

Republic of the Philippines
Department of Agriculture and Natural Resources
BUREAU OF FISHERIES
Diliman, Quezon City

FISHERIES ADMINISTRATIVE)

ORDER No. 46)

August 10, 1962

SUBJECT: Regulations governing
the gathering of sponges.

Pursuant to the provisions of Sections 4, 38-50 (Article VII) of Act No. 4003, as amended, and of Section 4 of Republic Act No. 177, the following rules and regulations governing the gathering of sponges, are hereby promulgated for the information and guidance of all concern:

Section 1. Definition.- For the purpose of this Administrative Order the term sponges shall be construed as marine products belonging to Phylum Porifera whose skeletal framework after washing off its soft fleshy matter is composed of resilient horny fibers of spongin, capable of absorbing water without losing their toughness.

Sec. 2. - Activity to gather or collect sponges.- No person, association, or corporation shall be allowed to take, gather, remove, purchase, offer or expose for sale, transport, ship and/or export sponges except under license duly issued in accordance with this Order.

Sec. 3. License for exclusive use of licenses.- A license issued under the provisions of this Order shall be for the exclusive use and benefit of the licensee, and shall entitle him to enter upon a definite area of the territorial waters of the Philippines, to gather or collect therefrom sponges under the terms and conditions stated in the license. This license shall expire on the date specified thereon or upon the death of the licensee. In the case of an association or corporation, the license shall expire even before the one-year period if the association or corporation is dissolved, or if the license is cancelled or revoked, or otherwise duly terminated by the Director of Fisheries or the Secretary of Agriculture and Natural Resources.

Sec. 4. Classes of licenses.- There shall be two classes of licenses under this Order; namely, commercial license and temporary prospector's license. A commercial license shall be issued for commercial purposes, while a temporary prospector's license shall be issued for personal, educational, scientific or similar purposes.

Sec. 5. Commercial license to gather sponges.- Who may be granted. A commercial license shall be issued by the Director of Fisheries with the approval of the Secretary of Agriculture and Natural Resources to:

(a) Citizens of the Philippines or of the United States.

(b) Associations or corporations that are duly registered or incorporated under the laws of the Philippines^{or} of the United States, or any state thereof and authorized to transact business in the Philippines, and of which sixty (60%) per centum of whose capital stock or interest in said capital is owned wholly by citizens of the Philippines or of the United States.

(c) An individual applying for license must be at least 21 years of age. Only one license shall be issued to a spouse, either to the husband or to the wife, unless they are living separately and independently from each other. Any member of the family of at least 21 years of age and living independently may also apply for a license.

Sec. 6. Temporary prospector's license.- The Director of Fisheries, with the approval of the Secretary of Agriculture and Natural Resources, shall have the power to issue a temporary prospector's license upon payment of a fee of ₱5.00 for a limited period, not to exceed three (3) months, from the date it is issued, and shall not be subject to renewal whether for any branch of the Philippine Government or for any scientific or educational institution or for any association or person of good repute qualified under this Order to collect or gather sponges in the territorial waters of the Philippines for educational purposes or for personal use. Under this temporary prospector's license, not more than fifty (50) kilograms (after cleaning)

of sponges shall be gathered. At the expiration of a temporary prospector's license, it shall be returned to the Director of Fisheries, Diliman, Quezon City, who shall mark it "CANCELLED".

Sec. 7. Issuance of commercial license.- A commercial license may be issued or granted only after the application therefor is duly filed in triplicate under oath with the Director of Fisheries and upon payment of the required application fee of ₱5.00. The application must be accompanied with a sketch of the area showing the boundaries and description giving latitude and longitude based on the latest chart of the region as published by the Bureau of Coast and Geodetic Survey. The application shall contain among other things, the following:

(a) For individual applicant.- Name, citizenship, age, civil status, residence, occupation and capital.

(b) For association or corporation.- Name of officers, domicile, citizenship, and that said company is organized under the laws of the Philippines or of the United States, and duly registered in the Securities and Exchange Commission. A certified copy of the Articles of Incorporation shall be submitted with the application.

