Subject: Regulations governing the gathering of Ornamental or Fancy Shells, Sea Snakes, Turang, Corals and Miscellaneous minor aquatic products.

Pursuant to the provision of Section 4 of the Fisheries Act No. 4003, as amended, and of Section 4 of Republic Act No. 3512, the following rules and regulations are promulgated for the information and guidance of all concerned:

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

Ornamental shells - any of the hard part exoskeleton secreted by the mantle of the animal particularly the mollusca whose form, color and/or colors and size make it appear attractive for decorative purposes, except the commercial ones namely the mother-of-pearl shells, trochus or top shells and window pane shells (kapis).

Sea snakes - any of the various aquatic snakes which live entirely in the sea and have peculiar bodies adopted for swimming.

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 any kind of the aquatic product mentioned herein except under license duly issued in accordance with this order.
3. **License for the exclusive use of licenses**—A license issued under the provision 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 shells (Ornamental), sea snakes, or miscellaneous aquatic products under the conditions stated in the license or permit.

4. **License not transferable**—A license issued under this order shall be non-transferable and shall expire on the date specified thereon or upon the death of the licensee. In case of associations or corporations, 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 Commissioner of Fisheries or by the Secretary of Agriculture and Natural Resources.

5. **Classes of licenses under this order**—There shall be two classes of licenses under this order: 1. Commercial license and 2. 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 ornamental or fancy aquatic products.** Who may be granted—A commercial license shall be granted by the Commissioner 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 any state thereof and authorized to transact business in the Philippines and of which sixty (60) percentum 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 who is at least 21 years of age and living independently, may also apply for a license.

7. **Gratuitous license** - The Commissioner of Fisheries, with the approval of the Secretary of Agriculture and Natural Resources, shall 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 ornamental or fancy shells, seasnakes, or miscellaneous minor aquatic products 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 ornamental or fancy shells, seasnakes, miscellaneous minor aquatic products, for personal use not to exceed 10 kilos.

8. **Issuance of license** - A commercial permit or license may be issued or granted only after the application therefor is duly filed in triplicate under oath with the Commission of Fisheries and upon payment of the required application fee of P5.00. Application fees are non-transferable. The application shall be accompanied by two Geodetic Survey Maps or Charts, showing the area applied for and it shall contain among other things the following information;

(a) For individual applicant: Name, citizenship, age, civil status, residence, occupation and capital to be invested in the project.

(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 Com
mission. 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 area 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 aquatic products desired.

9. Bond - Before any commercial license or permit may be 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 or permit, and the payment of annual rentals or fees due, be required to deposit with the Commissioner of Fisheries in cash the amount of P50.00 per square kilometer or a fraction thereof, in the case of seasnake and P20.00 per square kilometer or a fraction thereof, for ornamental or fancy shells and other miscellaneous minor aquatic products.

10. Grounds for cancellation of license or permits and forfeiture of bond - The Commissioner of Fisheries, with the approval of the Secretary of Agriculture and Natural Resources, may cancel a license or permit 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 promulgated.

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

(c) Fraudulent or false or misleading statements made by the applicant or licensee.

(d) Failure to pay the annual rentals or other fees due.

(e) Failure to submit the required quarterly
report of the products collected or gathered within a reasonable time without satisfactory reason therefor.

(f) Failure to use the license or permit within three months after its issuance.

(g) Subletting the area under license to any individual or association or corporation; and

(h) When public interest so requires.

11. **Annual license fee** - There shall be paid to the Philippine Fisheries Commission an annual license fee of ₱50.00 per square kilometer or fraction thereof for sea-snakes and ₱25.00 for ornamental or fancy shells and miscellaneous minor aquatic products, per square kilometer or fraction thereof. These fees shall be paid in advance.

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

13. **Duration of license** - A commercial license for collecting or gathering ornamental or fancy shells, sea snakes, miscellaneous minor aquatic products in the territorial waters of the Philippines issued by the Commissioner of Fisheries with the approval of the Secretary of Agriculture and Natural Resources, shall be for a period not exceeding one (1) year from the date of the issuance thereof.

14. **Renewal of license** - Upon the expiration of the terms granted in the license, the same may be renewed upon submission of a renewal application by the licensee to the Commissioner of Fisheries. The application to be accompanied by a ₱5.00 application fee. The license however, may be renewed at the discretion of the Commissioner 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 violation of
this order, or laws, rules and regulations of the Philippine Fisheries Commission, Internal Revenue and Customs.

15. Records of ornamental or fancy shells, sea-snakes, miscellaneous minor aquatic products gathered or collected under commercial license - All persons, associations or corporations licensed under this order, shall keep book or books, wherein he shall enter daily the weight of all shells, sea-snakes, miscellaneous minor aquatic products collected or gathered. The names and addresses of the buyers of said aquatic products, if any, the date of sale, the quantity and quality sold and the selling price thereof shall be indicated in the book or books. The pages of said record book shall be numbered by the Commissioner 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 _______ collected or gathered as well as those disposed of under License No. _______ issued on _______ place and date."

