

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
Second Regular Session

House Bill No. 10478



**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO,
JOCELYN P. TULFO, AND ERWIN T. TULFO**

**AN ACT INSTITUTING POLICIES AND SYSTEMS TO ADDRESS CLIMATE
CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL
MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE
COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY,
PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND
REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES**

EXPLANATORY NOTE

Article II, Section 16 of the 1987 Philippine Constitution mandates the State to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature. In so doing, Section 2 of Republic Act No. 9729, otherwise known as the "Climate Change Act of 2009", sets forth that 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.

In 2022, the Philippines topped the World Risk Index as the nation facing the most significant threat from disasters. The Index estimated that the annual economic damages due to climate change could amount to 13.6 percent of the country's gross domestic product.

The repercussions of climate change, such as rising sea levels, increased frequency of typhoons, extreme weather events, and higher temperatures can cause various disasters like floods, landslides, and erosion. These hazards not only deplete the country's natural resources but also inflict substantial damage on infrastructure as well as lead to loss of lives and livelihoods.¹

¹ "Philippines Climate Change Country Profile", *USAID*, Accessed 7 May 2024, https://www.usaid.gov/sites/default/files/2023-11/USAID-%20Philippines-Climate-Change-Country-Profile_0.pdf

Currently, the country has been suffering from intense drought, one of the slow-onset effects of climate change. Climate-sensitive sectors, including agriculture, energy, water, health and public safety, have been adversely affected, leading to food, energy, and water insecurity.² As of March 2024, El Niño has triggered drought in at least 37 areas, a dry spell in 22 areas, and dry conditions in 12 areas within the country.³

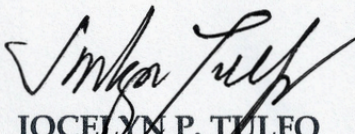
Further, the Philippines has been recently experiencing a sort of heat wave in areas under the “danger” classification, with temperatures ranging from 42°C to 45°C. Local government units and school heads, with express approval of the Department of Education,⁴ has deemed it necessary to suspend in-person classes due to extreme heat that may compromise the health and safety of learners, teachers, and non-teaching personnel. Sustained exposure to high temperatures can cause heat exhaustion and stroke that could lead to death. As of April this year, a total of 34 cases of heat-related illness, with six (6) death claims, have been reported to the Department of Health.⁵ The heat wave is also putting pressure on power supplies in Luzon, which accounts for three-quarters of economic output, with reserves thinning after 13 power plants had shut down this April.⁶

This proposed legislative measure seeks to institute policies and systems to address climate change. Salient provisions of the bill include the establishment of a Climate Change Reparations Fund and a Climate Change Reparations Board, a framework for business accountability amid the effects of climate change, and the penalization of certain acts such as greenwashing, climate denialism, breaching the threshold for acceptable emissions, and the filing of SLAPP suits.

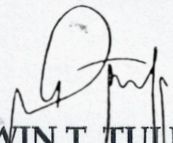
In view of the foregoing, the urgent passing of this bill is earnestly sought.



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² “CCC: Brace against the effects of El Niño”, *Philippine Information Agency*, 23 Feb. 2024, <https://pia.gov.ph/press-releases/2024/02/23/ccc-brace-against-the-effects-of-el-nino>

³ Arceo, Acor, “Philippines’ warm and dry season starts at tail end of El Niño”, *Rappler*, 22 Mar. 2024, <https://www.rappler.com/nation/weather/pagasa-declares-start-philippines-warm-dry-season-summer-march-2024/>

⁴ Department of Education, Guidelines on the Cancellation or Suspension of Classes and Work in Schools in the Event of Natural Disasters, Power Outages/Power Interruptions, and Other Calamities, DepEd Order No. 037, Series of 2022, 1 Sept. 2022

⁵ Abanto, Rowegie, “DOH verifying 6 deaths due to intense heat”, *ABS-CBN News*, 30 Apr. 2024, <https://news.abs-cbn.com/regions/2024/4/30/dagupan-cooks-in-49-degree-sizzler-after-hitting-51-c-920>

⁶ Morales, Neil Jerome, “Heat wave in Southeast Asia closes schools, triggers health alerts”, *Reuters*, 29 April 2024, <https://www.reuters.com/world/asia-pacific/philippines-dangerous-heat-prompts-shift-online-classes-power-crunch-2024-04-29/>

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**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO,
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1 **AN ACT INSTITUTING POLICIES AND SYSTEMS TO ADDRESS CLIMATE**
2 **CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL**
3 **MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE**
4 **COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY,**
5 **PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND**
6 **REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES**

7
8 *Be it enacted by the Senate and the House of Representatives of the Philippines in Congress*
9 *assembled:*

10
11 **SECTION 1. *Short Title.*** – This Act shall be known and referred to as “The Climate
12 Accountability (CLIMA) Act”.

