

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

7-60-533

REVISED FISHERIES ADMINISTRATIVE )

ORDER NO. 60 )

SUBJECT: Regulations governing the issuance  
of fishpond permits and/or leases  
on public forest lands.

JUNE 9 1960

Pursuant to the provisions of Section 79(B) of Act No. 2711, the Revised Administrative Code, and Sections 4, 63 and 64 of Act No. 4003, the Fisheries Act, as amended, and Section 4(i) of Republic Act No. 177, the following rules and regulations governing the granting of fishpond permits and leases for certain tracts of public forest lands, are hereby promulgated.

I. WORDS AND TERMS DEFINED

Section 1. Definitions. - In applying the provisions of this Administrative Order, the words and terms herein used shall be construed as follows:

- (a) "PERMIT" refers to a yearly fishpond permit.
- (b) "LEASE" refers to a lease agreement or contract.
- (c) "FOREST LANDS" are synonymous with timber lands and vacant public lands not declared alienable and disposable under the provisions of the Public Land Law.
- (d) "TIMBER LANDS", as defined in Act No. 2874, embrace all public forest lands coming under the preventive and permanent jurisdiction of the Bureau of Forestry and classified, for administrative purposes, as within the forest zone, and other special forests.
- (e) "FOREST RESERVES" - Timber lands surveyed or not surveyed in accordance with the Bureau of Lands standard shall, after their proclamation as forest reserves, be designated as such.

(f) "PUBLIC PURPOSES" include any purpose declared by the proper authorities to be for public purposes.

(g) "PERSON", the plural or singular, as the case demands, includes natural persons, individuals, or corporations.

(h) "INDIVIDUALS" include associations or partnerships.

(i) "PERMANENT IMPROVEMENTS" include those which are permanently annexed to the land under permit or lease in such a manner that they cannot be separated therefrom without causing damage thereto.

(j) "TEMPORARY IMPROVEMENTS" refer to those which can be removed without causing damage to or diminishing the usefulness of the land under lease and to which the same have been attached.

(k) "UNOCCUPIED" refers to an area which is not reserved for public purposes and/or which is not occupied by any person or is occupied by a person disqualified to acquire or enter upon it, or by a person who, being qualified to occupy or use it, refuses or fails to exercise his preferential right thereto.

(l) "FISHPOND" means an artificially constructed pond for raising fish from fry of any species and stage to marketable size, or a natural pond where fishes are impounded for similar purposes.

(m) "FISHERIES" refers to the catching, taking, handling, marketing and preserving of fish or other aquatic products; the fishing grounds and the right to fish and to take products therefrom.

(n) "SECRETARY", unless otherwise specified, refers to the Secretary of Agriculture and Natural Resources.

(o) "DIRECTOR", unless otherwise specified refers to the Director of Fisheries.

(p) "AUTHORIZED REPRESENTATIVES" include District Fishery Officers, fishpond investigators, fishery inspectors, fishery agents, and other officials or employees of the Bureau of Fisheries or of the Office of the Secretary designated by the Director or the Secretary as the case may be.

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## II. PERMITS AND LEASES

Section 2. Use of Forest Lands. - No person shall occupy or use any portion of the public forest lands, including tidal, mangrove and other swamps, ponds and streams within public forest lands or proclaimed timber lands, or established forest reserves, for fishpond purposes, without first securing therefor a permit or lease in accordance with the provisions of this Order.

### Section 3. Permit and Lease.

(a) Permit. - A permit for a tract of public forest land not exceeding ten (10) hectares for a term not exceeding one (1) year may be issued by the Director. For an area of more than ten (10) hectares, a permit may be issued by the Director with the approval of the Secretary.

(b) Lease agreement. - A lease agreement or contract for a period not exceeding ten (10) years may be granted by the Secretary, upon recommendation of the Director, to a permittee who has introduced improvements on the area equivalent to one-fifth (1/5) of the total amount needed to complete the improvements of the area on the basis of Five Hundred Pesos (P500.00) per hectare.

