



**TWENTIETH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )**

26 MAR -4 P5:52

**SENATE  
P.S. RES. No. 335**

RECEIVED BY:

**Introduced by Senator WIN GATCHALIAN**

**RESOLUTION**

**URGING THE CREATION OF A PERMANENT INTER-AGENCY TASK FORCE TO MONITOR THE COUNTRY'S OIL SUPPLY AND PRICE LEVELS, ASSESS THE IMPACT OF GLOBAL GEOPOLITICAL DEVELOPMENTS, AND FORMULATE COORDINATED RESPONSE AND MITIGATION MEASURES TO ENSURE LONG-TERM ENERGY SECURITY AND SUPPLY STABILITY**

1       **WHEREAS**, the 1987 Constitution mandates the State to pursue policies that  
2 serve the general welfare and protect the national economy;<sup>1</sup>

3       **WHEREAS**, Republic Act No. 8479 or the Downstream Oil Industry  
4 Deregulation Act of 1998 seeks to ensure a competitive market under a regime of fair  
5 pricing, adequate and continuous supply of petroleum products;<sup>2</sup>

6       **WHEREAS**, Republic Act No. 9136, otherwise known as the Electric Power  
7 Industry Reform Act (EPIRA), recognizes the State's duty to ensure the quality,  
8 reliability, security, and affordability of electric power in the Philippines, and to protect  
9 the public interest affected by the rates and services of electric utilities and providers;<sup>3</sup>

10       **WHEREAS**, the Philippines remains a net importer of energy, including coal,  
11 crude oil, and other petroleum products, rendering it vulnerable to sudden global  
12 supply disruptions and price volatilities;

13       **WHEREAS**, on February 28, 2026, the United States and Israel launched  
14 coordinated air and missile strikes on Iran's territory, after failure to reach an  
15 agreement, particularly on Iran's rejection of continued uranium enrichment and  
16 dismantling of its nuclear infrastructure, after which oil prices rose sharply following  
17 retaliatory strikes by Iran against private and public facilities in Gulf countries;<sup>4</sup>

<sup>1</sup> 1987 Constitution, Art. XII, Sec. 13

<sup>2</sup> RA 8479, Sec. 2

<sup>3</sup> RA 9136, Sec. 2

<sup>4</sup> AP and Reuters, Oil prices rise sharply after US, Israeli attacks on Iran, Al Jazeera, 2 March 2026 at <https://www.aljazeera.com/news/2026/3/2/oil-prices-rise-sharply-after-us-israeli-attacks-on-iran> (last visited on March 3, 2026)

1           **WHEREAS**, the conflict has triggered the de facto closure of the Strait of  
2 Hormuz<sup>5</sup>—a major oil chokepoint through which twenty percent (20%) of global oil and  
3 gas consumption, or about 20 million barrels per day, pass,<sup>6</sup> resulting in upward  
4 pressure on oil prices;

5           **WHEREAS**, major oil-producing countries in the Gulf region such as Saudi  
6 Arabia, the United Arab Emirates (UAE), Iraq, Kuwait, and Qatar rely heavily on the  
7 Strait of Hormuz for their crude exports;<sup>7</sup>

8           **WHEREAS**, Qatar, the second largest LNG exporter in the world, halted its  
9 LNG production following Iranian attacks, as a result, Benchmark Dutch and British  
10 wholesale gas prices have soared by almost 50 percent (50%);<sup>8</sup>

11           **WHEREAS**, the international benchmark for global oil prices, Brent crude, rose  
12 by approximately 13.09% from February 27, 2026, a day before the start of the  
13 conflict, reaching about US\$81.97 per barrel as of 8:00 p.m. on March 3, 2026 (EST),<sup>9</sup>  
14 while U.S. crude futures increased by as much as 12.34%, recording a price of  
15 US\$75.34 per barrel as of the same date;<sup>10</sup> and Citi projects Brent crude to trade  
16 within the range of US\$80 to US\$90 per barrel in the coming week as the conflict  
17 continues;<sup>11</sup>

18           **WHEREAS**, despite international sanctions, Iran remains one of the world’s  
19 major oil producers — ranking fourth in crude oil production in 2023 and third in global  
20 oil reserves in 2024<sup>12</sup> — while its oil exports to the global market account for  
21 approximately 1.71 million barrels per day, representing around 10% of the total  
22 Middle East exports, and about 1.61% of the total global oil demand in 2025;<sup>13</sup>

