ORDER NO. 45

May 14, 1956

SUBJECT: Regulations governing the gathering of seaweeds producing agar agar.

Pursuant to the provisions of Section 4 of the Fisheries Act No. 4003, as amended, and of Section 4 of Republic Act No. 177, the following rules and regulations are promulgated for the information and guidance of all concerned:

1. Definitions: For the purpose of this administrative order the following terms as used herein shall be construed as follows:

   a. Seaweeds refer to the red alga of the family Gracilariaceae, locally known as gulgaman dagat (Tagalog); gulaman (Visayan); gurguraman (Ilocano) 

   2. Gathering when authorized. No person, association, or corporation shall be allowed to take, gather, remove, purchase, offer or expose for sale, transport, ship and/or export gulgaman dagat except under license duly issued in accordance with this order.

3. License for exclusive use of licensee. A license issued under the provisions of this order shall be for the exclusive use and benefit of the licensee and shall entitle him to enter upon a definite area of the territorial waters of the Philippines and to gather or collect therefrom seaweeds producing agar agar under the conditions stated in the license.

4. Licenses non-transferable. Licenses issued under this order shall be non-transferable and shall expire on the date specified thereon or upon the death of the licensee. In the case of an association or corporation, the license shall expire even before the one year period if the association or corporation is dissolved, or if the license is cancelled, or revoked, or otherwise duly terminated by the Director of Fisheries or the Secretary of Agriculture and Natural Resources.

5. Classes of licenses under this order. There shall be two classes of licenses under this order - commercial license and gratuitous license. A commercial license shall be issued for commercial purposes while a gratuitous license shall be issued for personal, educational, scientific or similar purposes.
6. Commercial license to gather seaweeds (Gulaman Dagat). - A commercial license shall be granted by the Director of Fisheries with the approval of the Secretary of Agriculture and Natural Resources to:

(a) Citizens of the Philippines or of the United States.

(b) Associations or corporations that are duly registered or incorporated under the laws of the Philippines or of the United States, or of any state thereof and authorized to transact business in the Philippines and of which sixty (60%) per centum of the capital stock or interest in said capital stock is owned wholly by citizens of the Philippines or of the United States.

(c) An individual applying for license must be at least 21 years of age. Only one license shall be issued to a family, either to the husband or the wife unless they are living separately and independently from each other. Any member of the family of at least 21 years and living independently, may also apply for a license.

7. Gratuitous license. - The Director of Fisheries with the approval of the Secretary of Agriculture and Natural Resources shall have the power to issue a gratuitous license for a limited period, not to exceed three (3) months to any branch of the Philippine Government or to any scientific or educational institution or to any association or person of good repute qualified under this order to collect or gather seaweeds of this species in the territorial waters of the Philippines for educational and scientific purposes.

A gratuitous license may also be issued to any qualified individual to gather seaweeds for personal use not to exceed five kilos daily.

8. Issuance of license. - A commercial license may be issued or granted only after the application therefor is duly filed in duplicate under oath with the Director of the Bureau of Fisheries and upon payment of the required application fee of P5.00. The application shall contain among other things the following information:

(a) For individual applicant. - Name, citizenship, age, civil status, residence, occupation, and capital.

(b) For association or corporation. - Name of officers, members, domicile, citizenship, share or participation of each in the company, and that said company is organized under the laws of the Philippines or of the United States, and duly registered in the Securities and Exchange Commission. A certified copy of the Articles of Incorporation shall be submitted with the application.

(c) For both individual and association or corporation. - Extent and description of concession or license applied for, giving latitude and longitude, and how it is marked at the
corners and boundaries, capital or capital stock available for investment; and means of securing the seaweeds desired. The application shall be accompanied by a chart of the water area desired, the latest chart published by the Bureau of Coast and Geodetic Survey shall be used.

9. Bond. - Before any commercial license is issued, the applicant shall, as guaranty of good faith for the satisfactory compliance with the Fisheries Act, the regulations, the terms and conditions of the license, and the payment of annual rental or fee due, be required to deposit with the Director of Fisheries the amount of P20,00 per square kilometer, in cash or surety bond; Provided, however, that in case the bond required exceeds P200,00, a bond duly executed by a surety company may be accepted, but increased by not less than 25 per cent; and provided further, that should the bond filed in accordance herewith be not satisfactory to the Director of Fisheries or Secretary of Agriculture and Natural Resources, the licensee may be required to furnish a new bond with sureties solvent and satisfactory.

10. Grounds for cancellation of license and forfeiture of bond. - The Secretary of Agriculture and Natural Resources or the Director of Fisheries may cancel a license and/or confiscate or forfeit bond deposits for any of the following grounds:

(a) Violation of any existing law or of the provisions of this administrative order, as well as those which might hereafter be issued.

(b) Failure to fulfill the conditions and requirements under which the license is issued;

(c) Fraud or false or misleading statements made by the applicant or licensee;

(d) Failure to pay the concession fee due;

(e) Failure to submit the monthly reports required in this order within a reasonable time without satisfactory reason therefor;

(f) Failure to use the license within four months after its issuance; and

(g) Subletting the license to any individual or association or corporation, and

(h) When public interests so require.

11. Government share in the value of seaweeds gathered or collected. - There shall be paid to the Bureau of Fisheries an amount equivalent to five per cent (5%) of the market value of seaweeds gathered, collected or removed. Seaweeds gathered, collected or removed not in accordance with the provisions of this order shall be subject to a surcharge of fifty (50%) per cent of the regular fee hereinabove.
11. Provided, without prejudice to any court action that may be taken against the offender in accordance with the provisions hereof, the said share and/or surcharge thereof, shall be remitted to the Director of Fisheries.

