

**FIFTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session**

HOUSE OF REPRESENTATIVES

H.B. No. 3528

Introduced by Representative Lorenzo R. Tañada III

EXPLANATORY NOTE

The scientific community has overwhelmingly concluded that climate change poses grave risks to the long-term well-being of developing countries such as the Philippines. Today, it is a recognized fact that the impacts of the climate crisis will fall disproportionately on peoples that have contributed least to the global menace.

The Philippines is particularly vulnerable to climate change not just because of its distinct national circumstances but because of the disorder by which the country has largely responded to the climate crisis. For this reason, Congress enacted R.A. 9729, otherwise known as the "Climate Change Act of 2009", to enable government to consolidate and coordinate its efforts and to mobilize different sectors of society to confront the growing risks posed by climate change. Among other provisions, the law established the Climate Change Commission to lead the country's response to the increasing severity and frequency of impacts due to warming temperatures worldwide.

It is not enough, however, to name the problem or create a body that can coordinate the country's plan of action with respect to the climate crisis. To accomplish the objectives of the law, long-term, predictable and transparent sources of finance need to be established, based on nationally accepted fiduciary standards yet accessible to communities most vulnerable to climatic impacts. Unclear provisions in the law also need to be re-formulated to ensure that the Commission plays the coordinative, capacity-building leadership role envisioned by R.A. 9729, particularly with regard to harnessing government and non-government expertise, leveraging and managing climate change-related finance, and directing urgently needed monies towards adaptation programs that can make local governments and communities more resilient in the face of the climate crisis.

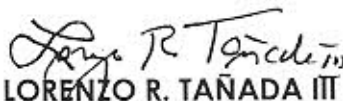
At present, more funds have come into the country for mitigation efforts, instead of adaptation programs and projects. Worse, finance for adaptation activities have come in the form of loans. Consistent with the position

championed by the Philippines abroad, which calls for climate finance to be channeled towards vulnerable countries and communities not as charity or aid but as compensation, arresting the governance chaos prevailing over the administration of climate finance that has already entered national coffers is urgent. National priorities must be reflected coherently and consistently in terms of the scale, sources and uses of finance leveraged from abroad and mobilized domestically.

In full support of the country's commitment to defend the interests of vulnerable peoples from the ravages of climate change, this legislative initiative seeks to establish the People's Survival Fund to directly support the adaptation action plans of local government units and communities. The Fund shall be taken from different sources including but not limited to the following: (a) part of the cash dividends declared by all Government-Owned and Controlled Corporations; (b) a portion of the Certified Emission Reduction units earned under the UN-instituted Clean Development Mechanism and other domestic transactions utilizing the international carbon market; and (c) a portion of the Motor Vehicle User's Charge. The Fund shall be used to support different programs and projects for climate change adaptation as stated in our national goals, in keeping with nationally accepted public accountability standards.

The establishment of the Fund, the creation of the People's Survival Fund Board for its administration and institutional measures, and the other amendments to R.A. 9729, are geared towards the observance of necessary coordination and collaboration that harnesses the immense expertise inherent in other government agencies and which will provide offices, particularly local government units and communities, with the policy framework most relevant to efforts to address climate change. All resources and power borne out of such duties, therefore, is expected to be utilized in the most efficient, effective and transparent manner in keeping with public interest.

In view of the foregoing, early approval of this bill is earnestly sought.


LORENZO R. TAÑADA III
Representative
4th District, Quezon

House of Representatives

H. B. No. 3528

Introduced by Representative Lorenzo R. Tañada III

AN ACT

ESTABLISHING THE PEOPLE'S SURVIVAL FUND TO PROVIDE LONG-TERM FINANCE STREAMS TO ENABLE THE GOVERNMENT TO EFFECTIVELY ADDRESS THE PROBLEM OF CLIMATE CHANGE, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 9729, OTHERWISE KNOWN AS "THE CLIMATE CHANGE ACT OF 2009", AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 2 of Republic Act No. 9729 otherwise known as the "Climate Change Act of 2009", is hereby amended to read as follows:

"TITLE I

PRELIMINARY PROVISIONS

"SEC. 2. *Declaration of Policy.* – It is the policy of the State to afford full protection and the advancement of the right of the people to a healthful ecology in accord with the rhythm and harmony of nature. In this light, the State has adopted the Philippine Agenda 21 framework which espouses sustainable development, to fulfill human needs while maintaining the quality of the natural environment for current and future generations.

"Towards this end, the State adopts the principle of protecting the climate system for the benefit of humankind, on the basis of climate justice or common but differentiated responsibilities and the Precautionary Principle to guide decision-making in climate risk management. As a party to the United Nations Framework Convention on Climate Change, the State adopts the ultimate objective of the Convention which is the stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system which should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner. As a party to the Hyogo Framework for Action, the State likewise adopts the strategic goals in order to build national and local resilience to climate change-related disasters.

