

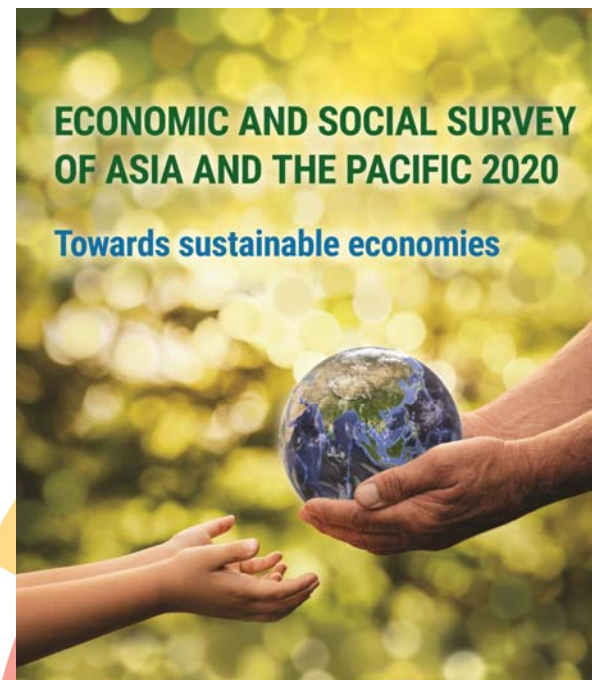
*Presentation to the Climate Change Commission of  
the Philippines and the World Bank*

# Aligning post-COVID 19 recovery towards sustainable economies:

## Recommendations for the Philippines and South East Asian countries

**Ms. Jyoti Bisbey, United Nations ESCAP**

9 June 2020



# Key messages

- Rapid economic growth in the region is coming at a cost to People and the Planet
  - Our region is not on track to achieve any of the SDGs
  - Region remains highly susceptible to disasters and climate risks
  - Material consumption is outpacing population and income growth
  - Current COVID-19 pandemic and economic crisis has exposed these vulnerabilities and lack of emergency preparedness

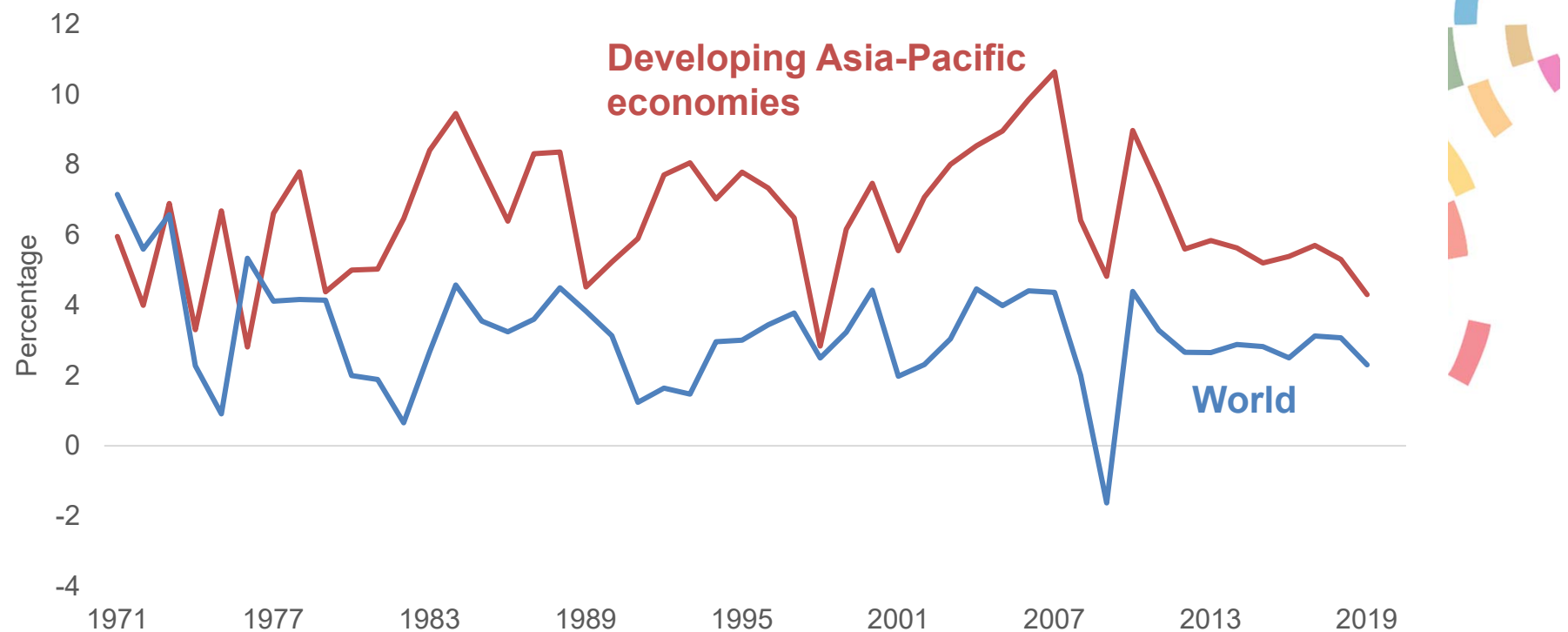
# Key messages

- *UN ESCAP's Survey 2020* emphasizes sustainable consumption and production (SDG12), by...
- ...linking all stakeholders to act collectively and calls for UN Decade of Action:
  - *Local action* – embedding the green transitions into policies, budgets and regulatory frameworks
  - *People action* – moving **businesses** towards cleaner production and **consumers** towards sustainable lifestyles
  - *Global action* – collectively raising our level of ambition and seeking for smart solutions



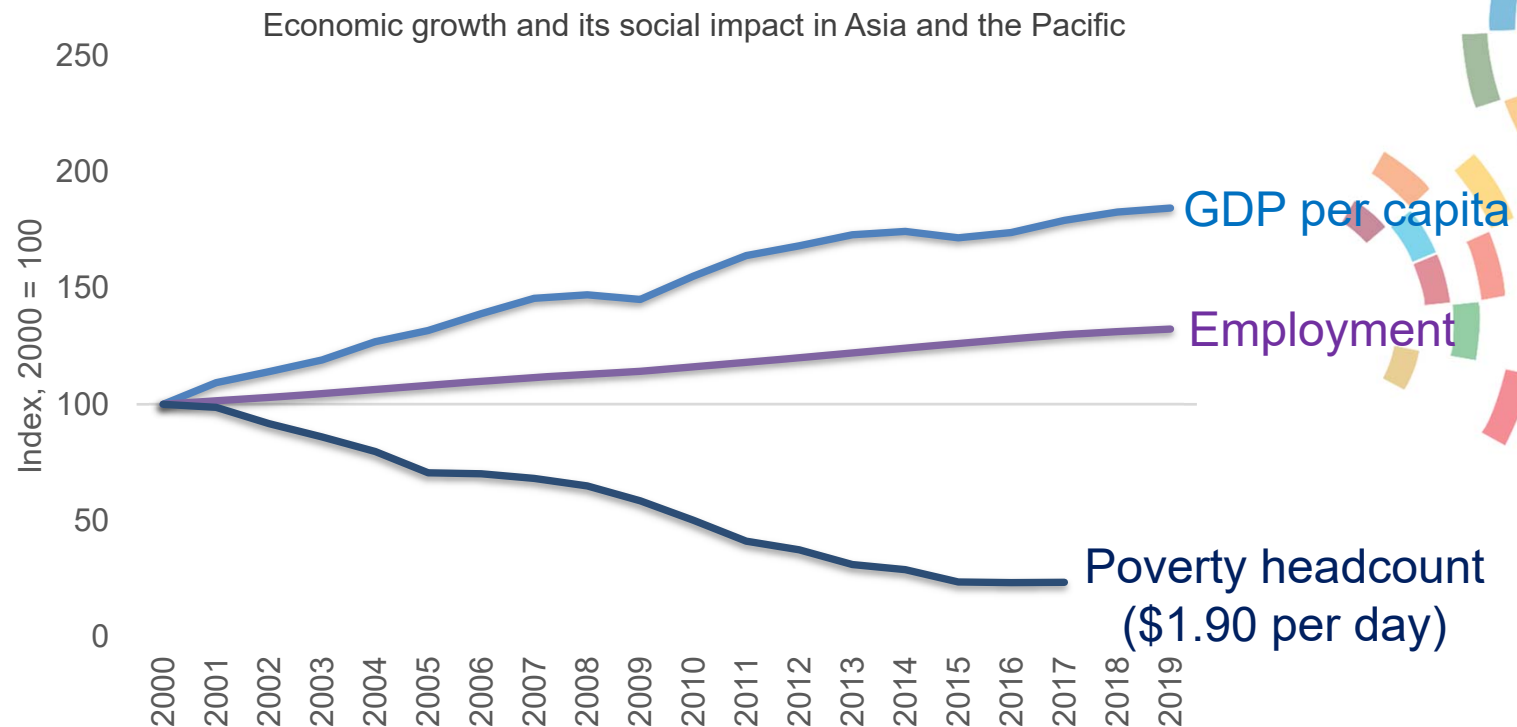
**GDP growth-centric development approach  
has come with costs to  
PEOPLE and the PLANET**

## Asia-Pacific region has continued to drive the world economic growth



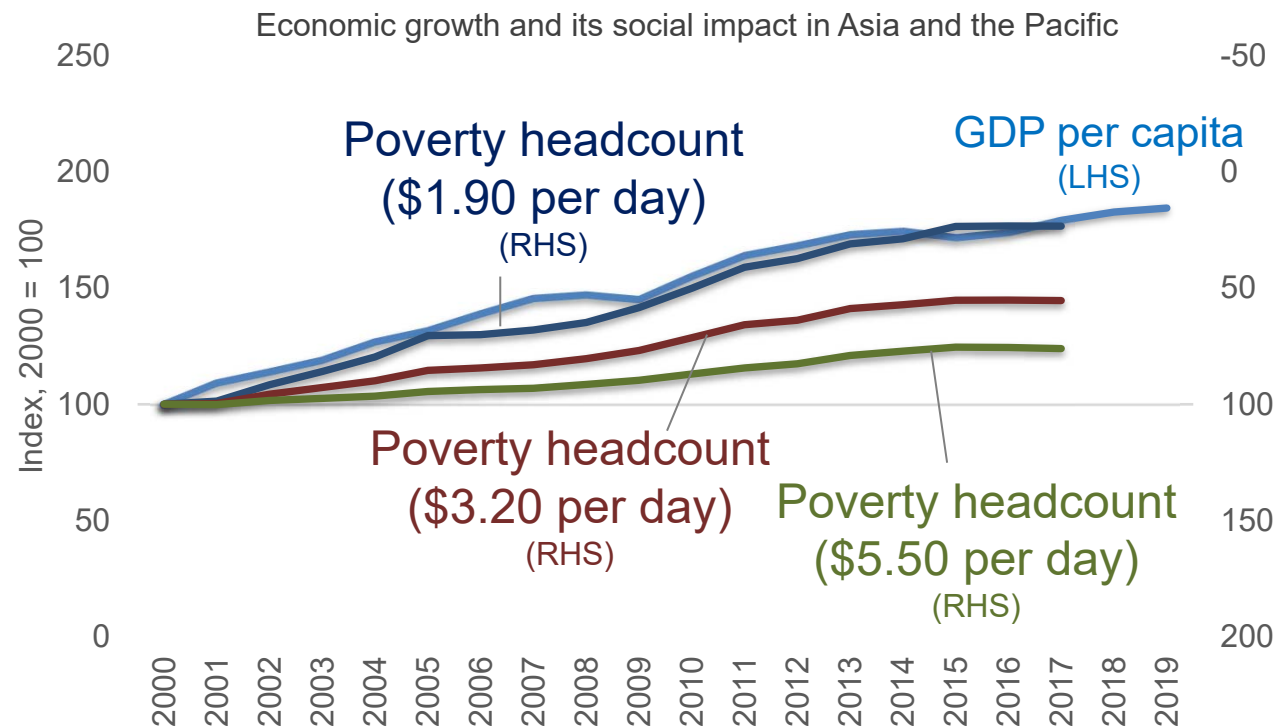
Source: ESCAP and UN DESA.

