



DEPARTMENT CIRCULAR NO. DC2026-08-0018

**PRESCRIBING THE GUIDELINES FOR THE UTILIZATION OF THE
RENEWABLE ENERGY TRUST FUND**

WHEREAS, Republic Act (RA) No. 9513, otherwise known as the “Renewable Energy Act of 2008” (RE Act), declares the policy of the State to increase the utilization of renewable energy (RE) by institutionalizing the development of national and local capabilities in the use of RE systems, and promoting its efficient and cost-effective commercial application by providing fiscal and non-fiscal incentives;

WHEREAS, Section 28 of the RE Act mandated the establishment of a RE Trust Fund (RETF) to enhance the development and greater utilization of RE, which shall be administered by the DOE;

WHEREAS, Sections 32 to 34, Rule 11 of Department Circular (DC) No. DC2009-05-0008, also known as the “Rules and Regulations Implementing RA No. 9513,” provides the general guidelines on the sources and utilization of the RETF;

WHEREAS, on 23 October 2018, the Department of Energy (DOE) issued Department Order (DO) No. DO2018-10-0018, titled “Adopting the Guidelines for the Operationalization of the Renewable Energy Trust Fund, and for Other Purposes,” which governed the collection, administration, and utilization of the RETF, and created the RETF Committee (RETFC);

WHEREAS, to fully implement the RETF, specific guidelines and procedures for fund sourcing, accounting, and audit of the RETF were established on 10 June 2022 through the issuance of DC No. DC2022-06-0018, titled “Adopting the Guidelines and Procedures in the Fund Sourcing, Accounting, and Audit of Renewable Energy Trust Fund Pursuant to Section 28 of the Renewable Energy Act of 2008;”

WHEREAS, on 03 April 2024, the DOE and Department of Science and Technology (DOST) signed a Memorandum of Agreement (MOA) (DOE-DOST MOA) forging cooperation between the two agencies for the implementation of RETF projects in accordance with Section 28 of the RE Act;

WHEREAS, under the DOE-DOST MOA, the areas of cooperation include (a) research, development, demonstration, and promotion of the widespread and productive use of RE systems both for power and non-power applications; and (b) support for the development and operation of new RE resources to improve their competitiveness in the market, provided that other purposes of the RETF may be included subject to the agreement of both parties;

WHEREAS, Section 6 of the DOE-DOST MOA provides for the operating guidelines, covering (a) call for proposals; (b) review, evaluation, and awarding of project proposals; and (c) fund release and utilization;

WHEREAS, there is a need to clarify the persons, groups, entities who are eligible to request for, and avail of, funding from the RETF under the DOE-DOST MOA;

WHEREAS, the RETFC has received several project proposals from various DOE units and external proponents requesting funding support from the RETF, which do not fall under the DOE-DOST MOA;

NOW, THEREFORE, for and in consideration of the foregoing premises, the DOE hereby issues, adopts and promulgates the following:

Section 1. Title. This Circular shall be known as the "Guidelines for the Utilization of the Renewable Energy Trust Fund."

Section 2. Scope. This Circular shall govern the submission, evaluation, approval, implementation, monitoring, reporting, and management of projects utilizing the RETF.

Section 3. Exclusive Uses of RETF. Consistent with Section 28 of the RE Act and Section 32, Rule 11 of DC No. DC2009-05-0008, the RETF shall be used exclusively to:

- 3.1. Finance the research, development, demonstration, and promotion of the widespread and productive use of RE systems for power and non-power applications;
- 3.2. Provide funding to qualified research and development institutions engaged in RE studies undertaken jointly through public-private sector partnership, including provision for scholarship and fellowship for energy studies;
- 3.3. Support the development and operation of new RE resources to improve their competitiveness in the market: Provided, That the grant thereof shall be done through a competitive and transparent manner;
- 3.4. Conduct nationwide resource and market assessment studies for the power and non-power applications of RE systems;
- 3.5. Propagate RE knowledge by accrediting, tapping, training, and providing benefits to institutions, entities, and organizations which can help widen the promotion and reach of RE benefits at the national and local levels; and
- 3.6. Fund such other activities necessary or incidental to the attainment of the objectives of the RE Act.

