



Republic of the Philippines

DEPARTMENT OF ENERGY

DEPARTMENT CIRCULAR NO. _____

**PRESCRIBING THE FUEL ECONOMY PERFORMANCE RATING (FEPR)
GUIDELINES FOR ROAD TRANSPORT VEHICLES UNDER THE PHILIPPINE
TRANSPORT VEHICLES FUEL ECONOMY LABELING PROGRAM (VFELP)
FOR COMPLIANCE OF VEHICLE MANUFACTURERS, IMPORTERS,
DISTRIBUTORS, DEALERS, AND REBUILDERS**

WHEREAS, Section 2 of Republic Act No. 7638, as amended or otherwise known as the “Department of Energy (DOE) Act of 1992” states that it is the policy of the State to ensure a continuous, adequate, reliable, and economic supply of energy through, among others, judicious conservation, renewal, and efficient utilization of energy, to keep pace with the country’s growth and economic development;

WHEREAS, Republic Act No. 11285 otherwise known as the “Energy Efficiency and Conservation (EEC) Act” declares the policy direction of the government in terms of energy efficiency, conservation, sufficiency, and sustainability in the country;

WHEREAS, Section 17 of the EEC Act directs the DOE, as the leading agency in the implementation of this Act, to develop the fuel economy performance labeling requirements and fuel efficiency testing guidelines with the assistance of the Department of Environment and Natural Resources (DENR) and the Department of Transportation (DOTr);

WHEREAS, Rule XII of the EEC Act Implementing Rules and Regulations, mandates the following:

Section 60. Energy Labeling for Transport Vehicles
Section 61. Examination, Testing and Verification

WHEREAS, Rule XVIII of the EEC-IRR enumerated the prohibited acts and enforcement methods, administrative and criminal liabilities;

WHEREAS, Section 5 of the Department Circular No. DC2020-06-0015 states that coverage for fuel economy performance and labeling requirements for transport shall be made after public consultation and coordination with the DENR and DOTr, while Department Circular No. DC2020-10-0023 provides for the policy framework for the development of the fuel economy rating, fuel economy performance for transport vehicles and related EEC policies for transport vehicles and other support infrastructures in the country;

WHEREAS, conservation and efficient utilization of energy are among the major strategies of the Government to realize energy self-sufficiency and reduce environmental impacts of energy generation and utilization as instituted in the Philippine Energy Plan (PEP) and the National Energy Efficiency and Conservation Program (NEECP);

WHEREAS, Philippine Energy Plan includes and considers the Energy Efficiency Program for air and water transport for the medium and long-term planning of the DOE as to their compliance with the EEC Act and other issued circulars;

WHEREAS, after a series of meetings, the Inter-Agency Working Group (IWG) created under Section 4 of DC2020-10-0023 has supported the recommendation of the DOE for the institution of a transport vehicles labeling program in the country;

WHEREAS, the mandatory implementation of the VFELP will lead to, among others, the empowerment of consumers to enable them to validate information provided by vehicle manufacturers, importers, distributors, dealers, and rebuilders which will facilitate the choosing of fuel efficient transport vehicles, realization of fuel savings, elimination of fuel inefficient products in the market and reduction of greenhouse gas emissions.

NOW, THEREFORE, in consideration of the foregoing premises, the DOE hereby imposes and promulgates the following guidelines for the FEPR Program to wit:

Section 1. Title. This Department Circular shall be known as the "FEPR Guidelines for Road Transport Vehicles."

Section 2. Scope and Application. This Department Circular shall apply to all vehicle manufacturers, importers, distributors, dealers, and rebuilders.

Section 3. Definition of Terms. For the purposes of this Department Circular, its Annexes, and the VFELP Implementing Guidelines, the following terms and definitions shall apply:

- a. Applicant refers to any natural or juridical person engaged in the manufacturing, importing, distributing, rebuilding, dealing, retailing and/or selling of transport vehicles who registers with the DOE in compliance with the requirements of this Department Circular and the VFELP Implementing Guidelines;
- b. Code of Practice on Fuel Economy Performance (COPE) refers to the particular product requirement (PPR) which is an integral part of the VFELP Implementing Guidelines;
- c. DOE Monitoring Team refers to a core group of personnel from the EUMB, and/or other DOE-authorized representatives to assist the agency in the conduct of monitoring and verification activities as specified in the VFELP Implementing Guidelines;