13
14 **SEC. 2. *Declaration of Policy.*** – It is the declared policy of the State to protect and
15 advance the right of the people to a balanced and healthful ecology in accordance with
16 the rhythm and harmony of nature; to protect and promote the right to health, and
17 dignified life; and to instill health consciousness among them.

18
19 The State shall protect climate systems for the benefit of its citizens and generations
20 yet to be born, on the basis of the precautionary principle, climate justice, common but
21 differentiated responsibilities, and just transition. In this context, the State shall enjoin
22 the participation of businesses to prevent and reduce the adverse impacts of climate
23 change in the context of sustainable development. Towards this end, the State adheres
24 to the United Nations Guiding Principles on Business and Human Rights (UNGPBHR)

as a basis for the establishment of minimum standards of behavior for corporate interests operating in the Philippines and in all territories over which the Philippines has sovereignty or jurisdiction.

SEC. 3. *Definition of Terms.* – For the purposes of this Act, the following terms shall be defined as:

- (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 and/or exploits beneficial opportunities;
- (b) *Anthropogenic causes* refer to causes resulting from human activities or produced by human beings;
- (c) *Business* refers to a natural or legal person, including State-owned enterprises, transnational corporations and business enterprises of transnational character, other business enterprises, and joint ventures, whether individual or aggregate entities, undertaken by a natural person or a legal person duly incorporated under the Revised Corporation Code of the Philippines or the corresponding relevant corporate establishment legislation in other countries. For the purposes of this Act, “business” shall mean businesses that reported a gross income of more than One Hundred Million Pesos (PhP100,000.000.00) in the previous tax year, or carbon majors, regardless of amount of gross income;
- (d) *Business relationship* refers to any relationship between businesses to conduct business activities, including those activities conducted through affiliates, subsidiaries, agents, suppliers, partnerships, joint venture, beneficial proprietorship, or any other structure or contractual relationship as provided under the domestic law of the State, including activities undertaken by electronic means;
- (e) *Carbon majors* refer to the businesses that are multinational or state-owned producers, traders, and refineries of crude oil, natural gas, coal, and cement, that

1 significantly contribute to global greenhouse gas emissions without taking
2 climate accountability, and therefore primarily drive climate change;

3 (f) *Climate accountability* refers to the responsibility of and corresponding need for
4 reparation from carbon majors significantly responsible for climate change. A
5 climate accountability regime establishes a governance mechanism for ensuring
6 that climate targets are met through robust regulation and progress reporting.
7 The accountability of carbon majors as defined in this Act shall range from
8 negligence to causation based on emissions thresholds;

9 (g) *Climate change* refers to a change in climate that can be identified by changes in
10 the mean and/or variability of its properties and that persists for an extended
11 period typically decades or longer, now mainly driven by anthropogenic
12 activities since the 1800s;

13 (h) *Climate Change Victims/Survivors* refer to (a) people or communities who suffered
14 harm, including physical or mental injury, emotional suffering, or economic or
15 property loss, or impairment of their human rights as a result of climate-related
16 loss and damage; or (b) those communities affected by slow or rapid-onset
17 events of such magnitude, that cannot be avoided either by mitigation (avoiding
18 and reducing greenhouse gas emissions) or adaptation (adjusting to current and
19 future climate change impacts); or who have been, or are likely to be, severely
20 affected by climate change, while at the same time having inadequate human,
21 social, and economic capital for climate change adaptation, including relocation;

22 (i) *Greenhouse gases (GHG)* refer to constituents of the atmosphere that contribute to
23 the greenhouse effect including, but not limited to, carbon dioxide, methane,
24 nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride;