The funds may be used through grants, loans, equity investments, loan guarantees, insurance, counterpart fund, or such other financial arrangements necessary for the attainment of the objectives of the RE Act: Provided, That the use or allocation thereof shall, as far as practicable, be done through a competitive and transparent manner.

Section 4. Mechanisms for the Utilization of the RETF. The following guidelines shall apply for the utilization of the RETF:

4.1. Submission of Proposal.

4.1.1. Eligibility. All bureaus and services within the DOE (Internal Proponents) and all other entities (External Proponents) shall be eligible to submit project proposals for funding consideration under the RETF: Provided, That the projects being proposed align with the objectives of the RE Act and comply with the exclusive purposes for which the RETF may be utilized.

4.1.2. Procedure for Submission of Proposals. The submission of proposals shall be governed by the following:

4.1.2.1. Internal and External Proponents may submit their proposals to the RETFC, through the RETF Secretariat, on an ad hoc basis: Provided, That the RETFC may refer a proposed project of an External Proponent to the DOST - Philippine Council for Industry, Energy, and Emerging Technology Research and Development (PCIEERD) where the RETFC determines that such proposed project is more appropriately evaluated by the DOST-PCIEERD.

4.1.2.2. External Proponents whose proposed projects fall within the areas of cooperation under the DOE-DOST MOA may submit their proposals directly to the DOST-PCIEERD, following the latter's Call for Proposals for the Renewable Energy, Science, Technology and Innovation (RESTI) Program.

4.1.3. Requirements for Proposals.

4.1.3.1. Project proposals submitted to the RETFC pursuant to Section 4.1.2.1 of this Circular shall include the following documents:

- a. A memorandum or letter to the RETFC requesting funding;
- b. Accomplished Project Proposal Form (Annex A);
- c. Accomplished Workplan Template (Annex B); and
- d. A statement under oath that the project proposal aligns with the objectives of the RE Act and complies with the exclusive purposes for which the RETF may be utilized, and shall specify any or a combination of the exclusive uses under Section 3 of this Circular.

4.1.3.2. Project proposals of External Proponents submitted to the DOST-PCIEERD pursuant to Section 4.1.2.2 of this Circular

shall comply with the form, contents, and procedures set forth in their Call for Proposals.

4.2. Procedure for Evaluation and Approval.

4.2.1. Project Proposals submitted pursuant to Section 4.1.2.1 of this Circular shall be evaluated as follows:

4.2.1.1. The RETF Secretariat shall verify the completeness of the submission based on Section 4.1.3.1 of this Circular. Submissions found incomplete shall be returned to the Proponent for rectification. Complete submissions shall be endorsed by the RETF Secretariat to the relevant members of the RETF - Technical Working Group (TWG) whose participation in the evaluation is required.

4.2.1.2. The RETFC shall direct the identified members of the RETF-TWG, or such other members it may designate, to conduct the evaluation of the project proposal in accordance with Section 4.2.1.3 below.

4.2.1.3. The concerned members of the RETF-TWG shall evaluate the project proposal in accordance with the evaluation guidelines set forth in Annex "C" of this Circular. As applicable, the evaluation shall take into account the impact on:

- a. Carbon emission reduction;
- b. Cost-effectiveness of RE application; and
- c. Potential for scalability in off-grid or underserved areas.

4.2.1.4. Where the RETF-TWG determines that a project proposal submitted by an External Proponent is more appropriately evaluated by the DOST-PCIEERD, the RETF-TWG shall recommend to the RETFC the referral of such proposal to the DOST-PCIEERD for evaluation.

Upon consideration of the RETF-TWG's recommendation, the RETFC may refer the project proposal to the DOST-PCIEERD for evaluation and appropriate action. Such referral shall not constitute an approval or endorsement of the proposed project by the RETFC.

4.2.1.5. For project proposals not referred to the DOST-PCIEERD, the results of the evaluation shall be submitted to the RETFC, through the RETF Secretariat, which shall schedule the presentation and deliberation of the project proposal and the results of evaluation with the RETFC.

