19 Investment Priority Plan, (b) ensure the inclusion of such programs, activities, and
20 projects (PAPs) in the public investment program.

21 **SEC. 20. *Blue Economic Zones.*** – Investment promotion agencies shall
22 encourage the establishment of blue economic zones and the transformation of
23 existing special economic zones (SEZs) into the same, where locator enterprises
24 engaged in ocean-based or ocean-related activities shall enjoy the privileges, benefits,
25 advantages, or exemptions granted to economic zones and freeports in accordance
26 with their respective special laws.

27 In addition, the incentives provided under relevant laws may be granted to blue
28 SEZs.

29 **CHAPTER VII**
30 **BLUE FINANCE**

1 legitimate uses of the sea and shall not constitute the legal basis for any claim to any
2 part of the marine environment or its resources.

3 Marine science research by foreign states and competent international
4 organizations may only be conducted with the express consent of and the conditions
5 set forth by the Council, after coordination with PCG, DA, DND, DENR, DOST, and
6 other relevant agencies, in accordance with the UNCLOS.

7 Activities undertaken in ocean and coastal waters as part of marine science
8 shall observe the principle of transparency. These activities include research and its
9 entire research process from the planning stage including the design of
10 methodologies, to the conduct of activities, and to the dissemination of results and
11 the analysis and interpretation thereof.

12 **SEC. 25. *Ocean Literacy Framework.*** – The Department of Education,
13 Commission on Higher Education, Technical Education and Skills Development
14 Authority, and other government agencies implementing sector-specific literacy
15 programs, in consultation with relevant Members of the Council or support agencies,
16 shall integrate into the curricula of K-12, the Alternative Learning System, general
17 education programs of higher education institutions, technical and vocational
18 education and training, and other community-based training programs, the essential
19 principles and fundamental concepts of ocean sciences to develop the following
20 competencies:

21 (a) Understanding the importance of the ocean to humankind;

22 (b) Communicating the socio-economic and cultural importance of the ocean
23 to normalize and inculcate a culture of valuing and protecting our ecological heritage;

24 (c) Making informed and responsible decisions regarding the ocean and its
25 resources;

26 (d) Identifying and incorporating traditional ecological knowledge (TEK) as
27 an important component of archipelagic ocean science and Philippine national
28 heritage; and

29 (e) Data collection and compilation retrieval system.

30 **CHAPTER IX**

31 **ROLE OF LOCAL GOVERNMENTS**

- 1 (h) Secretary of Agriculture - Member;
- 2 (i) Secretary of Tourism - Member;
- 3 (j) Secretary of Transportation - Member;
- 4 (k) Secretary of Trade and Industry - Member;
- 5 (l) Secretary of Energy - Member;
- 6 (m) Secretary of Science and Technology - Member; and
- 7 (n) Secretary of Finance - Member.

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

12 Majority of the members shall constitute a quorum.

13 **SEC. 30. Mandates, Powers, and Functions of the Blue Economy**

14 **Council.** – The Council shall be responsible for formulating a clear, coherent, and
15 comprehensive Policy Framework and Strategic Action Plan on Blue Economy. It shall:

16 (a) Develop the country's policy framework and strategic vision for the
17 growth and sustainable development of the country's blue economy;

18 (b) Institutionalize an integrated marine and coastal management;

19 (c) Enhance the country's ecosystem-based management of coastal and
20 marine resources;

21 (d) Align integrated coastal management (ICM) plans, fisheries
22 management plans, coastal resource management plans, climate action plans, and
23 marine spatial plans to determine zones, designate allowed, regulated, and restricted
24 activities;

25 (e) Strengthen economic and environmental regulations within our coastal
26 and marine areas to preserve the value and sustainability of ocean resources and their
27 protection from threats;

28 (f) Identify climate-resilient and environmentally sound investments,
29 infrastructure, and technologies;

30 (g) Ensure an enabling environment for the growth and development of
31 sustainable investment and finance;

32 (h) Identify priority blue economy sectors;

- 1 (i) Institutionalize regular coastal and ocean monitoring and accounting;
2 (j) Coordinate the development of marine spatial plans;
3 (k) Coordinate with various sectors and agencies to promote policy and
4 program coherence;
5 (l) Coordinate and cooperate with maritime industry authority to ensure
6 that the Framework shall be in harmony with and not overlap with the maritime
7 industry development plan;
8 (m) Coordinate with the Inter-Agency Coordinating Committee on
9 Ratification and Accession to and Implementation of Maritime Conventions
10 (ICCRAIMC) and ensure that it will aid in the implementation thereof;
11 (n) Conduct, support, fund, engage, collaborate, and/or coordinate research
12 and development in blue economy;
13 (o) Develop, expand, and strengthen investments in capacity building and
14 skills enhancement programs for the blue economy, and encourage such to be
15 featured in the work planning of governments, the private sector, and civil society
16 organizations;
17 (p) Review, update, and disseminate the policy framework and strategic
18 action plan on blue economy; and
19 (q) Perform other functions as may be necessary for the implementation of
20 this Act.

21 **SEC. 31. Secretariat.** – A Secretariat to the Council shall be established within
22 NEDA, to be headed by an Executive Director III (Salary Grade 28) who shall be
23 appointed by the President of the Philippines. The Secretariat shall be under the
24 control and supervision of the NEDA Director General. The Executive Director III shall
25 have at least seven (7) years of experience and practice in the fields of marine science
26 and research, blue economy and ecosystem-based management of coastal and marine
27 resources, environmental economics, environmental accounts, and financial analysis
28 to qualify for appointment. The Executive Director III shall be appointed by the
29 Council.

