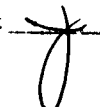


**SEVENTEENTH CONGRESS** )  
**REPUBLIC OF THE PHILIPPINES** )  
First Regular Session )



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**SENATE**  
**S.B. No. 419**

RECEIVED BY: 

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**Introduced by SENATOR LOREN LEGARDA**

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**AN ACT CREATING THE PHILIPPINE SEAWEED DEVELOPMENT AUTHORITY AND DEFINING ITS OBJECTIVES, POWERS AND FUNCTIONS**

Explanatory Note

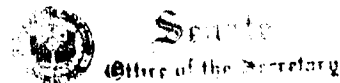
This bill aims to create the Philippines Seaweed Development Authority that will coordinate the promotion, development and growth of the seaweed industry. Through the said authority, research and development devoted to improve the quality of seaweed especially in the face of climate and environmental changes shall be institutionalized. Such will make the industry more globally competitive while maintaining sustainable growth.

Through this proposal, the Philippine seaweed industry can reach its full potential by being a major producer in the world market. This will bring greater income for the country, more work for seaweed farmers and better economy.

In view of the foregoing, the passage of this bill is earnestly sought.

  
**LOREN LEGARDA**  
Senator

**SEVENTEENTH CONGRESS** )  
**REPUBLIC OF THE PHILIPPINES** )  
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**AN ACT CREATING THE PHILIPPINE SEAWEED DEVELOPMENT AUTHORITY AND DEFINING ITS OBJECTIVES, POWERS AND FUNCTIONS**

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

1 **SECTION 1. Short Title.** - This Act shall be known as the "Philippine  
2 Seaweed Development Authority Act."  
3

4 **Sec. 2. Declaration of Policy.** — It is hereby declared to be the policy of the  
5 State to promote the rapid, integrated development, and growth of the  
6 seaweed industry in all its aspects and to ensure that the seaweed farmers  
7 become direct participants in, and beneficiaries of, such development and  
8 growth.  
9

10 Pursuant to this policy, the State shall ensure the development of the  
11 seaweed industry in accordance with the following principles:  
12

13 a. **Protection from Unfair Competition.** – The State shall protect small  
14 farmers from unfair competition such as monopolistic and oligopolistic  
15 practices by promoting a policy environment that provides them priority  
16 access to credit and strengthened cooperative-based marketing system.  
17 Any joint venture with foreign investors shall be consistent with the  
18 constitutional provision that at least sixty per centum of the investment  
19 shall be owned by Filipinos.  
20

21 b. **Global Competitiveness.** – The State shall enhance the  
22 competitiveness of the seaweed industry sector in both domestic and  
23 foreign markets.  
24

25 c. **Sustainable Development.** – The State shall promote development that  
26 is compatible with the conservation of the ecosystems in areas where  
27 seaweed production activities are carried out. Judicious use of the  
28 country's natural resources shall be exercised in order to attain  
29 long-term sustainability.  
30

31 d. **Poverty Alleviation and Social Equity.** - The State shall ensure that the  
32 poor sectors of society have equitable access to resources, income  
33 opportunities, basic and support services and infrastructure, especially

1 in areas where productivity is low, as a means of improving their quality  
2 of life.

3 e. Rational Use of Resources. - The State shall adopt a rational approach  
4 in the allocation of public investments in the seaweed industry in order  
5 to ensure efficiency and effectiveness in the use of scarce resources and  
6 thus obtain optimal returns on its investments.  
7

8 f. People Empowerment. - The State shall promote people empowerment  
9 by enabling all citizens through direct participation or through their duly  
10 elected, chosen or designated representatives, the opportunity to  
11 participate in policy formulation and decision-making by establishing  
12 the appropriate mechanisms and by giving them access to information.  
13

14 **Sec. 3. Creation of the Philippine Seaweed Development Authority.** - To  
15 implement and attain the declared state policy and consistent with the  
16 principles enumerated above, there is hereby created the Philippine Sea-  
17 weed Development Authority, hereinafter referred to as Authority, under the  
18 Department of Agriculture.  
19

20 **Sec. 4. Principal Office.** — The Authority shall maintain its administrative  
21 principal office in Zamboanga City and shall establish its main research and  
22 development center in the Province of Sulu. It may establish branches and  
23 other research or marketing centers in other parts of the country as may be  
24 necessary for the proper conduct of its operations.  
25

26 **Sec. 5. Statement of Objectives.** — The Authority shall have the following  
27 objectives:  
28

29 a. To enhance profits and incomes in the seaweed farming, by ensuring  
30 equitable access to assets, resources and services, and promoting  
31 value-added processing;  
32

33 b. To encourage and promote people empowerment by strengthening  
34 people's organizations, cooperatives and non-government organizations  
35 of seaweed farmers and by establishing and improving mechanisms and  
36 resources for their participation in government decision-making and  
37 implementation;  
38

