

## **HIGH LEVEL MINISTERIAL DIALOGUE ON CLIMATE FINANCE**

### **PHILIPPINES STATEMENT (Draft)**

**Assistant Secretary Merceditas A. Sombilla**, National Economic and Development Authority

Thank you Mr. President.

When natural and climate-induced disasters occur and local response capacity is limited – such as in the case of Super Typhoon Haiyan -- these escalate into events that cause great damage and human suffering, often negating socio-economic and development gains. This is one of the important lessons we have learned in the Philippines, which continues to be regularly visited by typhoons and slow-onset events such as El Nino and La Nina.

Our experiences have proven that financing and investing in preparedness and resiliency measures will make a difference in reducing loss of lives and assets. It is for these reasons that the Philippines has urgently put in place the needed climate actions on both adaptation and mitigation.

It is also these reasons that the Philippine Government is taking actions to mobilize resources for climate action. National expenditures on climate-related programs and projects have increased over the past three (3) years. We have even invested over US\$20 million annually to support our own adaptation action. We continue to explore and identify the feasibility of new and innovative financing sources and instruments. We also continue enhancing the capacities of our institutions to ensure that the scaled-up financing will be strategically invested in the right priorities and right areas by doing things right.

Under the Philippines' presidency of the Vulnerable Twenty Group of Finance Ministers from April 2015 to October 2016, the opportunities for economic and financial cooperation have been opened to benefit vulnerable developing countries. Through the Global Preparedness Partnership, the V20 has stimulated discussions and prepared concrete actions to invest on preparedness by inviting external support. The V20 is also exploring financial strategies and solutions to protect vulnerabilities and address risks.

Yet much more needs to be done, especially in light of our great desire to reduce poverty, and lifting 21% of our population from being poor from such state, 8% of them are categorized as really in extremely poor state.

We envision that our domestic and international efforts will facilitate entry points towards expanding and building strategic and new partnerships in financing and support from developed countries and other partners. Certainly, there are more schemes and channels to increase financial, technological, and capacity development support to us.

Our forthcoming national medium-term development plan will embody these goals and assertions. Our President has stressed our aim of promoting industrialization, even as we address climate change. This would require financing low carbon, climate resilient technologies and know how. We recognize that these will be neither cheap nor free. But as provided for under the Convention, financing for those needs consistent with sustainable, low-carbon development should be supported.

In addition, we recognize the need to fund the climate proofing of local development plans. At the end of the day, our local communities are bearing the brunt of climate change and must be prepared to adapt and survive. The cost of doing this will require a significant amount to avert future impacts at this point.

We have provided enabling environment to incentivize private sector investments such as on clean energy, clean water and air, green jobs, and infrastructure. Perhaps, it is time for our developed country Partners to incentivize their respective private sector entities operating on our shores. This would be true for adaptation support, which, more than ever, needs state-of-the-art technologies, many of which our developed country Partners already own. We hope that we would not be viewed as markets but partners which can be entrusted with technologies and know-how, noting that these would be for our very survival.

Climate finance flows through other multilateral and bilateral channels could also be enhanced, but devoid of usual conditionalities and shall be over and above aid flows. We recall that developed country parties shall provide financial resources to developing countries with respect to adaptation and mitigation and to support country-driven strategies. The accounting system governing these channels should be aligned and harmonized with those governing the operating entities of the Convention and using standardized financial parameters.

Providing more and predictable resources to the operating entities of the Financial Mechanism, especially the Green Climate Fund, is the most direct way to go. A regular replenishment process needs to be put in place as soon as possible and will serve as an indicator of commitment to ensure funding predictability from developing country Parties, as provided for by the Convention. These are among the channels that will support our climate action. We believe that the accounting processes under these mechanisms will be simple and straightforward.

Excellencies, Mr. President, recognizing that impacts of climate cut across boundaries and territories, we come here again with the same focus and commitment in contributing to global action. The goals of the Conference, including the means of implementation, all make financial sense. Investing in our future now is indeed a “no-regrets, cost effective” option.

Thank you, Mr President.

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