25 (j) *Intergovernmental Panel on Climate Change (IPCC)* refers to the intergovernmental
26 body of the United Nations responsible for assessing the science related to
27 climate change;

28 (k) *Loss and Damage* refers to the harms resulting from the adverse effects of climate
29 change, including extreme weather events and slow onset events, such as sea
30 level rise. This includes economic or non-economic harms to life, livelihoods,

ecosystems, or cultural heritage, and can involve tangible or non-tangible property, possessions, cultural identity, sacred places or objects, human health, among other things;

(l) *Mitigation*, in the context of climate change, refers to human intervention to address anthropogenic emissions by sources and removals by sinks of all GHGs, including ozone-depleting substances and their substitutes;

(m) *Nationally determined contribution* refers to the Philippines' nationally determined contribution (NDC), as a climate action plan to cut emissions and adapt to climate impacts, undertaken and communicated pursuant to Article 3 of the Paris Agreement;

(n) *Paris Agreement* refers to an international treaty on climate change adopted by the Parties, including the Philippines, to the United Nations Framework Convention on Climate Change (UNFCCC) at the twenty-first session of the Conference of Parties of the UNFCCC in December 2015 and duly deposited with the United Nations Secretary-General as its Treaty Depositary which aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, and will be implemented to reflect equity and the principle of common but differentiated responsibilities (CBDR) and respective capabilities, in light of different national circumstances;

(o) *Reparations* refer to the amends for a tort or injury inflicted, especially, in the context of this bill, compensation, relocation, and rehabilitation and recovery for victims/survivors of climate loss and damage;

(p) *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.

CHAPTER II
FRAMEWORK FOR BUSINESS ACCOUNTABILITY

SEC. 4. *Due Diligence Standard of Care in the Conduct of Business.* – Businesses in the conduct of their activities shall do no harm. To this end, these businesses are mandated to undertake the following throughout their value chain, among others:

- (a) Businesses must take proactive steps to find out facts about possible climate harms their operations may cause and to prevent and address them;
- (b) Businesses must proactively adopt measures to shift away from their business-as-usual activities exacerbating climate change impacts, strategically reduce their GHG emissions, and to uphold human rights; and
- (c) Taking into account existing and prospective vulnerabilities, businesses must address potential impacts of their activities, and to have stringent risk management efforts.

Businesses must undertake measures that are in reasonable proportion to the nature and scope of the business activities, their ability to influence, the severity of the violation that can typically be expected, and the nature of and causal contribution to such harms.

A business shall be held accountable for negligence emanating from the businesses' role in exacerbating extreme weather events or slow-onset events where they exceed established thresholds for GHG emissions.

SEC. 5. *Responsibilities.* – Businesses have the responsibility to update their conduct and policies in accordance with the UNGPBHR. Moreover, they have the following tasks and responsibilities under the law:

- (a) Climate related financial disclosures – Businesses shall disclose to the Securities and Exchange Commission (SEC) climate-related financial disclosures and the

names of those who authorized the climate-related financial transactions. This shall include opportunities and risks from climate impacts, climate policies, and new technologies;

(b) Measurement of GHG emissions – Businesses shall measure and analyze their GHG emissions, throughout their value chains, to comply with the standards based on the most recent scientific evidence and reports of the IPCC;

(c) Prevention of human rights abuses – Businesses must ensure, throughout their value chains, that in the conduct of their operations and activities, efforts must be made not just to counter the adverse impacts of climate change, but also to ensure the protection of human rights. Businesses shall respect, protect, and promote the human rights of communities, including the right to life, liberty, and property, freedom of movement, right of public participation, and the right to self-determination of indigenous cultural communities. In accordance with the UNGPBHR, businesses have the responsibility to respect human rights especially in the context of climate change, and should avoid harming these rights by taking proactive steps to identify, prevent, mitigate, and address adverse impacts with which they are involved;

(d) Monitoring of people who experience the impacts of climate change – Due diligence must be undertaken by businesses to address the adverse climate change-related human rights impacts they may cause or contribute through its own activities, or which may be directly linked to its operations, products, or services by its business relationships. This can be achieved through on-the-ground assessments of adverse impacts through stakeholder participation.

Stakeholder consultations should be held on a regular basis with reports released on a quarterly schedule.

