

POLICIES AND PROGRAMS
CONCERNING THE BANGOS INDUSTRY

by

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Bangos production methods and techniques in this country have come a long way since our forebears dammed the mouth of brackishwater creeks and tributaries of the sea, to propagate desirable species of fish and crustaceans, and assure for his family an ample supply of fresh fish with a device that is as ingenious as the 20th century's chest freezer.

Today, bangos enjoys wide popularity as our national fish. It has also become a by-word in every Filipino household. Culturable both in brackish and fresh bodies of water, it easily reaches marketable/economic size after four to five months. The bangos fishpond industry is a major source of fish protein and generates income for a sizeable number of people. For its important role to the economy, supports in various ways had been extended to the industry by the government ever since.

For the perpetuation, conservation and development of this particular fishery resource, national policies have been promulgated and implemented by the government sector.

The national policies that concern the bangos industry can be reviewed hereunder.

1. The initial regulations started with the Fisheries Act 4003 of 1932 which amended and compiled the laws relating to the fish and other aquatic resources of the Philippine Islands. Article IX, Section 63 under inland fisheries and Article XI... in municipal fisheries, Sections 67 and 69 of the Act dealt specifically and among others on the fishpond and fishery permits or lease agreements within forest lands, grant of fry concessions within the municipal water to Filipino citizens or corporations with 61% stock belonging to Philippine citizens and restricting the privileges of private party to construct or operate fishponds or catch bangos fry to a period of not more than 5 years. Extension of such privilege requires approval of the provincial board or the Secretary of Agriculture and Commerce.

2. Republic Act 3512 of 1963 declares the national policy to encourage, promote and conserve national fishery resources in order

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to ensure a steady and sufficient supply of fish and other fishery products for the increasing population, and to reduce to a minimum level fishery importation to help stabilize economy. The Act enlarged and expanded the Bureau of Fisheries and renamed it as the Philippine Fisheries Commission--to take charge of the development, management and conservation of Philippine fishery resources.

Provisions on Section 4 of the Act relative to the industry are:

a. To increase and conserve the fishery resources of the Philippines by: studying the life cycle of fishes; establishing fish hatcheries, nurseries and demonstration fishponds; intensify fish stocking in inland waters; and protecting the spawning or breeding grounds of fishes.

b. To classify available swamp lands according to their suitability or fitness for fishpen purposes. The certification of the Commissioner as to the suitability or fitness of swamp lands for fishpond purposes shall be a requirement for obtaining loans from the Development Bank of the Philippines or any other government banking and/or financing institutions. Such certification shall be issued upon payment of a fee in an amount to be determined by the Commissioner, but which shall in no case exceed twenty pesos.

3. Presidential Decree No. 43, otherwise known as the Fishery Industry Development Decree of 1972, declared it the policy of the State to accelerate the integrated development of the fishery resources of the country. Section 4 of the Decree provides for the creation of the Fishery Industry Development Council (FIDC) with seven members composed of the Secretary of Agriculture and Natural Resources as Chairman; Director of Fisheries as Vice Chairman and Executive Officer; and Secretary of National Defense, Governor of Central Bank, Chairman of DBP, PNB President and BOI Chairman, as members. Representatives of bonafide fishpond and fishing associations are also appointed by the President as members for a term of two years upon recommendation of the Secretary of Agriculture and Natural Resources.

Section 6 of the Decree provided for the transfer of jurisdiction of public lands available for fishpond development to the Bureau of Fisheries. For this purpose, all public lands such as tidal swamps, mangrove areas, marshes, ponds and streams within public lands including public lands left dry during the lowest low tide and covered by water during the highest tide and which are not needed for forestry purposes are declared available for fishpond purposes under the Bureau of Fisheries' disposition and administration.

Section 11 provided for loans to the fishery industry making it mandatory for the DBP, PNB, Veterans Bank, and Rural Banks to grant loans among other for the development of fishponds and to leaseholders of public lands for developing fishponds.

Section 12 further defined priority for the Veterans Bank to fund projects involving family-size fishponds.

Section 13 provides for the Disposition of Public Lands for Fishponds. Public lands available for fishpond development and not yet leased prior to the effectivity of the Decree, including those earmarked for development as family size fishponds, shall be leased only to qualified persons, associations, cooperatives or corporations, subject to the following conditions:

a. Fifty per cent of the area leased shall be developed and producing in commercial scale within three years and the remaining portion of the leased area shall be developed and producing in commercial scale within five years, both periods to begin from the execution of the lease contract;

b. All areas not developed and not producing in commercial scale within five years from the date of execution of the lease contract shall be automatically reverted to the public domain for disposition by the Bureau of Fisheries; and

c. No portion of the leased area may be subleased.

