

OIL INDUSTRY MANAGEMENT BUREAU'S (OIMB'S) YEAR-END COMPREHENSIVE REPORT (FY2019)



DEPARTMENT OF ENERGY

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OIL INDUSTRY MANAGEMENT BUREAU'S YEAR-END COMPREHENSIVE REPORT (FY2019)

INTRODUCTION

The Oil Industry Management Bureau (OIMB) in pursuant to Republic Act No. 8479 "An Act Deregulating the Downstream Oil Industry, and for Other Purposes", formulates and implements policies, plans, programs and regulations on the downstream oil industry, including the importation, exportation, stockpiling, storage, shipping, transportation, refining, processing, marketing and distribution of petroleum crude oils, products and by products and monitors developments in the downstream oil industry. The OIMB is comprises of four (4) divisions i.e. the following:

OIL INDUSTRY COMPETITION AND MONITORING DIVISION (OICMD)

OICMD formulates and implements policies, plans and programs to encourage activities relating to the downstream oil industry particularly on supply, logistics, marketing, distribution and pricing. The Division has three (3) sections namely; Oil Supply Monitoring and Evaluation Section; Oil Demand & Market Competition Monitoring Section and Oil Price Monitoring and Evaluation Section.

OIL INDUSTRY STANDARDS MONITORING DIVISION (OISMD)

OISMD formulates and implements policies, plans and programs related to national standards and environmental regulations affecting quality of fuel and fuel additives, and facilities in the downstream oil industry and ensures effective implementation thereof. The Division has two (2) sections namely; Petroleum Products Standards Section and Facilities and Processes Standards Section.

RETAIL MARKET MONITORING AND SPECIAL CONCERNS DIVISION (RMMSCD)

RMMSCD formulates and implements policies, plans and programs related to the oil retail market and other special concerns affecting the downstream oil industry and ensures effective implementation thereof. It has two sections namely; Liquid Fuels Section and LPG Section.

NATURAL GAS MANAGEMENT DIVISION (NGMD)

NGMD formulates and implements policies, plans, programs and regulations on the development and promotion of downstream natural gas as well as undertakes product and market development activities. The Division has two (2) sections, namely; Natural Gas Market Development and Monitoring Section and Natural Gas Industry and Infrastructure Development Administration Section.

THE DOWNSTREAM OIL INDUSTRY PROFILE

BACKGROUND

The passage of R.A. 8479 otherwise known as the “Downstream Oil Industry Deregulation Act of 1998” liberated and deregulated the country’s downstream oil industry to ensure a truly competitive market and an adequate and continuous supply of environmentally-clean and high-quality petroleum products. To attain the goals, the government continue to encourage the entry of new investors in the downstream oil industry.

Pursuant to RA 8479, the Department of Energy through the Oil Industry Management Bureau (DOE-OIMB) is mandated to monitor the refining, manufacturing and marketing processes of petroleum products to ensure that clean and safe technologies are applied. Various downstream oil activities being monitored by DOE-OIMB together with DOE Field Offices (FO’s) are the following.

- **Refining** – crude oil processing, production, and/or improvement in the quality of petroleum products in conformance with the Philippine National Standards (PNS), the Clean Air Act, and other applicable laws and regulation.
- **Fuel Bulk Marketing** – the activities involve is the selling of petroleum products in wholesale through tank trucks, lorries, tankers, barges or pipelines, which may be imported or locally purchased.
- **Petroleum Transport/Hauling Services** – transfer of petroleum products through tankers, barges, tank trucks, lorries, pipelines from one supply point to another or to end users.
- **LPG Refilling and Marketing** – activities of storage, refilling, distribution, and marketing of LPG.
- **Retailing** – selling of petroleum products in retail, generally directed to end users, through dispensing pumps in gasoline stations for the liquid fuels and auto-LPG and metal cylinders for LPG. This includes the establishment and operation of gasoline stations and LPG outlets.
- **Terminalling** - refers to the activity of leasing storage tanks to other industry players for a fee.
- **Bunkering** – refers to the activity of selling fuels for direct use by a marine vessel and delivered by a barge or smaller transport vessel.

Twenty-Two (22) years after the implementation of RA 8479, the downstream oil industry experienced a steady growth. New industry players entered into various downstream oil business such as marketing, distribution and storage of petroleum products. *Table 1 Shows the Number of Players Engage in various downstream activity and their investments.*

NUMBER OF PLAYERS WITH INVESTMENTS – TABLE 1

ACTIVITY	NUMBER OF PLAYERS		INVESTMENTS (IN BILLION PESOS)	
	FY2018	FY2019	FY2018	FY2019
Liquid Fuel Bulk Marketing	263	305	19.25	21.97
Fuel Retail Marketing	17	18	14.31	14.31
LPG Bulk Marketing	11	12	16.61	16.91
Bunkering	13	7	2.61	2.61
Terminalling	19	11	8.82	8.82
Refining*	2	2	119.2	119.2
Grand Total	325	355	180.80	183.82

Note* - Pilipinas Shell and Petron Corporation

Note** - No additional investment or refinery for 2019

The number of industry participants increase by almost percent (9.23%) from 325 in 2018 to 355 in 2019, bringing in a total accumulated investment of PhP 183.82 billion.

For Retailing Activity there were reports on continuous construction of retail outlets and at the same time closure and re-branding in the year 2019 to modernize the facilities and services as part of compliance to Department Circular No. DC2017-11-0011 “Revised Retail Rules”. The industry reported an increase of (8.70%) percent of retail outlets operating nationwide, bringing in a total of 9381 retail outlets nationwide as of end 2019.

Among the country’s 3 main island grids, Luzon still has the most number of retail outlets operated by the oil players. *Table 2. Shows the total cumulative number of retail outlets in the country.*

NUMBER OF RETAIL OUTLETS – TABLE 2

REGIONS	NUMBER OF RETAIL OUTLETS	
	2018	2019
NCR	1144	1102
Luzon*	5215	5236
Visayas	1740	1897
Mindanao	1675	2248
Total Country	8630	9381

Note* Luzon Includes the number of retail outlets in NCR

TOTAL COUNTRY STORAGE FACILITY

The country has a total number of 187 storage facilities located in various regions of the country. Of the total number, 60 are import terminals (including the storage facilities of 2 refineries), while the remaining depots are distribution facilities/networks; with a total country storage capacity of 36,506 thousand barrels (MB). All depots are privately owned by downstream oil industry players.

Of the total country's storage capacity, 14,380 MB or 39.39% are refinery storage capacities located in Bataan and Batangas.

The Bataan Refinery is owned by Petron Corporation with a total storage capacity of 9,783 MB comprises of crude oil at 5,045 MB; intermediate stocks at 1,430 MB and finished petroleum products at 3,308 MB.

The other refinery is located in Batangas and owned by Pilipinas Shell Petroleum Corp. (PSPC). Batangas refinery has a total storage capacity of 4,597 MB with crude oil at 2,637 MB; intermediate stocks at 998 MB and finished petroleum products at 962 MB.

The remaining country storage capacities of 16,654 MB or 58 import terminals are capable to receive imported finished petroleum products while the 5,472 MB or 127 depots are distribution facilities/ networks and owned by various downstream oil players.

<i>DEPOTS</i>	Number	CAPACITIES* in thousand barrels (MB)
Majors	37	3,086
Others	90	2,386
TOTAL DEPOTS	127	5,472
<i>IMPORT TERMINALS</i>		
Majors	8	2,713
Others	50	13,941
TOTAL IMPORT TERMINALS	58	16,654
<i>REFINERY (Crudes & Products)</i>		
Petron- Limay, Bataan	1	9,783
Shell - Tabangao, Batangas	1	4,597
TOTAL REFINERY	2	14,380
TOTAL	187	36,506

Note: *- Excluded non-operational depots and I/E Terminal

**- EXCLUDED SPARE TANKS CAPACITY

Majors (Petron, Shell and Chevron)

Others (various downstream oil players)

TOTAL COUNTRY STORAGE CAPACITY PER PRODUCT:

Products	Capacity (in MB)
Crude oil	7,683
Intermediate stocks	2,428
Finished Products (Refinery)	4,270
Gasoline	5,211
Diesel	8,216
LPG	2,214
Kerosene	133
IFO	2,101
AvTurbo/Jet Fuel	3,253
Other products	823
Added Inventory Capacity	173
TOTAL	36,506

OIL SUPPLY AND DEMAND SITUATION (FY2019 vs. FY2018)**ENDING INVENTORY**

As of end-month December 2019 actual crudes and petroleum products inventory closed at 24,263 thousand barrels (MB) or 51-day supply equivalent; 45 days for crude oil and products in country stocks and 6 days in-transit. This was higher by 3.1 percent from December 2018's 23,527 MB (Table1).