- 4.2.1.6. The RETFC shall invite the project proponent to present its proposal. The presentation shall provide an opportunity for the proponent to elaborate on the project and for the RETFC to seek clarification or additional information as needed.
- 4.2.1.7. After the presentation and due deliberation, the RETFC shall approve project proposals found in order. No project proposal shall be deemed approved by the RETFC without a resolution to that effect.
- 4.2.1.8. The proponent shall be formally notified of the evaluation results, including any required revisions or additional compliance measures. The proponent shall be given ten (10) working days, or a period determined by the RETFC, to address the required revisions and/or submit the necessary documents. Failure to comply with the prescribed timeframe shall result in the denial of the proposal.
- 4.2.1.9. The RETF Secretariat shall prepare the Memorandum for the Secretary endorsing approval of the project/s as proposed, attaching therein a copy of the RETFC Resolution. Such Memorandum shall be signed by the RETFC Chairperson or his or her designated representative.
- 4.2.2. Project Proposals submitted pursuant to Section 4.1.2.2 of this Circular shall be evaluated in accordance with the DOST Grants-in-Aid Guidelines and the DOE-DOST MOA.
- 4.2.3. In the evaluation of proposals, preference may be given to concrete and implementable projects that are capable of delivering tangible and measurable results and demonstrate potential for replication or scaling up. Any such preference shall be applied objectively, consistently, and transparently to all proposals.

Section 5. Project Implementation.

- 5.1. To uphold the principles of competitiveness and transparency, approved projects shall, as far as practicable, undergo the procurement process in accordance with the provisions of RA No. 12009, also known as the "New Government Procurement Act."
- 5.2. A Special Bids and Awards Committee may be created specifically for the procurement process related to the RETF.
- 5.3. The approved budget for the project shall be released subject to availability and in accordance with accounting and auditing rules of the government.
- 5.4. Any challenge or issue that arise during the implementation of the project, including, but not limited to, procurement-related matters or regulatory

constraints, shall be promptly reported to the RETFC for appropriate resolution and necessary action.

Section 6. Monitoring and Reporting.

- 6.1. Project proponents are required to submit quarterly progress reports, or as otherwise prescribed by the RETFC. These reports shall include, but are not limited to, project status, accomplishments, and financial performance.
- 6.2. The RETFC reserves the right to conduct site visits and inspections for projects involving physical infrastructure or structural components, to ensure compliance with approved plans and alignment with project objectives.
- 6.3. Within thirty (30) calendar days after completion of the project, the proponent shall submit a final project report, which shall include a financial report of all disbursements made. The outcome of the project shall be evaluated and documented as lessons learned to inform future project selection and funding decisions.

Section 7. Project Ownership. Projects funded under the RETF shall remain the exclusive property of the DOE. Any infrastructure, equipment, facilities, or other physical assets procured, constructed, or developed through RETF funding shall be considered government property, unless formally transferred through a Deed of Donation or any other legal documents duly executed by the DOE, subject to applicable laws and regulations governing public assets.

Section 8. Ownership of Intellectual Property Rights. Any and all intellectual property rights, including patents, copyrights and trademarks, developed in the course of the implementation of the activities or resulting from their completion, shall be in accordance with RA No. 10055, also known as the "Philippine Technology Transfer Act of 2009," and RA No. 8293 or the "Intellectual Property Code of the Philippines."

Section 9. Reconstitution of the RETFC. To ensure the efficient implementation of this Circular and any amendments or supplements thereto, the RETFC is hereby reconstituted and shall be chaired by an Undersecretary and co-chaired by an Assistant Secretary, both of whom shall be designated by the Secretary.

The RETFC shall be composed of a Chairperson, Co-Chairperson, and members, including the Directors of the Renewable Energy Management Bureau (REMB), Financial Services (FS), Legal Services (LS), and Energy Research and Testing Laboratory Services (ERTLS), as well as a representative from the Office of the Secretary.

The RETFC shall be assisted by a TWG, which shall be composed of representatives from REMB, FS, LS, ERTLS, and other relevant DOE units or entities as necessary.

The Secretary shall issue a Special Order for the RETFC, TWG, and the Secretariat specifying the members and their respective functions and responsibilities.

Section 10. Separability Clause. If, for any reason, any section or provision of this Circular is declared unconstitutional or invalid, the other parts or provisions hereof which are not affected thereby shall continue to be in full force and effect.

Section 11. Repealing Clause. The provisions of other orders, issuances, rules, and regulations, which are inconsistent with the provisions of this Circular are hereby repealed, amended, modified, or superseded accordingly.

