JULY 2024

GREENPEACE

AClimate Justice Agenda for the Philippines

How the Marcos administration can turn words into action

A Climate Justice Agenda for the Philippines

How the Marcos administration can turn words into action

Introduction	1
Context	2
The costs of climate change	2
Fossil fuel profits and expansion	3
The Climate Justice Agenda is a human rights agenda, and a development agenda	4
What should the agenda look like?	4
Exacting corporate accountability	5
A. The Philippines must actively take steps to demand corporate accountability	5
The National Inquiry on Climate Change (NICC)	6
The Philippines' oral statement at the International Tribunal for the Law of the Sea (ITLOS) during the proceedings of the hearing of the Request for an Advisory Opinion submitted by the Commission of Small Island States on Climate Change and International Law	7
The Philippine submission to the International Court of Justice (ICJ) on the resolution to request for an Advisory Opinion on the obligations of states in respect of climate change.	7
B. The Philippine government must take corporate climate polluters to court	8
Filipino youth from Dinagat Islands has joined a climate litigation against TotalEnergies in France	8
The Municipality of Salcedo, Eastern Samar has passed a historic resolution on climate accountability	9
The National Inquiry on Climate Change (NICC) by the Human Rights Commission	9
C. The Marcos Administration must enact the Climate Accountability (CLIMA) Bill	10
D. The Philippine government must also seek climate accountability from plastic producers	11
 E. Government agencies must cancel CSR MOUs and other similar agreements with fossil fuel companies, extractive industries, and plastic producers 	12
Demanding loss and damage finance	13
A. Champion the Climate Damages Tax	14
B. Support moves to significantly ramp up windfall taxes from fossil fuel polluters, and design tax systems based on the Polluter Pays Principle	14
C. Call for the removal of fossil fuel subsidies	15
D. Support other innovative sources of funding	15
E. Support loss and damage fund sourcing domestically	15
Ensuring a people-centered Just Energy Transition	16
A. Adopt the Philippine Civil Society position on the Principles of a Just Energy Transition	16
B. Abandon false solutions on energy and climate	17
Stop all plans for nuclear energy	17
2. Stop all fossil gas expansion	18
 Uphold the ban on waste incineration, including so-called waste-to-energy (WTE) facilities Mandate actual emissions reductions by climate intensive industries, instead 	18
of supporting carbon trading and offsetting	19
Redirecting the economy towards greener and more equitable systems	20
Conclusion and recommendations	23

Introduction

Throughout the 2010s, the National Economic Development Authority conducted a series of nationwide public consultations to determine the collective aspirations of the Filipino people for themselves and for the country. The resulting document laid out a twenty-five-year vision for the Philippines, marketed as 'AmBisyon Natin 2040.' It aims to ensure that by 2040, "the Philippines shall be a prosperous, predominantly middle-class society where no one is poor. Our peoples will enjoy long and healthy lives, are smart and innovative, and will live in a high-trust society."

This is by no means an easy goal. Philippine economy and society have always been addled by a range of challenges that has kept most of the population mired in poverty. But the biggest challenge that the country currently faces is the climate crisis, which is projected to worsen in the coming years.

Without the adoption and implementation of a strong Climate Justice Agenda, the administration of President Ferdinand Marcos Jr will not be able to effectively pave the way for the Philippines to achieve this vision for economic and social transformation. We believe it is possible, but only if the government takes concrete and ambitious action for the benefit of the people.



Environmental advocates and climate-impacted community representatives walked from Manila's Kilometer Zero to Tacloban, crossing San Juanico Bridge, for the first anniversary of Super Typhoon Haiyan, which claimed thousands of homes, livelihoods, and lives.

In July 2024, the Philippine government achieved its bid to become the host of the United Nations Framework Convention on Climate Change (UNFCCC) Loss and Damage Fund (LDF) Board. While this hosting is mostly symbolic, the move has served to reinforce the Marcos administration's apparent ambitions to be a recognized leader on climate justice in the international stage.

However, the measure for the administration's and President Marcos's credibility on tackling this issue will be both in the policies that will be prioritized and instituted nationally, as well as in the positions the government will champion and advance in international negotiations in the coming months.

Greenpeace Philippines is calling on the Marcos administration to establish a Philippine Climate Justice Agenda that will:

- 1. Exact climate accountability from fossil fuel corporations;
- 2. Demand and secure payment for climate loss and damage;
- 3. Steer the country towards a full, fair, fast and funded fossil fuel phase out; and
- 4. Redirect the economy towards greener and more equitable systems.

Concretely, what President Ferdinand Marcos Jr. can do now is:

- 1. Speed up the passage of, and enact, the Climate Accountability Bill;
- 2. Start the process of litigating carbon majors for climate impact damages to the Filipino people;
- 3. Review and cancel memorandums of understanding (MOUs) from line agencies such as the Department of Environment and Natural Resources (DENR) with companies that perpetuate the climate crisis and who likewise deny their responsibility in the climate crisis;
- 4. Champion the Climate Damages Tax and other innovative sources of finance to ensure not just adequate funding, but, importantly, payment from corporations, for loss and damage;
- 5. Stop all plans for nuclear energy, fossil gas expansion and other false solutions; and
- 6. Enable policy reforms to reshape the economy to enable climate justice and community resilience.

Greenpeace Philippines believes that beyond words and symbolic gestures, climate justice must be the top agenda of the government. This paper lays out the current developments that the administration can use towards building this agenda, and the concrete steps it can take to get there.

Context

Mr Marcos' term as president coincides with the most crucial years for climate action. In 2018, the Intergovernmental Panel on Climate Change (IPCC) sounded the alarm that the world only had <u>12 years</u> (until 2030) for the window of opportunity for climate action to keep global temperature rise within 1.5 degrees Celsius (°C). Since 2018, however, global temperatures, and corresponding climate impacts, have escalated beyond initial projections, and the window for action is rapidly closing. Strong climate action from now until 2028 is crucial for securing the future of Filipinos.

