



DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCE
KAGAWARAN NG KAPALIGIRAN AT LIKAS YAMAN



MEMORANDUM

TO : **The Directors**
Environmental Management Bureau
Mines and Geo-Sciences Bureau
Biodiversity Management Bureau
Forest Management Bureau
Land Management Bureau
Ecosystems Research and Development Bureau

The Attached Agency Heads
National Mapping and Resource Information Authority
Laguna Lake Development Authority
National Water Resources Board
Philippine Council for Sustainable Development

FROM : **The Undersecretary for Finance, Information Systems and Climate Change**

SUBJECT : **REQUEST FOR COMMENTS ON THE DRAFT JOINT MEMORANDUM CIRCULAR ON IMPLEMENTING GUIDELINES FOR THE INTER-AGENCY COLLABORATION ON GREEN JOBS CERTIFICATION, INCENTIVES AVAILMENT, AND SUPPORT PROGRAMS UNDER REPUBLIC ACT NO. 10771, OTHERWISE KNOWN AS THE "GREEN JOBS ACT OF 2016"**

DATE : 15 February 2024

This refers to the attached Joint Memorandum Circular (JMC) on **IMPLEMENTING GUIDELINES FOR THE INTER-AGENCY COLLABORATION ON GREEN JOBS CERTIFICATION, INCENTIVES AVAILMENT, AND SUPPORT PROGRAMS UNDER REPUBLIC ACT NO. 10771, OTHERWISE KNOWN AS THE "GREEN JOBS ACT OF 2016"**.

The Philippine Green Jobs Act of 2016 establishes a policy to promote low-carbon resilient sustainable growth and the creation of decent jobs through incentivization of business enterprises that generate green jobs. RA 10771 mandates the Climate Change Commission (CCC) to develop and administer standards for the assessment and certification of green goods and services, as well as green technologies and practices, through the Green Jobs Assessment and Certification Guidelines, in consultation with relevant agencies.

In support to operationalize the Technical Guidelines on Green Jobs Assessment and Certification System, the JMC has been drafted on June 2023 by the CCC in consultation with the World Bank. The JMC primarily intends to clarify and elaborate the specific roles of agencies related to green jobs certification, availment of incentives, and support programs in view of creating a streamlined process for business enterprises to apply for a Green Jobs Certificate and to avail of the incentives under the Green Jobs Act. The CCC then established the Inter-Agency Technical Working Group on Green Jobs (ITWGGJ) composed of the CCC, DOLE, DOF, DENR, DOST and TESDA to review and finalize the JMC and facilitate its issuance. The CCC also serves as

MEMO NO. 2024 - 140

Visayas Avenue, Diliman, Quezon City 1100, Philippines
www.denr.gov.ph

Technical Secretariat on Green Jobs Act, and had since convened four TWG meetings, the last was on 23 January 2024.

May we kindly seek your comments and/or recommendations to the draft JMC to ensure that it has covered the necessary provisions insofar as the DENR mandates are concerned. We shall highly appreciate receiving your comments to the Climate Change Service – CCITSD at email addresses ccitsd@denr.gov.ph or mgadmerilo@denr.gov.ph not later than **23 February 2024**.

For your appropriate action.



ATTY. ANALIZA REBUELTA-TEH

JOINT MEMORANDUM CIRCULAR NO. _____
Series of 2023

SUBJECT: IMPLEMENTING GUIDELINES FOR THE INTER-AGENCY COLLABORATION ON GREEN JOBS CERTIFICATION, INCENTIVES AVAILMENT, AND SUPPORT PROGRAMS UNDER REPUBLIC ACT NO. 10771, OTHERWISE KNOWN AS THE "PHILIPPINE GREEN JOBS ACT OF 2016"

WHEREAS, pursuant to Republic Act No. 10771, otherwise known as the "Philippine Green Jobs Act of 2016" and its Implementing Rules and Regulations (IRR), the Climate Change Commission (CCC), the Department of Labor and Employment (DOLE), the Department of Finance (DOF), and the Department of Environment and Natural Resources (DENR), in consultation with the Technical Education and Skills Development Authority (TESDA), the Department of Science and Technology (DOST), the Department of Trade and Industry (DTI), the Bureau of Internal Revenue (BIR), and the Bureau of Customs (BOC), hereby issue this Joint Memorandum Circular (JMC) to provide a more detailed and harmonized set of roles for different agencies related to green jobs certification, availment of incentives, and support programs.