23           **WHEREAS**, even without direct imports from Iran, the Philippines remains  
24 indirectly exposed to supply and price shocks, as a significant portion of Middle East  
25 oil exports, around 87%, are sold to Asian refining countries, particularly China, India,  
26 South Korea, and Japan, from which the Philippines sources petroleum products, and

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<sup>5</sup> Indrastra Business News, Strait of Hormuz on the Brink: De Facto Closure Drives Oil Surge and Global Energy Crisis Fears, 3 March 2026 at <https://www.indrastra.com/2026/03/strait-of-hormuz-on-brink-de-facto.html> (last visited on March 3, 2026)

<sup>6</sup> Thomas, Hatton, Hoskins, Jordan, BBC News, Oil and gas prices jump as conflict escalates, 3 March 2026 at <https://www.bbc.com/news/articles/c75evve6l63o> (last visited on March 4, 2026)

<sup>7</sup> Rona Rita David, Energy Industry Review, The Strait of Hormuz and Its Impact on the Global Energy Market, 4 March 2024 at <https://energyindustryreview.com/analysis/the-strait-of-hormuz-and-its-impact-on-the-global-energy-market/> (last visited on March 4, 2026)

<sup>8</sup> Giuliano Bifulchi, SpecialEurasia, Economic Impact of the Strait of Hormuz Maritime Blockade, 2 March 2026 at <https://www.specialeurasia.com/2026/03/02/blockade-hormuz-maritime-economy/> (last visited on March 3, 2026)

<sup>9</sup> Bloomberg at <https://www.bloomberg.com/quote/CO1:COM> (last visited on March 4, 2026)

<sup>10</sup> Investing.com at <https://ph.investing.com/commodities/dubai-crude-oil-platts-futures> (last visited on March 4, 2026)

<sup>11</sup> The Wall Street Journal, Oil Rises On U.S.-Middle East Conflict, But Settles Off Highs, 2 March 2026 at <https://www.wsj.com/finance/commodities-futures/oil-jumps-as-middle-east-conflict-heightens-supply-disruption-concerns-e326ac44> (last visited on March 4, 2026)

<sup>12</sup> Rigdon, Ziady, Bacon, CNN Business, Oil surges and stock futures sink as war in Iran threatens crude supply, 2 March 2026, at <https://edition.cnn.com/2026/03/01/business/oil-prices-us-attack-iran-vis> (last visited on March 3, 2026)

<sup>13</sup> DOE-OIMB Submission to OSSTG, Impact Analysis of Supply and Price by the US, Israel - Iran Conflict, March 1, 2026

1 considering that approximately 97.80% of the country's oil imports originate from the  
2 Middle East;<sup>14</sup>

3 **WHEREAS**, in the event of total closure of the Strait of Hormuz, approximately  
4 sixteen percent (16%) of global oil supply could be affected, potentially driving prices  
5 from around US\$70-72 per barrel to more than US\$100 per barrel;<sup>15</sup>

6 **WHEREAS**, while estimates suggest that the direct impact on the country's  
7 supply of refined petroleum products may be limited at around 2.4% of total Philippine  
8 imports,<sup>16</sup> global price increases would nonetheless affect domestic pump prices due  
9 to the country's participation in the international oil market, with several domestic oil  
10 companies already implementing upward adjustments of P1.90 per liter for gasoline,  
11 P1.20 for diesel, and P1.50 for kerosene, and projections that prices could further  
12 increase by as much as P7 to P10 should global oil prices rise by an additional US\$20  
13 per barrel;<sup>17</sup>

14 **WHEREAS**, local economists warn that the ongoing conflict may add renewed  
15 pressure on inflation and currency stability, noting that oil prices reaching around  
16 US\$80 per barrel could add approximately 0.2 percentage points to average inflation  
17 this year amid rising rice prices, energy costs, and utility costs;<sup>18</sup>

18 **WHEREAS**, the National Power Corporation–Small Power Utilities Group (NPC-  
19 SPUG), which relies heavily on diesel-based generation in off-grid areas, remains  
20 highly sensitive to diesel price volatility, with internal modeling indicating that even  
21 minimal increases in diesel prices significantly affect its operational coverage;<sup>19</sup>