The publication in March 2023 of the <u>Synthesis</u> of the IPCC 6th Assessment Report is seen as a final warning and an urgent call for climate action to secure a livable future for all. Significantly, the report said that climate impacts and risks are getting more severe sooner, and that every increment of warming will lead to escalating risks. The report also tells us that the crisis is deeply unjust: those who are least responsible are hit the hardest. But it is possible to change course, as long as the world delivers on real solutions, such as renewable energy (RE) like solar and wind power at scale. Current fossil fuel infrastructure is already too much, signaling that a fossil fuel exit is urgently needed. Equity and social inclusion, and prioritizing the climate resilience of vulnerable communities, are fundamental to the solutions, and to achieve this, the finance gap must be closed.

The costs of climate change

At the start of the term of the Marcos administration, many communities in Mindanao and Visayas had not yet recovered from the onslaught of Super Typhoon Rai (Dec 2021), the 2nd most destructive and costliest typhoon in the Philippines. And since 2022, the country has contended with eight major tropical cyclones (Megi, Noru and Nalgae in 2022; Mawar, Doksuri, Saola and Jelawat in 2023; and Ewiniar in 2024). These cyclones have brought on deaths, displacement, and destroyed homes and livelihoods. Many families and

communities who survived these typhoons still haven't recovered from the economic and social costs. The combined costs of the 2023 tropical cyclone season is estimated at PHP 81.1 billion, with Ewiniar's damages alone pegged at PHP 1 billion.

Meanwhile, 2023 has been recorded as the hottest year on record, and June 2024 was the 13th consecutive hottest month on record since April 2023. In the Philippines, 2024 logged some of the country's hottest months on record, and an El Niño whose impacts were magnified by climate change affected almost the entire country with drought, severe agricultural damage, and water shortages. It also brought on social impacts such as deaths, health care costs from heat stroke, and effects on education due to school closures. As of May 2024, the Department of Agriculture pegged damages to crops at PHP 5.9 billion, and the Department of Social Welfare and Development estimates that more than 6.2 million people were affected.

Costs of climate impacts have been rising. <u>Data</u> from the Department of Finance (DoF) in 2021 pegged costs of climate-related losses and damages at PHP 506.1 billion (about USD 10 billion) or an annual average of PHP 48.9 billion. In 2022, the DoF pegged the losses at as much as <u>PHP 1.5 trillion</u> in the next 50 years, but stated that the losses may get higher if it takes into account the latest IPCC report. Meanwhile, the latest report by <u>Swiss RE</u> ranked the Philippines as the most economically exposed to climate risk among 36 countries, potentially losing 3% of its GDP annually. This is on top of human and social costs that are difficult to quantify but are still part of the losses and damages experienced by communities.

Fossil fuel profits and expansion

The fossil fuel industry is primarily <u>responsible</u> for historical and current greenhouse gas (GHG) emissions that have led to, and are accelerating, climate impacts. Specifically, CO2 produced from the combustion of fossil fuels for energy (from transport, electricity generation and industry) comprises the <u>largest contribution</u> to global GHG emissions.

In 2022, the biggest fossil fuel companies announced historic profit records at a time when scientists were calling for the immediate <u>phase out of fossil fuels</u> in order to prevent runaway climate change. At the time of their announcements, 2022 and 2023 data from insurer <u>Gallagher Re</u> showed that global climate damage costs soared to USD 360 billion and 301 billion, respectively. In this period, the Philippines had also lost billions, on top of human casualties and millions of displaced families, to extreme weather.

Fossil fuel company net profit in USD

	2022	2023*
Exxon Mobil Corp,	56 billion	36 billion
Shell	40 billion	28 billion
Chevron	36.5 billion	21.37 billion
<u>TotalEnergies</u>	36.2 billion	21.38 billion
British Petroleum	27.7 billion	13.8 billion

^{*}Note that while net profits were lower in 2023, these figures still range from PHP 887 billion (USD 15.2 billion) to PHP 2.1 trillion (USD 36 billion). To put this in perspective, USD 36 billion is around 40.5% of the Philippine Government's 2023 budget, which was pegged at PHP 5.26 trillion (USD 89 billion).

Worse, fossil fuel companies continue to expand operations, drilling for more oil, gas and coal, raking in record-breaking profits—even while communities such as those in the Philippines continue to experience ever-worsening climate impacts. A recent <u>study</u> that looked at 25 of the world's largest fossil fuel companies showed that despite pledges and publicity claiming to support the Paris Agreement, none of the companies were aligned with the Paris goals, and almost all of them were targeting expansion (new development and production increases). Another <u>report</u> exposed how Shell, which is appealing a Netherlands court order to reduce emissions by 45%, continued to expand its operations by approving 20 major oil and gas projects, while decreasing its investments in renewables.

The situation is no different in the Philippines where major coal, oil and gas players have also reported soaring profits alongside expansion plans supported by the government. International oil companies like Shell have also posted record profits while local players like San Miguel Corporation and Aboitiz Power Corporation have likewise capitalized on favorable market conditions to accelerate expansion plans, especially in relation to fossil gas imports, with <u>25 gigawatts</u> of fossil gas power capacity in development. Despite the Department of Energy (DOE) projecting 26.6% of the energy mix to be from fossil gas under the <u>clean energy scenario</u> (in alignment with the country's NDC), current business as usual conditions, buoyed by prioritized policies like the Gas Enabling Law, see the contribution of fossil gas to be up to 40%.

The Climate Justice Agenda

The Climate Justice Agenda is a human rights agenda, as well as a development agenda.

The Philippine Climate Justice Agenda must be grounded on human rights. The Philippine Commission on Human Rights' <u>Final Report</u> on the National Inquiry on Climate Change recognizes how "the brunt of climate change has prevented many Filipinos from living their lives with dignity." Climate impacts impinge on people's right to life, health, food security, water, livelihood, housing, culture, self-determination, equality, a healthy environment and intergenerational equity, among others.

