

SEVENTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )



'17 AUG 30 P3:42

SENATE

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COMMITTEE REPORT NO. 161

Submitted by the Committee on Energy, Committee on Science and Technology, and  
Committee on Finance. AUG 30 2017

Re: Senate Bill No. 1574

Recommending its approval in substitution of **Senate Bill No. 1290**

Sponsor: **Senator Sherwin T. Gatchalian**

MR. PRESIDENT:

The Committees on Energy, Science and Technology and Finance, to which was  
referred **Senate Bill No. 1290**, introduced by Senator Gatchalian, entitled:

**"AN ACT ESTABLISHING THE PHILIPPINE ENERGY RESEARCH  
AND POLICY DEVELOPMENT INSTITUTE, DEFINING ITS OBJECTIVES, POWERS  
AND FUNCTIONS, PROVIDING FUNDS THEREFOR, AND FOR OTHER  
PURPOSES"**

have considered the same and have the honor to report it back to the Senate with the  
recommendation that the attached bill, **Senate Bill No. 1574** entitled:

**"AN ACT ESTABLISHING THE PHILIPPINE ENERGY RESEARCH  
AND POLICY INSTITUTE, DEFINING ITS OBJECTIVES, POWERS AND  
FUNCTIONS, PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES"**

be approved in substitution of **Senate Bill No. 1290**, with **Senator Gatchalian** as author  
thereof.


Respectfully submitted:

**CHAIRPERSONS:**



**LOREN B. LEGARDA**

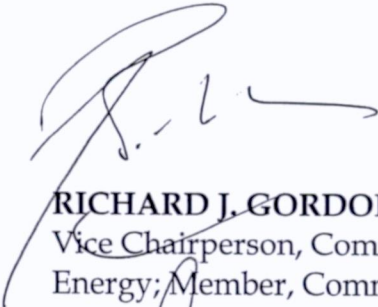
Chairperson, Committee on Finance;  
Member, Committee on Energy,  
Committee on Science & Technology



**SHERWIN T. GATCHALIAN**  
Chairperson, Committee on  
Energy; Member, Committee on  
Finance

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Chairperson, Committee on Science and Technology;  
Vice Chairperson, Committee on Finance,  
Member, Committee on Energy


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Vice Chairperson, Committee on  
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**MARIA LOURDES NANCY BINAY**  
Vice Chairperson, Committee on  
Energy; Member, Committee on  
Finance



**GREGORIO B. HONASAN II**  
Vice Chairperson, Committee on  
Energy; Member, Committee on  
Finance

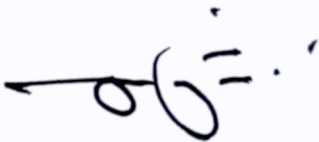


**CYNTHIA A. VILLAR**  
Vice Chairperson, Committee on  
Finance; Member, Committee on  
Energy, Committee on Science and  
Technology



**SONNY ANGARA**  
Vice Chairperson, Committee on  
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**PANFILO M. LACSON**  
Vice Chairperson, Committee on  
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**JOSEPH VICTOR G. EJERCITO**  
Member, Committee on Energy;  
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**MEMBERS:**

**GRACE POE**  
Member, Committee on Energy;  
Committee on Finance



**JOEL VILLANUEVA**  
Member, Committee on Energy;  
Committee on Finance



**JUAN MIGUEL "Migz" F. ZUBIRI**  
Member, Committee on Science and  
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**EMMANUEL "Manny" D. PACQUIAO**  
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Member, Committee on Energy;  
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**ANTONIO "Sonny" F. TRILLANES IV**  
Member, Committee on Energy;  
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**FRANCIS "Kiko" PANGILINAN**  
Member, Committee on Energy;  
Committee on Finance