For projects that require the consent of the communities in which infrastructure is constructed, the business must proactively pursue the compliance with and

adherence to the provisions of Republic Act No. 8371, otherwise known as “the Indigenous People’s Rights Act of 1997”.

- (e) Reporting – Businesses shall submit a report of their findings and initiatives to address the issues mentioned under Sections 4, 5, and 6 of this Act. The report shall include initiatives that were taken in the context of business relationships, such as, entities in its value chain, and any other non-state or state entity directly linked to the business operations, products, or services. The report shall also include an assessment of vulnerabilities, and whether efforts have been made to address the possible impacts of climate change through internal or external corporate policy decisions or whether the business utilizes renewable energy. The report must also include mitigation and adaptation efforts, energy efficiency particularly with regard to equipment inventory, waste reduction, and the utilization and construction of green infrastructure to support the work of the corporation.

The report shall be filed by the business with the Climate Change Commission (CCC) and the SEC, and shall be made available on all their platforms for download and distribution to the public at any time.

To help businesses with their reportorial requirements, this Act shall establish a reporting facility for GHG emissions of businesses, and a threshold for acceptable emissions established. Such a reporting facility will be lodged with the Philippine Geophysical Atmospheric and Astronomical Services Administration (PAGASA).

1 **SEC. 6. *Adoption of the Precautionary Principle.*** – This Act shall adopt Rule 20 of
2 the Rules of Procedure for Environmental Cases, where:

3
4 (a) *Applicability.* – When there is a lack of full scientific certainty in establishing a
5 causal link between human activity and environmental effect, the court shall
6 apply the precautionary principle in resolving the case before it.

7
8 The constitutional right of the people to a balanced and healthful ecology shall be
9 given the benefit of the doubt.

10
11 (b) *Standards for application.* – In applying the precautionary principle, the
12 following factors, among others, may be considered: (1) threats to human life or
13 health; (2) inequity to present or future generations; or (3) prejudice to the
14 environment without legal consideration of the environmental rights of those
15 affected.

16
17 The business and the PAGASA, which monitors GHG emissions, shall also be
18 obliged to disclose whether or not the cause and effect have not yet been scientifically
19 established.

20
21 **SEC. 7. *Incentives.*** – Businesses which observe their due diligence standard of care
22 and which contribute to the transition to clean energy as set out in the Philippines’
23 Nationally Determined Contribution (NDC) and other mechanisms and roadmaps shall
24 be recognized by the government through a tax credit regime. This shall be rationalized
25 in the IRR upon the passage of the bill.

26
27 **SEC. 8. *Who May File.*** – Any real-party-in-interest, or the climate change
28 victims/survivors may seek redress for any harm caused by non-compliance of the
29 business entity with its obligations under Sections 4 to 6 or commission of any
30 prohibited acts under this Act. Minors, generations yet unborn, and biodiversity may

likewise be allowed as litigants which should be represented by a legal guardian, in compliance with Administrative Matter No. 09-6-8-SC, or the “Rules of Procedure for Environmental Cases”. The petitions may be filed with the Regional Trial Court exercising jurisdiction on the business address of the corporation, the residence of the complainant/s, or any location where the impact is felt.

The filing of a petition in the domestic courts shall be without prejudice to the seeking of appropriate administrative recourse or international redress.

SEC. 9. *Citizen Suit.* – For the purpose of enforcing the provisions of this Act or its implementing rules and regulations (IRR), any real party in interest may file the appropriate civil, criminal, and administrative suit against any of the following:

- (a) Any person who violates or fails to comply with the provisions of this Act or its IRR; or
- (b) Any public officer with respect to orders, rules, and regulations inconsistent with this Act.