Current environmental crises (pollution and biodiversity), and social crises (such as poverty, conflict, unemployment, as well as economic and education crises) are happening against the backdrop of, and are interacting with, the escalating climate crisis. The climate crisis is already impacting ecosystems, biodiversity, agriculture and our oceans. But the crisis is not just about climate: it's about food security, access to water, people's health, lives and livelihoods, and these in turn magnify problems such as poverty and conflict.

Climate change is a development issue: it has long been impacting government efforts on poverty reduction and economic development. Climate justice is about just and equitable development that recognizes and respects planetary boundaries and people's right to a clean and healthy environment that will secure people's lives, health, homes and livelihoods, and can continue to sustain the wellbeing of those yet to be born.

What should the agenda look like?

With its hosting of the Loss and Damage Fund Board, the government must now move beyond words and set into action a comprehensive Climate Justice Agenda that will ensure the survival and wellbeing of Filipino communities, particularly those most vulnerable.

Two years into its six year term, the Marcos administration must use a combination of tools—from policies, regulations, litigation and taxes—to (1) shift corporate behavior and exact accountability; (2) demand and secure payment for climate loss and damage and make it accessible to communities; (3) steer the country

towards a full, fair, fast and funded fossil fuel phase out; and (4) redirect the economy towards greener and more equitable systems.

As one of the countries most impacted by climate change, the climate emergency should be the defining mission of the current administration. Instituting climate justice as a core national policy means confronting big polluters locally and abroad, putting people's welfare before corporate interests, speeding up the transition from fossil fuels to renewable energy, and transforming current systems that lead to inequity.

Such a comprehensive and people-centered Climate Justice Agenda predicated on human rights will only be effective with a plurality of voices behind it. But instead of encouraging and enabling the people's participation in the discourse surrounding the environment and climate justice, the Philippines has consistently ranked among the deadliest countries in the world for land and environmental defenders, reflecting distorted priorities that put the profit and gain of a few over the welfare of communities.

Alongside ensuring climate justice for Filipino communities, the government must urgently take measures to protect and support those who are peacefully defending the environment, including protection mechanisms for activists of all causes, who are calling out misguided policies and projects that are destructive to the environment and climate.

Exacting corporate accountability

The Marcos administration must use this opportunity to confront the fossil fuel industry and exact corporate accountability for climate impacts.



Community witnesses from Banaue, Ifugao share how climate impacts threaten the 2,000-year old Ifugao rice terraces, including communities depending on them during the Philippine Commission on Human Rights (CHR) Inquiry on Climate Change.

A. The Philippines must actively take steps to demand corporate accountability

In line with its demands for climate justice and its support for a Loss and Damage Fund under the

UNFCCC, the Philippines must now actively take steps to demand corporate accountability, in the same way that it recognizes the responsibility of countries that are responsible for the bulk of historical GHG emissions that are causing today's climate crisis.

The government must categorically call for the accountability of fossil fuel companies, particularly carbon majors: large oil, coal, gas and cement companies responsible for historic and/or ongoing carbon emissions, such as Exxon Mobil, Chevron, Shell, TotalEnergies and British Petroleum, among others. It must do so particularly in international spaces, as these companies are domiciled outside of the country.

Official positions of the Philippines, such as during its participation in the International Tribunal for the Law of the Sea (ITLOS) hearings on the request for an advisory opinion on the obligations of States with regard to climate change, and its written submission to the International Court of Justice (ICJ) on a similar matter, recognize the responsibility of states in regulating entities within its jurisdiction. While these clearly point to the responsibility of states to regulate the climate-harmful activities of entities (thereby acknowledging the harm caused by those entities), these fall short in explicitly calling on fossil fuel companies to show accountability.

Meanwhile, the CHR's National Inquiry on Climate Change (NICC) Final Report clearly points to the role of carbon majors in climate harms to Filipinos, and their responsibility to provide remediation, including compensation. However, the present administration has yet to take on the NICC recommendations through related policy measures and positions.

The National Inquiry on Climate Change (NICC)

The NICC states that:

- Carbon majors' products contributed to 21.4% of global emissions. The carbon majors had early awareness, notice or knowledge of their products' adverse impacts on the environment and climate system since, at the latest, in 1965.
- Carbon majors, directly by themselves or indirectly through others, singly and/or through
 concerted action, engaged in willful obfuscation of climate science, which has prejudiced the
 right of the public to make informed decisions about their products, concealing that their
 products posed significant harm to the environment and the climate system.
- In addition to liability anchored on acts of obfuscation of climate science, fossil-based companies may also be held to account by their shareholders for continued investments in oil explorations for largely speculative purposes.
- All acts to obfuscate climate science and delay, derail or obstruct this transition may be a
 basis for liability. At the very least, they are immoral. Climate change denial and efforts to
 delay the global transition from fossil fuel dependence still persists. Obstructionist efforts are
 driven, not by ignorance, but by greed. Fossil fuel enterprises continue to fund the electoral
 campaigns of politicians, with the intention of slowing down the global movement towards
 clean, renewable energy.

Among its conclusions, the report says that "Carbon majors have the corporate responsibility to undertake human rights due diligence and provide remediation," and that carbon majors within the Philippine jurisdiction, "may be compelled to undertake human rights due diligence and to provide remediation." Notably, the NICC states that this responsibility is also applicable to other entities within the value chain of the carbon majors.