(c) For both individual and association or corporation.- Extent and description of the area applied for, giving latitude and longitude, and how it is marked at the corners and boundaries; capital, or capital stock available for investment; and means of securing the sponges desired.

Sec. 8. Annual Commercial license fee.- The annual commercial license fee for sponges shall be at the rate of ₱50.00 per square kilometer. Such fee shall be paid in advance or tendered in quarterly installments payable on or before the twentieth of January, April, July and October. For an area of less than a square kilometer, the minimum commercial license fee shall be ₱50.00.

If the fee due on any commercial license is not paid within the period in which the payment may be received without penalty, the amount of the same shall

be increased by ten (10%) per centum. Should the license fee remain unpaid fifty (50) days after the same shall have become due, the original fee shall be increased by one hundred (100%) per centum; and if said fee be not paid after six (6) months from its due date, the license shall be cancelled and the bond deposit confiscated without prejudice to the institution of court action against the delinquent licensee pursuant to the provisions of the Fisheries Act.

Sec. 9. Maximum area that may be granted to a person, association or corporation.- A commercial license issued under these regulations shall be for a sponge ground of not more than five (5) square kilometers, in the case of an individual applicant, and not more than twenty-five (25) square kilometers in the case of a corporation or association.

Sec. 10. Bond.- Before any commercial license is issued, the applicant shall, as guaranty of good faith for the satisfactory compliance with the Fisheries Act, with the provisions of this Order, with the terms and conditions of the license, and with other regulations which may later be promulgated governing fisheries, be required to deposit with the Director of Fisheries, the amount of ₱50.00 per square kilometer or lineal kilometer in cash bond: Provided, That in case the bond required exceeds ₱200.00, a surety bond duly executed by a surety company of good standing may be accepted, in which case, the bond shall be increased by not less than twenty-five (25%) per cent; and Provided, further, That should the bond filed in accordance herewith be not satisfactory to the Secretary of Agriculture and Natural Resources, the applicant may be required to deposit an additional or a new bond.

Sec. 11. Charges of sponges gathered or collected.- There shall be paid to the Bureau of Fisheries an amount equivalent to five (5%) per cent of the market value of sponges gathered or collected. Sponges gathered, collected or removed not in accordance with the provisions of this Order shall be subject to a surcharge of fifty (50%) per cent of the regular fee herein-above provided, without prejudice to any court action that may be taken against the offender pursuant to the provisions of the Fisheries Act.

Sec. 12. Government share in the value of sponges gathered or collected.- Of the sum collected under and by virtue of this Order, twenty (20%) per centum shall accrue to the National (Insular) Treasury and forty (40%) per centum to the province and municipality, respectively, in which the licensed area is located. In case the area is included within two or more provinces and municipalities, the distribution among the different provinces and municipalities shall be made in proportion to the area included within the respective provinces and municipalities as aforesaid. The said share and/or surcharge thereof shall be remitted to the Director of Fisheries, Diliman, Quezon City.

Sec. 13. When application is considered filed.- An application shall not be considered filed on the date when it is prepared or mailed, but on the date the original thereof is stamped, received and duly registered in the Office of the Director of Fisheries: Provided, That application received without the required application fee shall not be considered filed until the said fee is fully paid, in which case, the date of receipt of the application fee shall be considered the date of filing of the application. Application filed without the required application fee shall not be recorded in the registry book.

Sec. 14. Recording of applications.- All filed applications shall be given serial numbers and shall be duly recorded in the registry book provided for the purpose in chronological order in accordance with the date and hour received in the Bureau of Fisheries, Diliman, Quezon City.

Sec. 15. Priority right of application.- In determining the priority of application or right to a license the following rules shall govern:

(a) When two or more applications are filed for the same area, the Director ~~in~~ his discretion, shall give full consideration to the following:

- (1) Relative dates of filing of the applications;
- (2) Occupation and interest;
- (3) Vested or acquired rights; and
- (4) Who can best meet the requirements of the fisheries law and this Order.

