

# Study on Consumer and Other Stakeholder Awareness of the Philippines Energy Labeling Program

## Request for Proposals (RFP)

**DUE DATE:** 8 April 2022    **QUESTIONS:** [kdubytz@clasp.ngo](mailto:kdubytz@clasp.ngo)

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## CLASP Background

CLASP serves at the epicenter of collaborative, ambitious efforts to mitigate climate change and in the global movement for clean energy access, through appliance efficiency. Our mission is to improve the energy and environmental performance of the appliances & equipment we use every day, accelerating our transition to a more sustainable world. We work hand-in-hand with governments, experts, industry, consumers, donor organizations and others to propel policies and markets toward the highest quality, lowest resource-intensive appliances possible.

CLASP has worked in more than 100 countries since inception in 1999. CLASP is headquartered in Washington, DC, with teams in China, Europe and the United Kingdom, India, Indonesia, and Kenya. We are [mission-driven](#) and committed to a culture of diversity, transparency, collaboration, and impactful work. See our [Team Page](#) to learn more about us.

Easy-to-understand energy labels and consumer awareness of the benefits of energy efficiency are critical in helping consumers to make better informed decisions when purchasing new products. CLASP is providing support to the Philippines Department of Energy (DOE) under Rapid Response Facility to strengthen the Philippines Energy Labeling Program (PELP).

## Project Background

In the Philippines, energy consumption has nearly doubled in the past decade prompted by grid expansion and increased demand. The government is prioritizing energy efficiency to achieve an [ambitious national target](#): a 10% reduction in energy demand by 2030 while continuing to advance economic development. With enactment of 2019 Energy Efficiency and Conservation Law (EE&C Law), the Philippines has an opportunity to implement the country's ambitious energy efficiency agenda to reduce national energy use, ensure energy security and help mitigate carbon emissions, which the Philippines aims to reduce by 75% as indicated in their [2021 Nationally Determined Contributions](#) (NDCs).

The EE&C Law seeks to promote the development and use of efficient renewable energy technologies, reinforce related laws on energy conservation, and ensure a market-driven approach to energy sufficiency, conservation, and sustainability in the country. One of the salient provisions of the EE&C Law is the DOE's mandate to develop Minimum Energy Performance for Products (MEPP) for energy-consuming products through a particular product requirement (PPR). The EE&C Law also

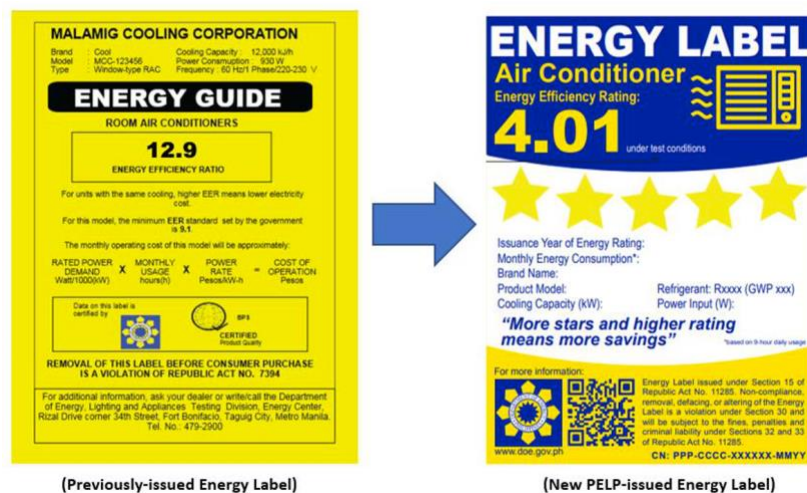
mandates that the DOE prescribe energy labels for regulated energy-consuming products, devices, and equipment under the PELP.

The DOE, in collaboration with the Bureau of Philippine Standards of the Department of Trade and Industry (DTI-BPS) has implemented the issuance of energy labels (Yellow label, Figure 1) for regulated appliances since 1990s. It is a comparative label listing only energy performance and other product information and does not feature any visual representation of energy efficiency ranking (star or other categories) to inform consumers of relative efficiency. A 2011 Household Energy Consumption Survey showed that only about 26% of all households were aware of the energy labeling program and only 9% could understand the information written on the energy label.

