



JOINT DEPARTMENT CIRCULAR NO. JDC2022-11-0002

**LPG CYLINDER EXCHANGE, SWAPPING, AND IMPROVEMENT PROGRAMS
AND ITS IMPLEMENTING GUIDELINES**

Pursuant to Sections 31 and 32 of Republic Act No. 11592, otherwise known as LPG Industry Regulation Act and Sections 30 and 31 of its Implementing Rules and Regulations (IRR), the DOE shall, together with the DTI and in consultation with LPG industry participants, consumer groups, and other public and private stakeholders, formulate and publish an LPG Cylinder Exchange, Swapping and Improvement Programs, and hereby issues, adopts and promulgates the following guidelines.

Rule 1. General Provisions

Section 1. Title and Scope.

1.1 This Department Circular shall be known as the guidelines for the implementation of LPG cylinder exchange, swapping and improvement.

1.2 This Department Circular shall apply to End - consumers, Trademark owners or Marketers and their duly authorized Dealers and Retailers, Independent Hauler - Bulk, Independent Hauler - Cylinder, Refiller, Requalifier and Repairer.

Section 2. Definition of Terms.

2.1 As used in this Department Circular, the following terms shall be defined as follows:

- (a) Act- refers to the LPG Industry Regulation Act;
- (b) Ancillary equipment - refers to parts, devices, and accessories necessary and indispensable for the safe and proper operation of an LPG pressure vessel such as seals, valves, hoses, and regulators;
- (c) Certified LPG cylinder – refers to a cylinder which went through the mandatory safety certification of the DTI and bears the Philippine Standards (PS) or Import Commodity Clearance (ICC) quality and/or safety mark;
- (d) Dealer - refers to any duly authorized natural or juridical person engaged in the trading or sale of LPG in cylinders to retail outlets or directly to End - consumers;
- (e) Deposit - refers to the amount paid by an End-consumer in exchange for the use of an LPG cylinder. The amount shall be held in trust by the Trademark owner

or Marketer and its authorized Dealer or Retailer on behalf of the End-consumer subject to refund at any time upon compliance to the conditions set forth in this Department Circular;

(f) End-consumer - refers to any person, who purchases LPG for own consumption. For purposes of this Act, an End-consumer shall not include a Bulk consumer;

(g) FOs – refers to the DOE field offices for Luzon, Visayas and Mindanao;

(h) Generic LPG cylinder - refers to an LPG cylinder which is already circulating in the market prior to the effectivity of this Act, bearing no trademark or trade name embossed, engraved, or otherwise permanently indicated thereon;

(i) Independent Hauler - refers to a duly authorized natural or juridical person engaged as an independent service provider of transportation, distribution, and delivery of LPG in bulk, in cylinder and/or in cartridge to other LPG industry participants;

(j) License to operate (LTO) - refers to a certification issued by the DOE to a natural or juridical person intending to engage in business for a specific Activity as an LPG industry participant who has complied with all the documentary requirements, quality and safety standards, rules, and regulations prescribed by the DOE and other pertinent government agencies for such an Activity;

(k) LPG cylinder - refers to a transportable and refillable pressure vessel with up to one hundred fifty (150) liters water capacity, designed for the storage of LPG;

(l) LPG cylinder buyback - refers to the activity wherein an LPG cylinder owner purchases LPG cylinders bearing its trademark or trade name from an LPG industry participant as part of the process of LPG cylinder swapping at a price determined under the LPG Cylinder Exchange and Swapping Program;

(m) LPG cylinder exchange - refers to the purchase by the End-consumer of an LPG-filled cylinder using an empty LPG cylinder of a different trademark or trade name;

(n) LPG Cylinder Exchange and Swapping Program - refers to a system that allows End-consumers to exercise their freedom of choice in the purchase of LPG-filled cylinders through LPG cylinder exchange and LPG swapping;

(o) LPG cylinder improvement - refers to activities such as repair and requalification to ensure an LPG cylinder is compliant with all applicable PNS that would render it fit for use and circulation;

(p) LPG cylinder swapping - refers to the giving and taking among industry players of LPG cylinders bearing other trademarks or trade names at an accredited LPG cylinder swapping center;

(q) LPG cylinder swapping center - refers to a storage facility in a specific locality which serves as the drop off point of empty LPG cylinders by LPG industry participants in the LPG Cylinder Exchange and Swapping Program for the purpose of LPG cylinder swapping;

(r) Marketer – refers to a duly authorized natural or juridical person engaged in the sale of LPG, whether in bulk or in retail, under its own trademark or trade name;

(s) OIMB – refers to the DOE Oil Industry Management Bureau;

(t) Opposition cylinder - refers to an empty LPG cylinder of a particular Trademark or tradename exchanged by an End-consumer with a cylinder of another Trademark or tradename or other branded cylinder in possession of another Trademark or tradename owner subject for swapping at the swapping center;

(u) Permanent marking - refers to the marking applied to newly manufactured LPG cylinder by embossing, hard metal stamping, engraving, casting, or other similar methods as prescribed by the applicable PNS, or as may be determined by the DOE and the Department of Trade and Industry (DTI) in the case of generic LPG cylinders. This marking shall remain legible during the lifespan of the LPG cylinder;

(v) PNS - refers to the standards promulgated by the Department of Trade and Industry-Bureau of Philippine Standards (DTI-BPS) pertaining to product specifications, test methods, terminologies, procedures, or practices pursuant to Republic Act No. 4109, otherwise known as “An Act to Convert the Division of Standards Under the Bureau of Commerce into a Bureau of Standards, to Provide for the Standardization and/or Inspection of Products and Imports of the Philippines and for Other Purposes”, and other applicable laws, rules, and regulations;

(w) Refiller - refers to a service provider authorized by the Trademark owner to refill LPG cylinders on the latter’s behalf, or any Trademark owner which refills LPG into its own LPG cylinders;

(x) Requalification - refers to the process by which an LPG pressure vessel is inspected, tested, and re-evaluated in accordance with the prescribed PNS and other accepted codes and standards adopted by the DTI as PNS to determine its viability for continued use, distribution, repair, or scrapping, whichever may be applicable;

(y) Requalifier - refers to a natural or juridical person engaged in the business of requalification duly accredited by the DTI;

(z) Repair - refers to the removal and replacement of parts of LPG pressure vessel, or the performance of any other corrective, and restorative measures in

accordance with the prescribed method under the PNS and other accepted codes and standards as adopted by the DTI as PNS, with the end goal of restoring the viability and fitness of LPG pressure vessels for public use;

(aa) Repairer - refers to a natural or juridical person engaged in the business of repair duly certified by the DTI;

(bb) Retailer - refers to a duly authorized natural or juridical person engaged in the direct and exclusive trade or sale of LPG in cylinders to End-consumers whose maximum floor stock is determined by the DOE;

(cc) Scrappage - refers to the destruction of defective LPG cylinders declared by a Requalifier or Repairer to be unfit for use; and

(dd) Scrapped cylinder – refers to cylinder that does not pass the requalification and other required tests and cannot be repaired. This cylinder shall be destroyed by the most appropriate method such as cutting diagonally, crushing such that the cylinder or any part thereof could no longer be used. No scrapped cylinder shall be allowed by the to be returned to the Trademark owner or Marketer unless the above destruction method has been applied by the Requalifier or Repairer;

(ee) Trademark owner – refers to a duly authorized natural or juridical person owning a duly registered, valid, and existing trademark or trade name with the Intellectual Property Office (IPO) of the Philippines pursuant to Republic Act No. 8293, otherwise known as “Intellectual Property Code of the Philippines”.

