

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
BANGSAMORO TRANSITION AUTHORITY
Cotabato City

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
Bangsamoro Transition Authority Parliament
OFFICE OF THE SECRETARY GENERAL

Second Regular Session

RECEIVED

BTA Bill No. 84

By: NORIA Y. TAHA

Date: MARCH 9, 2021

Signature: 

Time: 1:45 PM

Introduced by **MP AMILBAHAR S. MAWALLIL**

AN ACT
CREATING THE SEAWEED INDUSTRY DEVELOPMENT AUTHORITY IN THE
BANGSAMORO AUTONOMOUS REGION, AND DEFINING ITS OBJECTIVES,
POWERS AND FUNCTIONS

EXPLANATORY NOTE

For centuries, seaweed has been utilized throughout the world – in the earliest times, solely as a food source for coastal communities. Today, the global seaweed industry is worth more than USD 6 billion per annum, of which some 85% comprises food products directly or indirectly used for human consumption.¹

The industry reached USD 9.9 billion in 2018 and is projected to grow by seven percent by 2024. This growth is primarily due to the food industry, particularly nutritional supplements, which are increasingly used as substitutes for animal products like meat and fish. They are also increasingly being used in pharmaceutical products, including in the development of cancer treatments.²

The global seaweed market is experiencing steady growth, buoyed by the increasing demand for products. This trend is likely to continue due to their rising use in the food industry across the world. In terms of processing and utilizing products not directly consumed as food, seaweed is much more present than is generally recognized. Carrageenan from red seaweed is used in the thickening/gelling of food products; processing of meats, sausages and fish; clarifying

¹ Ferdouse, Fatima and Holdt, Susan Lovstad. "The global status of seaweed production, trade and utilization." Food and Agriculture Organization of the United Nations. Vol. 124. 2018.

² TechSci Research. "Global algae products market by source, by application, by region, competition, forecast and opportunities. May 2019. Access on February 22, 2020 at <https://www.reportlinker.com/p05781837/Global-Algae-Products-Market-By-Source-By-Application-By-Region-Competition-Forecast-Opportunities.html>.

alcohol; pharmaceuticals and dentistry; the health and beauty industries; soil fertilizers; textile printing; bacterial culture as a substrate; water filtration; and livestock and fishery diets.³

Seaweed likewise offers an attractive alternative to other biofuels and can become a resource for these communities. As a way to improve the lives of people in developing countries, this sector could also reduce energy dependency in regions with favorable climatic conditions: The favorable growing conditions has led to a great deal of speculation about their potentials for reducing oil imports, stimulating rural economies, and even tackling hunger and poverty.⁴

At the domestic level, seaweed is seen not only as a source of nutritious food for populations, but also its culture and trade bring about the considerable enhancement of socio-economic livelihoods. The farming of seaweeds, particularly in the southern part of the country, generates income for more than 500,000 people from over 100,000 families living along coastlines and on the many islands. In addition, at least 10,000 job opportunities have been created through processing and other related activities.

The seaweed aquaculture sector in the Philippines is highly export-oriented. According to the Philippine Statistics Authority, exports of seaweed in 2016 totaled nearly 43,000 tons at a customs declared value of USD 200 million.

Seaweeds contributed about 34% to the total 2008 fisheries production, with Regions IV-B, IX and BARMM as major producers. In BARMM, seaweed production has yielded the highest which equates to more or less 620,000 metric tons and followed by Region IV-B at around 400,000 metric tons. The steady increase in production can be attributed to high market demand, better price and good weather condition that encourage farmers to expand their areas for seaweed culture. The industry employs between 100,000-120,000 manpower where 90% are seaweed farmers and the rest are seaweed processors and traders.

What makes seaweed harvesting from the wild and farming attractive to coastal communities is that the technology is relatively simple, requires low capital investment, the crop can be harvested in six weeks and it can be dried on mats, grass or on the beach sand. Furthermore, as the farming areas are intertidal zones, women and children can safely access seaweed plots. These factors allow women, in particular, an important opportunity to earn some income for themselves and their families while the men work as fishermen and in other sectors.