### Section 4. Area that may be granted.

(a) Any person qualified under the law and the provisions of this Order to acquire public forest lands for fishpond purposes may be granted a permit or lease covering an area not exceeding fifty (50) hectares, subject to the exceptions herein provided for. A person who is actually a holder of a permit or lease covering an area as provided herein shall be precluded from acquiring any right or interest in another permit or lease issued or granted to any corporation, association or partnership, even if his interest is that of a stockholder or member thereof.

(b) A husband and wife living together shall not hold under individual or separate permits or leases an aggregate area exceeding fifty (50) hectares, subject to the exceptions herein provided for. A husband and wife, who are living separately by virtue of a decree of legal separation granted under the Civil Code of the Philippines, may each apply for a permit or lease covering an area of not more than fifty (50) hectares.

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(c) A corporation duly registered with the Securities and Exchange Commission and authorized by law to transact business in the Philippines may be granted a permit or lease covering an area not exceeding four hundred (400) hectares, subject to the exceptions herein provided for: Provided, however, That if the total area covered by the permits or leases of the members or stockholders is less than four hundred (400) hectares, the permit or lease that may be granted to said corporation shall be only for the area necessary to complete the maximum area allowed to such corporation, including the aggregate area held under permits or leases by the members or stockholders thereof.

(d) The provisions of the preceding paragraphs (a), (b) and (c), notwithstanding, the Secretary may, in his discretion, 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 importance of the project or industry for which the area is applied for; and (3) the existence of numerous applications, permits or leases in the place where the area applied for is located.

(e) Should it be proved that the maximum area granted under this Order has already been fully and completely developed, and should public interests so demand, an additional area not exceeding the maximum allowed under this Order may be granted by the Secretary to the permittee or lessee.

Section 5. When permit may be issued. - A permit may be issued only after an application therefor has been duly filed and the area applied for has been certified by the Director of Forestry as available for fishpond purposes, and the applicant has paid the required rental and deposited the corresponding bond, and there is reasonable evidence that said applicant has initial capital in cash with which to develop and improve at least one-fifth (1/5) of the area applied for within the period prescribed by this Order, or in the absence of such initial capital in cash, the applicant has assets or properties from which may be derived the initial capital aforementioned; otherwise, the application shall be rejected.

Section 6. When lease may be granted. - A lease may be granted upon application therefor and after compliance with the requirements of subsection (b) of Section 3 of this Order.

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Section 7. Rights and obligations of permittee or lessee. -

(a) Unless otherwise specified, the permit or lease shall confer upon the holder thereof only the right to use for a certain stated period of time the definite tract or tracts of public forest land described in the permit or lease exclusively for the purposes therein stated and under the terms and conditions therein contained.

(b) The permittee is under obligation to introduce improvements on the area covered by permit in the following manner: At least one-fifth ( $1/5$ ) of the area covered by such permit shall be developed within two (2) years from the issuance of the original permit; and, the remaining portion shall be completely and fully developed within five (5) years, also, from the issuance of the original permit.

(c) The lessee shall fully and completely develop the remaining four-fifths ( $4/5$ ) of the area covered by lease within a period of five (5) years from the issuance of the original permit.

(d) Portion or portions of the area under permit or lease not developed within five (5) years from the issuance of the original permit shall be segregated and made available to other qualified applicants.

Section 8. Who are entitled to obtain permit or lease. -  
A permit or lease may be issued to:

(a) Natural born citizens of the Philippines.

(b) Corporations duly incorporated or registered under the laws of the Philippines at least sixty per centum (60%) of the capital stock or interest of which belongs wholly to natural born citizens of the Philippines.

(c) Associations or partnerships duly organized by natural born citizens of the Philippines and registered under the laws of the Philippines.

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(d) An individual applicant for a permit or lease must be at least 21 years of age. A married woman must first obtain the marital consent of her husband, unless she shows by affidavit of herself and two witnesses some good and sufficient causes satisfactory to the Director or the Secretary, as the case may be, that said consent is not legally necessary or cannot be feasibly obtained.

### III. APPLICATIONS

Section 9. Form and contents of application. - All applications for permit or lease shall be submitted on a form prescribed therefor. In case the applicant is a corporation, association or partnership, the application shall be accompanied by documents consisting of articles of incorporation or partnership, by-laws and certificate of registration and such other documents that applicant is qualified under this Order. *showing*

Section 10. Place of Filing. - An application shall be filed with the Office of the Director.