2.2 All other terms not covered in the Act, its IRR and this Department Circular shall be defined by the concerned government agencies in the exercise of their respective regulatory functions.

Rule 2. Responsibilities of a Trademark owner or Marketer

Section 3. General Responsibilities.

Pursuant to Section 13 of the Act’s IRR, a Trademark owner or Marketer shall:

(a) Ensure that what it imports, procures, utilizes, manufactures, constructs, operates, and sells are compliant with the PNS, and other standards, requirements, and guidelines promulgated pursuant to the Act;

(b) Comply with all the guidelines and valid orders issued by the DOE, DTI and other government agencies in the implementation of the Act, its IRR and this Department Circular;

(c) Actively participate and implement programs for instituting reforms in the existing standards of conduct and codes of practice for the liquefied petroleum gas industry;

(d) Actively participate and implement programs for the promotion of awareness regarding the health, safety, security, environmental, and quality standards for the proper use of LPG, LPG pressure vessels, and Ancillary equipment through information dissemination and End-consumer education campaigns;

(e) Ensure the health, safety, security, environmental, and quality standards for

(1) Importing, refining, storing, exporting, refilling, transportation, distribution, and marketing of LPG;

(2) Importation, manufacture, requalification, repair, exchange, swapping improvement, and scrapping of LPG pressure vessels, whichever is applicable; and

(3) Safe operations of the entire LPG industry including all LPG facilities and the residential, commercial, industrial, and automotive use of LPG.

(f) Uphold the right of End-consumers to freely choose the Trademark or trade name of LPG-filled cylinders they want to purchase and improve competition in the LPG industry for the benefit of End-consumers;

(g) Actively participate and implement programs for technological innovation, in partnership with public and private stakeholders, by keeping abreast of and developing homegrown advancements and breakthroughs in the LPG industry;

(h) Engage in business transaction only with LPG industry participants issued with valid LTO from the DOE, certification or accreditation from the DTI and applicable permits and clearances from other government agencies; and

(i) Strictly observe the non-commission of the prohibited acts described in Section 38, 39 and 40 of the Act.

Section 4. Specific Responsibilities.

Pursuant to Section 18 of the Act's IRR, a Trademark owner or Marketer shall:

(a) Carry its own Trademark or trade name in LPG pressure vessel;

(b) Ensure the following:

(1) Adequate and timely supply of LPG to its Dealers, Retailers, and End-consumers; and

(2) Correct weight of LPG-filled cylinders or cartridges delivered to its Dealers, Retailers, and End-consumers.

(c) Utilize a distinguishable color and marking schemes for all of its LPG pressure vessels and register the same with the DOE;

(d) Register its LPG seal and seal manufacturer with the DOE;

- (e) Maintain and repair all LPG pressure vessels under its own Trademark or trade name through duly certified manufacturers, Repairers and Requalifiers;
- (f) Provide servicing, delivery, and technical assistance to all its Dealers, Retailers, and End-consumers; and
- (g) Periodically check compliance of Dealers and Retailers with the following:
 - (1) Content requirements of LPG sold; and
 - (2) Proper calibration and sealing of Measuring devices.

Section 5. Ownership of LPG Cylinder.

Pursuant to Section 26 (b) of the Act's IRR, ownership of LPG cylinders belongs to the Trademark owner or Marketer whose Trademark, or trade name is duly registered with the IPO and whose permanent mark or durable marking consistent with the requirements of the PNS appears on the LPG cylinder. This ownership requirement shall apply to LPG cylinders sold, subject of exchange or swapping, or which are in the possession of any Bulk supplier or distributor, Refiller, Dealer, Retailer, Requalifier, Repairer, or such other person duly authorized by the Trademark owner or Marketer.

Section 6. Compliance to LPG Cylinder Quality and Safety Standards.

Pursuant to Section 27 (b) of the Act's IRR, a Trademark owner or Marketer shall ensure compliance with all the required quality and safety standards under the PNS and the requirement of DTI Philippine Standards (PS) or Import Commodity Clearance (ICC) quality and/or safety mark. The receipt by the DOE however, of a report from the Trademark owner or Marketer, regarding any lost, stolen, or missing LPG cylinder shall *prima facie* relieve the Trademark owner or Marketer of the responsibility to ensure its quality and safety.

Rule 3. LPG Cylinder Exchange, Swapping and Improvement Programs

Section 7. Principles of LPG Cylinder Exchange and Swapping Program.

7.1 Pursuant to Section 30.2 of the Act's IRR, the LPG Cylinder Exchange and Swapping Program shall be governed by the following principles:

- (a) It shall be aligned with the LPG Cylinder Improvement Program specified in the Act;
- (b) The safety of LPG cylinders shall be paramount towards the protection of all End-consumers;
- (c) The End-consumer shall have the freedom of choice in the purchase of LPG-filled cylinders;
- (d) All Trademark owners or Marketers and their authorized Dealers and Retailers shall participate in the LPG Cylinder Exchange and Swapping Program;

(e) All arrangements, agreements, and contracts entered into between participants shall be executed using fair, reasonable, and nondiscriminatory terms; and

(f) Any arrangement which may significantly increase the retail price of LPG-filled cylinders shall be subject to consultation with consumer groups and LPG industry participants.

7.2 The DOE shall, together with the DTI and in coordination with LPG industry participants, create a task force including public and private stakeholders to assist in the implementation of the LPG Cylinder Exchange and Swapping Program.

Section 8. Principles of LPG Cylinder Improvement Program.

8.1 Pursuant to Section 31.2 of the Act's IRR, the LPG Cylinder Improvement Program shall be governed by the following principles:

(a) It shall be aligned with the LPG Cylinder Exchange and Swapping Program as specified in the Act;

(b) The safety of the LPG cylinders shall be paramount towards the protection of all End-consumers;

(c) All Trademark owners or Marketers shall take part in the LPG Cylinder Improvement Program;

(d) A generic LPG cylinder or LPG cylinder without a Trademark owner shall first be requalified and then permanently marked with the Trademark or trade name of the Trademark owner who was last in possession of the LPG cylinder, and such Trademark owner shall be the owner of the LPG cylinder exercising such rights and obligations pursuant to the Act;

(e) The program shall not apply to generic LPG cylinders or LPG cylinders without Trademark owners which:

(1) Have been illegally imported; or

(2) Are defective, injurious, unsafe, and dangerous.