# Economic growth-centric development approach has contributed to income growth and poverty reduction...



Source: ESCAP data portal (accessed on 4 December 2019); ESCAP calculation based on World Bank, PovcalNet, available at <http://iresearch.worldbank.org/PovcalNet/home.aspx> (accessed on 13 February 2020); IMF, World Economic Outlook database, October 2019 (accessed on 4 December 2019); Global Carbon Atlas, available at [www.globalcarbonatlas.org/en/CO2-emissions](http://www.globalcarbonatlas.org/en/CO2-emissions) (accessed on 13 February 2020).

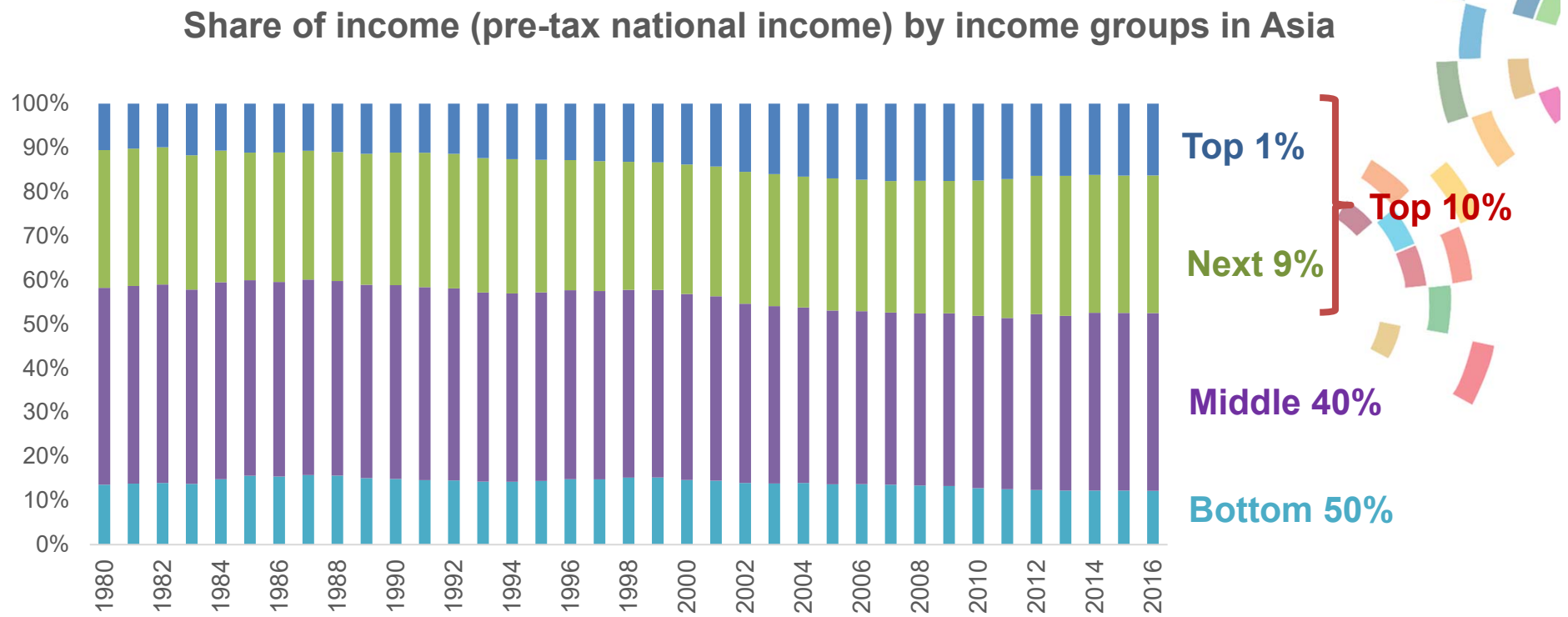
... however, the gains in poverty reduction are marginal if we raise our ambitions...



Source: ESCAP data portal (accessed on 4 December 2019); ESCAP calculation based on World Bank, PovcalNet, available at <http://iresearch.worldbank.org/PovcalNet/home.aspx> (accessed on 13 February 2020); IMF, World Economic Outlook database, October 2019 (accessed on 4 December 2019); Global Carbon Atlas, available at [www.globalcarbonatlas.org/en/CO2-emissions](http://www.globalcarbonatlas.org/en/CO2-emissions) (accessed on 13 February 2020).

Note: LHS = left-handed side axis; RHS = right-handed side axis.

## ...and the distribution of income has been unequal

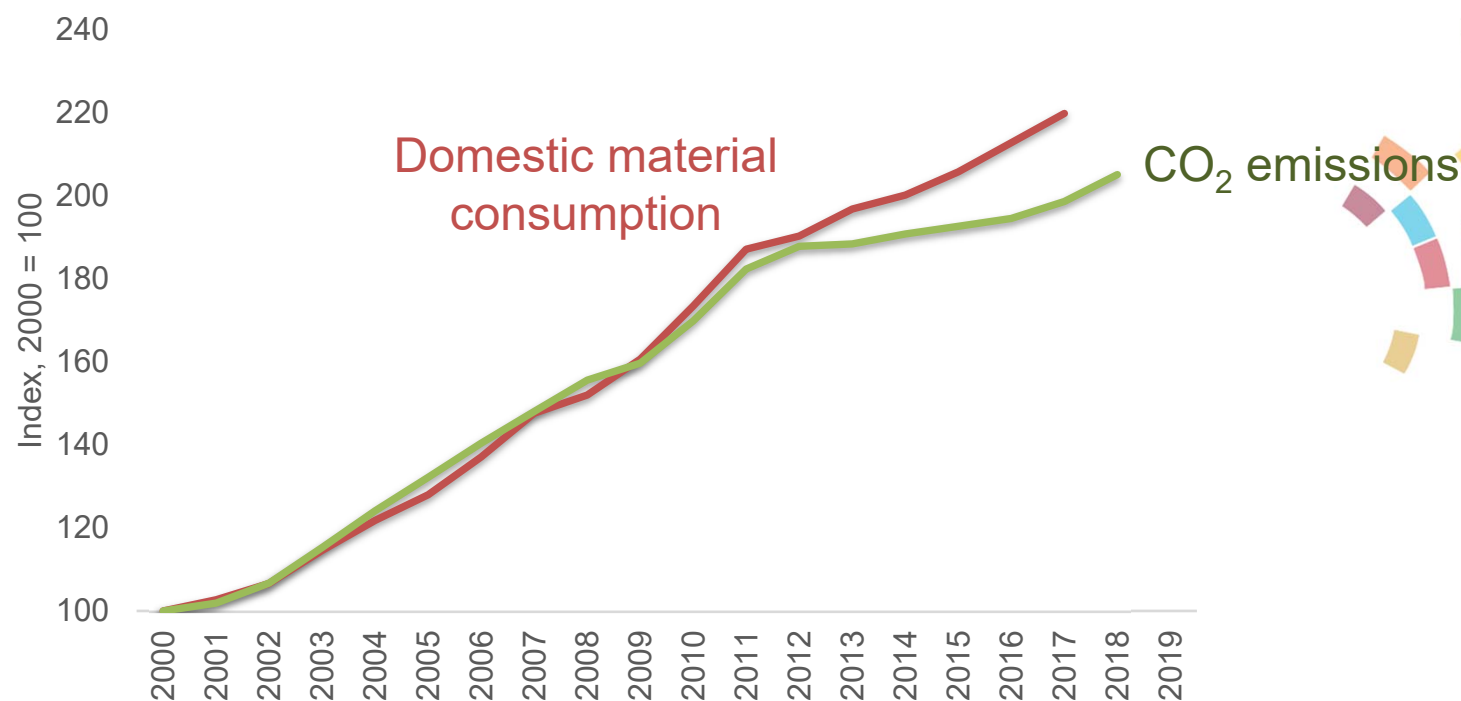


Source: WID (accessed 3 October 2019)



