



Republic of the Philippines
DEPARTMENT OF FINANCE

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DEPARTMENT OF FINANCE
Republic of the Philippines



MR. JAMES GRABERT

Director, Mitigation Division
United Nations Climate Change Secretariat
Platz der Vereinten Nationen 1, 53113
Bonn, Germany

Subject: Call for Inputs by the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures

Dear Director GRABERT:

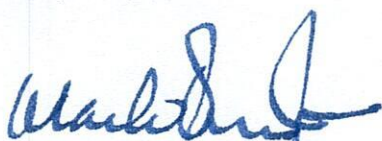
This refers to the United Nations Climate Change Secretariat Mitigation Division letter dated 03 December 2021 requesting inputs from Parties and observers regarding Workplan Activities 5 and 11 of the Katowice Committee of Experts on Impacts of the Implementation of Response Measures.

On behalf of the Government of the Philippines, this Department transmits the following inputs for the Secretariat's reference and consideration:

1. **Workplan Activity 5:** "Build awareness and understanding of Parties and other stakeholders to assess the economic impacts of potential new industries and businesses resulting from the implementation of response measures with a view to maximizing the positive and minimizing the negative impacts of the implementation of response measures" (*Annex A*); and
2. **Workplan Activity 11:** "Facilitate, exchange and share experiences and best practices on the assessment of the environmental, social and economic co-benefits of climate change policies and actions informed by the best available science, including the use of existing tools and methodologies" (*Annex B*).

Thank you.

Very truly yours,



Mark Dennis Y.C. Joven
Undersecretary
MAR 30 2022

cc: Assistant Secretary KIRA CHRISTIANNE D. AZUCENA, DFA
Secretary ROBERT ERIC A. BORJE, CCC
Deputy Executive Director ROMELL ANTONIO CUENCA, CCC

Philippines Submission (Annex B)

Call for Inputs by the Katowice Committee of Experts on the Impacts of the Implementation of Response Measures for **Workplan Activity 11**:
“Facilitate, exchange and share experiences and best practices on the assessment of the environmental, social and economic co-benefits of climate change policies and actions informed by the best available science, including the use of existing tools and methodologies”

Particular	Comments
Guiding question under Workplan Activity 11, item a <i>Which climate change policy(ies) and actions, informed by the best available science, were assessed for environmental, social and economic co-benefits and what were the co-benefits identified from your assessment?</i>	Climate Change Expenditure Tagging (CCET) Similar to our inputs on Workplan Activity 9, ¹ we would like to note that the Philippine Government has demonstrated its commitment to respond to climate change (CC) through a reform agenda in its budget process called the CCET. ² With this platform, the National Government is able to track and report the CC budget by mobilizing the national budget process to identify, classify, and tag CC expenditures using a common policy-based typology. It also generates timely statistics and baseline information for assessing trends, tracking budget execution, and monitoring physical performance. This is in response to the results of the 2013 Climate Public Expenditure and Institutional Review, and the ongoing public finance reform agenda.
	National Climate Change Action Plan (NCCAP) The NCCAP ³ intends to provide the following, pursuant to Republic Act No. 9729, as amended by Republic Act No. 10174: <ul style="list-style-type: none"> ● Assessment of the national impact of climate change;

¹ Submitted to Director Grabert dated January 31, 2022

² Source. Established through DBM-CCC Joint Memorandum Circular No. 2013-01 dated December 27, 2013, as amended through DBM-CCC Joint Memorandum Circular No. 2015-01 dated March 24, 2015.

³ <https://niccdies.climate.gov.ph/files/documents/NCCAP%202011-2028.pdf>

- Identification of the most vulnerable communities/areas, including ecosystems to the impacts of climate change, variability, and extremes;
- Identification of differential impacts of climate change on men, women, and children;
- Assessment and management of risk and vulnerability;
- Identification of GHG mitigation potentials; and
- Identification of options, prioritization of appropriate adaptation measures for joint projects of national and local governments.

The NCCAP's agenda for adaptation and mitigation spans from 2011 to 2028 as a response to the current situation and projected impacts of climate change. It also identifies seven (7) thematic priorities, which include food security, water sufficiency, ecosystem, and environmental stability, human security, climate-smart industries and services, sustainable energy, and capacity development.

