SUBJECT: GUIDING PRINCIPLES IN THE GRANTING
OF FISHPOND LEASES COVERING BIG AREAS.

In order to implement the policy of this Administration of
bolstering our fishing industry and at the same time encourage
our citizens to take active participation in the economic utiliza-
tion of our natural resources, the following guiding principles
are hereby promulgated by this Department in the disposition of
forest land suitable for fishpond purposes:

1. An applicant may be granted a lease for fishpond purposes
   for a tract of forest land with an area from 50 hectares but not
   more than 400 hectares under the following conditions:

   (a) The applicant must submit a three-year program of
development, indicating the yearly financial re-
   quirements thereof.

   (b) The applicant must possess the necessary financial
   and management resources. Current deposits and
   savings account in any local bank must be presented
   as evidence of financial capacity. Credit or draft
   line may be accepted only when presented by a firm
   or corporation whose assets are already well estab-
   lished.

   (c) An applicant who complies with letter (a) and who
   possesses the resources called for in letter (b)
   may be given a fishpond license or permit for the
   area covered by the application for a period of
   not more than three years.

   (d) An evaluation of the development plan thus presented
   must be made at the end of the third year to deter-
   mine the progress of implementation by the applicant.

Failure to develop the area at the end of the
third year according to the development plan shall
cause the automatic cancellation of the license or
permit. But if there is a partial implementation
of the development plan, the applicant may be given
a long-term lease not exceeding 20 years for the
area actually developed as certified to by the
District Fishery Officer concerned and approved by
the Director of Fisheries. The remaining area not
developed by said applicant may be made available to other qualified applicants.

2. For areas exceeding 400 hectares, the applicant must comply with all the requirements set forth above, except that the program must be a five-year development plan.

3. The granting of fishpond leases shall, however, be subject to existing fishery rules and regulations or parts thereof not inconsistent with this Fishery Administrative Order.

4. This Order shall take effect immediately.

RECOMMENDED BY:

HERACLIO R. MONTALDAN
Director of Fisheries