(f) All arrangements, agreements, and contracts entered into between participants shall be executed using fair, reasonable, and nondiscriminatory terms; and

(g) Any arrangement which may significantly increase the retail price of LPG-filled cylinders shall be subject to consultation with consumer groups and LPG industry participants.

8.2 The DOE shall, together with the DTI and in coordination with LPG industry participants, create a task force including public and private stakeholders to assist in the implementation of the LPG Cylinder Improvement Program.

Section 9. Mandatory Requirements for the Exercise of Cylinder Exchange.

This Department Circular shall uphold the right of an End-consumer to freely choose the Trademark or trade name of the LPG cylinder it wants to purchase and be allowed at all times by any Trademark owner or Marketer or its authorized Dealers and Retailers to exchange an empty LPG cylinder subject to the following:

- (a) The End-consumer is in actual custody of any cylinder including either a generic and/or uncertified or certified and PNS compliant;
- (b) Upon the effectivity of this Department Circular, the Trademark owner or Marketer or its authorized Dealers or Retailers accepting Opposition cylinder shall issue a BIR-registered acknowledgment receipt containing, among others, the cylinder serial number, agreed amount of deposit, date of purchase and name of End-consumer pertaining to the released cylinder bearing another Trademark or tradename. This acknowledgment receipt shall serve as the proof of the deposit which shall be surrendered to the Trademark owner or Marketer or its authorized Dealer or Retailer upon refund of deposit or exercise of further cylinder exchange; and
- (c) Pursuant to Section 28 of the Act's IRR, it shall be unlawful for a Trademark owner or Marketer or its authorized Dealers or Retailers to release in an exchange an LPG cylinder not designed or intended for refilling of LPG, illegally imported, uncertified, defective, injurious, unsafe, dangerous or noncompliant with PNS.

Section 10. Mandatory Requirements for Refund of Cylinder Deposit.

The refund of LPG cylinder deposit shall be mandatory for any Trademark owner or Marketer or its authorized Dealers and Retailers subject to the following:

- (a) The End-consumer is in actual custody of the cylinder;
- (b) Refund shall not be allowed for an LPG cylinder that is not designed or intended for refilling of LPG, illegally imported, uncertified, substandard, defective, injurious, unsafe, dangerous or noncompliant with PNS. The allowable option for the End-consumer is to exercise cylinder exchange;
- (c) In case the End-consumer opt for refund, it shall be required to surrender the BIR - registered acknowledgment receipt to the issuing Trademark owner or Marketer or its authorized Dealer and Retailer as proof and basis of the deposit. In case of the loss of the BIR-registered acknowledgment receipt on the part of the End-consumer, the amount of refund shall be subject to an agreement based on the joint assessment of the cylinder fair market value by both the Trademark owner or Marketer and the End-consumer. In case of fair market value disagreement, the End-consumer may opt for cylinder exchange; and

(d) The End-consumer shall claim the deposit only from the outlet of the Trademark owner or Marketer or its authorized Dealer or Retailer to whom the deposit was made and issued the corresponding BIR-registered acknowledgment receipt. In case the issuing outlet is closed and no longer operating, refund may be done on any other outlet of the Trademark owner or its authorized Dealer and Retailer.

Section 11. Authorized LPG Industry Participants for the LPG Cylinder Exchange, Swapping and Improvement Program.

Trademark owners or Marketers or their duly authorized representatives shall be the direct participant, negotiator, decision maker and voting member in the actual LPG Cylinder Exchange, Swapping and Improvement Programs.

Section 12. Establishment of the National Program Policy Task Force (NPPTF) and Regional Program Implementation Task Force (RPITF).

12.1 NPPTF.

12.1.1 Pursuant to Sections 31 and 32 of the Act, the DOE together with the DTI, and in coordination with the LPG participants including public and private stakeholders shall create a task force to assist in the implementation of the LPG Cylinder Exchange, Swapping and Improvement Programs. In view thereof, the NPPTF and RPITF shall be created to assist the DOE and DTI in the implementation of the above-mentioned programs. NPPTF shall be chaired by the DOE and co-chaired by the DTI with members consisting of all the chairs of the RPITF.

12.1.2 The chair shall be the Supervising Assistant Secretary of DOE - OIMB and the Alternates shall be the OIMB Director or Assistant Director.

12.1.3 DOE FO Directors shall be automatic members of the NPPTF. Alternate to the FO Director shall be the Division Chief of the Energy Industry Management Division.

12.1.4 The co-chair shall be the duly designated official of the DTI Secretary with at least a rank of Assistant Secretary. Alternate to the co-chair shall have at least a rank of Director or Assistant Director.

12.2. Functions of the NPPTF.

(a) Assists the DOE and DTI on the consultation, drafting and recommendation for approval of any amendments to this department circular;

(b) Assists the DOE and DTI on the consultation, drafting and recommendation for approval of any additional department circular including their amendment or repeal pertaining to LPG cylinder exchange, swapping and improvement programs;

(c) Assists the DOE and DTI on the consultation, drafting and recommendation for approval of the swapping center operational guidelines for the actual implementation of LPG cylinder swapping and improvement at the swapping centers including their amendment or repeal;

(d) Assists the DOE and DTI on the monitoring of actual implementation by the RPITF or any of its members to all the department circulars and guidelines on LPG cylinder exchange, swapping and improvement. Among others, the NPPTF shall be authorized to:

(1) Issue corresponding compliance order or directive to the RPITF or any of its member on any department circular or guidelines on LPG cylinder exchange, swapping and improvement;

(2) Issue compliance order or directive to RPITF for the implementation of temporary direct swapping arrangement between trademark owners or Marketers in the meantime that swapping centers are not yet established and functional;

(3) Motu proprio or upon complaint, issue compliance order or directive to the RPITF to conduct an investigation on any of its member and submit its findings and recommendations on matters involving non-compliance to any department circular or guidelines on LPG cylinder exchange, swapping and improvement;

(4) Motu proprio or upon complaint, conduct direct investigation on RPITF or any of its member on matters involving non-compliance to any department circular or guidelines on LPG cylinder exchange, swapping and improvement;

(5) Based on the result of investigation, issue compliance order or directive to the RPITF or any of its member to implement corrective measures to address non-compliance to any department circular or guidelines on LPG cylinder exchange, swapping and improvement;

(6) Based on the result of investigation, file administrative complaint before the DOE or DTI and/or recommend filing of criminal cases in court against the RPITF or any of its member;

(7) Invite representatives from other government agencies and/or resource persons in the private sector to assist in clarifying issues and concerns relevant to the implementation of the LPG cylinder exchange, swapping and improvement programs; and

(8) Create the NPPTF Secretariat to provide administrative support and Special Technical Working Groups to perform specific task in relation to the above-mentioned functions; and

(9) Exercise of such other functions in support and consistent to the effective discharge of the above-mentioned functions.