Recognizing the vulnerability of the Philippine archipelago and its local communities, particularly the poor, women, and children, to potential dangerous consequences of climate change AND GLOBAL WARMING such as WARMING/INCREASING TEMPERATURES, rising seas, changing landscapes, increasing frequency and/or severity of droughts, fires, floods and storms, climate-related illnesses and diseases, damage to ecosystems, biodiversity loss that affect the country's environment, culture, and economy, the State shall cooperate with the global community in the resolution of climate change issues, including disaster risk reduction. It shall be the policy of the State to enjoin the participation of national and local governments, businesses, nongovernment organizations, local communities and the public to prevent and reduce the adverse impacts of climate change and, at the same time, maximize the benefits of climate change. It shall also be the policy of the State to incorporate a gender-sensitive, pro-children and pro-poor perspective in all climate change and renewable energy efforts, plans and programs. In view thereof, the State shall strengthen, integrate, consolidate and institutionalize government initiatives to achieve coordination in the implementation of plans and programs to address climate change in the context of sustainable development.

Further recognizing that climate change and disaster risk reduction AND MANAGEMENT are closely interrelated and effective disaster risk reduction AND MANAGEMENT will enhance adaptive capacity TO CLIMATE CHANGE, CLIMATE VARIABILITY AND EXTREMES, the State shall integrate disaster risk reduction into climate change programs and initiatives.

Cognizant of the need to ensure that national and sub-national government policies, plans, programs and projects are founded upon sound environmental considerations and the principle of sustainable development, it is hereby declared the policy of the State to systematically integrate the concept of climate change in various phases of policy formulation, development plans, poverty reduction strategies and other development tools and techniques by all agencies and instrumentalities of the government."

SEC. 2. Section 3 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 3. *Definition of Terms.* – For purposes of this Act, the following shall have the corresponding meanings:

(a) "Adaptation" refers to the adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.

(b) "Adaptive capacity" refers to the ability of ecological, social or economic systems to adjust to climate change including climate variability and extremes, to moderate or offset potential damages and to take advantage of associated opportunities with changes in climate or to cope with the consequences thereof.

(c) "Anthropogenic causes" refer to causes resulting from human activities or produced by human beings.

(d) "Climate Change" refers to a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity.

(E) "CLIMATE FINANCE" IS THE ALLOCATION OF PUBLIC RESOURCES TOWARDS THE CLIMATE CHANGE ADAPTATION AND MITIGATION REQUIREMENTS OF DEVELOPING COUNTRIES AND VULNERABLE COMMUNITIES, THROUGH FRAMEWORKS, MECHANISM AND PROCESSES THAT ARE EQUITABLE, ACCOUNTABLE, TRANSPARENT, AND ARE IN LINE WITH THE NATIONAL DEVELOPMENT GOALS.

[[e]] (F) "Climate Variability" refers to the variations in the average state and in other statistics of the climate on all temporal and spatial scales beyond that of individual weather events.

[[f]] (G) "Climate Risk" refers to the product of climate and related hazards working over the vulnerability of human and natural ecosystems.

[[g]] (H) "Disaster" refers to a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts which exceed the ability of the affected community or society to cope using its own resources.

[[h]] (I) "Disaster risk reduction AND MANAGEMENT (DRRM)" refers to the SYSTEMATIC PROCESS OF USING ADMINISTRATIVE DIRECTIVES, ORGANIZATIONS, AND OPERATIONAL SKILLS AND CAPACITIES TO IMPLEMENT STRATEGIES, POLICIES AND IMPROVED COPING CAPACITIES IN ORDER TO LESSEN THE ADVERSE IMPACTS OF HAZARDS AND THE POSSIBILITY OF DISASTER. PROSPECTIVE DISASTER RISK REDUCTION AND MANAGEMENT REFERS TO RISK REDUCTION AND MANAGEMENT ACTIVITIES THAT ADDRESS AND SEEK TO AVOID THE DEVELOPMENT OF NEW OR INCREASED DISASTER RISKS, ESPECIALLY IF RISK REDUCTION POLICIES ARE NOT PUT IN PLACE [concept and practice of reducing disaster risks through systematic efforts to analyze and manage the causal factors of disasters, including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events].

[[i]] (J) "Gender mainstreaming" refers to the strategy for making women's as well as men's concerns and experiences an integral dimension of the design, implementation, monitoring, and evaluation of policies and programs in all political, economic, ENVIRONMENTAL OR ECOLOGICAL and societal spheres so that women and men benefit equally and inequality is not perpetuated. It is the process of assessing the implications for women and men of any planned action, including legislation, policies, or programs in all areas and at all levels.

[(j)] (K) "Global Warming" refers to the increase in the average temperature of the Earth's near-surface air and oceans that is associated with the increased concentration of greenhouse gases in the atmosphere.

[(k)] (L) "Greenhouse effect" refers to the process by which the absorption of infrared radiation by the atmosphere warms the Earth.

[(l)] (M) "Greenhouse gases (GHG)" refers to constituents of the atmosphere that contribute to the greenhouse effect including, but not limited to, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride.

[(m)] (N) "Mainstreaming" refers to the integration of policies and measures that address climate change into development planning and sectoral decision-making.

[(n)] (O) "Mitigation" in the context of climate change, refers to human intervention to address anthropogenic emissions sources and removals by sinks of all GHG, including ozone-depleting substances and their substitutes.

[(o)] (P) "Mitigation potential" shall refer to the scale of GHG reductions that could be made, relative to emission baselines, for a given level of carbon price (expressed in cost per unit of carbon dioxide equivalent emissions avoided or reduced).

[(p)] (Q) "Sea level rise" refers to an increase in sea level which may be influenced by factors like global warming through expansion of sea water as the oceans warm and melting of ice over land and local factors such as land subsidence.

