



Republic of the Philippines  
**DEPARTMENT OF ENERGY**

JUL 12 2009

DEPARTMENT CIRCULAR NO. DC2009-07-0010 *gus*

**GUIDELINES FOR THE ACCREDITATION OF MANUFACTURERS, FABRICATORS AND SUPPLIERS OF LOCALLY-PRODUCED RENEWABLE ENERGY EQUIPMENT AND COMPONENTS**

**WHEREAS**, Republic Act No. 9513, otherwise known as the "Renewable Energy Act of 2008" (Act) provides that it is the policy of the State to increase the utilization of renewable energy resources such as, but not limited to, biomass, solar, wind, hydropower, geothermal, and ocean energy sources, and including hybrid system by institutionalizing the development of national and local capabilities in the use of renewable energy systems, and promoting its efficient and cost-effective commercial application by providing fiscal incentives;

**WHEREAS**, the Implementing Rules and Regulations (IRR) of the Act mandates the Department of Energy (DOE) to provide the guidelines for the accreditation of manufacturers, fabricators and suppliers of locally-produced RE equipment and components for purposes of availment of fiscal incentives;

**NOW, THEREFORE**, in consideration of the foregoing premises, the DOE hereby issues the following guidelines:

**SECTION 1. Title.** – This Circular shall be known as the "Guidelines for the Accreditation of Manufacturers, Fabricators and Suppliers of Locally-Produced Renewable Energy Equipment and Components."

**SEC. 2. Scope.** – This Circular shall govern the registration of renewable energy (RE) manufacturers, fabricators and suppliers of locally-produced RE equipment and components and the issuance of Certificate of Accreditation for the availment of incentives under the Act.

**SEC. 3. Incentives for Manufacturers, Fabricators and Suppliers.** – Without prejudice to any other requirements as may be imposed by other agencies tasked with the administration of incentives under the Act, all existing and new manufacturers, fabricators and suppliers of locally-produced RE equipment, parts and components shall be required to obtain an accreditation with the DOE through Renewable Energy Management Bureau (REMB) in order to enjoy any of the incentives as provided for under Section 21 of the Act.

**SEC. 4. Who May Apply.** – Any person, natural or juridical, registered and/or authorized to operate in the Philippines under existing Philippine laws and engaged in the manufacture, fabrication and supply of locally-produced RE equipment and components may apply for accreditation with the REMB.

**SEC. 5. Application Requirements.** – All applications for DOE Certificate of Accreditation shall be made in writing and must be verified. The applicant must submit the following documents:

- a. Letter of Application addressed to REMB Director;
- b. Company Profile or Business Background – must show proof of good standing, i.e., demonstrate full compliance with the pertinent rules and regulations governing the applicant's business;
- c. A copy of Articles of Incorporation from the Securities and Exchange Commission (SEC) or a Certificate of Registration from Department of Trade and Industry (DTI) for single proprietorship;
- d. Nature and Scope of RE activities (RE manufacturing, fabricating, and/or supplying of locally-produced RE machineries, equipment, components and parts);
- e. Appropriate Business Permit in the name of the Company or proprietor – that it must be actively engaged in the business involving similar activities applied for accreditation, including certified copy of Bureau of Internal Revenue (BIR) Registration;
- f. Proof of technical, financial and physical or logistical capabilities to handle RE equipment, machinery, components and parts appropriate and commensurate to the scope of activity applied for accreditation;
- g. Track record, if applicable; and
- h. Such other documents as may be required by the REMB.

**SEC. 6. Processing and Approval of Application.** – The application for accreditation shall be granted by the DOE upon evaluation that the applicant has complied with all the requirements specified above. The processing period for any application for accreditation shall be within thirty (30) days from the date of submission of complete requirements to the REMB. No application for accreditation shall be accepted without due payment of application and processing fees.

In case of incomplete application requirements, the REMB shall, within fifteen (15) days from receipt of application, notify the applicant, in writing, to correct the deficiency. If the applicant fails to correct the deficiency within fifteen (15) days from receipt of the notice, the application shall be deemed to have been abandoned.

**SEC. 7. Obligations of Accredited RE Manufacturers, Fabricators and Suppliers.**

– The DOE-accredited manufacturers, fabricators and suppliers of locally-produced RE equipment, parts and components shall comply with the terms and conditions set forth in the Certificate of Accreditation, in addition to the following:

- a. Comply with pertinent government rules and regulations including, but not limited to, payment of taxes, environmental protection, safety, as a requisite for availment of and continuous enjoyment of incentives under the Act;
- b. Submit reports on the importation, local purchases, sales, and inventory, among others, in relation to accredited RE activities (manufacturing, fabrication, and supply of locally-produced RE machineries, equipment, components and parts);
- c. Adhere to standards, or in its absence, to industry-accepted norms and practices in the manufacture, fabrication or supply of RE machineries, equipment and components;
- d. Allow DOE personnel, at all reasonable time, full access to its facilities, books of accounts and other pertinent records relative to its business operation; and
- e. Shall not assign, transfer, dispose or otherwise convey its interest acquired under the DOE accreditation.

**SEC. 8. Period of Validity.** – The DOE Certificate of Accreditation for RE manufacturers, fabricators and suppliers of locally-produced RE machineries, equipment, components and parts, shall be valid for a period of three (3) years from date of its issuance unless earlier revoked or cancelled by the DOE through REMB on valid grounds. The Certificate of Accreditation shall be renewable every three (3) years, subject to compliance with the requirements.

**SEC. 9. Revocation or Cancellation of Certificate of Accreditation.** – The DOE may, *motu proprio* or upon filing of any complaint, revoke or cancel any Certificate of Accreditation following the provisions of Department Circular No. 2002-07-004 or the "Rules of Practice and Procedure of the Department

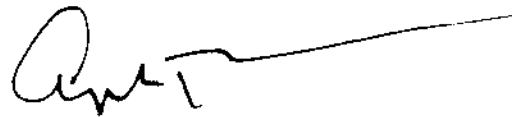
of Energy" due to, among others, failure of any of the accredited manufacturer, fabricator and/or supplier to comply with its obligations as provided in Section 6 hereof and the terms and conditions under which the accreditation was issued.

**SEC. 10. Separability Clause.** – If for any reason, any provision of this Circular is declared unconstitutional or invalid, the other parts or provisions not affected thereby shall remain in full force and effect.

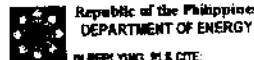
**SEC. 11. Repealing Clause.** – The provisions of other department circulars which are inconsistent with the provisions of this Circular are hereby repealed, amended or modified accordingly.

**SEC. 12. Effectivity.** – This Circular shall take into effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation.

Issued this 12<sup>th</sup> day of July 2009 in Fort Bonifacio, Taguig City, Metro Manila.



