

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

**TWENTIETH CONGRESS**  
*First Regular Session*

House Bill No. 3458



---

**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO  
AND JOCELYN P. TULFO**

---

**AN ACT  
TO INSTITUTE 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. This constitutional duty is reinforced by Section 2 of Republic Act No. 9729, otherwise known as the "Climate Change Act of 2009", which directs the State to strengthen, integrate, consolidate, and institutionalize government efforts to ensure coordinated action in addressing climate change within the context of sustainable development.

Despite these legal foundations, the Philippines remains among the most climate-vulnerable nations in the world. According to the 2024 World Risk Index, the Philippines has ranked first globally as the nation with the highest risk to natural and climatic threats with a risk index of 46.91%. This marks the 16<sup>th</sup> consecutive year the country has held the top spot, underscoring the persistent and growing threats to our people and communities from more frequent and more intense natural disasters.<sup>1</sup>

The devastating effects of this vulnerability were once again evident from July 21 to July 24, 2025, when the National Disaster Risk Reduction and Management Council (NDRRMC) recorded 895 flooding incidents nationwide due to the combined impact of Tropical Storm "Crising" and the Southwest Monsoon (Habagat). In response, President Ferdinand R. Marcos, Jr. called for long-term measures to mitigate

---

<sup>1</sup> Frege, Dr. Ilona Auer, et al., "WorldRiskReport 2024", *BUNDNIS ENTWICKLUNG HILFT & RURH UNIVERSITY BOCHUM - IFHV*, <https://weltrisikobericht.de/worldriskreport/>.


the worsening effect of climate change, acknowledging the need to enhance government emergency response mechanisms, including faster deployment of food packs and search-and-rescue teams in calamity-hit areas.<sup>2</sup>

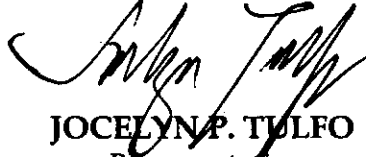
Moreover, climate change is not only in manifesting in extreme storms, but also in unprecedented heatwaves. According to Climate Central, a US-based non-profit science organization, Manila has experienced 69 days of extreme heat strongly influenced by climate change since December 2024, making it the third most affected megacity globally. Other highly impacted areas include Quezon City, Zamboanga, Davao, Caloocan, and Canagatan, Cagayan. In fact, 2024 has been recorded as the hottest calendar year in history, further emphasizing the urgent need for comprehensive climate action.

In light of these developments, Greenpeace, a global network of independent campaigning organizations promoting environmental solutions, has renewed its call for the Philippine government to enact the Climate Accountability (CLIMA) Bill and place climate justice at the forefront of national policy and protect communities from the worsening impacts of the climate crisis.<sup>3</sup>

This proposed measure responds to that call. It seeks to institutionalize a robust framework for climate resilience and accountability. Salient provisions include the establishment of a Climate Change Actions Welfare and Support Board, the creation of a Climate Change Actions Welfare and Support Fund, mechanisms for business accountability in the context of climate impacts, and the penalization of harmful practices 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.

  
**RALPH WENDEL P. TULFO**  
*Representative*  
*2<sup>nd</sup> District of Quezon City*

  
**JOCELYN P. TULFO**  
*Representative*  
*ACT-CIS Partylist*

---

<sup>2</sup> Medenilla, Samuel P., “Marcos eyes long-term climate change adaptation measures”, *BUSINESS MIRROR*, 24 Jul 2025, <https://businessmirror.com.ph/2025/07/24/marcos-eyes-long-term-climate-change-adaptation-measures/>.

<sup>3</sup> Greenpeace Philippines, “Greenpeace urges Marcos to fast-track CLIMA Bill as Manila ranks 3<sup>rd</sup> worst affected ‘megacity’ by climate-change related heat”, *GREENPEACE*, 21 Mar 2025, <https://www.greenpeace.org/philippines/press/67721/urge-marcos-fast-track-clima-bill-manila-ranks-3rd-worst-affected-megacity-by-climate-change-heat/>.

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

**TWENTIETH CONGRESS**  
*First Regular Session*

House Bill No. 3458

---

**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO  
AND JOCELYN P. TULFO**

---

**AN ACT**  
**TO INSTITUTE 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**

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

**CHAPTER I**  
**GENERAL PROVISIONS**

1  
2  
3  
4       **SECTION 1. *Short Title.*** - This Act shall be known and referred to as "The  
5 Climate Accountability (CLIMA) Act."

6  
7       **SEC. 2. *Declaration of Policy.*** - It is the declared policy of the State to protect  
8 and advance the right of the people to a balanced and healthful ecology in accord with  
9 the rhythm and harmony of nature, and shall protect and promote the right to health,  
10 dignified life, of the people and instill health consciousness among them.

11  
12       The protection of climate systems advances the right of the people to a  
13 balanced and healthful ecology and is a common good. As such common good, all  
14 economic agents of the State, including corporations, are to contribute to its  
15 attainment.  
16

1 Likewise, to ensure informed and effective responses to climate change, the  
2 State shall recognize the importance of addressing climate denialism to prevent the  
3 corporations and the public in disseminating false information, intentional  
4 misrepresentation of facts, or dismissal of anthropogenic climate change contrary to  
5 scientific consensus, through denial or conspiracy theories.  
6

7 Further, the State shall enact measures that protect and enhance the right of all  
8 the people to human dignity and reduced social and economic inequalities, especially  
9 those that arise from adverse impacts attributed to climate change. Towards this end,  
10 the State shall regulate the acquisition, ownership, use, and disposition of property  
11 and its increments and therefore.  
12

13 **SEC. 3. *Definition of Terms.*** – For the purposes of this Act, the following terms  
14 shall be defined as:  
15