(b) If the area applied for is found actually occupied by another person not contrary to any law or regulations, the occupant, if qualified, shall be advised of his right to apply for the area and shall be given a period of ninety (90) days within which to exercise that right.

(c) If the occupant is not qualified under the law or regulations to apply, or fails or refuses to exercise his right with respect thereto within the period allowed under the preceding paragraph, he shall lose such right and shall be required to vacate the ~~area~~ occupied.

Sec. 16. Duration of license.- A commercial license for collecting or gathering sponges in the territorial waters of the Philippines issued by the Director of Fisheries with the approval of the Secretary of Agriculture and Natural Resources shall be for a period of one (1) year from the date of issuance thereof.

Sec. 17. Renewal of commercial license.- Upon the expiration of the term granted in the commercial license, the same may be renewed, in the discretion of the Director of Fisheries with the approval of the Secretary of Agriculture and Natural Resources, for a period ~~of~~ not exceeding that for which the original license was issued: Provided, That the licensee has not been found to have violated any of the provisions of this Order, the Fisheries Act, the Internal Revenue and Customs laws, as well as other rules and regulations governing fisheries.

Sec. 18. Preparation of Auxiliary Invoice.- Before transporting from the gathering ground sponges gathered under license issued in accordance with the provisions of this Order, the licensee shall list such sponges in an auxiliary invoice to be furnished by the Director of Fisheries. This invoice shall state the kind, quantity and value of sponges; how and to whom the five (5%) per cent fee was paid; the number of the official receipt and its date of issue. The auxiliary invoice shall be made in quadruplicate and shall accompany the products described therein to its destination after which the same shall be surrendered to the nearest Fishery Officer, Provincial Treasurer or Municipal Treasurer, who will issue the necessary discharge permit.

Sec. 19. Presentation of invoice.- No owner, master or any person in charge of any vessel plying in the Philippine waters shall accept for shipment or discharge or otherwise dispose of the sponges without having received an auxiliary invoice or discharge permit of the sponges.

Sec. 20. Statement of sponges.- Sponges licensee duly authorized under this Order, shall keep complete statements of sponges collected, showing the kind and amount of each quality and size of sponges and shall submit the same to the Director of Fisheries. Such statement shall be examined and verified by any fishery officer or deputy designated by the Secretary of Agriculture and Natural Resources, under Section 5 of Act No. 4003, as amended, to enforce the provisions of said law. When the sponges have been inspected, the officer or deputy shall note the fact on the face of the statement, sign his name thereon, and forward a certified true copy of such statement to the Director of Fisheries.

Sec. 21. Privilege of erecting necessary plant. A sponge licensee shall have the privilege of introducing improvements for the development and exploitation of the sponge industry, such as plants, buildings or houses for trimming, bleaching and storage drying racks, corrals or crawls, landing etc., on the shore most convenient for the purpose: Provided, however, That the prior approval of all authorities concerned shall have been secured.

Sec. 22. Size limit and classification.- No commercial sponges of less than ten (10) centimeters through any diameter shall be taken from the waters of the Philippines, except for the purposes of sponge culture within Philippine waters. All sponges shall be trimmed, after which they shall be assorted as to quality, size and variety. The whole perfect specimens shall be known as "Forms", those that have imperfection but do not require cutting shall be classified as "seconds", and those that have crab or coral holes and are divided into small shapes shall be called "cuts". The size shall be graded according to the number of pieces required to make a kilogram, that is, if one sponge weighs a kilogram, it will be known as No. 1 grade; if two sponges are required to make a kilogram, they will be known as No. 2 grade; if three sponges are required to make

a kilogram, they will be known as No. 3 grade, etc.; The size of the sponges shall be determined by passing them through holes or rings of ten centimeters inside diameter, the minimum legal size-limit. The following varieties, or sponges recognized in the Philippines are as follows: sheep-wool sponge, honey-comb, zimocca sponge, Sulu Sea bath sponge, grass sponge, and elephant-ear sponge.

