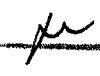


THIRTEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
*First Regular Session*

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SENATE

RECEIVED BY: 

S. No. 815

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INTRODUCED BY HON. MANUEL B. VILLAR, JR.

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**EXPLANATORY NOTE**

Article XII, Section 2 of the Constitution provides that the State's marine resources shall be protected for the exclusive use of the Filipino people, to wit:

SECTION 2. The State shall protect the nation's maritime wealth in its archipelagic waters, territorial sea, and exclusive economic zone; and reserve its use and enjoyment exclusively to Filipino citizens.

The exploration, development, and utilization of natural resources shall be under the full control and supervision of the State. The State may directly undertake such activities, or it may enter into co-production, joint venture, or production-sharing agreements with Filipino citizens, or corporations or associations at least sixty percent of whose capital is owned by such citizens.

The United Nations Convention on the Law of the Sea (UNCLOS) provides specific rights, jurisdiction and duties of the Coastal State in the Exclusive Economic Zone (EEZ). These include, among others, the sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources; and the jurisdiction with regard to the establishment and use of artificial islands, installation of structures, marine scientific research, and the protection and preservation of the marine environment.

Even before the adoption of this convention in 1983, the government had already established the Philippine Exclusive Economic Zone in 1978 under Presidential Decree No. 1599 where the State gained about 551,400 square nautical miles of the sea. This Decree, however, simply declared the State's sovereign rights and jurisdiction over the said area. There is now a need to reserve the exclusive use and enjoyment of the marine resources therein to the Filipinos as mandated by the Constitution, and to institutionalize plans and programs for conservation and management of resources of the patrimonial sea.

In the light of the foregoing, the approval of this bill is earnestly requested.

  
MANUEL B. VILLAR, JR.

THIRTEENTH CONGRESS OF THE  
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**AN ACT PROVIDING FOR COMPREHENSIVE CONSERVATION, PROTECTION,  
UTILIZATION, DEVELOPMENT AND MANAGEMENT OF THE PHILIPPINE  
EXCLUSIVE ECONOMIC ZONE (EEZ)**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress  
assembled:*

SECTION 1. Short Title. - This Act shall be known as "THE PHILIPPINE EXCLUSIVE  
ECONOMIC ZONE ACT OF 2004."

SECTION 2. Statement of Policy. - It is the policy, of the State to protect the nation's  
marine wealth in its archipelagic waters, territorial sea, and exclusive economic zone (EEZ) and  
reserve their use and enjoyment exclusively to Filipino citizens as provided by the Constitution.

The exploration, development, and utilization of its marine resources shall be under the full  
control and supervision of the State. The State may directly undertake such activities or it may  
enter into co-production, joint venture, or production-sharing agreements with Filipino citizens,  
or corporations or associations at least sixty per centum (60%) of whose capital is owned by such  
citizens.

For these purposes, a comprehensive measure on the conservation, protection, utilization,  
development and management of the exclusive economic zone (EEZ) shall be provided.

SECTION 3. The Philippine Exclusive Economic Zone (EEZ). This Act adopts and  
restates the establishment of the Philippine Exclusive Economic Zone as declared under  
Presidential Decree No. 1599.

There is hereby established a zone to be known as the Philippine Exclusive Economic Zone. The exclusive economic zone shall extend to a distance of two hundred (200) nautical miles from the baselines from which the breadth of the territorial sea is measured.

SECTION 4. Sovereign Rights and Jurisdiction. - This Act adopts and restates the sovereign rights and jurisdiction of the State as provided under Presidential Decree No. 1599.

Without prejudice to the rights of the State over its territorial sea and continental shelf, it shall exercise in the exclusive economic zone established herein the following:

a) Sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources, whether living or non-living, both renewable and non-renewable of the waters superadjacent to the sea-bed and its subsoil, and with regard to other activities, for the economic exploitation and exploration of the resources of the zone, such as the production of energy from the water, current and winds;

b) Exclusive rights and jurisdiction with respect to the establishment and use of artificial islands, off-shore terminals, installations and structures, scientific research and the protection and preservation of the marine environment including the prevention and control of pollution; and

c) Such other rights as are recognize by international law and State practice.

SECTION 5. Artificial Islands, Installations and Structures in the Exclusive Economic Zone. - In the different undertakings in the exclusive economic zone, the State shall:

1. Regulate and control the construction, operation and use of

a) Artificial islands;

b) Installations and structures for the purposes provided for under Section 1 and others economic purposes; and

c) Installations and structures which may interfere with the exercise of the rights of the State in the exclusive economic zone (EEZ).

2. Have control and jurisdiction on customs, fiscal, health, safety and immigration;

3. Require that due notice be given of the construction of such artificial islands, installations or structures, and that permanent means of giving warning of their presence must be maintained. Any installations or structures which are abandoned or disused shall be removed to ensure safety of navigation, taking into account any generally accepted international standards. Such removal shall also have due regard to fishing, and the protection of the marine environment. Appropriate publicity shall be given to the depth, position and dimensions of any installations or structures not entirely removed;

4. Where necessary, establish reasonable safety zones around such artificial islands, installations and structures in which it may take appropriate measures to ensure the safety both of navigation and of the artificial islands, installations and structures;

5. Determine the breadth of the safety zones taking into account applicable international standards: Such zones shall be designed to ensure that they are reasonably related to the nature and function of the artificial islands, installations or structures, and shall be based on generally accepted international standards. Due notice shall be given to the extent of safety zones; and

6. Require all ships to respect these safety zones and comply with generally accepted international standards regarding navigations in the vicinity of the artificial islands, installations, structures and safety zones.