WHEREAS, the Philippine Green Jobs Act provides a policy framework for the creation of green jobs in a range of industries that produce goods and render services for the benefit of the environment, conserve natural resources for the future generation, including climate resilience and sustainable development of the country and its transition into a green economy;

WHEREAS, the Philippine Green Jobs Act aims to promote sustainable growth development in the Philippines by certifying green industries, products, and processes of eligible business enterprises, and providing support and incentives to them as they engage in employment generation, human resource skills training and research and development, and importation of qualified capital equipment;

WHEREAS, the roles of different agencies in relation to green jobs certification, incentives, and support programs must be clearly defined to avoid duplication of efforts and to ensure that the objectives of the law are achieved towards a just transition;

NOW, THEREFORE, in accordance with the above-stated objectives, the following guidelines are hereby promulgated:

SECTION 1. Objective. The objective of this JMC is to clarify and elaborate the specific roles of agencies related to green jobs certification, availment of incentives, and support programs in view of creating a streamlined process for business enterprises to apply for a Green Jobs Certificate and to avail of the incentives under the Philippine Green Jobs Act.

SECTION 2. Creation of Inter-Agency Committee on Green Jobs

The Inter-Agency Committee on Green Jobs (ICGJ) is hereby created, comprising of representatives from the Climate Change Commission (CCC), Department of Finance (DOF), Department of Environment and Natural Resources (DENR), Department of Labor and Employment (DOLE), Department of Trade and Industry (DTI) and Department of Science and Technology (DOST), as follows:

Chair:	CCC
Vice Chair:	DOLE
Members:	DOF
	DENR
	DTI
	DOST
	BIR
	BOC
	TESDA

The designated members shall be principal representatives at the level of Undersecretary or Assistant Secretary, and two other alternates with at least a Division Chief position.

The CCC shall serve as the Secretariat of the ICGJ and shall provide administrative support to the member-agencies.

As may be necessary, the ICGJ may invite other government agencies and private sector organizations to provide assistance in attaining its objectives.

SECTION 3. Powers and Functions. In addition to the role of agencies defined in Section 6(o) of the Philippine Green Jobs Act, the ICGJ shall perform the following functions in relation to assessment and certification of green jobs.

1. Promote an environment conducive to the creation and expansion of green jobs by adopting, reviewing, monitoring, and evaluating regulations and guidelines;
2. Ensure policy and program coordination among member-agencies through regular discussions and adoption of integrated databases and information systems;
3. Establish mechanisms for continuous capacity building of member-agencies;
4. Cascade regulations and guidelines into respective member-agencies for implementation; and
5. Perform analogous tasks.

SECTION 4. Roles of agencies. The following provides the mandates of various agencies pertaining to their roles in the implementation of green jobs certification and availment of incentives.