Sec. 23. Requirements.- No sponge shall be shipped, removed or exported from the Philippines unless the same has first been trimmed, graded, and truthfully labelled.

Sec. 24. Prohibition.- It shall be prohibited and declared unlawful:

(a) To transfer any license granted or issued under the provisions of this Order except to qualified persons, associations or corporations and with the consent of the Director of Fisheries and approval of the Secretary of Agriculture and Natural Resources.

(b) To collect or gather any sponges growing on the sea bottom or reefs within the boundaries of an area occupied by another person and granted under the provisions of this Order or from an area outside the boundaries of his licensed area.

(c) To engage in the practice of "leading" or impregnating sponges with foreign substances or any sort of character for the purpose of increasing the apparent weight of said sponges and thereby deceiving purchasers of said sponges as to their true weight.

(d) To ship or attempt to ship from the Philippines any sponges taken from the Philippine waters except through the customs house at any one of the ports of entry of the Philippines.

(e) To ship or export commercial sponges from the Philippines without any authority from the Secretary of Agriculture and Natural Resources.

(f) To possess Philippine commercial sponges unless holding a license in accordance with this Order or a bill of sale traceable from a licensee.

(g) To remove, deface, destroy, or in any way interfere with the location marks of any concession granted under the provisions of this Order.

(h) To possess undersized sponge or sponges less than ten (10) centimeters through any diameter.

(i) To take from the waters of the Philippines any commercial sponges by the use of any trawl, dredge or "gangara" except in waters of more than thirty (30) fathoms in depth.

Sec. 25. Records of sponges collected or gathered under commercial licenses.- All persons, associations, or corporations with commercial licenses issued under this Order, shall keep a book or books wherein to enter daily the species and weights of all sponges that have been collected or gathered. The names and addresses of the buyers of said sponges, if any, the date of the sale, the quality sold and the selling price thereof shall be indicated in the book or books. The pages of said record book or books shall be numbered consecutively and, before using them, the same shall be approved by the Director of Fisheries or his authorized representative, which approval shall be more or less in the following terms:

"I hereby certify that this book contains _____ pages and that the same is approved to serve as record book of sponges collected or gathered as well as those disposed of under License No. _____, issued on _____ (Place and date)."

(Signature)

(Designation)

Sec. 26. Inspection of record books.- The record book or books shall be kept by the licensee. Said book or books shall be subject to inspection by the Director of Fisheries or his duly authorized representative or by such officer of the Government who may be authorized to do so.

Sec. 27. Quarterly reports.- Each holder of a commercial license shall submit quarterly reports of the quantity of sponges collected or gathered and those disposed of by him through sale or otherwise, indicating the value thereof, as shown by the records required by this Order.

Sec. 28. Certificate of sponges gathered or collected.- A commercial license under this Order shall, before such sponges are disposed of by him, execute a certificate under oath to the effect that the same were gathered or collected from the area covered by his license.

Sec. 29. License subject to easement, etc.- The area covered by any license issued under this Order shall be subject to right of way, military or public purpose and easements provided by existing laws, rules and regulations or by those which may hereafter be promulgated.

Sec. 30. License subject to limitations.- The Director of Fisheries, with the approval by the Secretary of Agriculture and Natural Resources, may, at any time, reduce or alter the area covered by the license or change or modify the terms and conditions thereof, when public interest so requires.

Sec. 31. Area open to authorized fishing or gathering of marine animals or products other than sponges.- The area covered by any license granted under this Order shall not be closed to navigation nor withdrawn from entry for authorized catching of fish or other aquatic animals or products.