(R) "VULNERABLE AND MARGINALIZED GROUPS" ARE GROUPS OR COMMUNITIES WHO FACE HIGHER EXPOSURE TO DISASTER RISK AND AGGRAVATED POVERTY INCLUDING, BUT NOT LIMITED TO, CHILDREN, ELDERLY, DIFFERENTLY-ABLED PEOPLE, AND INDIGENOUS PEOPLES.

[(q)] (S) "Vulnerability" refers to the degree to which a system is susceptible to, or unable to cope with, adverse EFFECTS of climate change, including climate variability and extremes. Vulnerability is a function of the character, magnitude, and rate of climate change and variation to which a system is exposed, its sensitivity, and its adaptive capacity."

SEC. 3. Section 4 of R.A. No. 9729 is hereby amended to read as follows:

"TITLE II

CLIMATE CHANGE COMMISSION

"SEC. 4. *Creation of the Climate Change Commission.* – There is hereby established a Climate Change Commission, hereinafter referred to as the Commission.

"The Commission shall be an independent and autonomous body and shall have the same status as that of a national government agency. It shall be attached to the Office of the President.

"The Commission shall be the [sole] LEAD policy-making body of the government, which shall be tasked to coordinate, monitor and evaluate the programs and action plans of the government [relating to climate change] IN ORDER TO ENSURE THE MAINSTREAMING OF CLIMATE CHANGE INTO THE NATIONAL, SECTORAL AND LOCAL DEVELOPMENT PLANS AND PROGRAMS pursuant to the provisions of this Act.

"The Commission shall be organized within sixty (60) days from the effectivity of this Act."

SEC. 4. Section 5 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 5. *Composition of the Commission.* – The Commission shall be composed of the President of the Republic of the Philippines who shall serve as the Chairperson, and three (3) Commissioners to be appointed by the President, one of whom shall serve as the Vice Chairperson of the Commission.

"The Commission shall have an advisory board composed of the following:

- (a) Secretary of the Department of Agriculture;
- (B) SECRETARY OF THE DEPARTMENT OF BUDGET AND
MANAGEMENT;
- [[b)] (C) Secretary of the Department of Energy;
- [[c)] (D) Secretary of the Department of Environment and Natural
Resources
- [[d)] (E) Secretary of the Department of Education;
- (F) SECRETARY OF THE DEPARTMENT OF FINANCE;
- [[e)] (G) Secretary of the Department of Foreign Affairs;
- [[f)] (H) Secretary of the Department of Health;
- [[g)] (I) Secretary of the Department of the Interior and Local
Government;
- [[h)] (J) Secretary of the Department of National Defense, in his
capacity as Chair of the National Disaster Coordinating Council;
- [[i)] (K) Secretary of the Department of Public Works and Highways;

[(j)] (L) Secretary of the Department of Science and Technology;

[(k)] (M) Secretary of the Department of Social Welfare and Development;

[(l)] (N) Secretary of the Department of Trade and Industry;

[(m)] (O) Secretary of the Department of Transportation and Communications;

[(n)] (P) Director-General of the National Economic and Development Authority, in his capacity as Chair of the Philippine Council for Sustainable Development;

[(o)] (Q) Director-General of the National Security Council;

[(p)] (R) Chairperson of the [National] PHILIPPINE Commission [on the Role] of (Filipino) Women;

[(q)] (S) President of the League of Provinces;

[(r)] (T) President of the League of Cities;

[(s)] (U) President of the League of Municipalities;

[(t)] (V) President of the Liga ng mga Barangay;

[(u)] (W) Representative from the academe; [and]

[(v)] (X) Representative from the business sector; AND

[(w)] (Y) Representative from nongovernmental organizations

"At least one (1) of the sectoral representatives shall come from the disaster risk reduction community.

"The representatives shall be appointed by the President from a list of nominees submitted by their respective groups. They shall serve for a term of six (6) years without reappointment unless their representation is withdrawn by the sector they represent. Appointment to any vacancy shall be only for the unexpired term of the predecessor.

"Only the *ex officio* members of the advisory board shall appoint a qualified representative who shall hold a rank of no less than an Undersecretary."

SEC. 5. Section 6 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 6. *Meetings of the Commission.* – The Commission shall meet once every three (3) months, or as often as may be deemed necessary by the

Chairperson. The Chairperson may likewise call upon other government agencies for the proper implementation of this Act.

IN THE ABSENCE OF THE CHAIRPERSON, THE COMMISSION MAY CONVENE WITH THE PRESENCE OF ALL THREE (3) COMMISSIONERS, TO BE PRESIDED BY THE VICE CHAIRMAN.

THE COMMISSION SHALL DECIDE ON ANY MATTER AT HAND FOR RESOLUTION BY A MAJORITY VOTE AMONG THE THREE (3) COMMISSIONERS; PROVIDED, HOWEVER, THAT THE CHAIRPERSON MAY VETO ANY DECISION OF THE COMMISSION WITHIN THIRTY (30) DAYS FROM ITS APPROVAL.

ANY DECISION TRANSLATED INTO AN ISSUANCE OR POLICY INSTRUMENT APPROVED IN THE MANNER PRESCRIBED IN THIS SECTION SHALL BE SIGNED BY AT LEAST TWO (2) COMMISSIONERS AND SHALL BE APPROVED BY THE CHAIRPERSON IN ORDER TO TAKE EFFECT.