Section 11. Fee to accompany application for permit. - An application for a permit must be accompanied by an application fee of five pesos (P5.00) either in cash or postal money order, payable to the Director. This application fee is not refundable.

Section 12. When application is considered filed. - An application shall be considered filed on the date the original thereof was actually received in the Office of the Director, which date must be stamped on the face of the application and not on the date when it was prepared or mailed.

Section 13. Recording of Applications. - All applications received shall be given serial numbers and shall be duly recorded in the Registry Book provided for the purpose.

Section 14. Priority right of applications. - In determining the priority of applications, the following rules shall be observed:

(a) When two or more applications are filed for the same area which is unoccupied and unimproved, the first applicant shall have the right of preference thereto.

(b) Between an applicant for and a bona fide occupant of an area available for fishpond purposes, the latter

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shall have the right of preference to the said area, in which case, the actual occupant, if qualified, shall be advised by the Director to file a fishpond application within thirty (30) days from his receipt of a notice to that effect. If the occupant is not qualified under the law to apply for the land, or loses his right for failure or refusal to present his fishpond application within the time granted above, he shall be required to vacate the premises.

(c) If two or more applications are filed for the same area on the same date, the applicant who can best meet the requirements of the fisheries laws and regulations based on financial capacity and/or qualification, shall have the right of preference thereto.

Section 15. Area with improvements, when may be advertised.

(a) The Secretary or the Director, as the case may be, may advertise for public bidding improvements in an area covered by permit or lease which has been cancelled in accordance with the provisions of this order or the term of which has already expired;

(b) Notices of bidding shall be posted on the Bulletin Board of the office concerned and at such conspicuous places in the provincial or municipal building of the province or municipality where the land is located for a period of not less than thirty (30) days describing the area and specifying the kind and value of the improvements, and setting forth such terms and conditions as may be necessary in connection therewith;

(c) Each bid must be accompanied by an application duly accomplished; a statement of the bidders' financial capacity and/or qualification; and, the amount of the bid, either in cash, certified check, or postal money order payable to the Secretary or the Director, as the case may be.

(d) In the notices above provided, the right to accept or reject any or all bids shall be reserved, on grounds most advantageous to the government;

(e) Only sealed bids shall be accepted.

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#### IV. FEES AND RENTALS

Section 16. Schedule of rentals. - Except as hereinafter provided, the yearly rentals for each permit or lease of public land for fishpond purposes shall be as follows:

The yearly rental per hectare or fraction thereof shall be ₱6.00 for the first year; ₱7.00 for the second year; and an increase of ₱1.00 per year for the succeeding years; but not to exceed ₱10.00 a year.

Section 17. Rental: when due and payable. - The initial rental shall accrue on the day the permit or lease is issued or granted and shall be paid in advance. After the initial rental is paid, the annual rental shall become due and payable on the first day of January of each year.

Section 18. Rental: to whom payable. - Payment of the rental shall be made to the Director, or his duly authorized representative.

Section 19. Additional charges for default in payment of annual rentals for permits or leases. - Failure to pay the annual rental when it becomes due and payable shall subject the permittee or lessee to an additional charge based on the amount of the annual rental, and according to the following schedule:

"Rental paid from February 1 to March 31 .....	10%
"Rental paid from April 1 to June 30 .....	15%
"Rental paid from July 1 to September 30 .....	20%
"Rental paid from October 1 to December 31 .....	25%
"Rental paid after one year .....	40%

In case of permits or leases expiring on dates other than December 31, the additional charge shall be computed and adjusted accordingly, following the above schedule.

Section 20. Refund of rentals. - Rentals paid during the year the permit or lease is cancelled due to no fault of the permittee or lessee and/or for failure to occupy and use the land covered thereby for reasons acceptable to the Director, or the Secretary, as the case may, may be refunded. Provided, That the Government shall suffer no damage by reason thereof.

