



## **ADVISORY**

DATE : 13 FEBRUARY 2023

TO : ALL PERSONS, PARTNERSHIPS, COOPERATIVES AND CORPORATIONS ENGAGED IN THE BUSINESS OF BUYING, SELLING, IMPORTING, EXPORTING, MARKETING, TRANSPORTING, DISTRIBUTING, HANDLING, STOCKPILING AND STORAGE OF COAL

SUBJECT : COMPLIANCE TO THE DEPARTMENT OF ENERGY (DOE) DEPARTMENT CIRCULAR NO. DC2012-05-0006

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The Department of Energy (DOE) has received reports on illegal small-scale coal mining operations and there are entities conducting illegal coal trading operations and utilization in violation of DOE Department Circular No. DC2012-05-0006 (Circular) known as the *Guidelines on the Accreditation of Coal traders and Registration of Coal End-Users* issued on 22 May 2012 and other pertinent laws, rules and regulations in coal mining.

In this regard, the DOE is directing all entities engaged in coal trading or utilization to strictly comply with the Circular specifically Section 3, which states that:

*“Section 3. Prohibited Acts. No person, partnership, cooperative or corporation shall engage in the trading or utilization of coal within the Philippines, unless duly accredited or registered, respectively, with the DOE...”*

Please be reminded that pursuant to Section 2.7 of the Circular, coal trading refers to the business of buying, selling, importing, exporting, marketing, transporting, distributing, handling, stockpiling and storage of coal and other related activities.

Further, DOE accredited coal traders under Section 7.2 of the Circular are obliged:

*“To sell only to Accredited Coal Traders and/or registered Coal End-Users and entities exempted from accreditation and registration under this Circular.”*

Also, registered coal end-users under Section 8.2 of the Circular are obliged:

*“To purchase locally produced coal only from valid COC Holders, Independent SSCMP Holders or other Accredited Coal Traders, or, in*

*case of importation, to comply with all rules and regulations pertinent to coal importation.”*

Furthermore, all coal end-users are prohibited to sell and/or trade coal to any entity without the given permission from the DOE.

In case of violations thereto, the DOE shall impose penalties as provided for under Section 10 of the same Circular which states:

*“Section 10. Penalties for violation of Section 7.2 and 8.2 of this Circular.*

*The DOE may suspend, revoke or cancel any Coal Trader’s Certificate of Accreditation or Certificate of Registration of Coal End-Users due to, among others, failure to comply with the obligations as provided in Sections 7.2 and 8.2 hereof and the terms and conditions under which the Certificate of Accreditation or Certificate of Registration was issued in accordance with the provisions of DC2002-07-004, otherwise known as the “Rules of Practice and Procedure of the Department of Energy.”*

In order to fully comply with the obligations under the Circular and avoid being penalized under the same, you are hereby directed to inhibit from transacting and/or undertaking coal trading activities or related businesses with illegal small-scale miners, non-accredited coal traders and unregistered coal end-users. This advisory serves as a warning for all stakeholders that any future infraction will be severely dealt with by the DOE.

For complete information on valid and subsisting coal traders and registered coal end-users with the DOE that you can validly and legally transact with, please visit the DOE website at <https://www.doe.gov.ph/energy-statistics?q=energy-resources/> for the monthly updated lists.

For strict compliance.



**ALESSANDRO O. SALES**  
Undersecretary