RESOLUTION CALLING FOR AN INQUIRY IN AID OF LEGISLATION BY THE APPROPRIATE COMMITTEE OF THE HOUSE OF REPRESENTATIVES FOR THE INCREASE OF THE COCO METHYL ESTER (CME) BLEND OF BIODIESEL FROM 2 PERCENT TO 8 PERCENT

WHEREAS, Republic Act 9367 or the “Biofuels Act of 2006”, in Section 5.3 as amended, mandates the National Biofuel Board to “determine the feasibility and thereafter recommend to the DOE to mandate the two percent (2%) blend of biodiesel by volume which may be increased taking into account considerations including but not limited to domestic supply and availability of locally-sourced biodiesel component x x x “;

WHEREAS, the growth and development of coconut farming and livelihood of the coconut farmers and other farmworkers will give spotlight on the economic goals and more opportunities in improving their means of livelihood. The increase in the Coco Methyl Ester (CME) blend content of diesel would create new demand for the coconut oil; hence, would provide additional revenue for the coconut farmers;

WHEREAS, the total current number of coconut farmers is at 2, 513,457 as reported by the Philippine Coconut Authority;

WHEREAS, 2018-2019 Monthly Report of the copra price trends shows that the average price of copra per kilogram at the millgate last July 2018 is at Php 26.07 down to the current price of Php 25.72 as of June 2019. As to the farmgate price of Copra, shows a fluctuate from Php 20.34 last July 2019 to Php 13.73 average as of June 2019. A decrease of Php 6.61 per kilogram;
WHEREAS, these reports clearly arrest growth and development of coconut farming. This economic situation affects the livelihood of the country’s coconut farmers which are mostly living in poverty;

WHEREAS, the Philippine Coconut Authority has previously appealed to the National Biofuel Board to increase the coco methyl ester (CME) content of biodiesel in the local market from 2 percent to 5 percent, in accordance with its mandate provided by RA 9367. At present, biodiesel is comprised of 2 percent CME and 98 percent regular diesel;

WHEREAS, the overall objective of the Biofuels Roadmap 2017-2040 is to pursue development of biofuels in compliance with the Biofuels Act of 2006;

WHEREAS, based on the 2016-2030 Philippine Energy Plan, studies on higher fuel blend have been commenced in 2015;

WHEREAS, increasing the CME content of biodiesel will, in effect, boost the demand for copra. This will provide coconut farmers better bargaining chip and increase farmers’ income per production;

THEREFORE, be it resolved as it is hereby resolved that the appropriate Committee of the House of Representatives conduct an inquiry in aid of legislation for the increase of coco methyl ester (CME) blend of biodiesel from 2 percent to 8 percent.

Adopted,

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