SECTION 6. Conservation of the Living Resources. - Relevant to the judicious propagation and conservation of living resources in the exclusive economic zone, the State shall:

1. Determine the allowable catch of such living resources as are existing in its exclusive economic zone;

2. Take into account the best scientific evidence available to it, and shall ensure through proper conservation and management measures that the living resources in the exclusive economic zone are not endangered by over-exploitation;

3. Adopt such measures to maintain or restore populations of harvested species at levels which can produce the maximum sustainable yield, as qualified by relevant environmental and economic factors including the economic needs of the local coastal fishing communities. Marine sanctuaries where fishing shall be strictly prohibited, or reservations where fishing shall be exclusive to sustenance fishermen may be established; and

4. Consider the effects of the above measures on species associated with or dependent upon harvested species with, a view to maintaining or restoring populations of such associated or dependent species above levels at which their, reproduction may become seriously threatened.

SECTION 7. Utilization of Living Resources. - In connection with the utilization of living resources, the State shall:

1. Promote the objective of optimum utilization of the living resources in the exclusive economic zone without prejudice to conservation measures under Section 6;

2. Determine its capacity to harvest the living resources of the exclusive economic zone;

3. Take into account, in giving access to Filipino citizens, corporations or associations to its exclusive economic zone, all relevant factors, including among others, the significance of the living resources of the area to the economy of the State and other national interests;

4. Ensure compliance by those allowed to fish in the exclusive economic zone with the prescribed conservation measures and, in this connection shall exercise the following:

a) Licensing of fishermen, fishing vessels and equipment, including requiring the payment of fees and other forms of remuneration, which may consist of adequate compensation in the field of financing, equipment and technology relating to the fishing industry;

b) Determining the species which may be caught, and fixing quotas of catch whether in relation to particular stocks, or groups of stocks, or catch per vessel over a period of time;

- c) Regulating seasons and areas of fishing, the types, sizes and number of gear or fishing vessels that may be used;
- d) Fixing the age and size of fish and other species that may be caught;
- e) Specifying information required of fishing vessels, including catch and effort statistics and vessel position reports;
- f) Requiring, under the authorization and control, the conduct of specific fisheries research programmes and regulating the conduct of such research, including the sampling of catches, disposition of samples and reporting of associated scientific data;
- g) Placing observers or trainees on board such vessels;
- h) Requiring the landing of all of, the catch by such vessels within the ports of the State;  
and
- i) Requiring the training of personnel and the transfer, of fisheries technology, including enhancement of capacity of undertaking fisheries research.

SECTION 8. The Highly Migratory Species. - The State shall cooperate directly or through appropriate international Organizations with other States whose nationals or citizens fish in the region for the sustainable exploitation and conservation of highly migratory species within and beyond the Philippine Exclusive Economic Zone.

SECTION 9. Freedoms of Other States. - Other States shall enjoy the following rights in the exclusive economic zone, but outside the Philippine territorial sea: freedoms with respect to navigation and overflight, laying of submarine cables and pipelines, and other internationally lawful uses of the sea relating to navigation and communications.

SECTION 10. Delimitations. - Where the outer limits of the Philippine Exclusive Economic Zone overlap that of an adjacent or neighboring State, the common boundaries shall

be determined by agreement with the State concerned or in accordance with pertinent generally recognized principles of international law on delimitation.

SECTION 11. Enforcement of Laws and Regulations. - In connection with enforcement of laws and regulations:

1. The State shall, in the exercise of its sovereign rights to explore, exploit, conserve and manage the living resources in the exclusive economic zone, take such measures, including boarding, inspection, arrest and judicial proceedings, as may be necessary to ensure compliance with the laws and regulations adopted by it in conformity with international law and State practice.

2. The State, however, shall promptly release upon the posting of reasonable bond or other security, impounded vessels or arrested crew.

3. In cases of arrest or detention of foreign vessel, the State shall promptly notify the flag State, through appropriate channels, of the action taken and of any penalties subsequently imposed.

SECTION 12. Institutional Jurisdiction. - Government agencies shall have jurisdiction in the implementation, enforcement and regulation of activities under this Act in accordance with State practice.

SECTION 13. Administrative Issuances. --

1. The President shall direct appropriate government agencies to prepare integrated development plans and programs and comprehensive management systems as well as initiate needed negotiations with other States and international organizations on various aspects of the exclusive economic zone. The President may also issue administrative orders to effectively, efficiently and economically implement the provisions of this Act.

2. All departments or agencies concerned may promulgate individual or joint administrative rules and regulations to effectively implement the provisions of this Act: Provided, That such issuance shall be approved by the President of the Philippines.

SECTION 14. Penalties - Any person who shall violate any provision of this Act or any rule or regulation promulgated hereunder and approved by the President shall be subject to a fine which shall not be less than Five Thousand Pesos (P5,000.00) nor be more than One Hundred Thousand Pesos (P100,000.00) or imprisonment ranging from six (6) months to ten (10) years, or both such fine and imprisonment in the discretion of the Court. Vessels and other equipment or articles used in connection therewith shall be subject to seizure and forfeiture.

SECTION 15. Separability Clause. - If any provision of this Act or the application thereof is held invalid or unconstitutional, the validity of other provisions shall not be affected.

SECTION 16. Repealing Clause. - All laws, decrees, orders, proclamation, rules and regulations or parts thereof which are inconsistent with any of the provisions of this Act are hereby repealed or modified accordingly.

SECTION 17. Effectivity. - This Act shall take effect thirty (30) days after publication in the Official Gazette.

Approved,