Section 12. Effectivity. This Circular shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation. Copies of this Circular shall be filed with the University of the Philippines Law Center – Office of the National Administrative Register.

Issued on 17 AUG 2026 at Energy Center, Rizal Drive corner 34th Street Bonifacio Global City, Taguig City.


SHARON S. GARIN
Secretary



PROJECT PROPOSAL FORM

I. PROJECT TITLE: _____

II. PROPONENT'S INFORMATION:

Organization / Unit:	
Organization Head:	
Focal Person/s:	
Contact Information:	

III. PROJECT BUDGET & DURATION

BUDGET (in PHP)	DURATION
	START DATE:
	END DATE:
	TOTAL: (Years)___ (Months)___ (Days)___

IV. PROJECT INFORMATION:

a. RETF JUSTIFICATION:

< Consistent with Section 32, Rule 11 of Department Circular (DC) No. DC2009-05-0008, provide justification which of the RETF exclusive uses your project satisfies. You may also add other legal basis for your project>

b. PROJECT DETAILS

- (i) Background/Introduction**
- (ii) Rationale/Significance of the Project**
- (iii) Methodology & Project Objectives**
- (iv) Scope of Work**
<detailed project undertaking/activities and project requirements (hardware/software/infrastructure)>
- (v) Deliverables**
- (vi) Sustainability Plan (if applicable)**
- (vii) Other information**
<other information on the project and/or as requested by the RETF Committee>

V. Project Milestones (if applicable)

Activities	Delivery Period	Work Percentage
Activity A	<no. of days>	ex. 10%
Activity B	<no. of days>	<percent>
Activity C	<no. of days>	<percent>
Activity D	<no. of days>	<percent>
Activity E	<no. of days>	<percent>
	TOTAL	100%

Note: The RETF Committee reserves the right to request clarification, additional information, and resubmission of the project proposal.

WORKPLAN TEMPLATE

Project Title:
Organization/Unit:
Focal Person/s:
Contact Information:

ACTIVITIES	OUTPUT	YEAR 1				YEAR 2 (if applicable)				ESTIMATED BUDGET NEEDED
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
1.										
2.										
3.										
4.										
5.										

Prepared by:

Reviewed by:

Approved by:

ANNEX C – EVALUATION GUIDELINES

PART I. Consistency with RETF Exclusive Uses

Part I of the evaluation shall determine whether the project proposal is consistent with the exclusive uses of the RETF as provided under Section 28 of the Renewable Energy Act. If the project is found to be inconsistent with or not aligned with these exclusive uses, the proposal shall be deemed inadmissible, and the evaluator shall no longer proceed with the evaluation.

Format:

Criteria	Indicator	Remarks
Consistency with the Exclusive Uses of RETF	The proposed project falls within the exclusive purposes for which the RETF may be utilized.	☐ YES ☐ NO
NOTE:		

PART II. Project Evaluation

Part II of the evaluation determines the project's technical, financial, and implementation aspects based on the prescribed criteria with corresponding weight distribution. The purpose of this section is to ensure that projects are well-designed, feasible, and impactful.

Criteria and Percentage Rating

The criteria and their corresponding percentage ratings reflect the relative importance of each factor or criterion. The evaluation follows the 5-point Likert rating scale, where each criterion is rated from 1 (Poor) to 5 (Excellent).

A. Merit of the Project – 30%

This criterion is allotted 30% of the total score as it evaluates the project's technical soundness, innovativeness, and potential impact on the renewable energy sector. A higher weight is given because this criterion captures the overall substance and contribution of the project to the objectives of the RETF. The proposal should demonstrate clear objectives, well-defined outputs, and measurable outcomes that directly support the development, deployment, or utilization of RE technologies in the country.

B. Financial Soundness – 30%

This criterion is allotted 30% to highlight the importance of financial prudence and cost-effectiveness in project implementation. The project must demonstrate that its budget is reasonable, justified, and aligned with its expected outputs and outcomes. This ensures that RETF resources are allocated efficiently and that proposed activities deliver value for money.

C. Replication and Scalability Potential - 10%

This criterion is allotted 10% to recognize the added value of projects that can be replicated or scaled up in other contexts or areas. Projects with strong replication potential contribute to a wider dissemination of renewable energy technologies and best practices, thereby amplifying their impact beyond the initial implementation site.