In the formulation of the NCCAP, multi-sectoral and stakeholder approaches and processes ensured that the concerns of various sectors are heard and considered. Aligned with the anchor strategy of adaptation as provided for in the National Strategic Framework on Climate Change (NSFCC), public financing prioritizes the need to reduce vulnerability and risks of communities, particularly the marginalized poor. At the same time, this Plan will enable the policy environment to encourage the participation of the private sector to optimize mitigation opportunities towards climate resilience and sustainable development.

National Climate Risk Management Framework (NCRMF)

The National Climate Risk Management Framework (NCRMF), pursuant to the adopted Climate Change Commission Resolution 2019-001⁴, underpins the Philippines' climate change adaptation and loss and damage management work. In view of the increasing uncertainty surrounding climate change, the Philippines is anchoring this risk management work on the probabilistic approach. Henceforth, all planning, programming, and implementation undertakings will have to be based on the results of probabilistic risk assessments and translated

⁴ Resolution adopting the National Climate Risk Management Framework (NCRMF) to Address Intensifying Impacts of Climate Change

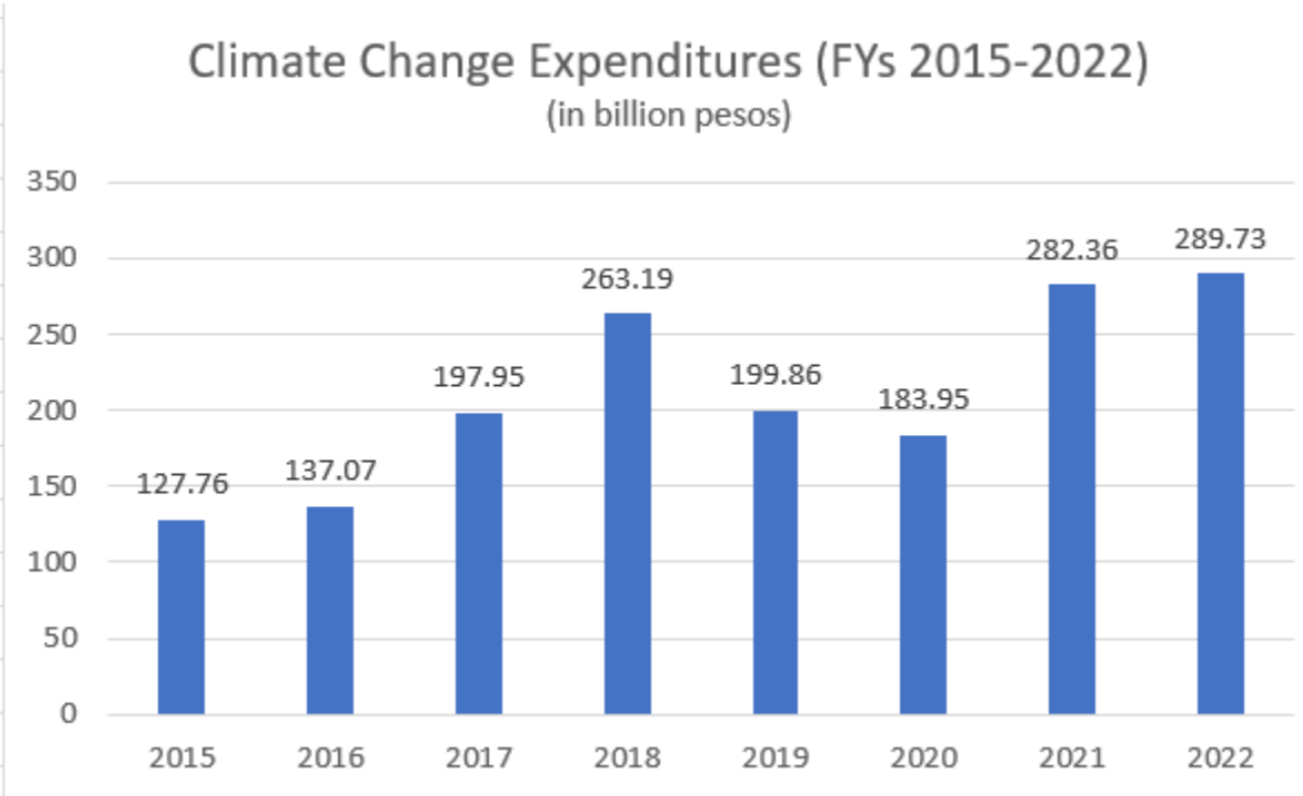
	systematically to risk management actions covering risk prevention, risk reduction, and residual impact mitigation.
Particular	Comments
<p>Guiding question under Workplan Activity 11, item b</p> <p><i>How such assessment was conducted? Were there any standards used? What are the challenges and opportunities, and lessons learnt from these assessments?</i></p>	<p>NCCAP Monitoring and Evaluation (Results-based Monitoring and Evaluation System [RBMES])</p> <p>The NCCAP RBMES serves as a guide for incorporating climate change adaptation and mitigation initiatives and concerns in the monitoring and evaluation system of the government for the NCCAP interventions. The NCCAP RBMES is central to the system, strategy, protocol, and routines that will be established for tracking and measuring the outputs and outcomes of the NCCAP, which is currently being reviewed for enhancements.</p> <p>The NCCAP is currently in the process of enhancement, with the support from different foreign-assisted projects such as the following:</p> <ul style="list-style-type: none"> ● “Accelerating Climate Investments in the Philippines” (ACIP) Project - ACIP supports the implementation of needed reforms to the government’s convergent planning and budgeting at the national and sub-national levels, including the NCCAP; ● “NDC Support Project for the Philippines” - Under Component 4, the NSPP aims to mainstream the NDC and its PAMs in the updating of the NFSCC and the NCCAP; and ● “Climate Change Adaptation and Community Resilience in the Philippines” Project - The primary objective of this project is to support the Philippines to mitigate adverse impacts of climate-related events through enhancing policy and community-level interventions integrating safe and orderly migration as a tool of resilience for at-risk communities. As of date, the project is facilitating the finalization of the report/study to be utilized for the NAP development, NCRMF, NDC, as well as the updating of the NCCAP.
	<p>National Climate Risk Management Framework (NCRMF)</p> <p>The ongoing stocktake under the National Climate Risk Management Framework (NCRMF) implementation is being spearheaded by the CCC with support from the SupportCCC Phase II Project funded by the German Agency for</p>

