



**DEPARTMENT CIRCULAR NO.** DC2026-07-0016 *μ*

**PRESCRIBING AMENDMENTS TO  
DEPARTMENT CIRCULAR NO. DC2024-01-0001 TITLED,  
“PROVIDING A NATIONAL POLICY AND GENERAL FRAMEWORK, ROADMAP,  
AND GUIDELINES FOR HYDROGEN IN THE ENERGY SECTOR”**

**WHEREAS**, Republic Act (RA) No. 7638 otherwise known as the “Department of Energy Act of 1992”, as amended, declares it the policy of the State to ensure a continuous, adequate, and economical supply of energy, with the ultimate objective of achieving self-reliance in meeting the country’s energy requirements through the integrated exploration, production, management, and development of indigenous energy resources, and through the judicious conservation, renewal, and efficient utilization of energy, while recognizing the active participation of the private sector in energy resource development;

**WHEREAS**, on 12 January 2024, the Department of Energy (DOE) issued Department Circular (DC) No. DC2024-01-0001 titled, “Providing a National Policy and General Framework, Roadmap, and Guidelines for Hydrogen in the Energy Sector,” otherwise known as “Hydrogen Energy Guidelines”;

**WHEREAS**, under Section 7 of DC No. DC2024-01-0001, the DOE shall organize the Hydrogen Energy Industry Committee (HEIC) to oversee the implementation of the Hydrogen Energy Guidelines;

**WHEREAS**, pursuant to Section 8 of DC No. DC2024-01-0001, the DOE shall establish a Hydrogen Technical Working Group (TWG) for the development, adoption, and updating of relevant standards, codes, and certification mechanisms necessary for the development of the Hydrogen Energy Industry, which shall be composed of technical experts and representatives from relevant government agencies, industry, professional associations, research institutions, and academe;

**WHEREAS**, on 08 April 2024, the DOE issued Department Order No. DO2024-04-0004 which formally established the HEIC and prescribed its functions and responsibilities in accordance with the Hydrogen Energy Guidelines;

**WHEREAS**, on 30 April 2024, the HEIC convened and resolved to adopt internal guidelines on the composition and responsibilities of the TWGs for the Hydrogen Energy Industry;

**WHEREAS**, during the 2<sup>nd</sup> HEIC Meeting on 13 August 2024, it was resolved that the TWG shall be composed of members from the DOE, with sub-working groups established for each identified key area;

**WHEREAS**, on 02 October 2024, the HEIC issued HEIC Resolution No. 1 titled, “A Resolution Adopting the Implementing Guidelines on the Composition and Responsibilities of the TWG for the Hydrogen Energy Industry”;

**WHEREAS**, the DOE recognizes the necessity of guiding the phased development and adoption of Hydrogen and Hydrogen Derivatives in support of the country's energy transition, energy security, and decarbonization objectives;

**WHEREAS**, Section 20 of DC No. DC2024-01-0001 outlines incentives applicable for Hydrogen Energy Projects pursuant to relevant legislation, the availment of which shall depend on the nature and technology of the project;

**WHEREAS**, RA No. 12066, otherwise known as the "Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy" (CREATE MORE) Act, further amended the National Internal Revenue Code of 1997, including provisions on the grant and administration of incentives to qualified registered projects or activities;

**WHEREAS**, the availment of any fiscal or non-fiscal incentive by a Hydrogen Energy Industry Participant shall remain subject to the requirements of applicable laws, the Strategic Investment Priority Plan (SIPP), and the evaluation and approval of the appropriate government agency, the Board of Investments (BOI), other Investment Promotion Agencies (IPAs), and/or the Fiscal Incentives Review Board (FIRB), as applicable;

**NOW, THEREFORE**, in consideration of the foregoing premises, the DOE hereby issues the following amendments to the Hydrogen Energy Guidelines:

**Section 1.** Section 2.2 of DC No. DC2024-01-0001 is hereby amended to read as follows:

"Section 2. Guiding Principles.