- d. Enforcement refers to an activity or operation including on-site inspections where DOE detects violations or possible violations for the purpose of checking the compliance with the provisions of this Department Circular;
- e. Fuel Economy Performance Rating (FEPR) refers to the distance travelled against the fuel consumed by the transport vehicles;
- f. Minimum Energy Performance for Transport Vehicles (MEPV) refers to the minimum fuel economy performance rating for transport vehicles set by the DOE as specified in the VFELP Implementing Guidelines;
- g. Monitoring refers to an activity where the DOE systematically observes, checks, and keeps a record of compliance with the requirements of this Department Circular and the VFELP Implementing Guidelines;
- h. NEECD refers to the National Energy Efficiency and Conservation Database;
- i. Particular Product Requirements (PPR) refer to a component of the VFELP Implementing Guidelines that provides the detailed technical requirements of transport vehicles, particularly requiring the attachment of appropriate fuel economy label;
- j. Road Vehicle refers to a vehicle designed to operate on a road;
- k. Transport Vehicles refer to land, air, or water vehicles conveying cargo or passengers, regardless of size or weight classification;
- l. Fuel Economy Performance Rating Label refers to the prescribed tag/sticker/marker in this Department Circular that bears the DOE logo and essential fuel economy performance information compliant with the PPR; and
- m. Verification refers to the process of validating the correctness of the FEPRs and other information on the fuel economy label, and/or the process of establishing through tests, the veracity and accuracy of claims of the Applicant on fuel economy.

Section 4. Road Transport Vehicle Classifications. For the purpose of this circular, the classification of transport vehicles shall be in accordance with Annex A. Road Motor Vehicle Classification which adopts the Department of Transportation's (DOTr) road vehicle classification defined under the Philippine National Standards (PNS) 1891 – Road Vehicles – Classification and definition.

Section 5. Covered Transport Vehicles. Under this Department Circular, the FEPR will initially cover the following road transport vehicles – Class L, Class M1, and Class N1 vehicles powered by an internal combustion engine (ICE) in accordance with Annex A and electric vehicles with reference to Section 5 of the Implementing Rules and Regulations of the Electric Vehicle Industry Development Act (EVIDA-IRR): *Provided, That* additional road transport vehicles shall be included within the coverage of this Department Circular upon the recommendation of the EUMB after public

consultation and coordination with Department of Environment and Natural Resources (DENR) and Department of Transportation (DOTr).

Section 6. Responsibilities of Applicants. Applicants shall have the following responsibilities:

- 6.1 Ensure that their vehicles, for which an application of fuel economy label has been approved, comply with the requirements of the VFELP and its Guidelines;
- 6.2 Make available, and if required, submit reportorial documents to EUMB, as may be specified in the VFELP Implementing Guidelines;
- 6.3 Pay the application fees in accordance with Annex C. Table of Fees and be responsible for all attendant costs such as verification testing (drawing / transport of samples and other related fees);
- 6.4 Have the fuel economy label printed and placed on the vehicles: *Provided, That* for vehicles on sale, attachment of fuel economy label are on the visible side of the transport vehicle; and
- 6.5 Cooperate fully with the DOE Monitoring Team during the conduct of enforcement, monitoring, and verification activities.

Section 7. Periodic Adjustment of FEPR and MEPV. The FEPR and MEPV shall be reviewed by the members of the Technical Working Groups (TWG) of VFELP, pursuant to Section 10 of the VFELP Guidelines, every three (3) years.

The output of the TWG on the FEPR and MEPV shall be for the approval of the EUMB: *Provided, That* any expansion of covered road transport vehicles will be endorsed by EUMB for approval of the DOE Secretary.

The adjustment of FEPR and MEPV shall always be directed towards an increase in fuel efficiency or improvement in fuel economy performance.

The DOE in consultation with DOTr and other relevant stakeholders may issue further guidelines related to the vehicle type approval pertaining to the measurement of fuel consumption and/or to the measurement of electric energy consumption and electric range.

Section 8. Compliance Requirements. For effective implementation, all applicants of FEPR-covered road transport vehicles shall ensure that road transport vehicles comply with the prescribed FEPR in Annex B. Table of FEPR for Road Transport Vehicles.

Section 9. Enforcement, Monitoring, and Verification. The enforcement, monitoring, and verification of compliance by applicants with the FEPR requirements shall be conducted at least once a year, consistent with the VFELP Guidelines and VFELP Implementing Guidelines.

Section 10. Prohibited Acts. Pursuant to the EEC Act and the EEC-IRR, any person or entity found in violation of any of the following shall be subject to the appropriate criminal, civil, and/or administrative sanction as follows:

- 10.1 Selling, leasing, or importing transport vehicles that do not comply with FEPR and/or the prescribed MEPV / not registered with the DOE;
- 10.2 Failing to provide accurate information or the provision of false or misleading information as required to be submitted under the EEC Act, the EEC-IRR, this Department Circular, and other issuances of the DOE;
- 10.3 Willfully refusing to submit to an on-site inspection;
- 10.4 Failing or willfully refusing to submit any of the reports required therein;
- 10.5 Failing to comply with issued orders of the DOE in the discharge of its enforcement powers; and
- 10.6 Violating any provisions of the EEC Act, EEC-IRR, codes, and guidelines.

