



Republic of the Philippines
DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. DE 2011-03-0002

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PROVIDING FOR THE INCREASE OF THE MINIMUM INVENTORY REQUIREMENTS OF ALL OIL COMPANIES AND BULK SUPPLIERS OPERATING IN THE COUNTRY

WHEREAS, under Department Circular No. 2003-01-001, the Department of Energy adopted guidelines to implement the minimum inventory requirement of all oil companies and bulk suppliers operating in the country to ensure a continuous, adequate and stable supply of petroleum crude oil and products in cases where domestic and international events threaten or restrict the supply of petroleum crude oil and products to the Philippines, such as but not limited to, terrorist attacks, armed conflict in the Middle East and in other regions and other similar events.

WHEREAS, Section 5 of Department Circular No. 2003-01-001 required that: (i) all oil companies, except refiners, operating in the country and bulk suppliers shall maintain a minimum inventory equivalent to 15 days supply of petroleum products, excluding liquefied petroleum gas, which shall be maintained at seven days supply; and (ii) refiners shall maintain a minimum inventory equivalent to 30 days supply consisting of petroleum crude oil and refined petroleum products.


WHEREAS, Section 1 of Department Circular 2003-03-002 relaxed the minimum inventory requirements imposed by the Circular due to the softening of the crude prices in the world market and the high level of inventory of in-country stocks of petroleum;

WHEREAS, the current political and civil unrest in several countries in the Middle East requires the reinstatement of the the minimum inventory requirements to ensure stability in the supply of petroleum crude oil and petroleum products in the Philippines;

NOW THEREFORE, in consideration of the above, Department Circular 2003-03-002 is hereby repealed and the Department Circular No. 2003-01-001 is hereby reinstated.

This Department Circular shall take effect upon complete publication in a newspaper of general circulation.

Issued in Fort Bonifacio, Taguig this 28th day of February 2011.


JOSE RENE D. ALMENDRAS
Secretary



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