Under the Decree, the area of fishpond leaseholdings shall be limited as follows:

a. For individuals - a maximum of fifty hectares based on productivity, distance to markets and other technical factors; and

b. For corporations - five hundred hectares: Provided, That at least twenty-five per centum of the equity shall be owned by persons other than the members of one extended family.

Section 14 provides for the construction and Development of Family Size Fishpond. For the purpose of accelerating the development of fishponds, the Bureau, subject to the approval of the FIDC shall identify public lands which shall be subdivided into economic family size fishponds. Such fishpond shall be leased according to priorities.

4. On May 17, 1974, Presidential Decree 461 reorganized the Department of Agriculture and Natural Resources into two departments

namely, Department of Natural Resources and Department of Agriculture. The Bureau of Fisheries was placed under the Department of Natural Resources and was renamed Bureau of Fisheries and Aquatic Resources. This is significant to attain, as soon as possible, the national goal of increased food production and self-sufficiency. The completion of an up-dated inventory and assessment of the nation's natural resources for ensuring conservation, optimal utilization, proper exploitation and replacement is also provided in the Decree.

5. Presidential Decree 704 Revising and Consolidating all laws and decrees affecting Fishing and Fisheries was signed on May 16, 1975.

Provisions under the new Decree regarding the bangos industry are hereby enumerated verbatim:

a. Section 12 - On the creation of FIDC, two additional cabinet members were added against the original membership stated under PD 43. Added as members were the Secretary of Trade and the Secretary of Public Works, Transportation and Communications.

b. Section 16 - On License, lease and permit:- No person shall exploit, occupy, produce, culture, capture or gather fish, or fry or fingerlings of any species of fish, or fishery/aquatic products, or engage in any fishery activity on Philippine or municipal waters without a license, lease or permit: Provided, that when due to destruction wrought upon fishponds, fishpens or fish nurseries, by typhoons, floods and other fortuitous events, or due to speculation, monopolistic and other pernicious practices which tend to create an artificial shortage of fry and/or fingerling, the supply of fish and fishery/aquatic products can reasonably be expected to fall below the usual demand therefore and the price thereof, to increase, the Secretary, upon recommendation of the Director, is hereby authorized to fix a fair reasonable price for fry and fingerlings of any species of fish, and in so doing and when necessary, fix different price levels for various areas or regions taking into account such variable factors as availability, accessibility to transportation facilities, packing and crating, and to regulate the movement, shipment and transporting of such fry and fingerling: Provided, Further, That the price so fixed shall guarantee the gatherers of fry a just and equitable return for their labor.

c. Section 18 - Permit for importation of exportation of fish or fishery/aquatic products. No person shall import or export any fish or fishery/aquatic product, whether adult or young, fry or fish eggs, for propagation or for other purposes, without first securing a permit therefore and paying the

inspection and other fees: Provided, That exportation of fry, except "bangos" fry exportation of which is totally banned, shall be allowed only after the requirements of the domestic fishing industry are met: Provided, Further, That no other inspection fee shall be imposed and collected by any other government office or agency.

d. Section 23 - Disposition of Public Lands for Fishponds. Upon the effectivity of this Decree, no public lands suitable for fishpond purposes shall be disposed by sale: Provided, That only fishpond sales patent already processed and approved on or before November 9, 1972, shall be given due course subject to the condition that such application covers a fully developed fishpond not exceeding twenty-four (24) hectares.

e. Section 24 - Lease Fishpond - Public lands available for fishpond development including those earmarked for family-size fishponds and not yet leased prior to November 9, 1972 shall be leased only to qualified persons, associations, cooperatives or corporations, subject to the following conditions:

1. The lease shall be for a period of twenty-five (25) years, renewable for another twenty-five (25) years;

2. Fifty per cent (50%) of the area leased shall be developed and be producing in commercial scale within three (3) years and the remaining portion shall be developed and be producing in commercial scale within five (5) years, both periods to begin from the execution of the lease contract;

3. All areas not fully developed within five (5) years from the date of execution of the lease contract shall automatically revert to the public domain for disposition by the Bureau: Provided, That a lessee who failed to develop the area or any portion thereof or any public land under this Decree; and

4. No portion of the leased area shall be sub-leased.

f. Section 25. - Size of Fishponds. - The area of fishponds leased under the preceding section shall not exceed the following:

1. For individuals, fifty hectares; and

2. For associations and corporations - five hundred hectares.

Provided, That, if circumstances so warrant, a larger area may, with the approval of the secretary, be leased to qualified applicants.

g. Section 26 - Construction and Development of Family-Size-Fishponds. - For the purpose of accelerating the development of fishponds, the Bureau, subject to the approval of the Secretary, shall identify and set aside public lands which shall be subdivided into family-size fishponds and leased in accordance with the guidelines established by the Council.

h. Section 27 - License to Operate Fishpens - No person shall construct and/or operate a fishpen without first securing a license from the Bureau, any license or permit issued by the mayor of the municipality claiming jurisdiction over the area in which the fishpen will be constructed to the contrary notwithstanding. The license shall be for a period of five (5) years renewable for another five (5) years.