- 16 (a) *Adaptation* refers to the adjustment in natural or human systems in response  
17 to actual or expected climatic stimuli or their effects, which moderates harm  
18 and/or exploits beneficial opportunities;  
19
- 20 (b) *Attribution science* refers to the process of evaluating the relative  
21 contributions of GHG and multiple causal factors to the observed change  
22 or event in the climate system with an assessment of confidence. This is  
23 done through a systematic analysis, using physical understanding,  
24 observational data, statistical analysis and climate models by climate  
25 experts;  
26
- 27 (c) *Business* refers to a for-profit enterprise, State-owned enterprises,  
28 transnational corporations and business enterprises of transnational  
29 character, other business enterprises, and joint ventures, whether  
30 individual or aggregate entities, undertaken by a natural person or a  
31 juridical person duly incorporated under the Revised Corporation Code of  
32 the Philippines or the corresponding relevant corporate establishment  
33 legislation in other countries. For the purposes of this Act, “business” shall  
34 mean businesses that reported a revenue of more than Fifteen Billion Pesos  
35 (₱15,000,000,000.00) in the previous tax year, or carbon majors, regardless  
36 of amount of gross income;  
37
- 38 (d) *Business relationship* refers to any relationship between businesses to  
39 conduct business activities, including those activities conducted through

1 affiliates, subsidiaries, agents, suppliers, partnerships, joint venture,  
2 beneficial ownership, or any other structure or contractual relationship as  
3 provided under the domestic law of the State, including activities  
4 undertaken by electronic means;

5  
6 (e) *Carbon majors* refer to juridical entity producing crude oil, natural gas, coal,  
7 or cement with a substantial share of cumulative GHG emissions and with  
8 operations or a legal presence in the Philippines;

9  
10 (f) *Climate accountability* refers to the responsibility of and corresponding need  
11 for remedial action from businesses and carbon majors significantly  
12 responsible for climate change. A climate accountability regime establishes  
13 a governance mechanism for ensuring that climate targets are met through  
14 formal climate governance structures and processes for setting meeting and  
15 monitoring progress against the countries' long term emission targets  
16 and/or pollution reduction and biodiversity protection and conservation  
17 targets. The accountability of carbon majors as defined in this Act shall  
18 range from negligence to causation based on emissions thresholds upon the  
19 promulgation of this Act;

20  
21 (g) *Climate change* refers to a change in climate that can be identified by changes  
22 in the mean and/or variability of its properties and that persists for an  
23 extended period typically decades or longer, whether due to natural  
24 variability or as a result of human activity;

25  
26 (h) *Climate change impact* refers to the effects on natural and human systems of  
27 extreme weather and climate events and in general, climate change.  
28 Impacts generally refer to effects on lives, livelihoods, health, ecosystems,  
29 economies, societies, cultures, services, and infrastructure due to the  
30 interaction of climate changes or hazardous climate events occurring within  
31 a specific time period and the vulnerability of an exposed society or system;

32  
33 (i) *Climate Change Victims/Survivors* refer to (a) vulnerable groups of people or  
34 communities who suffered harm, including physical or mental injury,  
35 emotional suffering, or economic or property loss, or impairment of their  
36 human rights as a result of climate-related loss and damage; or (b) those  
37 communities affected by slow or extreme climatic events of such  
38 magnitude, that cannot be avoided either by mitigation (avoiding and  
39 reducing greenhouse gas emissions) or adaptation (adjusting to current and

1 future climate change impacts); or who have been, or are likely to be,  
2 severely affected by climate change, while at the same time having  
3 inadequate human, social, and economic capital for climate change  
4 adaptation, including relocation;

5  
6 (j) *Climate-related financial disclosures* refer to the information about an entity's  
7 climate-related risks and opportunities that could reasonably be expected  
8 to affect the entity's cash flows, its access to finance, or cost of capital over  
9 short, medium, or long term;

10  
11 (k) *Climate justice* refers to justice that links development and human rights to  
12 achieve a human-centered approach to addressing climate change,  
13 safeguarding the rights of the most vulnerable people and sharing the  
14 burdens and benefits of climate change and its impacts equitably and fairly;

15  
16 (l) *Climate risk* refers to the potential for adverse consequences for human or  
17 ecological systems, recognizing the diversity of values and objectives  
18 associated with such systems;

19  
20 (m) *Climate systems* refer to the global system consisting of five (5) major  
21 components: the atmosphere, the hydrosphere, the cryosphere, the  
22 lithosphere, and the biosphere; and the interactions between them. The  
23 climate system changes in time under the influence of its own internal  
24 dynamics and because of external forcings such as volcanic eruptions, solar  
25 variations, orbital forcing, and anthropogenic forcings such as the changing  
26 composition of the atmosphere and land-use change;

27  
28 (n) *Extreme weather event* refers to a single, discrete event with a clearly  
29 identifiable beginning or end and that occur or reoccur in a matter of days  
30 or even hours at a local, national, or regional scale;

31  
32 (o) *Greenhouse gases (GHG)* refer to gaseous elements of the atmosphere both  
33 natural and man-made that absorb and emit radiation from the earth's  
34 surface leading to global warming that contribute to the greenhouse effect  
35 including, but not limited to, those identified in the latest  
36 Intergovernmental Panel on Climate Change (IPCC) Report, such as water  
37 vapour (H<sub>2</sub>O), carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O), methane (CH<sub>4</sub>)  
38 and ozone (O<sub>3</sub>), Sulphur Hexafluoride (SF<sub>6</sub>), Hydrofluorocarbons (HFCs),  
39 chlorofluorocarbons (CFCs), and perfluorocarbons (PFCs) ;