D. Timeframe and Implementation Plan – 20%

This criterion is allotted 20% to underscore the importance of having a realistic, well-defined, and achievable implementation plan. The project should present clear milestones, timelines, and deliverables that correspond to its scope and objectives.

E. Other Considerations – 10%

This criterion is allotted 10% to cover additional factors that may affect the project's overall feasibility and sustainability. These include compliance with regulatory requirements, as well as consideration of environmental and social impacts.

Computation of Scores and Interpretation

The rating for each criterion is then converted into a weighted score by multiplying the assigned rating by the percentage weight of that criterion and its sum expressed as percentage out of 100. To illustrate, provided below the formula for computation:

Formula:

$$\sum \left(\frac{\text{Evaluator Rating}}{5} \times \text{Weight of Criterion} \right)$$

Example Calculation:

Criterion	Rating	Weight (%)	Weighted Score
A. Merit of the Project	4	30	(4/5) × 30 = 24.0
B. Financial Soundness	5	30	(5/5) × 30 = 30.0
C. Replication & Scalability	3	10	(3/5) × 10 = 6.0
D. Timeframe & Implementation	4	20	(4/5) × 20 = 16.0
E. Other Considerations	4	10	(4/5) × 10 = 8.0
Overall Rating	—	100%	84.0 / 100

Interpretation of Overall Rating

The overall rating serves as the final measure of the project. This provides a standardized basis for comparing and ranking proposals.

Score	Descriptive Rating
100%	Excellent
90% - 99%	Very Satisfactory
80% - 89%	Good
70% - 79%	Fair
Below 70%	Poor

Format:

Criteria and Percentage Rating	Indicators	Rating Scale
A. Merit of the Project (30%)	Technically sound, innovative, and impactful to the RE sector.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Objectives and outputs are clear, measurable, and achievable.	
	Contributes meaningfully to RE development, research, or deployment.	
B. Financial Soundness (30%)	Budget is reasonable, realistic, and justified by activities.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Costs are appropriate and necessary.	
	Demonstrates cost efficiency and, if applicable, co-funding or resource leveraging.	
C. Replication and Scalability Potential (10%)	Demonstrates potential for replication or adaptation.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Incorporates mechanisms for knowledge-sharing or capacity-building.	
D. Timeframe and Implementation Plan (20%)	Duration of the project and scheduling of activities are realistic and aligned with objectives.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Workplan is feasible and include risk management measures.	
E. Other considerations (10%)	Complies with regulatory, environmental, and social requirements.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Promotes sustainability, inclusiveness, and ethical practices.	
OVERALL RATING:		

EVALUATION SCORESHEET

PART I. Consistency with RETF Exclusive Uses

Criteria	Indicator	Remarks
Consistency with the Exclusive Uses of RETF	The proposed project falls within the exclusive purposes for which the RETF may be utilized.	☐ YES ☐ NO
NOTE:		

If the project is found to be inconsistent with or not aligned with these exclusive uses, the proposal shall be deemed inadmissible, and the evaluator shall no longer proceed with the evaluation.

PART II. Project Evaluation

Criteria and Percentage Rating	Indicators	Rating Scale
A. Merit of the Project (30%)	Technically sound, innovative, and impactful to the RE sector.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Objectives and outputs are clear, measurable, and achievable.	
	Contributes meaningfully to RE development, research, or deployment.	
B. Financial Soundness (30%)	Budget is reasonable, realistic, and justified by activities.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Costs are appropriate and necessary.	
	Demonstrates cost efficiency and, if applicable, co-funding or resource leveraging.	
C. Replication and Scalability Potential (10%)	Demonstrates potential for replication or adaptation.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Incorporates mechanisms for knowledge-sharing or capacity-building.	
D. Timeframe and Implementation Plan (20%)	Duration of the project and scheduling of activities are realistic and aligned with objectives.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Workplan is feasible and include risk management measures.	
E. Other considerations (10%)	Complies with regulatory, environmental, and social requirements.	1 – Poor 2 – Fair 3 – Good 4 – Very Good 5 – Excellent
	Promotes sustainability, inclusiveness, and ethical practices.	
OVERALL RATING:		