Table 1 - Inventory (In MB)

	As of end Dec. 2019		As of end Dec. 2018		% Change (Vol.)	YTD Dec. 2019 Ave. Inventory		As of end Dec. 2017	
	Volume	DS	Volume	DS		Volume	DS	Volume	DS
Total Country Inventory	24,263	51	23,527	49	3.1	19,880	42	20,362	46
-in transit	2,735	6	3,108	6	(12.0)	1,916	4	4,031	9
-in Country	21,527	45	20,419	43	5.43	17,964	38	16,331	37
Total Crude Inventory	10,038	21	9,577	19	4.8	7,521	16	9,552	21
- In Transit	2,735	6	3,108	6	(12.0)	1,916	4	4,031	9
- On Hand	7,303	15	6,469	13	12.9	5,605	12	5,521	12
Total Product Inventory	14,224	30	13,950	30	2.0	12,359	26	10,810	25

The government continued to enforce the Minimum Inventory Requirement (MIR) given the continuing risks faced by the downstream oil industry sector such as geopolitical instability and supply delivery problems to areas affected by calamities (e.g. typhoon, flood, earthquake, etc.).

Current MIR for refiners is in-country stocks equivalent to 30 days while an equivalent of 15 days stock is required for the bulk marketers and 7 days for the LPG players.

With the implementation of the 2nd tranche of RA 10963 or the Tax Reform for Acceleration and Inclusion (TRAIN Law) in January 2019, the Department also issued a directive to the oil companies that implementation of the new excise tax shall not be applied unless the old stocks of finished petroleum products (December 31, 2018 inventory) are fully

exhausted. Hence, the directive requires the oil companies to submit starting January 1, 2019 daily inventory of the remaining balance of the December 31, 2018 stocks on a per product and per depot basis until the same are exhausted to ensure proper implementation of the new tax scheme.

SUPPLY

▪ CRUDE OIL IMPORTS

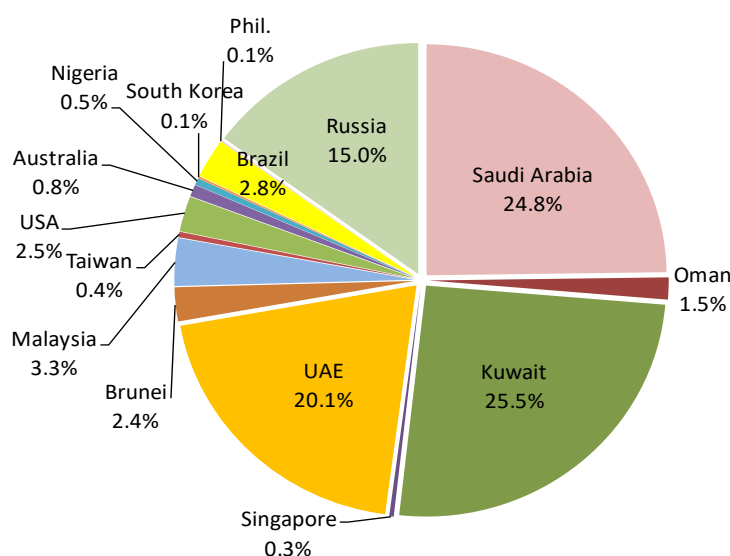
Various type of crude oil was imported for the period. Total country's crude oil imports reached 62,531 MB, a drop of 27.1 percent vis-à-vis last year's 85,753 MB. The decrease was attributed to the emergency and successive maintenance shutdown/turnaround schedules of the two refineries in the country. This resulted to high imports of finished petroleum products to augment their supply requirements and to ensure continuous supply during the period of shutdown. (Table 2).

Table 2 - Crude Imports (In MB)

Total Crude	FY 2019		FY 2018		% Change	FY 2017	
	Volume	%	Volume	%		Volume	%
	62,531		85,753		(27.1)	77,641	
Middle East	44,951	71.9	74,555	86.9	(39.7)	69,345	89.3
ASEAN/Local Production	3,786	6.1	3,880	4.5	601.2	1,622	2.1
Other Asia	9,708	15.5	6,969	8.1	39.3	5,629	7.3
Others	4,085	6.5	349	0.4	100.0	1,045	1.3
Total KBCD	171.3		234.9			212.7	

Majority of the crude oil imports were sourced from the Middle East (71.9%), of which 25.5 percent came from Kuwait (15,925 MB), replacing Saudi Arabia as top supplier of crude oil into the country with a 24.8 percent share. UAE was next with a 20.1 percent share, followed by Russia with a 15.0 percent share. On the other hand, 6.0 percent of the crude import mix originated from the Far East Region (3,754 MB) and 0.1 percent from local production (32 MB). The remaining 7.0 percent were from Brazil (1,721 MB), USA (1,545 MB), Australia (520 MB), Taiwan (241 MB), South Korea (88 MB) and Nigeria (299 MB) (Fig. 1).

Fig. 1 FY 2019 Crude Oil Imports



▪ **PETROLEUM PRODUCT IMPORTS**

Total country's FY 2019 petroleum product imports increased by 15.3 percent from 97,573 MB of FY 2018 to 112,472 MB. This was due to the reduced production volume of the local refiners because of extended refinery shutdowns; thus, shifting more to importation of finished petroleum products to supplement the needed supply. (Table 3a).

Table 3a - Petroleum Product Imports (In MB) - Oil Refiners' Share vs. Direct Importers

	FY 2019		FY 2018		% Change	FY 2017	
	Volume	%	Volume	%		Volume	%
Total Products	112,472		97,573		15.3	97,415	
Oil Refiners	29,985	26.7	10,780	11.0	178.2	14,155	14.5
Direct Importers	82,487	73.3	86,793	89.0	(5.0)	83,260	85.5
Total KBCD	308.1		267.3			266.9	

The top imported product for the period was diesel oil with an increase of 27.5 percent from 38,784 MB to 38,212 MB this year. Gasoline was next with a growth of 17.1 percent. Kerosene/avturbo imports was also up by 22.8 percent. Likewise, LPG imports grew by 4.8 percent vis-à-vis FY 2018. Fuel oil imports on the other hand, fell by 3.5 percent.

The other industry players import volume of 70,370 MB was 62.6 percent or majority of the total imports volume but was a decrease of 6.4 percent from last year's 75,195 MB. The oil majors (Petron, Chevron and Pilipinas Shell) accounted for the remaining 37.4 percent or 42,102 MB which marked an increase of more than 88 percent (88.1 percent) from last year's 22,378 MB. (Table 3).

Table 3 - Petroleum Product Imports (In MB) - Oil Majors' Share vs. Other Players/End Users

	FY 2019		FY 2018		% Change	FY 2017	
	Volume	%	Volume	%		Volume	%
Total Products	112,472		97,573		15.3	97,415	
Oil Majors*	42,102	37.4	22,378	22.9	88.1	23,391	24.0
Othe Players/End Users	70,370	62.6	75,195	77.1	(6.4)	74,023	76.0
Total KBCD	308.1		267.3			266.9	

The local refiners (Petron and Pilipinas Shell) accounted for only 26.7 percent of the total product imports, including blending stocks, and 73.3 percent share went to direct importers. (Table 3a).

Table 3a - Petroleum Product Imports (In MB) - Oil Refiners' Share vs. Direct Importers

Total Products	FY 2019		FY 2018		% Change	FY 2017	
	Volume	%	Volume	%		Volume	%
	112,472		97,573		15.3	97,415	
Oil Refiners	29,985	26.7	10,780	11.0	178.2	14,155	14.5
Direct Importers	82,487	73.3	86,793	89.0	(5.0)	83,260	85.5
Total KBCD	308.1		267.3			266.9	

Product import mix comprised mostly of diesel oil at 44.0 percent, gasoline at 19.8 percent, LPG at 14.2 percent, kerosene/ avturbo at 10.4 percent, fuel oil at 4.5 percent and other products at 7.1 percent share. (Table 3b).

Table 3b - Import Percent Change and Mix

Products	Volume		% Change	FY 2019 % Mix	FY 2018 % Mix	FY 2017	
	FY 2019	FY 2018				Volume	% Mix
Diesel Oil	49,462	38,784	27.5	44.0	39.7	40,105	41.2
Gasoline	22,261	19,004	17.1	19.8	19.5	17,162	17.6
LPG	15,957	15,224	4.8	14.2	15.6	13,910	14.3
Kerosene/Avturbo	11,737	9,560	22.8	10.4	9.8	9,205	9.4
Fuel Oil	5,061	5,244	(3.5)	4.5	5.4	6,921	7.1
Others*	7,994	9,758	(18.1)	7.1	10.0	10,111	10.4
Total	112,472	97,573	15.3	100.0	100.0	97,415	100.0
Total KBCD	308.1	267.3	15.3			266.9	

Total gasoline import met 50.8 percent of gasoline demand while diesel oil import was 68.2 percent of diesel demand. LPG import on the other hand, was 76.8 percent of LPG demand. Total product import was 65.5 percent of the total product demand. (Table 3d).

