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Philippines pushes for B5 Biodiesel expansion to boost coconut farmers and energy security

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Agriculture Secretary Francisco Tiu Laurel Jr. backs industry-led proposal to raise coco-biodiesel blend to 5 per cent, citing benefits for farmer incomes, domestic energy resilience and renewable fuel adoption



The Philippine government is moving to revive plans for a higher coconut-based biodiesel blend, with Agriculture Secretary Francisco Tiu Laurel Jr. endorsing an industry-backed resolution calling for the immediate implementation of a 5 percent coco-biodiesel mandate (B5).

The proposal, advanced by the Philippine Council for Agriculture and Fisheriesâ??National Sectoral Committee on Coconut, has been formally transmitted by the Department of Agriculture (DA) to both the Senate and the Department of Energy (DOE) for consideration. The initiative has also received support from the Philippine Coconut Authority (PCA), which views the measure as a potential catalyst for growth across the countryâ??s coconut sector.

The planned expansion builds on the objectives of the Biofuels Act of 2006, which mandates the use of Coconut Methyl Ester (CME) in fuel blends to strengthen the domestic coconut industry, reduce dependence on imported fossil fuels and promote cleaner energy alternatives.

Efforts to increase biodiesel blending levels had previously been delayed following a sharp rise in global coconut oil prices, which constrained feedstock availability. However, improving market conditions have renewed momentum for the proposal, with industry stakeholders arguing that a higher biodiesel mandate could deliver both economic and environmental benefits.

CME, derived from coconut oil, is widely recognized as a biodegradable and renewable fuel component that produces lower sulfur emissions and greenhouse gases compared with conventional diesel. Beyond its environmental advantages,

policymakers see the B5 transition as a strategic intervention to expand domestic demand for coconut products and provide more stable market opportunities for millions of coconut growers.

The government estimates that between 2.5 million and 3.5 million coconut farmers could benefit from stronger demand for coconut-derived biofuels, while expanded CME utilization could help improve industry revenues, create rural employment opportunities and encourage greater investment in value-added coconut processing.

Officials also view the move as part of broader efforts to enhance the countryâ??s energy security by increasing the use of locally sourced renewable fuels amid continued volatility in global energy markets and supply chains.

The proposal is now expected to be reviewed by energy and legislative authorities as the Philippines evaluates pathways to accelerate biofuel adoption while balancing industry competitiveness, feedstock availability and long-term sustainability objectives.

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