The Philippines' oral statement at the International Tribunal for the Law of the Sea (ITLOS) during the proceedings of the hearing of the Request for an Advisory Opinion submitted by the Commission of Small Island States on Climate Change and International Law

This request for an Advisory Opinion was submitted by the Commission of Small Island States on Climate Change and International Law to the ITLOS. The legal questions it asked were:

What are the specific obligations of State Parties to the United Nations Convention on the Law of the Sea (the "UNCLOS"), including under Part XJI:

- a. to prevent, reduce and control pollution of the marine environment in relation to the deleterious effects that result or are likely to result from climate change, including through ocean warming and sea level rise, and ocean acidification, which are caused by anthropogenic greenhouse gas emissions into the atmosphere?
- b. to protect and preserve the marine environment in relation to climate change impacts, including ocean warming and sea level rise, and ocean acidification?

The Philippines' <u>statement</u> at ITLOS in September 2019 stressed the responsibility of States to regulate public and private entities in their activities that relate to climate change, even when the effects of the activities fall beyond their boundaries.

- "It is the responsibility of States to adopt rules and measures and enforce administrative control to all private and public entities under its jurisdiction"; and "The Philippines emphasizes that it is the obligation of States to adopt appropriate rules and measures to preserve and protect the marine environment, and to ensure compliance by entities under its control and Jurisdiction." [Emphasis in italics added.]
- 'In particular, the rules and measures and the enforcement of administrative controls should aim towards the realization of article 2 of the UNFCCC for the "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system", and, as fleshed out in article 1(a) of the Paris Agreement, by "[h]olding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels." [Emphasis in italics added.]
- It also cited that GHG emissions qualify as "pollution of the marine environment."

The Philippine submission to the International Court of Justice (ICJ) on the resolution to request for an Advisory Opinion on the obligations of states in respect of climate change.

This request for an Advisory Opinion was submitted by Vanuatu to the UN General Assembly, which, after adopting the request as a resolution in March 2023, requested for the ICJ to render an advisory opinion on the following questions:

"Having particular regard to the Charter of the United Nations, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the United Nations Framework Convention on Climate Change, the Paris Agreement, the United Nations Convention on the Law of the Sea, the duty of due diligence, the rights recognized in the Universal Declaration of Human Rights, the principle of prevention of significant harm to the environment and the duty to protect and preserve the marine environment,

- a. What are the obligations of States under international law to ensure the protection of the climate system and other parts of the environment from anthropogenic emissions of greenhouse gasses for States and for present and future generations?
- b. What are the legal consequences under these obligations for States where they, by their acts and omissions, have caused significant harm to the climate system and other parts of the environment, with respect to:
 - i. States, including, in particular, small island developing States, which due to their geographical circumstances and level of development, are injured or specially affected by or are particularly vulnerable to the adverse effects of climate change?

ii. Peoples and individuals of the present and future generations affected by the adverse effects of climate change?"

The country submissions have not yet been made public by the ICJ. However, the Office of the Solicitor General of the Philippines announced its submission in a <u>news article</u> which quoted the Philippine submission and its drafters to say that:

- 'The "Philippines proffers that prompt reliefs should be given and made available to affected States and peoples so as to immediately cease or mitigate any environmental damage"
- The 'Philippines invoked the 'polluters must pay' principle, and said "while the principle is not explicitly referred to in the United Nations Framework Convention on Climate Change, the Kyoto Protocol, and the Paris Agreement, many of the provisions and obligations stated therein point to the evidence that said principle is being applied."
- "When a State—by itself or through State actors or other entities whose actions or omissions may be attributable to the State—commits acts or omissions that do not faithfully conform to its international obligations, the same constitute a breach of an obligation and, under international law, is an internationally wrongful act." [Emphasis in italics added.]

In the last point above, the submission affirms that it is the duty of the State to ensure the responsibility of entities under its jurisdiction.

B. The Philippine government must take corporate climate polluters to court

People affected by climate change and whose human rights have been dramatically harmed must have access to remedies, and access to justice.

Litigating climate polluters is an important concrete step that can be undertaken by the administration to exact accountability for climate losses and damages. Should it pursue this, it will be among the first countries to do so.

The Philippine government must follow through on the NICC and its stated positions as described above, and undertake the litigation of carbon majors both here and abroad for the climate harms that have cost the lives, health, homes and livelihoods of millions of Filipinos, and is costing the national economy trillions of pesos in losses.

Other state entities have already pursued legal actions against big oil. Last year the governor of the State of California filed a <u>case</u> against a number of oil and gas companies for "decades of deception, cover-up, and damage that have cost California taxpayers billions of dollars of health and environmental impacts." The Philippines must join this chorus of governments and its people taking big oil and gas companies to court to show that they are not beyond reproach and must be held accountable for their climate destructive actions.

Filipinos from frontline communities and local government units (LGUs) are already leading this work.

<u>Filipino youth from Dinagat Islands has joined a climate litigation against TotalEnergies in France</u>

In May 2024, a resident of the Dinagat Islands, Frank Nicol Melgar Marba, joined a transnational legal action against fossil fuel company TotalEnergies, which is headquartered in France, together with eight other climate impact survivors from seven countries and three NGOs. The complaint targets the board of directors of TotalEnergies, which determines the group's strategic direction, including its CEO Mr Patrick Pouyanné, as well as its main shareholders who voted in favor of

climate strategies incompatible with limiting global warming to 2°C, and against resolutions aimed at aligning the company's climate strategy with the Paris Agreement. Among the shareholders are the largest, Blackrock, as well as the 6th largest shareholder, Norges Bank. The case is unprecedented in the history of climate litigation, as it opens the way to holding fossil fuel producers and shareholders responsible before criminal courts.

Frank's family's house was damaged and his grandmother sustained illness following the onslaught of Super Typhoon Rai in 2021. Rai (locally named Odette) is the second most destructive typhoon to make landfall in the country, after Super Typhoon Haiyan (locally named Yolanda) in 2013. Dinagat Islands, where Odette made its second landfall, was one of the hardest-hit provinces, suffering an estimated PHP 3.9 billion worth of damages to infrastructure and agriculture, aside from affecting 34,000 families.

