

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

House Bill No. 8537



Introduced by Representatives **JEFFREY SORIANO** and **JOCELYN P. TULFO**

EXPLANATORY NOTE

This bill seeks to establish a comprehensive fuel subsidy program to promote economic resilience and protect the livelihoods of sectors that are most vulnerable to fuel price volatility.

Public transport operators and drivers, fisherfolk, farmers, and other low-income workers rely heavily on fuel for their daily operations. Sudden increases in fuel prices significantly raise their operating costs, reduce their already limited earnings, and threaten the sustainability of their livelihoods.

The Philippines remains highly vulnerable to fluctuations in global fuel prices due to its reliance on imported petroleum products. When fuel prices surge, the effects are felt across key sectors of the economy, particularly transportation and food production. Higher fuel costs lead to increased transportation fares, higher production and distribution costs, and ultimately higher prices of basic goods and services. These impacts disproportionately affect low-income sectors who have limited capacity to absorb such shocks.

While the government has previously implemented fuel subsidy programs during periods of sharp fuel price increases, these interventions have generally been temporary and reactive. There is a clear need to institutionalize a more systematic, predictable, and sustained mechanism to assist sectors that are directly affected by fuel price fluctuations.

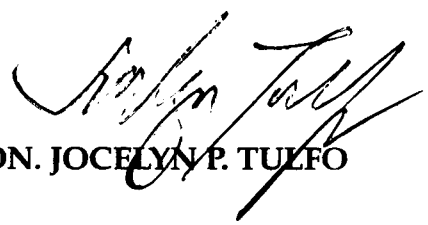
To address this concern, the proposed measure establishes a fuel subsidy program that will provide targeted financial assistance to qualified beneficiaries, particularly low-income public transport operators and drivers, fisherfolk, farmers and agricultural producers, and other similarly situated sectors. The program will provide monthly cash assistance of not less than Php 7,000 to eligible beneficiaries, and shall be subject to periodic review by the appropriate government agencies to ensure that it remains responsive to prevailing fuel prices, inflation, and fiscal capacity.

By institutionalizing a comprehensive fuel subsidy program, this measure aims to cushion vulnerable sectors from the adverse effects of fuel price volatility, safeguard their livelihoods, and strengthen overall economic stability.

In view of the foregoing, the immediate approval of this measure is earnestly sought.



HON. JEFFREY SORIANO



HON. JOCELYN P. TULFO

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AN ACT
ESTABLISHING A COMPREHENSIVE FUEL SUBSIDY PROGRAM TO
PROMOTE ECONOMIC RESILIENCE AND PROTECT LIVELIHOODS AMID
FUEL PRICE VOLATILITY, PROVIDING FUNDS THEREFOR AND FOR
OTHER PURPOSES

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

SECTION 1. *Short Title.* — This Act shall be known as the “*Fuel Subsidy Program Act*”.

SEC. 2. *Declaration of Policy.* — It is hereby declared the policy of the State to protect and promote the welfare of sectors whose livelihoods are directly affected by fuel price fluctuations. The State recognizes the essential role of transport workers, farmers, and fisherfolk in maintaining food security and economic productivity. To this end, the government shall institutionalize a sustainable and equitable fuel subsidy program to mitigate the adverse effects of fuel price volatility on vulnerable sectors.

SEC. 3. *Establishment of the Fuel Subsidy Program.* — There is hereby established a Fuel Subsidy Program, to be implemented as a regular and continuing government initiative to provide targeted financial assistance to qualified beneficiaries adversely affected by abnormal increases in fuel prices.

The Program shall provide cash assistance of not less than Seven Thousand Pesos (₱7,000.00) per month to each eligible beneficiary under this Act. The subsidy shall be directly deposited into the bank accounts of the beneficiaries to ensure efficiency, accountability, and transparency in distribution.

Provided, That the amount of the monthly subsidy shall be subject to annual review and adjustment by the Department of Energy (DOE) and the Department of Budget and Management (DBM), in consultation with the National Economic and Development Authority (NEDA), to account for inflation, prevailing fuel prices, and fiscal capacity.

The Fuel Subsidy Program shall be integrated into the annual General Appropriations Act (GAA) to ensure its sustainability and continuity.

