

## **A Glimpse on APEC Peer Review on Energy Efficiency (PREE) in the Philippines.....What's Next?**

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### **Abstract**

The following paper presents a glimpse of the APEC-PREE and the recommendations eventually provided by the experts. It will try to examine how the host economy, particularly the Philippines, benefited from the review undertaken. Accordingly, it will try to track which expert recommendations were actually implemented, and measure the effectiveness of these recommendations.

### **Introduction**

Energy efficiency is a powerful and cost-effective tool for achieving a sustainable energy future and in the reduction of greenhouse gas emissions as well.<sup>1</sup> The APEC Leaders recognized the importance of pursuing policies and technologies to promote the development of cleaner energy and the improvement of energy efficiency and conservation to address energy security and climate change challenges in maintaining regional economic growth and prosperity<sup>2</sup>. Hence, the Darwin and Sydney Declarations in May and September 2007, respectively, paved the way to the birth of the APEC Peer Review on Energy Efficiency (PREE).

PREE serves as a venue where peers from APEC member economies review the host economy's energy efficiency performances as well as energy efficiency and conservation policy measures. "Peers" are experts of their respective economies, specifically on energy efficiency or energy and environment. Likewise, PREE provides opportunities for learning from other APEC member economies' respective experiences and in broadening networks among energy efficiency policy experts.

The experts who participated in the review provide recommendations for voluntary implementation by the host economy as well as how implementation of action plans could be improved with the end view of achieving energy efficiency goals.

The first PREE commenced in November 2009 with New Zealand as the host economy. This was later followed by 8 more economies of which the Philippines was the latest to host in

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<sup>1</sup> [http://www.iea.org/topics/energyefficiency/;](http://www.iea.org/topics/energyefficiency/)

<sup>2</sup> Principles and Guidelines of PREE, APERC website. ([http://www.ieej.or.jp/aperc/PREE/PREE\\_guidelings.pdf](http://www.ieej.or.jp/aperc/PREE/PREE_guidelings.pdf))

February 2012. It is expected that more economies will signify its intention to host PREE and consequently undergo policy review of the experts. This paper will focus on the Philippines as a case study of the success of the PREE program.

### **Philippines' energy demand situation**

The total final energy consumption of the Philippines in 2010 reached 24 523 ktoe. The transport sector accounted for the largest energy consumer while in terms of fuel, oil and oil products continued to be the major fuel consumed of the economy<sup>3</sup>.

### **PREE in the Philippines**

The Philippine economy has long been a champion of energy conservation. Learning from major drawbacks such as oil price hikes, supply shortage, power outages, etc. strict measures to conserve energy is being implemented. During its visit, the PREE Review Team is pleased to note the successful implementation of these policies and programs and that DOE is continuously pushing further in achieving its goal. It may also be worth mentioning that the government's efforts can be proven to be effective through the public and private sectors' active participation in its various activities. However, similarly with PREE in other economies, the PREE Review team found some room for improvement to successfully achieve its goal. The Philippines received a number of recommendations from the experts which cover most of the energy demand sector. Specifically, they include the following: a) Institutional context (3 recommendations); b) Energy efficiency goals, targets and strategy (10); c) Energy data collection and monitoring (2); d) Policy measures (sectoral analysis) (21); e) Energy management mechanism and management (8), and f) Appliances and equipment (10).

Supposed the Philippine government followed some of the recommendations provided during the peer review, it will be worthy to note their effectiveness to the overall Philippine energy efficiency and conservation policies. Thus, this paper will try to assess them by going back to the host economy and seek their feedback and accomplishments after the peer review. Specifically, the paper will try to present whether the recommendations has been actually implemented and assess its success. For the ones which have not been implemented the paper will try to discuss the possible reasons for non-implementation.

This paper likewise hopes to perceive the way forward in sustaining the economy's energy efficiency and conservation targets thus contributing to the overall APEC's goal of energy sustainability and in the reduction of greenhouse gas emissions.

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<sup>3</sup> 2010 Key Energy Statistics, Department of Energy