- 1
- 2 (p) *Intergovernmental Panel on Climate Change* refers to the intergovernmental  
3 body of the United Nations responsible for assessing the science related to  
4 climate change and for providing internationally coordinated scientific  
5 assessments of the magnitude, timing; and potential environmental and  
6 socio-economic impact of climate change and realistic response strategies;  
7
- 8 (q) *Just transition* refers to maximizing the social and economic opportunities  
9 of climate action, while minimizing and carefully managing any social  
10 disruption, political and social risks - through effective social dialogue  
11 among all groups impacted, and respect for fundamental labor principles  
12 and rights;  
13
- 14 (r) *Loss and damage* refers to the political debate under the United Nations  
15 Framework Convention on Climate Change (UNFCCC) following the  
16 establishment of the Warsaw Mechanism on Loss and Damage in 2013,  
17 which is to 'address loss and damage associated with impacts of climate  
18 change, including extreme events and slow onset events, in developing  
19 countries that are particularly vulnerable to the adverse effects of climate  
20 change. Broadly, losses and damages refer to the harm from observed  
21 impacts and projected risks and can be economic or non-economic;  
22
- 23 (s) *Mitigation*, in the context of climate change, refers to human intervention to  
24 reduce GHG emissions or enhance their removal by natural sinks, *e.g.*,  
25 nature-based solutions, or through GHG capture by manmade  
26 mechanisms;  
27
- 28 (t) *Nationally determined contribution* refers to the Philippines' nationally  
29 determined contribution ("NDC"), as a climate action plan to cut emissions  
30 and adapt to climate impacts, undertaken and communicated pursuant to  
31 Article 3 of the Paris Agreement. For the purposes of this Act, the NDC  
32 includes the National Adaptation Plan (NAP) and the Nationally  
33 Determined Contribution Implementation Plan (NDCIP). It is the country's  
34 long-term development plan towards a climate-resilient and low-carbon  
35 pathway;  
36
- 37 (u) *Paris Agreement* refers to an international treaty on climate change adopted  
38 by the Parties, including the Philippines, to the United Nations Framework  
39 Convention on Climate Change (UNFCCC) at the twenty-first session of the

1 Conference of Parties of the UNFCCC in December 2015 and duly  
2 deposited with the United Nations Secretary-General as its Treaty  
3 Depositary which aims to strengthen the global response to the threat of  
4 climate change, in the context of sustainable development and efforts to  
5 eradicate poverty, and will be implemented to reflect equity and the  
6 principle of common but differentiated responsibilities and respective  
7 capabilities, in light of different national circumstances. It increases the  
8 ability to adapt to the adverse impacts of climate change and foster climate  
9 resilience and low GHG emissions development;

10  
11 (v) *Reparations* refer to the amends for a tort or injury inflicted, especially, in  
12 the context of this bill, compensation, relocation, and rehabilitation and  
13 recovery for victims/survivors of climate loss and damage. Remedies can  
14 be in the form of pecuniary or monetary and non-pecuniary or non-  
15 monetary under existing laws;

16  
17 (w) *Slow onset event* refers to risks and impacts associated with increasing  
18 temperatures, desertification, loss of biodiversity, land and forest  
19 degradation, glacial retreat and related impacts, ocean acidification, sea  
20 level rise, and salination;

21  
22 (x) *Stakeholder* refers to an individual or a group who holds an interest in how  
23 an organization operates as it can be the source of benefit or harm a  
24 stakeholder;

25  
26 (y) *Source attribution* refers to the process of identifying and assigning climate  
27 change impacts to specific sources of GHG emissions to allocate  
28 accountability for climate change. A source can be a particular sector, entity  
29 or activity;

30  
31 (z) *Scope 1 emissions* refer to GHGs released directly by a company or  
32 organization in manufacturing a product or delivering a service. The  
33 emissions are owned or controlled by the company;

34  
35 (aa) *Scope 2 emissions* refer to GHGs generated from electricity, heating, cooling,  
36 steam, or gas purchased by the company for its operation. Thus, the level  
37 of the emissions is indirectly influenced by the demand by the company  
38 even as they are generated outside the company; and  
39

1 (bb) *Scope 4 emissions* refer to GHGs reduced or avoided by a company or  
2 organization that happen outside a product's or a service's life cycle or  
3 value chain. It is a result of the use by customers of the product or service  
4 developed by the company.  
5

6 **CHAPTER II**  
7 **POLICIES AND SYSTEMS**  
8

9 **SEC. 4. *Adoption of the Precautionary Principle.*** – In cases where there is a  
10 threat or risk of serious damage and the need for environmental protection, the courts  
11 shall be guided by Rule 20 of the Rules of Procedure for Environmental Cases,  
12 modified as follows:  
13

14 (a) *Applicability.* – When there is a lack of full scientific certainty in establishing a  
15 causal link between human activity and environmental effect and when human  
16 activities may lead to threats of serious and irreversible damage to the  
17 environment that is scientifically plausible, actions shall be taken to avoid or  
18 diminish that threat. In these cases, the court shall apply the precautionary  
19 principle in resolving the case before it, with the proponent of an activity, rather  
20 than the public, bearing the burden of proof.  
21

22 The constitutional right of the people to a balanced and healthful ecology shall  
23 be given the benefit of the doubt.  
24

25 (b) *Standards for application.* – In applying the precautionary principle, the  
26 following factors, among others, may be considered: (1) serious threats to  
27 human life or health; (2) inequity to present or future generations; and (3)  
28 prejudice to the environment.  
29

30 The business and the SEC assisted by the CCC, academe, and research  
31 institutions which assists SEC on the analysis of the GHG emissions, shall also be  
32 obliged to disclose whether or not the cause and effect have not yet been scientifically  
33 established.  
34

35 **SEC. 5. *Adoption of the Polluter Pays Principle.*** – Carbon majors or polluters  
36 shall pay for the damage they caused to the environment, as may be provided under  
37 relevant environmental and natural resource management laws such as, but not  
38 limited to:  
39