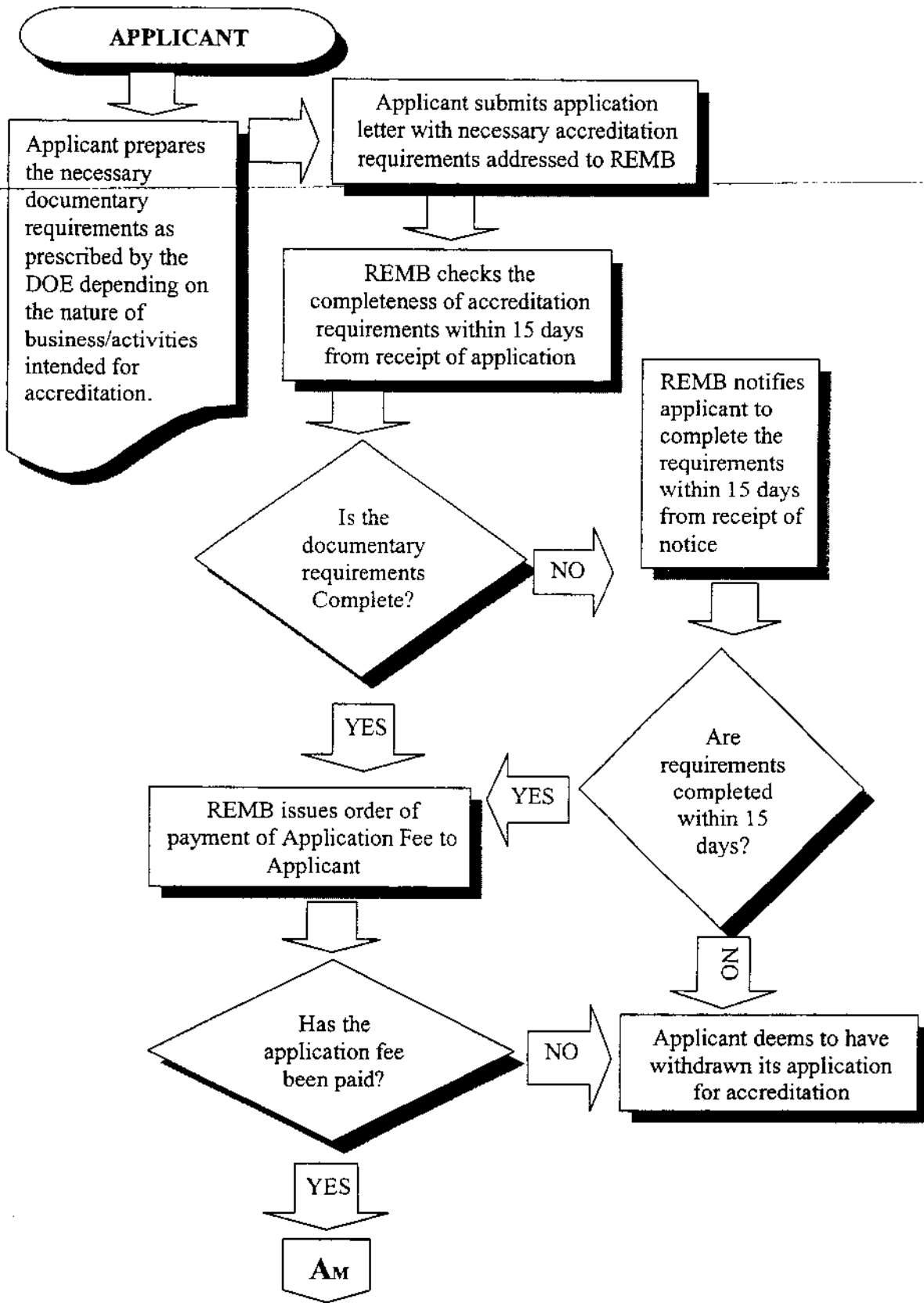
**ANGELO T. REYES**  
Secretary

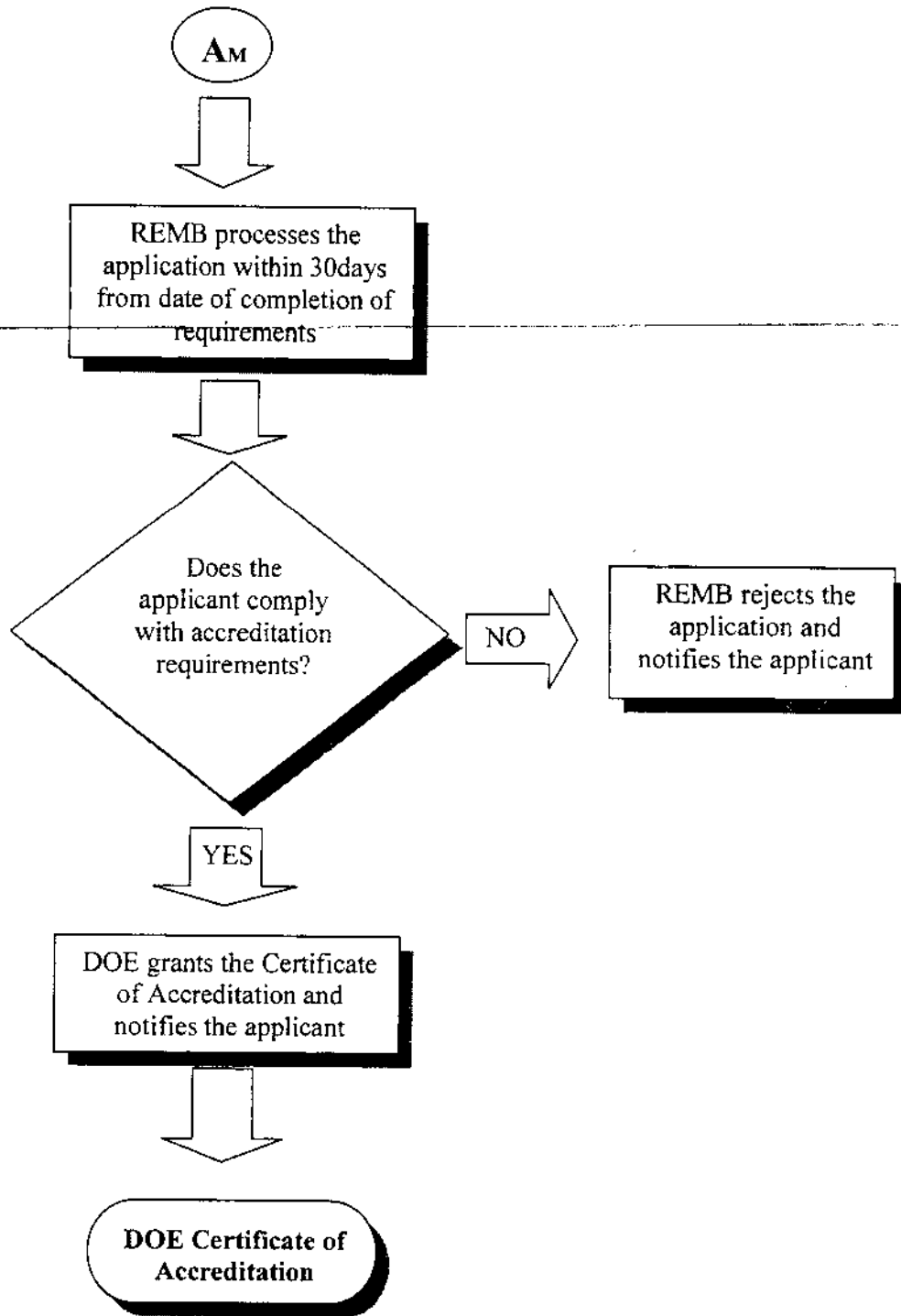


BY REPLYING, PLEASE CITE:  
**SE09-014392**



**ACCREDITATION PROCESS OF RE MANUFACTURERS,  
FABRICATORS AND SUPPLIERS (R.A. No. 9513)**

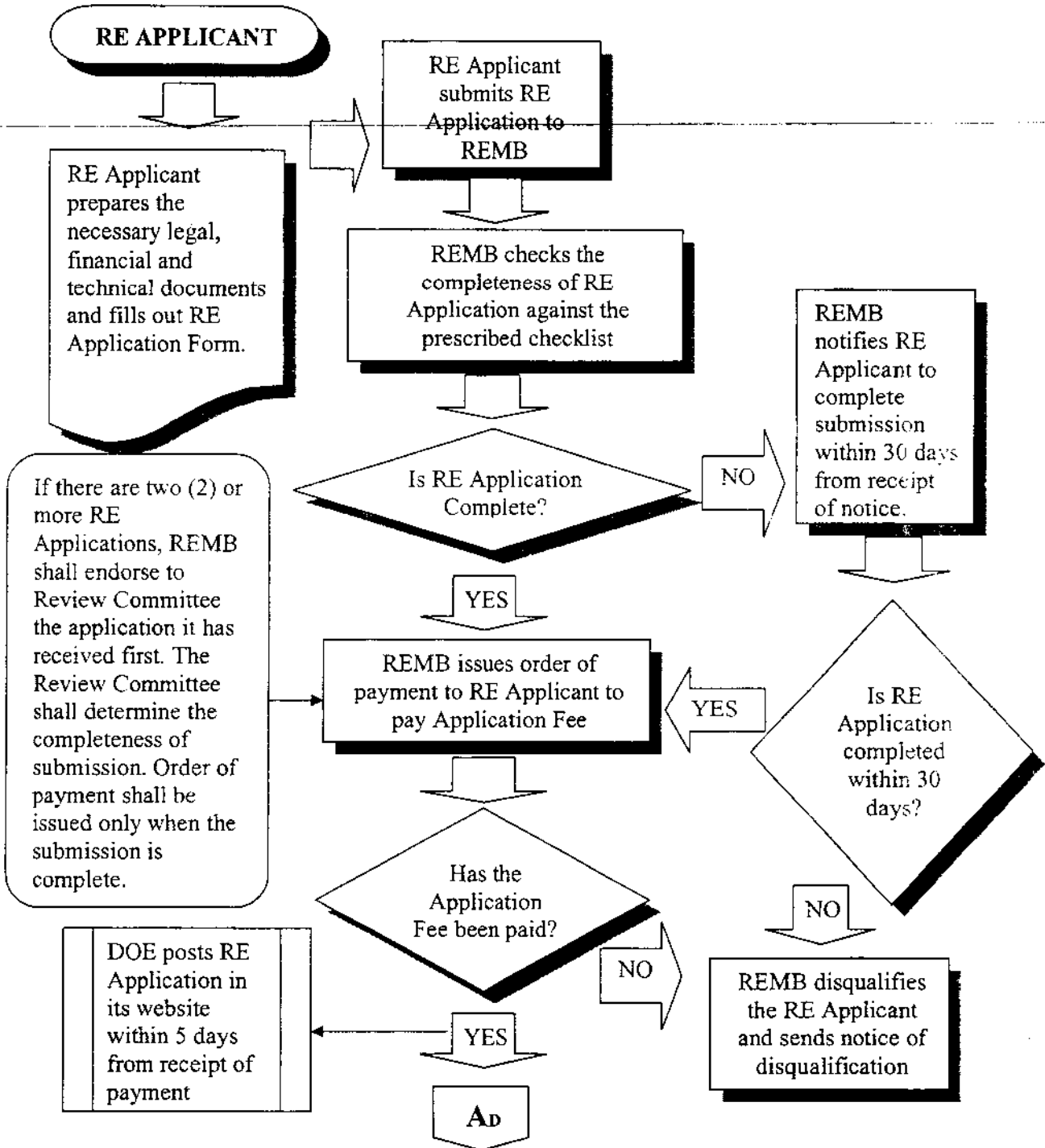