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## V. B O N D S

Section 21. Form of bond. - Before any permit or lease is issued or granted, the applicant shall, as guaranty of good faith in filing the application and for satisfactory compliance with the fisheries laws and the rules and regulations thereunder promulgated, and with the terms and conditions of the permit or lease, be required to deposit with the Director a cash bond in accordance with the rate fixed in the following section: Provided, That in case the cash bond required exceeds ₱200.00, a surety bond by a surety company of good standing may be accepted which shall be increased by not less than twenty-five (25) per cent nor more than fifty (50) per cent, in the discretion of the Director or the Secretary. Should the bond delivered be not satisfactory to the Director or to the Secretary, the applicant may be required to furnish a new bond within thirty (30) days from demand.

Section 22. Schedule of bond. - The bond deposit required for fishpond permit or lease shall be ₱10.00 per hectare or fraction thereof: Provided, That if at the end of five (5) years the permittee or lessee shall have introduced improvements in accordance with this Order, and ~~that he~~ had satisfactorily complied with all the requirements of the laws, rules and regulations, and the terms and conditions of the permit or lease, the Director or the Secretary, as the case may be, may reduce the bond to ₱5.00 per hectare or fraction thereof; and after 10 years waive it entirely.

Section 23. Forfeiture of bond. - The Director or the Secretary may confiscate or forfeit the bond, or part thereof, in favor of the government, for any of the following reasons:

(a) Violation of, and/or failure to fulfill, any of the terms, conditions, and/or requirements under which the permit or lease is issued or granted;

(b) Violation of any provision of the fisheries law or the rules and regulations thereunder promulgated.

(c) Cancellation of the permit or lease.

Section 24. Refund or transfer of bond deposit. - Should it be justified, any bond deposit or any residue or part thereof may be refunded upon the request of the permittee, ~~his~~ assigns, heirs, or ~~the~~

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administrators, and upon the submittal of the original receipt therefor. In case of loss of said receipt, an affidavit showing the circumstances of such loss may be submitted in lieu thereof.

With such request for the refund or transfer of any bond deposit or any part thereof to any heir, the administrator or guardian, the appointment or designation of the same as such, by the court or by other heirs, as the case may be, shall be submitted. The request for the refund, or for the transfer of a bond deposit and designation of an assignee shall be subject to the approval of the Auditor General.

Section 25. Waiver of rentals and bond deposits. - In case the applicant is a government agency or a semi-public entity, the Director or the Secretary, as the case may be, may waive the collection of rentals and bond deposit.

#### VI. EXPIRATION, RENEWAL, OR EXTENSION

Section 26. Date of expiration of permit or lease. -

(a) A permit or lease may be renewed or extended subject to the same terms and conditions of the original permit or lease, and to such additional terms and conditions as the Director or the Secretary, as the case may be, may impose.

(b) A permit or lease may be renewed upon the expiration of the term granted therein for another period not exceeding that for which the original was issued or granted. Renewals may be granted, should the same be justified or should public interests so warrant, but the combined period of the original permit and its renewals shall not exceed twenty (20) years, and the combined period of the original lease and its renewals shall not exceed fifty (50) years. The period of fifty (50) years shall be counted from the date of the original permit was issued.

(c) A permit or lease may be extended even before the expiration of the term thereof, should there be justifiable reasons to do so.

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## VII. COLLECTION AND APPROPRIATION

Section 28. Collection and appropriation. - All revenues accruing to the National Government paid and/or collected in accordance with the provisions of this Order shall be credited to the Department of Agriculture and Natural Resources and appropriated in accordance with the provisions of Sections 65 and 66 of Act No. 4003, as amended.

## VIII. GENERAL PROVISIONS

Section 29. General conditions under which permits or leases are issued. - Every permit or lease shall be governed by the provisions of this Order, as well as by those which may hereafter be issued or promulgated, especially by the following terms and conditions:

(a) Power of Congress. - The permits or leases limit in no way the right of Congress to impose such terms and conditions as it may consider necessary for public interests.

(b) Permittee or lessee shall comply with the laws, rules and regulations. - The permittee or lessee subjects himself <sup>or itself</sup> unconditionally to all laws, rules, and regulations now existing and to those that may hereafter be promulgated governing fisheries.

(c) Legal status of land. - The area granted is public forest land to the best knowledge and belief of the Director or the Secretary.

