



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. 4151



Introduced by Representative KRISTINE SINGSON-MEEHAN

EXPLANATORY NOTE

Republic Act (R.A.) No. 9367, also known as the Biofuels Act of 2006, was primarily enacted to spur agricultural development and the transition to a cleaner fuel systems. To date, our government has fallen short of achieving these objectives.

R.A. No. 9367 mandates that locally-produced bioethanol be prioritized in order to provide livelihood to our farmers. Other incentives were included in the law to encourage investments in the production, distribution, and use of locally-produced bioethanol.

However, due to our insufficient feedstock supply, we still rely heavily on importation. On the other hand, increasing production of bioethanol would entail the conversion of more agricultural lands from food production to fuel supply, thereby putting more strain on the country's food security. Several studies by environmental groups have shown that biofuel production takes a heavy toll on the environment and imposes another burden in the form of higher food prices. Using more of our lands for biofuels would result in higher prices for rice and sugar, thus exacerbating the effects of inflation.

With the prices of fuel continually rising, mandating the smart use of locally-sourced biofuels would help ease the burden of both our local producers and our consuming public.

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

DEPUTY SPEAKER KRISTINE SINGSON-MEEHAN
2nd DISTRICT ILOCOS SUR



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**AN ACT AMENDING SECTION 5 OF REPUBLIC ACT NO. 9367, OTHERWISE KNOWN AS
THE "BIOFUELS ACT OF 2006"**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress
assembled:*

1 **Section 1. Short Title** - This Act shall be known as the "Murang Langis" Act.
2

3 **Sec. 2. Declaration of Policy** – It is hereby declared the policy of the State to protect public
4 interest by providing reasonably-priced petroleum products to consumers. Towards this end, the
5 State shall implement policies and programs to ensure the delivery of affordable fuel to the
6 public.
7

8 **Sec. 3.** Section 5 of Republic Act No. 9367, otherwise known as the "Biofuels Act of 2006"
9 is hereby amended to read as follows:
10

11 "Sec. 5. Mandatory Use of Biofuels – Pursuant to the above policy, it is hereby
12 mandated that all liquid fuels for motors and engines sold in the Philippines shall
13 contain locally-sourced biofuel components as follows:
14

15 "5.1 Within two years from the effectivity of this Act, at least five percent
16 (5%) bioethanol shall comprise the annual total volume of gasoline fuel
17 actually sold and distributed by each and every oil company in the country,
18 subject to the requirement that all bioethanol blended gasoline shall
19 contain a minimum of five percent (5%) bio ethanol fuel by volume:
20 *Provided, That the ethanol blend conforms to PNS*
21

22 5.2 Within four years from the effectivity of this Act, the NBB created under
23 this Act is empowered to determine the feasibility and thereafter

1 recommend to DOE to mandate a minimum of ten percent (10%) blend of
2 bioethanol by volume into all gasoline fuel distributed and sold by each
3 and every oil company in the country.
4

5 “In the event of supply shortage of locally-produced bioethanol during the
6 four-year period, oil companies shall be allowed to import bioethanol but
7 only to the extent of the shortage as may be determined by the NBB.
8

9 “5.3 Within three months from the effectivity of this Act, a minimum of
10 one percent (1%) biodiesel by volume shall be blended into all diesel
11 engine fuels sold in the country: *Provided*, That the bio diesel blend
12 conforms to PNS PNS for biodiesel.
13

14 “Within two years from the effectivity of this Act, the NBB created under
15 this Act is empowered to determine the feasibility and thereafter
16 recommend to DOE to mandate a minimum of two percent (2%) blend of
17 biodiesel by volume which may be increased taking into account
18 considerations including but not limited to domestic supply and availability
19 of locally-sourced biodiesel component.
20

21 **“PROVIDED, THAT THE PRESIDENT, UPON THE RECOMMENDATION OF**
22 **THE NBB AND THE DOE, MAY SUSPEND THE IMPLEMENTATION OF THIS**
23 **SECTION, OR ANY PART THEREOF, THROUGH AN EXECUTIVE ORDER, FOR**
24 **A PERIOD NOT LONGER THAN ONE (1) YEAR, IF, AS A RESULT OF ITS**
25 **IMPLEMENTATION, THE PRICE OF BLENDED GASOLINE AND/OR DIESEL**
26 **ENGINE FUELS WILL BE HIGHER BY AT LEAST FIVE PERCENT (5%)**
27 **COMPARED TO PURE GASOLINE AND/OR DIESEL ENGINE FUELS.”**
28

29 **Sec. 4. *Implementing Rules and Regulations*** – The Department of Energy, in consultation
30 with the National Biofuels Board, the stakeholders and other agencies concerned, shall within
31 thirty (30) days from the effectivity of this Act, promulgate the rules and regulations to effectively
32 implement the provisions of this Act.
33

34 **Sec. 5. *Repealing Clause*** – All laws, decrees, ordinances, rules, regulations, other
35 issuances or parts thereof which are inconsistent with this Act are hereby repealed, amended, or
36 modified accordingly.
37

38 **Sec. 6. *Effectivity*** – This Act shall take effect fifteen (15) days following its complete
39 publication in two (2) newspapers of general circulation or in the *Official Gazette*.
40

Approved