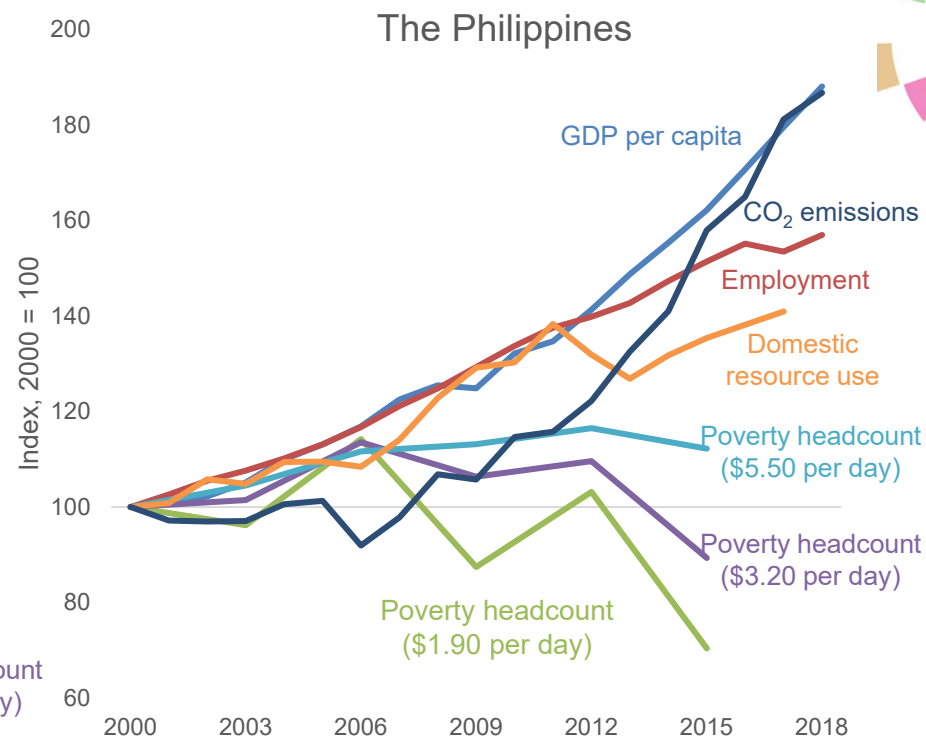
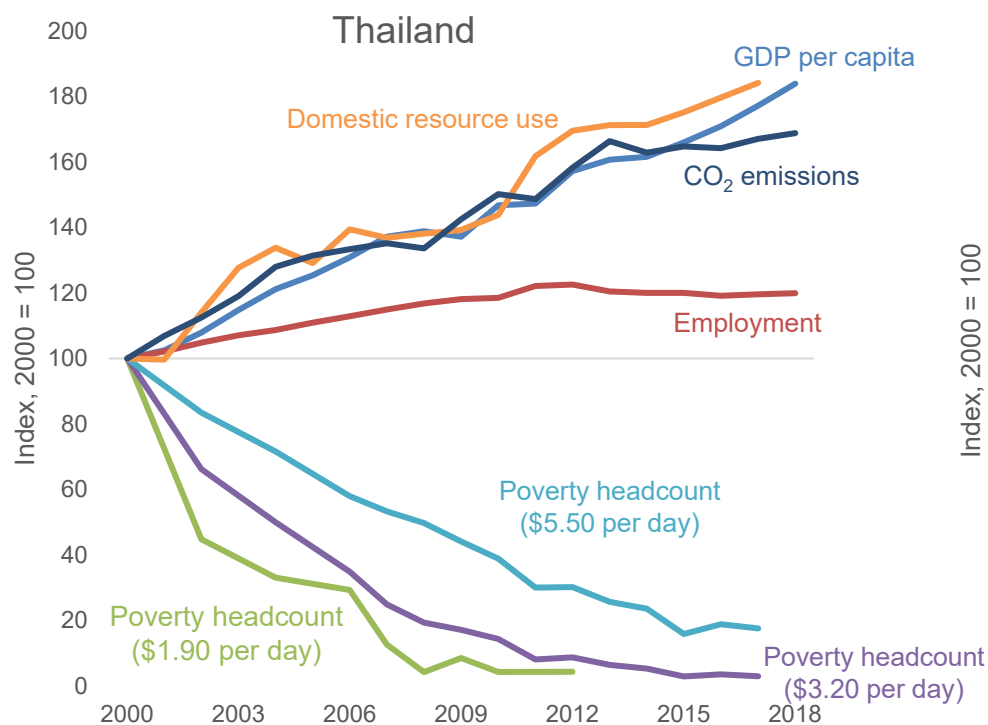
...while the costs to the **PLANET** have also been significant

Growth of resource use and CO<sub>2</sub> emissions in Asia and the Pacific, 2000-2019



Source: ESCAP data portal (accessed on 4 December 2019); ESCAP calculation based on World Bank, PovcalNet, available at <http://iresearch.worldbank.org/PovcalNet/home.aspx> (accessed on 13 February 2020); IMF, World Economic Outlook database, October 2019 (accessed on 4 December 2019); Global Carbon Atlas, available at [www.globalcarbonatlas.org/en/CO2-emissions](http://www.globalcarbonatlas.org/en/CO2-emissions) (accessed on 13 February 2020).

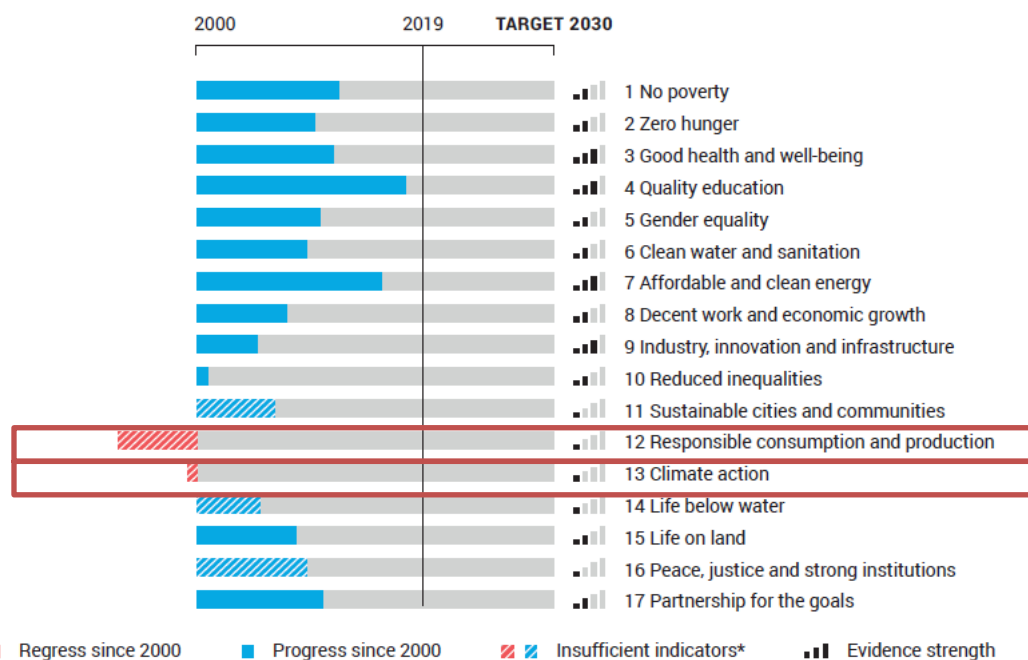
## Similar trends are observed in South-east Asian countries



Source: ESCAP data portal (accessed on 2 May 2020); ESCAP calculation based on World Bank, PovcalNet, available at <http://iresearch.worldbank.org/PovcalNet/home.aspx> (accessed on 13 February 2020); IMF, World Economic Outlook database, October 2019 (accessed on 4 December 2019); Global Carbon Atlas, available at [www.globalcarbonatlas.org/en/CO2-emissions](http://www.globalcarbonatlas.org/en/CO2-emissions) (accessed on 13 February 2020); UNEP-IRP, Global Material Flows Database (accessed 2 May 2020).

# Asia and the Pacific is off-track to achieve the 2030 Agenda, with Goal 12 regressing the most

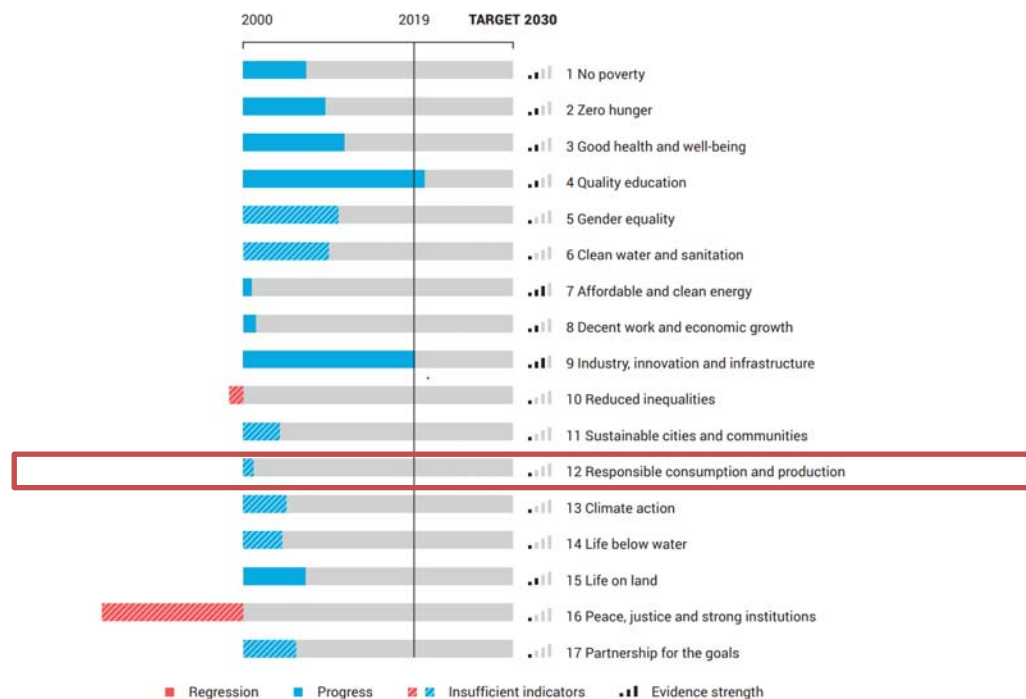
Snapshot of SDG progress in 2019: Asia-Pacific region



Source: ESCAP (2020). *Asia and the Pacific SDG Progress Report 2020*.

# Progress of Goal 12 is stagnant in South East Asia

Snapshot of SDG progress in 2019: South East Asia region



Source: ESCAP (2020). *Asia and the Pacific SDG Progress Report 2020*.

# SDG 12: Ensuring sustainable consumption and production patterns

8 Key Targets focusing on sustainable...



Resource Management



Business Practices  
& Reporting

TOURIST

Tourism



Finance



Green Public Procurement



Market Mechanism



Living

# Progress on **Goal 12** can be an effective way to accelerate progress towards the **2030 Agenda**

## Synergies between Goal 12 and other Goals

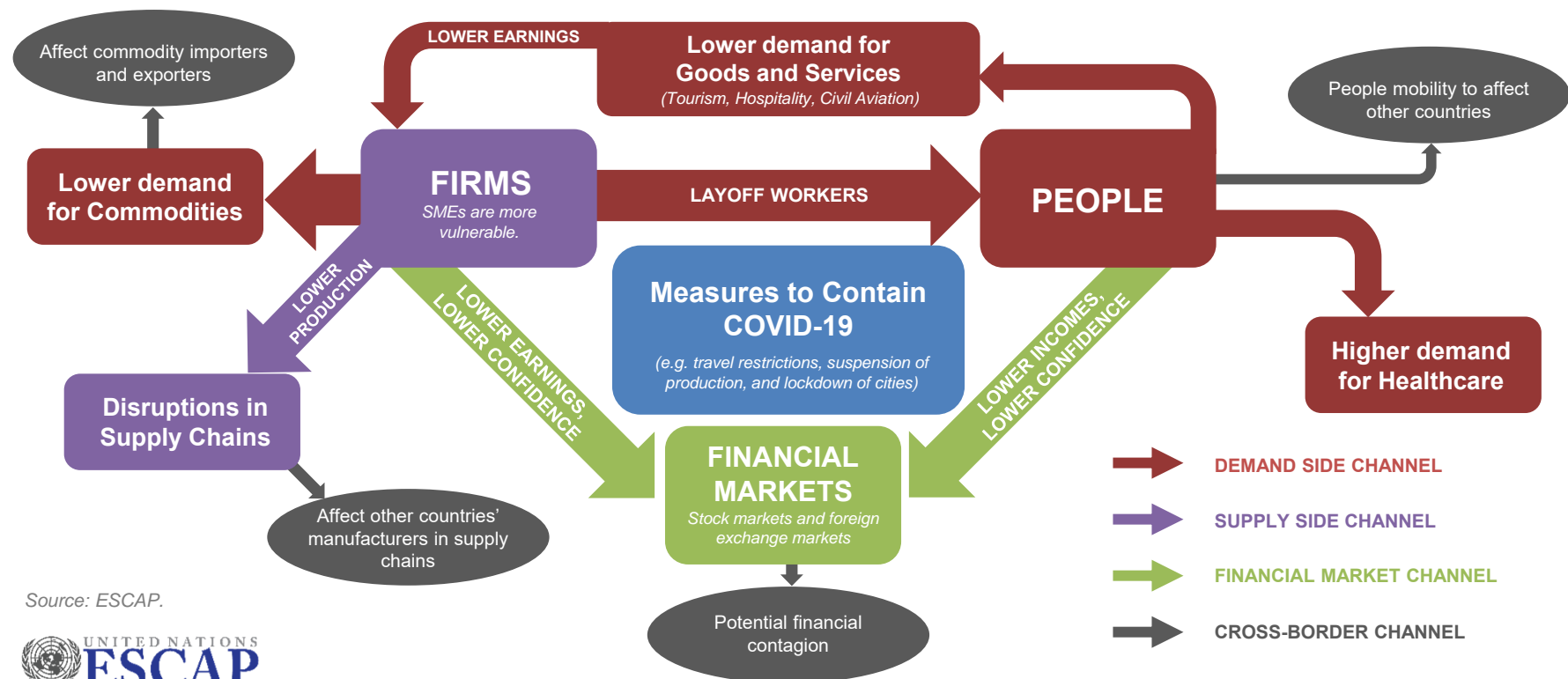


Source: One Planet Network, 2019.



