

COUNTRY REPORT THE PHILIPPINES ON NATIONAL INITIATIVES ENCOURAGING CLEAN ENERGY

I. LEGISLATIVE ACTION

Renewable Energy Act 2008

Republic Act No. 9513, otherwise known as the “Renewable Energy Act 2008” was signed into law on December 16, 2008. It provides the policy framework for the utilization and development of renewable energy resources, and the adoption of a strategic program to tap viable sources of renewable energy, with Department of Energy (DOE) taking the lead.

As the lead agency, the DOE formulated the Implementing Rules and Regulations, which took effect in May 2009. The DOE is mandated to establish a green Energy Option Program which allows end-users the option to choose renewable energy resources for their energy needs.

Biodiesel Act of 2006

Earlier, Republic Act 9367, otherwise known as the Biodiesel Act of 2006 encouraged the energy sector to push for the use of alternative energy for transportation. In February 2010, the DOE made it mandatory for gasoline stations to sell two percent biodiesel blend. The plan is to increase biodiesel blend to as high a twenty percent by year 2030. From January to September 2009, actual ethanol sales reached 14 million liters.

The targeted blend for bioethanol is twenty percent from the existing five percent. To meet these targets, the government took into consideration several factors such as supply availability, infrastructures availability and competitiveness and rational pricing.

The biofuel sector with the active participation of the inter-agency National Biofuels Board is pushing for their partnership with the academe and research institutions to come up with standards to ensure safety-compliant products. Aside from biodiesel and bioethanol usage, other government programs also encourage the use of natural gas, auto-LPG and nuclear energy.

By 2010, the target of 200 buses utilizing compressed natural gas CNG is expected to complete the first pilot phase of the program to jump-start the commercial phase. Liquified petroleum gas (LPG) as an alternative source of transport fuel also increased in acceptance. To date there are about 15,000 taxi cabs using this type of fuel nationwide.

II. THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES

National Renewable Energy Board

The enactment of the Renewable Energy Act 2008 (Republic Act No. 9513) led to the creation of the National Renewable Energy Board (NREB). The NREB is composed of representatives from other government agencies, stakeholders and non-government organizations (NGO). The guidelines with regard to the accreditation of manufacturers, fabricators and suppliers of locally-produced renewable energy equipment and components, and the guidelines governing a transparent and competitive system of awarding renewable service and operating contracts were also formulated .

As a safeguard, all renewable energy explorations, development, utilization and systems operations shall be conducted in accordance with the environmental regulations prescribed by the Department of Environment and Natural Resources (DENR) and regulations implemented by other government agencies.

Investor Interest

The passage of the Renewable Energy Act encouraged investor interest in the development of renewable energy sources. As of October 2009, eighty-seven Renewable Energy and Operating contracts were signed, which include both new and conversion contracts. The new contracts enjoy the privileges and incentives provided under the Act. Likewise, contracts that were already in existence prior to the enactment of the Act also enjoy the same privileges and incentives should the contracting parties opt to operate under the provisions of the Act..

III. THE 2009-2030 PHILIPPINE ENERGY PLAN

Policy Thrusts

As part of its energy security strategy, the Department of Energy is set to adopt the use of clean, green and sustainable energy sources. In keeping with the energy self-sufficiency level target of sixty percent, the Philippines aims to accelerate the development and utilization of indigenous energy such as geothermal, wind, solar, biogas, ocean and alternative fuels like biofuels and compressed natural gas.

In order to address the growing energy demand, the Department of Energy released its Philippine Energy Plan for 2009-2030. The plans and programs formulated by DOE are based on three policy thrusts, namely: ensuring energy security, pursuing effective implementation of energy sector reforms and implementing social mobilization and cross-sector monitoring mechanism.

As envisioned by the energy sector, energy security will only be achieved if their plans of action will be put into place. The plans are as follows:

1. to accelerate in the exploration and development of oil, gas and coal resources;
2. to intensify development and utilization of renewable and environment friendly alternative energy sources;
3. to enhance energy efficiency and conservation;
4. to attain nationwide electrification;
5. to put in place long term reliable power supply;
6. to improve transmission and distribution systems;
7. to secure vital energy infrastructure facilities;
8. to maintain a competitive energy investment climate;

The Department of Energy through its Philippine Energy Plan (PEP) has outlined clear, realistic and specific targets for the year 2009-2030. These include the exploration, development of alternative sources of energy and the promotion of clean and green energy sources.

Promoting Responsible Use of Energy

The country is in a continuing quest to make realistic changes in the way it uses energy sources. The target is to achieve a ten percent energy savings on the total annual demand. The Department of Energy implemented the "Philippine Energy Efficiency Program" which aims for a calibrated phase-out of inefficient technologies such as the use of energy efficient lighting system instead of incandescent bulbs. The project is envisioned to generate electricity savings and reduce environmental pollution. With funding assistance from the Asian Development Bank, to date, the Department has distributed around 3,000 compact fluorescent lamps.

The Department of Energy is also planning to expand the coverage of standards and labelling program to include new models of passenger cars and light duty vehicles. There is also a move to promote green building technology in partnership with the construction and real estate sectors.

Climate Change Adaptation Measures

The Philippines is targeting the use of energy in a more environment-friendly way. Recognizing their role in helping to mitigate the impact of climate change, the energy sector hopes to adapt the following strategies: the conduct of impact and vulnerability assessments of energy systems such as power generation, transmission and distribution, fuel production and transport in the immediate term, integration of structural adaptations into the design of energy infrastructures to include modification of engineering design practices and integration of climate change adaptation to energy policies, plans and programs including laws and regulations.