Table 3d - FY 2019 % Import Share in Total Demand

Products	Volume (MB)		% Share in Demand
	Import	Demand	
Diesel Oil	49,462	72,538	68.2
Gasoline	22,261	43,853	50.8
LPG	15,957	20,782	76.8
Kerosene/Avturbo	11,737	18,218	64.4
Fuel Oil	5,061	8,530	59.3
Others	7,994	7,894	101.3
Total	112,472	171,817	65.5
Total KBCD	308.1	470.7	

The oil majors' import share in the total demand was 24.5 percent while the other players' import share was 41.0 percent. As for the refiners, their import share in the total demand was 17.5 percent, while 48.0 percent was attributed to direct importers. (Table 3e).

Table 3e - FY 2019 % Import Share

Products	Oil Majors	Others	Refiners	Direct Importers
Diesel Oil	41.8	58.2	29.9	70.1
Gasoline	39.4	60.6	25.9	74.1
LPG	19.7	80.3	19.7	80.3
Kerosene/Avturbo	63.0	37.0	35.9	64.1
Fuel Oil	17.1	82.9	17.1	82.9
Others*	15.4	84.6	15.4	84.6
Total	37.4	62.6	26.7	73.3

As for ethanol imported for fuel blending during the period, a decrease of 25.7 percent from 1,790 MB of FY 2018 to 1,131 MB of FY 2019 was recorded. Republic Act No. 9367 of 2006 mandated that all gasoline to be sold in the country should be E-10 (gasoline with 10% bioethanol content). (Table 3f)

Table 3f - Ethanol Import, In MB

Ethanol	FY 2019	FY 2018	% Change	FY 2017
Import Volume	1,331	1,790	(25.7)	1,733
Total KBCD	3.65	4.90		9.57

▪ **CRUDE RUN AND REFINERY PRODUCTION**

The country's current maximum working crude distillation capacity is 285.2 thousand barrels per stream day (MBSD).

Refinery utilization during the period was down to 58.8 percent from last year's level of 83.1 percent due to consecutive scheduled maintenance shutdown of the two local refineries. This resulted to a decrease in volume of crude processed at the refinery for year 2019 by 29.3 percent from 86,555 MB of year 2018 to 61,169 MB this year. (Table 5).

Table 5 - Crude Run (in MB) and Utilization

	FY 2019	FY 2018	% Change	FY 2017
Crude Run	61,169	86,555	(29.3)	77,192
Total KBCD	167.6	237.1		211.5
Refinery Fuel & Loss				
- Crude Input	1,669	597	179.6	1211
% Utilization	58.8	83.1	(29.3)	74.2

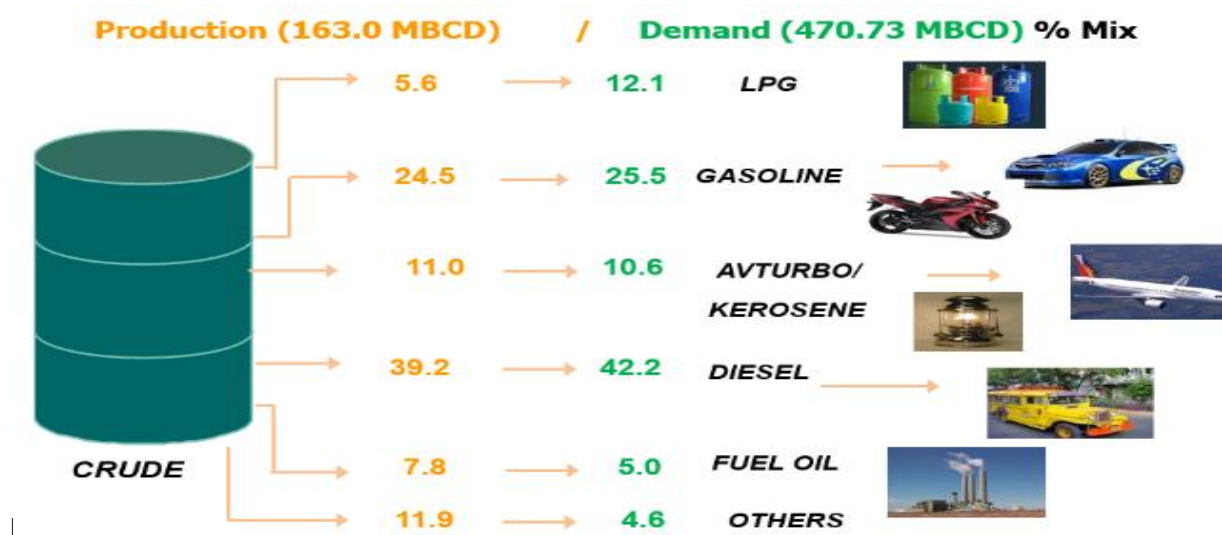
Consequently, local petroleum refinery production output dropped by 30.8 percent to 59,500 MB from 85,958 MB of FY 2018. Average refining output was at 163.0 MB per day, a decrease in volume of all petroleum products output vis-a-vis last year. LPG showed a decline of 43.8 percent, gasoline fell by 30.6 percent, diesel oil dropped by 29.7 percent and kerosene/avturo decreased by 22.5 percent. (Table 4).

Diesel oil continue to dominate the production mix with a share of 39.2 percent, followed by gasoline and kerosene/avturbo with 24.5 and 11.0 percent share, respectively. Meanwhile, fuel oil got 7.8 share and LPG had 5.6 share (Table 4).

Table 4 - Refinery Production Percent Change and Mix

Products	Volume		% Change	FY 2019 % Mix	FY 2018 % Mix	FY 2017	
	FY 2019	FY 2018				Volume	% Mix
Diesel Oil	23,333	33,181	(29.7)	39.2	38.6	27,762	36.5
Gasoline	14,562	20,989	(30.6)	24.5	24.4	18,557	24.4
Kerosene/Avturbo	6,544	8,444	(22.5)	11.0	9.8	7,507	9.9
LPG	3,331	5,924	(43.8)	5.6	6.9	5,196	6.8
Fuel Oil	4,644	4,881	(4.8)	7.8	5.7	6,467	8.5
Others*	7,085	12,539	(43.5)	11.9	14.6	10,492	13.8
Total	59,500	85,958	(30.8)	100.0	100.0	75,981	100.0
Total MBCD	163.0	235.5				208.2	

Fig. 2 FY 2019 Production / Demand Mix



▪ **TOTAL COUNTRY PETROLEUM PRODUCT DEMAND**

Full year 2019 demand of petroleum products totaled 171,817 MB, an increase of 1.8 percent from 168,805 MB last year. This can be translated to an average daily requirement of 470.7 MB compared with last year's level of 462.5 MB. (Table 6).

Table 6 - Petroleum Product Demand (in MB)

Total Products	FY 2019		FY 2018		% Change	FY 2017	
	Volume	%	Volume	%		Volume	%
Total Products	171,817		168,805		1.8	167,736	
Oil Majors	87,037	50.7	89,152	52.81	(2.4)	87,122	51.9
Othe Players/End Users	84,779.61	49.3	79,653	47.19	6.4	80,614	48.1
Total KBCD	470.7		462.5			459.6	

Compared with 2018 figures, gasoline and diesel oil demand increased by 8.3 and 2.9 percent, respectively. Similarly, demand of LPG and kerosene/avturbo grew by 1.4 and 1.3 percent, respectively. While, fuel oil demand dropped by 8.6 percent.

Product demand mix comprises of diesel oil at 42.2 percent, gasoline at 25.5 percent, LPG at 12.1 percent, kerosene/ avturbo at 10.6 percent, fuel oil at 5.0 percent and other products at 4.6 percent share in the total product mix (Fig. 2).

▪ **PETROLEUM PRODUCT DEMAND BY REGION AND BY TRADE CLASSIFICATION**

In terms of demand of petroleum products by Trade Classification, 37.08 percent share of the total trade demand were distributed to Reseller Trade that is the volumes sold to retail outlets, followed by Industrial/Commercial Trade or the volume sold to commercial, industrial, transport, power generation and agriculture sectors at 49.95 percent share. The remaining volumes were distributed to Philippine Government, Independent Refillers and International Trades at .43 percent, 4.9 percent, and 7.64 percent, respectively.