The Municipality of Salcedo, Eastern Samar, has passed a historic resolution on climate accountability

In 2023, the Municipality of Salcedo, Eastern Samar, passed the very first LGU resolution of its kind in the Philippines on climate accountability. The bill seeks "accountability for conduct directly contributing to climate change and its consequent impacts on the people of the Municipality of Salcedo," and directs the local government to "pursue any and all actions on behalf of the people of Salcedo for the losses and damages inflicted upon the communities due to the impacts of extreme weather events."

The resolution further states that "the Sanggunian, on behalf of the people of Salcedo, is resolute in its pursuit for accountability and reparations for the losses and damages brought about by the detrimental impacts of the climate crisis caused by fossil fuel companies responsible for the excessive and cumulative greenhouse gas emissions." It also aims "to position the Municipality of Salcedo as a pro-active advocate for climate justice, demonstrating practices in alignment with the Paris Agreement."

The resolution, which is fully supported by Municipal Mayor Ma. Rochelle G. Mergal, was sponsored by Municipal Councilor Joselito C. Esquierdo, and co-sponsored by all members of the Committee on Environment. It was approved on November 6, 2023, two days before the 10th anniversary of Super Typhoon Haiyan.

The National Inquiry on Climate Change (NICC) by the Human Rights Commission

Although not a traditional litigation, the <u>NICC</u> petition submitted by Filipino climate impact survivors and civil society groups, including Greenpeace Southeast Asia - Philippines, is the world's first investigation into corporate responsibility for the climate crisis. It was launched by the Philippines Commission on Human Rights (CHR) after typhoon survivors and civil society groups filed a complaint before the Commission in September 2015, calling for a probe into the possible human rights violations of the 47 biggest investor-owned fossil fuel and cement companies resulting from climate change.

A series of public inquiry hearings took place in Manila, New York and London, which yielded thousands of pages of documentary and testimonial evidence presented by Filipino and international science, policy and legal experts, and narratives of individuals from different communities whose lives have been hugely affected by climate change.

The CHR's national inquiry has clearly shown that people affected by climate change and whose human rights have been dramatically harmed must have access to remedies, and access to justice.

Simply put, carbon majors and other corporations have responsibilities to protect human rights as we face the climate emergency.

Its <u>Final Report</u>, recognized as an important legal basis for corporate climate accountability, lays down several significant recommendations for governments, carbon majors and the private sector, including:

- Ending fossil fuel dependence;
- Scaling up clean technologies and policies;
- Cooperating towards the creation of a legally binding instrument to strengthen the United Nations Guiding Principles for Business and Human Rights implementation and providing redress mechanisms for victims of human rights harms caused by businesses;
- Concretizing the responsibility of businesses in the context of climate change;
- Discouraging anthropogenic contributions to climate change and compensating victims;
- Ensuring that all persons have the necessary capacity to adapt to climate change, and guaranteeing equality and non-discrimination in climate adaptation and mitigation measures
- Ensuring a just transition towards an environmentally sustainable economy;
- Fulfilling climate finance commitments and devising new mechanisms for loss and damage from climate change-related events;
- Supporting and providing adequate legal protection to environmental defenders and climate activists;
- Promoting climate change awareness and education; and
- Strengthening shared efforts to conserve and accelerate the restoration of forests and other terrestrial ecosystems.

C. The Marcos Administration must enact the Climate Accountability (CLIMA) Bill

The <u>Climate Accountability (CLIMA) Bill</u> is a proposed law that seeks to establish a legal framework for climate loss and damage accountability in the Philippines. The bill seeks to make carbon majors accountable for climate harms, and creates a dedicated fund for communities for climate loss and damage. The Marcos administration must enact this important bill as a concrete mechanism to exact corporate accountability for climate impacts.

At the time of its filing, the CLIMA Bill was the first of its kind in the world. It was filed last November 2023 at the House of Representatives as House Bill (HB) 9609 by House Representatives Edgar Chatto, Jocelyn Sy Limkaichong, Fernando Cabredo, Anna Victoria Veloso-Tuazon, Christian Tell Yap and Jose Manuel Alba. Another version, HB 10478, was filed by Representatives Erwin Tulfo, Jocelyn Tulfo and Ralph Wendel Tulfo in 2024. As of writing, a Senate version of the bill is yet to be filed.

The CLIMA Bill codifies into law the concept of the precautionary principle, which was first mentioned in the Rules of Environmental Procedure. Section 5 of the proposed bill notes that "[w]hen a business activity or operation related to climate change raises threats of harm to human health or the environment, precautionary measures shall be taken proactively even if some cause and effect relationships are not fully established scientifically."

It allows for the filing of suits by any real party in interest, individual, group or community that seeks redress for any harm caused by ay non-compliance by a business to its obligations, as well as the filing of citizens' suits for the purpose of enforcing the provisions of the bill or its implementing rules and regulations.

It also adopts the polluter pays principle, which requires polluters to pay for any damage

they cause to the environment as may be provided under relevant Philippine environmental laws, and forbid them to shift the burden for the damage caused by the pollution. In this regard, the bill mentions attribution science, which can be used as a complementary framework in lieu of proof of actual damage when it comes to estimating the amount of and accountability for damage. Attribution science, a nascent science in climate change discussions, is the science that looks at the one-to-one correspondence between anthropogenic climate change and its impacts.

It is also anchored in the doctrine of last clear chance, whereby the knowledge of corporations of their contributions to GHG emissions shall compel them to reduce their emissions and be faithful to their duty of care.

It is imperative that the Marcos Administration ensure that this bill is passed into law. Once passed, the law will ensure that corporate climate accountability is recognized by the government, and that measures for reparations/compensation are put in place. The bill intends to: institute policies and systems to address climate change; protect communities from climate change-induced losses, damages and human rights harms; and provide mechanisms for accountability and reparations from those responsible for worsening the climate crisis—including corporate interests such as the fossil fuel industry.

