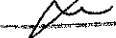


FOURTEENTH CONGRESS OF THE)
Republic of the Philippines)
First Regular Congress)

7 JUL 26 1999

SENATE

RECEIVED BY: 

P.S. Res. 224

Introduced by Senator Ramon Bong Revilla, Jr.

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON ENERGY AND OTHER APPROPRIATE SENATE COMMITTEES TO INQUIRE IN AID OF LEGISLATION, INTO THE IMPACT OF CONTINUOUS INCREASES OF OIL PRICES ON THE DOMESTIC ECONOMY AND THE IMPLEMENTATION OF REPUBLIC ACT NO. 8479, WITH THE OBJECTIVE OF REVIEWING THE EFFECTIVITY OF THIS LAW

Whereas, the Downstream Oil Deregulation Act of 1998 (RA8479) has been enacted to liberalize and deregulate the downstream oil industry in order to ensure a truly competitive market under a regime of fair prices, adequate and continuous supply of environmentally-clean and high-quality petroleum products;

Whereas, Section 14 thereof, provides that the DOE Secretary shall act on any report from any person of an unreasonable rise in the prices of petroleum products;

Whereas, for this purpose, the creation of the DOE-DOJ Task Force is hereby mandated to determine within thirty (30) days the merits of the report and initiate the necessary actions warranted under the circumstance;

Whereas, as noted recently by the United Nations, the Philippines is among the countries that are most vulnerable to oil price shocks. Worse, more than 90% of the local oil industry remains in the monopoly control of giant transnational corporations (TNC's) through their local units Petron, Shell, Caltex and Total;

Whereas, these oil companies took advantage of the Oil Deregulation Law, hiking of pump prices of all petroleum products by around 535% since its first implementation in April 1996;

Whereas, there is a general clamour from the people that the government has no credible energy program that will lessen the impact of hike oil on the domestic prices economy and people's livelihood;

Whereas, the most affected sectors of this continuous oil price increase are the marginalize transport groups, small fisherman and the like who uses oil as their means of livelihood;

Whereas, to cope with domestic crisis, a petition was filed by Pinagkaisang Samahan ng Tsuper at Operator (PISTON) seeking of an increase of One (Php 1.00) Peso for the first 4 kilometers and 25 (Php .25)cents increase for succeeding kilometers;

Whereas, the United Transport Alliance Koalisyon (1-UTAK) composed of Pasang Masda, Alliance of Transport Operations and Drivers Association of the

Philippines, Federation of Jeepney Operators and Drivers Association of the Philippines, Metro Bus Operator Association and the Alliance of Concern Transport Operators (ACTO) filed an increase equivalent to Nine (Php9.00) Pesos for the first 4 kilometers and fifty (.50) cents increase for succeeding kilometers;

Whereas, in the wake of increasing prices of basic goods and services, there is a timely need to review the Oil Deregulation Law in order for the government to formulate policies and mechanisms that would address this major problem;

Whereas, drastic measures are urgently needed to minimize the vulnerability of the Philippines to high global oil prices. This includes the setting up a mechanism for government control of oil price hikes to ensure reasonable pump prices;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the Senate Committee on Energy and other appropriate Senate Committees to inquire in aid of legislation, into the impact of continuous increases of oil prices on the domestic economy and the implementation of Republic Act no. 8479 with the objective of reviewing the effectivity of this law.

Adopted,



RAMON BONG REVILLA, JR.