SEC. 10. *Adoption of the “Polluter Pays” Principle.* – Carbon majors or polluters shall pay for the damage they caused to the environment, as may be provided under relevant environmental and natural resource management laws, such as, but not limited to:

- (a) Presidential Decree No. 705 or the “Revised Forestry Code of the Philippines”;
- (b) Presidential Decree No. 856 or the “Code on Sanitation of the Philippines”;
- (c) Presidential Decree No. 979 or the “Marine Pollution Decree of 1976”;
- (d) Presidential Decree No. 1152 or the “Philippine Environmental Code”;
- (e) Presidential Decree No. 1219 or “The Coral Resources Development and Conservation Decree”;

- 1 (f) Republic Act No. 6969 or the “Toxic Substances and Hazardous and Nuclear
2 Wastes Control Act of 1990”;
- 3 (g) Republic Act No. 7076 or the “People’s Small-Scale Mining Act of 1991”;
- 4 (h) Republic Act No. 7586 or the “National Integrated Protected Areas Systems Act
5 of 1992”, as amended by Republic Act No. 11038;
- 6 (i) Republic Act No. 7942 or the “Philippine Mining Act of 1995”;
- 7 (j) Republic Act No. 8048 or the “Coconut Preservation Act of 1995”;
- 8 (k) Republic Act No. 8041 or the “National Water Crisis Act of 1995”;
- 9 (l) Republic Act No. 8371 or “The Indigenous Peoples’ Rights Act of 1997”;
- 10 (m) Republic Act No. 8435 or the “Agriculture and Fisheries Modernization Act of
11 1997”;
- 12 (n) Republic Act No. 8550 or “The Philippine Fisheries Code of 1998”;
- 13 (o) Republic Act No. 8749 or the “Philippine Clean Air Act of 1999”;
- 14 (p) Republic Act No. 9003 or the “Ecological Solid Waste Management Act of 2000”;
- 15 (q) Republic Act No. 9136 or the “Electric Power Industry Reform Act of 2001”;
- 16 (r) Republic Act No. 9147 or the “Wildlife Resources Conservation and Protection
17 Act”;
- 18 (s) Republic Act No. 9072 or the “National Caves and Cave Resources Management
19 and Protection Act”;
- 20 (t) Republic Act No. 9003 or “The Ecological Solid Waste Management Act”;
- 21 (u) Republic Act No. 9168 or the “Philippine Plant Variety Protection Act of 2002”;
- 22 (v) Republic Act No. 9275 or “The Philippine Clean Water Act of 2004”;
- 23 (w) Republic Act No. 9367 or the “Biofuels Act of 2006”;
- 24 (x) Republic Act No. 9513 or the “Renewable Energy Act of 2008”;
- 25 (y) Republic Act No. 9729 or the “Climate Change Act of 2009”, as amended by
26 Republic Act No. 10174;
- 27 (z) Republic Act No. 10121 or the “Philippine Disaster Risk Reduction and
28 Management Act of 2010”;
- 29 (aa) Republic Act No. 7611 or the “Strategic Environmental Plan (SEP) for Palawan
30 Act”;

1 (bb) Republic Act No. 9483 or the “Oil Pollution Compensations Act of 2007”; and
2 (cc) Republic Act No. 11285 or “An Act Institutionalizing Energy Efficiency and
3 Conservation, Enhancing the Efficient Use of Energy, and Granting Incentives to
4 Energy”.

5
6 The polluter is not allowed to shift the burden of evidence for the damage caused by
7 the pollution.

8
9 The rights and causes of action that are created under this Act shall be without
10 prejudice to other causes of actions under existing laws. In estimating the amount of
11 and accountability for damage, attribution science can be used as a complementary
12 framework in lieu of proof of actual damage.

13
14 **SEC. 11. *Application of the Doctrine of Last Clear Chance.*** – The Doctrine of Last
15 Clear Chance shall be applied to this Act whereby carbon majors’ knowledge of their
16 significant contribution to climate change compels them to substantially reduce
17 greenhouse gas emissions to be faithful to their duty of care. Failure to do so implicates
18 them in exacerbating and thus makes them accountable for significantly contributing
19 to the climate crisis.

20
21 **SEC. 12. *Attribution Science.*** – Attribution science looks at how climate change
22 exacerbates an extreme event or makes it more frequent. In extreme event attribution,
23 real-time analyses may be conducted immediately after an extreme weather event to
24 determine whether climate change had played a role in it. This is carried out first by
25 examining archival data, and then running two simulation models: (1) where
26 greenhouse gas emissions are kept constant, and (2) where actual greenhouse gas
27 emissions are factored in. Attribution science shall be viewed alongside factors such as
28 exposure and underlying vulnerability, which put communities at risk.

