FISHERIES ADMINISTRATIVE ORDER
No. 114
Series of 1974

SUBJECT: Rules and Regulations
Governing Fish Pen
Operations in Laguna Lake

Pursuant to the provisions of Sub-paragraph 2, Paragraph B, Section 6 of Presidential Decree No. 43 and Section 4 (a) of Republic Act No. 3512, the following rules and regulations governing the construction and operations of fish pens in Laguna Lake 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 of closely-woven bamboo screens, nylon screens or nets, or other materials attached to bamboo poles staked to the water bottom for the purpose of growing and/or culturing fish to various sizes.

Sec. 2. License to operate fish pens. - No person, cooperative, association, partnership or corporation shall construct or operate fish pens in any part of Laguna Lake without first securing a license from the Bureau of Fisheries and Aquatic Resources, any license or permit issued by the mayor of the municipality claiming jurisdiction over the area in which the fish pen will be constructed to the contrary notwithstanding.

Sec. 3. License for the exclusive use of the licensee. - A license issued under the provisions of this Order shall be for the exclusive use and benefit of the licensee for fish pen purposes only.

Sec. 4. Annual license fee. - There shall be paid to the Bureau of Fisheries and Aquatic Resources an annual license fee in the amount of P 100.00 per hectare or fraction thereof.

Sec. 5. Duration of the license. - License to operate fish pens shall be for a period of five (5) years subject to renewal: Provided, That the Director shall issue to existing operators of fish pens who have heretofore been operating without a license from

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the Bureau, except those operating in the fish sanctuary or designated sea lanes, a temporary license for a period not exceeding three (3) years to enable said operators to secure a loan from the Development Bank of the Philippines or any government financial institution, to rehabilitate their destroyed/damaged fish pens, and to restructure his fish pen to conform with the requirements prescribed in this Order: Provided, Further, That it shall be a condition to the grant of the temporary license that the fish pen is restructured not later than December 31, 1977.

Sec. 6. Who are entitled to construct and operate fish pens. -
The following may apply for a license to construct and operate a fish pen:

(a) Citizens of the Philippines, with priority to bona-fide residents of the locality where the area is located; and

(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.

Sec. 7. Restrictions. -

(a) Fish pen site - No fish pen shall be constructed within thirty (30) meters of another fish pen, nor inside the sea lane or beyond the fish pen belt established by the Bureau of Fisheries and Aquatic Resources. Only light materials shall be used in the construction of the fish pens.

(b) Size of fish pen -

1. For individuals - Not more than a total of 10 hectares.

2. For corporations, associations, partnerships or cooperatives - Not more than a total of 50 hectares.

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 interests, 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 other applicants for license in the place where the area applied for is located.

(c) No fish pen shall be constructed as to obstruct free navigation in the lake.

(d) Subject to the rights of a mortgagee, if any, the Director may, at any time and when public interests so require, or for justifiable reasons, among which are the violations of the conditions of the license and pertinent rules and regulations, reduce or alter the area covered by the license or change or modify the terms and conditions thereof, or terminate the license at an earlier date.

Sec. 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 construction, management or operation of the fish pen.

(c) Upon the cessation or termination of the operation for any reason, the licensee shall remove at his own expense all stakes used in the construction of the fish pen and his failure to do so shall make him liable under Section 11 hereof, and the expenses for the removal of the stakes shall be chargeable against him.

Sec. 9. **Rights of creditor.** - In the event of foreclosure upon failure of the operator to pay a loan, if financing is secured,
from the Development Bank of the Philippines or any government financial institution, the creditor may, subject to the approval of the Secretary upon recommendation of the Director, negotiate for the transfer of the rights/interests of the operator-borrower to a duly qualified person or entity.

Sec. 10. Effect of failure to restructure fish pens. - It shall be unlawful for any person, association, partnership, cooperative, or corporation to operate after December 31, 1977, a fish pen which does not conform with the requirements as to the size and location of fish pens provided in this Order.

Sec. 11. Penal provisions. - Any violation of this Order shall subject the offender to a fine of not less than Five Hundred Pesos (P500.00) nor more than Five Thousand Pesos (P5,000.00) or imprisonment for not less than six (6) months nor more than five (5) years: Provided, That the Director of Fisheries and Aquatic Resources is hereby empowered to impose an administrative fine of not more than One Thousand Pesos (P1,000.00) or to cancel the license, or both such fine and cancellation at the discretion of the Director of Fisheries and Aquatic Resources, upon any person, association, partnership, cooperative or corporation which shall violate this Order.

Sec. 12. Repeal of inconsistent orders, rules and regulations. - All orders, rules and regulations inconsistent herewith are revoked or amended accordingly.

Sec. 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.

JOSE J. LEIDO, JR.,
Secretary of Natural Resources and
Concurrently Chairman, FIDC

RECOMMENDED BY:

FELIX R. GONZALES
Director of Fisheries and
Aquatic Resources