Easy-to-understand energy labels and consumer awareness of the benefits of energy efficient appliances are critical in helping consumers to make better informed decisions when purchasing new appliances. Energy labels drive product markets to higher efficiency by:

- Allowing consumers to make informed purchasing decisions by differentiating high efficiency products from average and low efficiency products
- Incentivizing the production of more efficient products by helping manufacturers market their high efficiency products, as labels provide unbiased evidence that products are more efficient
- Providing the foundation for market transformation programs by allowing policymakers to easily identify high efficiency products to target for bulk purchasing, financing, and incentives

**Figure 1. Old (yellow) label and new PELP energy label**



In June 2021, the Philippines adopted the PELP Implementing Guidelines, which include the new star-rating label (blue and yellow label, Figure 1) requirement for air conditioners, refrigerating appliances, lighting products, and TVs. Frequent revisions to the label criteria to keep up with market and technology trends will be essential to maintaining the value and integrity of the PELP program and shifting the Philippine market towards more efficient products.

The project aims to achieve the following outcomes:

- Strengthened PELP, especially in the light of recent adoption of new requirements for 4 product groups
- Increased awareness of energy labels among consumers so they make better informed decisions when purchasing new products
- Accelerated Philippines' market transformation towards more energy efficient products

## Introduction

CLASP is seeking a Contractor to lead a nation-wide consumer survey to investigate consumer understanding, awareness and attitudes towards PELP for regulated room air conditioners and provide recommendations for awareness and communication strategies for the surveyed stakeholder groups and improvement of PELP. The Contractor should be based in the Philippines with knowledge of Philippines culture and language.

In particular, the survey will address the following areas:

- Understanding and awareness of PELP scheme, attitudes towards and understanding of the new energy label (blue and yellow), and whether the new label is more receptive and can have greater impact on consumer purchasing decisions as compared to the old (yellow) label
- Stakeholder understanding on difference in air conditioner efficiency as indicated by the energy label
- Willingness to pay for higher-efficiency products and their awareness of energy efficiency benefits. What is the main driver for purchasing decisions – price or other product characteristics and features?
- Through the survey, gather insights into what energy efficiency awareness measures are best received by various stakeholder groups
- Consumer openness to PELP expansion through the addition of products covered and identification of products that should be added to labeling scheme
- Stakeholder receptivity of introducing labeling system for high impact appliances
- Impact of including a QR code linking to official information on the energy efficiency of each model to support purchasing decisions
- Strategies that industry and retailers are using to promote and sell more efficient air conditioners
- Other areas that come up from initial research

The Contractor will collect qualitative data that is representative of Filipino consumers. The survey sampling will be based on the variables identified in Table 1.

**Table 1. Variables to consider and rationale for the purposive sampling**

Variable	Rationale
Geographical diversity	Different climate, different AC models
Gender-representativeness	Understand how gender and role in the household would influence purchasing decisions, provided equal access to information
Age groups	Different age groups can access different levels of information or have different priorities
Education level	Education can influence consumers' awareness
Income-level representation	Income influences purchases of efficient models

## Scope of Work

Under this project, the Contractor will implement the below-described tasks including desktop research, interviews with key stakeholders, and consumer and other stakeholder survey to identify strategies for consumer and other stakeholder awareness measures. This effort will focus on air conditioners as it was one of the first products regulated by the DOE. Execution of all activities and tasks must be conducted in close consultation with CLASP and other relevant stakeholders including the Philippines DOE.

### Task 1: Survey Planning and Kick-off Meeting

The Contractor will develop a plan and methodology for the survey, based on recent market data and insights, to ensure survey responses are representative of Philippines consumers and other stakeholders. The Contractor will present the proposed survey plan, methodology, and the market data at the kick-off meeting within two weeks of contract inception.

The methodology should define whether the survey should be in the form of interviews, focus groups, telephone surveys, or online surveys or a combination of various approaches; the platform; and the rationale of the choice. The survey methodology should ensure that space is created for meaningful participation for each respondent. The final approach will be agreed with CLASP.

