

August 15, 2018

FISHERIES ADMINISTRATIVE ORDER (FAO)

No. 250-2

Series of 2018

SUBJECT:

Amendments to FAO No. 250 s. 2014 re: Regulations on the Collection, Harvesting, Gathering, Selling and Exporting of Sargassum spp.

WHEREAS, the brown seaweed Sargassum is an abundant resource in tropical waters such as the Philippines and plays very important ecological functions, such as habitat, shelter, spawning and nursery grounds to many marine organisms, such as fish, molluscs, cephalopods (e.g. squid), crustaceans, echinoderms (e.g. sea urchins) that either lay their eggs or graze on it;

WHEREAS, the genus *Sargassum*—with more than 40 species, 28 of which have been verified to be present in the Philippines - is recognized as an additional source of income for fishing communities;

WHEREAS, Sargassum aside from being used as an animal feed supplement, nutraceuticals - with applications in health and wellness, and as raw material in the manufacture of organic biostimulant/ bioeffector with wide applications in agriculture, is also a source of alginate, fucoidan, and fucoxanthin;

WHEREAS, the high demand of *Sargassum* in the export market has resulted in its uncontrolled harvesting/gathering, thus, compromising and threatening the balance in the marine ecosystem which in turn resulted in the loss of shelter and food-base of many aquatic organisms dependent on it;

WHEREAS, as a measure to protect this resource, FAO No. 250 s. 2014 which prohibited the collection, harvesting, gathering, selling and/or exporting of *Sargassum* was issued;

WHEREAS, such prohibition on the collection, harvesting, gathering, selling and/or exporting *Sargassum* has adversely affected the livelihood of many fisherfolk;

WHEREAS, based on studies on local species conducted by Trono and Lluisma (1990), Largo and Ohno (1992), Montes (1993), Trono and Tolentino (1993), Hurtado and Ragasa (1999), and Ortiz and Trono (2000), it was determined that most species of Sargassum reach peak growth and reproductive stage during the months of October, November and December;

WHEREAS, after their reproductive season Sargassum become senescent, detach from their holdfast, float in the sea surface, drift and are eventually washed ashore;

WHEREAS, there is great potential in Sargassum products and it is necessary that its development be supported for the benefit of the seaweed industry;

WHEREAS, the provisions on "Seagrass" under FAO 250 s. 2014 shall remain enforced;

WHEREAS, Sec. 15 of the Amended Fisheries Code requires that all fish and fishery products must have an auxiliary invoice to be issued by the LGU or their authorized representatives prior to their transport;

WHEREAS, Section 19 and Rule 19.1 of the Amended Fisheries Code mandates the BFAR to assist the LGUs in implementing the national program for the registration of municipal fishing vessels, gears, fisherfolk and fishery operators.;

WHEREAS, the amendment of the Fisheries Code introduced provisions which can further regulate and promote the trade and sustainable utilization of aquatic species particularly Sections 4 no. 82 (Serious violations) 105 (Importation and Exportation of Fishery species), 110 (Gathering and Marketing of Shell Fishes or Other Aquatic Species, 125 (Failure to comply with Standards and Trade-Related Measures) and 135 (Accompanying Administrative Sanctions for Serious Violations);

WHEREFORE, in consideration to the above premises and pursuant to Sections 105, 110, 125 and 135 of the Fisheries Code as amended, FAO No. 250 s. 2014 is hereby amended as follows:

Section 1. Definition of Terms: For purposes of this Order, the following terms as used herein shall mean and shall be construed as follows:

- a. Alginate/Algin or Alginic acid is an anionic polysaccharide distributed widely in the cell walls of brown algae, where through binding with water forms a viscous gum. Alginates are refined brown seaweed of the class *Phaeophyceae* processed into sodium or calcium alginate. It has wide uses across variety of industries including food, textile printing and pharmaceutical.
- b. Auxiliary Invoice A government document issued by the Local Government Units (LGU) or their duly authorized representatives prior to the transport of all fish and fishery products from their point of origin to their point of destination in the Philippines and/or export purposes upon payment of a fee to be determined by the LGUs to defray administrative costs therefore.
- c. CAO City Agriculturist Office
- d. Collecting/Gathering the act of taking/picking of washed ashore Sargassum.
- e. <u>Community Service</u> means any service or activity that is performed for the benefit of the community or its institutions in lieu of payment of fine imposed as administrative or criminal penalty.
- f. <u>Confiscation</u> taking into custody of products (Sargassum) for proper disposal for having been the subject of violation.
- g. FAO Fisheries Administrative Order
- h. FARMCs the Fisheries and Aquatic Resources Management Council.
- Fish-R -_a year long program of the BFAR designed to enhance, fast track and complete the Municipal Fisherfolk Registry of coastal Local Government Units.
- j. <u>Fisherfolk</u> one who is directly or personally and physically engaged in taking and/or culturing and processing fishery and/or aquatic resources.
- k. <u>Fisherfolk Cooperative</u> a duly Cooperative Development Authority (CDA) registered cooperative of fisherfolk with a common bond of interest, who have voluntarily joined together to achieve a common lawful social or economic end, making equitable contribution to the capital requirement and accepting a fair share of the risks and benefits of the undertakings in accordance with universally accepted cooperative principles.
- Fisherfolk Organizations an organized group, association, federation, alliance
 or an institution of fisherfolk registered by DOLE and/or SEC which has at least
 fifteen (15) members, a set of officers, a constitution and by-laws, an
 organizational structure and a program of action.