1 The adjudication of cases under this Act, therefore, shall make use of attribution
2 science as one of its bases for ruling. The adjudication shall build on existing
3 understandings of the climate-related events most substantially affected by human
4 influence on the climate. Establishing a threshold for greenhouse gas emissions beyond
5 which corporations will be found liable shall be the principal basis for prosecuting and
6 penalizing corporations.

7 8 CHAPTER III 9 LOSS AND DAMAGE MECHANISMS 10

11 **SEC. 13. *Establishment of the Climate Change Reparations Fund.*** – The Climate
12 Change Reparations Fund (CCRF) is hereby created as a special fund in the Bureau of
13 Treasury for the financing of the claims approved by the Climate Change Reparations
14 Board (CCRB). The CCRF shall be used to respond to claims made by Climate Change
15 Victims/Survivors. Claims may take the form of the following, among others:

- 16
17 (a) Compensation for economic and non-economic harms;
18 (b) Technology transfers;
19 (c) Capacity building;
20 (d) Financial support;
21 (e) Relocation; and
22 (f) Recovery and Rehabilitation measures.
23

24 The amount of Fifty Million Pesos (PhP50,000,000.00) shall be initially allotted as the
25 opening balance of the CCRF under the General Appropriations Act (GAA): *Provided,*
26 That the balance of the CCRF may be increased as the need arises: *Provided, further,* That
27 the CCRF shall not be used to fund personal services and other operational services of
28 the Board: *Provided, furthermore,* That the balance of the CCRF including the amount
29 appropriated in the GAA which shall form part of the funds shall not revert to the
30 general fund: *Provided, finally,* That the Board shall submit to the Congress and the

1 Department of Budget and Management (DBM) an annual narrative and financial
2 report on the utilization of the CCRF.

3
4 The CCRF may be augmented by donations, endowments, grants, and contributions,
5 which shall be exempted from donor's tax and be considered as allowable deductions
6 from the gross income of the donor, in accordance with the provisions of the National
7 Internal Revenue Code of 1997, as amended. The CCRF shall also serve as the repository
8 for funds generated by international and other mechanisms created for loss and damage
9 finance.

10
11 **SEC. 14. *Establishment of the Climate Change Reparations Board.*** – There is hereby
12 created an independent quasi-judicial body to be known as the CCRB, hereinafter
13 referred to as the Board, which shall be attached to the Commission of Human Rights
14 (CHR). The CCRB shall administer the CCRF.

15
16 The Board shall be composed of five (5) members, who shall possess the following
17 qualifications:

- 18
19 (a) Must be of known probity, competence, and integrity;
20 (b) Must have a deep and thorough understanding and knowledge of climate
21 change, environmental law, and/or ecosystems science;
22 (c) At least two (2) members must be members of the Philippine Bar who have been
23 engaged in the practice of environmental law or human rights for at least ten (10)
24 years;
25 (d) At least two (2) members must be climate scientists or recognized experts who
26 have a technical proficiency of climate science and the subfield of climate
27 attribution science; and
28 (e) At least one (1) representative from and chosen by the civil society engaged in
29 human rights and climate justice issues.

1 The Board shall organize itself within thirty (30) days from the completion of
2 appointment of all three (3) members and shall thereafter organize its Secretariat.

3
4 **SEC. 15. *Appointment to the Board.*** – The President shall appoint the Chairperson
5 and the members of the Board: *Provided*, That human rights organizations,
6 environmental organizations, and indigenous peoples’ rights, women’s rights, youth’s
7 rights, and people with disabilities’ rights advocates may submit nominations to the
8 President for the civil society representative: *Provided, further*, That the members of the
9 Board cannot be removed without justifiable cause.

10
11 **SEC. 16. *Term of Office.*** – The members of the Board shall serve for three (3) years:
12 *Provided*, That for the first appointees, the Chairperson and two (2) members, shall hold
13 office for three (3) years, while two (2) members shall hold office for two (2) years:
14 *Provided, further*, That appointment to any future vacancy shall only be for the unexpired
15 term of the predecessor: *Provided, finally*, That there shall be no reappointment and in
16 no case shall any member serve for more than seven (7) years.