#### Activities under this task include:

- Prepare a presentation outlining the proposed survey plan, methodology, and relevant market data
- Participate in a kick-off meeting video conference with CLASP to:
  - Present and agree on the proposed survey plan, methodology, and relevant market data
  - Present and agree a detailed proposed timeline of survey execution and analysis

#### Delivery Requirements and Outputs of this task:

- Inception report

- Presentation on survey execution and analysis plan, including methodology, relevant market data, and timelines
- Raw market data

## Task 2 – Prepare Stakeholder Survey

The Contractor will conduct desk research and initial interviews with DOE staff to gather information on the Philippines' Energy Labeling Program, which will inform subsequent survey and recommendations. The Contractor should seek collaboration with DOE to give an accurate description of the program.

In particular, this task should cover the following topics:

- How the PELP labeling scheme works and its history and policy evolution over the past decades
- Highlight the purpose and value of the labeling program to various stakeholders including consumers, retailers, industry, government energy agencies, and institutions interested in market transformation programs:
  - Value to consumers: informing purchasing decisions and differentiating products
  - Value to industry and retailers: tool to market more efficient products
  - Value to market transformation programs: providing easy to use categorization for informing program design

### **Activities under this task include but are not limited to:**

- Conduct desk research to gather information on the Philippines' Energy Labeling Program, its history, and policy evolution over the past decades.
- Supplement desk research with conducting the interviews with relevant stakeholders to gather necessary and comprehensive information on PELP and its value to various stakeholder groups.

### **Delivery Requirements and Outputs of this task:**

- Brief summary of the desktop research and interviews to be included in the final project report.

## Task 3 – Conduct Consumer, Retailer, and Industry Surveys

In collaboration with CLASP, the Contractor will prepare questionnaires and conduct consumer, retailer, and industry surveys to gather insights on their preferences and behavior and comprehension of the energy label to inform analysis and recommendations for the PELP, awareness measures for various stakeholder groups, and labeling scheme on high impact appliances. The Contractor will ensure that the questionnaires are appropriate for the target audience

and survey methodology, and conduct the surveys as agreed under Task 1.

Recently introduced new energy label with star rating for the air conditioners differs significantly from the old energy label (yellow label) which most consumers did not find informative. The consumer survey findings will provide insights into acceptance and understanding of the new label. The survey will focus on evaluating the consumers' comprehension of the new label. Contractor will also evaluate the responsiveness of the consumers to the old label in comparison with the new one and potential labeling scheme for high impact appliances. They will also gather information from other stakeholder groups including retailers and industry on their understanding and attitudes towards the energy label.

**Activities under this task include:**

- Prepare questionnaires for different stakeholder groups
- Conduct the survey based on agreed methodology
- Collate survey responses and share with CLASP
- Share bi-weekly updates with CLASP on data collection progress and challenges (if any)

**Delivery Requirements and Outputs of this task:**

- Survey responses
- Other raw data

## Task 4 – Analyze Survey Results and Prepare Report

After completing the surveys, the Contractor will analyze the resulting data. The Contractor will prepare a report, including quantitative and qualitative analysis with graphics and charts to portray results. CLASP will publish the report and use it to inform overall recommendations for the DOE.

**Delivery Requirements and Outputs of this task:**

- Draft report discussing analysis of the results in English
- Final report on analysis of survey results in English, submitted as a word document (max. 60 pages). The report should include:
  - Detailed background information on the research method; research tool(s); how the sample was selected; and how data were collected
  - Description and justification of the methods used for analysis
  - Summary of the research on PELP
  - Potential opportunities for the DOE expanding the current labeling scheme and introducing labeling system for high impact appliances, and whether such program can complement existing PELP labeling scheme
  - Findings and insights from data collection and analysis presented clearly and concisely, which includes evaluation of consumer and other stakeholder response to

labeling for appliances and awareness measures

- Proposed communication strategies on raising awareness among consumers and other stakeholders about PELP, the new energy labels and benefits of more efficient products
  - Specific recommendations for the DOE on strategies for consumer and other stakeholder awareness and labeling communication among consumers and other stakeholders to promote a high-efficiency air conditioners market in the Philippines
- Present survey results to CLASP