Section 11. Administrative Procedures. The DOE may initiate, *motu proprio* or upon filing of complaint, an administrative proceeding against any person or entity who commits any of the prohibited acts under Section 30 of the EEC Act and Section 76 of the EEC-IRR, or other related issuances.

The administrative proceedings will be conducted to determine culpability of offenders and the applicable penalties in accordance with the provisions of the EEC Act, its IRR, and this Department Circular.

Section 12. Criminal Liability. The responsible officers and employees of any establishments or organization who willfully commits any of the prohibited acts under Section 30 of the EEC Act shall upon conviction, suffer the penalty of imprisonment of one (1) year to five (5) years or a fine ranging from a minimum of One hundred thousand pesos (PHP 100,000.00) to One hundred million pesos (PHP 100,000,000.00) or twice the amount of costs avoided for non-compliance, whichever is higher, or both, upon the discretion of the court.

Any person who willfully aids or abets the commission of the prohibited acts, under Section 30 of the EEC Act or who causes the commission of such acts by another, shall be liable in the same manner as the principal.

In cases of association, partnership or corporation, the penalty shall be imposed on the partner, president, chief operating officer, chief executive officer, director, or officer responsible for the violation.

Section 13. Penalties. Upon the determination that any person or entity has committed any of the prohibited acts under Section 13 hereof, the DOE may issue an

order against the said person or entity through the imposition of administrative fines and penalties in accordance with Annex D. Schedule of Fines and Penalties.

Section 14. Publication. The DOE shall publish a biannual updated list of compliant transport vehicles in the DOE website and newspapers of wide-circulation indicating the vehicle brand name and model.

An annual report on the status of the FEPR implementation shall be published which shall include, among others, compliance rate by applicants as well as improvement in the fuel efficiency of transport vehicles sold to consumers in the Philippines.

Section 15. Information, Education, and Communication Activities. Pursuant to Section 85 of the EEC IRR, the DOE shall develop and undertake a national awareness and advocacy program covering energy efficiency and conservation and pursue partnerships with relevant stakeholders for the appreciation of this Department Circular.

Section 16. Amendment Clause. The DOE may revise, supplement, and issue related guidelines, circulars, and other subsidiary issuance as it deems necessary for the effective implementation of the various provision of this Department Circular.

Section 17. Repealing Clause. The provisions of other circulars, orders, issuances, rules and regulations, which are inconsistent with the provisions of this Department Circular are hereby repealed, amended, modified, or superseded accordingly.

Section 18. Separability Clause. If for any reason, any section or provision of this Department Circular is declared unconstitutional or invalid, such parts not affected shall remain in full force and effect.

Section 19. Effectivity. This Department Circular shall take effect fifteen (15) days following its publication in at least two (2) newspapers of general circulation. Copies of this Department Circular shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Issued at Energy Center, Bonifacio Global City, Taguig City.

RAPHAEL P. M. LOTILLA
Secretary

ANNEX A Road Motor Vehicle Classification

Classification	Description	Other description ¹²
L	road motor vehicles with less than four wheels and including 4 wheeled vehicles with restrictions on maximum speed, maximum mass and maximum rated power	
L1	a two-wheeled vehicle with a maximum design speed not exceeding 50 km/h	mopeds, light electric vehicle (LEV)
L2	a three-wheeled vehicle with a maximum design speed not exceeding 50 km/h	mopeds, LEV
L3	a two-wheeled vehicle with a maximum design speed exceeding 50 km/h	motorcycle without sidecar, LEV
L4	a vehicle with three wheels asymmetrically arranged in relation to the longitudinal median plane with a maximum design speed exceeding 50 km/h (motorcycle with sidecar)	motorcycle with sidecar, LEV
L5	a vehicle with three wheels symmetrically arranged in relation to the longitudinal median plane with a maximum design speed exceeding 50 km/h	three-wheeled vehicle
L6	a vehicle with four wheels whose unladen mass is not more than 350 kg, not including the mass of the batteries in case of electric vehicles, whose maximum design speed is not more than 45 km/h	
L7	a vehicle with four wheels, other than that classified for the category L6, whose unladen mass is not more than 400 kg (550 kg for vehicle intended for carrying goods), not including the mass of batteries in the case of electric vehicles, whose maximum design speed is not more than 45 km/h	
M	road motor vehicles having at least four wheels and used for the carriage of passengers	
M1	vehicles used for the carriage of passengers and comprising not more than eight (8) seats in addition to the driver's seat, and having a gross vehicle weight not exceeding 5000 kg	passenger car, utility vehicle (UV), sports utility vehicle (SUV), low speed vehicle (LSV), high speed vehicle