- 1 (a) Presidential Decree No. 705 or the "Revised Forestry Code of the  
2 Philippines";
- 3 (b) Presidential Decree No. 856 or the "Code on Sanitation of the Philippines";
- 4 (c) Presidential Decree No. 979 or the "Marine Pollution Decree of 1976";
- 5 (d) Presidential Decree No. 1152 or the "Philippine Environmental Code";
- 6 (e) Presidential Decree No. 1219 or "The Coral Resources Development and  
7 Conservation Decree";
- 8 (f) Presidential Decree No. 1586 or "Establishing an Environmental Impact  
9 Statement System, Including Other Environmental Management Related  
10 Measures and for Other Purposes";
- 11 (g) Republic Act No. 6969 or the "Toxic Substances and Hazardous and  
12 Nuclear Wastes Control Act of 1990";
- 13 (h) Republic Act No. 7076 or the "People's Small-scale Mining Act of 1991";
- 14 (i) Republic Act No. 7586 or the "National Integrated Protected Areas Systems  
15 Act of 1992" as amended by Republic Act No. 11038;
- 16 (j) Republic Act No. 7942 or the "Philippine Mining Act of 1995";
- 17 (k) Republic Act No. 8048 or the "Coconut Preservation Act of 1995";
- 18 (l) Republic Act No. 8041 or the "National Water Crisis Act of 1995";
- 19 (m) Republic Act No. 8371 or "The Indigenous Peoples' Rights Act of 1997";
- 20 (n) Republic Act No. 8435 or the "Agriculture and Fisheries Modernization  
21 Act of 1997";
- 22 (o) Republic Act No. 8550 or "The Philippine Fisheries Code of 1998";
- 23 (p) Republic Act No. 8749 or the "Philippine Clean Air Act of 1999";
- 24 (q) Republic Act No. 9003 or the "Ecological Solid Waste Management Act of  
25 2000";
- 26 (r) Republic Act No. 9136 or the "Electric Power Industry Reform Act of  
27 2001";
- 28 (s) Republic Act No. 9147 or the "Wildlife Resources Conservation and  
29 Protection Act";
- 30 (t) Republic Act No. 9072 or the "National Caves and Cave Resources  
31 Management and Protection Act";
- 32 (u) Republic Act No. 9003 or "The Ecological Solid Waste Management Act"  
33 as amended by RA No. 11898 dated 23 July 2022, or the "Extended  
34 Producer Responsibility Act of 2022";
- 35 (v) Republic Act No. 9168 or the "Philippine Plant Variety Protection Act of  
36 2002";
- 37 (w) Republic Act No. 9275 or "The Philippine Clean Water Act of 2004";
- 38 (x) Republic Act No. 9367 or the "Biofuels Act of 2006";
- 39 (y) Republic Act No. 9513 or the "Renewable Energy Act of 2008";

- 1 (z) Republic Act No. 9729 or the "Climate Change Act of 2009" as amended by  
2 Republic Act No. 10174;
- 3 (aa) Republic Act No. 10121 or the "Philippine Disaster Risk Reduction and  
4 Management Act of 2010";
- 5 (bb) Republic Act No. 7611 or the "Strategic Environmental Plan (SEP) for  
6 Palawan Act";
- 7 (cc) Republic Act No. 9483 or the "Oil Pollution Compensations Act of 2007";  
8 and
- 9 (dd) Republic Act No. 11285 or "An Act Institutionalizing Energy Efficiency  
10 and Conservation, Enhancing the Efficient Use of Energy, and Granting  
11 Incentives to Energy".

12

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

17

18 **SEC 6. *Application of the Doctrine of Last Clear Chance.*** – The Doctrine of  
19 Last Clear Chance shall be applied to this Act whereby carbon majors' knowledge of  
20 their significant contribution to climate change as what has been documented by the  
21 Report of the Commission on Human Rights' (CHR) National Inquiry on Climate  
22 Change, compels them to substantially reduce GHG emissions to be faithful to their  
23 duty of care. Failure to do so implicates them in exacerbating and, thus, makes them  
24 accountable for significantly contributing to the climate crisis.

25

26 For the doctrine to apply, it must be shown that both parties were negligent  
27 but the negligent act of one was appreciably later in time than that of the other. It may  
28 also apply when it is impossible to determine who caused the resulting harm; thus,  
29 the one who had the last opportunity to avoid the impending harm and who failed  
30 to do so will be held liable.

31

32 **SEC. 7. *Attribution Science.*** – Attribution science is a process that seeks to  
33 identify the relationship of climate drivers to an affected system (nature, socio-  
34 cultural or economic). In attribution science, it is important to establish the causal  
35 connection between the defendants' GHG emissions or activities to the plaintiff's  
36 injuries and that these injuries were a foreseeable result of the emissions.

37

38 The first step is the detection of the change which demonstrates that a certain  
39 variable has changed in a statistically significant way. The second step is attribution

1 which seeks to analyze causative factors to determine the role of a driver with respect  
2 to the detected change. The process looks into three areas: climate change attribution,  
3 impact attribution, and source attribution. The use of attribution science shall depend  
4 on the maturity of the tool and the readiness and technical capacity of the country.  
5

6 The adjudication of cases under this Act, therefore, shall make use of  
7 attribution science as one of its bases for ruling. The adjudication shall build on  
8 existing understandings of the climate-related events most substantially affected by  
9 human influence on the climate. Establishing a threshold for GHG emissions beyond  
10 which corporations will be found liable shall be the principal basis for prosecuting  
11 and penalizing corporations.  
12

### 13 CHAPTER III 14 INSTITUTIONAL MECHANISMS 15

16 **SEC. 8. National GHG Registry.** – The CCC shall develop a platform for  
17 administering GHG compliance by all sectors. The registry shall serve the following  
18 purposes:  
19

- 20 (a) NDC monitoring of all regulatory activities;
- 21 (b) GHG data consolidation for country reporting to the UN;
- 22 (c) Calculating GHG reduction from mitigation actions;
- 23 (d) Accounting for Internationally Transferrable Mitigation Outcomes  
24 (ITMOs);
- 25 (e) Tracking carbon credit transactions (compliance and voluntary markets);  
26 and
- 27 (f) Connection to international carbon markets.  
28

29 The registry shall have the following features:  
30

- 31 (a) It shall cover both government and non-government GHG inventories;
- 32 (b) The information has the capability to be disaggregated at the unit level (*e.g.*  
33 LGU, agency, and company); and
- 34 (c) It must be inter-operable for cooperation approaches with other countries  
35 such as the transfer of ITMOs pursuant to Article 6 of the Paris Agreement.  
36

37 **SEC. 9. Establishment of the Climate Change Actions Welfare and Support**  
38 **Board.** – There is hereby created an independent quasi-judicial body to be known as  
39 the Climate Change Actions Welfare and Support Board, hereinafter referred to as the

1 "Board," which shall be attached to the CHR. The Board shall prepare and submit  
2 reports on the administration of the funds to the DOF.