A. Green Jobs Assessment and Certification

Roles of the CCC

1. Pursuant to Section 6 of the Philippine Green Jobs Act, the CCC, in consultation with agencies such as the DOF, the DENR, the DTI, the DOLE, the Department of Agriculture (DA), the Department of Energy (DOE), the Department of the Interior and Local Government (DILG), the DOST, and the TESDA, shall develop and administer appropriate standards for the assessment and certification of green goods and services, and green technologies and practices for the purpose of facilitating and promoting the availment of incentives and ensuring green jobs eligibility pursuant to the National Green Jobs Human Resource Development Plan.
2. The guidelines shall also encompass the procedures for the issuance of certificates for eligible green job-related expenses relating to skills training and research and development and capital equipment importation, as provided for in the Philippine Green Jobs Act.
3. The CCC shall accept and evaluate the application from business enterprises. The CCC, through the Green Jobs Secretariat (Secretariat), shall coordinate with DOLE to ensure compliance with labor standards, including occupational safety and health standards,¹ as well as with the DENR to ensure compliance with environmental laws. After evaluating and making a determination, the CCC shall issue a certificate of eligibility, or issue a notification of denial and the reasons therefor.
4. Pursuant to Rule III, Section 4 of the Philippine Green Jobs Act and its IRR, the CCC shall submit to the DOF and the DOLE data on the certified business enterprises, including those that were not certified.
5. The CCC shall consolidate and submit to the DOLE annually, the data relevant to the green jobs account of various certified green business enterprises.
6. The CCC, in consultation with the DOLE, shall submit to BIR and BOC an annual masterlist of qualified business enterprises (including information on Tax Identification Number, applicant profile, and validity period of the incentives), green careers, professions, and skills, as well as list of eligible expenses or activities relating to research and development, skills training, and capital equipment importation.
7. The CCC shall likewise provide the BIR a list of any canceled Green Jobs Certificate and Certificate of Eligible Expense within the month of cancellation.

¹ *Decent job standards shall be understood or referred to as general labor standards, occupational safety and health, and labor relations.*

Roles of the DOLE

1. Upon request of the Secretariat, the DOLE shall evaluate the business enterprise applying for certification and incentives on its compliance with **general labor standards, including occupational safety and health standards, and items indicated in the labor inspection checklist**, and shall thereafter issue a notice of results indicating compliance or non-compliance to the **said standards**.
2. The DOLE shall facilitate career advocacy, guarantee access to employment services, provide productivity **enhancement training**, and extend technical assistance to enterprises to ensure **labor law compliance** and promotion of green initiatives in the workplace.
3. The DOLE, in coordination with the other implementing agencies, shall establish a monitoring and evaluation system to measure the effectiveness and efficiency of the Philippine Green Jobs Act, subject to performance indicators to be established by the Interagency Committee on Green Jobs (ICGJ), including the development of a Green Jobs Registry, which shall be maintained and updated by the DOLE.
4. The DOLE, in coordination with Philippine Statistics Authority (PSA), shall also maintain a registry of green careers, professions and skills, as well as a list of emerging business enterprises, which generates and sustains green jobs.²

Roles of the DENR

1. Upon request of the Secretariat, the DENR shall assess the compliance of green jobs certification applicants to relevant national environmental laws regulated by the DENR and shall issue its findings to the CCC within ten (10) to fourteen (14) working days³, as the case may be.
2. The DENR shall also provide technical assistance to green enterprises in the development of environmental management systems, ensuring compliance with environmental regulations.
3. Upon request of the Secretariat, the DENR shall extend technical assistance to activities related to the formulation of sector-specific Green Thresholds.
4. The DENR shall also provide relevant technical assistance to the TESDA in the conduct of Technical Vocational Education and Training programs, training and accreditation of trainers and assessors, and in the development and utilization of curricula and learning materials on green jobs and skills.
5. The DENR in its establishment of a climate change information management system and network may be used as a reference for the formulation of strategies and approaches to develop potential green jobs. This may include a database of projected climate change hazard information based on climate models that is critical to improving climate resilience and possible generation of relevant green jobs, as well as information related to climate change mitigation strategies or measures.

B. Availment of Incentives

Roles of the DOF

1. The DOF shall consolidate and submit annually the incentives actually availed of certified business enterprises to the DOLE.
2. The DOF shall maintain a single database for monitoring and analysis of tax incentives granted and submit to the Department of Budget and Management (1) the amount of tax incentives availed by certified business enterprises and other registered enterprises; (2) the estimate claims of tax incentives immediately preceding the current year; (3) the programmed tax incentives for the current year; and (4) the projected tax incentives for the following year.

² Section 6 (a) of Republic Act No. 10771

³ Depending on the nature and extent of the request.