The above-mentioned functions enumerated in Section 12.2 (d) shall be appealable for review and final decision of the DOE Secretary if it involves DOE-regulated LPG industry participants and DTI Secretary if it involves DTI-regulated LPG industry participant.

Decisions of the NPPTF shall be carried out by majority of votes, there being a quorum in an official meeting, of those who are present and have participated in the official meeting. The DOE, DTI and RPITF chairs in the NPPTF shall each be entitled to one (1) vote.

The NPPTF shall set a regular quarterly meeting. Special meetings maybe called by the chair or co-chair to address urgent matters.

12.3 NPPTF Administrative Fund.

The NPPTF administrative fund shall be sourced from the annual General Appropriations Act and collection of administrative fines pursuant to Sections 51 and 47 of the Act. Support funding maybe sourced from the contribution of the NPPTF members.

12.4 RPITF.

12.4.1 There shall be a RPITF per administrative region. RPITF representatives to the NPPTF shall refer to a chair and its two (2) alternates selected through majority votes/endorsements of the voting Sectoral chairs. Only the voting Sectoral chairs shall be allowed to vote and be selected as RPITF representatives.

12.4.2 The RPITF shall conduct an official selection process in choosing its representatives with the following guidelines:

(a) The RPITF representatives shall be given a fixed three (3) - year term unless sooner replaced by a majority vote of no confidence by the voting Sectoral chairs in which case a new selection shall be conducted. The RPITF representatives shall be eligible for multiple terms;

(b) The RPITF representatives shall be selected via casting of votes or endorsements from each of the voting Sectoral chair through the conduct of an official selection process. The selection process shall be handled by an election committee of the RPITF which shall be selected within the timeframe prescribed in the transition provision of this Department Circular. Thereafter, each RPITF shall automatically activate the election committee to dispense further selection process;

(c) DOE, DTI and Each Sectoral chair shall be entitled to one (1) vote in the selection of RPITF representatives;

(d) The RPITF representatives shall be selected only to represent one of the administrative regions despite being a voting Sectoral chair in several administrative regions; and

(e) In case of RPITF chair disqualification based on Section 12.4.2 (d), the first alternate shall succeed to the position of the RPITF chair. Further, the RPITF chair shall be authorized to designate and fill-up the vacant alternate position.

12.4.3 The RPITF shall be co-chaired by the duly designated official of the DOE and DTI Secretaries with at least a rank of Director and an alternate with at least a rank of Assistant Director.

12.4.4 In the case, however, of DOE FOs, alternate to the FOs Director shall be the Division Chief of the Energy Industry Management Division.

12.5 Sectoral Representatives of the RPITF.

12.5.1 For the purpose of this Department Circular, a Sector shall refer to any of the different type of business activities in the LPG industry enumerated below. All the LPG industry participant, duly issued with a License to operate by the DOE or accredited by the DTI, shall qualify as one of the sectoral members in each of those activities where he/she is actually engaged and operating at each administrative region. To gain a comprehensive representation and memberships in the RPITF, the sectoral memberships shall come from the LPG industry participants that are engaged in the following activities:

(a) Voting members:

- (1) Refiner - Marketer;
- (2) Direct Importer - Marketer;
- (3) Refiller - Marketer; and
- (4) Marketer.

(b) Non-Voting Members:

- (5) Independent Bulk LPG Hauler;
- (6) Independent Hauler of LPG in cylinder;
- (7) Dealer;
- (8) Retailer;

(9) Requalifier; and

(10) Repairer.

12.5.2 Sectoral representatives to the RPITF shall refer to a chair and two (2) alternates from each sector. The members of all the respective sector shall conduct an official selection process in choosing its respective chair and alternates with the following guidelines:

(a) The Sectoral representatives shall be given a fixed six (6) - year term unless sooner replaced by a majority vote of no confidence by the members of the Sector in which case a new selection shall be conducted. The Sectoral representatives shall be eligible for multiple terms;

(b) The Sectoral representatives shall be selected via casting of votes or endorsements from each member of the Sector through the conduct of an official selection process. The selection process shall be handled by an election committee of each Sector which shall be selected within the timeframe prescribed in the transition provision of this Department Circular. Thereafter, each Sector shall automatically activate the election committee to dispense further selection process;

(c) Each member of the Sector shall be entitled to one (1) vote in the selection of their respective Sectoral representatives; and

(d) The Sectoral representatives shall be selected only to represent one of the sectors despite being a member of several sectors in each of the administrative region.

12.5.3 To facilitate the identification of the sectoral members that will legitimately participate in each of the sectors per administrative region to convene the RPITF, the DOE and DTI shall require all registered LPG industry participants to confirm the sectors/activities they are engaged in per administrative region. Thereafter, any additional membership to any of the sector shall be made through a formal application and evaluation by the RPITF.

12.6 Functions of the RPITF.

(a) Comply and implement all the department circulars, guidelines and compliance order or directive issued by the NPPTF or the DOE and/or DTI Secretaries on LPG Cylinder Exchange, Swapping and Improvement Programs;

(b) Determine the list of designated location per region where swapping centers shall be established which can be on a per city or municipality basis or cluster thereof within the timeframe provided for in the transition provision of this Department Circular;

(c) Establish the swapping centers on the designated location per administrative region and comply with its mandatory requirements pursuant to Section

12.7 and the swapping center operational guidelines within the timeframe provided for in the transition provision of this Department Circular;

(d) Promulgate, approve, and implement the specific rules for the proper collection and accounting of monetary contribution from each Trademark owner or Marketer and other revenue sources to fund the operation of the RPITF and each of its designated swapping center. The cost however of cylinder requalification and repair shall be on the account of its Trademark owner or Marketer;

(e) Implement the timely review and approval of all arrangements, agreements, and contracts entered into between participants for the implementation of LPG cylinder swapping and improvement prior to their execution to ensure compliance with all the department circulars and guidelines on LPG cylinder exchange, swapping and improvement at the RPITF and swapping center level;

(f) Settle all disagreements among the Sectoral members of the RPITF. The decision of the RPITF shall be final and executory unless appealed to the NPPTF or DOE and DTI Secretaries for review and final decision;

(g) Invite representatives from other government agencies and/or resource persons in the private sector to assist in clarifying issues and concerns relevant to the implementation of the LPG Cylinder Exchange, Swapping and Improvement Programs;

(h) Create the RPITF Secretariat to provide administrative support and Special Technical Working Groups to perform specific task in relation to the above-mentioned functions; and

(i) Exercise of such other functions in support and consistent to the effective discharge of the above-mentioned functions.

Decisions of the RPITF shall be carried out by majority of votes, there being a quorum in an official meeting, of those who are present and have participated in the discussion. The DOE, DTI and each Sectoral chair in the RPITF shall be entitled to one (1) vote.

The RPITF shall set a regular quarterly meeting. Special meetings maybe called by the chair or co-chairs to address urgent matters.