39 c. To pursue a market-driven approach to enhance the comparative  
40 advantage of our seaweed industry in the world market;  
41

42 d. To encourage the seaweed farming sector to continuously develop new  
43 value-added or processed seaweed products in order to minimize the  
44 marketing of raw, unfinished or unprocessed products; and  
45

46 e. To provide social and economic adjustment measures that increase  
47 productivity and improve market efficiency while ensuring the protection  
48 and preservation of the environment and equity for small farmers and  
49 fisherfolk.  
50

51 **Sec. 6. Power and Functions.** — To carry out its objectives, the Authority  
52 shall have the following powers and functions:  
53

54 a. Prescribe, repeal and amend its own by-laws;  
55

- 1 b. Formulate and adopt a Seaweed Industry Development Masterplan  
2 covering a five (5)-year term at a time, subject to yearly monitoring,  
3 evaluation and review ;
- 4 c. Establish, operate and maintain one central seaweed industrial  
5 processing plant and other support services within the premises of its  
6 main research and development center. Whenever necessary and  
7 practicable, it shall establish seaweed industrial processing plants in  
8 other major producing provinces geared toward the development of the  
9 seaweed industry. Furthermore, farmers shall be encouraged to partly  
10 own the processing plant in order to encourage them to increase  
11 seaweed production;  
12
- 13 d. Encourage and promote the exportation of seaweed and its value-  
14 added products by establishing and undertaking measures to enforce  
15 standards for domestic trade and export of seaweed and seaweed  
16 products within globally acceptable practices and market price;  
17
- 18 e. Review, revise, align and thereafter, integrate into the Seaweed  
19 Industry Development Masterplan, the existing policies, projects and  
20 activities of all other government agencies contributing to the  
21 attainment of the objectives of the Authority.  
22
- 23 f. Institutionalize seaweed research and development devoted to  
24 improvement of the quality of seaweed, its adaptation to climate and  
25 environmental changes, and its various applications, by  
26 designating/establishing seaweed research and experiment stations,  
27 and sub-stations in strategic locations nationwide, as deemed  
28 necessary.  
29
- 30 The Authority shall ensure that sufficient budgetary allocation is availa-  
31 ble for the operations of the seaweed research and experimental stations  
32 and sub-stations enabling them to conduct all researches, tests and ex-  
33 periments needed for the development of the industry;  
34
- 35 g. Ensure that seaweed farmers' organizations have direct access to  
36 markets;  
37
- 38 h. Facilitate the access of farmers to credit by encouraging private  
39 lending institutions to provide loans at affordable interest rate;  
40
- 41 i. Receive grants from any source, domestic or foreign, public or private,  
42 in accordance with existing laws;  
43
- 44 j. Adopt and use a corporate seal;  
45
- 46 k. Sue and be sued;  
47
- 48 l. Have continuous succession until dissolved by law;  
49
- 50 m. Exercise all the general powers conferred by law upon  
51 corporations as are incidental or conducive to the attainment of the  
52 purposes of this Act.  
53

54 **Sec. 7. Board of Directors of the Authority.** — The corporate powers of  
55 the Authority shall be vested in and exercised by a Board of Directors, here-  
56 inafter referred to as the Board, to be composed of the following:

- 1 a. Secretary of the Department of Agriculture as Chairperson;
- 2
- 3 b. Secretary of the Department of Trade & Industry as Vice-Chairperson;
- 4 c. Director, University of the Philippines-Diliman Marine Science
- 5 Institute as Member;
- 6
- 7 d. National President, League of Cities as Member;
- 8 e. National President, League of Municipalities as Member;
- 9
- 10 f. President, Land Bank of the Philippines (and/or other government
- 11 financing institution/s as Member/s);
- 12
- 13 g. Three (3) representatives of seaweed farmers' organization/s—one (1)
- 14 representing Luzon; one (1), Visayas; and one (1) representing
- 15 Mindanao, as Members;
- 16
- 17 h. Two (2) representatives of the national organization of the seaweed
- 18 processing and exporting sector as Members.
- 19

20 The representatives of the private sector shall be appointed by the President  
21 of the Philippine Republic, upon recommendation of the sector they repre-  
22 sent, and shall serve for a term of four (4) years.

23  
24 Only citizens of the Philippines shall be appointed Board Members of the  
25 Authority. In case of vacancy, the appointed successor shall serve only the  
26 unexpired portion of the term of his predecessor.

27  
28 The Board of Directors that belong to the government sector may appoint  
29 their respective regular representatives to the Board provided these repre-  
30 sentatives belong to the top three ranks in their respective agencies.