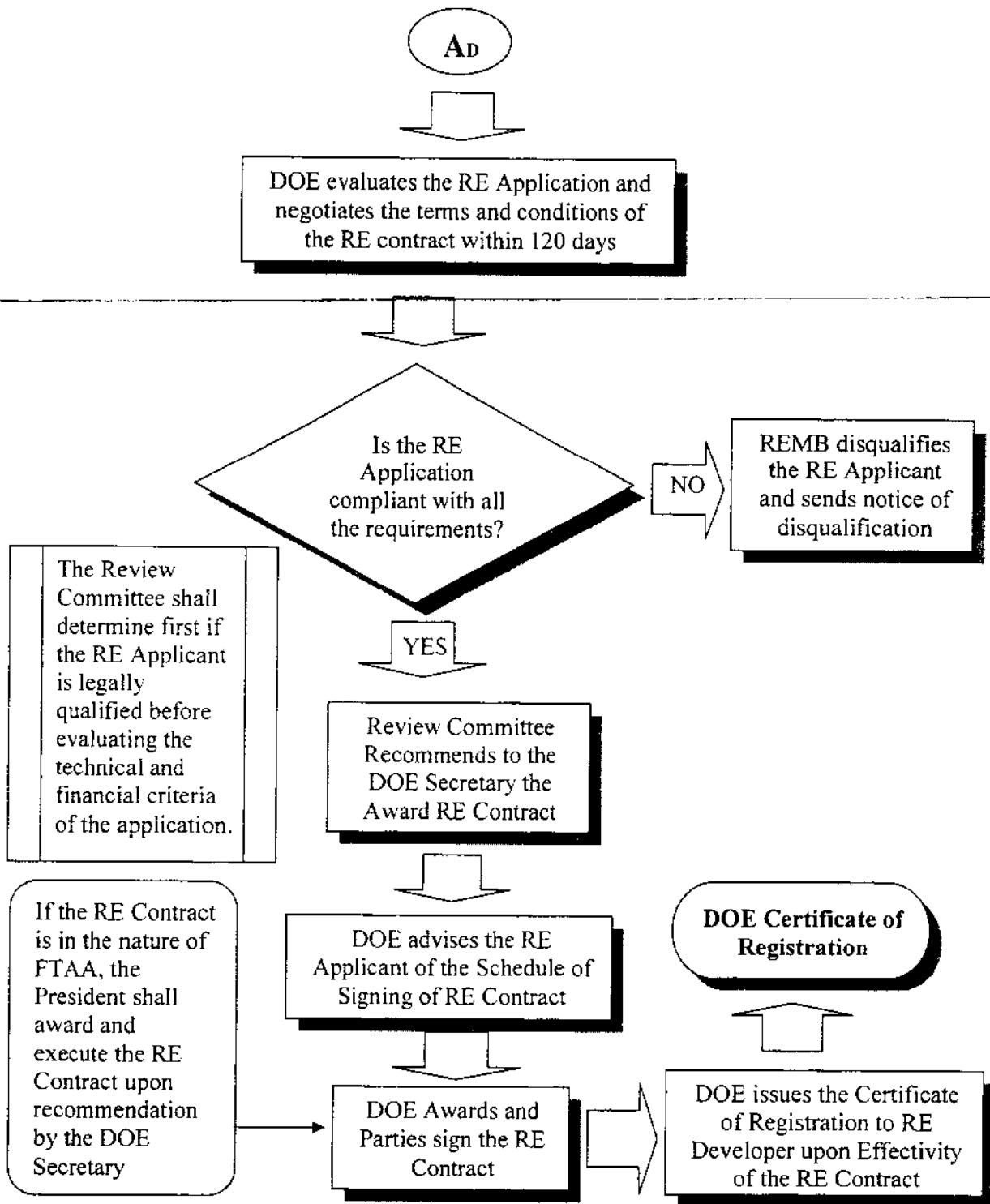


**Note:** The DOE Certificate of Accreditation shall be valid for three (3) years unless earlier revoked or cancelled for valid grounds. It shall be renewable for the same period subject to compliance with the terms and conditions of the certificate.