D. <u>The Philippine government must also seek climate accountability from plastic producers</u>

A Greenpeace USA report published in 2021 shows how ballooning plastic production is being fueled by petrochemical companies, and how this production is enabling the expansion of oil and gas production. Current expansion plans in the petrochemical industry, aside from driving plastic pollution, would bring a huge increase in GHG emissions, threatening humanity's ability to keep global temperature rise within 1.5 °C. Plastic packaging has been estimated as the single largest use of virgin plastic annually. Throughout its entire lifecycle, from extraction to disposal, plastics contribute significantly to GHG emissions, with a study estimating that global production of primary plastics generated about 2.24 billion metric tons of carbon dioxide equivalent (GtCO2e) in 2019 alone.

In the Philippines, single use plastic production and pollution is largely driven by fast moving consumer goods companies (examples of which are Nestlé, Unilever, P&G, Colgate Palmolive, Coke, Pepsi, Monde Nissin, RFC, etc.) that are primarily responsible for sachets and other single use packaging. Sachet use in the Philippines is estimated at 164 million pieces daily. This use is driven by companies' relentless production and aggressive marketing of products in sachet packaging, and by the absence of meaningful government policies to curb sachet production.

The Philippine government must hold plastic producing and polluting companies accountable for their contributions to the climate and pollution crises.

Concretely, Mr Marcos must make a single-use plastic ban a priority of his administration. He must immediately begin phasing these out, starting with sachets, through the non-environmentally acceptable products list under Republic Act (RA) 9003.

The Philippines must create mechanisms to require corporations to reduce their plastic production and use, and to enable a just transition to reuse and refill models. This includes setting and enforcing time-bound targets for plastic reduction under an improved extended producer

responsibility (EPR) framework and mandating the adoption of reuse and refill systems with equivalent targets.

E. <u>Government agencies must cancel CSR MOUs and other similar agreements with fossil fuel companies</u>, extractive industries, and plastic producers

Marcos's administration comes at a time where there is increasing scrutiny and public anger against corporate interests on their environmental projects and their onerous partnerships to implement them.

A recent <u>report</u> showed that globally, instances of greenwashing have increased by 35%, with as much as 70% with financial institutions whose exposures to fossil fuels are significant. Another <u>report</u> has shown that almost 90% of carbon offset projects certified by the world's largest certifier, Verra Carbon, have been found to be worthless, with some being exposed as "phantom offset projects" with the biggest companies, one of them being Shell.

Unfortunately, this hasn't stopped Philippine government agencies from partnering with companies that have disturbing track records of environmental destruction and which have poured obscene amounts of money to fund campaigns aimed at obscuring the true scope of their responsibility towards people and planet.

Last year, the Department of Environment and Natural Resources (DENR), under Secretary Maria Antonia Yulo-Loyzaga, partnered with Shell ostensibly for nature-based solutions projects, and JG Summit Olefins Corporation (JGSOC) for wetland conservation efforts. Representatives from fast-moving consumer goods companies and plastic manufacturers also have ongoing collaborations with the national government agency, while the Similarly, last May DENR also inked a deal between some of the largest local dirty energy players in the country—Aboitiz, Metro Pacific, and San Miguel—supposedly to protect and conserve the Verde Island Passage, which is considered the center of the center of marine shorefish biodiversity in the world. This important ecosystem is unfortunately host to multiple climate-destructive infrastructure including coal plants and fossil fuel refineries owned by these same companies.

The Marcos administration should urgently review and cancel MOUs from line agencies such as the DENR with companies that perpetuate the climate crisis and who likewise deny their own responsibility in the climate crisis.

The government should ensure that whatever laws and policies covering the business conduct of extractives and polluting companies should have strong safeguards to avoid opportunities for greenwashing. Recently the EU has passed <u>guidelines</u> on greenwashing, which can be an inspiration for localizing similar instruments for regulatory bodies such as the Securities and Exchange Commission (SEC).

Additionally, the Marcos administration should also ensure that any climate-related policy should be sure-footed and keenly grounded on decarbonization by adopting a robust, ambitious and just pathway in line with our commitments to the UNFCCC. This means ensuring that new climate policies are not muddled by, or unfairly favor, business interests by establishing appropriate checks, balances and safeguards.

Demanding loss and damage finance



In the wake of Super Typhoon Karding (Noru), Tarlac farmers protested in storm-damaged fields, calling for Loss and Damage finance ahead of COP27. Holding placards, they urged historic emitters to pay for the climate harm they caused to heavily impacted nations.

'Loss and damage' refers to the consequences of climate impacts or disasters, which cannot be or have not been avoided through mitigation or adaptation efforts. It can be measured in economic terms, such as crop losses and structural damage, but also in non-economic terms such as, for example, in lost livelihoods where adaptation is no longer possible, cultural losses and the loss and damage to ecosystems.

Countries like the Philippines are already suffering huge human and economic impacts from losses and damages, and these impacts are projected to increase. Escalating climate impacts will continue to disproportionately hit developing countries, and will increase global inequalities. Losses and damages will have wide ranging impacts—reversing development gains, fueling debt, political instability and conflict and driving mass migration. Without appropriate funding the burden of debt on the most vulnerable countries will significantly increase.

Loss and damage payments can finance relocation costs for coastal communities threatened by sea-level rise; rebuilding homes and infrastructure following extreme weather events; safety net programs for the most vulnerable members of society; emergency funds that can be tapped into when needed; comprehensive risk management programs, particularly at the local level; technology cooperation and technology transfer, including tools to measure the extent of loss and damage, among others.

While the Philippines is losing billions during moments of climate emergencies, it also needs to address the need to equip communities to be resilient. While spending and investment must be redirected towards community resilience, the government must also ensure that there are funds available and accessible, coming in the form of payment by those most responsible.

