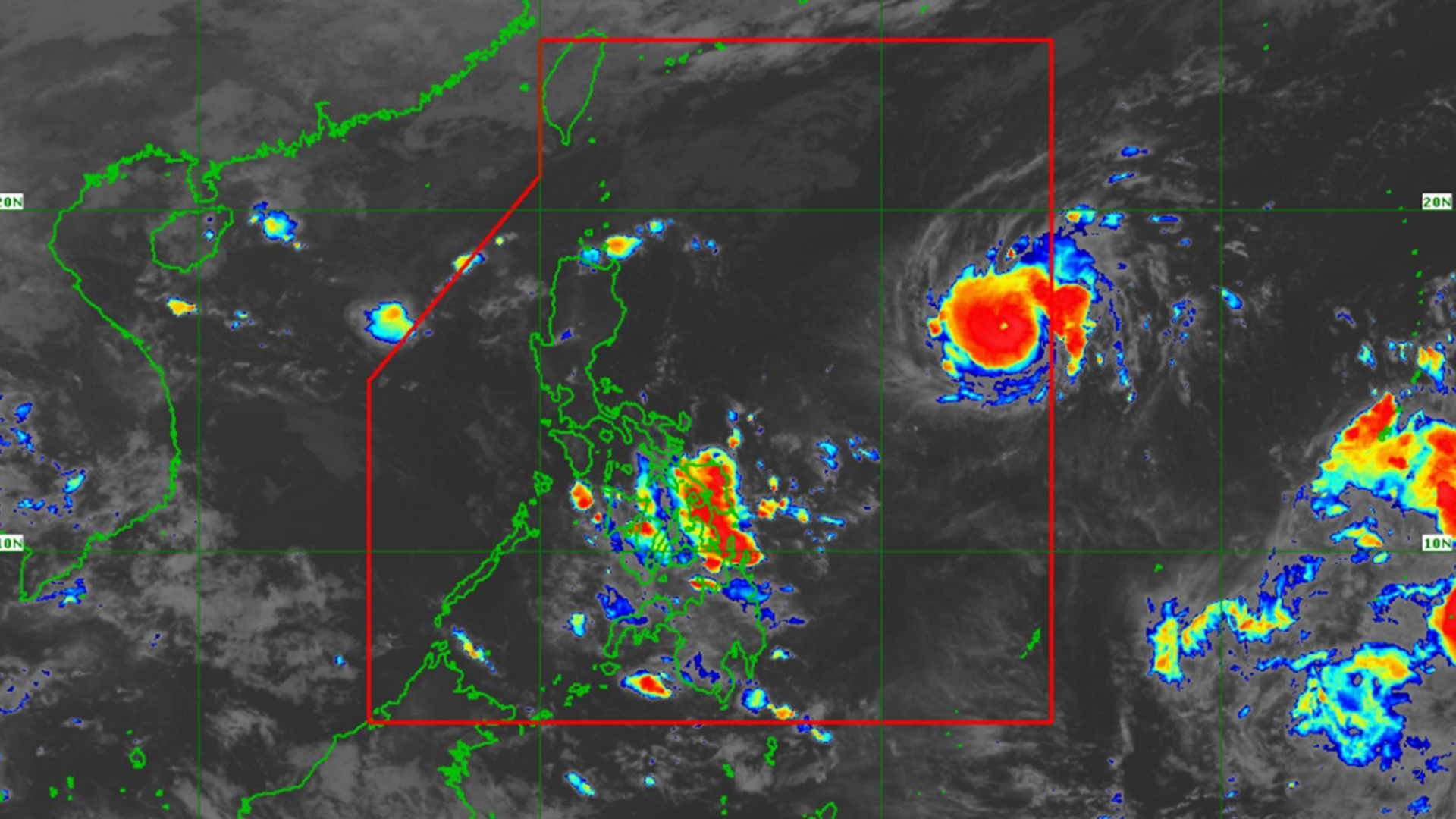


# Climate Finance in the Context of the Philippines

**Paola Sherina A. Alvarez**

Assistant Secretary and Spokesperson  
Department of Finance - Philippines

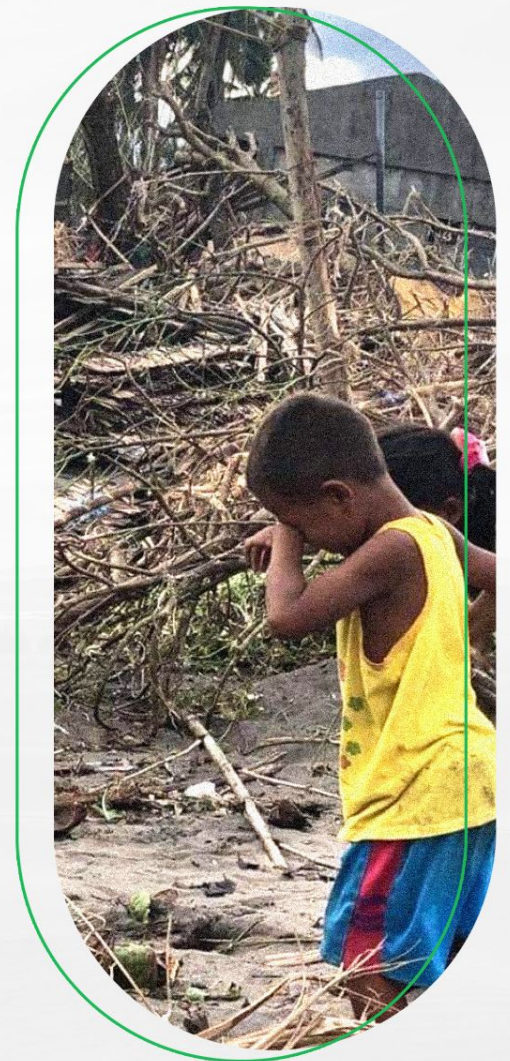






**The number and the severity of typhoons are becoming greater.**

The Philippines' typhoon season has actually moved, further **disrupting economic and social life in the country.**





# Climate change in the Philippines

On a long term average basis, the Philippines is expected to **incur PHP 177 billion (USD 3.6 billion) per year in losses to public and private assets** due to typhoons and earthquakes. In the next 50 years, the country has a **40% chance of experiencing a loss exceeding PHP 989 billion**, and a **20% chance of experiencing a loss exceeding PHP 1,525 billion**.

## Estimated cost to implement climate change mitigation

is at **USD 4.12B from 2015 to 2030**, not including the costs for the Philippines to reach its Nationally Determined Contribution (NDC) goal of 75% GHG emissions reductions and avoidance.







# 1st PH Nationally Determined Contribution (NDC)

Cumulative economy-wide **Greenhouse Gas (GHG) emission reduction and avoidance** from business-as-usual scenario of 75%

- **2.71%** unconditional
- **72.29%** conditional
- Significantly higher than the 70-percent target provisionally indicated in 2015

# What the PH government is doing

Government is simultaneously exploring means to achieve climate change mitigation goals, in cooperation with international partners:

The Coalition of Finance Ministers for Climate Action (The Coalition) and APEC and ASEAN TWGs on DRFI

Green Force or the Sustainable Finance Inter-Agency Council