SEC. 6. Section 7 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 7. *Qualifications, Tenure, Compensation AND REMOVAL of Commissioners.* – The Commissioners must be Filipino citizens, residents of the Philippines, at least thirty (30) years of age at the time of appointment, with [at least ten (10) years of] PROVEN experience on climate change and of proven honesty and integrity. The Commissioners shall be experts in climate change by virtue of their educational background, training and experience: *Provided, That* at least one (1) Commissioner shall be female: *Provided, further, That* in no case shall the Commissioners come from the same sector: *Provided, finally, That* in no case shall any of the Commissioners appoint representatives to act on their behalf.

"The Commissioners shall hold office for a period of six (6) years, and may be subjected to reappointment: *Provided, That* no person shall serve for more than two (2) consecutive terms: *Provided, further, That* in case of a vacancy, the new appointee shall fully meet the qualifications of a Commissioner and shall hold office for the unexpired portion of the term only: *Provided, [finally] FURTHERMORE, That* in no case shall a Commissioner be designated in a temporary or acting capacity; *PROVIDED, FINALLY, THAT ANY COMMISSIONER MAY BE REMOVED FROM OFFICE BEFORE THE EXPIRATION OF HIS/HER TERM FOR CAUSE AND IN ACCORDANCE WITH DUE PROCESS REQUIRED BY PERTINENT LAWS.*

"The Vice Chairperson and the Commissioners shall have the rank and privileges of a Department Secretary and Undersecretary, respectively. They shall be entitled to corresponding compensation and other emoluments and shall be subject to the same disqualifications."

SEC. 7. Section 8 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 8. *Climate Change Office.* – There is hereby created a Climate Change Office that shall assist the Commission AND SERVE AS ITS SECRETARIAT.

[It shall be headed by a Vice Chairperson of the Commission who shall act as the Executive Director of the Office] THE CLIMATE CHANGE OFFICE SHALL BE HEADED BY AN EXECUTIVE DIRECTOR WHO SHALL BE RESPONSIBLE FOR THE PLANNING, IMPLEMENTATION AND SUPERVISION OF ITS PROGRAMS AND ACTIVITIES AS APPROVED BY THE COMMISSION.

HE SHALL BE APPOINTED BY THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES, UPON THE RECOMMENDATION OF THE COMMISSION. HE SHALL HAVE A RANK NOT HIGHER THAN AN ASSISTANT SECRETARY.

THE EXECUTIVE DIRECTOR MUST POSSESS A HIGH DEGREE OF EDUCATION, TECHNICAL AND MANAGERIAL COMPETENCIES IN CLIMATE CHANGE AND DISASTER RISK MANAGEMENT, AS WELL AS OF INTEGRITY AND PROBITY IN PUBLIC SERVICE.

The Commission shall have the authority to determine the number of staff and create corresponding positions WITH RESPONSIBILITIES AND FUNCTIONS, AND TO MAKE THE NECESSARY APPOINTMENTS [necessary] to facilitate the proper implementation of this Act, subject to civil service laws, rules and regulations. [The officers and employees of the Commission shall be appointed by the Executive Director.]"

SEC. 8. Section 9 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 9. *Powers and Functions of the Commission.* – The Commission shall have the following powers and functions:

[(a)] Ensure the mainstreaming of climate change, in synergy with disaster risk reduction AND MANAGEMENT, into the national, sectoral and local development plans and programs;

[[b)] (A) Coordinate and synchronize climate change programs IN CONSULTATION WITH national government agencies;

[[c)] (B) Formulate a STRATEGIC Framework [strategy] on Climate Change to serve as the basis for a program for climate change planning, research and development, extension, and monitoring of activities on climate change;

[[d)] (C) Exercise policy coordination to ensure the attainment of goals set in the STRATEGIC framework [strategy] and program on climate change;

[[e)] (D) Recommend legislation, policies, strategies, programs on and appropriations for climate change adaptation and mitigation and other related activities;

[[f)] (E) Recommend key development investments in climate- sensitive sectors such as water resources, agriculture, forestry, coastal and marine

resources, health, and infrastructure to ensure the achievement of national sustainable development goals;

[[g]] (F) Create an enabling environment for the design of relevant and appropriate risk-sharing and risk-transfer instruments;

[[h]] (G) Create an enabling environment that shall promote broader multi-stakeholder participation and integrate climate change mitigation and adaptation;

[[i]] (H) Formulate strategies on mitigating GHG and other anthropogenic causes of climate change;

[[j]] (I) Coordinate and establish a close partnership with the National Disaster RISK REDUCTION AND MANAGEMENT [Coordinating] Council in order to increase efficiency and effectiveness in reducing the people's vulnerability to climate-related disasters;

[[k]] (J) In coordination with the Department of Foreign Affairs, represent the Philippines in the climate change negotiations AND LEAD THE CONSTITUTION OF THE PHILIPPINE PANEL OF NEGOTIATORS TO THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE (UNFCCC) AND THE FORMULATION OF PHILIPPINE NEGOTIATING POSITIONS TO INTERNATIONAL NEGOTIATIONS RELATING TO CLIMATE CHANGE;

[[l]] (K) Formulate and update guidelines for determining vulnerability to climate change impacts and adaptation assessments and facilitate the provision of technical assistance for their implementation and monitoring;

[[m]] (L) Coordinate with local government units (LGUs) and private entities to address vulnerability to climate change impacts of regions, provinces, cities and municipalities;