31  
32 The Board shall meet regularly at least once every quarter or as often as it  
33 deems necessary. At least six (6) members shall constitute a quorum. The  
34 Board may be convoked by the Chairperson or Vice Chairperson. The Board  
35 of Directors shall each receive a per diem of Ten Thousand Pesos  
36 (P10,000.00) for every session attended, but in no case shall the total there-  
37 of exceed Twenty Thousand Pesos (P20,000.00) per month.

38  
39 **Sec. 8. Powers and Duties of the Board.** — The Board shall have the fol-  
40 lowing powers and duties:

- 41
- 42 a. Formulate and adopt policies, plans and programs and prescribe or
- 43 promulgate such rules and regulations as may be necessary to
- 44 implement the intent and provisions of this Act;
- 45
- 46 b. Enter into, make and execute contracts of any kind as may be
- 47 necessary or incidental to the attainment of the purposes of this Act;
- 48
- 49 c. Approve the budget of the Authority and to determine the reasonable
- 50 compensation of its personnel consistent with the provisions of Republic
- 51 Act No. 6758 or "The Salary Standardization Law";
- 52
- 53 d. Establish policies and guidelines for employment on the basis of
- 54 merit, technical competence and moral character, and approve a staffing
- 55 pattern of
- 56

1 personnel defining their powers and duties subject to Civil Service laws,  
2 rules and regulations;

3 e. Review and approve the appointment of personnel of the Authority  
4 from the rank of division chief or higher;

5  
6 f. Exercise final authority on administrative cases involving personnel of  
7 the Authority where the penalty imposed is suspension of thirty (30)  
8 days or more;

9  
10 g. Exercise such other powers as may be necessary and proper for the  
11 effective enforcement of this Act and its implementing rules and  
12 regulations.

13  
14 **Sec. 9. Management.** — The management of the Authority and the general  
15 conduct of its operations shall be vested in the General Manager who shall  
16 serve as the Chief Executive Officer. The General Manager shall be a natu-  
17 ral-born Filipino citizen, at least thirty (30) years old, and a person of known  
18 integrity and competence in technical and administrative fields related to  
19 the purposes of this Act.

20  
21 He shall be appointed by the President of the Republic for a term of four (4)  
22 years and may be re-appointed once for another term.

23  
24 He shall receive a salary to be determined by the Board in accordance  
25 with the Salary Standardization Law.

26  
27 He shall have the following powers and duties:

28  
29 a) Execute and administer the policies, plans, programs and rules and  
30 regulations approved and/or promulgated by the Board;

31  
32 b) Submit for the consideration of the Board such policies, plans and  
33 programs as he/she deems necessary to carry out this Act;

34  
35 c) Direct and supervise the operation and internal administration of the  
36 Authority, including imposition of disciplinary actions among the  
37 Authority's personnel;

38  
39 d) Appoint or promote employees of the Authority subject to the  
40 confirmation of the Board;

41  
42 e) Transfer, assign, re-assign employees of the Authority as the  
43 exigencies of the service may require and approve penalties in  
44 administrative cases involving suspension for less than thirty (30) days  
45 and lighter penalties;

46  
47 f) Recommend to the Board the appointment or promotion of personnel  
48 from the rank of division chief or higher and submit for decision by the  
49 Board administrative cases where the penalty imposed is suspension for  
50 thirty (30) days or more, demotion or separation from the service;

51  
52 g) Administer and manage the budgetary appropriations and financial  
53 disbursements of the Authority;

54  
55 h) Exercise such other powers and perform such other duties as may be  
56 directed by the Board.

1  
2 **Sec. 10. Assistance from Other Government Entities.** — The Local  
3 Government Units (LGUs), the Department of Environment and Natural  
4 Resources (DENR), the Bureau of Fisheries and Aquatic Resources (BFAR)  
5 and all other government agencies concerned shall extend the necessary  
6 assistance and support to the Authority, particularly by including the  
7 development of the seaweed industry in their coastal resource management  
8 plans and programs.  
9

10 **Sec. 11. Rules and Regulations.** — The Department of Agriculture shall,  
11 within ninety (90) days from the approval of this Act, formulate the neces-  
12 sary rules and regulations for the implementation of this Act.  
13

14 **Sec. 12. Separability Clause.** — If any part or provision of this Act shall be  
15 held invalid or unconstitutional, the remaining parts or provisions not  
16 affected thereby shall remain in full force and effect.  
17

18 **Sec. 13. Repealing Clause.** — All laws, decrees, executive orders,  
19 proclamations, rules and regulations, and other issuances, or parts thereof  
20 which are inconsistent with the provisions of this Act are hereby repealed or  
21 modified accordingly.  
22

23 **Sec. 14. Effectivity.** — This Act shall take effect fifteen (15) days after its  
24 publication in the Official Gazette or in at least two (2) national newspapers  
25 of general circulation.  
26  
27

28 Approved,