

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8340



Introduced by **HON. BRIAN RAYMUND S. YAMSUAN**

**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 is the lifeblood of several essential sectors of the Philippine economy. For millions of Filipino workers, fuel is not just another commodity; it is the basic input that allows them to earn a living. Public transport drivers cannot operate without diesel. Fisherfolk cannot venture into our waters without fuel for their boats. Farmers rely on fuel-powered machinery to prepare land, irrigate crops, and transport produce to our markets. Fertilizer production is also heavily dependent on fuel. Thus, when oil prices surge, the effects are immediately felt by these sectors.

In recent years, global supply disruptions and geopolitical tensions in Europe and the Middle East have made oil prices more volatile. The Philippines, which imports the vast majority of its petroleum supply, remains highly vulnerable to these fluctuations. A significant portion of our country's imported crude petroleum comes from Saudi Arabia (\$1.79B), United Arab Emirates (\$1.22B), Iraq (\$474M), Colombia (\$65.5M), and Japan (\$63.2M), making domestic fuel prices highly sensitive to developments in global markets.¹

The effects of these fluctuations are immediately felt at the grassroots level. Rising fuel prices have reportedly forced many small-scale fishers to reduce their

¹ "Crude Petroleum Oils in Philippines Trade." The Observatory of Economic Complexity, oec.world/en/profile/bilateral-product/crude-petroleum-oils/reporter/phl. Accessed 6 Mar. 2026.

operating hours at sea, as fuel can account for as much as 80 percent of the operational costs of their vessels.² Transport workers face similar pressures. Jeepney, bus, and tricycle drivers must continue operating even when fuel costs surge because their daily income is uncertain and largely dependent on the number of passengers served.

The government has long recognized these challenges and has occasionally responded with temporary fuel subsidies. Even as early as 2011, similar forms of assistance had already been extended to transport workers during periods of extraordinary price increases.³ In 2025, the national government allocated funding in the 2025 General Appropriations Act to provide fuel assistance to more than one million drivers and operators in the transport sector. However, these interventions have largely been reactive, timebound, and the continuation of such programs often depends on annual budget decisions and shifting administrative priorities.

This bill seeks to address these concerns by institutionalizing a Fuel Subsidy Program as a regular and continuing government initiative. Rather than responding to crises on an *ad hoc* basis, the proposed measure establishes a stable mechanism that supports vulnerable sectors when fuel price fluctuations threaten their livelihoods. To ensure efficiency, the program focuses on sectors whose incomes are *directly* and *measurably* affected by the surge of oil prices. Eligibility is also linked to existing government registries such as the LTFRB databases, the Municipal Fisherfolk Registration System, the BFAR boat registry, and the Registry System for Basic Sectors in Agriculture (RSBSA). This ensures that assistance reaches verified beneficiaries while strengthening the government's sectoral databases.

Supporting fuel costs also has broader economic implications. Empirical studies in agriculture and fisheries show that subsidies which reduce the cost of key production inputs enable small producers to sustain operations during price shocks⁴ and maintain supply levels that help stabilize food and commodity markets.⁵ In the context of the Philippines, sustaining the operations of farmers, fisherfolk, and drivers protects essential supply chains, from food distribution to daily commuting.

Several measures have previously been filed in Congress seeking to provide fuel subsidies to specific sectors, such as fisherfolk and farmers, and separate proposals focused solely on public transport drivers. This bill builds upon these efforts by integrating these approaches into a single, comprehensive program that covers all

² "High Fuel Prices Cutting down Fisherfolk Operating Hours." BusinessWorld Online, 3 Feb. 2026, www.bworldonline.com/economy/2026/02/03/728292/high-fuel-prices-cutting-down-fisherfolk-operating-hours/.

³ Executive Order No. 32 (2011) Instituting the Public Transport Assistance Program – Pantawid Pasada.

⁴ World Bank. Agricultural Support Policies and Food Security (2023).

