



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

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## Philippines

### Bio-Fuels

## Possible Delay in Bio-Fuels Law Implementation 2007

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**Report Highlights:**

Implementation of the Bio-fuels Act or Republic Act 9367 on May 2007 may be delayed as a result of inadequate facilities required in the handling and storage of bio-fuels in the Philippines.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Manila [RP1]  
[RP]

Implementation of the bio-diesel component of Republic Act 9367 (RA9367) or the Bio-fuels Act of 2006 (refer to GAIN RP 7004) may be delayed, according to the Philippine Department of Energy (DOE). According to RA 9367, the bio-diesel component, which calls for the one percent blend of the bio-diesel (derived mainly from coconut oil), should be carried out three months after the law becomes effective or on May 6, 2007. Accordingly, the five-percent ethanol blend (sugar-based) would be in place in two years' time.

According to the DOE, while the supply of feedstock, coco-methyl ester in the case of bio-diesel, is not a problem, big oil companies are asking for a one-year delay to provide them ample time to prepare the appropriate infrastructure to handle the storage and retail operations of bio-fuel products. The Independent Philippine Petroleum Companies Association (IPPCA), however, reportedly believes there is no need for a delay as it may send investors a wrong signal. To date, the DOE has not provided an alternative date of implementation.