- m. <u>Fishery Operator</u> one who owns and provides the means including land, labor, capital, fishing gears and vessels but does not personally engage in fishery.
- n. <u>Fishery Species</u> all aquatic flora and fauna including, but not restricted to, fish, algae, coelenterates mollusks, crustaceans, echinoderms and cetaceans.
- o. <u>Finished goods</u> goods that have completed the manufacturing process but have not yet been sold or distributed to the end user
- p. <u>Fucoidan</u> is a sulfated polysaccharide found mainly in various species of brown algae and brown seaweed (variant forms of fucoidan have also been found in animal species, including the sea cucumber). Fucoidan is used as an ingredient in some health, wellness and dietary supplement products.
- q. <u>Fucoxanthin</u> is an accessory pigment (xanthophyll) in the chloroplasts of brown algae and most other heterokonts, giving them a brown or olive-green color.
- r. Holdfast is a root-like structure that anchors sargassum plant to the substrate.
- s. LGU Local Government Unit
- t. <u>LTP</u> Local Transport Permit
- u. <u>Natural state</u> the state or condition in which something occurs in nature, untreated or unprocessed, as before the application of any manufacturing process; the condition to which a thing, person, or system tends in the absence of external influences.
- v. MAO Municipal Agriculturist Office
- w. PAO Provincial Agriculture Office
- x. <u>PFO</u> Provincial Fishery Office
- y. <u>Person</u> natural or juridical entities such as individual, association, partnership cooperative or corporation
- z. RFO Regional Field Office
- aa. RSC Regional Seaweed Coordinator
- bb. Regulation is the act of rule and/or order as provided in the applicable provisions of FAO 250 as amended by FAO 250-2.
- cc. Senescence the stage when Sargassum ceased to grow due to age.
- dd. <u>Washed ashore</u> the stranding of *Sargassum* on shore naturally as carried by the winds, waves and currents.

Section 2: Regulations on the collection of Sargassum from the wild population

- a. Collection or gathering of naturally growing Sargassum as well as those still floating/drifting is not allowed.
- b. The collection of washed ashore Sargassum is allowed, provided that the LGU in the Auxilliary Invoice shall indicate and certify that the collected Sargassum is indeed washed ashore as required under Section 15 of the Amended Fisheries Code. Until such time that the culture technology for Sargassum has been developed, the LGU will adopt this provision for implementation.
- c. Fisherfolk registered under the Municipal Fisheries Registration System (Fish-R) may be given a license or permit by the Local Government Unit (LGU) to gather/collect washed ashore Sargassum.

In the grant of license or permit, preference shall be given to *bonafide* resident fisherfolk of the municipality.

Section 3. Registration of *Sargassum* consolidators, gatherers, buyers, traders, exporters and processors:

- a. The LGU through the MAO /CAO in consultation with the Fisheries and Aquatic Resource Management Council (FARMCs), shall maintain a Registry pursuant to Rule 19.1 to 19.3 of the Amended Fisheries Code of Sargassum consolidators, gatherers, buyers, traders, processors and exporters of Sargassum products in the locality.
- b. Such Registry shall be updated annually or as may be necessary, and shall be posted in Barangay Halls or other strategic locations where it shall be open to public inspection, and for the purpose of validating the correctness and completeness of the list.
- c. Registered consolidators/ buyers / traders/ processors shall only buy/ collect Sargassum from gatherers/ collectors registered under the Fish- R and with license/ permit from the LGU.

Section 4. Regulation of the sale, transport and export of washed ashore Sargassum:

- a. Only registered persons and with license or permit from the LGU shall be allowed to sell, trade and transport fresh/dried Sargassum and its untreated powdered form.
- b. The consolidators/ buyers/ traders/ processors included in the Registry may only acquire *Sargassum* from registered and licensed gatherers/ collectors.
- c. The seller/consolidators/ buyer/ trader/ processor shall secure an Auxiliary Invoice specifying that the quantity and type of *Sargassum* and that it is washed ashore from the LGU.
- d. The BFAR through the PFO shall issue a Local Transport Permit (LTP) specifying Sargassum as the specie to the seller/consolidators/buyer/trader/processor prior to its transport/shipment.
- e. BFAR- PFO shall maintain a record of transactions on the quantity and type of Sargassum transported and sold. The record of transactions shall be submitted to the BFAR- RFO through the Regional Seaweed Coordinator (RSC) for monitoring and record purposes.
- f. Export of Sargassum in fresh, raw, dried, powered or in its natural state is not allowed. However, processed/ value added/ finished goods from Sargassum may be exported.