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**2.2 Environmental Sustainability.** Promote the acceleration of RE, alternative fuels and emerging technologies, including **Hydrogen and Hydrogen Derivatives**, and intensify measures that support initiatives to mitigate GHG emissions and the country's commitment in its Nationally Determined Contribution under the 2015 Paris Agreement."

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**Section 2.** Section 4(p) of DC No. DC2024-01-0001 is hereby amended to read as follows:

"Section 4. Definition of Terms:

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- p. "Hydrogen Energy Industry Activity" refers to activities related to the pre-development, establishment, construction, operation, maintenance,

Decommissioning, and Disposal of Hydrogen Energy **Projects** or facilities for the **manufacture**, storage, transmission, distribution, and utilization of Hydrogen Energy for power or non-power applications;"

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**Section 3.** Section 5 of DC No. DC2024-01-0001 is hereby amended to read as follows:

"Section 5. Exploration, Development, and Production of Native Hydrogen. Guidelines governing the exploration, development, and production of Native Hydrogen resources shall be administered by the DOE, through the Energy Resource Development Bureau (ERDB), in accordance with Presidential Decree No. 87 and its IRR.

**For purposes of this Department Circular, activities relating to the exploration, extraction, and production of naturally occurring or geologic Hydrogen shall be distinguished from downstream Hydrogen manufacture activities involving industrial, chemical, electrochemical, thermochemical, biological, or other conversion processes covered under Section 6 of this Circular."**

**Section 4.** Sections 6 and 6.1 of DC No. DC2024-01-0001 are hereby amended to read as follows:

"Section 6. Hydrogen Energy Value Chain. The Hydrogen value chain (Annex A) involves facilities and activities in the fields of **manufacture**, transportation, distribution and storage, utilization, import, and export of Hydrogen in the energy sector as outlined in this Department Circular.

**6.1 Hydrogen Manufacture. Hydrogen manufacture refers to the generation or conversion of Hydrogen through industrial, chemical, electrochemical, thermochemical, biological, or other processes, including but not limited to electrolysis, reforming, gasification, biomass conversion, or other conversion technologies, utilizing various feedstocks and energy sources. It includes the development and operation of associated facilities and infrastructure necessary for the generation, storage, transport, distribution, and utilization of Hydrogen and Hydrogen Derivatives.**

**In recognition of its role in the energy transition, the manufacture of Hydrogen and Hydrogen Derivatives from RE resources or dedicated RE facilities (Green Hydrogen and Green Hydrogen Derivatives) shall be preferred."**

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**Section 5.** A new section, Section 7, is hereby inserted in DC No. DC2024-01-0001 to read as follows:

**"Section 7. Hydrogen Classification.** Hydrogen may be classified based on its energy resource or feedstock and production pathway, including, but not limited to, RE, nuclear energy, Fossil Fuels, Grid Electricity, and chemical processes.

Descriptive classifications, including color-based terminology under Annex B, shall be used solely to indicate feedstock and production method and shall not, by themselves, confer regulatory status, entitlement to incentives, or certification of environmental attributes.

Hydrogen may likewise be characterized based on its lifecycle GHG emissions intensity or carbon intensity (CI), expressed as carbon dioxide equivalent per unit of hydrogen produced.

For regulatory, certification, endorsement, or incentive-related purposes, the applicable methodology, threshold, documentation, verification, and reporting requirements shall be prescribed or adopted by the DOE, in coordination with relevant government agencies and after appropriate consultation, taking into account internationally recognized methodologies such as those issued by the International Organization for Standardization (ISO), International Energy Agency (IEA), and other competent standard-setting bodies."

**Section 6.** Section 7 in DC No. DC2024-01-0001 is hereby renumbered to Section 8 and Section 7.2.1 thereof is hereby amended as follows:

"Section 8. Hydrogen Energy Industry Committee (HEIC).