# COVID-19 impact and policy response

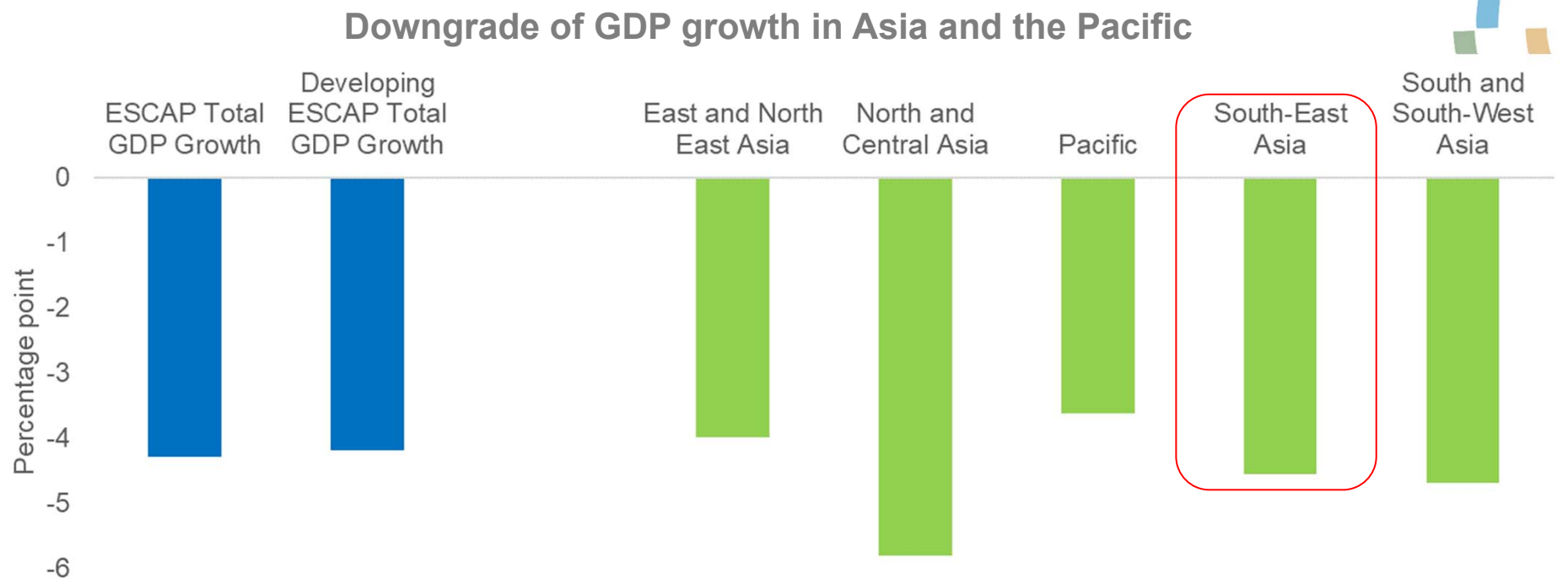
# COVID-19 pandemic has brought shocks from both of the supply and demand sides...



Source: ESCAP.



...significantly weighing on the region's economic performance...



Source: ESCAP, based on DESA's World Economic Forecasting Model (based on data and information available up to 27 April 2020).

A hand holds a brass compass in the foreground, with the needle pointing towards the top-left. The background is a dry, open landscape with sparse vegetation and a cloudy sky. A semi-transparent dark grey banner is overlaid across the middle of the image, containing the text.

**What has been done and  
can be done?**

COVID-19 Policy Responses to COVID-19 in Asia and the Pacific

## Policy Responses to COVID-19 in Asia and the Pacific

Summary of policy responses Measures to contain COVID-19 Fiscal policies Monetary policies

Select a country or territory to view more information and a link to a summary of policy responses.

[Read the related Policy Brief](#)



Asia-Pacific subregions  
 East and North-East Asia  
 North and Central Asia  
 Pacific  
 South and South-West Asia  
 South-East Asia

Note: The database will be updated regularly. If there are any errors, they will be corrected in successive version.

Source: ESCAP based on information available up to 13 May 2020 from IMF Policy Responses to COVID-19, ILO COVID-19 Country Policy Responses, OECD Country Policy Tracker, UNESCO COVID-19 Impact on Education, Oxford COVID-19 Government Response Tracker, and various national sources and news.

Disclaimer: The designations employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

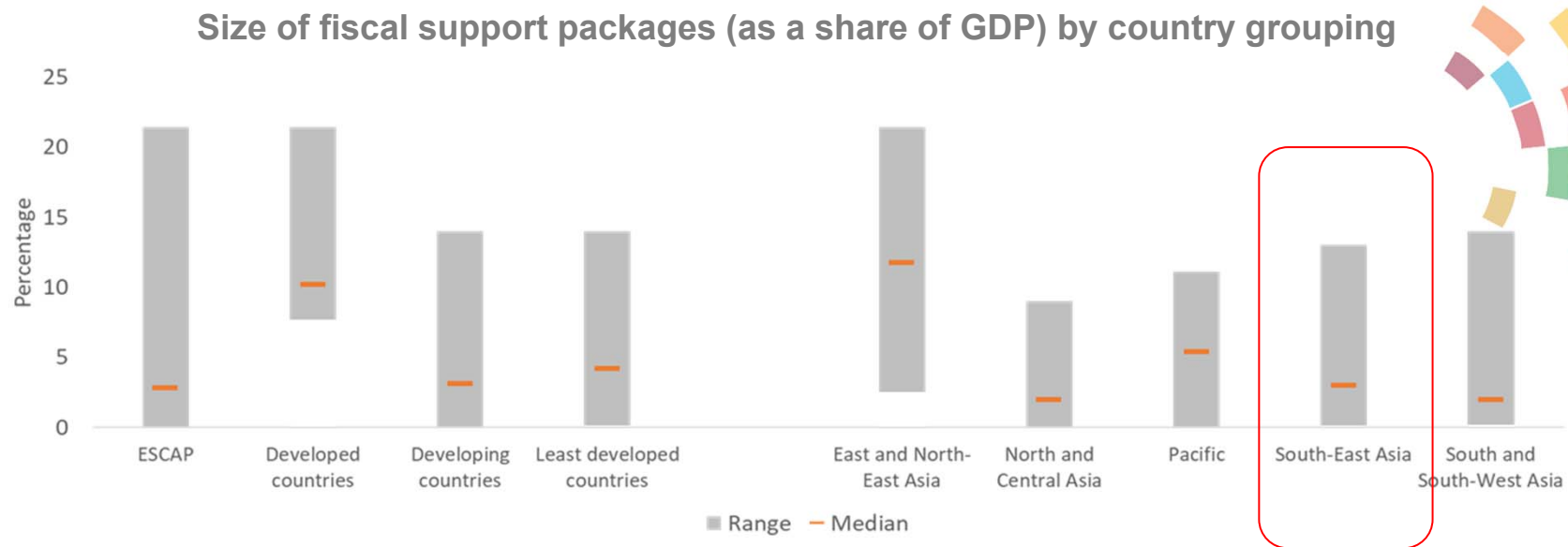


### Combating COVID-19 in Asia and the Pacific: Measures, Lessons and the Way Forward

By Zhenqian Huang and Sweta C. Saxena

# Policy responses to COVID-19 need to prioritize people over economic recovery

**Fiscal policies:** Large and targeted fiscal measures to contain and respond to COVID-19, and to ease the shock to jobs and guarantee minimum living standards



Source: ESCAP, based on information available up to 1 May 2020 from IMF Policy Responses to COVID-19, ILO COVID-19 Country Policy Responses, OECD Country Policy Tracker, and various national sources.

Note: If a country announced a fiscal stimulus package but did not reveal its size, then it is not included in calculating the range and the median.

# Policy responses to COVID-19 need to prioritize people over economic recovery

**Fiscal policies:** Large and targeted fiscal measures to contain and respond to COVID-19, and to ease the shock to jobs and guarantee minimum living standards



- USD 11.6bn emergency support for vulnerable groups including:
  - Cash support for 18 million poor households
  - Unemployment benefits
  - Wage subsidies for SME employees affected by quarantine
- USD 1.2bn health care and medical response for COVID-19



- USD 324 mn affordable food program
- USD 104 mn housing subsidies
- USD 230 mn tax relief for hoteliers and restaurants
- CIT rate cut by 30%
- Credit Restructuring and financing for SMEs

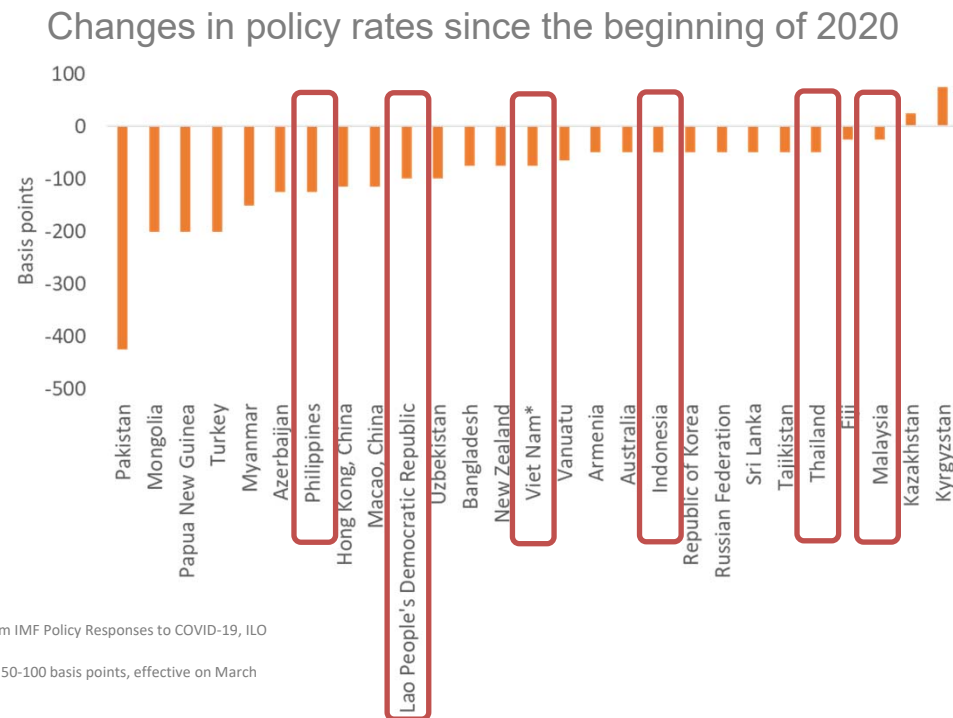


- USD 19 bn, cash handouts for 6 months to temporary workers, contract workers, and self-employed persons
- Cash handout for 3 months to 3 million workers not covered by social security
- Reduction/deferral on rental, fee, service charge payment to gov & SOEs

Source: ESCAP, based on information available up to 14 May 2020 from IMF Policy Responses to COVID-19, ILO COVID-19 Country Policy Responses, OECD Country Policy Tracker, and various national sources.

