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**REPUBLIC OF THE PHILIPPINES** )  
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**SENATE**  
**P.S. Res. No. 278**

RECEIVED BY: 

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**Introduced by Senator WIN GATCHALIAN**

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**RESOLUTION**

**DIRECTING THE APPROPRIATE SENATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE IMPACT OF THE ESCALATING POLITICAL UNREST IN IRAN ON GLOBAL OIL PRICES AND SUPPLY, WITH THE END IN VIEW OF ENSURING ENERGY SECURITY IN THE COUNTRY**

1 **WHEREAS**, Republic Act No. 9136, otherwise known as the *Electric Power Industry*  
2 *Reform Act of 2001* (EPIRA), mandates that the State ensure the quality, reliability,  
3 security, and affordability of electric power in the Philippines;<sup>1</sup>

4 **WHEREAS**, Republic Act No. 7638, or the *Department of Energy Act of 1992*, affirms  
5 the State's duty to ensure a continuous, adequate, and economic supply of energy to  
6 achieve national energy self-sufficiency;<sup>2</sup>

7 **WHEREAS**, Republic Act No. 8479, or the *Downstream Oil Industry Deregulation Act*  
8 *of 1998*, underscores the need for a competitive market that maintains fair prices and  
9 an adequate petroleum supply while protecting consumer welfare from global market  
10 fluctuations;<sup>3</sup>

11 **WHEREAS**, widespread civil unrest has engulfed Iran, with protest actions escalating  
12 over economic hardship, political repression, and institutional grievances, making the  
13 current unrest one of the most significant episodes of instability in the country in  
14 decades;<sup>4</sup>

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<sup>1</sup> Section 2 (b), Republic Act (R.A.) No. 9136.

<sup>2</sup> Section 2 (a), R.A. 7638.

<sup>3</sup> Section 2, R.A. 8479.

<sup>4</sup> Jon Gambrell, *What to know about the protests in Iran, the crackdown and Tehran's relations with the world*, ASSOCIATED PRESS, 14 January 2025 available at <https://apnews.com/article/iran-protests-nuclear-us-what-to-know-explainer-845b3ac10c37727add7118ec9c2f6e46>.

15 **WHEREAS**, reports on 14 January 2026, indicate that at least 2,500 people have been  
16 killed in the protests and that U.S. leadership discussions include possible intervention,  
17 raising broader regional geopolitical risks that could affect international markets;<sup>5</sup>

18 **WHEREAS**, international caution over the situation prompted the United States and  
19 United Kingdom to withdraw some military personnel from the Middle East as a  
20 precautionary measure, illustrating increased geopolitical uncertainty in a region that  
21 houses much of the world's petroleum infrastructure;<sup>6</sup>

22 **WHEREAS**, in January 2026, Brent crude prices initially rose toward US\$66–67 per  
23 barrel as markets priced in the geopolitical risk associated with escalating U.S.–Iran  
24 tensions and threats to the Strait of Hormuz, before declining sharply by over 4 percent  
25 to the low US\$60 range after public statements reduced expectations of immediate  
26 U.S. military action;<sup>7</sup>

27 **WHEREAS**, ongoing volatility persists as market participants balance geopolitical risk  
28 with fundamentals such as rising U.S. crude inventories and anticipated resumption of  
29 Venezuelan exports, underscoring the unpredictable nature of oil price dynamics in  
30 the context of Middle East tensions;<sup>8</sup>

31 **WHEREAS**, the Philippines is a net importer of petroleum and remains highly exposed  
32 to fluctuations in global crude oil prices, particularly those originating in the Middle  
33 East, which supplies 96.8 percent of the country's crude oil imports as of 2024,  
34 according to data from the Department of Energy (DOE);

35 **WHEREAS**, within this 96.8 percent share, crude oil imports are sourced primarily  
36 from the following Middle Eastern suppliers: Saudi Arabia (51.4 percent), United Arab  
37 Emirates (30.9 percent), Iraq (13.4 percent), and Qatar (1.1 percent), demonstrating  
38 an extremely concentrated import profile and high vulnerability to geopolitical risk;

39 **WHEREAS**, while the Philippines does not currently import crude oil directly from Iran  
40 due to sanctions and commercial constraints, any instability affecting Iran or its  
41 broader geopolitical context impacts global oil prices because the petroleum market

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<sup>5</sup> Reuters, *At least 2,571 killed in Iran's protests, Trump says 'help is on the way'*, REUTERS, 14 January 2026, available at <https://www.reuters.com/world/least-2571-killed-irans-protests-us-based-rights-group-hrana-says-2026-01-14/>.

<sup>6</sup> William Christou, *US and UK military withdraw some personnel from Middle East amid Iranian threats*, THE GUARDIAN, 14 January 2025, available at [https://www.theguardian.com/world/2026/jan/14/iran-protests-erfan-soltani-donald-trump-warning-executions-hangings?CMP=share\\_btn\\_url](https://www.theguardian.com/world/2026/jan/14/iran-protests-erfan-soltani-donald-trump-warning-executions-hangings?CMP=share_btn_url).

<sup>7</sup> Malcolm Moore, *Oil prices tumble as fears of US action in Iran ease*, FINANCIAL TIMES, 16 January 2026, available at <https://www.ft.com/content/9cbf6010-3e10-4806-a889-6ecf216fd136>.

<sup>8</sup> Erwin Seba, *Oil prices settle up as US begins holiday weekend*, REUTERS, 16 January 2026, available at <https://www.reuters.com/business/energy/oil-flat-chances-us-strike-iran-recedes-2026-01-16/>.

42 operates as an interconnected global system where disruptions in one major producer  
43 elevate benchmark prices worldwide;

44 **WHEREAS**, finished petroleum products imported into the Philippines such as  
45 gasoline, diesel, and LPG are mainly sourced from other Asian markets (64.4 percent)  
46 and ASEAN (30.71 percent) countries, yet these refining centers also rely heavily on  
47 Middle Eastern crude feedstocks that leave local prices indirectly exposed to Middle  
48 East supply instability;

49 **WHEREAS**, sustained increases in oil prices significantly raise the cost of electricity  
50 generation, particularly in off-grid and missionary areas dependent on diesel-fed  
51 power plants deployed by the National Power Corporation – Small Power Utilities  
52 Group (NPC-SPUG), potentially resulting in higher generation costs and pressure for  
53 subsidies;

54 **WHEREAS**, the DOE has initiated monitoring of global price movements through its  
55 Oil Industry Management Bureau (OIMB), but the present situation requires enhanced  
56 reporting, updated inventory assessments, contingency planning, and supply-  
57 diversification measures to mitigate domestic impacts;

58 **NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved, to direct the  
59 appropriate Senate committee to conduct an inquiry, in aid of legislation, on the impact  
60 of the escalating political unrest in Iran on global oil prices and supply, with the  
61 objective of strengthening national preparedness, identifying policy gaps, and  
62 recommending responsive measures to safeguard the country's energy security amid  
63 increasing geopolitical uncertainty.

64 Adopted,



**WIN GATCHALIAN**