



## 5<sup>th</sup> SEC-PSE Corporate Governance Forum: Ushering in the Era of Sustainability and Sustainable Business

Environmental and Social Risk Management

**Asec. Romell Antonio O. Cuenca**  
Deputy Executive Director  
Climate Change Office

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### **Introduction: The Climate Change Commission**

The Climate Change Commission is the sole policy-making body of the government which shall be tasked to coordinate, monitor and evaluate programs and action plans of the government relating to climate change pursuant to Republic Act 9729.

Among its main functions are 1) creation of enabling environment for the design of risk-sharing and risk-transfer instruments, 2) promote multi-stakeholder participation and integration of climate change adaptation and mitigation, 3) formulate strategies on mitigation, 4) formulation and updating of guidelines in determining vulnerabilities, and coordinate, facilitate capacity-building activities and provide technical assistances to local units, especially to those in vulnerable communities.

### **Actions toward addressing/managing environmental and social risks**

In close coordination with other national government agencies working towards environmental sustainability and based on the studies and reports of PAGASA, the University of the Philippines, and the Global Assessment Report on Disaster Risk

Reduction, environmental and social risks are most evident in developing countries like the Philippines.



In that context, the CCC launched and implemented the Communities for Resilience (CORE): Convergence Program which aims to strengthen the planning capacity of local governments, and to achieve overall resilience of communities.

Through the CORE Program, the planners, policy-makers, local community organizations and the academe are put together to provide holistic and sustainable solutions to address environmental and social risks.

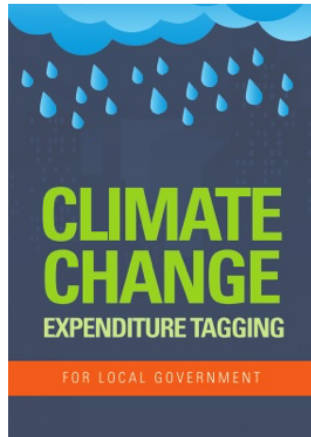
Among its modules are the People's Survival Fund (PSF), the Climate Change Expenditure Tagging (CCET), and the Greenhouse Gas Inventory (GHGI).



### **The People's Survival Fund**

In order to manage risks, the funds needed to implement climate change-related activities are of utmost importance. The PSF, through RA 9729, provides 1B peso-grant to finance local climate change adaptation projects of LGUs and organizations.

Projects proposed to access PSF are based on Risks and Vulnerability Assessments (RVAs) and/or Local Climate Change Action Plans (LCCAPs). Therefore, to avoid maladaptation, projects shall be science and evidence-based, and so proper accounting of risks and vulnerabilities is required.



## THE CLIMATE CHANGE EXPENDITURE TAGGING

Through the CCET, the government can easily tag areas or sectors which need more financing to support their climate change-related efforts.

### **The Climate Change Expenditure Tagging**

One way to monitor the extent of local government units' efforts in addressing the impacts of climate change is through planning, implementation and completion of climate change programs, projects and activities.

To measure the engagements of local government units and national government agencies in climate change adaptation and mitigation, expenditure tagging through the Annual Investment Plans (AIPs) has been conducted.

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### **The Greenhouse Gas Inventory**

In addition to the PSF and CCET, local government units were also taught how to quantify their emissions and identify mitigation options at the local level.

Being able to quantify the emissions of an LGU within its jurisdiction is also one way of measuring their risks. On the other hand, the inventories can also be used to support their proposed/planned mitigation options.



## Summary

The goal towards resilient communities will always require whole-of-nation approach. Although the government seems more focused on capacitating local government units and organizations, we also note the importance of engaging those in the corporate world.

Indeed, the Climate Change Commission recognizes the importance of engaging with everyone in risk and vulnerability identification to adaptation, mitigation and risk management, and key players must not just be those in the government, but those in the private as well.