30 The initial staffing structure and complement of the Secretariat shall be
31 submitted by the NEDA to the Department of Budget and Management (DBM) for
32 funding. NEDA shall constitute an interim Secretariat within one (1) month from the

1 effectivity of this Act, through the temporary detail of personnel from its member
2 agencies.

3 The Secretariat shall have the following functions:

- 4 (a) Provide secretariat support to the Council, including the preparation of
5 draft strategies, priorities, and other outputs to be adopted by the
6 council;
- 7 (b) Consult with experts who can offer insights on blue economy and
8 ecosystem-based management of coastal and marine resources
9 policymaking and priority setting;
- 10 (c) Coordinate with various agencies of the government, private sector,
11 academe, scientific community, civil society organizations, indigenous
12 peoples and local communities, and the public;
- 13 (d) Design and implement a blue economy development program to
14 promote its use and adoption in the government bureaucracy;
- 15 (e) Develop recommendations for consideration by the Council; and
- 16 (f) Perform other functions as may be directed by the Council.

17 **SEC. 32. Support Agencies.** – The following agencies to provide material or
18 technical support to the Council, as may be deemed necessary:

- 19 (a) Climate Change Commission (CCC);
- 20 (b) Bangko Sentral ng Pilipinas (BSP);
- 21 (c) Board of Investments (BOI);
- 22 (d) Securities and Exchange Commission (SEC);
- 23 (e) Philippine Statistics Authority (PSA);
- 24 (f) National Mapping and Resources Information Authority (NAMRIA);
- 25 (g) Environmental Management Bureau (EMB);
- 26 (h) Biodiversity Management Bureau (BMB);
- 27 (i) Bureau of Fisheries and Aquatic Resources (BFAR);
- 28 (j) National Fisheries Research and Development Institute (NFRDI);
- 29 (k) Philippine Fisheries Development Authority (PFDA);
- 30 (l) Philippine Council for Agriculture and Fisheries (PCAF);
- 31 (m) Maritime Industry Authority (MARINA);
- 32 (n) Philippine Ports Authority (PPA);

- 1 (o) Philippine Reclamation Authority (PRA);
2 (p) Philippine Council for Agriculture, Aquatic and Natural Resources
3 Research and Development (PCAARRD);
4 (q) Philippine Atmospheric, Geophysical and Astronomical Services
5 Administration (PAGASA);
6 (r) Department of Foreign Affairs (DFA);
7 (s) Philippine Coast Guard (PCG);
8 (t) Philippine National Police-Maritime Group (PNP-MG);
9 (u) Philippine Navy (PN);
10 (v) National Museum-Maritime and Underwater Cultural Heritage Division
11 (NM-MUCHD);
12 (w) Commission on Higher Education (CHED);
13 (x) Relevant institutions and components of the University of the
14 Philippines (UP); and
15 (y) Investment promotion agencies.

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

21 **CHAPTER XI**
22 **FINAL PROVISIONS**

23 **SEC. 33. Congressional Oversight.** – For the effective implementation of
24 this Act, a Congressional Oversight Committee is created to be known as the Blue
25 Economy Oversight Committee. The Blue Economy Oversight Committee shall be
26 composed of five (5) Senators and five (5) Representatives to be appointed by the
27 Senate President and the Speaker of the House of Representatives, respectively. The
28 Minority shall be entitled to pro rata representation. The Blue Economy Oversight
29 Committee shall be jointly chaired by the Chairperson of the Senate Committee on
30 Economic Affairs and the Chairperson of the House Committee on Economic Affairs.

1 **SEC. 34. Reportorial Requirements.** - The Council shall, within six (6)
2 months from the effectivity of this Act, formulate the Policy Framework and Strategic
3 Action Plan on Blue Economy. The Framework shall be subjected to mandatory review
4 and modification every five (5) years. The Strategic Action Plan shall be subjected to
5 mandatory annual review and reporting. The Framework and the Strategic Action Plan
6 reports shall be submitted to the Office of the President and to the Chairpersons of
7 the Committees on Economic Affairs of the Senate and the House of Representatives.

8 The reports shall be made publicly available through the respective websites of
9 the relevant government agencies.

10 The National State of Ocean and Coasts Report (NSOC) may be used for the
11 blue economy review, monitoring, evaluation, and reporting process.

12 **SEC. 35. Appropriations.** – The initial implementation of this Act shall be
13 charged against the current year’s appropriations of the departments or agencies
14 concerned. Thereafter, the amount necessary for its continued implementation shall
15 be included in the respective budgets of the departments, and agencies concerned in
16 the annual General Appropriations Act.

17 **SEC. 36. Implementing Rules and Regulations.** – The Council shall issue
18 the implementing rules and regulations within sixty (60) days from the approval of
19 this Act: *Provided*, That failure to issue rules and regulations shall not in any manner
20 affect the executory nature of the provisions of this Act.

21 **SEC. 37. Separability Clause.** – If any provision of this Act is held invalid or
22 unconstitutional, the remaining provisions not affected shall remain in full force and
23 effect.

24 **SEC. 38. Repealing Clause.** – All other laws, decrees, executive orders, and
25 rules and regulations contrary to or inconsistent with the provisions of this Act are
26 repealed or modified accordingly.

27 **SEC. 39. Effectivity.** – This Act shall take effect fifteen (15) days after its
28 publication in the *Official Gazette* or in a newspaper of general circulation.

29 *Approved,*