# Policy responses to COVID-19 need to prioritize people over economic recovery

**Monetary policies:** Targeted monetary easing to ensure overall financial sector health and support SMEs



Source: ESCAP, based on information available up to 1 May 2020 from IMF Policy Responses to COVID-19, ILO COVID-19 Country Policy Responses, and various national sources.

Note: \*For Viet Nam, its Central Bank cut benchmark policy rates by 50-100 basis points, effective on March 17. In the figure, the average policy rate cut is illustrated.

# Policy responses to COVID-19 need to prioritize people over economic recovery

**Fiscal policies:** Large and targeted fiscal measures to contain and respond to COVID-19, and to ease the shock to jobs and guarantee minimum living standards

**Monetary policies:** Targeted monetary easing to ensure overall financial sector health and support SMEs



- Stacked policy rate cuts accumulating 125 bps to a rate of 2.75%
- BSP purchases of Government securities
- One-month grace period on private and commercial rent, loans
- Regulatory reliefs to inject liquidity



- Stacked policy rate cuts of 50 bps to 4.5%
- Lowering reserve requirement ratios for banks
- Introduction of daily repo auctions
- Increase in the frequency of FX swap auctions for 1,3,6 and 12 months tenors from 3 times per week to daily



- Stacked policy rate cuts of 50 bps to 0.75%
- Reduction of contribution from financial institutions to the Financial Institutions Development Fund (FIDF) from 0.46 to 0.23 per cent
- Funding for commercial banks to provide low-interest loans to SMEs
- Setting up Corporate Bond Liquidity Stabilization Fund for corporate bond market investments

Source: ESCAP, based on information available up to 13 May 2020 from IMF Policy Responses to COVID-19, ILO COVID-19 Country Policy Responses, and various national sources.



# Policy responses to COVID-19 need to prioritize **people over economic recovery**

## Fiscal policies

- Large and targeted fiscal measures to contain and respond to COVID-19... and to ease the shock to jobs and guarantee minimum living standards

## Monetary policies


- Targeted monetary easing to ensure overall financial sector health and support SMEs

## Regional cooperation

- Coordinate debt relief or deferral of debt payments
- Coordinate capital flows, e.g. through establishing currency swap lines

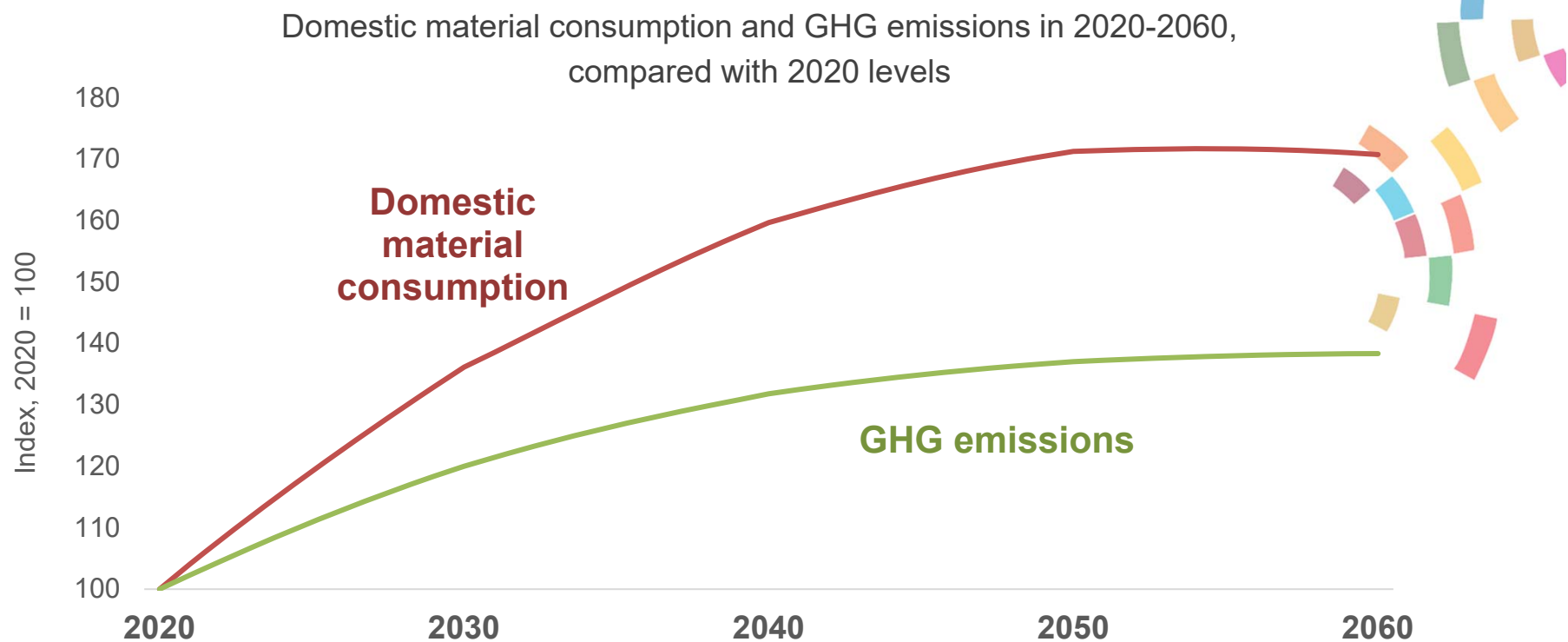
Multilateral swap agreement between ASEAN countries, China, Japan and Republic of Korea (Chiang Mai Initiative Multilateralization)



The background of the slide features a blurred image of hands interacting with wooden blocks. Overlaid on this are various white line-art icons representing economic concepts: a coin with the number '1', a calculator, a lightbulb, a target with an arrow, a percentage sign, a globe, a dollar sign, a magnifying glass, a line graph with an upward arrow, a pie chart, a wrench and screwdriver, a Euro symbol, and three stacks of coins with upward arrows. A faint, semi-transparent word 'Sustainable' is also visible in the background.

**Current economic slowdown should not deter  
policy actions to facilitate transition towards  
sustainable consumption and production**

## Business-as-usual cannot continue in the face of climate emergency...



Source: ESCAP, ESCAP, based on methodology in UNEP International Resource Panel's *Global Resource Outlook 2019*.

... which requires collective actions by all stakeholders

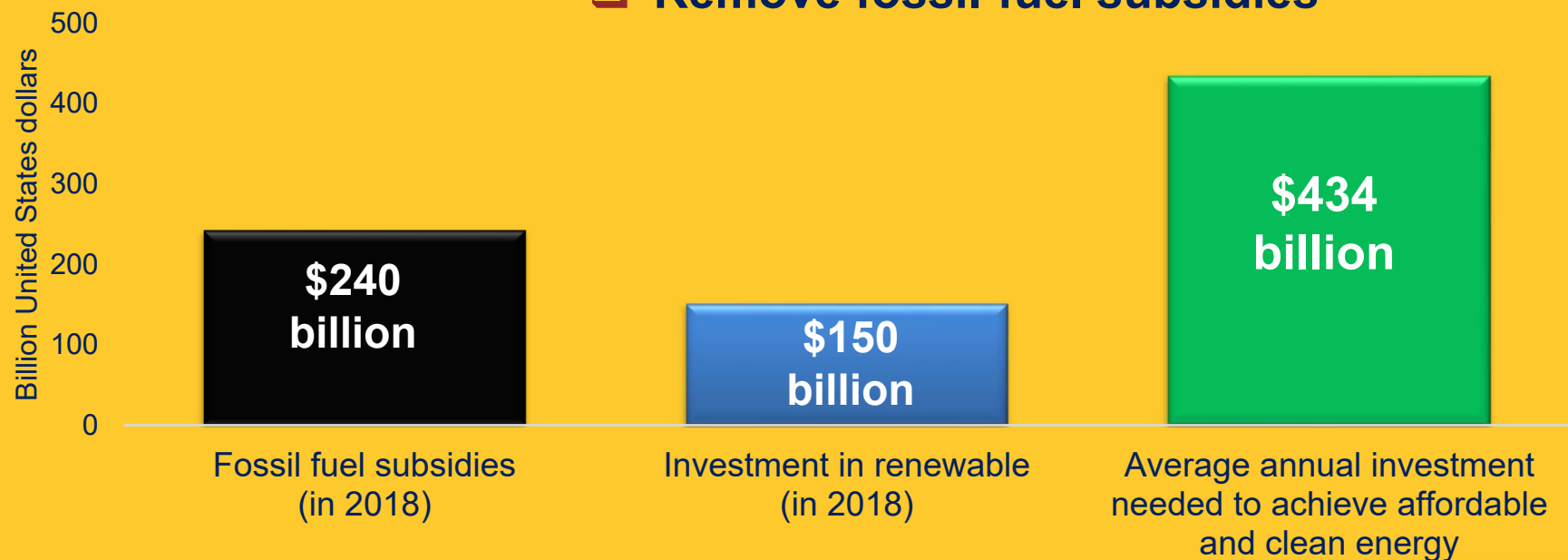


## Local action



**Governments** should embed sustainability in policymaking and decarbonize their economies

 **Remove fossil-fuel subsidies**



Source: ESCAP (2020 and 2019), IMF (2019)

Note: Fossil-fuel subsidies are only post-tax. All pre-tax subsidies according to the definition of the IWF have been discontinued.

