

Series of 1992.

SUBJECT: Guidelines on the experimental collection of precious and semi-precious corals in Philippine waters.

Pursuant to Section 10 of Presidential Decree No. 1219, otherwise known as the "Coral Resources Development and Conservation Decree", and Section 4 of Presidential Decree No. 1698, the following guidelines on the experimental collection, gathering or harvesting of precious and semi-precious corals in Philippine waters are hereby promulgated for the information and guidance of all concerned:

SECTION 1. <u>Definition of terms</u>. - For the purpose of this Order, the following terms shall mean:

- a. Person includes natural or juridical persons.
- b. Coral consists of small anemone-like organisms belonging to <u>Phylum Coelenterata</u> which secrete their own skeletons of various forms that may be hard, stony or horny, and shall include the following:
 - (i) Precious coral skeleton of anthozoan coelenterata characterized as having a rigid axis of calcareous or horny, spicules, belonging to the genus Corralium as represented by the red, pink, and white corals.
 - (ii) Semi-precious coral skeleton of anthozoan coelenterata characterized by a thorny, horny axis such as the antipatharians as represented by the black corals.
- c. Experimental collection gathering precious and semi-precious corals in Philippine waters to know its source and abundance and the appropriate technology for extracting the same.
- d. Department refers to the Department of Agriculture.
- e. Bureau refers to the Bureau of Fisheries and Aquatic Resources.
- f. Secretary refers to the Secretary of Agriculture.
- Director refers to the Director of the Bureau of Fisheries and Aquatic Resources.

SECTION 2. Who are qualified to apply.

- a. Filipino citizens or corporations at least seventy percent (70%) of the capital stock of which is owned by Filipinos.
- Must have the technical and financial capability to undertake the operations of experimental collection of precious corals.
- Must not be a previous permittee.

SECTION 3. Requirements for Filing An Application for a Special Permit.

- Submission of a letter of application with the Director accompanied by a Project Proposal on the experimental collection of precious and semi-precious corals containing the technical, financial and monitoring aspects of the project;
- Payment of an application fee in the amount of ₱1,000.00 which shall not be refundable;
- c. Presentation of a certification issued by a reputable bank to the effect that the project proponent has a deposit equivalent to at least 50% of the total cost of the operation for the period of the permit;
- d. Presentation of proof of availability of vessel to be used, such as certification of ownership or proposed lease contract of the vessel.

SECTION 4. Selection of Applicant.

- b. The application for the special permit shall be evaluated on the basis of the technical, financial and monitoring aspects of the proposal to be submitted by the applicant.
- b. Should there be more than one applicant for the special permit, the DA-BFAR shall select the applicant based on the comparative evaluation of the merits of the technical, financial and monitoring aspects of the proposals of the applicants.

SECTION 5. Terms and Conditions of the Permit.

 Only one (l) vessel duly licensed by the Bureau may be allowed in the coral gathering operations.

- b. The vessel to be used shall be of Philippine Registry. However, if a foreign vessel is to be used, prior clearance from government agencies concerned must first be obtained.
- c. At least one (l) Filipino coral biology expert on board the vessel must be employed, but additional foreign consultants maybe hired in accordance with law. DA-BFAR shall detail counterparts who shall be on board during collection trips to monitor the gathering activities.
- d. The objectives, work plan, collection method, as described in the approved technical proposal must be observed.
- e. The total volume of precious and semi-precious corals that may be allowed to be gathered in the course of experimental collection for the total period of the permit shall be determined by DA-BFAR after analysis of the necessary data. The experimental collection of the precious and semi-precious corals shall commence only after this volume has been determined and approved by the Secretary.
- Periodic reports by the permittee in accordance with the technical proposal must be submitted.
- g. The DA-BFAR shall be furnished with all technical data including photographs and video tapes taken in the course of the experimental collection.
- h. The operation of the experimental collection shall be reviewed at the end of every quarter and may be cancelled if any of the terms of the permit is violated.

SECTION 6. Methods of Collection. - The experimental collection of precious and semi-precious corals should be done thru:

- a. The use of scuba and/or hookah (Capandra) equipment for the collection of semi- precious corals;
- The use of manned mini-sub or submersible in the collection of precious corals.

SECTION 6. <u>Duration of the Special Permit</u>.- The Special Permit shall be issued by the Secretary upon the recommendation of the Director for a period of one (1) year subject to renewal for another year if the continued experimental collection is required to complete the research.

SECTION 7. Activities to be undertaken on board the coral gathering vessel, when applicable.

- a. Site location.
- b. Video tow transects.
- c. Fixed locality markings.
- d. Selective collection.

SECTION 8. Volume of corals that may be gathered.

- a. After analysis of the data gathered, the DA-BFAR shall recommend the volume of precious and semi-precious corals that may be gathered within a particular area previously surveyed.
- b. Controlled collection or gathering of such corals shall be observed by the permittee within a period of one (l) year only at the designated areas covered by the study following the recommended method of collection and the weight/volume of the corals as approved by the Secretary.

SECTION 9. <u>Inventory of corals collected.</u>- While the experimental phase is in progress, all collected specimen shall be inventoried by DA-BFAR to be kept under the custody of the permittee in his main office in Metro Manila to enable BFAR to readily make an on-the-spot check of the specimen prior to the final processing of the said corals into finished products.

SECTION 10. <u>Processing of Corals.</u>- Processing of corals shall be done after the completion of the one (l) year experimental phase and following a reinventory by DA-BFAR.

SECTION 11. Exportation of finished product. The permittee shall secure a Commodity Clearance from the Bureau of Fisheries and Aquatic Resources or its duly authorized representative after an application therefor has been filed in an application form prescribed for the purpose at least three (3) days prior to its exportation. An application fee of \$\mathbb{P}\$100.00 and the permit fee of \$\mathbb{P}\$1,000.00 shall be collected.

SECTION 12. <u>Ground for suspension, revocation or cancellation of permit.</u> The permit may, at anytime be suspended, revoked or cancelled by the Secretary on any of the following grounds:

- a. For violation of any provision of this Order, and/or the terms and conditions of the Permit;
- b. Fraudulent or false or misleading statement made by the applicant/permittee; or
- c. When public interest so require.

SECTION 13. Penal Clause. Any person gathering precious or semi-precious corals without any permit shall upon conviction be punished by imprisonment of not less than sixty (60) days nor more than six (6) years or a fine of not less than Six Thousand Pesos (\$\mathbb{P}6,000.00\$) or both at the discretion of the Court; Any person exporting precious and semi-precious corals in violation of Section 9 of Presidential Decree No. 1219 shall upon conviction be punished by imprisonment of not less than thirty (30) days nor more than three (3) years or a fine of not less than Three Thousand (\$\mathbb{P}3,000.00\$) Pesos or both at the discretion of the Court; Provided, that the penalties herein prescribed shall be without prejudice to the confiscation by the government of the corals illegally gathered together with the vessels, the gear and paraphernalia used therein. Confiscation shall also cover attempted illegal exportation of corals.

SECTION 14. Repealing Clause. - All Administrative Orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Order are hereby repealed or amended accordingly.

SECTION 15. Effectivity. - This Order shall take effect fifteen (15) days after its publication in the Official Gazette and/or two (2) newspapers of general circulation.

Issued this 10774 day of April 1992.

SENEN C. BACANI Secretary

Maran

Recommending Approval:

GUILLERMO L. MORALES

Director