**RISA HONTIVEROS**  
Member, Committee on Finance

**LEILA M. DE LIMA**  
Member, Committee on Energy

**EX-OFFICIO MEMBERS:**



**RALPH G. RECTO**  
President Pro-Tempore

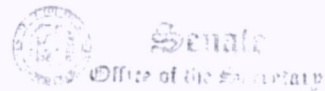


**VICENTE C. SOTTO III**  
Majority Floor Leader

**FRANKLIN M. DRILON**  
Minority Floor Leader


**HON. AQUILINO "KOKO" PIMENTEL III**  
President  
Senate of the Philippines

SEVENTEENTH CONGRESS OF THE ]  
REPUBLIC OF THE PHILIPPINES ]  
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SENATE

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S.B. No. 1574

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Prepared and submitted by the Committees on Energy, Science and  
Technology, and Finance with Senator Gatchalian as author thereof

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**AN ACT**  
**ESTABLISHING THE PHILIPPINE ENERGY RESEARCH AND POLICY**  
**INSTITUTE, DEFINING ITS OBJECTIVES, POWERS AND FUNCTIONS,**  
**PROVIDING FUNDS THEREFOR, AND FOR OTHER PURPOSES**

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

1 **SECTION 1. Title.** – This Act shall be known as the “Philippine Energy  
2 Research and Policy Institute Act of 2017”.

3  
4 **SECTION 2. Declaration of Policy.** – It is hereby declared the policy of the  
5 State to ensure energy security, equity, and sustainability. Towards this end,  
6 it is also the policy of the State to enhance knowledge in recent developments  
7 and scientific breakthroughs in the field of energy; identify key policy areas,  
8 issues, and challenges in the country’s energy sector; and formulate  
9 multidisciplinary research-based policies and strategies for the cost-effective  
10 use of energy resources towards environmentally-sound energy development.

11  
12 **SECTION 3. Establishment of the Philippine Energy Research and Policy**  
13 **Institute.** - Pursuant to the national policy of enhancing the country’s  
14 capability for energy research and policy development, there is hereby

1 established in the University of the Philippines (UP) Diliman, a Philippine  
2 Energy Research and Policy Institute, hereinafter referred to as the Institute.

3

4 **SECTION 4. Objectives of the Institute.** – The objectives of the Institute are:

- 5 a) To conduct pertinent policy research on energy issues and ensure the  
6 coordination and timely dissemination of results to key government  
7 agencies to guide policy and decision-making processes;
- 8 b) To provide timely technical assistance to the government on energy  
9 issues needing policy direction and advice;
- 10 c) To contribute strategic assistance to the government on energy policy  
11 issues and other related matters;
- 12 d) To promote collaborative and multidisciplinary energy research and  
13 policy development among the academe, and public and private  
14 stakeholders;
- 15 e) To establish mechanisms for the dissemination and utilization of  
16 research and policy development outputs;
- 17 f) To create and administer training programs and provide fellowship  
18 grants intended to build the capacity of government agencies, public and  
19 private energy stakeholders, and the academe including graduate and  
20 post-graduate students; and
- 21 g) To serve as a medium in bringing together local and international experts  
22 in the field of energy through local and international linkages.

23

24 **SECTION 5. Functions and Powers of the Institute.** – The Institute's  
25 functions and powers shall include but not be limited to:

- 26 a) Formulating and conducting research and development on energy, public  
27 policy issues in energy markets, and other pressing issues and problems,  
28 all backed by rigorous empirical evidence;
- 29 b) Establishing research and policy development programs and capacity-  
30 building trainings on energy;
- 31 c) Providing common research support facilities while maximizing the  
32 utilization of its expert support staff;
- 33 d) Enhancing the masters and doctoral pool of researchers and faculty in  
34 the field of energy;

- 1 e) Establishing local and foreign linkages in energy research and policy  
2 development;
- 3 f) Serving as the repository of all energy-related researches and studies to  
4 be generated by the Institute as well as academic, public, and private  
5 groups, organizations, and institutions;
- 6 g) Proposing and allocating its annual budgetary resources while optimizing  
7 resource generation and utilization;
- 8 h) Investing its funds in such undertaking as it may deem wise or necessary  
9 to carry out its objectives, with due consideration to existing guidelines  
10 on investing government funds in coordination with the Bureau of  
11 Treasury; and
- 12 i) Receiving and managing grants, aid, donations or any kind of assistance  
13 for achieving its objectives, in accordance with the rules and regulations  
14 of UP.