3  
4 The Board shall be composed of nine (9) members, who shall possess the following  
5 qualifications:

- 6  
7 (a) Must be of known probity, competence, and integrity; and  
8 (b) Must have a deep and thorough understanding and knowledge of climate  
9 change, environmental law, and/or ecosystems science.

10  
11 There shall be four (4) permanent members and five (5) other members. The four  
12 (4) permanent members must be members of the Philippine Bar who have been  
13 engaged in the practice of environmental law or human rights for at least ten (10)  
14 years.

15  
16 The five (5) other members shall consist of two (2) climate scientists or recognized  
17 experts who have a technical proficiency of climate science and the subfield of climate  
18 attribution science; two (2) representatives from private sectors; and one (1)  
19 representative from a chosen civil society organization engaged in human rights and  
20 climate justice issues. The Vice Chairperson or Commissioner of the CCC shall be an  
21 *ex officio* member.

22  
23 The Board shall be chaired by a lawyer and shall organize itself within thirty (30)  
24 days from the completion of appointment of all three (3) members and shall,  
25 thereafter, organize its Secretariat.

26  
27 **SEC. 10. *Appointment to the Board.*** - The President of the Philippines shall  
28 appoint the Chairperson and the members of the Board; *Provided*, That human rights  
29 organizations, environmental organizations, and indigenous peoples' rights,  
30 women's rights, youth's rights, and people with disabilities' rights advocates may  
31 submit nominations to the President for the civil society representative; *Provided*,  
32 *further*, That the members of the Board cannot be removed without justifiable cause.

33  
34 **SEC. 11. *Term of Office.*** - The members of the Board shall serve for three (3)  
35 years; *Provided*, That for the first appointees, the Chairperson and two (2) members,  
36 shall hold office for three (3) years and two (2) members shall hold office for two (2)  
37 years; *Provided, further*, That appointment to any future vacancy shall only be for the  
38 unexpired term of the predecessor; *Provided, finally*, That there shall be no  
39 reappointment and in no case shall any member serve for more than seven (7) years.

1  
2           **SEC. 12. Functions of the Board.** – The Board shall have the following powers  
3 and functions:

- 4  
5           (a) Receive, evaluate, process, and investigate applications for claims under  
6 this Act;  
7           (b) Issue *subpoena ad testificandum* and *subpoena duces tecum*;  
8           (c) Enjoin any and all acts involving or arising from any claims pending  
9 before it, which, if not restrained forthwith, may cause further or  
10 irreparable damage to any of the parties to the claim or seriously affect  
11 social and economic stability;  
12           (d) Hold any person in contempt, directly or indirectly, and impose  
13 appropriate penalties therefor;  
14           (e) Administer the Climate Change Actions Welfare and Support Fund;  
15           (f) Approve with finality all eligible claims under this Act;  
16           (g) Deputize appropriate government agencies to assist the Board in order  
17 for it to effectively perform its functions;  
18           (h) Exercise administrative control over its Secretariat;  
19           (i) Promulgate such rules as may be necessary to carry out the purposes of  
20 this Act, including rules of procedure in the conduct of its proceedings,  
21 with the Revised Rules of Court of the Philippines having suppletory  
22 application; and  
23           (j) Perform such other duties, functions, and responsibilities as may be  
24 necessary to effectively attain the objectives of this Act.  
25

26           In cases where the issue is related to pollution in violation of environmental  
27 laws, the Pollution Adjudication Board of the Department of Environment and  
28 Natural Resources (DENR) shall be invited as a resource group to improve technical  
29 analysis of the complaint.  
30

31           In any proceeding before the Board, the rules of evidence prevailing in the  
32 courts of law or equity shall not be controlling but applied suppletorily, and it is the  
33 spirit and intention of this Act that shall govern. The Board shall use every and all  
34 reasonable means to ascertain the facts in each case speedily, objectively, and without  
35 regard to technicalities of law or procedure, all in the interest of due process and social  
36 justice: *Provided*, That any decision, order, award, or ruling of the Board may be  
37 brought for review to the Court of Appeals within 15 days from receipt of a copy  
38 thereof.  
39

1 In any proceeding before the Board, the parties may be represented by a legal  
2 counsel. The findings of fact of the Board shall be conclusive and binding on the  
3 parties and its decision or order shall be deemed final and executory.

4  
5 **SEC. 13. *Compensation.*** - The Chairperson and members of the Board shall be  
6 entitled to compensation in accordance with the Salary Standardization Law.

7  
8 **SEC. 14. *Secretariat of the Board.*** - The Board shall be assisted by a Secretariat  
9 provided by the CHR, without prejudice to the hiring of additional personnel as  
10 determined by the Board to accommodate the volume of required work.

11  
12 The Secretariat shall assist the Board with its functions and perform other  
13 duties as may be assigned by the Board.

14  
15 The Chairperson of the Board shall appoint a Board Secretary who shall head  
16 the Secretariat for the duration of the existence of its Board. There shall be a Technical  
17 Staff Head to be assisted by five (5) legal officers and three (3) climate scientists, and  
18 an Administrative Staff Head shall be assisted by three (3) administrative support  
19 staff.