12.7 Mandatory Requirements for Establishing the Swapping Center.

(a) A swapping center shall refer to a warehouse which shall be able to accommodate the receipt and custody of LPG cylinders being exchanged and subsequently swapped in a particular city or municipality or cluster thereof;

(b) A swapping center shall have an officially designated management team who will manage the fund and operation of the swapping center;

(c) A swapping center shall have an officially designated DTI certified or accredited Requalifier and/or Repairer who will visually inspect and clear the quality of the LPG cylinder for immediate swapping. Any visually inspected LPG cylinder with defects or due for requalification shall be endorsed for requalification and/or repair. Any LPG cylinder found to be not designed or intended for refilling of LPG, illegally imported, uncertified, substandard, defective, injurious, unsafe, dangerous, noncompliant with existing PNS shall be disposed for scrappage;

(d) Swapping and buy back shall be done only at the designated swapping center; and

(e) Each swapping center shall maintain a responsible person who shall be present therein when the place is open and operating. For this purpose, the establishment's manager, supervisor, team leader, shop keeper or any person acting as such shall be considered as a responsible person under whose authority the inspection shall proceed and to whom the official letter, notifications, or show cause order may be served on its behalf.

12.8 RPITF Operational Fund.

12.8.1 The RPITF operational fund shall primarily come from the collection of mandatory monetary contribution from each member Trademark owner or Marketer including other sources of fund such as collection of swapping fees. This monetary contribution shall be divided equally and computed to cover, among others, the following operational costs:

(a) Purchase or lease of all designated swapping centers;

(b) Salary, professional fee or other similar arrangement of the swapping center designated management team;

(c) Cost related to the operation and maintenance of all the swapping centers such as purchase or lease, operation and maintenance of equipment, fuel, electricity, water and other utilities; and

(d) Other related cost for the upkeep and continued operation of all the swapping centers.

12.8.2 Cost related specifically to the actual requalification, repair and scrappage of LPG cylinder shall be on the account of the Trademark owner or Marketer charged to its own LPG cylinder improvement fund pursuant to Section 12.11 hereof.

12.9 Maximum Number of Opposition Cylinder Stored by a Trademark owner or Marketer and their Authorized Dealer or Retailer.

12.9.1 Trademark owner or Marketer and its authorized Dealer and Retailer shall maintain maximum number of Opposition cylinder per size, per outlet and stored only for specified maximum periods as follows:

(a) Retailers shall be allowed to store a maximum of fifteen (15) Opposition cylinders per size per outlet for a maximum period of seven (7) calendar days counted from date of receipt from End-consumers. Such Opposition cylinders shall be immediately delivered directly to the swapping center or to the Dealer for further consolidation;

(b) Dealers shall be allowed to store a maximum of four hundred (400) Opposition cylinders per size per outlet for a maximum period of fifteen (15) calendar days counted from date of receipt from End-consumers or date of delivery from its Retailers. Such Opposition cylinders shall be immediately delivered directly to the swapping center or to the Trademark owner or Marketer for further consolidation; and

(c) Trademark owners or Marketers shall be allowed to store a maximum of one thousand (1,000) Opposition cylinders per size for a maximum period of fifteen (15) calendar days from date of receipt from its Dealers. Such Opposition cylinders shall be immediately delivered to the swapping center.

12.9.2 The Trademark owner or Marketer and its authorized Dealer and Retailer shall at all times keep a master list of all acquired Opposition cylinders with their corresponding dates of exchange and endorsement for swapping.

12.10 Buyback.

The LPG cylinder buyback shall be implemented under the following guidelines:

(a) The buyback shall be mandatory for the excess number of Opposition cylinder in custody of a Trademark owner or Marketer without corresponding available cylinder for swapping from another Trademark owner or Marketer;

(b) The RPITF shall agree or determine the applicable buy back amount for all its designated swapping centers using the following alternatives:

(1) Agreement between the swapping parties; or

(2) Use the amount reflected in the BIR-registered acknowledgement receipt surrendered by the End-consumer during the exchange;

(3) Agreed minimum buyback amount based on the prevailing fair market value; or

(4) Other methods on fixing the buyback amount approved by the RPITF.

(c) The buyback amount shall include the recovery of additional cost for transport, handling and other identified relevant costs.

12.11 LPG Cylinder Improvement.

All Trademark owners or Marketers are mandated to set aside their own LPG cylinder improvement program funds to defray the cost for requalification and repair. The following requalification and repair programs shall be mandatory to the Trademark owner or Marketer:

(a) Requirement for requalification and repair of all LPG cylinder entered in all swapping centers by its designated DTI certified or accredited Requalifier and/or Repairer; and

(b) Individual Trademark owners or Marketers shall likewise implement a regular company-initiated requalification and repair activities to complement the requalification and repair activities implemented at the swapping center.

12.12 Handling DOE Office for Co-Chairing the RPITF.

(a) OIMB for those located in National Capital Region (NCR) and Regions IV and V;

(b) Luzon Field Office for those located in Cordillera Administrative Region (CAR), Regions I, II and III;

(c) Visayas Field Office for those located in Regions VI, VII and VIII; and

(d) Mindanao Field Office for those located in Regions IX, X, XI, XII, XIII and the Bangsamoro Autonomous Region in Muslim Mindanao subject to the implementation of its organic law.

12.13 Handling DTI Office for Co-Chairing the RPITF.

The handling office from the DTI shall be its respective regional offices.

Rule 4. Enforcement and Monitoring

Section 13. DOE.

13.1 In addition to its mandate under existing laws, and pursuant to Section 4.3 (e) of the Act's IRR, enforce the following:

(a) Exercise of regular visitorial powers to ensure the effective implementation of the Act which shall include the power to scrutinize or verify the information provided for in the reportorial requirements of the DOE-regulated LPG industry participants and to inspect their premises, LPG seals, filled and unfilled LPG pressure vessels, including those in transit which are for distribution and sale, other Ancillary equipment, motor vehicles and other related equipment, tools and paraphernalia used or intended to be used in the operation pursuant to Section 4.2 (d) (vi) of the Act's IRR;

(b) Conduct of investigation motu proprio or upon report of any person pursuant to Section 4.2 (d) (vii) of the Act's IRR;

(c) Initiation and resolution of an administrative case against any DOE-regulated LPG industry participant based on the result of inspection or investigation, and after due notice and hearing, impose the corresponding administrative penalty of fine if found to have committed the applicable prohibited act/s under Chapter XI of the Act pursuant to Section 33.2 of the Act's IRR;

Pursuant to Section 44 of the Act, an administrative action shall be initiated by the DOE through the issuance of a show cause order to the LPG industry participant, giving the latter the opportunity to explain in writing within ten (10) calendar days from receipt of the order thereof: Provided, That the entire administrative proceeding shall not exceed sixty (60) calendar days from the issuance of a show cause order to the final resolution by the DOE. The DOE shall have the discretion to conduct a hearing pertaining to the violation, or to impose an outright penalty based on the merits of the written explanation;

(d) Filing of the corresponding criminal cases in court pursuant to Section 33.5 of the Act's IRR;

(e) Imposition of preventive suspension order to any DOE-regulated LPG industry participant during the pendency of the administrative proceeding pursuant to Section 33.3 of the Act's IRR.

