



**ADVISORY**  
**2024-04-003-SEC**

**TO :** RENEWABLE ENERGY REGISTRAR  
ALL RENEWABLE ENERGY MARKET (REM) PARTICIPANTS  
ALL ELECTRIC POWER INDUSTRY STAKEHOLDERS

**SUBJECT :** ISSUANCE AND TRADING OF RENEWABLE ENERGY  
CERTIFICATES (RECs) IN THE INTERNATIONAL VOLUNTARY  
MARKETS FOR ENERGY OUTPUT OF PH-BASED RE  
FACILITIES

**DATE :** **APR 05 2024**

The DOE is supportive of mechanisms that will facilitate the accelerated deployment of renewable energy (RE) in the country as we work towards the attainment of the country's target of 50% RE share in the power generation mix by 2040, such as the issuance and trading of RECs in the international voluntary markets.

We enjoin the entities associated with the issuance and trading of RECs in the international voluntary markets to align their guidelines for RECs of energy output generated in the Philippines with the country's RE policies. In particular, we advise said entities to be cognizant of the country's Renewable Portfolio Standards (RPS) under Republic Act (RA) No. 9513, as well as the DOE-issued RPS Rules (RPS On-Grid Rules<sup>1</sup> and the RPS Off-Grid Rules<sup>2</sup>) prescribing, among others, the mandated electric power industry participants to source or produce a specified portion of their electricity requirements from RE facilities eligible for RPS compliance<sup>3</sup>.

The DOE interposes no objection to the issuance and trading of REC for the energy output of PH-based RE facilities, provided that it shall not include the energy output covered by RPS compliances.

We place upon the REC tracking/issuing entities of the international voluntary markets the burden of regulation to ensure, among others, that there will be no double-counting/double-claim of RECs traded in the international voluntary market vis-à-vis compliance with RPS, and that their REC transactions contribute to a net increase in global RE generation and emission reductions of the companies utilizing them.

As necessary, the DOE shall issue further advisory to consider the developments relative to the implementation of Article 6 of the Paris Agreement of the United Nations Conference of Parties.

  
**RAPHAEL P.M. LOTILLA**  
Secretary



<sup>1</sup> Department Circular (DC) No. DC2017-12-0015, "Promulgating the Rules and Guidelines Governing the Establishment of the RPS for On-Grid Areas", approved on 22 December 2017; DC No. DC2023-05-0015, "Prescribing the Amendments to the RPS Rules for On-Grid Areas", approved on 23 May 2023.

<sup>2</sup> DC No. 2023-05-0014, "Revised RPS Off-Grid Rules", approved on 23 May 2023.

<sup>3</sup> RE Facilities, to be eligible for RPS compliance and attribution of RECs, should have started their commercial operations after the effectivity of the RE Act of 2008.