PHILIPPINE INTERVENTION
HIGH LEVEL MINISTERIAL DIALOGUE ON FINANCE

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"Views on top priority actions related to mobilizing and catalyzing climate finance to enable translation of climate goals and needs into action and to enhancing access to climate finance"

Thank you, Mr. Chair, for this opportunity to articulate our thinking on the issue of mobilizing climate finance.

We consider two aspects of climate finance that need to be determined and understood fully: First is the amount of financial resources needed by the recipient countries to undertake both mitigation and adaptation action. Second is the manner by which these resources are received and spent. Fundamentally, the national socioeconomic conditions and aspirations of the recipient countries should define these two aspects of climate finance.

On the first aspect, climate finance needs, while our Standing Committee on Finance reported that "trends in climate finance point to increasing flows to beneficiary countries," we find these flows grossly inadequate for our needs. The slow transformation of our fossil fuel-dependent economies and the growing burden of recovering from climate-related disasters testify to this inadequacy. Clearly, there is need to enhance the global climate finance mobilization process, informed by the nationally determined needs of recipient countries and consistent with the guidance of the IPCC

Special Report on 1.5, which we do not only note but welcome. It is in this regard that we also welcome the National Economic, Environment and Development Study for Climate Change Project of the UNFCCC Secretariat, and look forward to the ambitious and successful replenishment of the Green Climate Fund.

On the second aspect, climate finance access, rules and modalities that facilitate and recognize the differentiated capacities of developing country Parties are needed. This means financial flow modalities should not pose any bureaucratic hurdles. Noting that many country Parties have chronic poverty problems, it is important that prospective financial resources do not add to debt burden.

Furthermore, it is critical that extraneous conditionalities like onerous co-financing requirements are not applied. In the current set up, the use of co-financing as a pre-requisite for financial support rather than as “leveraged funds,” is highly incongruous. It is short of ridiculous for a requesting country to be required to show proof that it can put up counterpart funds, double or seven times fold of what is asked for.

Applying differentiated eligibility criteria should not even be attempted. There are only two sets of Parties to the UNFCCC, the Kyoto Protocol, and the Paris Agreement. They are the Developed Country Parties and the Developing Country Parties. Introducing differentiation among the recipient country Parties is a gross distortion of climate justice.

Intermediaries for channeling these funds are among the major hurdles. Many disbursement problems and delays stem from the inability of developing countries to comply with their corporate rules and protocols. The irony is that these resources are committed funds which should reach intended beneficiaries in a timely manner, the reason why the Philippines tabled the Direct Access modality in the finance negotiations.

Lastly, Mr. Chair, climate finance should be supported by a transparent, coherent and technology-enabled accounting system that allows transparent and congruent matching between mitigation actions and the means of implementation, i.e. finance, including for technology development, transfer and diffusion, and capacity building. The strong and unequivocal linkage among comparability, replicability, and transparency should be the hallmarks of this system.

Thank you, Mr. Chair.