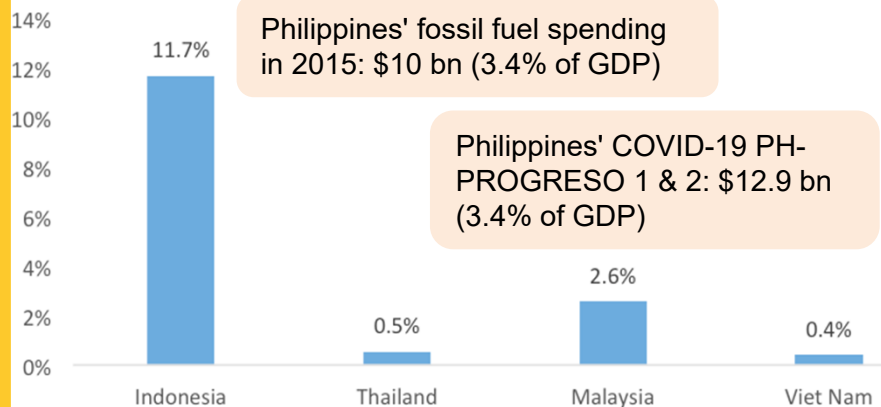
## Local action



**Governments should embed sustainability in policymaking and decarbonize their economies**

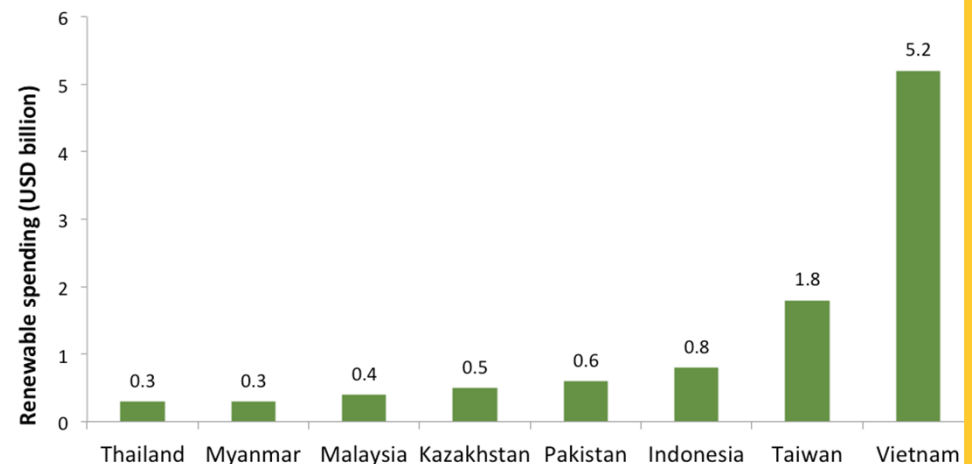
**Remove fossil-fuel subsidies**

Share of Government revenue spent on Fossil Fuel subsidies (2018-2019)



Source: ESCAP (2020 and 2019), IMF (2019), IEA (2020), the Philippines' socio-economic Covid-19 strategy

Top 8 Asian countries in terms of renewable energy capacity investment in 2018, excluding China and India



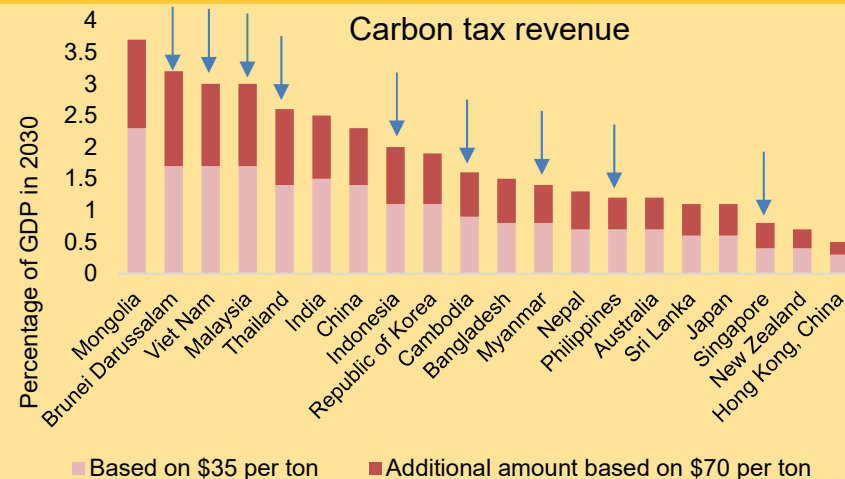
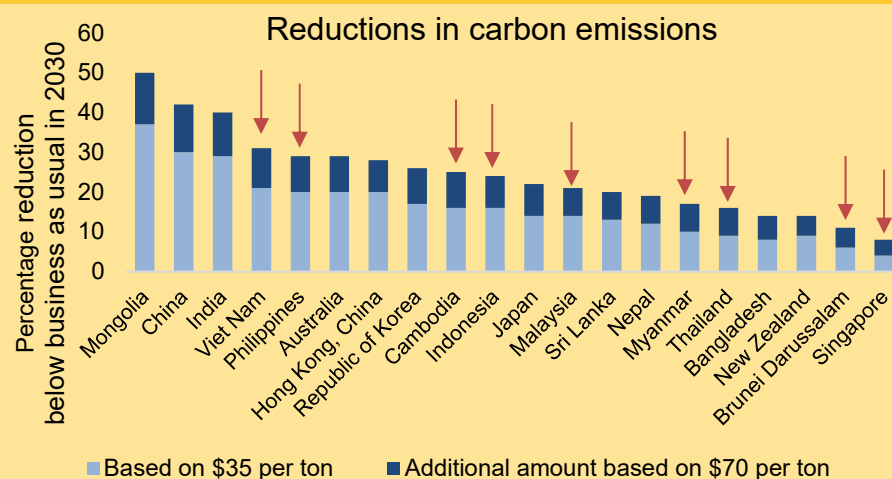
Source: UN Environment, Frankfurt School-UNEP Centre, BloombergNEF (2019)

# Local action



**Governments should embed sustainability in policymaking and decarbonize their economies**

- ❑ Remove fossil-fuel subsidies
- ❑ Adopt carbon pricing



Source: ESCAP, based on IMF (2019g)

# Examples of decarbonisation efforts in ASEAN



- Energy subsidies reform: reducing subsidies from 3.3 percent of GDP on average from 2012-2014, to an average of 0.9 percent of GDP from 2015-2018



- A direct carbon tax has not been implemented in the Philippines yet and plans for doing so have been discontinued
- 2017 tax reform: Introduction of excise taxes on carbon intensive products (petroleum, cars, coal)
- Converting these taxes into carbon taxes leads to carbon prices between US\$ 1.60 for coal and US\$ 90 for gasoline



- Introduced carbon tax of \$5/tCO<sub>2</sub>e from 2019 to 2023
- Plans to review carbon tax rate and increase it to between \$10 and \$15/tCO<sub>2</sub>e by 2030.



- Considering to implement a National Emissions Trading System (ETS)
- Pilot project: Voluntary Emissions Trading Scheme (Thailand V-ETS)

## Local action



The Bank of Thailand and Bank Negara Malaysia are members of NGFS.

The Bangko Sentral ng Pilipinas and Bank of Indonesia are not a member of NGFS.

### Financial Incentives

- Specific lending terms for green projects
- Credit enhancements and government guarantees
- Tax breaks

### Regulatory Incentives





- Supporting sustainability reporting, disclosure and transition through TCFD and NGFS










**Governments should embed sustainability in policymaking and decarbonize their economies**

- ❑ Remove fossil-fuel subsidies
- ❑ Adopt carbon pricing
- ❑ Green the financial systems





				
<b>Sustainability-related guidelines</b>	<ul style="list-style-type: none"> <li>• Stock Exchange of Thailand(SET) <ul style="list-style-type: none"> <li>- 2010: Sustainable reporting guidelines</li> <li>- 2012: Principles of Good Governance</li> <li>- 2017: Corporate Governance Code</li> </ul> </li> <li>• Thai Bankers' Association(TBA) and Bank of Thailand(BOT) <ul style="list-style-type: none"> <li>- 2019: Sustainable Banking Guidelines-Responsible Lending</li> </ul> </li> </ul>	<p>BSP announced its sustainable finance framework, circular #1085 on <b>April 29, 20</b></p>	<ul style="list-style-type: none"> <li>• Securities Commission Malaysia(SC) <ul style="list-style-type: none"> <li>- 2014:Sustainable and Responsible Investment Sukuk Framework</li> </ul> </li> <li>• Bursa Malaysia Securities Berhad <ul style="list-style-type: none"> <li>- 2015: Sustainability Reporting Guide</li> </ul> </li> <li>• Bank Negara Malaysia (BNM) <ul style="list-style-type: none"> <li>- 2019: Value-based Intermediation Financing and Investment Impact Assessment Framework for Islamic banking</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Financial Services Authority of Indonesia <ul style="list-style-type: none"> <li>- 2017: Issuance of specific regulation on sustainable finance – POJK 60 and guidelines on green bonds, sustainable banking and blended finance schemes</li> </ul> </li> </ul>

				
<b>Partnership with IFC</b>	<ul style="list-style-type: none"> <li>• TBA and IFC on SBN (since 2012)</li> <li>• MOU between IFC and BOT to accelerate sustainable financing in Thailand (2019)</li> </ul>	<ul style="list-style-type: none"> <li>• Bangko Sentral ng Pilipinas and IFC on SBN (since 2013)</li> <li>• Department of Environment and Natural Resources of the Philippines (DEPN) on SBN (since 2013)</li> </ul>		<ul style="list-style-type: none"> <li>• OJK and IFC partner via the SBN (since 2012). Important project: -Sustainable Finance Case Study</li> </ul>
<b>Capacity building and knowledge-sharing platforms</b>	 			
				

# Green Bond market and related regulatory actions



- The national Securities and Exchange Commission has issued green bond standards in line with ASEAN guidelines in August 2018
- 2019: ESG bonds totaled US\$ 1.2 billion and are expected to reach US\$ 2 billion in 2020
- 2016: 1st green bond in the Philippines was issued by Aboitiz Power Cooperation
- The 2nd bond in the Philippines BDO Unibank launched a US\$ 150 million green bond backed by the IFC
  - This bond has financed exclusively renewable energy generation, saving over 270,000 tons of CO<sub>2</sub> per year

## Sustainable Finance Framework

- Approved by the Bangko Sentral Ng Pilipinas in 2020, recognizing the societal, financial and economic impacts of climate-related risks
- The framework includes E&S requirements for banks in several key areas like: Disclosure, Internal Audit, Risk Management and overall actions taken by senior management and board of directors

Source: IFC (2019), citi (2019)

... which requires collective actions by all stakeholders



# Businesses should internalize the externalities of their business operations



## People action

- ❑ Incorporate ESG considerations in making decisions



### Environment

- Water and pollution
- Resource depletion
- Greenhouse gas emission
- Deforestation
- Climate change



### Social

- Employee relations and diversity
- Working conditions, including child labour and slavery
- Local communities; seek explicitly to fund projects or institutions that will serve poor and underserved communities globally
- Health and safety
- Conflict