Pursuant to Section 45 of the Act, without prejudice to other administrative remedies, the DOE may, during the pendency of an administrative case proceeding, suspend the operations of the concerned business of an LPG industry participant subject of the proceeding within a maximum period of forty-five (45) calendar days to prevent undue interference in the ongoing investigation and tampering of evidence;

(f) Imposition of suspension or revocation order of the registration and LTO, cease and desist order of the operation, and closure order of the Facility, after due notice and hearing, of any DOE-regulated LPG industry participant found to have committed the applicable prohibited act/s under Chapter XI of the Act pursuant to Section 33.1 of the Act's IRR.

Pursuant to Section 43 of the Act, nothing shall preclude the DOE from ordering the suspension or cessation of the operation of the facility, or closure thereof until such time that the mandatory requirements or corrective measures directed by the DOE have been met;

(g) Implement confiscation, seizure, impoundment, or prohibition from public sale or distribution of the following pursuant to Section 33.4 of the Act's IRR:

(1) LPG that does not meet the PNS;

(2) Underfilled or illegally refilled LPG pressure vessels in circulation; and

(3) Ancillary equipment, motor vehicles, tools and paraphernalia used or intended to be used in an LPG related activity found to be in violation of the provisions of the Act, its IRR and this Department Circular.

(h) Issuance and implementation of other legal orders for the enforcement of the responsibilities and penalties under the Act, its IRR and this Department Circular.

Section 14. DTI.

14.1 In addition to its mandate under existing laws, and pursuant to Section 5.2 (e) of the Act's IRR, enforce the following:

(a) Commission of prohibited acts and imposition of fines, after due notice and hearing, to any DTI-regulated LPG industry participant found to have committed the applicable prohibited acts under Chapter XI of the Act;

(b) Issuance and implementation of suspension or revocation order of certification or accreditation, cease and desist order of the operation, and closure order of the Facility, after due notice and hearing, of any DTI-regulated LPG industry participant found to have committed the applicable prohibited acts under Chapter XI of the Act;

(c) Issuance and implementation of confiscation, recall, seizure, or impounding order, whichever is applicable, after due notice and hearing, of LPG pressure vessels, Ancillary equipment, motor vehicles and any other tools and paraphernalia used or intended to be used by any DTI-regulated LPG industry participant in the commission of the applicable prohibited acts under Chapter XI of the Act;

(d) Filing of the corresponding criminal cases in court; and

(e) Other legal orders for the enforcement of the responsibilities and penalties under the Act.

Section 15. Reportorial Requirements of Trademark owner or Marketer and the Regional Program Implementation Task Force to the DOE, DTI and NPPTF.

The report shall be in accordance with the following Annexes below:

15.1 By Trademark owner or Marketer.

(a) Annex A - Running Quarterly Update Report on Inventory of LPG Cylinder Improvement Program;

(b) Annex B - Running Quarterly Update Report on Inventory of Opposition LPG Cylinders Exchanged and Endorsed for Swapping at the Swapping Center;

(c) Annex C - Running Quarterly Update Report on Inventory of LPG Cylinders Accepted for Swapping, Requal, Repair and Scrappage at the Swapping Center;

15.2 By Regional Program Implementation Task Force

(d) Annex D - Running Quarterly Reconciliation Report on Inventory of LPG Cylinder Endorsed for Swapping, Requal, Repair and Scrappage at the Swapping Center.

Rule 5. Penal Provisions

Section 16. Prohibited Acts and Penalties.

Pursuant to Sections 38, 39, 40 and 41 of the Act, the following prohibited acts with their corresponding administrative and criminal penalties are enumerated in hereto attached Annex E.

Section 17. Violations by Juridical Entities.

If the violation is committed by a corporation, partnership, association, or other juridical entity, the penalty of imprisonment shall be imposed on the responsible directors or officers thereof, and the lack of corporate personality cannot be raised as a defense in case the juridical entity is unregistered. Any new juridical entity formed by persons or agents of such persons previously found in violation of the prohibited acts for the third time shall be permanently disqualified from engaging in any activity as an LPG industry participant.

Rule 6. Final Provisions

Section 18. Construction and Interpretation.

Pursuant to Section 55 of the Act, any doubt in the interpretation of any provision of this Department Circular shall be interpreted in favor of the interest of the End-consumers and the public.

Section 19. Transition period.

19.1 The establishment and convening of Sectoral representatives, RPITF and NPPTF including the selection of their respective chairs and alternates shall be made within six (6) months from the effectivity of this Department Circular.

19.2 After compliance with Section 19.1, the NPPTF shall issue the operational guidelines of the swapping center within the next six (6) months from the establishment and convening of the NPPTF.

19.3 After compliance with Section 19.2, all RPITF shall designate and establish their respective swapping centers, promulgate and approve the specific rules for the proper collection and accounting of monetary contribution from each Trademark owner or Marketer and other revenue sources to fund the operation of each of the designated swapping center, review and approve all arrangements, agreements, and contracts entered into between participants for the implementation of LPG cylinder swapping and improvement within the next twelve (12) months from the issuance of the swapping center operational guidelines by the NPPTF.

19.4 Pursuant to Section 35 of the Act, when the DOE finds, motu proprio or upon complaint of any person that an LPG cylinder is substandard, defective, injurious, unsafe, or dangerous, whichever is applicable, it shall, after due notice, issue the appropriate order for its immediate confiscation, recall, seizure, impoundment, or prohibition from public sale or distribution: *Provided*, That generic cylinders already in the market at the time of the effectivity of the Act shall be allowed to be filled and sold within the three (3) year transition period pursuant to Section 32 of the Act only if not illegally imported and duly requalified manifested through the quality assessment, permanent marking and safety mark certification of the generic cylinder compliant to the PNS and supported by certification issued by the Requalifier and/or Repairer.

19.5 Any generic and/or uncertified cylinder imported after the affectivity of the law shall be confiscated outright by the Bureau of Customs (BOC). Any generic cylinder manufactured domestically after the affectivity of the Act. shall be confiscated outright by the DTI. The DTI in the case of domestically manufactured, and together with BOC in the case of imported generic cylinder, shall make the necessary arrangement for the immediate implementation of this provision to prevent further entry of generic and/or uncertified cylinder after the effectivity of the Act.

Section 20. Separability Clause.

Should any provision of this Department Circular be subsequently declared invalid or unconstitutional, such parts not affected thereby shall remain in full force and effect.

Section 21. Repealing Clause.

All other rules and regulations or parts thereof, which are inconsistent with this Department Circular are hereby repealed or modified accordingly.

Section 22. Effectivity.

This Department Circular shall take effect fifteen (15) days following its complete publication in two (2) newspapers of general circulation and submission of a copy to the University of the Philippines Law Center-Office of the National Administrative Register (UPLC-ONAR).