For regional demand of petroleum products, the three regions with highest demand are National Capital Region, Region IV-A and Region III at 31.12 %, 14.97% and 16.27 %, shares respectively. While the least consuming region is ARMM with .30% share in the total country demand. (Table7)

Table 7 Total Industry Demand by Region by Trade Classification (In MB)																			
TRADE	NCR	REGION 1	REGION 2	REGION 3	REGION 4A	REGION 4B	REGION 5	CAR	REGION 6	REGION 7	REGION 8	REGION 9	REGION 10	REGION 11	REGION 12	ARMM	CARAGA	Grand Total	% Mix
RESELLER	15,997.63	2,376.77	1,758.62	8,496.62	9,265.15	1,690.76	1,936.88	579.26	4,353.56	4,542.28	1,578.81	1,624.43	2,848.48	3,425.18	1,998.69	206.25	1,028.85	63,708.22	37.08%
GASOLINE	6,399.56	822.43	536.52	2,680.52	3,760.65	619.88	665.77	112.13	1,622.70	2,058.85	639.50	772.70	1,162.68	1,267.76	825.85	92.44	427.99	24,467.92	18.31%
DIESEL	8,102.40	1,205.76	1,007.80	4,180.46	5,018.00	860.57	968.84	349.65	2,143.70	1,642.00	719.03	653.29	1,347.92	1,808.75	915.60	84.63	450.99	31,459.42	18.31%
KEROSENE	72.27	1.57	2.29	9.73	16.59	3.30	12.25	1.25	14.17	20.88	13.43	9.40	8.32	19.25	4.24	0.47	1.52	210.92	0.12%
LPG	1,423.40	347.01	212.01	1,625.91	469.92	207.01	290.01	116.24	572.99	820.55	206.85	189.04	329.55	329.42	253.00	28.71	148.35	7,569.96	4.41%
INDUSTRIAL/COMMERCIAL	20,572.86	1,634.37	1,608.86	17,496.80	14,462.89	1,452.15	2,585.62	235.79	4,095.60	6,123.66	1,576.22	1,876.23	5,510.60	3,443.37	1,697.60	301.53	1,149.82	85,823.95	49.95%
GASOLINE	2,932.65	643.62	586.46	5,432.71	1,400.84	252.01	851.14	71.81	990.68	1,402.39	556.85	326.46	1,672.99	1,143.44	622.29	127.90	203.55	19,217.80	11.19%
DIESEL	8,116.80	943.30	1,013.71	11,053.72	2,964.63	1,042.19	1,517.67	139.34	2,528.85	2,623.49	709.85	1,326.18	2,983.81	1,725.81	960.50	152.74	733.41	40,536.00	23.59%
KEROSENE	146.32	0.10		64.22	89.49	0.19	23.93	0.03	6.71	25.67	0.29	0.01	3.59	12.27			3.37	376.19	0.22%
AVTURBO	3,846.39	1.93	1.89	166.26	0.03	38.76	0.26	7.14	101.73	431.31	2.34	22.28	38.56	105.41	2.40	0.25	0.82	4,767.75	2.77%
FUEL OIL	3,607.48	30.62	0.01	399.49	1,501.64	108.07	154.08	1.89	210.47	1,265.76	84.56	126.20	487.45	101.96	14.03	12.45	145.95	8,252.12	4.80%
LPG	1,447.43	8.71	6.23	293.72	1,460.87	10.84	19.52	15.27	210.58	313.85	182.14	73.42	300.40	314.01	78.02	4.81	47.13	4,786.96	2.79%
OTHERS	475.78	6.09	0.57	86.68	7,045.39	0.09	19.02	0.31	46.58	61.18	40.19	1.66	23.81	40.47	20.36		18.95	7,887.13	4.59%
ASPHALT	411.59	0.97	0.49	81.38	109.88	0.00	18.95	0.16	46.15	48.82	40.16	1.42	23.52	39.39	20.36		18.95	862.19	0.50%
AVGAS	14.96	5.12	0.08	5.24	0.08	0.09	0.07	0.00	0.43	8.84	0.03	0.24	0.03	1.08				36.30	0.02%
HYDRO/SOLVENT	49.23			0.07	487.34			0.14		3.53			0.25					540.56	0.31%
CONDENSATE					558.61													558.61	0.33%
NAPHTHA/REFORMATE					5,889.47													5,889.47	3.43%
INDEPENDENT REFILLERS	3,531.41	860.53	348.44	1,572.55	1,857.26	137.35	40.41	1.88	75.54									8,425.37	4.90%
LPG	3,531.41	860.53	348.44	1,572.55	1,857.26	137.35	40.41	1.88	75.54									8,425.37	4.90%
PHILIPPINE GOVERNMENT	215.04	19.81	34.96	89.40	63.70	31.77	14.75	6.79	14.95	55.95	12.89	77.87	27.53	47.49	10.72	4.50	6.92	735.07	0.43%
GASOLINE	68.95	3.37	28.35	17.12	7.85	2.76	1.29	2.06	1.56	5.15	1.69	11.40	4.07	7.46	2.65	0.59	1.25	167.56	0.10%
DIESEL	115.45	14.63	5.46	49.98	44.50	24.96	12.11	4.54	10.84	33.63	9.96	52.38	17.58	27.26	8.07	2.00	5.67	439.05	0.26%
KEROSENE	0.03																	0.03	0.00%
AVTURBO	30.31	1.81	1.15	21.61	6.74	3.81	1.18	0.12	2.52	17.05	1.24	13.84	5.87	12.52		1.91	0.01	121.70	0.07%
OTHERS	0.31			0.70	4.61	0.24	0.17	0.07	0.02	0.12		0.24	0.01	0.25				6.74	0.00%
AVGAS	0.31			0.70	4.61	0.24	0.17	0.07	0.02	0.12		0.24	0.01	0.25				6.74	0.00%
FOREIGN EMBASSIES				0.19			0.11		0.96		0.88	0.26						2.40	0.00%
GASOLINE				0.06					0.15									0.21	0.00%
DIESEL				0.13			0.11		0.81			0.26						1.31	0.00%
AVTURBO									0.62			0.26						0.88	0.00%
INTERNATIONAL SALES	11,435.13	9.09		291.94	69.20	61.82	1.37		284.37	642.15	109.91	12.16	17.30	145.72	41.77			13,121.94	7.64%
DIESEL	56.55	0.76		11.88	1.32	0.10	0.08		1.53	8.93	0.37	5.60	1.84	7.28	6.47			102.70	0.06%
AVTURBO	11,355.39	7.04		227.42	2.90	61.72			268.94	607.08	97.20	6.56	0.26	106.47				12,740.98	7.42%
FUEL OIL	23.20	1.30		52.63	64.97		1.29		13.90	26.14	12.34		15.19	31.97	35.30			278.26	0.16%
Grand Total	51,752.07	4,900.57	3,750.89	27,947.50	25,718.20	3,373.85	4,579.14	823.72	8,748.48	11,440.54	3,277.84	3,591.57	8,404.17	7,061.76	3,748.78	512.28	2,185.59	171,816.95	100.00%
% Mix by Region	30.12%	2.85%	2.18%	16.27%	14.97%	1.96%	2.67%	0.48%	5.09%	6.66%	1.91%	2.09%	4.89%	4.11%	2.18%	0.30%	1.27%	100.00%	

▪ PETROLEUM PRODUCT EXPORTS

Total country's petroleum products exports as of YTD December 2019 was down by 31.5 percent from 17,043 MB of YTD December 2018 to 11,676 MB this year. (Table 7b).

Though, condensate, the top exported product, was up by 7.1 percent, all of the remaining exported products fell vis-à-vis last year. Naphtha fell by 40.4 percent, fuel oil export decreased by 5.5 percent, gasoline export declined by 83.7 percent and diesel export dropped by 83.7 percent. Petrochem products such as propylene, toluene, mixed xylene and benzene also lessened from last year's level. (Table 7b).

The total export mix comprised of condensate (36.2 percent); fuel oil (16.2 percent); pygas (11.5 percent); naphtha (8.6 percent); mixed C4 (7.4 percent); propylene (4.8 percent); diesel (4.6 percent); mixed xylene (3.6 percent); gasoline (2.7 percent); asphalts (1.4 percent); toluene (1.1 percent); benzene (0.7 percent); reformat (0.7 percent) and LPG (0.49 percent). (Table 7b).