**REGISTRATION PROCESS OF RENEWABLE ENERGY  
DEVELOPER (R.A. No.9513)**

**DIRECT NEGOTIATION**



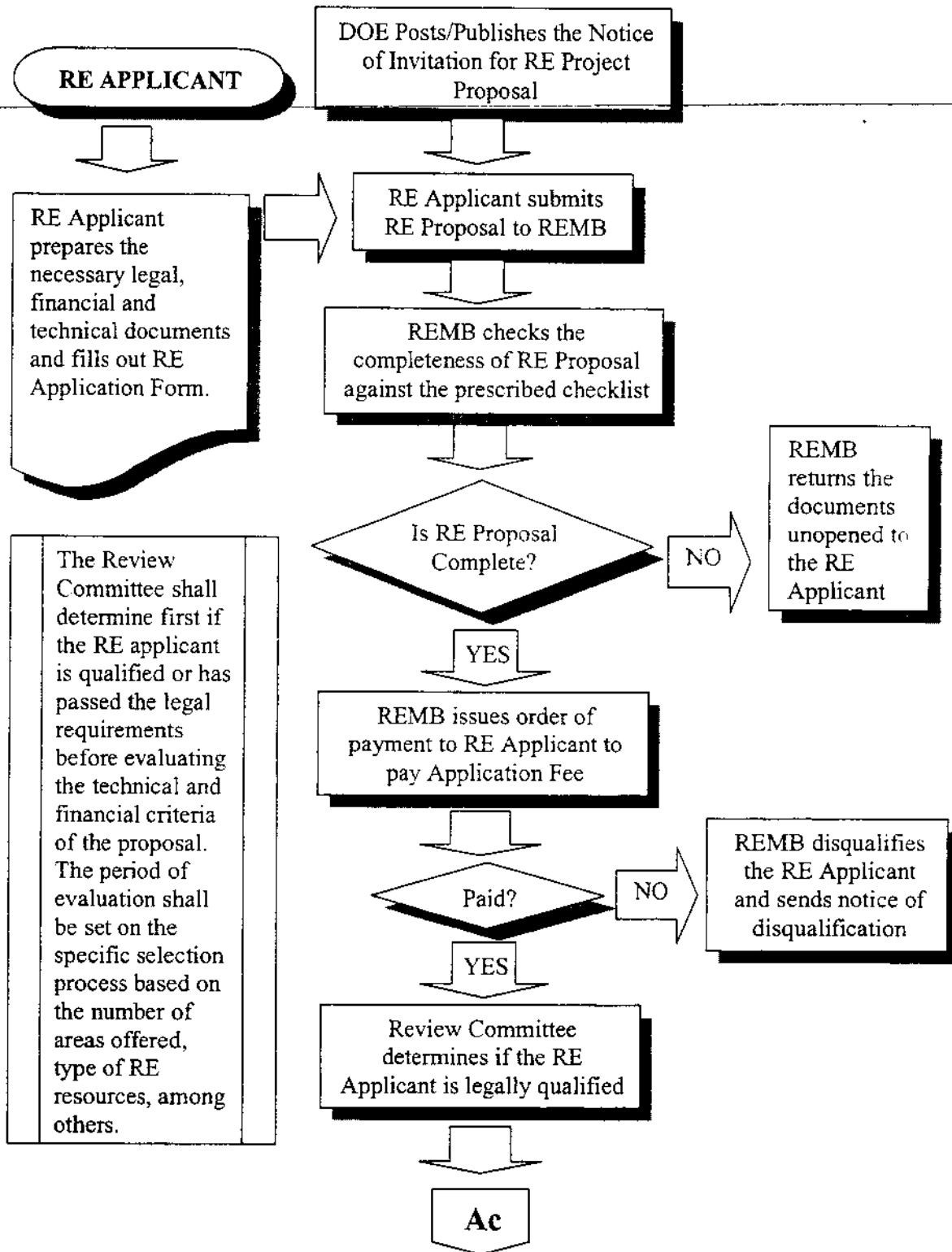


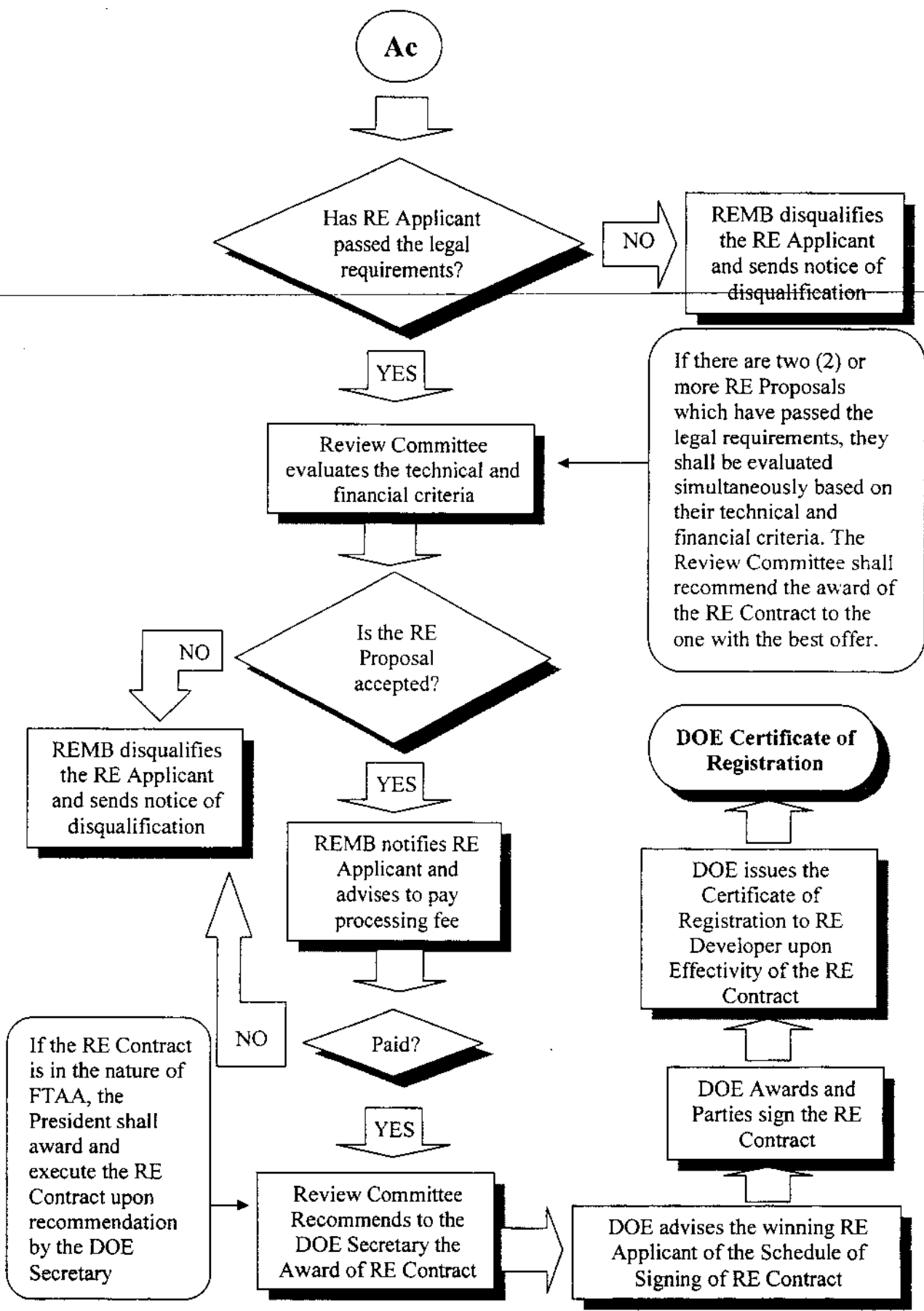
**Note:** Submission of a Letter of Intent and/or an RE Contract Application