	<p>International Cooperation (GIZ). It intends to contribute to the determination of the climate risk-based indicators for risk assessments and climate action M&E systems that will eventually lead to addressing intensifying adverse impacts of climate change towards climate resilience. In compiling climate risk-based methodologies, tools, approaches, and other information on institutional systems, it is envisioned that the NCRMF will aid in the assessments to be conducted, incorporating multi-hazard, multi-scenario approaches.</p> <p>CCET</p> <p>The CCC and Department of Budget and Management (DBM) led the institutionalization of CCET through Joint Memorandum Circular (JMC) 2013-01, which has been amended through DBM-CCC JMC 2015-01 (National CCET) and DMB-CCC-DILG JMC 2015-01 (Local CCET) to be consistent with the development of an outcome-based budgeting system. The CCET provides an avenue for national institutions such as National Government Agencies (NGAs), State Universities and Colleges (SUCs), and Government-Owned and Controlled Corporations (GOCCs) to assess the alignment and scale of mobilization of public funds based on the NCCAP. The CCET classifies public expenditures between climate change adaptation and mitigation through the use of typologies mirroring the NCCAP.</p> <p>Under the aforementioned JMC, the CCC is mandated to evaluate and approve national government institutions-tagged climate change budgets. Further, the CCC is also mandated to strengthen the capacities of NGAs, SUCs, and GOCCs to undertake CCET. These are in collaboration with the DBM.</p> <p>Further, certain foreign assisted projects implemented by the CCC include the stocktake and review of the existing structures of the CCET towards its enhancements. These were undertaken through the “Accelerating Climate Investment in the Philippines” of the World Bank, and the “Support to the Philippines in Shaping and Implementing the Climate Change Regime (SupportCCC II Project)” funded by GIZ.</p> <p>May we also reiterate our inputs on Workplan Activity 9, wherein we pointed out that the case study of Low</p>
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	<p>Emission Development Strategies Global Partnership (LEDS GP)⁵ published in 2019 discussed that drawing conclusions on the development impact of CCET may be too early. However, it highlighted that there is an increasing trend in the allocation for CC related programs, activities, and projects (PAPs) from 2015 to 2017.⁶ Furthermore, the report noted that the government is moving towards a climate-responsive budget as reflected in its expenditure priorities.</p> <p>The chart below shows the Philippines' CC expenditures from FYs 2015 to 2022.5 CC expenditures increased steadily from FYs 2015 to 2018, while a decrease can be observed in FY 2019 mainly due to the shift to the cash budgeting system, and in FY 2020 due to the COVID-19 pandemic. However, it rose to P282.4 billion in FY 2021 and continued to slightly inch up to P289.76 billion this year.</p>
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⁵ Source. LEDS Global Partnership. "Achieving a Climate-Responsive Budget in the Philippines through Climate Change Expenditure