⁵ Zheng et al., "Input Subsidies, Fertilizer Intensity and Imbalances Amidst Climate Change," Food Policy (2025).

sectors whose livelihoods are directly dependent on fuel. While their occupations may differ, these beneficiaries share one reality: their ability to earn a living—and the food they bring to their families' tables—is deeply and directly affected by the price of oil.

In view of the foregoing, the passage of this bill is earnestly sought.

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

BRIAN RAYMUND S. YAMSUAN

Representative

2nd District of Parañaque

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

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

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

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

The Program shall provide cash assistance of not less than Seven Thousand Pesos (Php7,000.00) per month to each eligible beneficiary under this Act. *Provided* that the amount of the monthly subsidy shall be subject to annual review and adjustment by the Advisory Council hereby created.

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

Sec. 4. *Advisory Council.* – An Advisory Council is hereby created to review and adjust the amount of cash subsidy which shall be given to qualified beneficiaries based on prevailing fuel prices, and taking into account inflation and fiscal capacity of the government. The Advisory Council shall be composed of the following:

- a. Secretary of Transportation as Chairperson;
- b. Chairperson of the LTFRB as Co-chairperson;
- c. Secretary of Energy;
- d. Secretary of Labor;
- e. Secretary of Budget and Management;
- f. Secretary of Finance, and
- g. Secretary of Interior and Local Government; as members

The Advisory Council shall meet at least twice a year for its regular meeting and may call a special meeting in case of extraordinary increase in the price of fuel. The secretariat of LTFRB shall act as the secretariat of the Advisory Council.

Sec. 5. *Beneficiaries* – This Fuel Subsidy Program shall primarily cover low-income individuals and sectors whose livelihood are directly affected by 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 precondition for the receipt of benefits under this Act: Provided, further, that farmers who are not yet registered in the RSBSA may still be served under this Act, provided they enroll in the said registry; and
- (d) Other Low-Income Sectors – other similarly situated groups as may be identified by the Department of Energy (DOE) and the Department of Social Welfare and Development (DSWD), in coordination with the Department of Economy, Planning, and Development (DEPDev), who are demonstrably affected by fuel price increases and meet the eligibility criteria to be prescribed in the implementing rules and regulations (IRR): Provided, that priority shall be given to individuals and households listed in the government's Community-Based Monitoring System (CBMS) or other verified registries of low-income individuals, to ensure that assistance is extended to those most in need.

Sec. 6. Non-Diminution of Benefits. – Nothing in this Act shall be construed to reduce, withdraw, or otherwise diminish any benefit, assistance, or privilege currently enjoyed by transport workers, farmers, fisherfolk, and other eligible beneficiaries under existing laws, ordinances, rules, regulations, or programs. These include, but are not limited to, existing fuel subsidies, livelihood assistance, insurance coverage, training opportunities, access to production resources, and other socio-economic support programs being implemented by national government agencies or local government units (LGUs): *Provided*, that no modification or discontinuance of such benefits shall be made without due process and prior consultation with the affected sectors and relevant stakeholders.

Sec. 7. Appropriations. – The amounts as may be necessary for the effective implementation of this Act shall be included in the annual General Appropriations Act (GAA) under the respective budgets of the Department of Energy, Department of Transportation (DOTr), Department of Agriculture (DA), and Department of Social Welfare and Development (DSWD).

Sec. 8. Implementing Rules and Regulations. – Within ninety (90) days from the effectivity of this Act, the Advisory Council, in consultation with stakeholders, shall

promulgate the necessary rules and regulations to implement this Act, including the identification of eligible beneficiaries, distribution mechanisms, monitoring, and reporting systems.

Sec. 9. *Separability Clause*. If any provision of this Act is held invalid, the other provisions not affected shall remain in full force and effect.

Sec. 10. *Repealing Clause*. – All laws, decrees, order, rules and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

Sec. 11. *Effectivity*. – This Act shall take effect fifteen (15) days after the completion of its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,