20  
21 **CHAPTER IV**  
22 **FRAMEWORK OF BUSINESS ACCOUNTABILITY**

23  
24 **SEC. 15. *Due Diligence Standard of Care in the Conduct of Business.*** - In line  
25 with the country's commitment to abide by the global goals of the Paris Agreement,  
26 the country shall develop a roadmap or a long-term strategy for the Philippine NDC  
27 Implementation Plan per sector (agriculture, transportation, energy, waste, industrial  
28 processes, and product and land use). The roadmap shall be co-developed by the  
29 respective lead agencies with its stakeholders and consolidated and monitored by the  
30 CCC. The accountability of business shall be referenced on its corresponding  
31 obligation in the roadmap.

32  
33 Consistent with the sectoral plans of the NDC Implementation Plan, businesses  
34 in the conduct of their activities shall do no harm. To this end, these businesses are  
35 mandated to undertake the following throughout their value chain, among others:

- 36  
37 (a) Businesses must assess and report or inform the actual and potential  
38 human rights impacts their operations may cause or contribute to cause  
39 and to prevent and address them;

- 1 (b) Businesses must proactively adopt measures and enact company policies  
2 to reduce their climate change impacts, and to uphold human rights,  
3 specifically, through the crafting and submission of transition plans, in line  
4 with the government's NDC;
- 5 (c) Businesses must assess the impact of climate change and other global  
6 environmental issues in the sustainability of their operations; and
- 7 (d) Businesses should ensure that reports relating to human rights risks and  
8 impacts, including their findings and how the human rights impacts were  
9 addressed are publicly available and accessible.

10  
11 Businesses must undertake measures that are in reasonable proportion to the  
12 nature and scope of the business activities, their ability to influence, the severity of  
13 the violation that can typically be expected, and the nature of and causal contribution  
14 to such harms.

15  
16 A business shall be held accountable for gross negligence emanating from the  
17 businesses' role in exacerbating extreme weather events or slow-onset events where  
18 they exceed established thresholds for GHG emissions. Thresholds are limits for  
19 ambient concentrations of GHGs that are sufficient to protect public health and  
20 welfare. DENR, CCC, and DOST shall provide technology-based emission standards  
21 reflecting the best available technology or system for emission reduction.

22  
23 The thresholds to determine business' climate accountability shall be informed  
24 by the government's NDC, national policies and programs as well as their technical,  
25 economic, and operational circumstances.

26  
27 **SEC. 16. *Business Responsibilities.*** - Businesses have the responsibility to  
28 align their conduct and policies with the United Nations Guiding Principles on  
29 Business and Human Rights to respect human rights and to provide a grievance  
30 redress mechanism when human rights are transgressed. Moreover, they have the  
31 following tasks and responsibilities under the law:

- 32  
33 (a) *Climate related financial disclosures.* - Businesses shall disclose to the SEC  
34 climate-related financial disclosures and the names of those who  
35 authorized the climate-related financial transactions. This shall include  
36 opportunities and risks from climate impacts, climate policies and new  
37 climate measures across the value chain;

1 (b) *Measurement of GHG emissions.* – Businesses shall measure, analyze, and  
2 report their GHG emissions, throughout their value chains, to comply with  
3 the standards based on the most recent scientific methodologies and reports  
4 of the IPCC;

5  
6 (c) *Prevention of human rights abuses.* – Businesses must ensure, throughout  
7 their value chains, that in the conduct of their operations and activities,  
8 efforts must be made not just to counter the adverse impacts of climate  
9 change, but also to ensure the protection of human and vulnerable people  
10 and communities’ rights. Businesses shall respect, protect, and promote the  
11 human rights of stakeholders, including the right to life, liberty and  
12 property, freedom of movement, right of public participation, and the right  
13 to self-determination of indigenous cultural communities. In accordance  
14 with the United Nations Guiding Principles on Business and Human  
15 Rights, businesses have the responsibility to respect human rights  
16 especially in the context of climate change, and should avoid harming these  
17 rights by taking proactive steps to identify, prevent, mitigate, and address  
18 adverse impacts with which they are involved;

19  
20 (d) *Monitoring of people who experience the impacts of climate change.* – Due  
21 diligence must be undertaken by businesses to address the adverse climate  
22 change-related human rights impacts they may cause or contribute through  
23 its own activities, or which may be directly linked to its operations,  
24 products or services by its business relationships. This can be achieved  
25 through on-the-ground assessments of adverse impacts through  
26 stakeholder participation.

27  
28 Stakeholder consultations should be held on a regular basis with reports  
29 released on a semi-annual period. These can be in the form of surveys,  
30 assemblies, focus group discussion, and other modalities as appropriate.

31  
32 For projects that require the consent of the communities in which  
33 infrastructure is constructed, the business must proactively pursue the  
34 compliance with and adherence to the provisions of Republic Act No. 8371,  
35 or “The Indigenous People’s Rights Act of 1997”.

36  
37 (e) *Decarbonization Plan.* – Businesses shall develop its mitigation and  
38 adaptation strategies that will comprise its decarbonization climate action

1 plan and shall report on the status of this plan on an annual basis to the  
2 designated government agency under this Act or relevant Act; and  
3

4 (f) *Reporting.* – Businesses shall submit an annual compliance report of their  
5 findings, and initiatives to address the issues mentioned under Chapters  
6 IV, V, and VI of this Act. The annual compliance report shall contain the  
7 following:

- 8
- 9 i. Emissions Baseline and Reduction Progress – A detailed inventory of  
10 the current GHG emissions, including any reductions achieved during  
11 the reporting period, measured against the enterprise’s  
12 Decarbonization Pathway;
  - 13
  - 14 ii. Reduction Activities and Outcomes – A comprehensive description of  
15 specific emissions reduction activities undertaken, their outcomes, and  
16 the impact on the enterprise’s overall GHG emissions. This shall  
17 include, but is not limited to, the following:
    - 18 a. Implementation of energy efficiency improvements;
    - 19 b. Transition to renewable energy sources;
    - 20 c. Enhancements in waste management practices;
    - 21 d. Other measures and initiatives undertaken within the value chain  
22 to reduce emissions; and
    - 23 e. Quantitative and qualitative outcomes of these activities and their  
24 contributions to the enterprise's emissions reduction targets;
  - 25
  - 26 iii. Emissions Allowance and Excess Emissions – Documentation of the  
27 allocated emissions allowance for the year and any excess emissions;  
28 and
  - 29
  - 30 iv. Future Plans – Outline of planned emissions reduction activities and  
31 investments for the upcoming year, aligned with the Philippine NDC  
32 Implementation Plan per sector.
  - 33