Section 5. Enforcement:

The Fishery Protection and Law Enforcement Group under FMRED & RSCs (BFAR), Municipal Environment and Natural Resources Office (MENRO), Bantay Dagat & Fish Warden (LGU), PNP-MARITIME Group, Philippine Navy, PNP-Local, Philippine Coast Guard (PCG) and Palawan Council for Sustainable Development (PCSD) shall strictly enforce this Order.

Section 6. Granting of Permit or Exemption:

Research and academic institutions collecting *Sargassum for scientific* research shall secure a Permit to Conduct Research/ Gratuitous Permit in compliance with Fisheries Administrative Order No. 233 series of 2010.

The Secretary of Agriculture through the Director of Bureau of Fisheries and Aquatic Resources may grant an exemption or special permit to collect natural population of *Sargassum* to support sustainable mariculture livelihood projects of registered fisherfolk/ fisherfolk organizations/ associations/ cooperatives.

Section 7. Prohibitions: The following acts shall be punishable under this Order:

- a. It shall be unlawful to intentionally or deliberately uproot naturally growing Sargassum.
- b. It shall be unlawful to collect/gather Sargassum which are still floating/drifting.
- c. It shall be unlawful for any person not listed in the Fish R and without permit/ license from the LGU to gather/ collect washed ashore Sargassum.
- d. It shall be unlawful for any person to sell gathered/collected Sargassum to a buyer/consolidator/trader/processor not included in the LGU registry.
- e. It shall be unlawful for any person not included in the LGU registry to buy, trade, consolidate, or process *Sargassum* from authorized or unauthorized collectors/gatherers.
- f. It shall be unlawful for any person to transport *Sargassum* without the required Local Transport Permit and Auxiliary Invoice.
- g. It shall be unlawful for any person to export It shall be unlawful for any person to export *Sargassum* in its natural state (fresh, raw dried, powdered).

Section 8. Penalties.

Violators of the prohibitions under this Order shall be subject to Administrative Adjudication which shall be in accordance with Chapter VII of the Amended Fisheries Code and subject to the following penalties:

a. For violations under Section 7 a, b, c and d the offender shall be punished with an administrative fine equivalent to the value of the species or Fifty thousand pesos

(P50,000.00), whichever is higher, and confiscation of the *Sargassum*, cancellation of permit and/or license and blacklisting.

- b. For violations under Sec. 7 e, and f, the offender shall be punished with an administrative fine of Fifty thousand pesos (P50,000.00) to Two Million Pesos (P2,000,000.00), depending on the seriousness, extent and volume of trade associated with the violation, confiscation of the shipment or fishery products and suspension or revocation of registration or license.
- c. For violations under Section 7 g the offender shall be punished with an administrative fine of five (5) times the value of the species or Three hundred thousand pesos (P300,000.00) to Five hundred thousand pesos (P500,000.00), whichever is higher, and forfeiture of the *Sargassum*.

Provided, that in case the *Sargassum* to be exported in its natural state is discovered or seized in the possession of the shipping or forwarding company, failure on their part to fully cooperate in the investigation conducted by concerned government authorities shall create a presumption that there is connivance or conspiracy between the shipping company and the shipper to perpetrate the aforementioned offense.

In the imposition of penalties, the Adjudication Committee shall take into account the seriousness of the violation as defined in Paragraph 82 of Section 4 of the Fisheries Code as amended, the habituality or repetition of violation, manner of commission of the offense, severity of the impact on the fishery resources and habitat, socioeconomic impact, cases of concealment or destruction of evidence, eluding arrest, resisting lawful orders, and other analogous circumstances.

Section 9. Community Service:

In case the offender is a municipal fisherfolk or has no property over which the Department may impose the fines and penalties prescribed for the offense, community service may be rendered in lieu of the fine.

Section 10. Transitory Provision

Within six (6) months from its publication in two (2) newspapers of general circulation and upon filing of the same with the Office of the National Administrative Register, the National Coordinating Unit-Seaweed Development Program (NCU-SDP) through the Regional Seaweed Coordinators shall conduct information education campaign.

Section 11. Effectivity:

This Order shall take effect 6 months after publication in two (2) newspapers of general circulation and upon filing of the same with the Office of the National Administrative Register.

Recommending Approval:

EDUARDO B. GONGONA

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Approved:

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