Loss and damage finance should be based on the principle of polluter pays, taking into account the historical emissions of developed countries and major fossil fuel companies, together with the network of businesses and financial institutions that continue to invest in them and underwrite carbon pollution. It has been estimated that the fossil fuel industry <u>made enough super-profits</u> between 2000 and 2019 to cover the costs of climate-induced economic losses in 55 of the most climate-vulnerable countries nearly 60 times over.

Greenpeace believes action on loss and damage is central to achieving climate justice. Rich economies and fossil fuel companies alike have contributed most to the climate crisis and must pay compensation to less developed and climate vulnerable countries who are suffering the worst climate impacts.

COP 28 (the 28th Conference of Parties to the UNFCCC) in November 2023 established the Loss and Damage Fund as a financial mechanism under the convention, separate from the two other pillars of mitigation and adaptation. At present, however, money in the fund is far below the level of what is needed. Current <u>pledges</u> are at USD 661 million, a fraction of the <u>estimated</u> USD 300 to 520 billion actually needed for the fund.

With the Philippines as the host to the Loss and Damage Fund Board, President Marcos must lead the call for urgent and significantly upscaled contributions to the Loss and Damage Fund.

The President must also ensure that fossil fuel companies are made to pay for losses and damages, whether through new global mechanisms that can contribute to the Loss and Damage Fund, taxes that contribute to it, as well as through other means for making corporations—not just countries—pay up.

Specifically, President Marcos and his administration must:

A. Champion the Climate Damages Tax

The Climate Damages Tax is a mechanism imposing levies on the continued operations of fossil fuel companies to fund loss and damage financing. A report published last May 2024 proposes that the Organisation for Economic Co-operation and Development (OECD) countries, in particular members of the G7, lead in introducing a fee per ton of CO2 embedded (CO2e) within the domestic extraction of coal, oil and fossil gas. This fee, pegged at USD 5 per ton of carbon dioxide equivalent, will be ratcheted up annually, which also serves as a disincentive to continue fossil fuel extraction. In total, the tax could raise USD 720 billion by the end of the decade to support the world's most vulnerable facing climate damages.

The Marcos administration must advocate for this tax in international meetings with OECD countries, and at the UN climate conferences. As host to the L&D Fund Board, the support of the Philippines for this mechanism for climate damages payment from developed countries is crucial.

B. <u>Support moves to significantly ramp up windfall taxes from fossil fuel polluters, and</u> design tax systems based on the polluter pays principle

The excessive amounts of profits that fossil fuel companies have raked in historically, and until now, have come at the price of deadly and destructive climate impacts on poor and vulnerable communities. As mentioned earlier, their net profits have reached historic highs at a time when global temperatures are also breaking records, and the cost of climate impacts borne by countries and communities are escalating. These indecent profits have come from the pockets of people who have paid increasingly rising prices for electricity and fuel, in order to enrich company stockholders.

Fossil fuel companies are clearly profiteering out of the suffering of billions of people, and this must be stopped.

In many countries, people are calling on their governments to enforce a windfall tax (a tax on excessive profits that were unplanned and unaccounted for). There are also ongoing discussions in international spaces on fairer tax schemes and international polluter levies. Other sources can include mechanisms such as and similar to the US State of Vermont's <u>Climate Superfund</u>. All these can be potential sources of finance, and the Marcos administration must support and demand how these can be directed as financing towards the Loss and Damage Fund.

C. Call for the removal of fossil fuel subsidies

The fossil fuel industry is still widely benefitting from subsidies. Despite commitments and broad calls for the phase out of subsidies, many governments continue to subsidize the industry, with subsidies reaching a record <u>USD 7 trillion</u> in 2022. Subsidies serve to incentivize fossil fuel extraction and use, and provide benefits to an industry responsible for climate impacts—lost lives, homes and livelihoods. They also block progress towards a just energy transition, making it harder for renewables to compete. Globally, governments should phase out subsidies for fossil fuel exploration and production (while ensuring a just transition that supports workers), as well as support vulnerable consumer sectors that can be impacted by the removal of subsidies from fossil fuel use. Finally, instead of governments spending on fossil fuel subsidies, the money can go to social services, and, for rich countries, part of the amount can go towards contributions to their international obligations to put money in the Loss and Damage Fund.

To advance a Climate Justice Agenda, President Marcos must call for the phase out of fossil fuel subsidies and for a portion of these funds to go towards loss and damage payments.

D. Support other innovative sources of funding

There are other innovative sources of funding which groups have put on the table to finance payments for loss and damage. These include debt cancellation for developing countries and redirection of military budgets. The Marcos administration must support these and other initiatives to ensure adequate funding for loss and damage from 2024 and the coming years.

E. Support loss and damage fund sourcing domestically

Domestically, the enactment of the Climate Accountability (CLIMA) Law and its fund mechanism, the Climate Change Reparations Fund (CCRF) will ensure that payments are being made by polluting industries for the damage they cause to communities.

There can be other mechanisms by which the country can receive funds that will be earmarked for loss and damage. However, the administration must ensure that these loss and damage payments from rich countries are not given as loans, but as grants; and that payments from corporations are not marketed or promoted as corporate social responsibility (CSR) but as a responsibility to repair and pay for damage done.

Ensuring a people-centered Just Energy Transition



Youth from Brgy Coring, Dinagat Islands held a "Climate Justice Now" banner during the installation of solar panels in their community, showcasing renewable energy as the best solution specially for climate-vulnerable island areas.

The country's Climate Justice Agenda must not only seek fossil fuel accountability and payment for losses and damages, it must also work to support a global fossil fuel phase out, and ensure a just energy transition at the national level.

The IPCC's <u>6th Assessment Report</u> is clear in its assessment that there is no room for new fossil fuel infrastructure if we are to keep within the limits of the Paris Agreement. Additionally, many experts have warned that we need a rapid fossil fuel phase out to avert the climate crisis' worst impacts, and secure the planet's livability and the survival of communities.