Done this 25 NOV 2022 of _____, 2022 in Bonifacio Global City, Taguig City, Metro Manila.


RAPHAEL P. M. LOTILLA
DOE Secretary




ALFREDO E. PASCUAL
DTI Secretary



AN OIL AND GAS COMPANY'S OBLIGATION TO
RUNNING QUARTERLY UPDATE REPORT ON INVENTORY OF LPG CYLINDER IMPROVEMENT PROGRAM

Company Name	Business Address (Number, Street, Barangay, Municipality, City, Province and Region)	Business Office Telephone No. (2002)	Contact Email (Email Address)	Contract Quarter or 1 Year
Name of Supplying Center	Business Address (Street, Barangay, Municipality, City, Province and Region)	Contact Email (Email Address)		Location of Substation Not later than the 20th calendar day of the succeeding month after the original expiry
Prepared By	Approved By			
(Signature and Signature or Printed Name)	(Signature and Signature or Printed Name)			

REGISTRATION, REPAIR AND REQUALIFIED

PARTICULARS	Total Number of LPG Cylinder Owned (In Depot)	LPG Cylinder Serial Number	Cylinder Endmark or Trademark	Total Number of LPG Cylinder Currently Inspectable for Filling and Distribution	LPG Cylinder Serial Number	Cylinder Trademark or Trademark	COMPANY-INITIATED REGISTRATION AND REPAIR						SUPPLYING CENTER-INITIATED REGISTRATION AND REPAIR						
							Total Number of LPG Cylinder Currently Under Company-Initiated Registration and Repair	Cylinder Serial Number	Cylinder Trademark or Trademark	Registration and Repair Period	Number of LPG Cylinder Underwent for Re-approval	Cylinder Serial Number	Cylinder Trademark or Trademark	Total Number of LPG Cylinder Currently Under Registration and Repair at the Supply Center	Cylinder Serial Number	Cylinder Trademark or Trademark	Registration and Repair Period	Number of LPG Cylinder Underwent for Re-approval	Cylinder Serial Number
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Note under Instruction
1. Submission of this report shall consist of the following: (a) Total Company's Summary Report supported by the Supply Center Report

ENDORISING TRADEMARK OWNER- MARKETER

RUNNING QUARTERLY UPDATE REPORT ON INVENTORY OF OPPOSITION CYLINDERS EXCHANGED AND ENDORSED FOR SWAPPING AT THE SWAPPING CENTER

Company Name:	Business Address (Brgy, Mun/City, Province & Region):	License to Operate No. and Validity:	Contact Details (email and tel #):	Covered Quarter in a Year:
Name of Swapping Center:	Business Address (Brgy, Mun/City, Province & Region):	Contact Details (email and tel #):		Deadline of Submission: Not later than the 20th calendar day of the following
Prepared By:	Approved By:			
(Position and Signature over Printed Name)	(Position and Signature over Printed Name)			

SWAPPING AND EXCHANGE

PARTICULARS	Total Number of Exchanged Opposition Cylinder (To date)	Name of Dealer or Retailer Who Conducted the Exchange	Type of Outlet (Dealer or Retailer)	Cylinder Serial Number	Cylinder Trademark or Tradename	Actual Date of Exchange (Consistent with date in the BIR-registered Acknowledgment Receipt)	Total Number of LPG Cylinder Endorsed for Swapping (To date)	Cylinder Serial Number	Cylinder Trademark or Tradename	Actual Date of Endorsement For Swapping	Total Number of Opposition Cylinder Accepted for Swapping (To date)	Cylinder Serial Number	Cylinder Trademark or Tradename	Actual Date of Swapping	Total Number of Opposition Cylinder Pending for Swapping (to date)	Cylinder Serial Number	Cylinder Trademark or Tradename	Reason for Non-Swapping
50																		
22																		
11																		
9																		
7																		
5																		
2,7																		
less than 1 kg																		
Others (specify)																		

Reminder/ Instruction:

- 1. Submission of this report shall consist of the following: One (1) Total Country Summary Report supported by Per Swapping Center Report.

ACCEPTING TRADEMARK OWNER/MARKETER

ISSUING QUARTERLY UPDATE REPORT ON INVENTORY OF LPG CYLINDERS REPORTED FOR SWAPPING, REQUAL, REPAIR AND SCRAPAGE AT THE SWAPPING CENTER

Company Name	Business Address	License No. (LPIC No. and Validity)	Contact Details (email and tel. no.)
Name of Swapping Center		Business Address	Contact Details (email and tel. no.)
Prepared By		Approved By	
(Position and Signature or Physical Name)		(Position and Signature or Physical Name)	

SWAPPING, REQUAL, REPAIR AND SCRAPAGE

PARTICULARS	Total Number of LPG Cylinders Accepted for Swapping from Opposing Trademark owner or Marketer (T= date)		Cylinder Serial Number	Cylinder Trademark or Trademark	Name of Opposing Trademark owner or Marketer	Date of Endorsement for Swapping	Total Number of Cylinders Reported for Immediate Swapping by the Requester (T= date)	LPG-Cylinder Serial Number	Cylinder Trademark or Trademark	Date of Act of Swapping	Total Number of LPG Cylinders Endorsed for Requalification (T= date)		Cylinder Serial Number	Cylinder Trademark or Trademark	Date Endorsed for Requalification	Total Number of Cylinders Endorsed for Repair (T= date)		Cylinder Serial Number	Cylinder Trademark or Trademark	Date Endorsed for Repair	Total Number of LPG Cylinders Endorsed for Scrapage (T= date)		Cylinder Serial Number	Cylinder Trademark or Trademark	Date of Scrapage		
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Other capacity																											

Remarks/Instructions
1. Submission of the report shall consist of the following: One (1) Total Country Summary Report supported by the Swapping Center Report.

GLOBAL PROJECT IMPLEMENTATION MAJOR REPORT TO DOE, DTI AND NPWT

REVENUE OF SELECTED PROJECTS IN SUPPORT OF LPG CYLINDERS FOR AN OPENING OF QUALIFIER EXPERIENCE OF TWO AN OPENING CENTER

RPTD Name (Business Address (Post, Street, Province & Region))	Project Details (total and net)	Project Details (total and net)
Name of Strapping Center (Business Address (Post, Street, Province & Region))	RPTD Subcontract No. 1 (Date Issued)	Project Details (total and net)
For (Subcontract center of Marketeer) (Business Address (Post, Street, Province & Region))	RPTD No. A (Validity Date)	Project Details (total and net)
Prepared By (Position and Signature and Printed Name)	Approved By (Position and Signature and Printed Name)	

