

Republic of the Philippines
DEPARTMENT OF ENERGY

30 June 2004

MS. DEBORAH LANDEY
Resident Representative
United Nations Development Programme

UNDP MANILA	
FILE NO.	REF #02
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ACTION	INFO
JM	SKR/RR

Subject : Regional Energy Programme for Poverty Reduction (REP-PoR)

Dear Ms. Landey:

With reference to your letter of 11 June 2004 on the above subject, we are pleased to inform you that we continuously support the programme and appreciate all the relevant activities/undertakings being implemented by UNDP.

It may be worthy to note that the three broad areas for future cooperation, namely: (1) Energy services for rural development and poverty reduction; (2) Energy Efficiency for economic growth and environmental sustainability; and (3) Financing for sustainable energy development, identified in a concept paper are of interest to us.

We believe that with increasing energy demand, investment requirements will grow and financing projects, activities and infrastructure in the energy sector will be irreversibly essential. We envision that multilateral financing agencies will continue to play big role not only in meeting the domestic energy requirements of the country but also that of other international groupings like APEC and ASEAN.

Thank you and best regards.

Very truly yours,


CYRIL C. DEL CALLAR
Undersecretary



REP-PoR: Project Document

11 June 2004

Dear Secretary Perez,

Subject: Regional Energy Programme for Poverty Reduction (REP-PoR).

We are pleased to inform you of the approval of the above-cited regional programme.

As you may recall, in July 2002, UNDP supported a regional seminar held in Beijing entitled "Energy for Sustainable Development in the Asia Pacific Region." The seminar was attended by a total of 67 participants, including government representation from 11 countries, international organizations, international financial institutions and the private sector. Participants from the Philippines included Undersecretary Cyril del Callar and Ms. Julinette Bayking from the National Electrification Administration (NEA). As a follow-up to this, UNDP was requested to assist with the process of clarifying the objectives and priorities of a regional cooperation initiative. UNDP commissioned a concept paper, which identified three broad areas for future cooperation: (1) Energy services for rural development and poverty reduction; (2) Energy efficiency for economic growth and environmental sustainability; and (3) Financing for sustainable energy development.

A second round of consultations inviting more government stakeholders in the region to determine the core elements of the proposed regional energy programme was also conducted. In order to produce optimal results, a questionnaire was designed to collect information from key government stakeholders in charge of energy planning, energy production and services as well as those in charge of regional cooperation to find out their requirements of the future programme prior to the formal consultation.

We would like to take this opportunity to extend our gratitude to the Philippine Government for providing valuable inputs during the regional meetings as well as to both the concept paper and the questionnaire. These inputs we were able to solicit through your organization, the National Economic Development Authority (NEDA) and the National Electrification Administration (NEA).

The newly approved regional energy initiative aims to contribute towards the achievement of Millenium Development Goals (MDGs) targets, through broad-based interventions in three thematic areas of priority:

- 1) Improving access to energy services;
- 2) Promoting efficient use of energy; and
- 3) Increasing access to financing for sustainable energy.

To translate the above-cited proposed thematic interventions and mainstream energy into developmental agenda for poverty reduction and vice-versa, three strategic services were identified as follows: a) policy advocacy; b) capacity development and action research; and c) knowledge management.

At the micro-level, activities will concentrate on integrated energy solutions addressing social, economic and environmental objectives to address poverty reduction. At the macro-level, the programme will focus on the enabling environment and policies needed to support the three themes to enhance energy options for sustainable human development. Actions taken at the regional level will support global sustainable development goals, generating results in energy, environment and human development.

The programme which focuses on mainstreaming energy into the development agenda for poverty reduction (i.e. strengthen the poverty – energy nexus) will complement the ongoing capacity development efforts of the Global Environmental Facility (GEF), regional programmes, global initiatives as well as national projects.

The programme will be managed by a Regional Programme Coordinator, who will be supported by a secretariat of three persons operating out of the Bangkok Regional Centre (BRC). The Secretariat would comprise a Programme Officer, a Knowledge Management officer and a Programme Assistant. Given the specificities of the Pacific sub-region and in the interests of the reducing transaction costs, an additional Programme officer would be based in the Pacific. Day-to-day management of the programme will be carried out by a Programme Coordinator, under the overall guidance of Programme Steering Committee (PSC) with the Bangkok Regional Centre (BRC) as the Executing Agency charged with overall oversight and responsibility, including the administrative and financial management of the project.

We would like to seek the Philippine Government's endorsement for and confirmation of interest to participate in this important initiative. More specifically, we would like to call your attention to the regional programme's results and resources framework which indicates the key outputs and indicative activities of the programme along the three identified themes and strategic services. We would appreciate it if you could identify which interventions would the Philippine Government find relevant and be interested to participate in based on your country-specific needs, opportunities, and requirements. The identification of the key parameters will be instrumental to rationalize the relevance of the proposed themes and strategic services with regard to the Philippines so that available resources are not thinly distributed among the countries which will confirm participation in this regional initiative.

We hope to receive feedback from your end on or before 30 June 2004. Finally, thank you in advance for your usual prompt action.

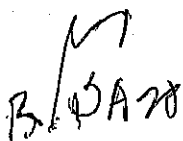
Warm regards.

Yours sincerely,


Deborah Landey
Resident Representative

Hon. Vicente Perez
Secretary
Department of Energy
Merritt Road, Fort Bonifacio
Makati City

cc: Hon. Cyril C. Del Callar, Undersecretary, DOE, Makati City
Hon. Eduardo V. Manalac, Undersecretary, DOE, Makati City



June 14, 2004

R. Dango