The Bangsamoro Government must be aware of the need to ensure the sector's long-term economic and environmental development, in addition to continuing research in identifying fast growing, high yielding and disease-resistant varieties. It must be reiterated that seaweed and other is an essential source of nutritious food for human consumption; provides jobs for coastal communities and growers; and are essential components in a significantly wide range of food and non-food commercial industries.

³ Cottier-Cook, E.J. "Safeguarding the future of the global seaweed aquaculture industry." Institute for Water, Environment and Health and Scottish Association for Marine Science Policy Brief. 2016.

⁴ Adenle, Ademola A. "Global assessment of research and development for algae biofuel production and its potential role for sustainable development in developing countries." Energy Policy. Vol 61. October 2013.

We must be able to manage and improve seaweed culture and wild harvest techniques and output, so that the relevant socio-economic benefits are not lost and that the quality of the fresh or processed seaweed is maintained.

In view of the foregoing, the passage of this bill is earnestly sought.

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POWERS AND FUNCTIONS

Section 1. Title. This Act shall be known as the “Seaweed Industry Development Act.”

Section 2. Declaration of Policy. In order to protect and improve the quality of life of the Bangsamoro, it is hereby declared to be the policy of the Bangsamoro Government to promote the development of the Bangsamoro Autonomous Region through the sustainable development, responsible stewardship and optimum utilization of natural resources that are available for its use and for the use of future generations.

Towards this end, the Bangsamoro Government shall establish an effective institutional mechanism to promote the coordinated and integrated approach in the formulation and implementation of plans, programs and projects geared towards the development of the seaweed industry in the region, thus making our seaweed products globally competitive in the international market and at the same time ensuring the development and growth of our local seaweed farmers.

Section 3. Creation of the Seaweed Industry Development Authority. For the purpose of carrying out and effecting the declared policy, there is hereby created a corporate body to be known as the Seaweed Industry Development Authority, hereinafter referred to as the “Authority”.

The Authority shall be attached to the Ministry of Agriculture, Fisheries and Agrarian Reform, and shall execute the powers and functions herein vested and conferred upon it, in such a manner as will, in its judgment, aid to the fullest possible extent in carrying out the aims and purposes of this Act.

Section 4. Location of Principal Office. The Authority shall maintain its principal office at the most strategically located place in the region and shall establish its main research

and development center in the Province of Tawi-Tawi. It may, however, establish branch offices in other places necessary for the proper conduct of its operations.

Section 5. Powers and Functions. The Authority shall have the following powers and functions:

- a. Formulate an integrated development framework for the BARMM seaweed industry that is, as far as practicable, consistent with the development initiatives of the Bangsamoro Government;
- b. Review, revise, align, and thereafter integrate the formulation and implementation of all proposed plans, programs and projects of Bangsamoro Government agencies, component BARMM local government units, line agencies, public corporations and the private sector where such plans, programs and projects are those related to the Authority for the development and growth of the seaweed industry in the region;
- c. Institutionalize seaweed research and development devoted to the formulation of innovations including, but not limited to, the increase in seaweed production, improvement of seaweed quality produced, modernizations in seaweed farming, seaweed processing and advances in post-harvest facilities by designating research stations and sub-stations in strategic locations across the region, as deemed necessary.

The Authority shall ensure that sufficient budgetary allocation is available for the operations of the seaweed research and development stations and sub-stations;

- d. Encourage and facilitate human resource development employed in the various stages of the seaweed industry through degree and non-degree training and extension to develop and strengthen the capacities of the sector;
- e. Establish, operate and maintain infrastructure projects such as seaweed industrial processing plants, seaweed post-harvest facilities, and other support facilities which are geared towards the development of the seaweed industry;
- f. Recommend to and, whenever necessary, call upon any agency, office, bureau, or financing institution of the Bangsamoro Government to lend the necessary technical support and assistance in the implementation of any of its plans, programs or projects and in the performance of its functions and responsibilities;
- g. Coordinate and facilitate the extension of necessary planning, management, financial and technical assistance to all stakeholders in the seaweed industry including, but not limited to, the seaweed farmers, seaweed processors and seaweed exporters, to complement the efforts of the Authority in the performance of its functions and responsibilities;