AN OPENING REPORT, REPAIR AND SCRAPAGE

PARTY/CASE	Total Number of LPG Cylinders Released for Strapping (To Date)	Cylinder Serial Number	Cylinder Endmark or Endmark	Name of Issuing Apparatus Endmark owner or Marketeer	Total Number of Cylinders Released for Strapping (To Date)	Cylinder Serial Number	Cylinder Endmark or Endmark	Date of Strapping	Name of Issuing Apparatus Endmark owner or Marketeer	Total Number of Cylinders Released for Strapping (To Date)	Cylinder Serial Number	Cylinder Endmark or Endmark	Date of Strapping	Name of Issuing Apparatus Endmark owner or Marketeer	Total Number of Cylinders Released for Strapping (To Date)	Cylinder Serial Number	Cylinder Endmark or Endmark	Date of Strapping	Name of Issuing Apparatus Endmark owner or Marketeer	Total Number of LPG Cylinders Released for Strapping (To Date)	LPG Cylinder Serial Number	Cylinder Endmark	Date of Strapping	Name of Issuing Apparatus Endmark owner or Marketeer
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1. Submitter of the report shall complete the following (1) Total RPTD Summary Report suggested by the Strapping Chain Report

PROHIBITED ACTS AND PENALTIES PRESCRIBED IN REPUBLIC ACT 11592 OTHERWISE KNOWN AS THE LPG INDUSTRY REGULATION ACT

PROHIBITED ACTS	PENALTY		
	FIRST OFFENSE	SECOND OFFENSE	THIRD OFFENSE
A. Section 38 (b) – Engaging in activities with or as an unauthorized person, specifically:			
3.) Section 38 (b) (3) - Selling, exchanging, bartering, distributing, transferring, or possessing of empty LPG cylinders by any LPG industry participant other than the trademark owner or without its consent outside of the LPG Cylinder Exchange and Swapping Program pursuant to Section 31 of the Act.	Administrative fine of Ten thousand pesos (P10,000.00) for every LPG pressure vessel or seal. If applicable, closure until the required licenses and permits are secured.	Administrative fine of Twenty thousand pesos (P20,000.00) for every LPG pressure vessel or seal and suspension of license to operate to be lifted only upon payment of the administrative fine. If applicable, closure until the required licenses and permits are secured. Upon conviction, the criminal penalty of imprisonment of at least six (6) months but not more than one (1) year.	Administrative fine of Thirty thousand pesos (P30,000.00) for every LPG pressure vessel or seal, closure, and permanent disqualification from engaging in any activity as an LPG industry participant. Upon conviction, the criminal penalty of imprisonment of one (1) year and one (1) day but not more than three (3) years.
B. Section 38 (d) - Engaging in activities involving LPG and LPG pressure vessels that are noncompliant with the standards, requirements, and guidelines under the Act, specifically:			
11.) 38 (d) (13) - Selling or storing empty LPG cylinders of other trademark owners in excess of those allowed under the LPG Cylinder Exchange and Swapping Program guidelines upon its effectivity pursuant to Section 31 of the Act.	Administrative fine of Twenty thousand pesos (P25,000.00) for every LPG pressure vessel or seal and confiscation of the said LPG pressure vessel or seal.	Administrative fine of Fifty thousand pesos (P50,000.00) for every LPG pressure vessel or seal, confiscation of said LPG pressure vessel or seal, and suspension of license to operate.	Administrative fine of One hundred thousand pesos (P100,000.00) for every LPG pressure vessel or seal, confiscation of said LPG pressure vessel or seal, closure, and permanent disqualification from engaging in any activity as an LPG industry participant.

E. Section 38 (e) - Failing to comply with the responsibilities as an LPG industry participant, specifically:			
1.) Section 38 (e) (1) - Failing to submit periodic reports as may be required pursuant to Section 6 of the Act.	Administrative fine of Twenty thousand pesos (P20,000.00).	Administrative fine of Fifty thousand pesos (P50,000.00) and suspension of license to operate to be lifted only upon payment of the administrative fine.	Administrative fine of One hundred thousand pesos (P100,000.00), closure, and permanent disqualification from engaging in any activity as an LPG industry participant.
2.) Section 38 (e) (2) - Refusing, preventing, or obstructing the inspection of its premises and records pursuant to Section 6 of the Act.	Administrative fine of Three hundred thousand pesos (P300,000.00).	Administrative fine of Five hundred thousand pesos (P500,000.00) and suspension of license to operate to be lifted only upon payment of the administrative fine.	Administrative fine of One million pesos (P1,000,000.00), closure, and permanent disqualification from engaging in any activity as an LPG industry participant.
3.) Section 38 (e) (3) - Refusing or failing to participate in the LPG Cylinder Exchange and Swapping Program, and LPG Cylinder Improvement Program pursuant to Sections 31 and 32 of the Act.	Administrative fine of Three hundred thousand pesos (P300,000.00).	Administrative fine of Five hundred thousand pesos (P500,000.00) and suspension of license to operate to be lifted only upon payment of the administrative fine.	Administrative fine of One million pesos (P1,000,000.00), closure, and permanent disqualification from engaging in any activity as an LPG industry participant.
4.) Section 38 (e) (5) - Failing to comply with other responsibilities in Chapter III of the Act.	Administrative fine of Twenty thousand pesos (P20,000.00).	Administrative fine of Fifty thousand pesos (P50,000.00) and suspension of license to operate to be lifted only upon payment of the administrative fine.	Administrative fine of One hundred thousand pesos (P100,000.00), closure, and permanent disqualification from engaging in any activity as an LPG industry participant.

F. Section 38 (f) - Engaging in the following:			
<p>1.) Section 38 (f) (2) - Preventing end-consumers from purchasing LPG from other trademark owners, marketers, refillers, dealers, or retail outlets.</p>	<p>Administrative fine of One million pesos (P1,000,000.00), closure, and permanent disqualification from engaging in any activity as an LPG industry participant.</p> <p>Upon conviction, the criminal penalty of imprisonment for at least six (6) months and one (1) day to six (6) years.</p>		
<p>2.) Section 38 (f) (3) - Refusing to refund the deposit on the LPG cylinder to any end-consumer, in the case of a trademark or trade name owner and its duly authorized dealer or retail outlet in accordance with the implementing rules and regulations of the Act.</p>	<p>Administrative penalties of a warning and a fine of Five thousand pesos (P5,000.00) for the failure or refusal to refund the deposit of each LPG cylinder.</p>	<p>Administrative fine of Ten thousand pesos (P10,000.00) for the failure or refusal to refund the deposit of each LPG cylinder and the suspension of license to operate to be lifted only upon payment of the administrative fine and compliance to the refund.</p>	<p>Administrative fine of Twenty thousand pesos (P20,000.00) for the failure or refusal to refund the deposit of each LPG cylinder, closure, and permanent disqualification from engaging in any activity as an LPG industry participant.</p>
<p>3.) Section 38 (f) (6) - Utilizing the LPG Cylinder Improvement fund for purposes other than what it is intended for.</p>	<p>Administrative fine of One million pesos (P1,000,000.00), closure, and permanent disqualification from engaging in any activity as an LPG industry participant.</p> <p>Upon conviction, the criminal penalty of imprisonment for at least six (6) months and one (1) day to six (6) years.</p>		