[[n]] (M) Facilitate capacity building for local adaptation planning, implementation and monitoring of climate change initiatives in vulnerable AND MARGINALIZED communities and areas;

[[o]] (N) Promote and provide technical and financial support to local research and development programs and projects in vulnerable AND MARGINALIZED communities and areas;

[[p]] (O) Oversee the dissemination of information on climate change, local vulnerabilities and risks, relevant laws and protocols and adaptation and mitigation measures;

(P) ESTABLISH A COORDINATION MECHANISM WITH THE CONCERNED GOVERNMENT AGENCIES TO ENSURE TRANSPARENCY AND COHERENCE IN THE ADMINISTRATION OF CLIMATE FUNDS TAKING INTO CONSIDERATION THE OFFICIAL PHILIPPINE POSITION IN INTERNATIONAL NEGOTIATIONS; AND

(Q) PERFORM SUCH OTHER FUNCTIONS AS MAY BE NECESSARY FOR THE EFFECTIVE OPERATION AND IMPLEMENTATION OF THIS ACT.

SEC. 9. Section 11 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 11. *NATIONAL STRATEGIC Framework [Strategy] and Program on Climate Change.* – The Commission shall, within six (6) months from the effectivity of this Act, formulate a NATIONAL STRATEGIC Framework on Climate Change. The Framework shall serve as the basis for a program for climate change planning, research and development, extension, and monitoring of activities to protect vulnerable AND MARGINALIZED communities from the adverse effects of climate change.

"The Framework shall be formulated based on climate change vulnerabilities, specific adaptation needs, and mitigation potential, and in accordance with the international agreements.

"The Framework shall be reviewed every three (3) years, or as may be deemed necessary. THE REVIEW OF THE FRAMEWORK SHALL INVOLVE A PARTICIPATORY AND INTERACTIVE PROCESS."

SEC. 10. Section 12 of R. A. Act No. 9729 is hereby amended to read as follows:

"SEC. 12. *Components of the NATIONAL STRATEGIC Framework [Strategy] and Program on Climate Change.* – The Framework shall include, but not limited to, the following components:

- (a) National priorities;
- (b) Impacts, vulnerability and adaptation assessments;
- (c) Policy formulation;
- (d) Compliance with international commitments;
- (e) Research and development;
- (f) Database development and management;
- (g) Academic programs, capability building and mainstreaming;
- (h) Advocacy and information dissemination;
- (i) Monitoring and evaluation; and
- (j) Gender mainstreaming."

SEC. 11. Section 15 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 15. *Role of Government Agencies.* – To ensure the effective implementation of the framework strategy and program on climate change, concerned agencies shall perform the following functions:

- (a) The Department of Education (DepED) shall integrate climate change into the primary and secondary education curricula and/or subjects, such as, but not limited to, science, biology, sibika, history, including textbooks, primers and other educational materials, basic climate change principles and concepts;

(b) The Department of the Interior and Local Government (DILG) and Local Government Academy shall facilitate the development and provision of a [training] CAPACITY-BUILDING program for LGUs in climate change, INCLUDING THE PROVISION OF NECESSARY AND APPROPRIATE TECHNOLOGY. The [training] program shall include socioeconomic, geophysical, policy, and other content necessary to address the prevailing and forecasted conditions and risks of particular LGUs. It shall likewise focus on women and children, especially in the rural areas, since they are the most vulnerable;

(c) The Department of Environment and Natural Resources (DENR) shall oversee the establishment and maintenance of a climate change information management system and network, including on climate change risks, activities and investments, in collaboration with other concerned national government agencies, institutions and LGUs;

(d) The Department of Foreign Affairs (DFA) shall review international agreements related to climate change and make the necessary recommendation for ratification and compliance by the government on matters pertaining thereto;

(e) The Philippine Information Agency (PIA) shall disseminate information on climate change, local vulnerabilities and risk, relevant laws and protocols and adaptation and mitigation measures; [and]

(F) THE DEPARTMENT OF FINANCE (DOF) SHALL COORDINATE WITH THE COMMISSION ON MATTERS CONCERNING FISCAL, MONETARY, TRADE AND OTHER ECONOMIC POLICIES RELATED TO CLIMATE CHANGE AND MONITOR AND REPORT MEASURES INVOLVING CLIMATE FINANCE;

(G) THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM) SHALL UNDERTAKE THE FORMULATION OF THE ANNUAL NATIONAL BUDGET IN A WAY THAT ENSURES THE APPROPRIATE PRIORITIZATION AND ALLOCATION OF FUNDS TO SUPPORT THE ANNUAL PROGRAM OF GOVERNMENT, INCLUDING CLIMATE CHANGE-RELATED PROGRAMS AND PROJECTS;

(H) THE DEPARTMENT OF SCIENCE AND TECHNOLOGY (DOST) THROUGH THE PHILIPPINE ATMOSPHERIC, GEOPHYSICAL AND ASTRONOMICAL SERVICES ADMINISTRATION (PAGASA), SHALL PROMOTE, ASSIST AND, WHERE APPROPRIATE, UNDERTAKE SCIENTIFIC AND TECHNOLOGICAL RESEARCH AND DEVELOPMENT, INCLUDING ACTIVITIES RELATIVE TO OBSERVATION, COLLECTION, ASSESSMENT AND PROCESSING OF CLIMATE-RELATED DATA SUCH AS BUT NOT LIMITED TO RAINFALL, SEA-LEVEL-RISE, EXTREME WEATHER EVENTS, RISE IN TEMPERATURES, AND RECORDS OF SEVERE DROUGHTS MONITORED OVER LONG PERIODS OF TIME, IN COORDINATION WITH LOCAL GOVERNMENT UNITS IN PRIORITY/TARGET MONITORING SITES, FOR THE BENEFIT OF AGRICULTURE, COMMERCE AND INDUSTRY AND IN OTHER AREAS IDENTIFIED TO BE VITAL TO THE COUNTRY'S DEVELOPMENT; AND,

