Elements in the development of the further guidelines for the fifth review of the financial mechanism (COP)

Submission from the Republic of the Philippines
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Views and recommendations for consideration by the Standing Committee on elements in the development of the further guidelines for the fifth review of the financial mechanism

The Subsidiary Body on Implementation (SBI), through its decisions in Doha (FCCC/SBI/2012/L.45, paragraph 4), invites Parties to submit for consideration by the Standing Committee their views and recommendations on elements in the development of the further guidelines for the fifth review of the financial mechanism.

The Philippines welcomes this invitation from the SBI to submit its views and recommendations with regard to the elements in the development of further guidelines for the fifth review of the financial mechanism.

The Fifth Review of the financial mechanism will be very important and crucial for the future work of the UNFCCC, and any other related legal instruments that the Conference of the Parties might adopt, in particular on the work on the Durban Platform). In the light of the ever-increasing intensity of frequency of extreme weather events, and the new responsibilities placed on developing countries by recent COP decisions, it is essential to get clarity on how developing countries can meet their obligations under the Convention, in accordance with Article 4.7.

With respect to the prospective shape of the financial architecture of the Convention under the above circumstances, guidelines should be developed to shape the future financial architecture of the Convention under these circumstances. We need to draw upon and assess the lessons learned from fast-start finance as the reports from developed countries are due at the end of May 2013, and integrate this in the long-term finance work programme of the Convention, to which the Standing Committee shall provide expert inputs.

The Philippines underscores the need to look closely into financing adaptation, and reflect on the future of the Adaptation Fund of the Kyoto Protocol with respect to this financial mechanism. Considering the degenerating crisis on adaptation finance, with a continuing bias and focus on mitigation actions, as well as the uncertainty on the future of the Kyoto Protocol with the very low ambition for its second commitment period that even has yet to enter into force and has not even started provisional application for any developed country party to the Kyoto Protocol , it is crucial to determine how to mobilize and secure financing for adaptation, given the fact that most developing countries are least able to cope with the adverse affects of climate change, and have little contribution to global emissions and therefore very limited mitigation capabilities. This must be seen in the context of the historical responsibility, and that the developing countries have contributed little, if any to the accumulation of greenhouse gases in the atmosphere, but are the least able to cope with the adverse effects of climate change. These adverse effects are here and now, and the need for adaptation becomes increasingly urgent, given the little that was done and is being done by developed countries for limiting or reducing their emissions. It must be stressed that adaptation and mitigation are mutually-supportive and are equal imperatives, and financing in the future financial architecture of the Convention to be considered by the 5th review should address the historical imbalance in the provision of financial resources to adaptation.

Mitigation must also be seen in terms not only of limitation of emissions, but in terms of prevention or control of emissions in the pursuit of economic growth by developing countries. The financing should encompass the "development, application and diffusion including transfer of technologies and processes that control, reduce or prevent anthropogenic emissions of GHGs…in all relevant sectors,in the energy, transport, industry, agriculture, forestry and waste management sectors", as provided for the Article 4.1 (c) of the Convention.