17
18
19 **SEC. 17. *Functions of the Board.*** – The Board shall have the following powers and
20 functions:

- 21
22 (a) Receive, evaluate, process, and investigate applications for claims under this Act;
23 (b) Issue *subpoena ad testificandum* and *subpoena duces tecum*;
24 (c) Enjoin any and all acts involving or arising from any claims pending before it,
25 which, if not restrained forthwith, may cause further or irreparable damage to
26 any of the parties to the claim or seriously affect social and economic stability;
27 (d) Hold any person in contempt, directly or indirectly, and impose appropriate
28 penalties therefor;
29 (e) Administer the CCRF;
30 (f) Approve with finality all eligible claims under this Act;

- 1 (g) Deputize appropriate government agencies to assist the Board in order for it to
2 effectively perform its functions;
- 3 (h) Exercise administrative control over its Secretariat;
- 4 (i) Promulgate such rules as may be necessary to carry out the purposes of this Act,
5 including rules of procedure in the conduct of its proceedings, with the Revised
6 Rules of Court of the Philippines having suppletory application; and
- 7 (j) Perform such other duties, functions, and responsibilities as may be necessary to
8 effectively attain the objectives of this Act.
- 9

10 In any proceeding before the Board, the rules of evidence prevailing in the courts of
11 law or equity shall not be controlling but applied suppletorily, and it is the spirit and
12 intention of this Act that shall govern. The Board shall use every and all reasonable
13 means to ascertain the facts in each case speedily, objectively, and without regard to
14 technicalities of law or procedure, all in the interest of due process and social justice.

15

16 In any proceeding before the Board, the parties may be represented by a legal
17 counsel.

18

19 The findings of fact of the Board shall be conclusive and binding on the parties and
20 its decision or order shall be deemed final and executory.

21

22 **SEC. 18. *Resolution of Claims.*** – The Board shall be convened, with an attendance of
23 a majority, to resolve all claims.

24

25 **SEC. 19. *Compensation.*** – The Chairperson and members of the Board shall be
26 entitled to compensation in accordance with the Salary Standardization Law.

27

28 **SEC. 20. *Secretariat of the Board.*** – The Board shall be assisted by a Secretariat,
29 without prejudice to the hiring of additional personnel as determined by the Board, to
30 accommodate the volume of required work.

1
2 The Secretariat shall assist the Board with its functions and perform other duties as
3 may be assigned by the Board.
4

5 The Chairperson of the Board shall appoint a Board Secretary who shall head the
6 Secretariat for the duration of the existence of its Board. There shall be a Technical Staff
7 Head to be assisted by five (5) legal officers and three (3) climate scientists, and an
8 Administrative Staff Head assisted by three (3) administrative support staff.
9

10 11 CHAPTER IV 12 FINAL PROVISIONS 13

14 **SEC. 21. *Penal Provisions.*** – Businesses shall be held liable for any observed adverse
15 impacts on the climate through the exercise of their work. This is anchored on Section
16 32 of the Civil Code of the Philippines which provides for the liability for damages of
17 any public officer or employee, or any private individual, who directly or indirectly
18 obstructs, defeats, violates, or in any manner impedes or impairs the rights and liberties
19 of another person. The violation of the human right to the environment entitles the
20 victims thereto for damages from the perpetrators of such damage.
21

22 (a) *Greenwashing.* – Greenwashing refers to the conveyance of false information on
23 the environmental soundness of their products, operations, and services. Acts of
24 greenwashing include, but are not limited to, outright false statements,
25 understating impacts, omitting trade-offs, absence of proof backing up claims,
26 vague or overbroad claims, false third-party certifications, and the like. Any act
27 of greenwashing shall be restrained, and the culpable business engaged in
28 greenwashing shall be fined an amount equivalent to fifteen percent (15%) of
29 their gross income reported in their latest regulatory disclosure. The collected
30 penalty shall accrue to the CCRF.

1
2 (b) *Climate denialism.* – Climate denialism refers to the public denial or dismissal of
3 anthropogenic climate change, in a manner deliberately intended to mislead or
4 intentionally misstating facts, contrary to scientific consensus. Any business
5 engaged in climate denialism shall be held liable for the disinformation
6 perpetuated, by issuing a public retraction and sanctioned with a penalty in an
7 amount equivalent to fifteen percent (15%) of their gross income reported in their
8 latest regulatory disclosure. The collected penalty shall accrue to the CCRF.