[f] (l) Government financial institutions, shall, any provision in their respective charters to the contrary notwithstanding, provide preferential financial packages for climate change-related projects. In consultation with the Bangko Sentral ng Pilipinas (BSP), they shall, within thirty (30) days from the effectivity of this Act, issue and promulgate the implementing guidelines therefor.

"The Commission shall evaluate, recommend the approval of loans and monitor the use of said funds of LGUs, TAKING INTO ACCOUNT PROVISIONS UNDER TITLE III OF THIS ACT."

SEC. 12. Section 16 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 16. *Coordination with Various Sectors.* – In the development and implementation of the National Climate Change Action Plan, and the local action plans, the Commission shall CONSULT AND coordinate with the nongovernment organizations (NGOs), civic organizations, academe, people's organizations, the private and corporate sectors and other concerned stakeholder groups."

SEC. 13. Section 17 of R. A. No. 9729 is hereby amended to read as follows:

"SEC. 17. *Authority to Receive Donations and/or Grants.* – The Commission is hereby authorized to accept grants, contributions, donations, endowments, bequests, or gifts in cash, or in kind from local and foreign sources in support of the development and implementation of climate change programs and plans: Provided, That in case of donations from foreign governments, acceptance thereof shall be subject to prior clearance and approval of the President of the Philippines upon recommendation of the [Secretary of Foreign Affairs] DEPARTMENT OF FINANCE: Provided, further, That such donations shall not be used to fund personal services expenditures and other operating expenses of the Commission.

"The proceeds shall be used to finance:

(a) Research, development, demonstration and promotion of technologies;

(b) Conduct of assessment of vulnerabilities to climate change impacts, resource inventory, and adaptation capability building;

(c) Advocacy, networking and communication activities in the conduct of information campaign; and

(d) Conduct of such other activities reasonably necessary to carry out the objectives of this Act, as may be defined by the Commission."

SEC. 14. Insert Sections 18, 19, 20, 21, 22, 23, 24, and 25 in R. A. No. 9729 under a new Title III to read as follows:

"TITLE III

THE PEOPLE'S SURVIVAL FUND

"SEC. 18. *CREATION OF THE PEOPLE'S SURVIVAL FUND.*— A PEOPLE'S SURVIVAL FUND, HEREFTER REFERRED TO AS THE FUND, IS HEREBY ESTABLISHED AS A SPECIAL TRUST FUND FOR THE FINANCING OF ADAPTATION PROGRAMS AND PROJECTS BASED ON THE NATIONAL STRATEGIC FRAMEWORK."

"SEC. 19. *SOURCES OF THE FUND.*— THE FUND SHALL BE SOURCED FROM BOTH PUBLIC AND PRIVATE SOURCES, EITHER FOREIGN OR LOCAL, INCLUDING BUT NOT LIMITED TO THE FOLLOWING:

- (A) THE AMOUNT OF FIFTY MILLION PESOS (P50,000,000.00) TO BE ALLOTTED IN THE ANNUAL GENERAL APPROPRIATIONS ACT (GAA) FOR THE INITIAL IMPLEMENTATION OF THIS ACT AND THEREAFTER, SUCH SUM AS SHALL BE DEEMED NECESSARY TO CARRY OUT THE PROVISIONS OF THIS ACT;
- (B) TEN PERCENT (10%) FROM CASH DIVIDENDS DECLARED BY ALL GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS;
- (C) FIVE PERCENT (5%) OF CERTIFIED EMISSION REDUCTION (CERS) EARNED UNDER THE CLEAN DEVELOPMENT MECHANISM AND, OTHER DOMESTIC INDUSTRY EMISSIONS REDUCTIONS THAT UTILIZE INTERNATIONAL CARBON MARKET INSTRUMENTS; AND,
- (D) TEN PERCENT (10%) OF THE SEVEN AND A HALF PERCENT (7.5%) SHARE OF THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATION (DOTC) IN THE SPECIAL VEHICLE POLLUTION CONTROL FUND UNDER REPUBLIC ACT 8794, ENTITLED "AN ACT IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR OTHER PURPOSES".

CONTRIBUTIONS TO THE FUND SHALL BE EXEMPT FROM DONOR'S TAX AND THE SAME SHALL BE CONSIDERED AS ALLOWABLE DEDUCTIONS FROM THE GROSS INCOME OF THE DONOR, IN ACCORDANCE WITH THE PROVISIONS OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED."