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**8.2.1. Monitor the developments of the Hydrogen Energy Industry, including coordination with relevant government agencies for policy evaluation, industry assessment, implementation support, and monitoring of DOE-endorsed or incentivized Hydrogen Energy Projects, without prejudice to the authority of the BOI, other IPAs, FIRB, or other competent agencies;"**

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**Section 7.** Section 8 of DC No. DC2024-01-0001 is hereby renumbered to Section 9 and amended to read as follows:

**"Section 9. Hydrogen Technical Working Group (TWG).** The HEIC shall establish a Hydrogen TWG, mandated to facilitate the policy development, and review, adoption, and updating of implementing guidelines (IG) for the

**key areas identified as crucial to the Hydrogen Energy Industry. The TWG shall ensure that hydrogen-related policies and IG are formulated, reviewed, and updated in accordance with the applicable Philippine laws, rules, regulations, and international standards.**

**The TWG shall be composed of DOE personnel designated to represent their respective bureaus or services in the performance of TWG functions. The designated EUMB principal member shall serve as TWG Head, and the EUMB - Alternative Fuels and Energy Technology Division (AFETD) shall serve as Technical Secretariat, unless otherwise designated by the HEIC.**

**The TWG may invite representatives from relevant government agencies, industry, academe, research institutions, professional associations, and other stakeholders as resource persons, technical advisers, or members of sub-working groups, as may be necessary. The TWG shall oversee the development, review, adoption, and updating of IG for each of the following key areas:**

- 9.1 Infrastructure and Standards, including infrastructure development and facility standards, hydrogen energy certification mechanisms, and product quality;**
- 9.2 Safety and Environmental Standards, including safety codes, environmental standards, waste disposal management;**
- 9.3 Research and Development (R&D);**
- 9.4 Applications and Utilization, including power generation, industry and transportation, energy storage, and other non-power applications;**
- 9.5 Demonstration and Pilot Projects; and**
- 9.6 Capacity Building**

**The TWG may recommend the creation of additional key areas or sub-working groups as may be necessary to support the comprehensive development of the Hydrogen Energy Industry. The IG developed and concurred by the TWG shall be submitted to the HEIC for approval."**

**Section 8.** Section 9 of DC No. DC2024-01-0001 is hereby renumbered to Section 10 and amended to read as follows:

**"Section 10. Strategic Roadmap for Hydrogen and its Derivatives.** The utilization of Hydrogen Energy is a crucial measure of the Philippine government toward its long-term path of decarbonization. The DOE hereby adopts the activities for the development of Hydrogen and Hydrogen Derivatives as an alternative fuel, as outlined in Annex C.

**To provide direction for the industry, the DOE, through the HEIC, shall develop and issue a National Strategic Roadmap for Hydrogen and its Derivatives. The Roadmap shall define the overall vision, strategy, indicative targets, timelines, action plans, and enabling mechanisms for the phased adoption and deployment of Hydrogen and Hydrogen Derivatives across priority sectors. The Roadmap may include strategies for the introduction and utilization of Hydrogen and Hydrogen Derivatives, including ammonia, in power generation, energy storage, transport, industrial applications, R&D, infrastructure development, standards development, capacity building, and investment promotion. The Roadmap shall be periodically reviewed and updated, as may be necessary, to reflect technological developments, national energy planning, market conditions, and applicable laws and policies."**

**Section 9.** Sections 10 to 19 of DC No. DC2024-01-0001 are hereby renumbered to Sections 11 to 20, respectively.

**Section 10.** Section 20 of DC No. DC2024-01-0001, is renumbered to Section 21 and is hereby amended to read as follows:

**"Section 21. Incentives. Any qualified Hydrogen Energy Project may be endorsed for, or may avail of, applicable fiscal and non-fiscal incentives under relevant laws, subject to the requirements, evaluation, and approval of the concerned government agency, BOI, other IPAs, and/or FIRB, as applicable.**

- 21.1 Hydrogen Energy Projects with the primary purpose of producing, importing, and exporting Green Hydrogen and Green Hydrogen Derivatives for power generation and other applications may be evaluated for applicable incentives under RA No. 9513, otherwise known as the "Renewable Energy Act of 2008," (RE Act), and its implementing rules and regulations (IRR), to the extent that the project or activity qualifies as an RE project or RE component under applicable laws, rules, and DOE issuances.**
- 21.2 Activities related to the application of Hydrogen Energy in the transport sector, including Hydrogen Fuel Cell technologies and related support infrastructure, may be evaluated for applicable incentives under RA No. 11697, otherwise known as the "Electric Vehicle Industry Development Act" (EVIDA), and its IRR, to the extent that the project, activity, equipment, or infrastructure falls within the statutory coverage and requirements thereof. This notwithstanding, the manufacture, assembly, importation, construction, installation, establishment, or operation of Hydrogen Fueling Stations, including related parts and components, capital equipment, and support infrastructure may be evaluated for applicable incentives under the SIPP, the**

