

**[ BFAR ADMINISTRATIVE CIRCULAR NO. 253-1, S.  
2018, July 06, 2018 ]**

**MORATORIUM ON THE ISSUANCE OF COMMERCIAL FISHING  
VESSEL AND GEAR LICENSE AND OTHER CLEARANCES**

*Adopted: 05 July 2018  
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**WHEREAS**, studies in 1987 showed that the biomass of commercially exploited demersal stocks had declined to about 30% of its original level in the 1940s while small pelagics had been biologically and economically overfished, with effort level in the mid-1980s being more than thrice the level necessary to harvest maximum sustainable yield;

**WHEREAS**, a study in 1997 concluded that the Philippines' commercial fishing effort based on horsepower is 45% more than the optimum level and that total fish catch had levelled-off at 1,650, 000 metric tons since the early 1990's;

**WHEREAS**, a study in 2004 indicated the occurrence of biological and economic overfishing of small pelagics, particularly in nearshore and traditional fishing grounds with assessments showing the need to decrease fishing pressure by about 50-65%;

**WHEREAS**, a study in 2008 of the National Fisheries Research and Development Institute showed heavy exploitation rate in nine of major bays and gulfs attributed to unabated fishing pressure and destructive fishing practices;

**WHEREAS**, based on the National Stock Assessment Program (NSAP) of the Department of Agriculture-National Fisheries Research and Development Institute (DA-NFRDI), exploitation levels of most if not all commercial pelagic species for the last five years have exceeded estimates of potential yield;

**WHEREAS**, based on the 2011 NSAP results, major biological parameters of monitored pelagic stocks at harvest showed signs of growth and recruitment overfishing;

**WHEREAS**, there is overwhelming evidence showing the need to decrease, if not maintain the current level of fishing effort;

**WHEREAS**, Article 192 of the United Nations Convention on the Law of the Sea, which was ratified by our country in 1984 and which entered into force in 1994, binds the Philippine government to protect and preserve the marine environment.

**WHEREAS**, Principle 15 of the 1992 Rio Declaration of the United Nations Conference on Environment and Development, Article 6.5 of the Food and

Agriculture Organization's Code of Conduct for Responsible Fisheries (CCRF) and other voluntary international fisheries legal instruments prescribe a precautionary approach in the utilization and management of living aquatic resources;

**WHEREAS,** Article 7.1.8 of the CCRF urges States to take measures to prevent or eliminate overfishing and excess fishing capacity and to ensure that levels of fishing effort are commensurate with the sustainable use of fishery resources;

**WHEREAS,** Section 7 of Republic Act 8550, as amended by RA 10654, otherwise known as The Philippine Fisheries Code as amended, mandates the Department of Agriculture (DA) to issue such number of licenses and permits for the conduct of fishery activities subject to the limits of the Maximum Sustainable Yield of the resource as determined by scientific studies or best available evidence;

**WHEREAS,** Section 162 of RA 8850, as amended by RA 10654, empowers the DA to declare a moratorium on the issuance of licenses for commercial fishing vessels to operate in specified area or areas in Philippine waters in a limited period of time if there are indications of overfishing brought about by a decrease in the volume and sizes of fish caught therein or for conservation or ecological purposes;

**WHEREAS,** Section 128 of RA 8550, as amended RA 10654, authorizes the DA to issue regulations for the conservation, preservation, management and sustainable development of fishery and aquatic resources;

**WHEREFORE,** in view of these premises and as part of the precautionary approach to fisheries management, the following rules and regulations establishing a three-year moratorium on the issuance of new CFVGL are hereby promulgated;

**SECTION 1. Definition of terms.** - For purposes of this order, the following terms shall mean:

- a. Commercial catcher fishing vessel - any boat, ship or other watercraft 3.1 gross tons and above, equipped to be used for taking of fishery species;
- b. Decommissioning - the permanent withdrawal of a fishing vessel from operation within the fishing industry;
- c. Fishing effort - the product of the capacity and the activity of the fishing vessel and refers to the sum of all fishing effort of the fishing vessels in a group operation;
- d. Gear Classification - the grouping of fishing gears based on how it is utilized to capture or gather fish and to a lesser extent on the gear construction and following the International Standard Statistical Classification of Fishing Gear, which include: surrounding nets; seine nets; trawls; gill nets; scoop nets; liftnets; falling gear; traps; hook and line; drive-in nets; and dredges.
- e. Moratorium - suspension in the issuance of new commercial fishing vessel and gear license and of clearances for the construction or importation of commercial fishing vessels

**SECTION 2. Period and scope of application.** - The moratorium shall be imposed for a period of three (3) years after six (6) months from the effectivity of this

Circular. It shall apply to any commercial catcher fishing vessel utilizing all types of nets or gears whether active or passive. It shall cover the conversion of passenger or cargo vessels into fishing vessels. It shall also cover the issuance of construction clearance and importation of all types of commercial catcher fishing vessels. It shall apply to owners of unregistered and unlicensed commercial fishing vessels and gears who fail to avail of the grace period provided in Section 4 hereof. These owners are prohibited from transferring their vessel or gears by sale or otherwise to fishing companies, operators, partnerships or persons, particularly to those who were issued construction or import clearance.

**SECTION 3. Exemptions.** - (a) The moratorium shall not apply to the renewal of existing CFVGL, provided, that should there be an increase in the gross tonnage of the commercial fishing vessel subject of the application for renewal, the same should not exceed two hundred fifty (250) gross tons, provided further that the gear registration is for the same previously registered gear or new fishing gear belonging to the same gear classification.

(b) The moratorium shall not cover the issuance of construction or importation clearances and licenses for the replacement of sunken, destroyed or de-commissioned registered and licensed commercial fishing vessels provided that should there be an increase in gross tonnage of the replacement vessel, the same should not exceed 250 gross tons and the replacement is with prior approval of the Bureau of Fisheries and Aquatic Resources (BFAR) National Director, provided further that the proof that the fishing vessel has been decommissioned shall be submitted at the time of application for CFVGL.

(c) The moratorium shall not cover the issuance of distant water fishing license or international fishing permit under access agreement with other coastal states, subject to existing Regional Fisheries Management Organization (RFMO) rules;

(d) The moratorium shall not cover the issuance of construction or import clearances for support vessels, provided that the applicant shall execute and submit a notarized affidavit of undertaking that:

(i) He shall undertake to construct or import the fishing vessel within one year from the issuance of clearance;

(ii) He shall post a cash bond deposit in favor of the Bureau as a guaranty of good faith and for satisfactory compliance with the terms and conditions of the clearance, which shall be non-transferable and in accordance with the following rates:

- a. For vessels of 3.1 to 10 GT - P2,500.00
- b. For vessels 10.1 to 20 GT - P6,000.00
- c. For vessels of 20.1 to 50 GT - P14,000.00
- d. For vessels of 50.1 to 100 GT - P15,000.00
- e. For vessels of 100.1 and above - P40,000.00

(iii) He shall voluntarily cause the forfeiture of the performance bond in favour of BFAR, for any violation of the terms and conditions of the clearance;

(iv) He shall secure the registration and CFVGL for the vessel. Upon the issuance of CFVGL, BFAR shall either return the cash bond or with the concurrence of the licensee, set-off the amount against the fees and