"SEC. 20. *USES OF THE FUND.*— THE FUND SHALL BE USED FOR ACTIVITIES THAT ARE IN DIRECT SUPPORT OF THE OBJECTIVES ENUMERATED IN THE CLIMATE CHANGE ACTION PLANS OF THE LOCAL GOVERNMENTS. IT SHALL ALSO BE USED TO PROVIDE FINANCIAL ASSISTANCE FOR PRIORITY ADAPTATION PROJECTS IDENTIFIED AND APPROVED BY THE COMMISSION AND FOR FUNDING BY THE PEOPLE'S SURVIVAL FUND BOARD, HEREINAFTER CREATED, BASED ON PRIOR CONSULTATIONS WITH AND IDENTIFIED PRIORITIES OF LOCAL GOVERNMENTS. SUCH FUND SHALL BE USED TO SUPPORT, GRANT, FINANCE OR OTHERWISE ASSIST ACTIVITIES SUCH AS, BUT NOT LIMITED TO THE FOLLOWING:

- (A) ADAPTATION ACTIVITIES, WHERE SUFFICIENT INFORMATION IS AVAILABLE TO WARRANT SUCH ACTIVITIES, IN THE AREAS OF WATER RESOURCES MANAGEMENT, LAND MANAGEMENT, AGRICULTURE AND FISHERIES, HEALTH, INFRASTRUCTURE DEVELOPMENT, FRAGILE ECOSYSTEMS INCLUDING MOUNTAINOUS ECOSYSTEMS, AND INTEGRATED COASTAL ZONE MANAGEMENT;

- (B) IMPROVEMENT OF THE MONITORING OF VECTOR-BORNE DISEASES TRIGGERED BY CLIMATE CHANGE, AND IN THIS CONTEXT IMPROVING DISEASE CONTROL AND PREVENTION;
- (C) FORECASTING AND EARLY WARNING SYSTEMS AS PART OF PREPAREDNESS FOR CLIMATE RELATED HAZARDS;
- (D) SUPPORTING INSTITUTIONAL CAPACITY-BUILDING, BOTH FOR NATIONAL AND LOCAL GOVERNMENTS, IN PARTNERSHIP WITH LOCAL COMMUNITIES AND CIVIL SOCIETY GROUPS, FOR PREVENTIVE MEASURES, PLANNING, PREPAREDNESS AND MANAGEMENT OF IMPACTS RELATING TO CLIMATE CHANGE, INCLUDING CONTINGENCY PLANNING, IN PARTICULAR, FOR DROUGHTS AND FLOODS IN AREAS PRONE TO EXTREME WEATHER EVENTS.
- (E) STRENGTHENING EXISTING, AND WHERE NEEDED, ESTABLISH, NATIONAL AND REGIONAL CENTERS AND INFORMATION NETWORKS FOR RAPID RESPONSE TO EXTREME WEATHER EVENTS; AND,
- (F) SERVING AS A GUARANTEE FOR RISK INSURANCE NEEDS FOR FARMERS, AGRICULTURAL WORKERS AND OTHER STAKEHOLDERS.

THE FUND SHALL BE SUPPLEMENTARY TO ANY ANNUAL APPROPRIATIONS ALLOCATED BY RELEVANT GOVERNMENT AGENCIES FOR CLIMATE CHANGE-RELATED PROGRAMS AND PROJECTS AND BY LGUS PURSUANT TO THE NEW SECTION 26 OF THIS ACT. THE FUND SHALL BE FLEXIBLE TO ALLOW CO-SHARING ARRANGEMENTS SUCH AS BUT NOT LIMITED TO CO-FINANCING BETWEEN GOVERNMENT, LOCAL COMMUNITIES, PRIVATE SECTOR, AND/OR OTHER LOCAL NON-GOVERNMENT ENTITIES.

"SEC. 21. THE PEOPLE'S SURVIVAL FUND BOARD.- THERE IS HEREBY CREATED A PEOPLE'S SURVIVAL FUND BOARD, HEREINAFTER REFERRED TO AS THE PSF BOARD, WHICH SHALL BE LODGED UNDER THE COMMISSION AND CHAIRED BY ONE OF THE COMMISSIONERS, AS DESIGNATED BY THE COMMISSION. IT SHALL BE COMPOSED OF THE FOLLOWING:

- (A) DEPARTMENT OF FINANCE;
- (B) DEPARTMENT OF BUDGET AND MANAGEMENT;
- (C) NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY, IN THEIR CAPACITY AS CHAIR OF THE PHILIPPINE COUNCIL FOR SUSTAINABLE DEVELOPMENT;
- (D) BANGKO SENTRAL NG PILIPINAS;
- (E) A REPRESENTATIVE FROM EACH GOVERNMENT FINANCIAL INSTITUTION;
- (F) A REPRESENTATIVE FROM THE BUSINESS SECTOR WITH OBSERVER STATUS; AND,
- (G) A REPRESENTATIVE FROM THE NON-GOVERNMENT ORGANIZATIONS WITH OBSERVER STATUS; PROVIDED, THAT THE REPRESENTATIVES OF GOVERNMENT AGENCIES SHALL BE ASSIGNED BY THEIR RESPECTIVE SECRETARIES AND SHALL HAVE A RANK OF AN UNDERSECRETARY; PROVIDED, FURTHER, THAT THE BUSINESS AND NGO MEMBERS OF THE PSF BOARD ARE PROHIBITED FROM ACCESSING THE FUND WITHIN THEIR TERM AS SET BY THE COMMISSION AND A YEAR AFTER THEIR TENURE IN THE PSF BOARD HAS FINISHED.