Sec. 32. Licensee to carry license at all time.- The license or photographic copy thereof must be carried at all times by the licensee or his authorized agent, and shall be presented upon demand by any Fishery Officer or any person designated by the Secretary of Agriculture and Natural Resources or by the Director of Fisheries to enforce the provisions of this Order or the Fisheries Act. Failure to comply with this requirement without satisfactory reason therefor may be sufficient cause for the cancellation or suspension of the license, as the case may be. Should any such license be found defaced, erased, or with illegible date of issue, the same

shall be seized at once by the Fishery Officer or by the authorized person who shall report the matter to the Director of Fisheries within three (3) days from the date of the seizure.

Sec. 33. Responsibility of licensee.- No license shall be granted except upon the express condition that the licensee assumes responsibility for the acts of all persons operating under the license. Each licensee must supervise the operations of his employees either personally or thru a competent agent. The name, citizenship and address of such agent shall be furnished the Director of Fisheries.

Sec. 34. Surrender of license.- A licensee retiring from the business must surrender his license with a statement that he no longer desires to use it. Any other applicant for the area or any successor to the business may apply for a license. The Director of Fisheries shall be promptly notified of the death of the licensee or dissolution of the association or corporation. In the meantime, the heirs or successors of the licensee may invoice the sponges already collected or gathered under the license of the deceased licensee or the dissolved corporation or association. In case the heirs or successors are not entitled to a license, the Director of Fisheries shall dispose of the area in accordance with law and the provisions of this Order.

Sec. 35. Surrender of license terminated or cancelled.- A license terminated or cancelled shall be surrendered to the Director of Fisheries for file.

Sec. 36. Disposition of property or improvements.- Any property or improvements of the licensee not removed from the premises within sixty (60) days from the date of the cancellation or termination of the license shall become the property of the government.

Sec. 37. Areas or zones not covered by license.- No license granted under this Order shall be valid within naval reservations or within three (3) kilometers from such reservations.

Sec. 38. Penal provisions.- Any violation of the provisions of this Order shall subject the offender to the penalties provided under Section 81 of Act No.

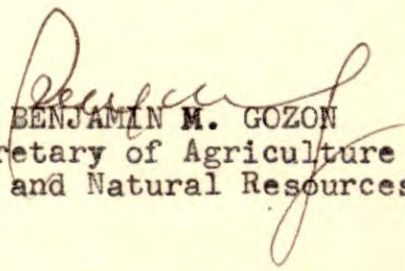
4003, as amended, which reads, to wit:

"(a) Any person who shall fish, collect, gather, sell, exchange, ship or export sponges in violation of the provisions of Article VII of this Act shall be liable to prosecution and upon conviction shall suffer the penalty of a fine of not less than twenty pesos and not more than five hundred pesos for each offense, or by imprisonment not exceeding six months, or by both such fine and imprisonment, in the discretion of the court.

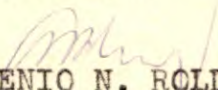
"(b) In case any association or corporation shall violate or cause to be violated any provision of Article VII of this Act, such association or corporation, upon conviction thereof, shall be punished by a fine of not less than one hundred pesos and not more than one thousand pesos for each offense, and any person, member, or employee of any association or corporation who shall violate or cause to be violated any provisions of said article, or shall aid, abet, or assist in such violation, or shall voluntarily permit the same, upon conviction thereof, shall be punished by a fine not exceeding five hundred pesos for each offense, or by imprisonment not exceeding six months, or by both such fine and imprisonment, in the discretion of the court.

"(c) Any person found taking commercial sponges of less than ten centimeters through any diameter from the waters of the Philippine Islands, except for purposes of sponge culture within Philippine waters, shall, in addition to the penalties provided in this section, suffer the penalty of the forfeiture of the concession and confiscation by the Government of the entire shipment in which found."

Sec. 39. Date of effectivity of this Order.-
This order shall take effect after fifteen (15) days following the completion of its publication in the Official Gazette.


BENJAMIN M. GOZON
Secretary of Agriculture
and Natural Resources

RECOMMENDED BY:


ARSENIO N. ROLDAN, JR.
Director of Fisheries

APPROVED: Jan. 31, 1962.

PAO NO. 46