15 The Advisory Council may give additional powers and functions to the  
16 Institute *Provided*: That it shall be in accordance with the objectives of the  
17 Institute as stated in this Act.

18

19 **SECTION 6. Organizational Structure.** – The Institute shall be headed by an  
20 Executive Director who shall report directly to the Advisory Council. The  
21 Institute shall be supported by a Management Committee and Research  
22 Fellows in carrying out its functions.

23

24 **SECTION 7. The Executive Director.** – The Executive Director shall be a  
25 recognized expert in energy research and policy development and shall have a  
26 strong organizational management background. The UP Board of Regents shall  
27 appoint the Executive Director upon the recommendation of the UP President  
28 60 days after the promulgation of this Act: *Provided*, That such Executive  
29 Director shall serve for a term of five (5) years which can be renewed for  
30 another five (5) years.

31

32 **SECTION 8. Functions and Powers of the Executive Director.**– The  
33 Executive Director of the Institute shall:

- 1 a) Exercise administrative and supervisory functions over the planning,  
2 implementation, and evaluation of the policies, programs, and projects of  
3 the Institute;
- 4 b) Implement and enforce policies, decisions, orders, rules and regulations  
5 adopted by the Advisory Council;
- 6 c) Recommend to the UP Board of Regents, upon endorsement of the  
7 Advisory Council, the creation of divisions and sections of the Institute  
8 including the position classification and compensation plan of its  
9 employees;
- 10 d) Recommend to the UP Board of Regents, upon endorsement of the  
11 Advisory Council, the appointment of the Management Committee  
12 members, research fellows, officers and employees of the Institute;
- 13 e) Recommend to the Board of Regents, upon recommendation of the  
14 Advisory Council, the overall budget of the Institute;
- 15 f) Within the limits of the authority delegated to him by the Advisory  
16 Council, execute contracts, incur obligations, acquire and dispose of  
17 assets, and deliver documents on behalf of the Institute; and
- 18 g) Exercise such other powers and functions and perform such other duties  
19 as may be authorized or assigned by the Advisory Council.

20

21 **SECTION 9. Advisory Council of the Institute.** – There shall be an Advisory  
22 Council of the Institute to be composed of the following:

- 23 a) Chancellor of UP Diliman as the Chairperson;
- 24 b) Dean of the UP College of Engineering;
- 25 c) Dean of the UP College of Law;
- 26 d) Dean of the UP College of Science;
- 27 e) Dean of the UP School of Statistics;
- 28 f) Dean of the UP School of Economics; and
- 29 g) One (1) other member who is a recognized expert in energy research and  
30 policy development to be appointed by the UP Board of Regents upon  
31 recommendation of the UP President.

32 The Executive Director shall concurrently serve as a non-voting  
33 Member-Secretary of the Advisory Council. The Chancellor of UP Diliman, and  
34 the Deans of the College of Engineering, College of Law, College of Science,

1 School of Statistics, and School of Economics shall serve in an ex-officio  
2 capacity. The one other member shall serve for a term of two (2) years.

3  
4 **SECTION 10. Functions and Powers of the Advisory Council.** – The Advisory  
5 Council shall:

