



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

DEPARTMENT CIRCULAR No. DC 2011-12-0013

**UTILIZATION OF LOCALLY-PRODUCED BIOETHANOL IN THE PRODUCTION OF  
E-GASOLINE CONSISTENT WITH THE BIOFUELS ACT OF 2006**

WHEREAS, Republic Act No. 9367, otherwise known as the "*Biofuels Act of 2006*", sets out the policy to reduce the country's dependence on imported fuels with due regard to the protection of public health, the environment, and the natural ecosystems consistent with the country's sustainable economic growth that would expand opportunities for livelihood by mandating the use of locally-sourced biofuels, such as biodiesel and bioethanol, into the fuel supply mix;

WHEREAS, Section 5 of the *Biofuels Act of 2006* mandates the use of locally-sourced biofuels and exhaustion of its supply before importing biofuels that will be blended with liquid fuels for motors and engines sold in the Philippines;

WHEREAS, Sections 5.1 and 5.2 of the *Biofuels Act of 2006* recognizes that the country may not have sufficient bioethanol production to meet the mandated volume of gasoline-bioethanol blend (E-gasoline) to be sold by the oil companies. Given this situation, bioethanol may be imported by the oil companies subject to the guidelines set forth by the Department of Energy (DOE) and the Department of Finance under the DOE Circular No. 2006-08-0011 and Revenue Regulation No. 8-2006, respectively;

WHEREAS, DOE Circular No. DC-2011-02-0001 mandates that by 06 August 2011, a minimum of ten percent (10%) blend of biofuel by volume into all gasoline fuel distributed and sold by each and every Oil Company;

WHEREAS, consultations with various stakeholders and the National Biofuels Board determined that the volume of local bioethanol production remains insufficient to supply the oil industry with the volumes set to meet the mandated gasoline-bioethanol blend; and

WHEREAS, in order to sustain and expand the local bioethanol industry, the mandatory exhaustion of locally-sourced bioethanol must be complied and importations of biofuel-blended fossil fuels shall not be considered as part of the compliance to the biofuels mandate pursuant to the *Biofuels Act of 2006*.

NOW, THEREFORE, in consideration of the aforementioned premises, the DOE hereby establishes the following Guidelines:

**SECTION 1. Title.** This Circular shall be known as the "Guidelines on the Utilization of Locally-produced Bioethanol in the Production of E-gasoline."

1