34 All publicly listed companies and unlisted companies with revenues equal  
35 or above Ten Billion Pesos (₱10,000,000,000.00) shall be covered by this Act.  
36

37 The report shall be filed with the SEC copied the CCC and PAGASA, which  
38 shall impose penalties for non-compliance with its guidelines on these  
39 mandates, and shall be made available on all their platforms for download

1 and distribution to the public at any time. The CHR, upon petition, may  
2 conduct investigations and assist in the gathering of evidence to determine  
3 compliance with the reporting obligations under this Act. The SEC shall  
4 handle the storage and management of reports, including the  
5 system/platform to which the reports are stored. *Provided,* That the Board  
6 shall allocate a budget for the maintenance of such system/platform.  
7

8 To help businesses with their reportorial requirements, this Act shall  
9 establish a reporting facility for GHG emissions of businesses, and a  
10 threshold for acceptable emissions established. Such a reporting facility will  
11 be lodged with the SEC.  
12

13 (g) *Greenwashing.* – Greenwashing refers to the conveyance of false information  
14 on the environmental soundness of their products, operations, and services.  
15 Acts of greenwashing include, but are not limited to, outright false  
16 statements, understating impacts, omitting trade-offs, absence of proof  
17 backing up claims, vague or overbroad claims, false third-party  
18 certifications, and the like. More detailed guidelines shall be provided in  
19 the implementing rules and regulations of the Act. Any act of greenwashing  
20 shall be restrained and the culpable business engaged in greenwashing  
21 fined under the existing Civil Code and existing environmental statutes.  
22  
23

24 **SEC. 17. Incentives.** – Businesses which observe their due diligence standard  
25 of care as set out in the Philippines’ NDC and other mechanisms and roadmaps shall  
26 be recognized by the government through a tax credit regime. The qualification for  
27 incentives and the list of incentives shall be rationalized in the implementing rules  
28 and regulations upon the passage of this Act and in accordance with Republic Act No.  
29 11534 or the “Corporate Recovery and Tax Incentives for Enterprises Act (CREATE)”  
30 and Republic Act No. 10771 or the “Green Jobs Act”.  
31

32 The basis of the incentives in the context of this Act is the avoidance or  
33 prevention of emissions by users as a result of the utilization of a company’s products  
34 or services. These are called Scope 4 or avoided emissions. These are reduction of  
35 emissions outside the company’s life cycle or value chain and due to the use of the  
36 products or services. The avoided emissions are what would have been released if the  
37 product or services have not been optimized or developed. The carbon credit from  
38 avoided emissions cannot be used to compensate the company’s generated direct  
39 (Scope 1) and indirect emissions (Scope 2) in the processing of its products.

1  
2 Notwithstanding the grant of such incentives, there shall be imposed a 3%  
3 windfall tax on the gross profit of carbon majors operating in the country for the  
4 immediately preceding year after the approval of this Act. The proceeds of such tax  
5 shall accrue to the funds of the Peoples' Survival Fund as amended by this Act. In  
6 addition, to hasten the transition to renewable energy sources, the fossil fuel-based  
7 operations of carbon majors shall be taxed at 1% of the current net present value of  
8 such assets which shall progressively be reduced at 10% intervals until such assets are  
9 transitioned away.

## 10 11 CHAPTER V

### 12 LOSS AND DAMAGE MECHANISM

13  
14 **SEC. 18. *Establishment of the Climate Change Actions Welfare and Support***  
15 ***Fund.*** - The Climate Change Actions Welfare and Support (CLAWS) Fund is hereby  
16 created as a special fund in the Bureau of the Treasury for the financing of the claims  
17 approved by the Board. The CLAWS Fund shall be used to respond to claims made  
18 by climate change victims/survivors. Claims may take the form of the following,  
19 among others:

- 20  
21 (a) Compensation for economic and non-economic harms;  
22 (b) Technology transfers;  
23 (c) Capacity building;  
24 (d) Financial support  
25 (e) Relocation; and  
26 (f) Recovery and rehabilitation measures.

27  
28 The amount of Fifty Million Pesos (₱50,000,000.00) shall be initially allotted as  
29 the opening balance of the CLAWS Fund under the General Appropriations Act  
30 (GAA); *Provided, That* the balance of the CLAWS Fund may be increased as the need  
31 arises; *Provided, further, That* the CLAWS Fund shall not be used to fund personal  
32 services and other operational services of the Board; *Provided, finally, That* the Board  
33 shall submit to the Congress and the Department of Budget and Management (DBM)  
34 an annual narrative and financial report on the utilization of the CCRF.

35  
36 The CLAWS Fund may be augmented by donations, endowments, grants, and  
37 contributions, which shall be exempted from donor's tax and be considered as  
38 allowable deductions from the gross income of the donor, in accordance with the  
39 provisions of the National Internal Revenue Code of 1997, as amended. The CLAWS

1 Fund shall also serve as the repository for funds generated by international and other  
2 mechanisms created for loss and damage finance, such as the funding arrangements  
3 responding to loss and damage associated with the adverse effects of climate change  
4 established under Decision 2/CP.27 and Decision 2/CMA.4.

5  
6 **SEC. 19. *Complaints on Climate-related Violations.*** - Any real party in  
7 interest or the climate change victims/survivors may seek redress for any harm  
8 caused by non-compliance of the business entity with its obligations under Sections 4  
9 and 15 to 16 of this Act or commission of any prohibited activities under this Act.