Signature and Designation

16. Inspection of record book - Said record book shall be kept at all times open to inspection by the Commissioner of Fisheries or his duly authorized representative or by the Collector of Internal Revenue or his duly authorized representative or by any such officer of the government as may be authorized to do so.

17. Quarterly reports - Each holder of a commercial license shall submit quarterly reports of ornamental shells, sea-snakes, miscellaneous minor aquatic products collected or gathered and those that are disposed of by him thru sale or otherwise, indicating the value thereof as shown by the records required of him by this order.

18. Certificate of ornamental shells, sea-snakes, miscellaneous minor products collected - A licensee under this order shall, before such products are disposed of by him, execute a certificate under oath to the effect that the same were gathered or
collected from his concession or area covered by his license or permit.

19. Shipment - The shipment or exportation of aquatic products from the Philippines covered by his license or permit, gathered or collected under his license shall be unlawful unless such shipment or exportation is authorized and approved by the Commissioner of Fisheries and such shipment or exportation must be effected through the custom house at any post of entry.

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

21. License subject to limitations - The Commissioner of Fisheries upon approval of the Secretary of Agriculture and Natural Resources may, at any time, increase, reduce or alter the number of area covered by the license or change or modify the terms and conditions thereof, when public interest so requires.

22. The area open to authorized fishing or gathering other marine animals or products not specified in the license or permit. - 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.

23. Licensee to carry license at all times. - The license or photostat copy thereof must be carried at all times by the licensee or his authorized representative or agent, and shall be presented upon demand by any place officer or person designated by the Secretary of Agriculture and Natural Resources or by the Commissioner 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 Commissioner of Fisheries within three days from the date of seizure.

24. **Responsibility of licensee** - No license shall be granted except upon the express condition that the licensee assumes responsibility for the act of all his agents, employees and other persons operating under the license. Each licensee must supervise the operation of his employees either personally or thru a competent agent, whose name, citizenship and address must be furnished the Commissioner of Fisheries.

25. **Additional charges for default in payment of rentals for license or permit expiring on December 31 or license expiring on date other than December 31** - If the fee or rental due on any concession or area is not paid within the period in which the payment may be received without penalty, the amount of rental shall be increased by ten per centum (10%) and if the fee or rental remains unpaid fifty (50) days after six months the license or permit, shall be cancelled, and the cash bond deposit, if any, shall be confiscated without prejudice to criminal proceedings against the delinquent concessionaire or licensee, under the penal provision of Fisheries Act 4003, as amended.

26. **Surrender of license** - A licensee retiring from the business must surrender his license with a statement that he/she no longer desires to use it. Any other applicant for the area or any successor to the business may apply for a license. The Commissioner 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 sea products collected 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 Commissioner of Fisheries shall dispose of the area in accordance with law and the provision of this order.

27. **Surrender of licenses terminate or cancelled** - Licenses terminated or cancelled shall be
surrendered to the Commissioner of Fisheries, for file.

28. Disposition of improvements or property - 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 licenses - No license granted under this order shall be valid within army or naval reservations nor within three (3) kilometers from such reservations.

30. Auxiliary invoice - Before transporting from the fishing grounds shells, seasnakes, miscellaneous minor aquatic products gathered under the license issued in accordance with this order, the licensee shall list such aquatic products on blank form or auxiliary invoice to be furnished him by the Regional Director of the place where his area is located or by the Commissioner of Fisheries, Diliman, Quezon City. The auxiliary invoice shall be made in quadruplicate and shall accompany the products described therein, from which they must not be separated until the products arrive at their destination.

If the licensee or his agent failed to prepare the auxiliary invoice, the Officer who inspects the shipment shall prepare same from the vessel's log or record book, and note same accordingly.

31. Presentation of invoice at destination - permit to discharge - No owner or master of any vessel shall discharge or otherwise dispose of the shells, seasnakes, miscellaneous minor aquatic products aboard without any discharge permit issued by a duly authorized officer.

The licensee or his agent shall, upon arrival of the shipment of aquatic products at destination, present the auxiliary invoice to a duly authorized officer who will sign the auxiliary invoice after his inspection.
32. **Penalty provision** - Any violation of the provision of this order shall subject the offender to the penalty provided under Section 83 of Act No. 4003, as amended, which is a fine of not more than two hundred pesos, or imprisonment for not more than six months, or both, in the discretion of the court.

33. **Date of effectivity of this order** - This order shall take effect fifteen days after its publication in the Official Gazette.

For and in the absence of the

Acting Secretary.

3 December, 1963

SGD. BENITO MONTINOLA
Undersecretary for Natural Resources

RECOMMENDED BY:

SGD. ARSENIO N. ROLDAN, JR.
Acting Commissioner of Fisheries

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