



Republic of the Philippines
DEPARTMENT OF ENERGY

JUN 10 2008

DEPARTMENT CIRCULAR No. DC2008-06-0002_{qcs}

**IMPLEMENTING THE PHILIPPINE NATIONAL STANDARD SPECIFICATION FOR BIODIESEL AND
BIOFUEL BLENDS PURSUANT TO REPUBLIC ACT NO. 9367, OTHERWISE KNOWN AS THE "BIOFUELS
ACT OF 2006"**

WHEREAS, Republic Act (R.A.) No. 7638 "An Act Creating the Department of Energy (DOE)", tasks the DOE to formulate rules and regulations as may be necessary to guide the operations of both government and private entities involved in energy resource supply and distribution;

WHEREAS, Republic Act No. 8749, otherwise known as the "Philippine Clean Air Act of 1999", directs the DOE, together with the Department of Environment and Natural Resources (DENR), Bureau of Product Standards (BPS), and Department of Science and Technology (DOST) and other stakeholders, to set specifications for all types of fuel and fuel-related products and improve fuel composition;

WHEREAS, Republic Act No. 9367, otherwise known as the "Biofuels Act of 2006", mandates the use of biofuels to reduce dependence on imported fuels with due regard to the protection of public health, the environment and natural ecosystems consistent with the country's sustainable economic growth that would expand opportunities for livelihood;

WHEREAS, Republic Act No. 9367 mandates a minimum blend of biodiesel to diesel by volume respectively, provided, that the biofuel blend conforms to the Philippine National Standard (PNS);

WHEREAS, Department Circular No. DC 2007-05-006, providing for the "Rules and Regulations Implementing Republic Act No. 9367", and which took effect on June 8, 2007, instituted among others, the following PNS for biofuels:

- PNS/DOE QS 2020:2003 - Coconut Methyl Ester (B100) Specification
- PNS/DOE QS 007:2005 - Anhydrous Bioethanol Fuel Specification
- PNS/DOE QS 008:2006 - E-Gasoline Fuel Specification
- PNS/DOE QS 004:2007 - FAME-blended Diesel Oils Specification

WHEREAS, subsequently PNS/DOE QS 002:2007 was promulgated to supersede PNS/DOE QS 2020:2003 as the latest revision of quality standard specification for Coconut Methyl Ester (CME);

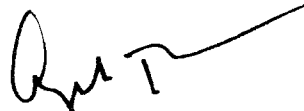
NOW, THEREFORE, the following guidelines are hereby adopted to effectively implement the Philippine National Standard for Coconut Methyl Ester (B100);

1. Starting on the effectivity of the Department Circular, only CME conforming to PNS/DOE QS 002:2007 shall be manufactured, sold, offered for sale, dispensed, or introduced into commerce as Biodiesel in the Philippines;
2. Only Fatty Acid Methyl Ester (FAME)-blended diesel conforming to PNS/DOE QS 004:2007 shall qualify under the National Biofuels Program;

4. In order to protect against adulterated or off-specification products, it shall be the responsibility of the operator of the Retail Outlet or oil company to require his product supplier to provide a quality certification for every product delivery made prior to blending with base diesel.
5. To ensure the integrity of the products for retail, the Retail Outlet operator shall adhere to good housekeeping protocol particularly with regard to handling, storage and dispensing of biofuel blends. Correspondingly, the Oil Companies shall ensure that their retail outlets and other customers are properly trained and equipped to handle, store and dispense biofuel blends.
6. Only qualified entities as determined by the DOE shall be allowed to import unblended or base diesel either for own use or commercial purposes. In order to qualify, said entities shall, prior to any importation, submit to the DOE a certification that they have the capability and capacity to blend imported unblended or base diesel with the required biofuel component. In addition, such entities shall fully comply with the Notice and Reportorial Requirements provided under Republic Act No. 8479, otherwise known as the Downstream Oil Industry Deregulation Act of 1998. Said acknowledged product importation shall be subject to proper blending with the biodiesel component prior to use or commercial sale.
7. Any person who shall commit any of the prohibited acts enumerated in RA 9367, this issuance and other issuances relative to the implementation of the Act and in pursuance of the mandate of the DOE, shall be subject to criminal and/or administrative action, in accordance with existing DOE rules and regulations or any subsequent rules and regulations or guidelines that shall be issued by the DOE.

This Department Circular shall take effect immediately following its publication in any newspaper of general circulation and shall remain in effect unless otherwise revoked or amended.

Fort Bonifacio, Taguig City, Metro Manila _____, 2008.



ANGELO T. REYES
Secretary



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IN REPLYING, PLS CITE:
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