(d) No title acquired. - A permittee or lessee shall have no right to a title or claim of any sort whatsoever on the land covered by the permit or lease. No such land shall be deemed to be occupied within the meaning of the Public Land Act but shall remain subject to disposition under the forestry and fisheries laws, rules, and regulations.

(e) Adjudication of area and damage. - The Director or the Secretary, as the case may be, shall not be responsible for any loss occasioned by the adjudication of the area in favor of any claimant by the competent court and the permittee or lessee shall have no right to claim for any damage arising from such decision.

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(f) Interference with prior claimant prohibited. - The permittee or lessee shall not interfere with any prior right by occupation or settlement until the consent of the occupant is first had and obtained or until such claim shall have been legally extinguished.

(g) Statements in application as parts of conditions of permit or lease. - Any or all of the statements made in the corresponding application shall be considered as essential conditions and parts of the permit or lease\* issued or granted. Any false statement in the application or material omission of facts or any alteration, change, or modification of any or all the terms and conditions mentioned therein shall ipso facto cause the cancellation of the permit or lease.

(h) Surface right. - In the absence of any express provision to the contrary, the permit or lease issued under this Order shall vest in the holder thereof a surface right only to the land covered thereby; and that the permittee or lessee shall have no right to utilize or remove any timber or other forest products, stones, or earth therefrom, without authority from the proper officials.

(i) Exclusive privilege. - No license or permit to exploit any other resources within the area granted detrimental to the interests of the permittee or lessee shall be granted to other persons.

(j) Sanitary conditions of buildings and premises. - The permittee or lessee shall keep the buildings and premises in a neat and sanitary condition and shall be subject to all laws, rules and regulations relative thereto.

(k) Rights of cutting timber by forestry licensees. - The permittee or lessee shall not prevent the cutting of timber or gathering of other forest products from the area by forestry licensees, provided, it does not interfere with the operation of the fishpond.

(l) Free access to area. - The Secretary, the Undersecretary of Agriculture and the Undersecretary for Natural Resources, the Director, the Assistant Director of

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Fisheries and their duly authorized representatives shall have free access at all times to the land under permit or lease.

(m) Public roads. - All the existing roads and trails, and means of transportation which pass through or adjoin the area under permit or lease, shall not be obstructed.

(n) Free navigation. - The permittee or lessee shall not obstruct the free navigation in any public stream adjoining or flowing through the area, prohibit or interfere with the passage of people along such streams or the banks thereof, or impede the flow and ebb of the tide to and from the interior of the swamps or streams.

(o) Survey. - If the permittee or lessee does not agree to the area resulting from the survey made and described in the permit or lease, he may ask at any time that an exact plan of the land be made by a qualified surveyor and duly approved by the Director of Lands, the cost of the survey in this case to be paid by the said permittee or lessee.

(p) Corners and boundary lines. - The permittee or lessee is under obligation to conserve by means of posts, stones, or marked trees, the corners and boundary lines of the land occupied.

•• (q) Disposition of improvements:

(1) The permittee or lessee shall have no right by virtue of the said permit or lease to claim reimbursement for the expenses incurred for improvements of whatever kind which he may have introduced on the land, before, during or after the expiration of the permit or lease.

(2) Upon the expiration or cancellation of the permit or lease, the improvements existing therein shall become the property of the government.

(3) If the rights to and improvements in the land covered by permit or lease have been transferred by the permittee or lessee therefor, by complying with

*to another, the transferee may secure a permit or lease*

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the laws, rules and regulations relative thereto.

(4) When an applicant who is entitled to preferential right fails and/or refuses to file the necessary application and/or comply with certain requirements within the period specified or his application is rejected or cancelled, the rights to and the improvements in the land applied for shall be forfeited to the government.

#### IX. DUTIES OF PERMITTEES AND LESSEES

Section 30. Duties of permittees and lessees. - Every permittee or lessee shall be governed by the laws, rules and regulations governing fisheries, more specifically by the following:

(a) To take precaution as may be necessary to prevent injury to the public forests.

(b) To assume or accept responsibility for any injury to the public forests covered by the permit or lease which may be caused by the operation of the area or by the actuation of the representatives or employees of the permittee or lessee.

