

**TECHNICAL WORKSHOP ON CLIMATE FINANCE IN THE ASSOCIATION OF
SOUTHEAST ASIAN NATIONS (ASEAN)
INTERVENTIONS FROM THE
PHILIPPINES CLIMATE CHANGE COMMISSION
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The Philippine Government is committed to undertaking a responsive climate change reform agenda.

In 2010, the CCC released the National Framework Strategy on Climate Change (NFSCC) that envisions a “climate risk-resilient Philippines with healthy, safe, prosperous, and self-reliant communities, and thriving and productive ecosystems.”

To achieve the vision indicated in National Framework, the National Climate Change Action Plan (NCCAP) 2011–2028 was developed. The NCCAP serves as the government’s blueprint for climate change action.

Since the passing of the Climate Change Act, the government has poured substantial financial resources to address climate change. A number of local financing windows can be accessed in the Philippines. These include the: (1) General Appropriations Act (GAA); (2) People’s Survival Fund (PSF); (3) National Disaster Risk Reduction and Management Fund (NDRRMF); and (4) Local Disaster Risk Reduction and Management Fund (LDRRMF).

Based on climate change expenditure tagging undertaken by the CCC, about 9% of the total 2018 GAA or PHP 283.34 billion (5.550USD) was used to finance 319 climate change-related activities. About 97% was spent for adaptation activities and 3% was utilized for mitigation activities. A considerable portion of these adaptation expenditures was geared toward the construction and maintenance of flood mitigation structures and drainage systems. Major mitigation programs include the National Greening Program and the construction/expansion of mass transportation projects such as the light rail transit.

The National Disaster Risk Reduction Management Fund (NDRRMF) is used to finance disaster risk reduction, mitigation, prevention, and preparedness activities, such as but not limited to, the training of personnel and investment in capital expenditures. As of December 2018, about PHP 4.922 billion was disbursed. However, looking into actual disbursements, it is still mainly used for relief, recovery, and reconstruction as often, the NDRRMF is inadequate to meet post-disaster financing needs, much less mitigation efforts.

At the local level, financing mechanisms available are the LDRRMF and the local development fund. LDRRMF comes from the 5% revenue of the LGU while the local development fund is sourced from the proceeds of foreign loans or grants and is used to finance development projects at the local level (COA 2016). Municipal development funds

are financial intermediaries that provide credit to local governments and to other institutions investing in local infrastructure.

Second:

The People's Survival Fund is a special fund in the National Treasury that is meant to supplement the annual appropriations allocated for adaptation programs proposed by local government units (LGUs) and implemented by them. As of December 2018, around PHP 328.9 million (6.4MUSD) was already released to fund projects ranging from climate field schools, agro forestry, watershed management, to early warning systems.

Third:

It was an uphill battle to see through the formulation and review of our first funding proposal by the GCF this year. Certainly, it validated what we had already seen and heard about the GCF—that it cannot be accessed easily and immediately.

As the country's National Designated Authority (NDA) to the Green Climate Fund, the CCC has also been working hard with agencies to develop concept notes that can hopefully also secure funding from the GCF. Here we take advantage of the climate finance sources available to us for scoping and study and to weigh which among our sectors and communities have the most urgent need.

In 2016, the Philippines was fortunate to receive a readiness and preparatory grant from the German government (*UNDP component – USD1,335,180*), enabling us to establish systems and procedures within the NDA, formulate a GCF country programme, support the accreditation of direct access entities, develop a GCF website, and engage multi-sector stakeholders even in project proposal development. Specifically:

- We created a multi-sectoral technical working group (TWG) for GCF to assist the NDA in developing a process for (1) consultation and review, leading towards the issuance of a no objection procedure.
- We developed a screening and evaluation tool (SET), which we use in assessing concept notes and funding proposals and their alignment to our national strategies and plans, as well as with the GCF investment criteria.
- A GCF Country Programme has been formulated, which conveys our investment priorities, including a pipeline of strategic projects and programs that would enable us to transform towards a climate-resilient and low carbon development pathway.
- We have supported the accreditation of the Land Bank of the Philippines (Landbank) to be a direct access entity, and we have just reached a milestone with the publication of its first funding proposal to GCF this coming Board Meeting in November (B.24), on

Multi-Hazard Impact-Based Forecasting and Early Warning System for the Philippines.

- We were able to support the development of one funding proposal for a coastal resilience project along the Philippine eastern seaboard.
- A GCF Philippines website is also slated for launch in the coming weeks.

There are two other approved readiness funding from the GCF underway: first, to enhance green finance pathways for the Philippines (*USD692,000*) and second, on strengthening the NDA (*USD300,000*). We are also requested for further support for Direct Access Entities (*USD700,000*), and eventually, in the development of the National Adaptation Plan (*USD3M*).

Given our country's prevailing climate risks and vulnerabilities and the financial requirements to address these, while also keeping in mind that our access to local and international climate finance is limited, it is necessary that we be strategic in terms of channeling climate finance to those who need it the most.

We are currently working on our NDC, which will serve as our roadmap towards a low-carbon economy, encouraging innovative and transformative green and climate-smart projects and investments from both the public and private sector.

Coordination with relevant government agencies will therefore be key in this undertaking. This is why we acknowledge the need to develop mechanisms for tracking climate finance and measuring financial needs for our mitigation and adaptation scenarios, such as those that will be conveyed in our updated NDCs, as part of our commitment to be with the global community under the Paris Agreement.