Partnership for Market Readiness (PMR)



Our strategy to address the devastating effects of climate change is through **balancing adaptation and mitigation as a function of lowering disaster risks.**

# Climate Finance in the Philippines

## Green Finance Needs

### MOBILIZING RESOURCES

The **green finance structure in the Philippines** focuses on:



**Financial instruments** that are designed to mitigate the economic impacts of climate change while increasing revenue generation, taking into account environmental risks and impacts.



**Green facilities and solutions** to finance programs and projects on environment and natural resources management.



# Green finance initiatives

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The BDO and BPI created **Sustainable Energy Finance (SEF) Desks**, which serve as the point-of-contact in evaluating and monitoring sustainable energy projects.



**BPI** developed a **Green Finance Framework** and adopted voluntary reporting of sustainability performance.



**RCBC** launched the issuance of the **P8 billion sustainability bonds** in June 2019, the first in the Philippines under the ASEAN Sustainability Bond Standards 2018.



# Green finance initiatives

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The **Land Bank of the Philippines (LBP)** has implemented the **Climate S.M.A.R.T. (Synergistic, Mitigation, Adaptation, Resiliency, and Transformation) Financing Program**.

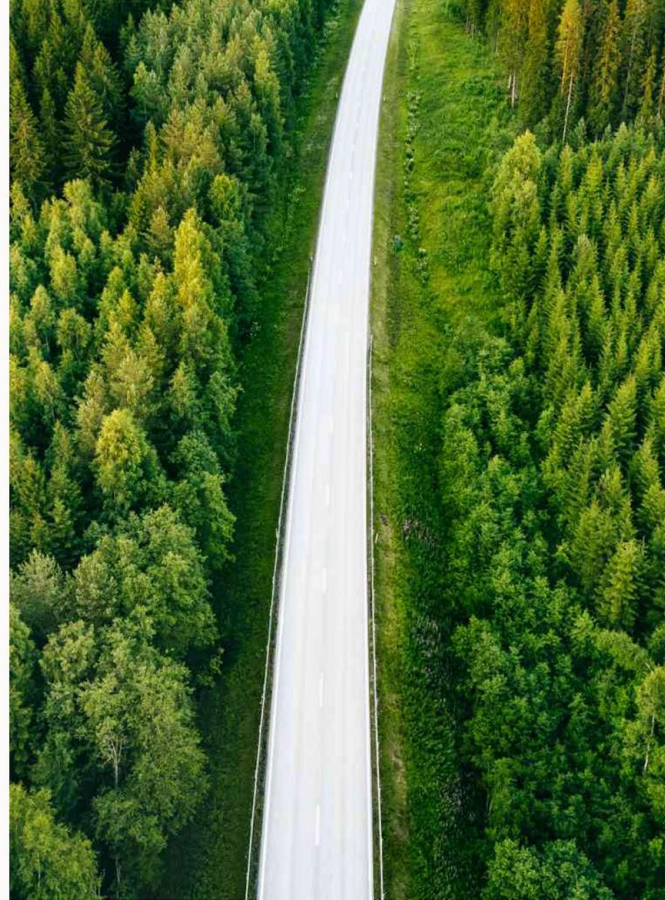


The **Development Bank of the Philippines (DBP)** has a **Green Financing Program (GFP)**, an umbrella program to support the Bank's strategic thrust of environmental protection and the country's green growth strategy.