- 6 1. Determine the general direction and priorities of the Institute in  
7 accordance with this Act;
- 8 2. Determine research and policy areas for study and investigation by the  
9 Institute based on its evaluation of the energy policy landscape including  
10 the needs and demands of the country and the people;
- 11 3. Provide advice to the Institute on any matter relating to the development  
12 of a research and/or policy area and the administration of research and  
13 policy programs;
- 14 4. Provide advice to the Institute on matters relating to the position  
15 classification and compensation plans of the employees of the Institute  
16 in coordination with the Department of Budget and Management;
- 17 5. Endorse to the UP Board of Regents the recommended divisions and  
18 sections of the Institute including the position classification and  
19 compensation plans of its employees;
- 20 6. Endorse to the UP Board of Regents the recommended Management  
21 Committee members, research fellows, officers, and employees of the  
22 Institute;
- 23 7. Endorse to the UP Board of Regents the Institute's overall budget as  
24 recommended by the Executive Director;
- 25 8. Generate resources and obtain logistical and financial support for the  
26 programs and component units of the Institute: *Provided*, That in so  
27 doing, no conflict-of-interest exists with the objectives of this Act and the  
28 functions of the Institute;
- 29 9. Monitor and review all the activities and operations of the Institute as  
30 implemented by the Executive Director; and
- 31 10. Authorize and/or assign additional powers, functions, and duties to the  
32 Executive Director in accordance with the objectives of this Act.

33  
34



1 **SECTION 11. Appointment of Faculty and Staff.** – The human resource  
2 complement of the Institute shall be organized and set-up by the Executive  
3 Director in accordance with the provisions of this Act, the existing rules and  
4 regulations of UP, and upon approval by the UP Board of Regents.

5  
6 **SECTION 12. Public Access.** – The public and other energy institutions shall  
7 have access to the research findings, facilities, and other resources of the  
8 Institute, as provided in the implementing rules and regulations of this Act:  
9 *Provided*, it is in accordance with Section 13 of this Act.

10  
11 **SECTION 13. Confidentiality.** – The Institute shall not disclose any  
12 proprietary and/or confidential data and other resources unless prior consent  
13 of the source or owner of such data and resources has been obtained by the  
14 requesting party.

15  
16 **SECTION 14. Endowment Fund.** – An Endowment Fund is hereby established  
17 for the support of the Institute, including the purchase of research equipment  
18 and facilities, compensation and honoraria to researchers, whether in  
19 government service or otherwise, and such other necessary expenses to carry  
20 out the purpose of this Act.

21 The Institute is authorized to accept into its Endowment Fund any  
22 contributions, donations, bequests, grants, and loans from domestic and/or  
23 foreign sources, government appropriations and other incomes accruing from  
24 the operations of the Institute, for purposes of executing its mandate and  
25 functions: *Provided*, That in so doing, no conflict-of-interest exists with the  
26 objectives of this Act and the functions of the Institute.

27 For the organizational and operational requirements of the Institute,  
28 there is hereby appropriated out of the General Appropriations Act, the sum of  
29 Two Hundred Million Pesos (P200,000,000.00) for the initial operating fund of  
30 the Institute. Thereafter, an annual amount of Two Hundred Million Pesos  
31 (P200,000,000.00) will be appropriated from the General Appropriations Act to  
32 support the research, policy development, and training programs of the  
33 Institute. This amount will be assessed annually and increased, if necessary,

1 based on the annual financial plan approved by the UP Board of Regents and  
2 submitted to the Department of Budget and Management.

3  
4 **SECTION 15. Tax Exemptions.** – The Institute shall be entitled to all the tax  
5 exemptions enumerated under Section 25 of Republic Act No. 9500 or the  
6 University of the Philippines Charter of 2008.

7  
8 **SECTION 16. Implementing Rules and Regulations.** – Within sixty 60 days  
9 from the effectivity of this Act, the Institute, in consultation with its Advisory  
10 Council and subject to the approval of the Board of Regents, shall promulgate  
11 the necessary implementing rules and regulations of this Act.

12  
13 **SECTION 17. Separability Clause.** – If, for any reason, any provision of this  
14 Act is declared to be unconstitutional or invalid, the other provisions hereof  
15 which are not affected thereby shall continue to be in full force or effect.

16  
17 **SECTION 18. Repealing Clause.** – All laws, decrees, orders, rules and  
18 regulations or parts thereof which are inconsistent with or contrary to the  
19 provisions of this Act are hereby repealed, amended or modified accordingly.

20  
21 **SECTION 19. Effectivity.** – This Act shall take effect fifteen (15) days after its  
22 publication in at least two (2) national newspapers of general circulation.

Approved.