## General Project Requirements

- Provide regular project update emails and/or participate in check-in calls with CLASP through the duration of this contract
- Provide data, guidance, and relevant resources via email
- Provide timely and detailed responses to questions and comments from CLASP team

## Key Milestones and Deliverables

- Inception report, with survey methodology, supported by market data, and work plan agreed at kick-off meeting
- Draft and final survey questionnaires
- Survey data
- Draft and final reports and presentation on survey results at final meeting

## Timeline

**Contract timeframe:** April – July 2022

**Deadline for Application:** 8 April 2022

Application includes registering as a Consulting Partner and submitting the technical and financial proposals per the instructions below.

**Deadline for Questions:** 30 March 2022

All questions must be sent in English to Katriana Dubytz at [kdubytz@clasp.ngo](mailto:kdubytz@clasp.ngo). We request all inquiries be made to this e-mail address and not by phone.



## Key Qualifications

- The Contractor should be based in the Philippines with knowledge of Philippines culture and language
- Knowledge and understanding of the Philippines Energy Labeling Scheme and energy efficiency policymaking ecosystem
- Experience and demonstrated ability to conduct stakeholder consultations and consumer surveys, especially for energy labeling
- Familiarity with communication and consumer awareness programs and strategies
- Experience with and understanding of appliance and equipment standards and labeling policies

## Submittal

### Register as a Consulting Partner

Interested parties must [register as a CLASP Consulting Partner](#).

### Submit Technical and Financial Proposals

Interested parties should submit separate technical and financial proposals electronically, in English, via [this form link](#) (preferably in PDF format). The files should be named as per the following example:

[CONTRACTOR\_NAME] \_Technical Proposal\_ RFP 2022-04-08

[CONTRACTOR\_NAME] \_Financial Proposal\_ RFP 2022-04-08

The length of the technical proposal should not exceed 20 pages and should include:

- Detailed approach and methodology for the design, implementation, and management of the project
- Detailed timeline for all project activities, tasks, milestones, and deliverables for the project within the time frame indicated above
- Background and experience of conducting similar activities
- A summary of qualifications and experience of key personnel that will execute the project

The financial proposal (in USD) should include a detailed budget with all direct and indirect cost estimates for executing the project, including a breakdown (in days) of the level of effort and costs associated with each team member that will be engaged in the project.

CVs and related summaries of experience and qualifications of proposed project team staff should be included in an Annex and should not exceed 10 pages.





CLASP looks forward to reviewing your responses and would like to thank you in advance for your participation in this Request for Proposals. CLASP will notify all respondents who submit proposals when a decision has been made.

## Evaluation Procedure

A committee appointed by CLASP will evaluate proposals received. Selection of qualified companies or organizations will be based upon the following criteria:

- Technical Evaluation Factors
- Financial Evaluation Factors

All bids will be evaluated and ranked using Quality and Cost Based Selection (QCBS), with 80 percent of the score accorded to the technical proposal, and 20 percent to the financial proposal. The detailed evaluation criteria can be found in Annex A.

### ANNEX A: EVALUATION CRITERIA

**Technical Approach** (35 points) will be evaluated on:

- The demonstrated understanding of the overall project context (15)
- The detailed work plan and approach clearly defining the target objectives and the strategy to achieve the objectives as outlined in the scope of work (20)

**Management Structure and Staff Qualification** (25 points) will be evaluated on:

- The professional qualifications and the extent to which the requisite expertise and experience of the key personnel will directly contribute to the completion of the tasks (25)

**Past Performance and Corporate Experience** (20 points) will be evaluated based on:

- The past performance, familiarity, and experience in understanding policies and program related to standards and labeling (10)
- Extent of local expertise including experience, qualifications, and track record in implementation of similar programs (10)

**Cost Evaluation Factors** (20 points): While the overall Technical Evaluation is the key factor in reviewing the proposal, the cost evaluation will be an essential factor in determining the final contract award and ability to remain in the competitive range and will be evaluated for feasibility, completeness, and practicality.