

EGEEC 54th Meeting

Bai Hotel; Cebu City, Philippines 23-25 September 2019

Philippines Economy Updates Agenda

Mr. Chairman and representatives to the 54thEGEEC Meeting, Good Afternoon.

A priority policy area that the Philippines has been aggressively pursuing is on promoting energy efficiency and conservation. Many believe that energy efficiency is a key area towards a sustainable energy system while at the same time help mitigate climate change by contributing to the reduction of greenhouse gas emission.

Since 1990 or soon after the ineffectivity of our Energy Conservation Law from 1980 to 1990 addressing the infamous Oil-Crises of the '70s, and after decades of pursuing a legislation on Energy Efficiency and Conservation since then, we are pleased to inform everyone in this meeting that on 12 April 2019 the Philippine President R. R. Duterte signed REPUBLIC ACT 11285 also otherwise known as THE ENERGY EFFICIENCY AND CONSERVATION ACT 2019. The law became effective on 24 May 2019. Currently, we are yet to complete the EE&C Act-Implementing Rules and Regulations which is targeted to be completed and signed by the DOE Secretary on or before 24 November 2019.

The EE&C Law seeks to promote energy efficiency and conservation along with the development and use of renewable energy technologies;

reinforce other related laws on energy conservation; and, ensure a market-driven approach to energy sufficiency, conservation, sufficiency and sustainability in the country.

The EE&C Law requires the Department of Energy to lead the implementation of the law and its Implementing Rules and Regulations along with 21 other government agencies.

The major provisions of the law include the following:

- A. Requirements for certification on the professional competency for Energy Manager, Energy Conservation Officer, and Energy Auditor including the accreditation for professional energy service provider or the so called Energy Service Companies (ESCOs)
- B. The Designated Establishments must employ, appoint or designate a Certified Enercon Officer (Type 1 – 500,000 to 4 Million Kwh/year consumption) or Certified Energy Manager (Type 2 above 4Million Kwh/Year consumption)
- C. Establishment of an Inter-agency Energy Efficiency and Conservation Committee (IAEECC) whose major responsibilities is to set the administrative direction of the Government Energy Management Program (GEMP); and, to review and approve energy efficiency projects submitted by all National Government Agencies

- D. The Local Governments Units comprises of the Provincial, City and Municipal governments are required under the law to appoint or designate their own Energy Conservation Officer whose responsibility is to develop and implement the Local Energy Efficiency and Conservation Plan (LEECP) that should be aligned with the National EE&C Plans and Roadmap.
- E. Establishments of a Minimum Energy Performance (MEP) for energy using products (appliances and motor vehicles) and MEP for the Commercial, Industrial and transport sectors as well. Moreover, Energy Performance Label for home appliances and vehicles is likewise a requirement under the law.
- F. Pursue a utility-driven Demand-side Management Program that would shift loads from peak-to-off peak periods
- G. Fiscal Incentives shall be given to energy efficiency projects endorsed by the DOE in the form of Income tax Holiday and 100% import duty tax for capital equipment

To date, we have just completed the nationwide public consultations for the draft implementing rules and regulations (IRR) and expected to be on its effective stage on or before 24 November 2019 as required by the law.

In view of these new development in the history of the Philippines National Energy Efficiency and Conservation Program (NEECP), we are anticipating increase in value for both investments and energy savings on all energy efficiency projects to be implemented both from government entities as well as from the private sectors. The effects shall also extend to the development and employment of skilled workers and professionals on the area of Energy Management System and Energy Auditing. Such development therefore, shall be an enticing business opportunity for vendors, and suppliers of energy efficient products, equipment, devices, motor vehicles, including professional services to mention a few. Commercial banks, leasing companies, and other similar financial institutions, shall have also the share of the pie.

Finally, the government envision to see that energy efficient technologies, application of conservation measures, and behavioral change would be now the new norm in business and government operations, and not just as an option but a mandatory and an integral part of normal daily activities of all.

Thank you and good afternoon to everyone.

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Philippines Statement on Concept Notes Agenda

Mr. Chairman and representatives to the 54thEGEEC Meeting, Good Afternoon.

We would like to inform everyone that the Philippines will be submitting our official project concept note proposal in the next project cycle. Some of the potential project ideas we have right now on the table is on the project entitled "**Research Study on Nearly/Net Zero Energy Buildings (N/NZEB) for Tropical Countries.**" The project aims to study and explore ZEB technologies and its potential in reducing demand from the grid due to progressive increase in energy demand in developing countries like the Philippines. The Philippines is 2nd next highest to Japan on electricity tariff. That is why it is more palatable to invest aggressively on EE and RE in the Philippines now at this time of this century.

Specifically, the project aims to achieve the following objectives:

- (i) to evaluate the energy saving potential and related economic benefits of ZEBs under a combine or fusion of both energy efficient technology and renewable energy technology;
- (ii) to develop a roadmap with a detailed action plan for ZEB; and,
- (iii) to capacitate policy makers in order to support implementation of the ZEB roadmap for all appropriate energy-end user sector.

Currently, we have started a collaborative discussion with the Mariano Marcos State University in Batac, Ilocos Norte. Last year and early part of this year, we have conducted an initial energy assessment (energy audit) of the five (5) buildings for possible inclusion in the project program of the DOE. The discussion and close coordination still on-going. This is our first and initial attempt to see the viability of ZEB Technology in a tropical country like the Philippines. If we are successful, it can be replicated to all State Universities and Colleges across the country.

Directionally, we would like to see the participation of ESCOs and Government Financial Institutions (GFIs) to develop and fund the project, respectively. Private Financial entities and other International financial institutions are likewise encouraged to participate to accelerate and develop the NZEB concept to a new normal thing in all relevant and appropriate energy intensive sectors.

Initially, we will request funding assistance from the General Fund of the APEC Support Fund (ASF) or Energy Efficiency and Low-Carbon Measure (EE&C LCM) sub-fund in implementing the project for a 23-month period. At this juncture, may we also seek the support of interested economies as co-sponsors of the Philippine proposal.

Thank you and good [morning](#) / [afternoon](#) to everyone.