The maximum area that can be licensed for a fish pen shall be ten (10) hectares in the case of an individual and fifty (50) hectares in the case of an association, partnership, cooperative or corporation.

i. Section 29 - Grant of Fishery Privileges. - A municipal or city council, conformably with an ordinance duly approved by the Secretary pursuant to Section 4 hereof, may grant to the highest qualified bidder the exclusive privilege of construction and operating fish corrals, oyster culture beds, or of gathering "bangos" fry, or the fry of other species, in municipal waters for a period not exceeding five (5) years: Provided, That in the zoning and classification of municipal waters for purposes of awarding, through public bidding, areas for the construction or operation of fish corrals, oyster culture beds or the gathering of fry, the municipal or city council shall set aside not more than one fifth (1/5) of the area earmarked for the gathering of fry, as may be designated by the Bureau, as government "bangos" fry conservation.

j. Section 36 - Ban on Exportation of Bangos Fry - It shall be unlawful for any person to export "bangos" fry. Violation of the section shall be punished by a fine of not less than one thousand pesos (₱1,000.00) nor more than five thousand pesos (₱5,000.00) or by imprisonment for not less than one (1) year nor more than five (5) years, or both such fine and imprisonment, in the discretion of the Court.

k. Section 43 - Loans to the Fishery Industry. - The Development Bank of the Philippines, the Philippine National Bank, and the Philippine Veterans Bank and other government-owned or controlled banking or financing institutions and rural banks shall make loans available to eligible borrowers as their respective charters and articles of incorporation and by-laws provide and policies of Central Bank of the Philippines allow: Provided, That projects of veterans and their qualified heirs within the purview of the Program shall be funded by the Philippine Veterans Bank, with priority to family-size fishponds: Provided, Further, That the Development Bank of the Philippines, the Philippine National Bank, and the Philippine Veterans Bank and other government-owned or controlled banking or financing institutions and rural banks dealing with medium and long-term loans shall:

1. Grant loans for the development, rehabilitation and maintenance of fishponds, fishpens and acquisition of fishing boats and fishing equipment;

2. Extend loan for production, handling, processing and marketing, including the establishment and operation of refrigerating plants and cold storage facilities; and

3. Grant loans to leaseholders of public lands for the development of fishponds: Provided, That the duration of the lease contract shall be longer than the period of repayment of the loan.

All loans shall be extended under supervised credit as prescribed by Republic Act Numbered Sixty-three hundred and ninety or other laws; or under project supervision.

6. Other policies relevant to the fishery industry may also emanate from the Office of the Secretary of the Department of Natural Resources upon recommendation of the Director of the Bureau of Fisheries and Aquatic Resources. These policies were issued thru a series of Fisheries Administrative Orders (FAO's). The FAO's covering or affecting the bangos industry are the following:

a. FAO 25 and its amendments - Regulations for the conservation of "Sabalo" (Full-grown bangos or milkfish) and for the prohibition of the exportation to foreign countries of "Kawag-kawag" (Bangos or milkfish fry) and "Hatirin" (Bangos fingerlings).

b. FAO 39 - Special rules and regulations governing the issuance of fishpond permits and/or leases within the areas affected by the Fishpond Project of Manila Bay.

c. FAO 60 and its amendments - Regulations governing the issuance of fishpond permits and/or leases on public forest lands.

d. FAO 109 - Regulations covering the establishment of fishpens and fish enclosures in inland waters.

7. For the development of bangos industry in particular, the Bureau, besides implementing the various policies emanating from the Office of the President and the Department of Natural Resources, carries out an expanded fisheries program that includes Fishpond Development as one of its major projects. The project includes activities on fingerling production and dispersal, technical assistance and/extension services to fishpond operators, researches and fishpond leasing. As a result of a series of calamities last year, a special project was added and was called the DNR-BFAR Rehabilitation Project specifically to distribute bangos fry or fingerling to afflicted areas of the industry.

8. To continuously improve bangos technology or increase production per unit hectare, various researches and extension programs are currently undertaken and independently, in coordination with, or jointly with other organizations like PCAR, UP College of Fisheries, and other institutions, and with foreign assistance programs primarily the SEAFDEC for researches and the USAID - assisted training program in aquaculture extension.

The foregoing policies and programs were geared to develop the Philippine bangos industry. In its entirety, we believe that the industry faces a brighter future. The government has increased its development effort in the inland fisheries sector to enable it to raise its 48% incremental share to the total national fish production.