Form only without attaching legal, technical and financial documentary requirements shall not be considered as a submission of an RE Application.



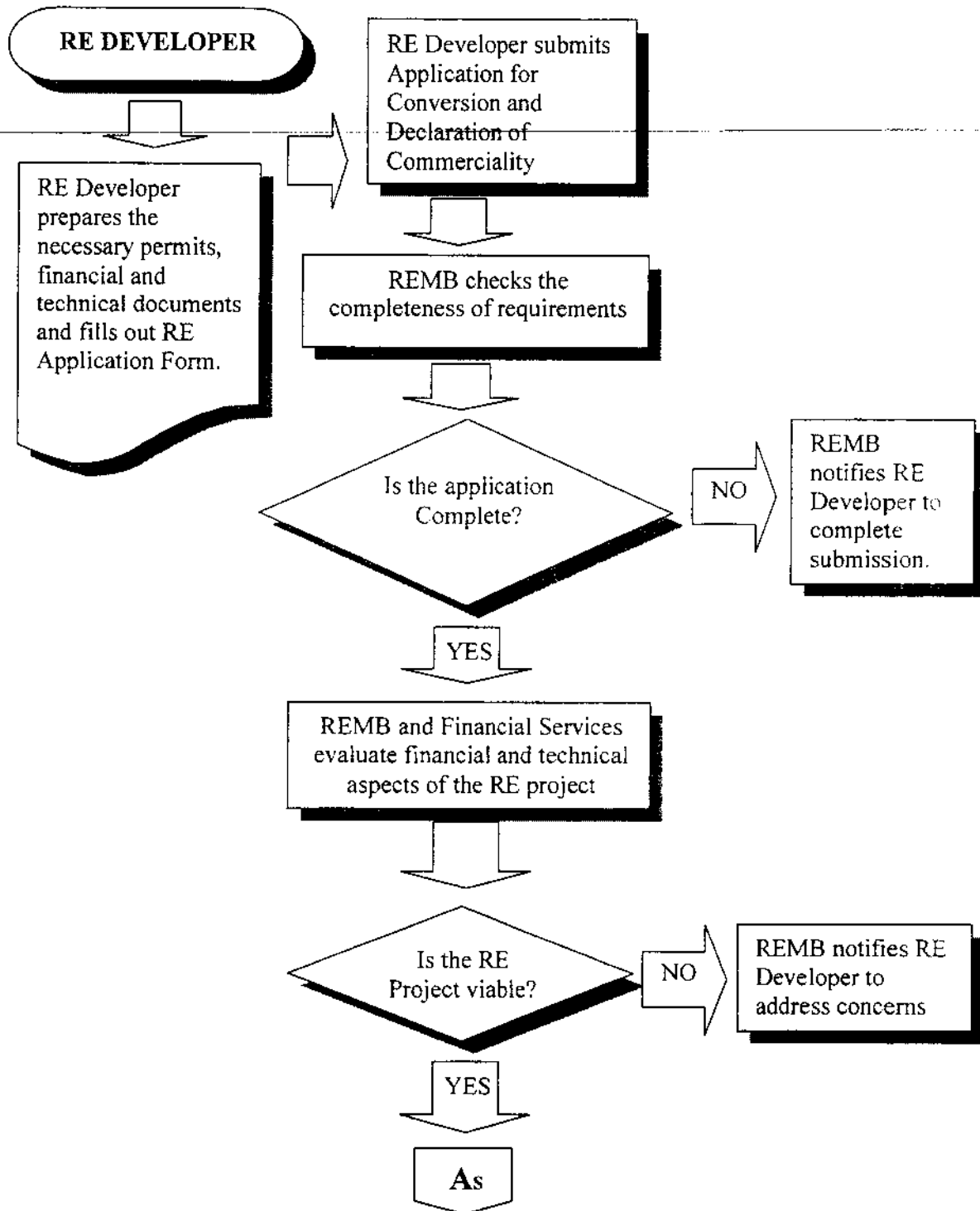
**REGISTRATION PROCESS OF RENEWABLE ENERGY  
DEVELOPER (R.A. No.9513)**

