

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **8031**



Introduced by Representative LEILA M. DE LIMA

AN ACT
ESTABLISHING A COMPREHENSIVE FUEL SUBSIDY PROGRAM TO PROMOTE
ECONOMIC RESILIENCE AND PROTECT LIVELIHOODS AMID FUEL PRICE
VOLATILITY, PROVIDING FUNDS THEREFOR AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Oil plays a crucial role in the Philippine economy, with several sectors dependent on oil. Among these sectors are the transportation sector, which primarily consumes diesel and gasoline; the industry and manufacturing sector; and the agriculture, forestry, and fisheries sector, which relies on fuel for machinery, tractors, and fishing boats.

To meet the country's oil demands, the Philippines heavily relies on imports. In 2024, the country imported "\$3.7B of crude petroleum, making it the 35th largest importer of crude petroleum (out of 149) in the world."¹ Most of the country's imported crude petroleum were sourced from: "Saudi Arabia (\$1.79B), United Arab Emirates (\$1.22B), Iraq (\$474M), Colombia (\$65.5M), and Japan (\$63.2M)."² Thus, recent geopolitical tensions in Europe and the Middle East have significantly affected the oil prices³ in the Philippines.⁴

As a result, the country's sectors dependent on oil imports have also been greatly affected. Drivers of public utility vehicles (PUVs) like jeepneys, buses, and

¹ OEC. Crude Petroleum in the Philippines. Retrieved from <https://oec.world/en/profile/bilateral-product/crude-petroleum/reporter/phl>.

² Ibid.

³ Slav, I. (22 September 2025). Oil Prices Climb on Geopolitical Tensions in Europe and the Middle East. Retrieved from <https://oilprice.com/Latest-Energy-News/World-News/Oil-Prices-Climb-on-Geopolitical-Tensions-in-Europe-and-the-Middle-East.html>.

⁴ Galang, G.C. (10 January 2026). Geopolitics erase hopes for first 2026 fuel price rollback. Manila Bulletin. Retrieved from <https://mb.com.ph/2026/01/10/geopolitics-erase-hopes-for-first-2026-fuel-price-rollback>.

tricycles, farmers who use fuel for their tractors, and fisherfolk whose fishing equipment requires fuel, have also suffered heavy blows to their incomes as a result of the rising fuel prices.

As a response, several government agencies, such as the Department of Interior and Local Government (DILG), the Department of Transportation (DOTr), and the Department of Agriculture – Bureau of Fisheries and Aquatic Resources (DA-BFAR), and local government units (LGUs), have occasionally provided fuel subsidies to affected workers, including tricycle drivers through the “*Pantawid Pasada Program*”⁵ and farmers and fisherfolk through the “*Fuel Discount Program*,”⁶ among others, to alleviate the burden of increased oil prices.

However, these responses have been largely reactive, occasional, and dependent on the initiatives of the concerned government agencies and LGUs. As a result, the temporary, or often one-time, fuel subsidy programs fail to provide the affected workers the necessary assurance that they shall have the consistent support to continue in their respective livelihoods amid the rising oil prices.

This bill seeks to establish a regular and continuing Fuel Subsidy Program that shall provide a monthly cash assistance of not less than Seven Thousand Pesos (P7,000.00) to eligible beneficiaries registered in the databases of the concerned agencies mentioned in this bill.

Among the identified beneficiaries are public transport operators and drivers, municipal fisherfolk, farmers and agricultural producers, and other low-income sectors as may be identified by the Department of Energy (DOE) and Department of Social Welfare and Development (DSWD).

To ensure efficiency, accountability, and transparency in distribution, this bill mandates that the subsidy be directly deposited into the beneficiaries’ bank accounts. Through this bill, Filipino workers in sectors largely dependent on oil shall be provided stability in their livelihoods regardless of geopolitical developments that inevitably affect oil prices.

In the 20th Congress, Senator Raffy Tulfo, Representatives Claudine Bautista-Lim, Marlyn Primicias-Agabas, Ramon Gutierrez, Mikaela Suansinhis and Salvador Pleyto have filed similar bills. This bill adopts several provisions from Senator Tulfo’s bill.

⁵ DILG Memorandum Circular 2024-105. Retrieved from <https://www.dilg.gov.ph/issuances/mc/Guidelines-for-the-Implementation-of-the-Fuel-Subsidy-Program-for-Tricycle-Drivers-for-Calendar-Year-2024/3963>.

⁶ DBM Releases P3.0 Billion for Fuel Subsidy and Discount Programs. Retrieved from <https://www.dbm.gov.ph/index.php/management-2/454-dbm-releases-p3-0-billion-for-fuel-subsidy-and-discount-programs>.

Early approval of this measure is earnestly sought.



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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 SECTION. 1. *Short Title.* – This Act shall be known as the “Fuel Subsidy
2 Program Act.”
3

4 SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to
5 protect and promote the welfare of sectors whose livelihoods are directly affected by
6 volatile fuel price fluctuations. The State recognizes the essential role of transport
7 workers, farmers, and fisherfolk in maintaining food security and economic
8 productivity. To this end, the government shall institutionalize a sustainable and
9 equitable fuel subsidy program to mitigate the adverse effects of fuel price volatility on
10 vulnerable sectors.
11

12 SEC. 3. *Establishment of the Fuel Subsidy Program.* – There is hereby
13 established a Fuel Subsidy Program, to be implemented as a regular and continuing
14 government initiative to provide targeted financial assistance to qualified beneficiaries
15 adversely affected by abnormal increases in fuel prices.
16

17 The Program shall provide cash assistance of not less than Seven Thousand
18 Pesos (P7,000.00) per month to each eligible beneficiary under this Act. The subsidy
19 shall be directly deposited into the bank accounts of the beneficiaries to ensure
20 efficiency, accountability, and transparency in distribution.
21

22 *Provided,* That the amount of the monthly subsidy shall be subject to annual
23 review and adjustment by the Department of Energy (DOE) and the Department of

Budget and Management (DBM), in consultation with the Department of Economy, Planning, and Development (DEPDev), to account for inflation, prevailing fuel prices, and fiscal capacity.