### Governance

- Tax strategy
- Executive remuneration
- Donations and political lobbying
- Corruption and bribery
- Board diversity and structure

## Businesses should internalize the externalities of their business operations



## People action

- ❑ Incorporate ESG considerations in making decisions



Guidelines to integrate ESG into business functions  
Participation in PRI in Asia-Pacific is only

**15%**

**Singapore: 31**

**Thailand: 10**

**Malaysia: 9**

**Indonesia: 5**

**Vietnam: 1**

None in other  
ASEAN countries

## Businesses should internalize the externalities of their business operations



## People action

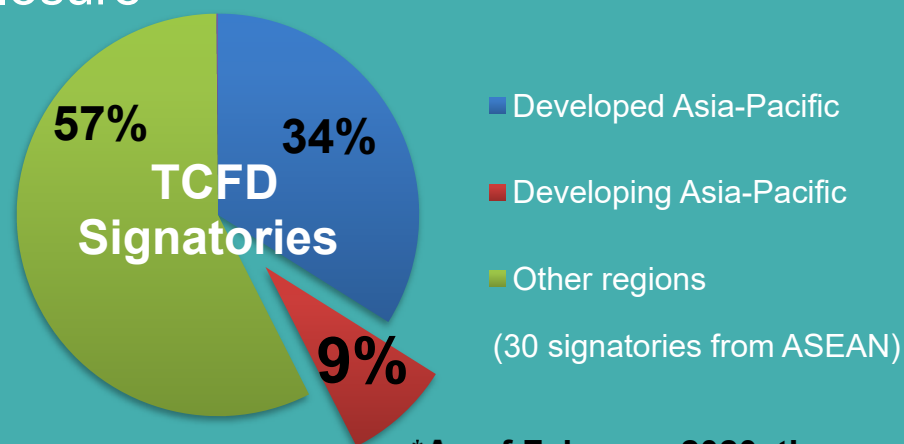
- ❑ Incorporate ESG considerations in making decisions and enhance climate risk-related disclosure



The first Philippine business signed TCFD in February 2020

Bursa Malaysia and the Securities Commission Malaysia are the only TCFD signatories from Malaysia.

Even though no Thai companies are TCFD signatories, Thailand has been listed as a regional leader in ESG reporting. Since 2015, Thai companies have been evaluated using the Thailand Sustainability Index (THIS).



**\*As of February 2020, there are over 1027 TCFD supporters.**



## Businesses should internalize the externalities of their business operations

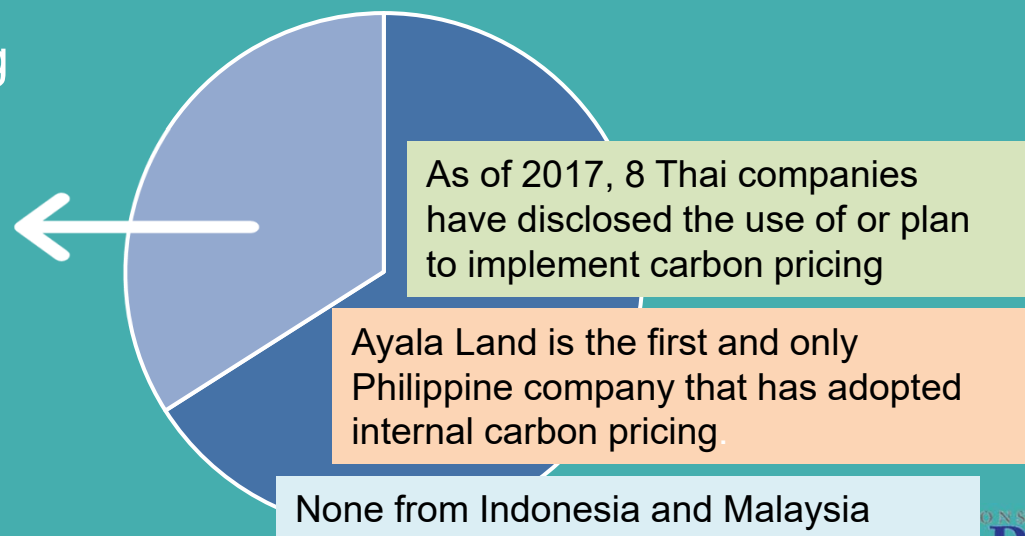
- ❑ Incorporate ESG considerations in making decisions and enhance climate risk-related disclosure
- ❑ Adopt internal carbon pricing

**About 35%**

of companies that have disclosed the use of or plan to implement carbon pricing are in Asia-Pacific



## People action





# Internal Carbon Pricing



Thai Companies	Price (US\$)
PTT	18.70
PTT Exploration & Production Public Company Ltd.	Undisclosed
Delta Electronics (Thailand) PCL.	Undisclosed
Indorama Ventures PCL	15.00
True Corporation	Undisclosed
Philippine Company	Price (US\$)
Ayala Land Inc	Undisclosed

## **Businesses should internalize the externalities of their business operations**



**People  
action**

- ❑ Incorporate ESG considerations in making decisions and enhance climate risk-related disclosure
- ❑ Adopt internal carbon pricing

**...to give the eco-conscious investors  
such information to make decisions**

... which requires collective actions by all stakeholders



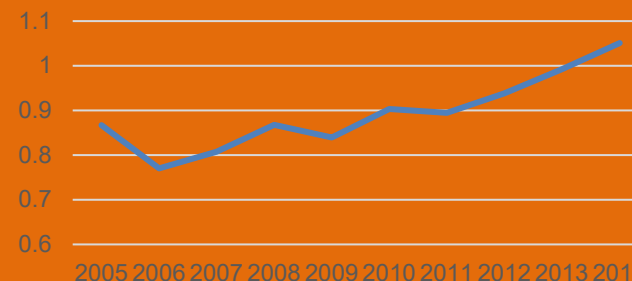
# Consumers need to move towards sustainable lifestyles



## People action

	✓	✗
 <b>FOOD</b>	Plant-based diet and eating what you need	Animal-based diet and food waste
 <b>TRANSPORTATION</b>	Biking, ride-sharing and commuting on public transportation	Driving and excessive air travel
 <b>HOUSING</b>	Using energy-efficient appliances and reducing energy usage	Using energy-intensive appliances and consuming excessive energy
 <b>CLOTHING</b>	Reusing clothes and buying only what you need	Buying single-use clothes and discarding clothes that are in good condition

CO<sub>2</sub> Emissions (metric tons per capita)



Metro Manila is the most congested city in developing Asia (out of 279 cities).

Source: World Bank Group, ADB (2019)

# Consumers need to move towards sustainable lifestyles



People  
action

		
 <b>FOOD</b>	Plant-based diet and eating what you need	Animal-based diet and food waste
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- Launch of IFC's green innovative green-building certification program, EDGE, in Indonesia in 2015
- IFC and the Green Building Council Indonesia aim to certify at least 20% of new construction projects by 2021, helping to cut annual greenhouse emissions by 1.2 million metric tons—the equivalent of taking almost 257,000 cars off the road.

Source: IFC (2018)

# Consumers need to move towards sustainable lifestyles



## People action

		
 <b>FOOD</b>	Plant-based diet and eating what you need	Animal-based diet and food waste
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- Founded in 2010, the Philippines Green Building Initiative developed a building rating system, grEEEn, as a collection of documents and tools to develop green building goals
- The Philippines Green Building Initiative is one of three IFC's EDGE certifiers in the Philippines

Source: IFC (2018)



## CLIMATE CHANGE RESILIENT PILOT HOUSE

### GREEN KAMAGONG AWARD



Annual Energy Use Savings	53 to 92%
Renewable Energy Use	16.58%
Energy Utilization Index (EUI) in kWh/Sq M/Year	≤ 10.6
Annual Greenhouse Gas Emissions Reduced (in CO2)	≥0.48 tCo2/Yr
Site Utilization & Environmental Response	Sustainable
Material Use and Sourcing	Low Impact
Solid Waste Collection & Segregation	Practiced
Annual Water Use Savings	≥23%
Passive Design (Daylighting & Natural Ventilation)	Excellent
Thermal Comfort	Acceptable
Indoor Air Quality	Acceptable
GREEN Construction & Building Operations	Practiced & Documented
Climate Change Resiliency	Prepared



# People action



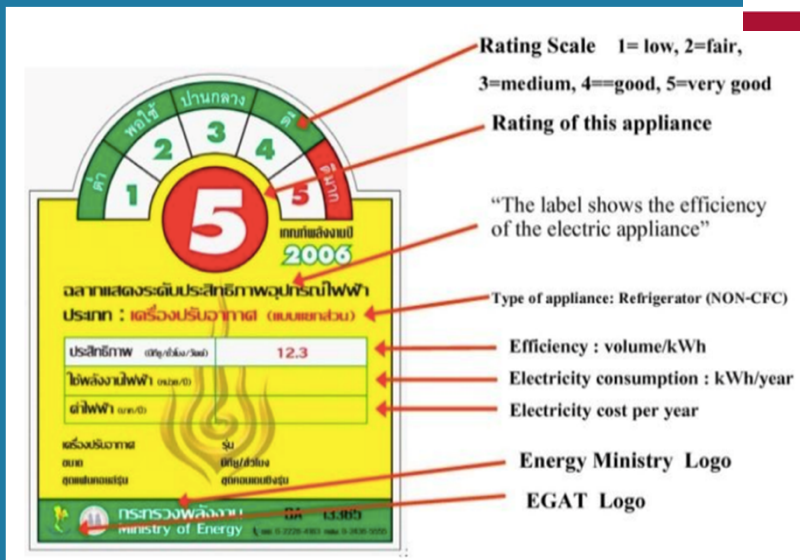
PHILIPPINE  
GREEN  
BUILDING  
INITIATIVE



Source: Green Building Initiative (2015)

# Governments and businesses can help consumers move towards sustainable lifestyles through:

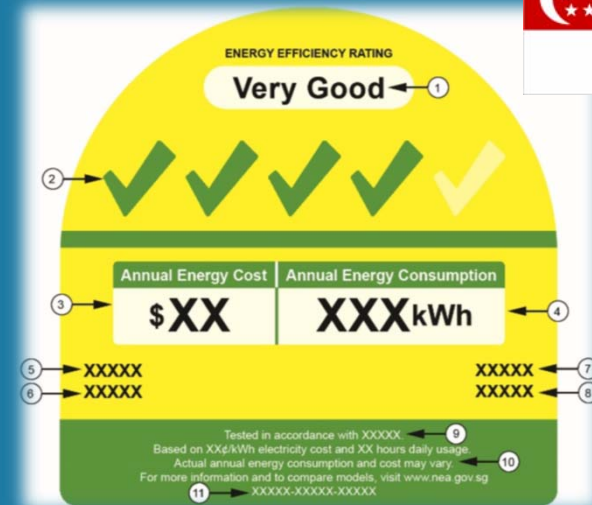
## ❑ Nudging



Thailand  
EGAT Energy  
consumption  
Rating scale



## People action



Mandatory energy labels on  
electric appliances in Singapore



**Governments and businesses can help consumers move towards sustainable lifestyles through:**

- ❑ Nudging
- ❑ Incentivizing the sharing of idle and underutilized resources



**People action**



... which requires collective actions by all stakeholders



**Global  
action**



**Cross-border cooperation in the region is crucial to prevent inaction and raise ambitions**

❑ **Establish cooperation on regional climate-related policies**

- Harmonize climate-related standards among countries
- Cooperate on climate-risk management

# Global action



## Cross-border cooperation in the region is crucial to prevent inaction and raise ambitions

- ❑ Establish cooperation on regional climate-related policies
- ❑ Move towards decarbonization
  - Develop regional carbon markets
  - Scale up renewable and hydro transboundary power trade, where geographically feasible

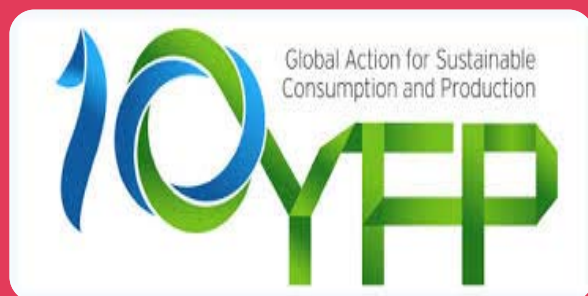
Example: Mongolia aims to leverage its wind power resources to become a renewable energy exporter and build transmission networks across its borders.