Table 7b - Petroleum Product Export Percent Change and Mix

Products	Volume		% Change	FY 2019 % Mix	FY 2018 % Mix	FY 2017	
	FY 2019	FY 2018				Volume	% Mix
Condensate	4,227	3,946	7.1	36.2	23.2	3,592	24.6
Fuel oil	1,897	2,008	(5.5)	16.2	11.8	2,863	19.6
Pygas	1,346	1,646	(18.2)	11.5	9.7	1,828	12.5
Naphtha	1,001	1,680	(40.4)	8.6	9.9	1,344	9.2
Mixed C4	864	1,157	(25.3)	7.4	6.8	1,126	7.7
Propylene	558	1,841	(69.7)	4.8	10.8	1,745	12.0
Diesel	540	892	(39.5)	4.6	5.2	-	0.0
Mixed Xylene	415	715	(41.9)	3.6	4.2	740	5.1
Gasoline	310	1,908	(83.7)	2.7	11.2	600	4.1
Asphalts	166	312	(46.7)	1.4	1.8	-	0.0
Toluene	125	480	(73.9)	1.1	2.8	402	2.8
Reformat	85	282	(69.8)	0.7	1.7	99	0.7
Benzene	83	172	(52.0)	0.7	1.0	193	1.3
LPG	57	6	865.0	0.49	0.0	66	0.5
Total	11,676	17,043	(31.5)	100.0	100.0	14,600	100.0

The other players' exports accounted 55.2 percent of the total export mix while the remaining 44.8 percent was accounted to oil refiners. (Table 7a).

▪ CRUDE OIL EXPORTS

The 994 MB crude oil from Galoc (Palawan Light) exported to South Korea dropped by 6.8 percent from last year's 1,066 MB. (Table 7a).

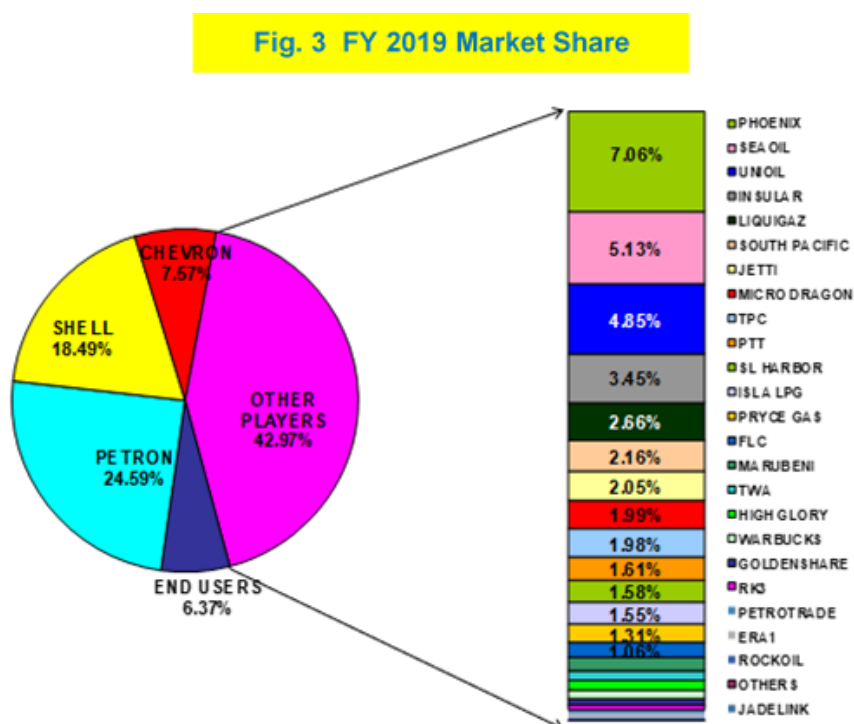
Table 7a - Petroleum Product Export (In KB) - Oil Refiners vs. Others

Total Products	FY 2019		FY 2018		% Change	FY 2017	
	Volume	%	Volume	%		Volume	%
	11,676		17,043		(31.5)	14,600	
Oil Refiners	5,236	44.8	10,289	60.4	(49.1)	8,051	55.1
Others	6,440	55.2	6,754	39.6	(4.6)	6,549	44.9
Total KBCD	32.0		46.7			40.0	

MARKET SHARE

▪ TOTAL PETROLEUM PRODUCTS

Major oil companies (Petron Corp., Chevron Phils. and Pilipinas Shell Petroleum Corp.) got 50.7 percent market share of the total demand while other industry players including PTT Philippine Corp. (PTTPC), Total Phils., Seaoil Phil. Inc., TWA Inc., Phoenix, Liquigaz, Prycegas, Micro Dragon, Unioil, Isla Gas, Jetti, Eastern Petroleum, Petrotrade, South Pacific, Marubeni, SL Harbour, Rockoil, RK3 Int'l., Insular, ERA 1, High Glory, Warbucks, Perdido, Golden Share and Filoil Logistics Corp., as well as the end users who imported directly for their own requirement captured 49.3 percent of the market (Fig. 3/Table 6b).



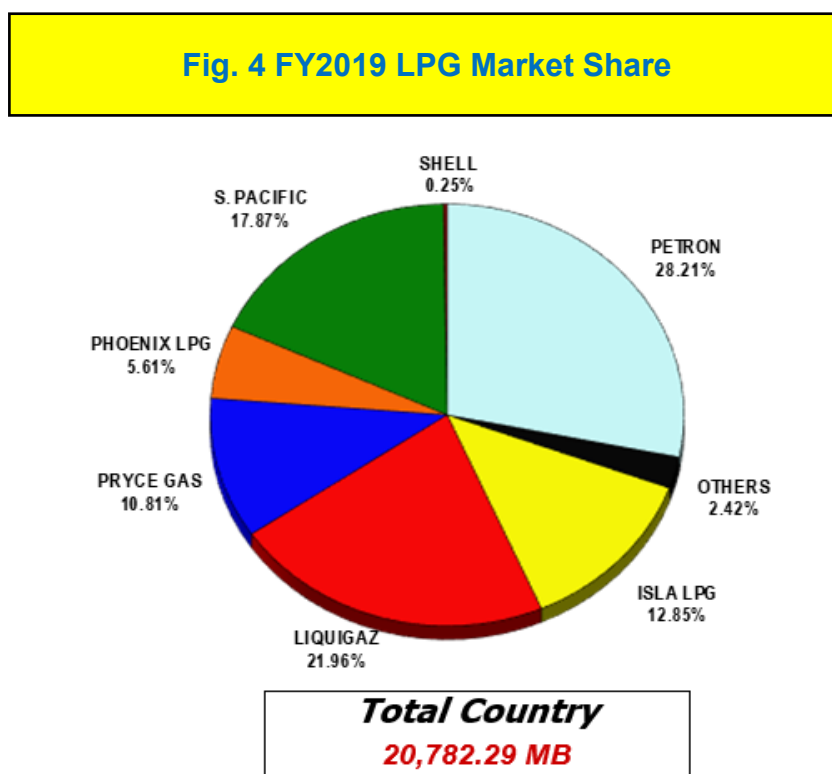
Meanwhile, local refiners (Petron Corp. and Pilipinas Shell) captured 43.1 percent of the total market demand while 56.9 percent was credited to direct importers and end-users of finished petroleum product. (Table 6b).

Table 6b - FY 2019 % Market Share

Products	Oil Majors	Others	Refiners	Direct Importers
Diesel Oil	55.9	44.1	46.5	53.5
Gasoline	48.0	52.0	40.9	59.1
LPG	28.5	71.5	28.5	71.5
Kerosene/Avturbo	77.8	22.2	61.0	39.0
Fuel Oil	48.9	51.1	48.9	51.1
Others*	14.7	85.3	14.7	85.3
Total	50.7	49.3	43.1	56.9

- **LPG**

Other industry players' market share was at 71.5 percent while the remaining 28.5 percent was credited to the oil refiners. Petron's share was 28.21 percent of the total LPG demand while among the other industry LPG players, Liquigaz got the biggest market share with a 21.96 percent share. This was followed by South Pacific, Inc. (SPI) with a share of 17.87 percent. Next were Isla Gas and Pryce Gases with shares of 12.85 and 10.81 percent, respectively (Fig. 4/Table 6b).



LUBRICATING OILS AND GREASES

The succeeding table below shows the submitted report on the importation, production, sales and consumption of lubricating oils and greases for the years 2018 and 2019. From 2018, there is a significant decrease of more than 41%, 16%, 5% and 62% in importation, production, sales and consumption, respectively for the said products in 2019. This could be a manifestation of discontinued growth in the economy of the country, as supported by OIMB data. This is also shown in the doubling of the consumption data which reflects the end-users sector. On the other hand, the decreased in importation by 41% in particular could be attributed to the improvement in the regulatory system of the Bureau of Customs wherein all the importation issuances of all government agencies are strictly observed and implemented.

For 2019 data alone, the sum of importation and production which makeup the supply of lubes/related products is not at far different from the demand data per sum of sales and consumption.