12. Annual license fee. - There shall be paid to the Bureau of Fisheries an annual license fee in the amount of 525.00 per square kilometer or fraction thereof. This fee shall be paid in advance.

13. Maximum area that may be applied for by a person, association or corporation. - A license issued under these regulations shall be for a seaweed ground not more than five (5) square kilometers, in the case of an individual; and shall be for not more than thirty (30) square kilometers, in the case of an association, a corporation or a partnership.

14. Duration of license. - A commercial license for collecting or gathering seaweeds in the territorial waters of the Philippines issued by the Director of Fisheries shall be for a period not exceeding one (1) year from the date of the issuance thereof.

15. Renewal of license. - Upon the expiration of the terms granted in the commercial license, the same may be renewed at the discretion of the Director of Fisheries, with the approval of the Secretary of Agriculture and Natural Resources, for a period not exceeding that for which the original license was issued, provided, that the licensee has not been guilty of any violations of this order, or laws, rules and regulations of the Bureau of Fisheries, Internal Revenue and Customs.

16. Records of seaweeds collected or gathered, under commercial licenses. - All persons, associations or corporations licensed under this order, shall keep book or books, wherein to enter daily the weight of all fresh seaweeds that have been collected or gathered. The names and addresses of the buyers of said seaweeds, if any, the date of sale, the quality sold and the selling price thereof shall be indicated in the book or books. The pages of said record books shall be numbered consecutively and before using them, the same shall be approved by the Director of Fisheries or his authorized representative which approval shall be more or less in the following terms:

I hereby certify that this book contains ____________ pages and that the same is approved to serve as record book of seaweeds collected or gathered as well as those disposed of under License No. ____________, issued on ____________.

Place and date:

(Signature and Designation)
17. Inspection of record books. - Said record book shall be kept at all times open to the inspection by the Director of Fisheries or his duly authorized representative, or by the Collector of Internal Revenue or his duly authorized representative or by any such other officers of the Government as may be authorized to do so.

18. Quarterly reports. - Each holder of a commercial license shall submit quarterly reports of the quantity of seaweeds collected or gathered and those disposed of by him thru sale or otherwise, indicating the value thereof as shown by the records required of this order.

19. Certificates of seaweeds gathered or collected. - A licensee under this order shall, before such seaweeds are disposed of by him, execute a certificate under oath to the effect that the same were gathered or collected from the coastal region covered by his license.

20. Shipments of seaweeds. - The shipment or exportation of seaweeds from the Philippines, gathered or collected under any license shall be unlawful unless such shipment or exportation is authorized under existing laws.

21. Licenses subject to easements, etc. - The area covered by any license issued under this order shall be subject to right of way, military or any public purpose and easements provided by existing laws, rules and regulations or by those which may hereafter be enacted.

22. Licenses subject to limitations. - The Director of Fisheries upon approval by the Secretary of Agriculture and Natural Resources may, at any time, reduce or alter the area covered by the license or change or modify the terms and conditions thereof, when public interests so require.

23. Area open to authorized fishing or gathering marine animals or products other than seaweeds. - The area covered by any license granted under this order shall not be closed to navigation nor withdrawn from entry for authorized catching of fish or other aquatic animals or products.

24. Licensee to carry license at all times. - The license or photocopy thereof must be carried at all times by the licensee or his authorized agent, and shall be presented upon demand by any peace officer or persons designated by the Secretary of Agriculture and Natural Resources or by the Director of Fisheries to enforce the provisions of this order. Failure to comply with this requirement without satisfactory reason therefor may be sufficient cause for the cancellation or suspension of the license as the case may be. Should any such license be found with defaced, erased, or illegible date of issue the same shall be seized at once by the peace officer or by any authorized person who shall report the matter to the Director of Fisheries within three days from the date of the seizure.
25. **Responsibility of licensee.** — No license shall be granted except upon the express condition that the licensee assumes responsibility for the acts of all persons operating under the license. Each licensee must supervise the operations of his employees either personally or thru a competent agent. The name, citizenship and address of such agent must be furnished the Director of Fisheries.

26. **Surrender of license.** — A licensee retiring from the business must surrender his license with a statement that he no longer desires to use it. Any other applicant for the area or any successor to the business may apply for a license. The Director of Fisheries shall be promptly notified of the death of the licensee or dissolution of a corporation. In the meantime, the heirs or successors of the licensee may invoice the seaweeds already collected or gathered under the license for the deceased licensee or for the dissolved corporation or association. In case the heirs or successors are not entitled to a license, the Director of Fisheries shall dispose of the area in accordance with law and the provisions of this order.

27. **Surrender of licenses terminated or cancelled.** — Licenses terminated or cancelled shall be surrendered to the Director of Fisheries, for file.

28. **Disposition of property or improvements.** — Any property or improvements of the licensee not removed from the premises within two (2) months from the date of the cancellation or termination of the license, shall become the property of the Government.

29. **Areas or zones not covered by license.** — No license granted under this order shall be valid within naval reservations, nor within three (3) kilometers from such reservations.

30. **Penal provisions.** — Any violation of the provisions of this Order shall subject the offender to the penalty provided under Section 33 of Act No. 4003, which is a fine of not more than two hundred pesos, or imprisonment for not more than six (6) months, or both, in the discretion of the Court.

31. **Date of effectivity of this Order.** — This order shall take effect upon its approval.

Approved: July 26, 1956

[Signature]

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**RECOMMENDED BY:**

HERACLIO R. MONTALBAN
Acting Director of Fisheries