⁶ Source. The report used information on CC expenditures from 2015 to 2017 based on the FY 2017 BESF.

	<p style="text-align: center;">Climate Change Expenditures (FYs 2015-2022) (in billion pesos)</p>  <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Expenditure (in billion pesos)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>127.76</td> </tr> <tr> <td>2016</td> <td>137.07</td> </tr> <tr> <td>2017</td> <td>197.95</td> </tr> <tr> <td>2018</td> <td>263.19</td> </tr> <tr> <td>2019</td> <td>199.86</td> </tr> <tr> <td>2020</td> <td>183.95</td> </tr> <tr> <td>2021</td> <td>282.36</td> </tr> <tr> <td>2022</td> <td>289.73</td> </tr> </tbody> </table>	Fiscal Year	Expenditure (in billion pesos)	2015	127.76	2016	137.07	2017	197.95	2018	263.19	2019	199.86	2020	183.95	2021	282.36	2022	289.73
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<p>Guiding question under Workplan Activity 11, item c</p> <p>What actions were/are/will be taken based on the co-benefit assessment and what specific measures taken to maximize the co-benefits if any?</p>	<p>Monitoring of the National Climate Change Action Plan (NCCAP) for FY 2017-2020</p> <p>The NCCAP serves as a reference document for convergence planning and budgeting towards sustainable development outcomes achieved through adaptation, mitigation, and capacity building and banks on agency commitment to plan, program, implement and track climate actions. For CY 2021, a particular focus was towards climate-smart hospitals and buildings which aid shape climate resilience outcomes for cities and industries. The CCC has initiated the M&E process for the implementation of the NCCAP for FYs 2017-2020.</p>																		

	<p>Following the conduct of discussions and consultations with agencies and the completion of data gathering, the Assessment Report of the National Climate Change Action Plan (NCCAP) M&E for 2017- 2020 will be prepared.</p> <p>To date, information obtained from the Data Capture Forms (DCF) depicting climate actions into operational level on each government agency and implementation status (i.e., budget tagging) at the beneficiary level reveal the following:</p> <p>Between 2017-2020, the national government is catching up with its commitment targets under the NCCAP. Preliminary data gathering on water sufficiency interventions reveals there were eight (8) climate-responsive masterplans out of the 18 major river basins, all of which also adopted the concept of integrated water resource management (IWRM). About 21 river basin organizations in all Regions are already institutionalized. In 2019, 85.2% of waterless communities have access to suitable water supply and 95% in waterless communities have an increased water supply</p>
	<p>Enhancement of NCCAP Monitoring and Evaluation (Results-based Monitoring and Evaluation System [RBMES])</p> <p>The CCC is currently preparing a Commission Resolution establishing an inter-agency shared Monitoring and Evaluation (M&E) system for climate change-responsive development interventions. The CCC also pursued capacity-building initiatives and preliminary assessment activities on the NCCAP RBMES through the SupportCCC II Project of the GIZ. This activity forms part of the plan to develop a guidance document to update NCAAP RBMES.</p>