2018 Lubricating Oil / Grease Stock Supply and Demand in Liter Volume*				
Product Type	Importation	Production	Sales	Consumption
Automotive Lubes	69,295,761.18	54,347,964.58	118,667,718.90	839,153.34
Industrial Lubes	9,733,819.02	14,488,560.60	20,569,221.73	1,235,294.47
Aviation Lubes	140,476.04	23,380.00	136,539.99	40,205.66
Marine Lubes	3,650,663.00	4,180,993.00	7,270,176.69	21,295.00
Base Oil	103,986,702.87	425,785.39	195,968.00	102,546,930.26
Grease	2,516,163.70	1,055,012.45	2,813,439.72	368,988.43
Other Lube Oils	970,939.36	1,108,831.92	2,264,061.09	142,239.25
Total	190,294,525.17	75,630,527.94	151,917,126.12	105,194,106.40

2019 Lubricating Oil / Grease Stock Supply and Demand in Liter Volume*				
Product Type	Importation	Production	Sales	Consumption
Automotive Lubes	62,353,093.50	47,106,696.22	105,862,427.13	1,151,594.81
Industrial Lubes	13,975,979.29	10,525,551.00	23,336,509.93	1,856,235.17
Aviation Lubes	215,857.79	8,656.00	104,978.30	32,134.87
Marine Lubes	2,671,734.44	3,559,269.00	6,844,854.45	26,307.75
Base Oil	25,939,038.13	0.00	787,671.74	114,179.88
Grease	2,404,298.95	1,119,396.87	3,011,193.50	291,032.63
Other Lube Oils	4,555,572.25	1,081,962.68	4,262,170.44	525,290.49
Total	112,115,574.35	63,401,531.77	144,209,805.49	3,996,775.60

PETROLEUM AND FACILITIES STANDARDS

SUMMARY OF DEPARTMENT OF ENERGY/PHILIPPINE NATIONAL STANDARDS (DOE/PNS) ADOPTED AND PROMULGATED FOR PETROLEUM PRODUCTS AND PETROLEUM PROCESSES AND FACILITIES

The DOE OIMB in cooperation with various concerned government agencies, academe, private sectors formulate and promulgates the Philippine National Standards both for quality of petroleum products and petroleum processes and facilities to ensure public safety and establish a minimum quality of service to all consumers.

The table below summarizes the DOE-PNS for (i) Quality of Petroleum Products (ii) Petroleum Processes and Facilities and (iii) Code of Safety Practices that were developed and currently implemented:

▪ **DOE-PHILIPPINE NATIONAL STANDARDS (DOE-PNS) & CORRESPONDING IMPLEMENTING DEPARTMENT CIRCULARS (DC) FOR QUALITY OF PETROLEUM PRODUCTS**

Title	PNS NUMBER/ DC Number	Date of PNS/DC Issuance	Description	Purpose/significance
Petroleum Products - E-Gasoline (E-10) Specification	1. PNS/DOE QS 008:2018 ➤ DC No.2019-02-002	May 2018	This standard is revision/update of 2012 E10 specs (PNS/DOE QS 008:2012). <ul style="list-style-type: none"> In this edition, the PNS provided and limits the coverage only for Euro 4-PH (50 ppm, max. Sulfur content) to align with the emission requirement of DENR under DAO No 2015-04 & 2016-23. Improvement was also made on several specs, incorporated other properties and its limits as well as updating of test methods. 	A technical standard for E10 mandate or 10% bioethanol blend under the Biofuels Act of 2006 . This standard is in line with the DOE's policy and program of updating the fuel quality specification in terms of current requirement of the industry, its users and manufacturers and also by endeavoring to harmonize internationally/ regional environmental standards for fuels.
DC Implementing the Specifications for PNS/DOE QS 008:2018 – E-Gasoline-Specification		Signed Feb. 4, 2019/DC shall take effect 15 days following its complete publication (<i>status –on-going BAC for publication</i>)	The Department Circular (DC) features the following: <ul style="list-style-type: none"> All E10 gasoline sold in the country shall be in compliance with PNS/DOE QS 008:2018 specification Section 3 of DC 2015-06-005 on the temporary relaxation of ethanol blend for premium plus gasoline grade (97 min RON) remains in effect. 	Establishing the effectivity of the new PNS along with other applicable rules and guidelines for its effective implementation.
Petroleum Products – CME-blended automotive diesel oil (ADOB2) Specification	2. PNS/DOE QS 004:2017	18 December 2017	This standard is a revision/update of 2012 ADO B2 specs (PNS.DOE QS 004:2012). <ul style="list-style-type: none"> In this edition, the PNS provided and limits PNS coverage only for Euro IV-PH (50 ppm, max. Sulfur content) to align with the 	A technical standard for B2 mandate or 2% biodiesel blend under the Biofuels Act of 2006 . This standard is in line with the DOE's policy and program of updating the fuel quality specification in terms of current

Title	PNS NUMBER/ DC Number	Date of PNS/DC Issuance	Description	Purpose/significance
	3. PNS/DO E QS 013:2017	18 December 2017	<p>emission requirement of DENR under DAO No 2015-04 & 2016-23.</p> <ul style="list-style-type: none"> Further the PNS provided only the requirements for <i>automotive diesel oil (ADO)</i> separate from <i>industrial diesel oil (IDO)</i> for effective implementation and monitoring. 	requirement of the industry, its users and manufacturers and also by endeavoring to harmonize internationally/ regional environmental standards for fuels.
Petroleum Products – CME-blended industrial diesel oil (ADOB2) Specification	➤ Draft DC No. _____		<p>This standard is a revision/update of 2012 IDO B2 (PNS/DOE QS 004:2012).</p> <ul style="list-style-type: none"> In this edition, a new PNS number was created to separate the requirements of <i>industrial diesel oil (IDO)</i> from <i>automotive diesel oil (ADO)</i> which carried the original designation of PNS/DOE QS 004. 	
DC Implementing the Specification of PNS for CME-Blended Automotive Diesel Oil (ADO) and Industrial Diesel Oil (IDO)		On-going (final draft DC endorsed to OSEC for approval)	<p>Draft DC implementing guidelines to effectively implement the latest PNS:</p> <ul style="list-style-type: none"> PNS/DOE QS 004:2017 (ADO) PNS/DOE QS 013:2017 (IDO) 	<p>Establishing the effectivity of the new PNS along with other applicable rules and guidelines for its effective implementation.</p> <p>This DC will highlight the distinction of the two PNS based on general applications, for automotive diesel oil (ADO) and industrial diesel oil (IDO) for more effective implementation and monitoring</p>
Petroleum Products - High FAME-Blended Diesel Oils (B5)	4. PNS/DOE QS 010:2015	27 November 2015	<p>This is a new standard developed/formulated to addresses the technical requirements of high FAME-blended diesel oil (B5) and suitable test methods.</p>	This standard support future energy policy towards the integration of higher biodiesel blends in the petroleum/fuel sector.
	➤ (no DC yet)		<i>To issue DC once mandated (dependent on NBB/REMB's timeline/policy direction on higher blend mandate</i>	
Biofuels - Anhydrous Bioethanol & Bioethanol Fuel (E100 & E98) Specification	5. PNS/DOE QS 007:2014	January 29, 2014	<p>This standard is a revision/update of 2005 E100 specs (PNS.DOE QS 007:2005).</p> <ul style="list-style-type: none"> In this edition, the following improvements were made: <ul style="list-style-type: none"> a) Changes in color, inorganic chloride content, denaturant b) electrical conductivity as new property and c) updating of test methods 	<p>This standard specifies the requirement for biofuel grade ethanol in pure form (E100) and denatured (E98) for use as <u>blending component</u> of automotive gasoline suitable for various types of automotive spark ignition engine and other similar types of engines.</p> <p>This standard was made in line with the goal of the Department for development and utilization of alternative fuels that is indigenous and provides major</p>