SEC. 4. *Beneficiaries.* — The Fuel Subsidy Program shall primarily cover low-income individuals and sectors whose livelihoods are directly affected by fluctuations in fuel prices, as determined by the implementing agencies under this Act.

The following shall be considered eligible beneficiaries:

- a. Public Transport Operators and Drivers — low-income operators and drivers of public utility vehicles (PUVs) such as jeepneys, buses, taxis, tricycles, and transport network vehicle services (TNVS), duly registered with the Land Transportation Franchising and Regulatory Board (LTFRB) or with their respective local government units (LGUs): *Provided*, That registration under the LTFRB's existing databases, or in coordination with the Department of Transportation (DOTr), shall be a requirement for eligibility under this Act;
- b. Fisherfolk — shall refer to low-income owners and operators of motorized fishing vessels of three (3) gross tons or less, whose primary source of livelihood is fishing within municipal waters and who are duly registered with the Bureau of Fisheries and Aquatic Resources (BFAR): *Provided*, That registration under the National Program for Municipal Fisherfolk Registration (FishR) shall constitute a precondition for eligibility to receive benefits under this Act: *Provided, further*, That their corresponding fishing vessels shall likewise be duly registered under the National Program for Municipal Fishing Vessels and Gears Registration (BoatR) of the BFAR: *Provided, finally*, That fisherfolk who are not yet registered under the FishR and/or BoatR may be provisionally included as beneficiaries under this Act, subject to the condition that they shall complete their registration within such period and in such manner as may be prescribed under the Implementing Rules and Regulations (IRR).
- c. Farmers and Agricultural Producers — low-income farmers, farmworkers, and agricultural producers who utilize fuel-powered machinery or equipment for land preparation, irrigation, post-harvest processing, or the transport of agricultural products, as validated by the Department of Agriculture (DA): *Provided*, That registration in the Registry System for Basic Sectors in Agriculture (RSBSA) shall be a precondition for the receipt of benefits under this Act: *Provided, finally*, That farmers who are not yet registered in the RSBSA may still be served under this Act, provided they enroll in the said registry.
- d. Other Low-Income Sectors — other similarly situated groups as may be identified by the Department of Energy (DOE) and the Department of Social Welfare and Development (DSWD), in coordination with the National Economic and Development Authority (NEDA), who are demonstrably affected by fuel price increases and meet the eligibility criteria to be prescribed in the implementing rules and regulations (IRR). *Provided*, That

priority shall be given to individuals and households listed in the government's Listahanan Database of the DSWD or other verified registries of low-income earners, to ensure that assistance is extended to those most in need.

SEC. 5. *Non-Diminution of Benefits.* — Nothing in this Act shall be construed to reduce, withdraw, or otherwise diminish any benefit, assistance, or privilege currently enjoyed by transport workers, farmers, fisherfolk, and other eligible beneficiaries under existing laws, ordinances, rules, regulations, or programs. These include, but are not limited to, existing fuel subsidies, livelihood assistance, insurance coverage, training opportunities, access to production resources, and other socio-economic support programs being implemented by national government agencies or local government units. *Provided,* That no modification or discontinuance of such benefits shall be made without due process and prior consultation with the affected sectors and relevant stakeholders.

SEC. 6. *Appropriations.* — The amounts as may be necessary for the effective implementation of this Act shall be included in the annual General Appropriations Act (GAA) under the respective budgets of the Department of Energy (DOE), Department of Transportation (DOTr), Department of Agriculture (DA), and Department of Social Welfare and Development (DSWD).

SEC. 7. *Implementing Rules and Regulations.* — Within ninety (90) days from the effectivity of this Act, the Department of Energy (DOE), in coordination with the DOTr, DA, DSWD, DBM, and NEDA, shall promulgate the necessary rules and regulations to effectively implement the provisions of this Act, including the identification of eligible beneficiaries, distribution mechanisms, monitoring, and reporting systems.

SEC. 8. *Separability Clause.* — If any portion or provision of this Act is declared invalid or unconstitutional, other provisions hereof shall remain in full force and effect.

SEC. 9. *Repealing Clause.* — All laws, presidential decrees, executive orders, rules and regulations which are inconsistent with the provisions of this Act are hereby repealed or amended accordingly.

SEC. 10. *Effectivity.* — This Act shall take effect fifteen days (15) after its publication in the Official Gazette or in a national newspaper of general circulation.

Approved,