- h. Establish a comprehensive and integrated database of seaweed farmers, seaweed farmers' organizations, seaweed processors and exporters to support planning and decision making;
- i. Encourage and organize cooperative ventures in the seaweed industry and assist them by arranging appropriate financing schemes for their plans and projects, and establishing measures to enforce standards for domestic trade and export of seaweed and seaweed products;
- j. Receive and administer donations, contributions, grants, bequests or gifts, in cash or in kind, from foreign governments, international agencies, private entities and other sources to be used by the Authority in furtherance of the performance of its functions and responsibilities, subject to existing laws, rules and regulations;
- k. Adopt, alter and use a corporate seal, sue and be sued, enter into contracts, acquire, purchase, hold, lease, transfer and dispose of property of any kind or nature to carry out the purposes of this Act;
- l. Adopt, amend and rescind such rules and regulations, integrate strategic fund-raising activities and impose reasonable fees for the effective implementation of the provisions of this Act; and
- m. Discharge other functions that may be deemed necessary or as may be provided by law.

In the discharge of its functions, the Authority shall ensure appropriate consultation and coordination with the Ministry of Trade, Investments and Tourism, the Ministry of Environment, Natural Resources and Energy, concerned local government units, and accredited non-government organizations.

The Authority shall submit to the Bangsamoro Parliament annual reports of its accomplishments and activities.

Section 5. Board of Directors. The power of the Authority shall be vested in and exercised by a Board of Directors, hereinafter referred to as the "Board", to be composed of the following:

- a. Minister of the Ministry of Agriculture, Fisheries and Agrarian Reform as Chairperson;
- b. Minister of the Ministry of Science and Technology, as Vice-Chairperson;
- c. Minister of the Ministry of Trade, Investment and Tourism, as Member;
- d. Director General of the Bangsamoro Planning and Development Authority, as Member;

- e. Three (3) representatives of seaweed farmers' organization/s - one representing Sulu; one (1) representing Tawi-Tawi, and one (1) representing Basilan, as Members;
- f. Two (2) representatives of the seaweed processing and exporting sector, as Members; and
- g. Two (2) representatives from the non-Moro indigenous communities and the women sector, as Members.

The Board of Directors who belong to the government may appoint their respective regular representatives to the Board, provided these representatives belong to the top three ranks in their respective agencies.

The representatives of the private sector shall be appointed by the Chief Minister upon recommendation of the sector they represent, and shall be coterminous with the term of the Chief Minister and shall not be reappointed for another term. In case of vacancy, the appointed successor shall serve only the unexpired portion of the term of their predecessor.

The Board shall meet regularly at least once every quarter or as often as it deems necessary upon written request signed by majority of the members. At least six (6) members shall constitute a quorum.

The members of the Board shall be entitled to reimbursements for actual and necessary expenses incurred, either for attendance in the meetings of the Board or in connection with other official business authorized by resolution of the Board, subject to existing laws and regulations.

Section 6. Powers and Functions of the Board. The Board of Directors of the Authority shall have the following powers, functions and duties:

- a. Determine the organizational structure of the Authority, define the duties and responsibilities of all its officials and employees and adopt a compensation and benefit scheme, subject to existing laws, rules and regulations;
- b. Create such task forces, divisions and positions as may be deemed necessary for the efficient, economical and effective conduct of the activities of the Authority;
- c. Approve the annual and supplemental budgets of the Authority;
- d. Submit an annual report of the operation and such other reports as may be required to the Bangsamoro Parliament;
- e. Prepare and approve development plans in the short, medium and long term, review and expedite the execution of such when necessary;

- f. Prescribe policies, rules and regulations to govern the conduct of business of the Authority, including the imposition of reasonable fees for the effective implementation of the provisions of this Act;
- g. Prepare, approve and promulgate guidelines, standards, rules and regulations in order to encourage and stimulate growth and development of commerce, trade and infrastructure development within the area of operation of the Authority;
- h. Discipline any employee of the Authority, after according them due process in accordance with existing laws; and
- i. Exercise such powers and perform such functions which are proper and necessary to implement the objectives of the Authority and to carry out the provisions of this Act.