The Fuel Subsidy Program shall be integrated into the annual General Appropriations Act (GAA) to ensure its sustainability and continuity.

SEC. 4. *Beneficiaries.* – The Fuel Subsidy Program shall primarily cover low-income individuals and sectors whose livelihoods are directly affected by irregular fluctuations in fuel prices, as determined by the implementing agencies under this Act.

The following shall be considered eligible beneficiaries:

- a) Public Transport Operators and Drivers – refer to low-income operators and drivers of public utility vehicles (PUVs), such as jeepneys, buses, taxis, tricycles, and transport network vehicle services (TNVS), duly registered with the Land Transportation Franchising and Regulatory Board (LTFRB) or with their respective local government units (LGUs): *Provided*, That registration under the LTFRB's existing databases, or in coordination with the Department of Transportation (DOTr), shall be a requirement for eligibility under this Act;
- b) Fisherfolk – refer to municipal fisherfolk engaged in fishing within municipal waters, whether coastal or inland, who operate motorized fishing vessels with maximum gross weight of three (3) gross, either individually or through a fisherfolk organization, cooperative, or association: *Provided*, That such beneficiaries are duly listed in the registry system of the Department of Agriculture (DA), particularly in the Municipal Fisherfolk Registration System: *Provided, further*, That their fishing vessels are properly registered in the integrated boat registry system in the Bureau of Fisheries and Aquatic Resources (BFAR) Boat Registration, or the boat registry system of the concerned local government unit (LGU): *Provided, finally*, That municipal fisherfolk and fishing vessels that are not yet registered under aforementioned registry systems may still be beneficiaries provided they register in any of the aforementioned registry systems within the periods to be set by the BFAR or LGU;
- c) Farmers and Agricultural Producers – refer to low-income farmers, farmworkers, and agricultural producers who utilize fuel-powered machinery or equipment for land preparation, irrigation, post-harvest processing, or the transport of agricultural products, as validated by the Department of Agriculture (DA): *Provided*, That registration in the Registry System for Basic Sectors in Agriculture (RSBSA) shall be a

1 precondition for the receipt of benefits under this Act: *Provided, further*
2 That farmers who are not yet registered in the RSBSA may still be served
3 under this Act, provided they enroll in the said registry; and
4

- 5 d) Other Low-Income Sectors – other similarly situated groups as may be
6 identified by the Department of Energy (DOE) and the Department of
7 Social Welfare and Development (DSWD), in coordination with the
8 Department of Economy, Planning, and Development (DEPDev), who
9 are demonstrably affected by fuel price increases and meet the eligibility
10 criteria to be prescribed in the implementing rules and regulations (IRR):
11 *Provided, That* priority shall be given to individuals and households listed
12 in the government's Community-Based Monitoring System (CBMS) or
13 other verified registries of low-income individuals, to ensure that
14 assistance is extended to those most in need.
15

16 SEC. 5. *Non-Diminution of Benefits.* – Nothing in this Act shall be construed to
17 reduce, withdraw, or otherwise diminish any benefit, assistance, or privilege currently
18 enjoyed by transport workers, farmers, fisherfolk, and other eligible beneficiaries under
19 existing laws, ordinances, rules, regulations, or programs. These include, but are not
20 limited to, existing fuel subsidies, livelihood assistance, insurance coverage, training
21 opportunities, access to production resources, and other socio-economic support
22 programs being implemented by national government agencies or local government
23 units (LGUs): *Provided, That* no modification or discontinuance of such benefits shall
24 be made without due process and prior consultation with the affected sectors and
25 relevant stakeholders.
26

27 SEC. 6. *Appropriations.* – The amount necessary for the initial implementation
28 of this Act shall be charged against the current appropriations of the Department of
29 Energy (DOE), Department of Transportation (DOTr), Department of Agriculture (DA),
30 and Department of Social Welfare and Development (DSWD). Thereafter, such sums
31 as may be necessary for the continued implementation of this Act shall be included in
32 the annual General Appropriations Act (GAA) under the respective budgets of the
33 DOE, DOTr, DA, and DSWD.
34

35 SEC. 7. *Implementing Rules and Regulations.* – Within ninety (90) days from
36 the effectivity of this Act, the Department of Energy (DOE), in coordination with the
37 DOTr, DA, DSWD, DBM, and DEPDev, shall promulgate the necessary rules and
38 regulations to effectively implement the provisions of this Act, including the
39 identification of eligible beneficiaries, distribution mechanisms, monitoring, and
40 reporting systems.
41

42 SEC. 8. *Separability Clause.* – If any provision of this Act is declared invalid or
43 unconstitutional, the provisions not affected thereby shall continue to be in full force
44 and effect.

1
2 SEC. 9. *Repealing Clause.* – All laws, executive orders, presidential decrees,
3 presidential proclamations, letters of instruction, rules and regulations, or parts thereof
4 inconsistent with the provisions of this Act are hereby repealed, modified, or amended
5 accordingly.

6
7 SEC. 10. *Effectivity.* – This Act shall take effect fifteen (15) days following its
8 publication in the Official Gazette or in two (2) newspapers of general circulation in the
9 Philippines.

Approved,