Roles of the DOF-BIR

1. In line with the DOF guidelines, the BIR shall issue the necessary guidelines and regulations in the availment of grants and incentives relevant to eligible research and development (R&D) and training and development expenses as provided for in the Philippine Green Jobs Act.
2. The BIR shall provide to the DOLE and DOF on an annual basis a report containing the list of business enterprises with certified eligible expense from the CCC; the nature and amount of tax incentives availed of by said enterprises, and other relevant information which might help in the administration of the grant of tax incentives under the Philippine Green Jobs Act.
3. All eligible green business enterprises, with issued Certificate of Eligibility from the CCC should attach the said certificate to the Annual Income Tax Return upon filing. The Certificate of Eligibility of green job-related expenses issued by CCC is a requirement for all green business enterprises in order to avail themselves of the incentives granted by law.

Roles of the DOF-BOC

1. The BOC shall issue the necessary rules and regulations for the grant of tax and duty free importation of capital equipment, except for value added tax, directly and exclusively used in the promotion of green jobs of the business enterprise, in relation to the relevant provisions of RA No. 10863 or the Customs Modernization and Tariff Act.
2. The BOC shall provide to the DOLE and DOF on an annual basis a report containing the list of business enterprises with certified eligible expense from the CCC; the nature and amount of tax incentives availed of by said enterprises, and other relevant information which might help in the administration of the grant of tax incentives under the Philippine Green Jobs Act.

C. Supporting Functions

1. The DOST shall, together with TESDA, assist the DOLE in analyzing skills, training and re-training needs in relation to the use of green technology that has the potential to create new green occupations and greener jobs, especially in industries or sectors undergoing structural changes due to climate change and greening of the economy
2. The DOST shall also provide a range of business development support to micro, small and medium enterprises (MSMEs).
3. The DOST may assist the CCC in formulating and administering standards for the assessment and certification of green goods and services, and green technologies and practices for regulatory purposes.
4. The DOLE, together with the TESDA and PSA, shall formulate the necessary training regulations for the implementation of skills training, program registration, assessment and certification, in support of the requirements for a skilled workforce for green industries.
5. The DTI, in coordination with the TESDA, shall develop the Skills Frameworks as identified by the respective industries to promote green jobs.
6. The DTI shall promote the growth and competitiveness of green enterprises through market development, investment promotion, and facilitation of access to financing and support services, based on the Human Resource Development Plan or other government plans and programs that promote the development of green goods and services of green jobs.

SECTION 5. Overall Certification and Incentives Availment Process

1. Upon receipt of the application, the Secretariat shall check the completeness of the submission.
 - (a) CCC Application Form
 - (b) Securities and Exchange Commission/DTI/Local Government Unit Certificate of Registration
 - (c) Green Jobs Content Account using the templates provided in Green Jobs Accounting Protocol as part of the CCC Technical Guidelines
 - (d) Approach-specific Documentary Requirements⁴

Within two (2) working days, the Secretariat will notify the DOLE and the DENR to conduct the necessary inspections, as the case may be.

2. The DOLE, through labor inspection, shall evaluate the compliance of the applicant to general labor standards, including occupational safety and health standards, and labor laws. Thereafter, it shall issue Notice of Inspection Results indicating compliance or non-compliance of the applicant. The Notice of Inspection Results shall be valid for a period of one (1) year from the date of issuance.

Applicants that are found to be non-compliant shall be covered by the proceedings provided in DOLE Department Order No. 238, series of 2023.

3. Following the DOLE's issuance of the Notice of Inspection Results, the CCC shall commence the evaluation of the enterprise's application for appropriate and applicable incentives, in accordance with the established criteria and processes. If favorable, the CCC shall issue the Green Jobs Certification. Otherwise, a notice of denial shall be issued with the reasons indicated therein, especially in case of failure of compliance to labor and environmental standards, among others.
4. Certified business enterprises shall maintain its compliance with labor and environmental standards throughout the availment of incentives. Certified businesses enterprises shall apply for certification of their eligible expense and capital equipment importation activities from the CCC. The CCC shall evaluate the eligibility using a standard procedure provided for in the Green Jobs Certification Technical Guidelines.