Title	PNS NUMBER/ DC Number	Date of PNS/DC Issuance	Description	Purpose/significance
Implementing the PNS Specifications for Anhydrous Bioethanol Fuel	➤ Department Circular - DC No. 2015-07-0012	Signed/Published/Newspaper June 29, 2015/June 29, 2015/PDI	This DC features standard implementation that local bioethanol producers shall comply with PNS/DOE QS 007:2014 for their bioethanol and fuel bioethanol fuel production while accredited Oil Industry Participants in the Fuel Bioethanol Program shall purchase bioethanol conforming to the said PNS.	benefit to the environment in support of the Biofuels Act of 2006 . For more effective implementation and monitoring in compliance with the PNS.
Biofuels – Coconut Methyl Ester (B100) Specification	6. PNS/DOE QS 02:2015 ➤ Department Circular - DC No. 2016-05-006	November 27, 2015	This standard is a revision/update of PNS/DOE QS 002:2007. <ul style="list-style-type: none"> • In this edition, the following improvements were made: <ul style="list-style-type: none"> a) Iodine number as new property b) Increased the minimum limit of oxidation property and c) Reduced the maximum sulfur content 	This standard specifies the requirement for coconut methyl ester (B100) suitable for blending to diesel fuel for use in various types of compression ignition engines and other similar types of engines. This is in line with the DOE's policy and program of updating the fuel quality specification of biodiesel in terms of the current requirements of the industry, its users and manufacturers and also by endeavoring to harmonize international/ regional standards for fuel quality.
Implementing the Modified Philippine National Standard Specification for Biofuels – Coconut Methyl Ester (PNS/DOE QS 002:2015)	➤ Department Circular - DC No. 2016-05-006	May 02, 2016	The Department Circular (DC) features the following: <ul style="list-style-type: none"> • implementation of the standard (PNS/DOE QS 002:2015) • Requiring the CME producers to ensure that all CME deliveries are accompanied by COQ to be issued the same, indicating properties should be compliance to the PNS. 	For more effective implementation and monitoring in compliance with the PNS.
Petroleum Products - Liquefied Petroleum Gases (LPG) as Non-Motor Fuel	7. PNS/DOE QS 005:2016 8. PNS/DOE QS 012:2016	22December 2016	This standard is a revision/update of 2005 LPG specs. In this edition improvement was made in the requirements on the use of odorant for health and safety consideration and updating of test method. Said PNS provided only the requirements for LPG as non-motor fuel separate from LPG as motor fuel for effective implementation and monitoring.	This standard is in line with the DOE's policy and program of updating the fuel quality specification in terms of current requirement of the industry, its users and manufacturers and also by endeavoring to harmonize internationally/ regional environmental standards for fuels.
Petroleum Products - Liquefied Petroleum Gases			This standard is a revision/update of 2005 LPG specs. This edition, a new PNS number was created to separate the application of	This is also in support of the Philippine Government's effort to promote the utilization of

Title	PNS NUMBER/ DC Number	Date of PNS/DC Issuance	Description	Purpose/significance
(LPG) as Motor Fuel	<ul style="list-style-type: none"> DC No. _____ (endorsed to OSEC) Final draft DC was complete with CSW and endorsed to OSEC for approval 		LPG as motor fuel from LPG as non-motor fuel (domestic, commercial and industrial fuel) which carried the original designation PNS/DOE QS 005 for more effective implementation and monitoring.	alternative and clean fuel technology.
Implementing the New Standard Specification for LPG (PNS/DOE QS 005:2016& PNS/DOE QS 012:2016)			Draft DC implementing guidelines to effectively implement the latest PNS: <ul style="list-style-type: none"> PNS/DOE QS 005:2016 (LPG as non-motor fuel) PNS/DOE QS 012:2016 (LPG as motor fuel) 	Establishing the effectivity of the new PNS along with other applicable rules and guidelines for its effective implementation. This DC will highlight the distinction of the two PNS based on general applications, for LPG as non-motor and motor fuel for more effective implementation and monitoring
Petroleum Products – Fuel Oils (Bunker) Specification	9. PNS/DOE QS 006:2005 <ul style="list-style-type: none"> Department Circular - DC No. 2007-05-0005 	18 April 2006	This standard is a revision/update of 1997 Bunker specs. In this revision no major improvements were made except on the test methods and retained the three grades based on sulfur content: BFO 1, BFO 2, and BFO 3.	This standard is in line with the DOE's policy and program of updating the fuel quality specification in terms of current requirement of the industry, its users and manufacturers and also by endeavoring to harmonize internationally/ regional environmental standards for fuels.
Implementing the Philippine National Standard Specification for Bunker Fuel Oils (PNS/DOE QS 006:2005)		Signed May 11, 2007 and shall take effect upon publication	The Department Circular (DC) features the following: <ul style="list-style-type: none"> Only BFO conforming to PNS/DOE QS 006:2005 shall be manufactured, imported, sold, offered for sale, dispensed, or introduced into commerce in the Philippines 	Effectively said PNS provides the minimum standard requirements for BFO and shall be the reference standard for all BFO commercially available in the country.
Petroleum Products – Kerosene Specification	10. PNS/DOE QS 09:2007 <ul style="list-style-type: none"> DC No. _____ (No DC issued) 	24 August 2007	This standard is a revision/update of 1991 kerosene specs. In this edition improvement was made only in the property of color and updating of test methods.	This standard is in line with the DOE's policy and program of updating the fuel quality specification in terms of current requirement of the industry, its users and manufacturers and also by endeavoring to harmonize internationally/ regional environmental standards for fuels.
			No DC was issued. Development of the standard serves only as a guide to the industry and is voluntary	
Petroleum Products – Aviation Gasoline Grade 100LL Specification	11. PNS/DOE ASTM D 910:2010	2010	The standard is derived from ASTM D 910-07A Standard Specification for Aviation Gasoline and is limited only for Grade 100LL all other grades are excluded for the purpose of	This standard is in line with the DOE's policy and program of updating the fuel quality specification in terms of current requirement of the industry, its users and manufacturers and also by endeavoring to harmonize

Title	PNS NUMBER/ DC Number	Date of PNS/DC Issuance	Description	Purpose/significance
	<ul style="list-style-type: none"> DC No. _____ (No DC issued) 		complying with the Clean Air Act of the Philippines	internationally/ regional environmental standards for fuels.
			<i>No DC was issued. Development of the standard serves only as a guide to the industry and is voluntary</i>	
Petroleum Products – Two-stroke (2T) lubricating oil Specification	12. PNS/DOE QS 003:2003 <ul style="list-style-type: none"> DC No. _____ (No DC issued) 	06 May 2004	This standard is a revision/update of 1992 2T specs. In this edition the CME is consider as possible feedstock.	This standard was developed to properly classify the minimum quality levels of motor oils for two-stroke spark ignition engines and in response to the government's thrust for the development and utilization of indigenous, renewable, and environmentally-friendly alternative lubricants, such as plant-based esters or plant-derived esters.
			<i>No DC was issued. Development of the standard serves only as a guide to the industry and is voluntary</i>	
Petroleum Products – Unleaded Motor Gasoline	13. PNS/DOE QS 001:2009 <ul style="list-style-type: none"> Department Circular - DC No. 2009-12-0014 	June 2009	This standard is a revision/update of 2005 ULG specs. In this edition ULG is pure petrol and distinct from E10 specification.	This standard provides clear guidance on fuel classification for conventional gasoline distinct from the ethanol-blended gasoline (E-Gasoline). Note: E10 is not yet mandated
Implementing the Philippine National Standard Specifications for Unleaded Gasoline (PNS/DOE QS 001:2009)		Signed December 28, 2009 and shall take effect immediately upon publication	The Department Circular (DC) features the following: <ul style="list-style-type: none"> Only conventional gasoline complying with PNS/DOE QS 001:2009 shall be sold, offered for sale, dispensed, or introduced into commerce in the Philippines. 	Establishing the effectivity of the PNS along with other applicable rules and guidelines for its effective implementation. This DC highlighted the distinction of pure gasoline from ethanol blended gasoline.
Completed draft DPNS and Endorsed to BPS				
Petroleum Products - Industrial Fuel Oil - Specification	14. DPNS/DOE QS 006:2018 -	Completed and endorsed to BPS for promulgation and adoption as PNS (Nov. 5, 2018	This standard is an update/ review of PNS/DOE QS 005:2005 with minor revisions and updating of test methods Also the PNS now named Industrial Fuel Oil from Fuel Oils (Bunker)	
Petroleum Products - Residual Marine Fuel - Specification	15. DPNS/DOE QS 014:2018	Completed and endorsed to BPS for promulgation and adoption as PNS (Nov. 5, 2018	This is a new standard developed/formulated as a new and separate PNS for Residual Marine Fuel Specification , using ISO 8217:2017 (E) Petroleum Products – Fuels (class F)-Specifications of marine fuels as reference standard, specifically the residual marine fuel category ISO-F-RMG 180 and ISO-F-RMK 380 . In this	This standard specifies the fuel quality specification for marine vessels domestic and international in terms of current requirement of the industry, its users and manufacturers and also by endeavoring to harmonize internationally/ regional environmental standards for fuels.