9
10 (c) *Emission Penalty.* – Based on data collated by the reporting facility for businesses’
11 GHG emissions established by this Act, an emission penalty shall be applied
12 pursuant to Section 12 of this Act for breaching the threshold for acceptable
13 emissions which are also aligned with the country’s nationally determined
14 contributions. The threshold shall be established after due consultation among
15 the PAGASA, the CCRB, and the CCC. All collected penalties shall be remitted to
16 the CCRF.

17
18 (d) *SLAPP Suits.* – Strategic Lawsuit Against Public Participation (SLAPP) refers to
19 an action whether civil, criminal, or administrative, brought against any person,
20 institution, or any government agency or local government unit or its officials and
21 employees, with the intent to harass, vex, exert undue pressure, or stifle any legal
22 recourse that such person, institution, or government agency has taken or may
23 take in the enforcement of environmental laws, protection of the environment, or
24 assertion of environmental rights. This Act shall prohibit SLAPP suits and shall
25 penalize such suits filed, with damages equivalent to 15% of the gross income of
26 the petitioner and entity at whose instance and for whose benefit the SLAPP suit
27 was filed.

28
29 Fines and penalties under this Act shall accrue to the CCRF. In addition to the
30 fines, the court has the power to order the closure or suspension of business until
31 such time that proper environmental safeguards are put into place and the

1 government is assured of the compliance mechanism by the business: *Provided,*
2 That an establishment liable for a third offense shall suffer permanent and
3 immediate closure.

4
5 The paragraph shall be without prejudice to the immediate issuance of an *ex parte*
6 order for such closure or suspension or cessation of operations during the
7 pendency of the case upon *prima facie* evidence that there is an imminent threat
8 to life, public health, safety or general welfare, or biodiversity.

9
10 If the offender is a juridical person, the president, manager, directors, trustees, or
11 the officials directly related to the operations shall suffer the penalty herein
12 provided.

13
14 **SEC. 22. *Potential Loss of Employment.*** – The Secretary of the Department of Labor
15 and Employment is authorized to establish a compensation and reemployment scheme
16 for employees of businesses that will be affected by any suspension or permanent
17 cessation of business activities as a result of the implementation and enforcement of this
18 Act. The Board can help determine the scope of the relief package for the employees.

19
20 **SEC. 23. *Coordination with Various Sectors.*** – In order to fully implement this Act,
21 non-government organizations, community leaders, indigenous peoples, civic society,
22 the academe, and youth organizations, the private and corporate sectors, and other
23 concerned stakeholder groups shall be consulted and shall work in close coordination
24 with corporations.

25
26 **SEC. 24. *Joint Congressional Oversight Committee.*** – A Joint Congressional
27 Oversight Committee is created in order to monitor the implementation of this Act. The
28 Committee shall be composed of five (5) Senators and five (5) Members of the House of
29 Representatives, selected respectively by the Senate President and the Speaker of the
30 House. The Committee shall be co-chaired by the Senate President and the Speaker of

1 the House. The Committee shall be co-chaired by one (1) member from the Senate and
2 the House of Representatives, selected separately by their peers who are also members
3 of the Committee.
4

5 **SEC. 25. *Appropriations.*** – An amount of Fifty Million Pesos (PhP50,000,000.00) shall
6 be appropriated for the initial implementation of this Act. Thereafter, the amount
7 necessary to effectively carry out the provisions of this Act shall be included in the
8 General Appropriations Act.
9

10 **SEC. 26. *Implementing Rules and Regulations.*** – The CCC, CHR, and the SEC shall
11 issue the Implementing Rules and Regulations within ninety (90) days from the
12 effectivity of this Act.
13

14 **SEC. 27. *Separability Clause.*** – If any provision or part of this Act is held
15 unconstitutional or invalid, the other provisions or parts thereof not affected thereby
16 shall continue to be in full force and effect.
17

18 **SEC. 28. *Repealing Clause.*** – All laws, decrees, resolutions, instructions, rules and
19 regulations, and other issuances or parts thereof which are inconsistent with the
20 provisions of this Act are hereby repealed, amended, or modified accordingly.
21

22 **SEC. 29. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication
23 in the Official Gazette or in a newspaper of general circulation.
24

25 *Approved,*