SECTION 6. Targeted Support and Assistance for Self-Employed, MSMEs, and Community-Based Business Enterprises

1. The Green Jobs Secretariat shall prioritize the processing and evaluation of applications submitted by self-employed or own-account workers, MSMEs, and CBBEs to ensure timely assistance. The certification and incentives evaluation process for these entities shall be streamlined, ensuring accessibility and responsiveness to their needs.
2. In developing and reviewing the Technical Guidelines for Green Jobs Assessment and Certification, the CCC, in collaboration with DTI and DOST, shall consider the specific circumstances of self-employed or own-account workers, MSMEs, and CBBEs, acknowledging their scale of operation and capacity.
3. The Green Jobs Secretariat, in collaboration with DOLE and DENR, shall provide specialized guidance and technical support to self-employed or own-account workers, MSMEs, and CBBEs throughout the application process, aiming to facilitate their compliance with labor and environmental standards. Certified self-employed workers, MSMEs, and CBBEs shall benefit from incentives established under the Philippine Green Jobs Act, contingent upon their sustained compliance with labor and environmental standards.
4. Ongoing monitoring mechanisms shall be established to track the performance and needs of self-employed or own-account workers, MSMEs, and CBBEs post-certification, providing necessary support as they navigate the implementation of incentives and compliance requirements.

⁴ Please refer to the Technical Guidelines for the Green Jobs Assessment and Certification System

SECTION 7. Monitoring and Evaluation. The ICGJ shall convene biennially to conduct periodic gap assessments of green jobs assessment and certification and identify areas for improvement, including industries covered, without prejudice to ad-hoc review activities.

For this purpose, the ICGJ shall focus on assessing administrative, technical, and policy aspects of the whole green jobs certification and incentives availment process.

The ICGJ shall monitor and evaluate the following:

- a) Fulfillment of ICGJ agency-members' respective roles under this JMC;
- b) Application and evaluation of green jobs certification and incentives application processes;
- c) Policies and rules on green jobs certifications and incentives;
- d) Compliance by the green jobs enterprises with the requirements prescribed under Republic Act No. 10771, its IRR, and this JMC, for entitlement to incentives;
- e) Standards of jobs, skills, or professions classified or may be classified as green;
- f) Adoption and implementation of an interagency information management system that will receive and monitor applications for green jobs registration and incentives under the Green Jobs Act;
- g) Other matters that will affect the effective and efficient monitoring, evaluation, and continual improvement of the green jobs certification and incentives availment processes

Sixty (60) days upon issuance of this JMC, the ICGJ shall meet to review the baseline industries, products or services, and occupations.

Using the monitoring and evaluation system, the ICGJ shall review the results achieved during the pilot implementation period (no more than six (6) months) and update the Technical Guidelines as necessary.

SECTION 8. Reporting. The ICGJ shall prepare an annual report on the activities and outputs undertaken in the preceding year. The report shall be submitted to the respective heads of the agencies every end of the calendar year.

SECTION 9. Policy Review. The ICGJ shall also review this existing policy and propose policy amendments, as needed.

SECTION 10. Separability Clause. If any part or provision of this JMC is held invalid or unconstitutional, the other provisions not affected thereby shall remain in force and in effect.

SECTION 11. Repealing Clause. All other existing guidelines, circulars or issuance, or parts thereof, which are inconsistent with this JMC are hereby repealed, amended, or modified accordingly.

SECTION 12. Effectivity. This JMC shall be effective immediately upon signing hereof and shall continue to be effective until revoked by the issuing agencies.

Issued this ____ day of _____ in the City of Manila, Philippines.

BIENVENIDO E. LAGUESMA
Secretary
Department of Labor and Employment

ROBERT E.A. BORJE
Vice Chairperson and Executive Director
Climate Change Commission

BENJAMIN E. DIOKNO
Secretary
Department of Finance

MA. ANTONIA YULO LOYZAGA
Secretary
Department of Environment and Natural Resources