Title	PNS NUMBER/ DC Number	Date of PNS/DC Issuance	Description	Purpose/significance
			standard, the statutory requirement for the sulfur content is set at 3.0%, mass, maximum based on PNS for Fuel Oils (PNS/DOE QS 006). Some changes were also made on the following properties: <ul style="list-style-type: none"> - Hydrogen sulfide - Aluminum plus silicon - Pour point - Used Lubricating Oil (ULO) 	Also intends to adopt the program/guidelines of the International Maritime Organization (IMO) for the requirement of sulfur content subject to statutory requirements set by MRINA.
Other Issuances				
Directing the Philippine Downstream Oil Industry to Offer Euro-II Compliant Diesel as a Fuel Option for the Transport and Industry Sector	16. Department Order No. DO2018-08-0012	Issued August 10, 2018 and to take effect immediately	Directing all industry players to provide Euro-II compliant automotive diesel oil at the retail level as a fuel option for the transport and industrial customers.	The DO was issued for the purpose of reducing the impact of rising the petroleum prices in the world market and directing all industry players to provide Euro-II compliant automotive diesel oil at the retail level as a fuel option for the transport and industrial customers.
Repealing the Implementation of Department Order No. 2018-08-0012	17. Department Order No. DO2019-01-0002	Signed Dec 28, 2018 (publication)	Directing all industry players shall no longer have the option to offer the Euro-II compliant diesel or 500 ppm, max. sulfur content diesel fuel for the transport and industry sector.	The DO was issued to repeal the DO2018-08-00012 in consideration of the mitigating measures established and in partnership with the stakeholders and other government agencies such as: <ul style="list-style-type: none"> • enhanced PUVs discount lane participated by various oil companies • expanded the number of nominated stations for Pantawid Pasada Program • initiated own Corporate Social Responsibility (CSR) Program • Rolled-out the Pantawid Pasada Program • Granted the transport group's petition to increase the jeepney fare

▪ **DOE/PNS FOR PETROLEUM PROCESSES AND FACILITIES**

FACILITY	PNS NUMBER	DESCRIPTION
Retail Outlet Health, Safety and Environment Underground Storage Tank Piping System Dispensing Pumps	PNS/DOE FS 1-4: 2005-	This Standard was prepared to complement DC no. 2003-11-010 Providing for the Rules and Regulations Governing Business of Retailing Liquid Petroleum Products
LPG Refilling Plant General Requirement	PNS/DOE 2:2006-	This Standard covers the requirements for the installations of an LPG Refilling Plant, including the associated bulk storage area and tank farm facility
LPG Refilling Plant	PNS/DOE FS 2:2018	This Standard is a review of PNS/DOE FS 2: 2006 which covers the requirements for the installation of an LPG Refilling Plant, including the associated bulk storage area and tank farm facility
Auto LPG Dispensing Station	PNS/DOE FS 3:2006-	This Standard covers the requirements for the installation of Auto-LPG Dispensing Stations for Retail Operation and Garage based sites for on-vehicle dispensing of LPG for vehicle of any type
Liquid Petroleum Product Depot	PNS/DOE FS 4:2007-	This Standard covers the design and constructions of depots and associated facilities involved in marketing/redistribution of liquid petroleum product
Storing and Handling of CME and CME-Diesel Blends at Liquid Petroleum Depot	PNS/DOE FS:5-2010	This Standard describes practices and requirements for the storing and handling and fire protection of CME and CME blends at LPP Depot
Storing and Handling of B5 in Retail Outlet	PNS/DOE FS: 7:2011	This Standard is a review of PNS 1-4 Retail Outlet pursuant to Sec. 8 of the BPS Directives, Second Edition 2004 (Maintenance of Standards) and likewise covers the facilities, clearances and distances therein intended for retail outlets storing and handling up to B5 and applicable to all kinds of locations either with mid-block lot, corner lot and passing- thru lot.
Storing and Handling of E-Gasoline in Retail Outlet	PNS/DOE FS:6-2011	This Standard describes good engineering practices, as well safety, environmental and fire protection requirements for the storing and handling of E-gasoline in Retail Outlets. This Standard is an additional requirements that complements PNS/DOE FS 1-1 to 1-4:2005 (Retail Outlet-Health Safety

		Environment, Underground Storage Tanks, Piping System and Dispensing Pump).
Auto LPG Dispensing Station	PNS/DOE FS 3:2013	This Standard covers the requirements for the installation of Auto-LPG Dispensing Stations for Retail Operation and Garage based sites for on-vehicle dispensing of LPG for vehicle of any type. This is a review of PNS/DOE 3:2006
Transportation of Petroleum Product by Pipeline (On-going)	PNS/DOE FS: 8:2012	This Standard covers operation and maintenance, reporting requirements and other applicable provisions in the on-shore transportation of liquid petroleum products for white (such as but not limited to gasoline, diesel, kerosene and Jet A-1) and (such as but not limited to) black (bunker fuel) products to ensure the safety of the general public and pipeline workers and the protection of the environment against the risk of petroleum contamination, fire and other similar hazards in areas where the pipeline system operates and/or transverses

▪ **CODE OF SAFETY PRACTICES**

Code of Safety Practice in Auto-LPG Dispensing Station	PNS/DOE FS 9:2016	This Standard is a guide for managers/operators collectively referred to as Responsible Officer of Auto-LPG Dispensing Station focusing on safety and good practice procedures with reference to health and safety standards.
Code of Safety Practice in Liquid Petroleum Product in Retail Outlet	PNS/DOE FS 10:2017	The Code of safety practices is intended for managers/operators of LPP Retail Outlet focusing on safety and good practice procedures with reference to relevant health and safety standards.
Code of Safety Practice in LPG Refilling Plant	Joint Activity of OISMD and RMMSCD (2017)	This Code covers the typical activities associated in the normal operations of an LPG Refilling Plant. The company Authorized Personnel or the Responsible Officer/s including its personnel should be able to demonstrate their competence on how to achieve an appropriate understanding of safety, health and environment risk as well as mitigation measures. This Code also identifies minimum training requirements for all personnel involve and working within the LPG Refilling Plant premises.

LPG Refilling Plant-General Requirement	DPNS/DOE 2:2018	This is a review of PNS/DOE 2:2006. On-going two (2) month circulation to all concerned sectors from April 13-June 13, 2018 for comments. This edition incorporates a new chapter adopting energy resiliency in the planning and programming of the energy sector to mitigate potential impacts of disaster.
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PETROLEUM TAX TABLE

SUMMARY TABLE OF THE NEW EXCISE TAX WITH THE IMPLEMENTATION OF THE TRAIN LAW (R.A. 10963)

Before the implementation of the TRAIN Law (RA10963), the inclusion of petroleum products within the ambit of the VAT system in 1996 simultaneously reduced the excise tax of socially-sensitive like diesel and fuel oil (LPG is already zero rated) to zero, thereby mitigating the impact of the VAT.

However, with the implementation of R.A. 10963 (TRAIN Law), all petroleum products are now imposed with excise tax as shown in the table. Implementation is made into three (3) tranches – 2018 to 2020. By 2020, the full amount of the tax is thus effected in all products.

IMPACT OF EXCISE TAX ON PETROLEUM PRODUCTS PRICES (PER R.A. 10963)										
Product	Pre-TRAIN Law			1ST TRANCHE - JAN 2018						
	Excise Tax	12% VAT	Total	Excise Tax	12% VAT	Total	Grand Total, 2018			
							Excise Tax	With 12% VAT		
Peso/liter										
Gasoline	4.35	0.52	4.87	2.65	0.32	2.97	7.00	7.84		
Avturbo	3.67	0.44	4.11	0.33	0.04	0.37	4.00	4.48		
Kerosene	0.00	0.00	0.00	3.00	0.36	3.36	3.00	3.36		
Diesel	0.00	0.00	0.00	2.50	0.30	2.80	2.50	2.80		
Fuel oil	0.00	0.00	0.00	2.50	0.30	2.80	2.50	2.80		
LPG (motive fuel)	0.00	0.00	0.00	2.50	0.30	2.80	2.50	2.80		
LPG, P/kg	0.00	0.00	0.00	1.00	0.12	1.12	1.00	1.12		
Product	2ND TRANCHE - JAN 2019			3RD TRANCHE - JAN 2020						
	Excise Tax	12% VAT	Total	Grand Total, 2019		Excise Tax	12% VAT	Total	Grand Total, 2020	
				Excise Tax	With 12% VAT				Excise Tax	With 12% VAT
Peso/liter										
Gasoline	2.00	0.24	2.24	9.00	10.08	1.00	0.12	1.12	10.00	11.20
Avturbo	0.00	0.00	0.00	4.00	4.48	0.00	0.00	0.00	4.00	4.48
Kerosene	1.00	0.12	1.12	4.00	4.48	1.00	0.12	1.12	5.00	5.60
Diesel	2.00	0.24	2.24	4.50	5.04	1.50	0.18	1.68	6.00	6.72
Fuel oil	2.00	0.24	2.24	4.50	5.04	1.50	0.18	1.68	6.00	6.72
LPG (motive fuel)	2.00	0.24	2.24	4.50	5.04	1.50	0.18	1.68	6.00	6.72
LPG, P/kg	1.00	0.12	1.12	2.00	2.24	1.00	0.12	1.12	3.00	3.36