Section 7. Management. The management of the Authority and the general conduct of its operations shall be vested in the General Manager who shall serve as the Chief Executive Officer. As such, he/she shall have the following powers and functions:

- a. Execute and administer the policies, plans, programs and projects approved by the Board;
- b. Direct and supervise the operation and internal administration of the Authority;
- c. Prepare the annual and supplemental budget of the Authority, subject to the rules and regulations of the Board;
- d. Administer and manage the budgetary appropriations and financial disbursements of the Authority;
- e. Submit quarterly and annual reports to the Board, and such other reports as may be required;
- f. Represent the Authority in all dealings with other offices, agencies and instrumentalities of the government and with all persons and entities, public or private; and
- g. Exercise such other powers and perform such other duties as may be directed by the Board.

The General Manager shall be appointed by the Chief Minister, upon recommendation of the Board, for a term of three (3) years and may be re-appointed once for another term.

Section 8. Qualifications of the General Manager. The General Manager shall be a citizen of the Philippines and a bona fide resident of the BARMM for at least five (5) years before the appointment. He or she shall have demonstrated unquestioned integrity, of good moral character and proven probity, with executive competence and experience in the field of public administration, economic planning, environmental and natural resources management, or in the management of large agricultural or seaweed industry enterprises. Provided, that no person shall be appointed as General Manager unless he/she is a holder of a degree in law or a masters degree in any of the following fields: marine science, economics, business, public

administration, law, management or their equivalent and have at least five (5) years relevant experience in said fields.

Section 9. Promoting Research and Development on Seaweeds. The Authority is mandated to conduct an extensive research and development, and create strong linkages with local and foreign research and academic institutions and international agencies to develop the modes of farming, producing, propagating, and processing seaweeds in the region in order to help seaweed farmers and traders improve their production efficiency and improve the quality of the seaweed products that will comply with internationally accepted standards.

The Authority shall facilitate and support interdisciplinary, multidisciplinary and international research activities to advance the knowledge and understanding on the various modes of propagating seaweeds in the region and shall disseminate their findings to various stakeholders involved in the production and propagation of seaweeds in the country.

Section 10. Annual Fees. The Authority is hereby authorized to collect reasonable fees for the use of its processing plants, post-harvest facilities and other support facilities. All fees so collected shall be accordingly appropriated for the sustainable development of the seaweed industry in the region.

Section 11. Assistance from other Government Entities. The Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR), the Ministry of Science and Technology (MOST), the Ministry of Trade, Investment and Tourism (MTIT), the Ministry of Environment and Natural Resources (MENRE), the Bangsamoro Planning and Development Authority (BPDA), component BARMM local government units, and all other government agencies concerned shall extend the necessary assistance and support to the Authority, particularly by including the development of the seaweed industry in their plans and programs.

Section 12. Appropriation. Upon the effectivity of this Act, such sum as may be necessary for its Capital Outlay, Maintenance, Operating and Other Expenses (MOOE) and Personnel Services (PS) shall be provided in the BARMM Annual Appropriations as determined by the Ministry of Finance, Budget and Management in consultation with the Board.

The Minister of MAFAR shall include in the Ministry's programs the establishment of such seaweed processing plants, seaweed nurseries and seaweed post-harvest facilities, the funding of which shall be included in the annual Bangsamoro Appropriations Act.

Additional funds of the Authority which may come from the proceeds from fees, charges, and other revenue-generating activities which the Authority is authorized to impose and collect shall not be used for any other purpose other than what is provided for under this Act.

Section 13. Transitory Provisions. All concerned BARMM offices, bureaus, and agencies having existing programs and projects relating to the seaweed industry in the region that directly correspond with the powers and functions of the Authority shall relinquish all

appropriations, funds, records, facilities and other assets to the Authority within two (2) years after the effectivity of this Act.

Section 14. Implementing Rules and Regulations. The Authority, in consultation with the stakeholders of the seaweed industry, shall issue rules and regulations necessary to effectively implement the provisions of this Act.

Section 15. Separability Clause. If any section or part of this Act is held unconstitutional or invalid, all other sections or provisions not otherwise affected shall remain in full force and effect.

Section 16. Repealing Clause. All ordinances, executive orders, administrative orders, or other rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

Section 17. Effectivity. This Act shall take effect fifteen (15) days after publication.

Adopted,

AUTHOR:



HON. AMILBAHAR S. MAWALLIL

Member of the Parliament

Certified correct:

PROF. RABY B. ANGKAL

Secretary General

Attested by:

HON. PANGALIAN M. BALINDONG

Speaker