ASEAN Examples: ASEAN Power Grid (APG), Partnership between the Lao PDR and Thailand on the Xayaburi Hydroelectric Power Project

# Global action



## Cross-border cooperation in the region is crucial to prevent inaction and raise ambitions



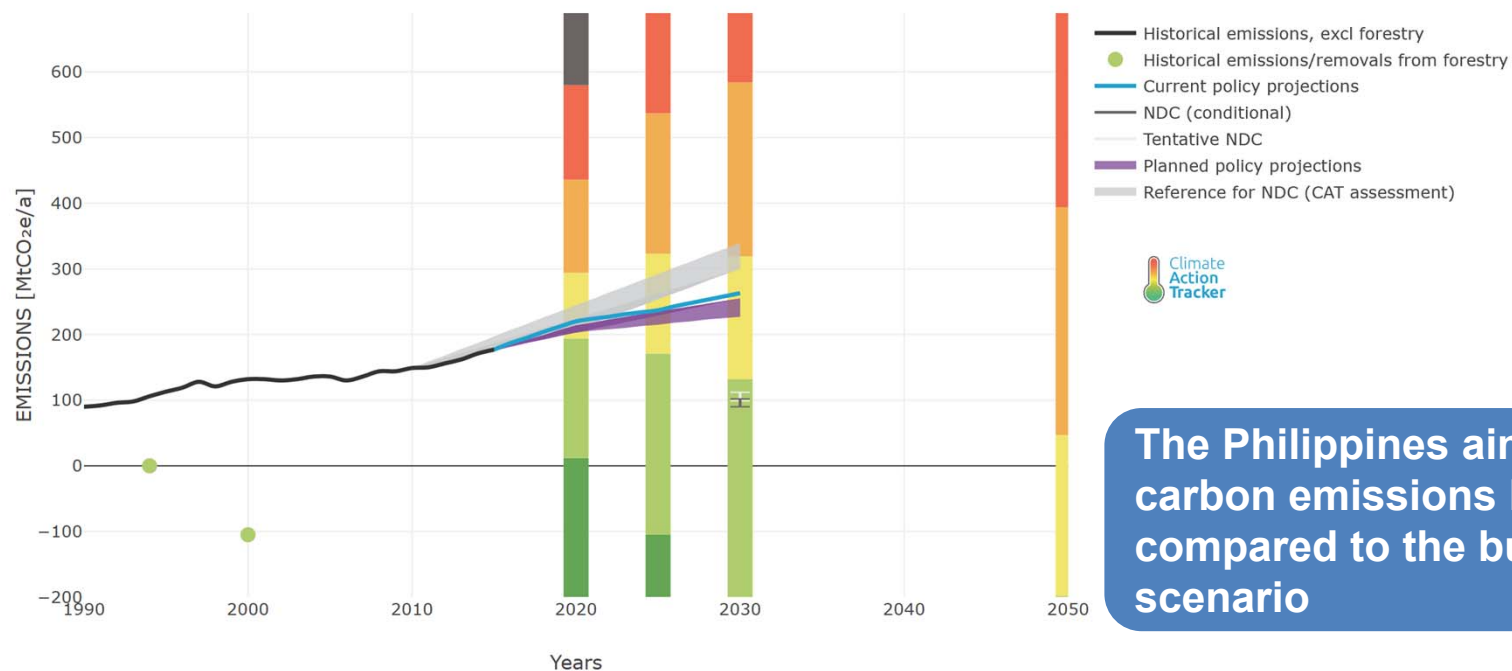
- ❑ Establish cooperation on regional climate-related policies
- ❑ Move towards decarbonization
- ❑ Implement 10-Year Framework of Programmes on SCP



- 3 core areas: Clean Energy, Green Procurement and Eco-Labeling and Cross Cutting SCP matters with focus on Clean Air legislation
- Establishment and implementation of green public procurement in Quezon City

Source: giz

## NDC Progress for the Philippines is rated insufficient to reach the 1.5°C Paris Agreement limit



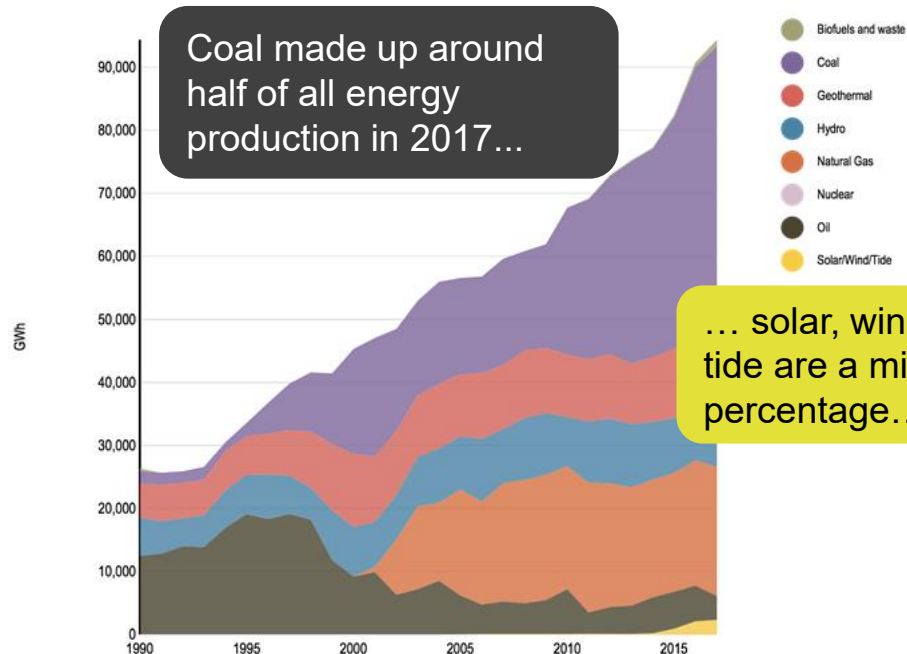
The Philippines aim to reduce carbon emissions by 70% in 2030 compared to the business as usual scenario

Source: climateactiontracker.com

# Energy mix is dominated by fossil fuels, and the share of renewable energy has decreased by half

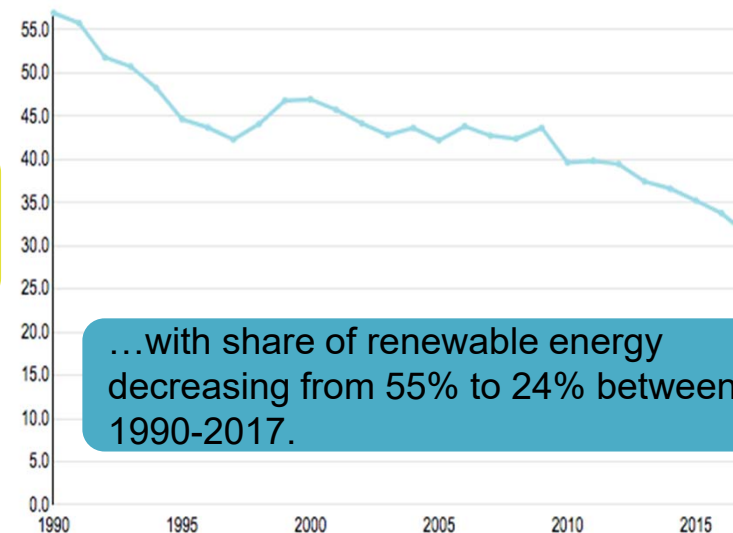


Electricity Production by Product in Philippines, 1990-2017



Data Source: International Energy Agency (IEA), World Energy Statistics and Balances  
Chart generated from Asia Pacific Energy Portal ([asiapacificenergy.org](http://asiapacificenergy.org))

Renewables Percentage of TPES in Philippines, 1990-2017  
% of TPES



Data Source : ESCAP based on data from the International Energy Agency (IEA)

... which requires collective actions by all stakeholders





# SDGs and localization in Public Development Plan: Recommendations for Climate Change Commission



## Local action



### Local - Government

- Reduce fossil fuel subsidies (throughout the supply chain) while implementing policies that are needed for a just transition
- Establish a National ETS and adopt carbon pricing
- Increase the share of renewable energies and prevent further coal gains
- Foster an enabling environment for green investments and efficiently implement the Sustainable Finance Framework into practice

## People action



### People – Businesses

- Engage businesses in ESG disclosures
- Encourage businesses to adopt internal carbon pricing and participate in UNPRI, TCFD. Lead and inspire by joining the NGFS
- Work with BSP in establishing targets for sustainability, internal carbon pricing, full value chain emissions calculations

# Recommendations



## People action



### People – Consumers

- Widen green public procurement to public infrastructure development
- Adopt the use of behavioral nudges to encourage sustainable behaviors
- Promote energy rating systems and green building codes
- Mainstream eco-labeling in all consumer goods

## Global action



### Global – Cross-border action

- Establish regional carbon market
- Increase cooperation on carbon pricing and green standards, export eco-labeling knowledge for harmonization across countries
- Harmonize plans on climate actions with international proposals and enable knowledge transfer

# Takeaway messages

- COVID-19 pandemic can become a catalyst to change the development approach that prioritizes people and the planet in the Philippines...  
...which is critical as the region is facing a climate emergency
- All stakeholders must act collectively at local, people and global levels:
  - Governments should prioritize sustainability and decarbonize their economies (local action);
  - Businesses should internalize the externalities of their business conducts and consumers should be more mindful of their lifestyles (people action); and
  - Countries should enhance global and regional cooperation towards more ambitious solutions (global action).



# Economic and Social Survey of Asia and the Pacific 2020

**Towards sustainable  
economies**

Please visit

<https://www.unescap.org/publications/economic-and-social-survey-asia-and-pacific-2020>



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