22 **WHEREAS**, to assess supply conditions and secure commitments to mitigate  
23 the impact of fuel price increases, the Department of Energy recently convened  
24 independent oil firms for an emergency meeting;<sup>20</sup>

25 **WHEREAS**, under the General Appropriations Act of 2025, fuel subsidies under  
26 the Pantawid Pasada Program are triggered only when the average price of Dubai  
27 crude oil reaches the US\$80 per barrel threshold for one calendar month, which may  
28 not account for sudden and sharp price increases, thereby delaying relief to qualified  
29 public utility vehicle (PUV) drivers;<sup>21</sup>

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<sup>14</sup> *Id.*

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

<sup>17</sup> Joviland Rita, GMA News, Fuel prices could jump by up to P10 per liter amid US-Iran conflict —DOE exec, 3 March 2026 at <https://www.gmanetwork.com/news/money/economy/978519/fuel-prices-could-jump-by-up-to-10-per-liter-amid-us-iran-conflict-doe-exec/story/> (last visited on March 4, 2026)

<sup>18</sup> Inosente and Ta-Asan, Philippine Star, Philippine can weather impact of Middle East conflict, 2 March 2026 at <https://www.philstar.com/business/2026/03/02/2511332/philippine-can-weather-impact-middle-east-conflict> (last visited on March 4, 2026)

<sup>19</sup> NPC Submission to OSSTG, March 3, 2026

<sup>20</sup> Brix Lelis, Philstar, DOE holds emergency meeting on Iran crisis, 3 March 2026 at <https://www.philstar.com/headlines/2026/03/03/2511617/doe-holds-emergency-meeting-iran-crisis> (last visited on March 3, 2026)

<sup>21</sup> **General Appropriations Act 2025 Special Provisions under DOTr**

**7. Fuel Subsidy to Transport Sector Affected by Rising Fuel Prices.** The amount of Two Billion Five Hundred Million Pesos (P2,500,000,000) appropriated herein shall be used to provide financial assistance/fuel vouchers to

1           **WHEREAS**, there is a need to consider a more responsive trigger mechanism,  
2 such as the automatic release of fuel subsidies upon a defined percentage increase in  
3 global oil prices, to provide timely assistance to vulnerable transport sectors;

4           **WHEREAS**, recurring geopolitical disruptions have repeatedly exposed the  
5 country's vulnerability to global oil price shocks, which often lead to higher fuel costs,  
6 increased transport fares, and higher electricity expenses, ultimately affecting  
7 consumers, transport operators, power-dependent communities, and businesses;

8           **NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved, that the  
9 Senate urge the creation of a Permanent Inter-Agency Task Force, to be composed of  
10 the Department of Energy (DOE), Department of Justice (DOJ), Department of  
11 Transportation (DOTr), National Power Corporation (NPC), Department of Trade and  
12 Industry (DTI), and other relevant government agencies, to monitor oil supply and  
13 price levels, assess the impact of global geopolitical developments, formulate  
14 immediate and coordinated response and mitigation measures, and evaluate existing  
15 fuel subsidy mechanisms with the end in view of recommending appropriate policy  
16 measures to Congress, to ensure long-term energy security and supply stability.

Adopted,



**WIN GATCHALIAN**

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qualified public utility vehicle (PUV), taxi, tricycle, and full-time ride hailing and delivery services drivers nationwide: Provided, That the identification and validation of beneficiaries shall be facilitated by the following: (i) Land Transportation Franchising and Regulatory Board for PUVs, taxis, and full-time ride hailing services; (ii) DILG for tricycles; and (iii) DICT/DTI for delivery services drivers: Provided, further, That no more than one and one half percent (1.5%) of the total amount appropriated herein shall be used for the overhead and administrative costs. The distribution of the fuel subsidy by the DOTr shall be subject to the guidelines to be issued by the DOTr and DOE. The grant of the subsidy to the intended beneficiaries shall be subject to the issuance by the DOE of a certification that **the actual average price, for one (1) calendar month, of Dubai Crude Oil based on Mean of Platts Singapore per barrel has reached eighty dollars (USD 80).**