(c) To submit to the Director, in the prescribed form, a yearly report of the catch (fish) within the first 30 days following the year for which the report is made, and to submit such other statements on the operations as may be required from time to time.

(d) To report to the Director, or the authorities concerned, any person found hunting, trapping, fishing with explosives or poisonous substances, and committing any illegal or unlawful act, within or adjoining the area covered by the permit or lease.

(e) To keep records of transactions in connection with the permit or lease as may be required.

(f) To permit at any time any duly authorized representative of the Secretary or Director to inspect all the records required in connection with the operation of the area.

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(g) To vacate the area covered by the permit or lease upon its expiration or cancellation.

## X. SUSPENSION OR CANCELLATION

Section 31. Suspension or cancellation. - The application, permit, or lease may be suspended or cancelled for any of the following reasons:

(a) Serious or continued violation of the fisheries and/or forestry laws, the rules and regulations promulgated thereunder, or any of the terms and conditions of the permit or lease.

(b) Repudiation or abandonment of the area granted.

(c) Lack of interest or voluntary request by the permittee or lessee.

(d) When public interests so require.

(e) Failure or refusal to pay without justifiable cause the fees, bond deposits, rentals and/or additional charges in accordance with the provisions of this Order, without prejudice to any action which the government may take to recover the amount due.

(f) The cancellation of the permit for any of the causes mentioned in sub-sections (a), (b), and (e) hereof shall carry with it the forfeiture of the bond in favor of the government.

Section 32. Termination of lease upon death of permittee or lessee. - The permit or lease shall terminate upon the death of the permittee or lessee. However, a new permit or lease upon application within ninety (90) days from the date of death of the permittee or lessee may be issued or granted to the heirs or assigns, as the case may be, if duly qualified to hold a permit or lease in accordance with the requirements of this Order.

Section 33. When transfer or sub-lease of rights and improvements may be allowed. - A transfer or sub-lease of the rights to, and/or improvements in, the area covered by permit or lease may be allowed, subject to the following conditions:

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(a) That the permittee or lessee has held the permit or lease for at least two (2) years from the date said permit or lease had been granted;

(b) That the transferee or sub-lessee shall assume not only the rights but also the obligations of the transferor or sub-lessor relative to such permit or lease;

(c) That said transfer or sub-lease shall be subject to the laws, rules and regulations, now existing, and to those that may hereafter be promulgated governing fisheries; and

(d) That any transfer or sub-lease without the previous approval of <sup>the Secretary</sup> shall be considered null and void and deemed sufficient cause for the cancellation of the permit or lease, and the forfeiture of the improvements and the bond deposited in connection therewith, in favor of the Government.

#### XI. LEGAL PROCEEDINGS AND PENALTIES

Section 34. Administrative and Court actions. - The Secretary, the Director, or their duly authorized representatives may take such action, either administrative or judicial, as may be necessary and proper to carry into effect the provisions of this Order.

#### Section 35. Unlawful use or occupation of public forest lands.

(a) Any applicant using or occupying public forest lands without permit or lease in violation of the provision of Section 2 of this Order shall be charged double the ordinary rental charges for the land so used or occupied from the date such land has been certified available for fishpond purposes by the Director of Forestry, and for the entire period of such unlawful use or occupation.

(b) Upon failure or refusal to pay the charges herein above-mentioned, the said applicant shall be liable to prosecution and upon conviction shall suffer the penalty provided in Section 83 of Act No. 4003, as amended, which is a fine of not more than two hundred pesos or imprisonment for not more than six months, or both, in the discretion of the court.

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## XII. FINAL PROVISIONS

Section 36. Repealing clause. - Fisheries Administrative Order No. 14, its amendments, and all other orders and regulations contrary to, and inconsistent with, the provisions of this Order, are hereby repealed.

Section 37. Date of taking effect. - This Administrative Order shall take effect upon its approval.

DATE APPROVED: June 29, 1960.



JOSE M. TRINIDAD  
Acting Secretary of Agriculture  
and Natural Resources

RECOMMENDED BY:



HERACLIO R. MONTALBAN  
Director of Fisheries

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