SUBJECT: Regulations governing the construction or establishment of fish pens or fish enclosures in all inland waters.

Pursuant to Section 4 of Act No. 4003, as amended, Section 4 (a), (b) and (c) of R.A. No. 3512 and Section 6, Par. B, Sub-paragraph 2 of Presidential Decree No. 43, the following rules and regulations governing the construction or establishment of fish pens or fish enclosures in inland waters in the Philippines are hereby promulgated for the information and guidance of all concerned.

Section 1. Definition. - For purposes of this Order, the term fish pens shall mean fish enclosures made up of closely-woven bamboo screens, nylon screens, or other materials attached to poles staked to the water bottom enclosing a given inland water area for the purpose of growing and/or culturing fish to various sizes.

Section 2. Prohibition. - Except as otherwise provided herein, no person, cooperative or association, partnership or corporation shall construct, establish, or operate fish pens in any inland water area of the Philippines without a license to operate issued by the Bureau of Fisheries.

Section 3. License for the Exclusive Use of the Licensee. - A license which shall be issued under the provisions of this Order shall be for the exclusive use and benefit of the licensee and/or permittee for fish pen purposes only.

Section 4. Annual License Fee. - There shall be paid to the Bureau of Fisheries an annual license fee in the amount of P100.00 per hectare or fraction thereof which fee is payable in advance.

Section 5. Duration of the License. - License to operate fish pens shall be for a period of five years subject to renewal.

Section 6. Who are entitled to Construct or Establish Fish Pens or Fish Enclosures. -

a) Citizens of the Philippines, with priority to bonafide residents of the locality where the inland water area is located.

b) Cooperatives, associations, partnerships or corporations duly registered under the laws of the Philippines at least 60% of the capital stock of which belongs wholly to citizens of the Philippines.
Section 7. Restrictions. -

a) Fish Pen site - No fish pen or fish enclosure shall be constructed or established in any inland water area of the Philippines within thirty (30) meters from each other nor shall such construction or establishment be made within two hundred meters from the shoreline: Provided, That the Director of Fisheries may allow the construction or establishment of fish pens within the prohibited distance depending upon the topography of the proposed site.

b) Size of Fish Pen allowed. -

1. For individuals - Not more than an aggregate maximum area of three (3) hectares or 30,000 square meters.

2. For corporations, associations, partnerships or cooperatives - Not more than an aggregate maximum area of thirty (30) hectares or 300,000 square meters.

3. The provisions of the preceding paragraphs 1 and 2 notwithstanding, the Secretary may, upon the recommendation of the Director, increase or decrease the area that may be granted for reasons of public interest, taking into consideration (1) the financial capacity and/or qualification of the applicant; (2) the socio-economic importance of the project or industry for which the area is applied; and (3) the existence of numerous applications for license in the place where the area applied for is located.

c) No fish pen or fish enclosures shall be constructed or established as to obstruct free navigation.

d) The Director of Fisheries may, at any time, reduce or alter the area covered by the permit or change or modify the terms and conditions thereof, or the same may be made to expire at an earlier date, when public interests so require, or for justifiable grounds or reasons, among which are the violations of the conditions of the permit and pertinent rules and regulations.

Section 8. Obligations of Licensee. -

a) The fish pen licensee shall comply with all pertinent existing laws, rules and regulations, as well as those which may hereafter be promulgated.

b) He shall assume responsibility for any and all acts of his agents, employees, or laborers in the esta-
blishment, management or operation of the fish pen or fish enclosure.

c) In case operation ceases or is made to terminate for any reason, the licensee shall remove all stakes used in the construction of the fish pen at his own expense.

Section 9. When applicable, in the event of foreclosure, the mortgagee—bank shall have a period of five (5) years thereafter to hold the area covered by the license for the purpose of liquidating the mortgage debt, disposing of the improvements therein, and negotiating for the transfer or assignment of the right therein to other qualified persons. The qualified transferee or assignee shall comply with the requirements of this Order.

Section 10. **Grace period.** - Persons, corporations, associations or partnerships operating fish pens or enclosures before the effectivity of this Order, are hereby given a grace period of one year to restructure and/or comply with the requirements of this Order.

Section 11. **Penal provisions.** - Any violation of the provisions of this Administrative Order shall subject the offender to a fine of not more than five thousand pesos or imprisonment of not more than five years or both in the discretion of the Court.

Section 12. **Repealing clause.** - All existing administrative orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Order are hereby repealed.

Section 13. **Effectivity.** - This Order shall take effect fifteen (15) days after its publication in the Official Gazette and in two (2) newspapers of general circulation.

ARTURO R. TANCO, JR.
Secretary of Agriculture and Natural Resources
Chairman
Fishery Industry Development Council

RECOMMENDED BY:

FELIX R. GONZALES
Acting Director