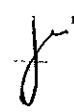


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Senate
P.S. Resolution No. 838

RECEIVED BY: 

Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

RESOLUTION

***DIRECTING THE APPROPRIATE SENATE COMMITTEES TO CONDUCT AN INQUIRY,
IN AID OF LEGISLATION, ON RENEWABLE ENERGY COMPETITIVENESS AND STRATEGIC
POLICY MECHANISMS TO ATTAIN SUSTAINABLE ENERGY DEVELOPMENT AND ATTRACT
POTENTIAL INVESTORS BY PROMOTING EASE OF DOING BUSINESS IN THE ENERGY SECTOR***

Whereas, Republic Act No. 9513, otherwise known as the "Renewable Energy Act of 2008" mandates that the government develop the country's renewable energy resources to promote a shift to more sustainable, reliable and affordable energy. Under the law, the State recognizes the need to increase the utilization of renewable energy (RE) by institutionalizing the development of national and local capabilities in the use of RE systems, and promoting its efficient and cost-effective commercial application by providing fiscal and non-fiscal incentives;

Whereas, in order to attract more investors by promoting ease of doing business and productivity in the energy sector, the law provides for incentives for RE products and activities such as income tax holiday for the first seven years of its commercial operations, additional income tax exemption on the income attributable to the investment and duty free importation of RE machinery, equipment and materials within the first ten years upon the issuance of a certification of an RE developer. Further, the sale of fuel or power generated from RE sources shall be subject to zero percent value added tax and all sales from the sale of carbon emission credits shall be exempt from any and all taxes;

Whereas, the government developed strategic programs to increase its utilization to establish the framework for the accelerated development and advancement of RE resources. In maximizing the benefits granted to RE investors, it should have helped increase employment by hiring local skilled graduates and provided social and economic opportunities in local investments;

Whereas, after almost six years from the passage of RA 9513, the country has not yet achieved the sustainable energy development needed to reduce the heavy dependence on fossil fuel imports. Though the fiscal and non-fiscal incentives are tools to promote investment in the RE sector, there is a need to review the policy mechanisms for RE development to open the gateway of RE investments. The energy sector is one of the available business opportunities in the country and relative thereto, a favorable business climate should encourage potential investors and developers, both domestic and foreign;

Whereas, the innovative power of a competitive free market in the RE sector is vital to the country's economy. Not only the RE sector but also other business opportunities such as in agriculture, mining, retail and tourism will benefit from the eradication of bureaucratic procedures and corruption in the government;

NOW, THEREFORE, BE IT RESOLVED, as it is hereby resolved to direct the appropriate Senate Committees to conduct an inquiry, in aid of legislation, on renewable energy competitiveness and strategic policy mechanisms to attain sustainable energy development and attract potential investors by promoting ease of doing business in the energy sector.

Adopted,

A handwritten signature in black ink, appearing to read "Pam Quinn". The signature is written in a cursive, flowing style.