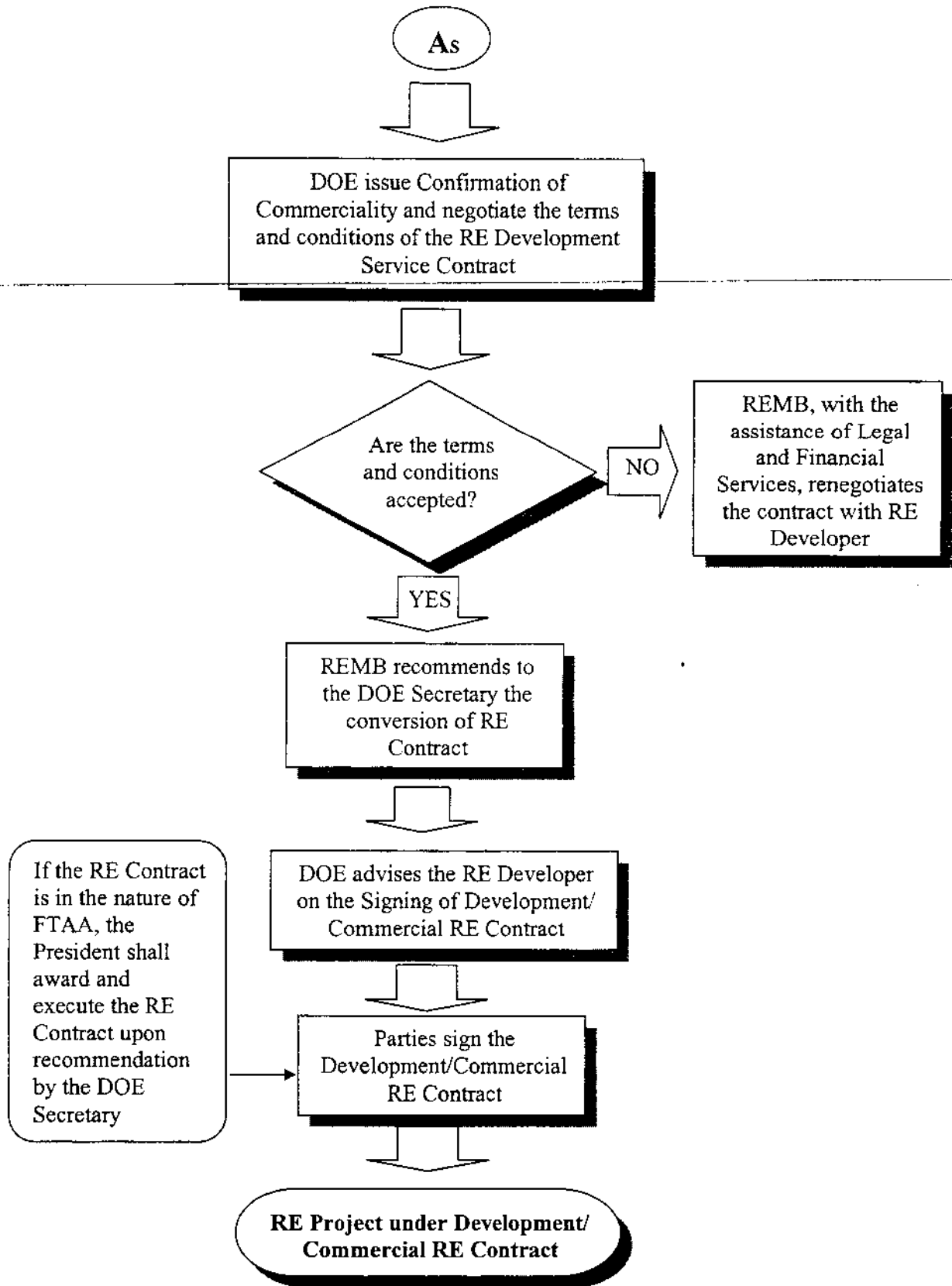
**OPEN AND COMPETITIVE SELECTION**





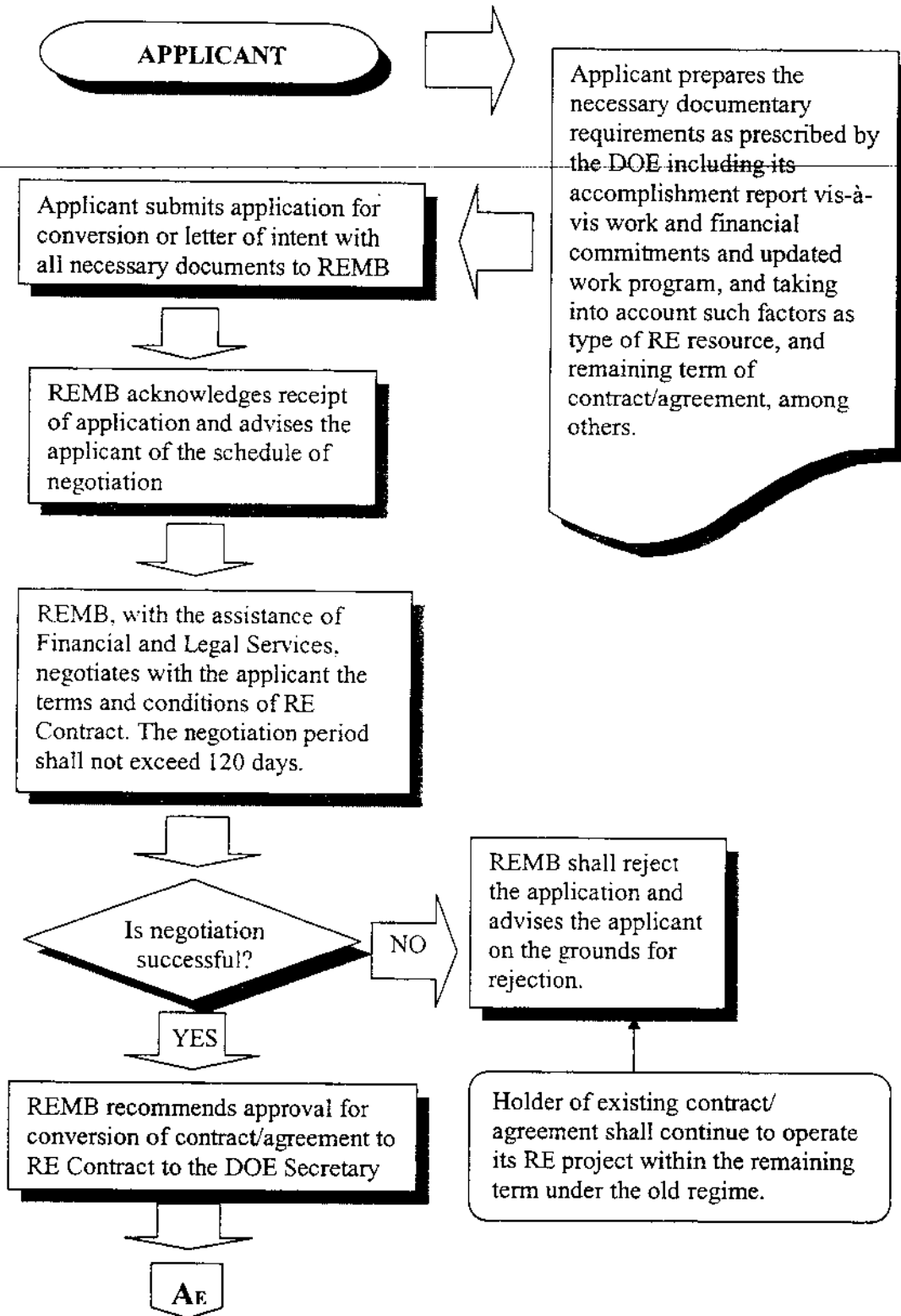
**CONVERSION FROM PRE-DEVELOPMENT STAGE TO  
DEVELOPMENT/COMMERCIAL STAGE OF AN RE  
CONTRACT (R.A. No.9513)**

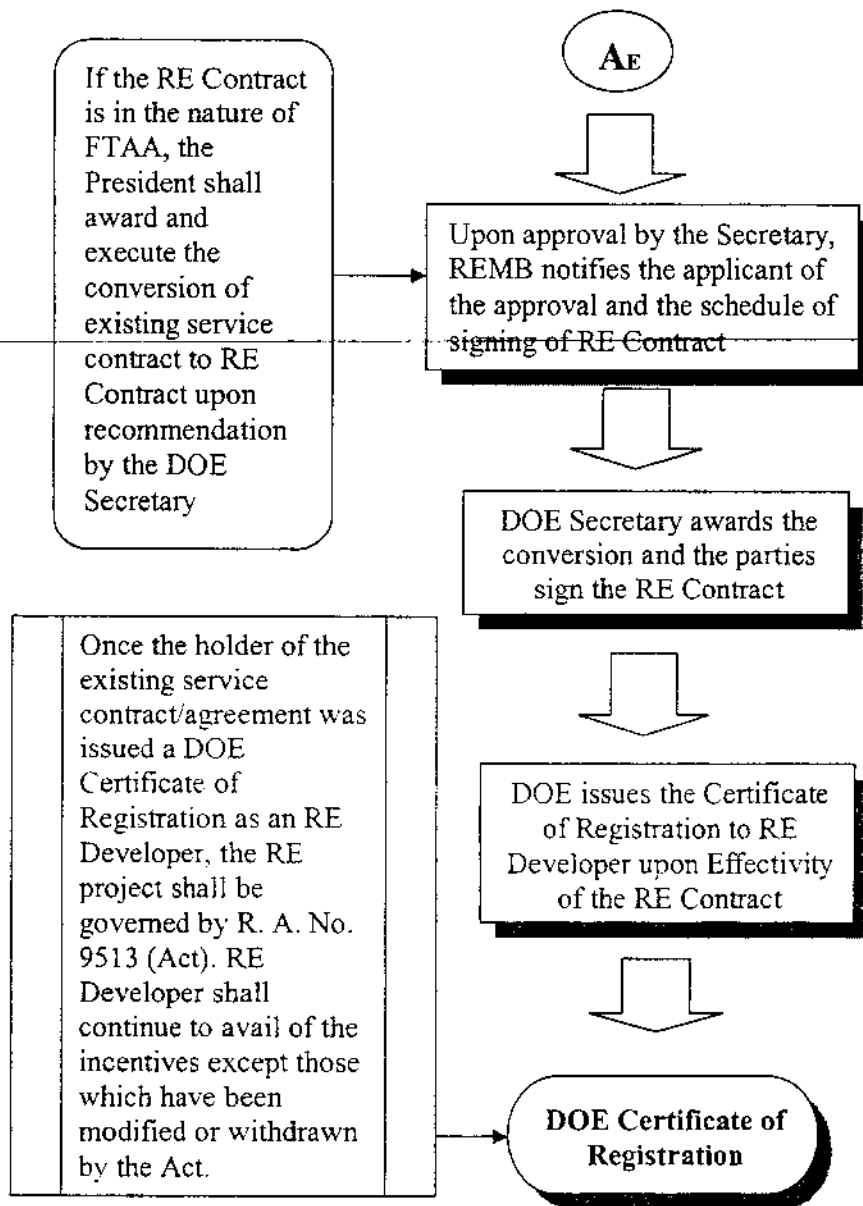




**Note:** The DOE Certificate of Registration issued to RE Developer during the effectivity of the Pre-Development RE Contract shall remain valid upon approval of conversion. Said certificate shall continue to serve as a proof of entitlement of incentives under R.A. No. 9513 unless otherwise automatically revoked or cancelled due to termination of the RE Contract.