¹ Department of Transportation (DOTr) Department Order 2010-32

² DOTr Guidelines and Procedures Governing the Issuance of Student-Driver's Permit, Conductor's License and Driver's License

Classification	Description	Other description ¹²
		(HSV), taxi, filcab, tourist car, tourist metered taxi, school transport
M2	vehicles used for the carriage of passengers, comprising more than eight (8) seats in addition to the driver's seat, and having a gross vehicle weight not exceeding 5000 kg	LSV, HSV, UV, filcab, public utility jeepney (PUJ), minibus, tourist transport service, GT Express service, shuttle service, school transport service
M3	vehicles used for the carriage of passengers, comprising more than 8 seat in addition to the driver's seat and having a maximum gross vehicle weight exceeding 5000 kg	bus, LSV, HSV, UV, PUJ, minibus, public utility bus (PUB) shuttle service, tourist bus, school transport service

N	road motor vehicles having at least four wheels and used for the carriage of goods	
N1	vehicles used for the carriage of goods and having a maximum gross vehicle weight not exceeding 3500 kg	UV, truck for hire
N2	vehicles used for the carriage of goods and having a maximum gross vehicle weight exceeding 3500 kg but not exceeding 12000 kg	UV, trucks, truck for hire
N3	vehicles used for the carriage of goods and having a maximum gross vehicle weight exceeding 12000 kg	trucks, truck for hire

O	trailers and semi-trailers	
O1	trailers and semi-trailers with a maximum gross vehicle weight not exceeding 750 kg	trailers
O2	Trailers and semi-trailers with a maximum gross vehicle weight exceeding 750 kg but not exceeding 3500 kg	trailers
O3	Trailers with a maximum gross vehicle weight exceeding 3500 kg but not exceeding 10000 kg	trailers
O4	Trailers with a maximum gross vehicle weight exceeding 10000 kg	trailers

ANNEX B
Table of Fuel Economy Performance Rating (FEPR) for
Road Transport Vehicles
as of _____

1. Fuel Economy Label for the Fuel Economy Performance of Road Transport Vehicles

- 1.1 Vehicles shall provide rated fuel economy performance of the passenger cars and commercial vehicles through fuel economy label and must be in kilometer per liter (km/L) or kilometer per kilowatt-hour (km/kWh) rounded to the nearest tenths.
- 1.2 CO₂ emission in ton of CO₂ per kilometer (ton of CO₂/km) must be in whole number rounded to the nearest ones.
- 1.3 The fuel economy performance rating shall be represented based on the fuel consumption compliance to applicable PNS and shall be presented as follows:

Type of vehicle (L, M1, and N1)	Performance rating
Internal combustion engine powered vehicle	km/L
Hybrid electric vehicle	km/L
Plug-in hybrid electric vehicle	km/L, km/kWh
Battery electric vehicle	km/kWh

- 1.4 The DOE shall issue guidelines pertaining to the implementation and compliance to fuel consumption, determination of minimum fuel economy performance rating of transport vehicles, presentation of fuel economy label, and classification and requirements for the star rating.

**Annex C
Table of Fees**

Name of Activity	Fee (in PhP)
Application for Company Registration	3000.00
Application for Vehicle Registration	2400.00 per vehicle model
Request for Fuel Economy Label Issuance	1400.00 per issuance
Request for Certificate of Exemption	1400.00

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ANNEX D
Schedule of Penalties and Fines

The following penalties and fines as stated in Section 11 of the FEPR Guidelines for Road Transport Vehicles shall apply:

Violation	Penalties and Fines (in PhP)		
	10,000-200,000	200,000-500,000	500,000-1,000,000
Selling, leasing or importing transport vehicles that do not comply with FEPR and MEPV not registered with the DOE		1 st Offense	2 nd Offense
Failing to provide accurate information or the provision of false or misleading energy information as required to be submitted under the EEC Act and the IRR, this DC and other issuances of the DOE	1 st Offense	2 nd Offense	3 rd Offense
Willfully refusing to submit to an on-site inspection	1 st Offense		2 nd Offense
Non-submission of reportorial requirements		1 st Offense	3 rd Offense
Failing to comply with issued orders of the DOE in the discharge of its enforcement powers			1 st Offense
Violating any provisions of the EEC Act, EEC-IRR, codes and guidelines	1 st Offense	2 nd Offense	3 rd Offense