

SIXTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



Senate
Office of the Secretary

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SENATE
S. No. **1346**

RECEIVED BY: *ji*

Introduced by Senator Miriam Defensor Santiago

EXPLANATORY NOTE

The Constitution, Article 2, Section 16 mandates that the State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature. In Section 20 of the same Article, the Constitution states that the State recognizes the indispensable role of the private sector, encourages private enterprise, and provides incentives to needed investments.

The United States Congress reported a finding that farm worker productivity is based on the input of large quantities of fossil fuel-based energy and chemicals, with typically an input of as much as ten fossil calories used to produce a calorie of food output. Food production in this manner cannot be sustained if fossil fuels are depleted and become increasingly costly and scarce, and biofuels are not a viable alternative if their production consumes more energy than they contain. Reduction of energy consumption through maximum efficiency is a prerequisite to sustainable reliance on renewable resources at an affordable scale.

This bill seeks to develop a program to encourage the participation of the private sector in developing and applying technologies which makes use of renewable energies in the agricultural sector.*

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Miriam Defensor Santiago
MIRIAM DEFENSOR SANTIAGO

* This bill was originally filed in the Fourteenth Congress, Second Regular Session.

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SENATE
S. No. 1346

RECEIVED BY: *ji*

Introduced by Senator Miriam Defensor Santiago

1 AN ACT
2 PROVIDING FOR RESEARCH, DEVELOPMENT, DEMONSTRATION, AND
3 COMMERCIAL APPLICATION ACTIVITIES TO ENABLE THE DEVELOPMENT OF
4 FARMS THAT ARE NET PRODUCERS OF BOTH FOOD AND ENERGY

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

5 SECTION 1. *Short Title.* – This Act shall be known as the “Food and Energy Farm
6 Research Act.”

7 SECTION 2. *Declaration of Policy.* – It shall be the policy of the State to promote the
8 use of renewable energy. To this end, the State shall promote activities that encourage the
9 research and application of renewable energy technologies.

10 SECTION 3. *Definition of Terms.* – For purposes of this act, the term:

11 (A) ELIGIBLE ENTITY - means—

12 (1) a local government unit;

13 (2) a nonprofit organization or institution that farms or provides farm or
14 educational services to persons or organizations that own or operate farms;

15 (3) a farm or farmer or for-profit corporation that farms, or group of such
16 farms, farmers, or corporations, at least 50 percent of the gross revenue of
17 which is derived from the sale of food or fiber grown on the farm, if the
18 acreage under their control, individually and collectively, whether through
19 ownership or leasehold interests, is less than 65 hectares; and

20 (4) institutions of higher education.

1 (B) RENEWABLE ENERGY - means energy obtained from a resource in a manner
2 capable of being indefinitely sustained or replenished.

3 (C) SECRETARY - means the Secretary of Agriculture.

4 (D) SELF-POWERED FARM - means a farm or collection of farms that—

5 (1) is capable of independence from offsite sources of energy, fuel, and raw
6 materials for fuel;

7 (2) is a community resource for food, and energy, fuel, or raw materials for
8 fuel;

9 (3) minimizes or eliminates ongoing operating expenditures to offsite entities
10 for fossil fuel-derived energy;

11 (4) employs sustainable farming practices for long term soil fertility; and

12 (5) produces at least two (2) times as much energy, including fuel or raw
13 materials for fuel, as it consumes both on site and in the transfer of farm
14 products to market.

15 SECTION 4. *Department of Science and Technology Recommendations.* – The Secretary
16 shall enter into an arrangement with the Department of Science and Technology for—

17 (A) The development of recommendations for appropriate evaluation measures and
18 criteria for the programs under this Act; and

19 (B) An evaluation of the feasibility of prize and best practices award programs as
20 tools to promote self-powered farms, and recommendations for how to carry out such programs,
21 if feasible.

22 Not later than one (1) year after the date of enactment of this Act, the Secretary shall
23 transmit to the Congress a report containing the recommendations and evaluation as described in
24 this section.

25 SECTION 5. *Research and Technology Development Program.* – The Secretary shall
26 establish a program, taking into account the recommendations of the Department of Science and
27 Technology under Section 4, for the research, development, demonstration, and commercial

1 application of energy technologies or other technologies that have the potential to increase
2 energy efficiency or otherwise to enable self-powered farms. The Secretary shall award grants
3 under this section to eligible entities, or consortia thereof, on a competitive basis.

4 SECTION 6. *National Agricultural Demonstration Program Awards* - The Secretary
5 shall establish a program, taking into account the recommendations of the Department of Science
6 and Technology under Section 4, for making awards to not more than thirty (30) national
7 agricultural research programs for the demonstration in a farm setting of the integration of
8 technologies developed under Section 5, or other technologies, in a manner that best achieves the
9 goal of self-powered farms.

10 SECTION 7. *Loan Programs*. -The Secretary shall provide, on a competitive basis, low-
11 cost revolving loans and loan guarantees to eligible entities for the commercial application of
12 energy technologies or other technologies that will contribute to the goal of establishing self-
13 powered farms.

14 (A) Preferences - In providing loans or loan guarantees under this section, the
15 Secretary shall give preference to applicants who propose to derive the highest proportion of
16 their energy needs from technologies that use biobased feedstocks or other renewable energy
17 sources. The Secretary shall give highest preference to applicants who propose to meet their
18 energy needs from biobased feedstocks or other renewable energy sources produced on that
19 farm.

20 (B) Oversight - The Secretary shall establish procedures to enable the Secretary to
21 oversee the operation of projects supported by loans or loan guarantees under this section, to
22 ensure that such projects are operated consistent with the goals and requirements of this Act.

23 (C) Loan Amount - The amount of a loan under this section shall not exceed eighty
24 (80) percent of the cost of the project for which the loan is provided.

25 (D) Guarantee Amount- The Secretary shall not guarantee under this section more
26 than eighty (80) percent of the principal of any loan.

1 SECTION 8. *DOST Review.* – The Secretary shall enter into an arrangement with the
2 Department of Science and Technology for a review of the programs under this Act and the
3 development of recommendations for improvements to such programs. Not later than four (4)
4 years after the date of enactment of this Act, the Secretary shall transmit to the Congress a report
5 containing such review and recommendations.

6 SECTION 9. *Appropriations.* – To carry out the provisions of this Act, such amount as is
7 necessary is hereby authorized to be appropriated from the National Treasury. Thereafter, the
8 amount necessary for the continuation of the program shall be included in the annual
9 appropriation of the Department of Agriculture.

10 SECTION 10. *Separability Clause.* – If any provision or part hereof is held invalid or
11 unconstitutional, the remainder of the law or the provision not otherwise affected shall remain
12 valid and subsisting.

13 SECTION 11. *Repealing Clause.* – Any law, presidential decree or issuance, executive
14 order, letter of instruction, administrative order, rule, or regulation contrary to or inconsistent
15 with the provision of this Act is hereby repealed, modified, or amended accordingly.

16 SECTION 12. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
17 publication in at least two (2) newspapers of general circulation.

Approved,