**CREATE MORE Act, customs and tariff laws, or other applicable laws and issuances, as may be appropriate.**

- 21.3 **Hydrogen Energy Projects that demonstrated verifiable efficiency gains, documented reductions in emissions and energy intensiveness, relates to fuel substitution resulting in optimized energy utilization, or involves integration with RE or nuclear systems may be certified by the DOE as energy efficiency and conservation projects for purposes of entitlement to applicable incentives under RA No. 11285 or the "Energy Efficiency and Conservation Act," (EEC Act) . The grant of applicable incentives remains subject to the relevant qualification under the SIPP, and the verification, evaluation and approval of the BOI, other IPAs, FIRB, or other competent agencies, as applicable.**
- 21.4 **Enterprises engaged in R&D of Hydrogen Energy Industry Activities, establishment of support infrastructure, or the production or manufacture of machinery, equipment, materials, and components utilizing Hydrogen, Hydrogen Derivatives, and other Hydrogen Energy products, other than Green Hydrogen and Green Hydrogen Derivatives, and Hydrogen Energy Projects that are covered under the SIPP may qualify for the incentives under the CREATE MORE Act, subject to the conditions and period of avallment provided therein."**

**Section 11.** A new section, Section 22, is hereby inserted in DC No. DC2024-01-0001 to read as follows:

**"Section 22. Investment Promotion Agencies (IPAs). For purposes of this Department Circular, IPAs shall have the meaning provided under the CREATE MORE Act, and the National Internal Revenue Code of 1997, as amended. Thus, IPAs shall refer to government entities created by law, executive order, decree, or other issuances, in charge of promoting investments, granting and administering tax and non-tax incentives, and overseeing the operations of the different economic zones and freeports in accordance with their respective special laws.**

**For purposes of administering fiscal and non-fiscal incentives under applicable laws, Hydrogen Energy Projects may be endorsed by the DOE to the BOI or other IPAs authorized under the CREATE MORE Act for evaluation and appropriate action.**

**Nothing in this Circular shall be construed as limiting, modifying, or transferring the statutory authority of the BOI, other IPAs, FIRB, or other government agencies."**



**Section 12.** Sections 21 to 30 of DC No. DC2024-01-0001 are hereby renumbered to Sections 23 to 33, respectively.

**Section 13.** The following annexes are hereby revised, inserted, and/or renumbered, as attached:

13.1. Annex D: Profile of Research and Development Activity on Hydrogen Energy is hereby revised as "**Annex D: Letter of Notification on the Research and Development Activity on Hydrogen Energy**";

13.2. A new annex, **Annex E: Research and Development Activity Profile**, is hereby inserted;

13.3 Existing Annexes E to I, K, and L are hereby revised and renumbered as Annexes F to J, L, and M, respectively, as applicable; and

13.4 Existing Annex J is hereby revised to include pertinent provisions and renumbered accordingly, as reflected in the attached annexes.

**Section 14. Repealing Clause.** The provisions of circulars, orders, issuances, rules, and regulations that are inconsistent with this DC are hereby repealed, amended, modified, or superseded accordingly.

**Section 15. Separability Clause.** If any section or provision of this DC is declared unconstitutional or invalid, the remaining sections or provisions not affected thereby shall continue to be in full force and effect.

**Section 16. Effectivity.** This DC shall take effect fifteen (15) days following its publication in at least two (2) national newspapers of general circulation. A copy of this DC shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.

Issued this 08 JUL 2026 at the DOE, Energy Center, Rizal Drive cor. 34th Street, Bonifacio Global City Taguig City, Metro Manila.

  
**SHARON S. GARIN**  
Secretary