**CONVERSION OF EXISTING SERVICE  
CONTRACT/AGREEMENT ON RE RESOURCES TO RE  
CONTRACT UNDER R.A. No. 9513**





Application No. \_\_\_\_\_  
 O.R. No. \_\_\_\_\_  
 Date \_\_\_\_\_  
 Amount \_\_\_\_\_

**RE SERVICE/OPERATING CONTRACT APPLICATION FORM  
 (Republic Act No. 9513)**

**I. GENERAL INFORMATION**

- A. Name of Applicant: \_\_\_\_\_
- B. Authorized Representative: \_\_\_\_\_
- C. Business \_\_\_\_\_  
 Address/Tel./Fax \_\_\_\_\_  
 Nos./Email Address: \_\_\_\_\_
- D. RE Sector of interest: \_\_\_\_\_
- E. Area or Block/s No. and Location applied for: \_\_\_\_\_
- F. Approximate area covered (in has or sq. m): \_\_\_\_\_
- G. Brief description of primary and secondary purpose as authorized by its Articles of Incorporation (for juridical person only): \_\_\_\_\_

**II. COMPANY/BUSINESS BACKGROUND**

- A. Controlling Stockholders (for corporation only)  
 (List names of majority stockholders and the percentage of their holdings)
  - a) \_\_\_\_\_ - \_\_\_\_\_ %
  - b) \_\_\_\_\_ - \_\_\_\_\_ %
  - c) \_\_\_\_\_ - \_\_\_\_\_ %
  - d) \_\_\_\_\_ - \_\_\_\_\_ %
  - e) \_\_\_\_\_ - \_\_\_\_\_ %

- B. Company Directors and Officers  
 (List of Board Members and Company Officers)

NAME / POSITION

a) \_\_\_\_\_

- b) \_\_\_\_\_
- c) \_\_\_\_\_
- d) \_\_\_\_\_
- e) \_\_\_\_\_

**C. Parent/Subsidiary/Affiliates**  
 (List Names, Addresses and Nature of Business)

- a) \_\_\_\_\_
- b) \_\_\_\_\_

- D. No. of Years in Operation:
- E. Description/History of the Company/Business:
  - 1. Organizational structure
  - 2. Ownership structure
  - 3. Field of specialization

**III. TECHNICAL AND FINANCIAL CAPABILITIES**

- A. Key Personnel in the Organization
  - 1. Corporate officers/hierarchy/expertise
  - 2. Staff members/experience
- B. List of On-going or Completed RE or Energy-Related Contracts/Agreements
  - 1. Brief description
  - 2. Type of energy resource
  - 3. Location
  - 4. Contract term/implementation period
  - 5. Client
- C. Latest Financial Statements
  - 1. Income Statement
  - 2. Balance Sheet

**IV. CERTIFICATION:**

It is certified that the foregoing information are true and correct. It is understood that any omission or misinterpretations of the required information shall be sufficient cause for the rejection of this application.

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Duly Authorized Representative*

\_\_\_\_\_  
*Name of Applicant*



**CHECKLIST OF REQUIREMENTS**  
**(Renewable Energy Service/Operating Contract under R.A. No. 9513)**

**I. RE Contract Application/Proposal**

**A. Legal Requirements**

1. Individual or Single Proprietorship:
  - a. Birth Certificate - duly authenticated by National Statistics Office (NSO);
  - b. Business Permit - certified true copy; and
  - c. Department of Trade and Industry (DTI) Registration (if applicable).
  
2. Corporation/Joint Venture/Consortium
  - a. Securities and Exchange Commission (SEC) Registration - SEC-certified;
  - b. By-Laws and Articles of Incorporation - SEC-certified;
  - c. Certification authorizing its representative to negotiate and enter into RE Contract with the DOE;
  - d. Business Permit;
  - e. Controlling Stockholders and Percentage of their Holdings;
  - f. Organizational Chart of the Company;
  - g. Parent/Subsidiary/Affiliates (if applicable); and
  - h. Company Profile.

**B. Technical Requirements**

1. Track Record or Experience;
2. Work Program with financial commitment per activities;
3. Curriculum Vitae of Management and Technical Personnel;
4. List of Technical Consultants with corresponding Contract between the Developer and Consultants showing their respective qualifications; and
5. List of existing company-owned and leased equipment appropriate for the RE project with corresponding description.

### **C. Financial Requirements**

1. Audited Financial Statement for the last two (2) years and unaudited Financial Statement if the filing date is three (3) months beyond the date of the submitted Audited Financial Statement;
2. Bank certification to substantiate the cash balance (exact amount in words and numbers);
3. Projected cash flow statement for (2) years; and
4. For newly-organized or subsidiary corporation with insufficient funds to finance the proposed work program, it shall submit an Audited Financial Statement and duly certified and/or notarized guarantee or Letter of Undertaking/Support from its parent company or partners to fund the proposed Work Program. In the case of foreign parent-company, the Audited Financial Statement and the guarantee or Letter of Undertaking/Support shall be duly authenticated by the Philippine Consulate Office that has consular jurisdiction over the said parent company.

### **D. Other Requirements**

1. Letter of Intent/Application;
2. Duly accomplished RE Contract Application Form;
3. Map showing the applied area (RE area of application: in case of ocean, solar, wind, and geothermal, must conform with the DOE Blocking System);
4. Application/Processing fees; and
5. Draft Pre-Development or Development/Commercial Service Contracts.

## **II. Requirements for Conversion from Pre-Development Stage to Development/Commercial Stage**

1. Letter of Declaration of Commerciality declaring the RE project is commercially feasible and viable; and
2. Feasibility study and/or detailed engineering design of the RE project with the following corresponding documents:
  - a. Resolution of Support from host communities and host municipality/ies;
  - b. Proof of Public Consultation;
  - c. Any form of legal documents showing the consent of the landowner if the project falls under a private land;

- d. Department of Environment and Natural Resources (DENR)
  - Permits:
    - i. Environmental Impact Study
    - ii. Environmental Compliance Certificate (ECC) or Certificate of Non-Coverage (CNC)
    - iii. Forest Land Use Agreement (FLAg)/Special Land Use Agreement (SLUP) for area applied in public domain
- e. National Commission on Indigenous Peoples (NCIP): Free and Prior Informed Consent (FPIC)/Certificate of Pre-Condition or Certificate of Non-Overlap;
- f. National Transmission Corporation (TRANSCO):
  - i. Grid System Impact Study
  - ii. Interconnection Agreement, if applicable
- g. Energy (Electricity) Sales Agreement;
- h. Other clearances from other concerned agencies (*i.e.*, Maritime Industry Authority (MARINA), Bureau of Fisheries and Aquatic Resources (BFAR), Philippine Navy, Philippine Coast Guard, etc.);
- i. Proof of Financial Closing;
- j. Final area for development (geographical coordinates/PRS92);
- k. Payment of corresponding Application/Processing Fee; and
- l. Draft Development/Commercial RE Contract.

### III. Requirements for Conversion from Existing Contracts to RE Contracts

1. Letter of Intent from the Developer requesting for the conversion of the existing Contract/ Agreement to RE Contract;
2. Accomplishment report vis-à-vis work and financial program;
3. Updated Work Program; and
4. Such other documents that may be required by the DOE.