# Philippine Sustainable Finance Roadmap

- **Green Task Force** or the **Sustainable Finance Inter-Agency Council**
  - Assess the need to enhance the **Public Investment Program Online (PIPOL) System** and the **Climate Change Expenditure Tagging (CCET)**
- Established Philippine Government mechanisms to track climate-related public expenditures
  - **The Climate Change Expenditure Tagging (CCET)**
  - Monitoring of **Climate Change General Appropriations Act (GAA)** Special Provisions
- **National Budget Preparation Process**
  - Tag climate change expenditures using a common policy-based typology and guidelines.





# Existing Climate Finance Tracking Initiatives



## National Integrated Climate Change Database and Information Exchange System (NICCDIES)

- Primary enabling platform of the CCC in consolidating and monitoring data and information on climate change and climate action



## Public Investment Program Online (PIPOL) System

- Manages data entry and updates on priority programs and projects (PAPs) under the Public Investment Program (PIP)
- Allows online submission by agencies to information regarding their priority PAPs, including program/project details and status update and assist NEDA in generating reports

# Existing Climate Finance Tracking Initiatives



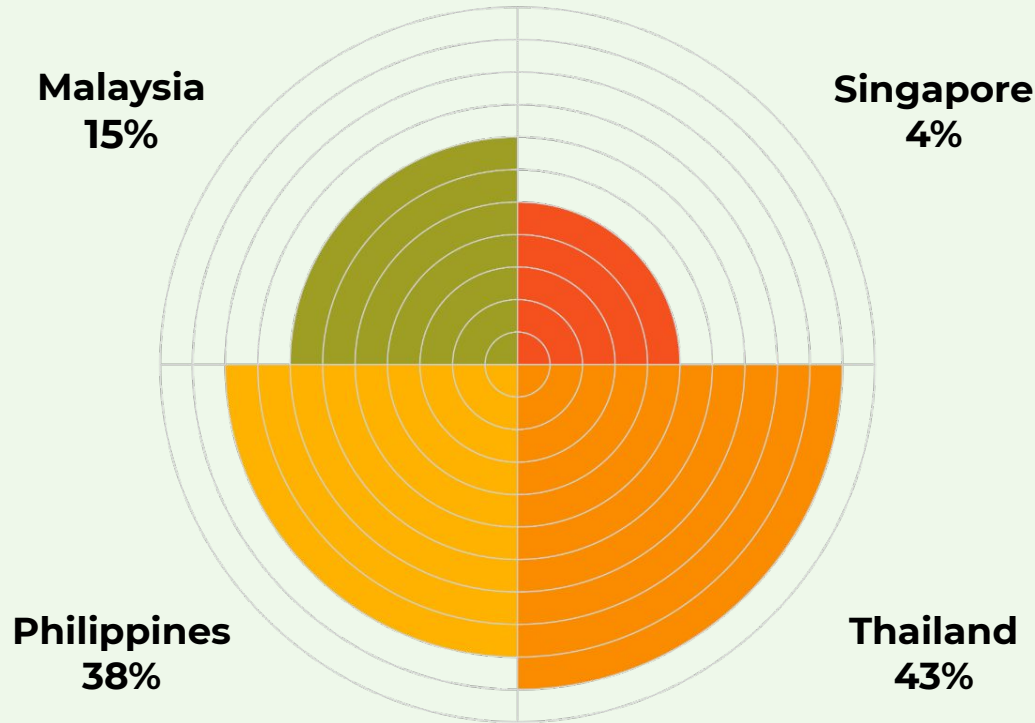
- **Climate Change Expenditure Tagging (CCET)**

- Mandating government agencies to track their climate change expenditures in their respective 2015 budget submissions using a common framework more popularly known as the CCET.
- Helps identify financing gaps on different sectors and further facilitate the mobilization of existing climate financing schemes.

- **Monitoring of Climate Change General Appropriations Act (GAA) Special Provisions**

- A monitoring process in which the CCC observes the implementation climate change-related projects, activities, and programmes lodged under the special provisions.

# Floating Green and Sustainable Bonds (as of March 31, 2021)



## Total Bonds Outstanding (In USD Millions)



**Philippines**  
3,890.09



**Thailand**  
4,447.86



**Malaysia**  
1,568.79



**Singapore**  
437.09



## We are ramping up our efforts to counter climate change.



- Build capacity of local government units (LGUs) to formulate and implement green projects



- Deepen our financial markets to enable green financing to flourish



- Eliminate plastic pollution for a more sustainable environment



- Partner with the UK government and Northern Ireland to facilitate green finance and energy efficiency



# Let's be partners for change!



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