10  
11 For the purpose of enforcing the provisions of this Act or its implementing  
12 rules and regulations, any real party in interest or climate change victims/survivors  
13 may file appropriate civil, criminal, and administrative suits against any of the  
14 following:

- 15  
16 (a) Any person who violates or fails to comply with the provisions of this Act  
17 or its implementing rules and regulations; or  
18 (b) Any public officer with respect to orders, rules, and regulations inconsistent  
19 with this Act.

20  
21 The petitions may be filed before the Environment Management Bureau's  
22 Pollution Adjudication Board, and appealable before the Department of Environment  
23 and Natural Resources.

24  
25 The filing of a petition under this Section shall be without prejudice to the  
26 seeking of appropriate administrative recourse, including the remedies available  
27 before the Board, or international redress.

28  
29 **SEC. 20. *Resolution of Claims.*** - The Board shall be convened, with an  
30 attendance of a majority, to resolve all claims.

31  
32 **SEC. 21. *Citizen suit.*** - For the purpose of enforcing the provisions of this Act  
33 or its implementing rules and regulations, any real party in interest as well as minors,  
34 generations yet unborn, and biodiversity represented by a legal guardian, in  
35 compliance with A.M. No. 09-6-8-SC, or the "Rules of Procedure for Environmental  
36 Cases, can file appropriate civil, criminal, and administrative suits against any of the  
37 following:

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

5  
6 **CHAPTER VI**  
7 **FINAL PROVISIONS**  
8

9 **SEC. 22. Penal Provisions.** – Businesses shall be held liable for any observed  
10 adverse impacts on the climate through the exercise of their work. This is anchored  
11 on Section 32 of the Civil Code of the Philippines which provides for the liability for  
12 damages of any public officer or employee, or any private individual, who directly or  
13 indirectly obstructs, defeats, violates or in any manner impedes or impairs the rights  
14 and liberties of another person. The violation of the human right to the environment  
15 entitles the victims thereto for damages from the perpetrators of such damage. These  
16 shall be complemented by environmental statutes. The following shall be covered by  
17 the act:

18  
19 (a) *Emission Penalty.* - Based on data collated by the reporting facility for  
20 businesses' GHG emissions established by this Act, an emission penalty shall be  
21 applied pursuant to Section 7 of this Act for breaching the threshold for acceptable  
22 emissions which are also aligned with the country's nationally determined  
23 contributions. The threshold shall be established after due consultation among the  
24 PAG-ASA, the CCRB, SEC, DENR, DTI, DA, DOE, DOTr, and the CCC. The fine shall  
25 be based on the Civil Code and existing environmental statutes. All collected penalties  
26 shall be remitted to the CLAWS Fund.

27  
28 (b) *Strategic lawsuit against public participation (SLAPP) Suits.* – SLAPP refers to an  
29 action whether civil, criminal, or administrative, brought against any person,  
30 institution, or any government agency or local government unit, or its officials and  
31 employees, with the intent to harass, vex, exert undue pressure, or stifle any legal  
32 recourse that such person, institution, or government agency has taken or may take in  
33 the enforcement of environmental laws, protection of the environment, or assertion of  
34 environmental rights. This Act shall prohibit SLAPP Suits and shall penalize such  
35 suits filed, with damages equivalent to 15% of the gross income of the petitioner and  
36 entity at whose instance and for whose benefit the SLAPP Suit was filed.

37  
38 Fines and penalties under this Act shall accrue to the CLAWS Fund. In  
39 addition to the fines, the court has power to order the closure or suspension of

1 business until such time that proper environmental safeguards are put into place and  
2 the government is assured of the compliance mechanism by the business: *Provided,*  
3 That an establishment liable for a third offense shall suffer permanent and immediate  
4 closure.

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

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

14  
15 **SEC. 23. Potential Loss of Employment.** – The Secretary of the Department of  
16 Labor and Employment is authorized to establish a compensation and reemployment  
17 scheme for employees of businesses that will be affected by any suspension or  
18 permanent cessation of business activities as a result of the implementation and  
19 enforcement of this Act. The Board can help determine the scope of the relief package  
20 for the employees.

21  
22 **SEC. 24. Coordination with Various Sectors.** – In order to fully implement this  
23 Act, the SEC in conjunction with the CCC shall consult nongovernment organizations,  
24 community leaders, indigenous peoples, civic society, the academe, youth  
25 organizations, industry associations, professional organizations, the private sectors,  
26 vulnerable groups, and other concerned stakeholder groups.

27  
28 **SEC. 25. Joint Congressional Oversight Committee.** – A Joint Congressional  
29 Oversight Committee is created in order to monitor the implementation of this Act.  
30 The Committee shall be composed of five (5) Senators and five (5) members of the  
31 House of Representatives, selected respectively by the Senate President and the  
32 Speaker of the House. The Committee shall be co-chaired by one (1) member from the  
33 Senate and the House of Representatives, selected separately by their peers who are  
34 also members of the Committee.

35  
36 **SEC. 26. Appropriations.** – An amount of Fifty Million Pesos (₱50,000,000.00)  
37 shall be appropriated for the initial implementation of this Act. Thereafter, the  
38 amount necessary to effectively carry out the provisions of this Act shall be included  
39 in the General Appropriations Act.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19

**SEC. 27. *Implementing Rules and Regulations.*** - The CCC, CHR, DENR, the SEC, DOF, DOST-PAGASA, BOI, DBM, and NEDA, in consultation with the civil society organizations, academe, and research institutions, shall issue the Implementing Rules and Regulations within ninety (90) days from the effectivity of this Act.

**SEC. 28. *Separability Clause.*** - If for any reason any section or provision of this Act is declared by the court as unconstitutional or invalid, the other sections or provisions thereof shall not be affected thereby.

**SEC. 29. *Repealing Clause.*** - 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. 30. *Effectivity.*** - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.

*Approved,*