"SEC. 22. POWERS AND FUNCTIONS OF THE PSF BOARD. - THE PSF BOARD SHALL HAVE THE FOLLOWING POWERS AND FUNCTIONS:

- (A) TO PROVIDE OVERALL STRATEGIC FINANCIAL GUIDANCE FOR THE USE OF THE FUND;
- (B) TO REPORT TO THE COMMISSION ALL DISBURSEMENTS OF APPROVED PROPOSALS;
- (C) TO IDENTIFY ADDITIONAL WINDOWS FOR FINANCING AND PROVIDE SCHEMES FOR MATCHING PROJECT PROPOSALS WITH APPROPRIATE FUNDING STREAMS;
- (D) TO ASSIST THE COMMISSION IN PREPARING PROPOSALS FOR SUBMISSION TO VARIOUS FUNDING AGENCIES;
- (E) TO ADOPT A CONFLICT OF INTEREST POLICY TO ENSURE THAT BOARD MEMBERS WILL NOT VOTE ON PROJECTS IF THEY HAVE A DIRECT STAKE THEREIN; AND,
- (F) TO ENSURE INDEPENDENT EVALUATION AND AUDITING OF ACTIVITIES SUPPORTED BY THE FUND, TAKING INTO CONSIDERATION THE PRINCIPLES OF TRANSPARENCY AND ACCOUNTABILITY.

"SEC. 23. ROLE OF THE COMMISSION IN THE UTILIZATION OF THE PEOPLE'S SURVIVAL FUND. - THE COMMISSION SHALL SET THE STRATEGIC DIRECTION ON CLIMATE ADAPTATION. UTILIZING THE EXPERTISE OF THE ADVISORY BOARD, IT SHALL EVALUATE, REVIEW AND APPROVE THE PROPOSALS TO BE SUBMITTED TO THE PSF BOARD FOR FUNDING. THE CRITERIA FOR THE USE OF THE FUND SHALL BE BASED ON, BUT NOT LIMITED TO, THE FOLLOWING:

- (A) LEVEL OF VULNERABILITY;
- (B) LEVEL OF URGENCY AND RISK ARISING FROM THE DELAY;
- (C) PARTICIPATION OF AFFECTED COMMUNITIES IN THE DESIGN OF THE PROJECT;
- (D) ENSURING ACCESS TO THE FUND IN A BALANCED AND EQUITABLE MANNER;
- (E) LESSONS LEARNED IN PROJECT AND PROGRAMME DESIGN AND IMPLEMENTATION TO BE CAPTURED;
- (F) SECURING REGIONAL CO-BENEFITS TO THE EXTENT POSSIBLE WHERE APPLICABLE;
- (G) MAXIMIZING MULTI-SECTORAL OR CROSS-SECTORAL BENEFITS;
- (H) ADAPTIVE CAPACITY TO THE ADVERSE EFFECT OF CLIMATE CHANGE;
- (I) RESPONDS TO GENDER-DIFFERENTIATED VULNERABILITIES; AND
- (J) AVAILABILITY OF A CLIMATE CHANGE ACTION PLAN.

FOR THIS PURPOSE, THE COMMISSION SHALL PROMULGATE THE RULES AND REGULATIONS TO PROMOTE TRANSPARENCY AND GOOD GOVERNANCE AND TO MAINTAIN THE FIDUCIARY CHARACTER OF THE BOARD IN THE ADMINISTRATION OF THE PEOPLE'S SURVIVAL FUND.

SEC. 24. COMMUNITY PARTICIPATION. - TO ENSURE TRANSPARENCY AND PARTICIPATION OF AFFECTED COMMUNITIES IN THE ADAPTATION PROJECTS TO BE SUPPORTED BY THE FUND, COMMUNITY REPRESENTATIVES AND/OR NGO COUNTERPARTS MAY PARTICIPATE AS OBSERVERS IN THE PROJECT IDENTIFICATION, MONITORING AND EVALUATION PROCESS OF THE COMMISSION.

SEC. 25. TRUSTEE.- FOR THE SOUND AND JUDICIOUS MANAGEMENT OF THE FUND, THE COMMISSION, UPON RECOMMENDATION OF THE PSF BOARD, SHALL APPOINT A GOVERNMENT FINANCIAL INSTITUTION, WITH SOUND TRACK RECORD ON FUND MANAGEMENT, AS PORTFOLIO MANAGER AND TRUSTEE OF THE FUND, SUBJECT TO GUIDELINES PROMULGATED BY THE PSF BOARD. THE TRUSTEE SHALL MANAGE THE INVESTMENT OF FUND BALANCES, ACCOUNTING AND FINANCIAL REPORTING FOR THE FUND, TAKING INTO ACCOUNT THE OBJECTIVES OF TRANSPARENCY, EFFICIENCY, FINANCIAL RISK MANAGEMENT AND AVAILABILITY OF CASH AS NEEDED FOR THE FUND COMMITMENTS AND DISBURSEMENTS. THE TRUSTEE SHALL BE ACCOUNTABLE TO THE PSF BOARD FOR THE PERFORMANCE OF ITS RESPONSIBILITIES, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF SERVICE AGREEMENT BETWEEN THE TRUSTEE AND THE PSF BOARD.

SEC. 14. The succeeding sections shall be renumbered accordingly.

SEC. 15. If for any reason, any section or provisions of This Act is declared as unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SEC. 16. All laws ordinances, rules and regulations and other issuances or parts thereof, which are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 17. This Act shall take effect after fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation.

Approved,