

Joint Foreign Chambers of the Philippines

American Chamber of Commerce of the Phils., Inc. ♦ Australian-New Zealand Chamber of Commerce (Phils.), Inc.
Canadian Chamber of Commerce of the Phils., Inc. ♦ European Chamber of Commerce of the Phils., Inc.
Japanese Chamber of Commerce & Industry of the Phils., Inc. ♦ Korean Chamber of Commerce of the Phils., Inc.
Philippine Association of Multinational Companies Regional Headquarters, Inc.

2 June 2015



HON. REYNALDO V. UMALI
Chair, Committee on Energy
House of Representatives
Batasan Hills, Quezon City



Dear Chair Umali,

AUSTRALIAN-NEW ZEALAND

The Joint Foreign Chambers of the Philippines (JFC) is a coalition of the American, Australian-New Zealand, Canadian, European, Japanese and Korean chambers of commerce and the Philippine Association of Multinational Companies Regional Headquarters, Inc. We represent over 3,000 member companies engaged in over \$230 billion worth of trade and some \$30 billion worth of investments in the Philippines. The JFC supports and promotes open international trade, increased foreign investment, and improved conditions for business to benefit both the Philippines and the countries/regions the JFC members represent.



CANADIAN

We thank you for giving us the opportunity to contribute our views on bills referred to the House Committee on Energy on amending Presidential Decree No. 910 (s. 1976) and promoting a wider application of energy efficiency and alternative energy in the Philippines.



EUROPEAN

Members of the JFC welcome the steps your committee has undertaken to carefully study proposals on rewriting certain provisions of P.D. 910 to effectively address the discretionary authority granted by the prevailing law to the President in directing the use of revenues arising from energy exploration, development and exploitation activities, and institutionalize a system that ensures such revenues are utilized in a judicious and democratic fashion with the view to maximize the appropriation of dedicated funds including the untapped Php180 billion from the Malampaya Natural Gas Project to exclusively finance energy resource development and exploitation programs and projects of the government in accordance with an earlier ruling of the Supreme Court.



JAPANESE

In addition, the JFC supports legislative initiatives to develop a comprehensive policy infrastructure on energy efficiency and conservation as the tangible benefits of energy efficiency and renewable energy systems expand beyond the measures of reduced energy demand and cheaper consumption costs, but also serve as a key instrument for economic and social development in terms of ensuring energy security, supporting economic growth through improved industry competitiveness, and advancing environmental sustainability through lower greenhouse gas emissions. In this context the Sustainable Energy Efficiency and Conservation of 2014 or House Bill No. 4393 you authored represents a viable working piece of legislation that not only aims to incentivize energy efficiency and conservation projects, but also stimulate a greater uptake of renewable energy opportunities in the Philippine market.



KOREAN

A national implementation of energy performance standards for lighting in line with international standards, as proposed in the Energy-Efficient Lighting Products Act of 2013 or H.B. 185, would further support the use of more energy-efficient lighting products by end consumers.



PAMURI

In view of the need to take a multi-stakeholder approach in finding long-term and sustainable solutions that will meet the country's growing energy requirements, the JFC recommends the creation of a National Energy Council (NEC)—which could be considered as a supplementary provision under Chapter 4 of H.B. 4393. The proposed NEC is envisioned to allow for a public-private cooperation focusing on the development of streamlined policies for all energy segments in all areas of the Philippines. It should include the Department of Energy, Energy Regulatory Commission, National Renewable Energy Board, National Grid Corporation of the Philippines, National Competitiveness Council, Asian Development Bank, World Bank, relevant international development organizations, foreign and local business organizations, and key private sector stakeholders in the energy business, to ensure a comprehensive and inclusive approach to the energy sector.¹ Such a body will guarantee that all efforts are made to increase national energy demand which is key to maintaining the competitiveness of the Philippines as an international investment destination, especially in heavily electricity-reliant sectors such as service outsourcing and manufacturing. At the same time an efficient national power system will ensure a more competitive price for electricity which will benefit commercial and private end-users and promote environmental sustainability.

Thank you for considering our views, Chair Umali, and we look forward to our continued joint effort on advancing the country's energy competitiveness.

With kind regards,

¹Malaysia has already implemented a similar initiative through the creation of a Renewable Energy Board, which reports directly to the Prime Minister.