The current administration should support and implement a fast, full and fair energy transition through the following measures:

A. Adopt the Philippine Civil Society position on the Principles of a Just Energy Transition

Following a series of civil society and people's organizations consultations, Aksyon Klima Pilipinas released its *Position of Civil Society and People's Organizations of the Philippines on The Principles of Just Energy Transition (JET) in the National and Local Context*. The <u>position</u> laid out 10 principles that should define the Just Energy Transition in the Philippine context. The JET must be:

- 1. Renewables-focused;
- 2. Climate-aligned;
- 3. People-centered;
- 4. Rights-based;
- 5. Inclusive:
- 6. Human-secure;
- 7. Equitable;
- 8. Ecologically respectful;
- 9. Transparent and accountable; and
- 10. Developmentally sustainable.

The understanding is that a just energy transition is not the mere replacement of one energy source with another, but this must also extend into how the government must use the opportunity afforded by the transition to shift systems of control and power from extractive and destructive industries and profiteering business, to people- and community-centered systems that will ensure genuine sustainable development.

The current administration must not only start enabling the transition of energy systems from a phase out of fossil fuels to the massive uptake of renewables, but should also ensure that this is done through a holistic and systemic approach that puts the welfare of people, and the environment they depend on, first.

B. Abandon false solutions on energy and climate

In enabling the transition, the Philippine government should keep a focus on renewable energy, particularly solar and wind energy. The government must redirect its misplaced focus on false energy and climate solutions and put money, time and resources in safe, clean and realistic solutions that are already at hand.

The Philippines needs an energy system that will help to: 1) reduce its massive coal exposure, 2) avoid a carbon lock-in through fossil gas investments and 3) speed up renewable investments. False solutions on energy and climate will not be able to deliver this and will further delay the just energy transition.

The Marcos administration must:

1. Stop all plans for nuclear energy

Energy derived from nuclear power plants is the most dangerous source of electricity. At present, even after decades of use, nuclear energy is fraught with problems. What to do with harmful nuclear waste remains unresolved. And any nuclear incident will expose thousands if not millions of people to radioactive risks and hazards that will last for centuries. Countries like the Philippines have no sufficient capacity to deal with nuclear accidents, which would entail upgrading municipal hospitals and healthcare and disaster response capacities and equipment, among others. Current nuclear bills being proposed in the Philippine Senate cannot guarantee the safety of people from serious nuclear risks.

Even new designs for small modular reactors (SMR) promoted by the US government remain problematic. <u>Stanford University researchers</u> concluded that SMRs are inferior to conventional reactors with respect to radioactive waste generation, management requirements and disposal options.

A May 2024 <u>study</u> by the Institute for Energy Economics and Financial Analysis (IEEFA) states that SMRs, which are being touted by the present administration, will still be too expensive, too slow and too risky to build. In fact, no such commercial facility currently exists anywhere in the world, and the Philippine DOE's <u>claim</u> that SMRs could be up and running by 2029 is not based on reality, but on marketing spiels of opportunistic nuclear power companies.

With the country's national debt at an all time high, and lack of funds to provide financial resources to address climate impacts, nuclear power is clearly as unrealistic as it is undesirable.

The Marcos administration must withdraw its support for pending nuclear bills, cancel the <u>123 Agreement</u> with the United States, and abandon all plans for building nuclear plants. Instead, the government must put resources, time and investment in a Just Energy Transition through renewable energy.

2. Stop all fossil gas expansion

As the world shifts away from coal power, many countries, including the Philippines, still look at fossil gas as an alternative. Fossil gas does emit less carbon dioxide than other fossil fuels, but it emits methane, a potent GHG. Recent <u>science</u>, acknowledged by the IPCC, estimates that methane is 84 times more climate disruptive than carbon dioxide over a 20 year period.

Despite this, the Philippine government <u>considers</u> fossil gas an "environmentally friendly" fuel, and the country's energy sector and private sector energy players are positioning themselves for a massive adoption of fossil gas. However, with no current gas sources, the bulk of this will be imported.

At present, the House of Representatives passed HB 8456 or the Philippine Downstream Natural Gas Industry Development Act. In the Upper House, Senate Bill 2247 was filed as a counterpart to HB 8456 and is now under review.

These bills, and the further development of the fossil gas industry in the country, will not only lock us into at least 40 more years of fossil fuels, it will also considerably block the country's transition to renewable energy, prevent the country from achieving our Nationally Determined Contributions, threaten our energy security, and expose Filipinos to fossil gas price volatility, aside from exposing communities and ecosystems near these facilities to environmental and health hazards.

President Marcos must withdraw support for fossil gas expansion, and redirect investment and energy to RE. His administration must also uphold and strengthen the moratorium on coal-fired power plants, and study how to expand this moratorium to gas facilities.

3. <u>Uphold the ban on waste incineration, including so-called waste-to-energy</u> (WTE) facilities

The national government as well as many local governments are looking at thermal WTE facilities (WTE through waste burning) for energy and waste disposal. Thermal WTE falls under waste incineration, which is currently banned under Philippine laws. Thermal WTE

also cannot be considered a renewable energy source because of its reliance on waste generation, particularly burnable waste such as paper (which is better recycled), and plastics (which are produced from fossil fuels).

Aside from being an inefficient way to generate power, thermal WTE's most crucial impact is its release of GHG emissions. Incinerators produce <u>2.988 pounds</u> of carbon dioxide per unit of electricity (MWh), making it a highly carbon intensive form of energy production. In terms of waste volume, around 0.7 -1.7 tons of carbon dioxide emissions are produced for every ton of municipal solid waste <u>incinerated</u>. This figure includes emissions from fossil (e.g. burning plastics) and biogenic carbon dioxide (e.g. burning food waste).

At present, a faulty Extended Producer Responsibility Law (RA 11898) allows the burning of plastic packaging waste, such as sachets, in cement kilns. This not only produces health and environmental hazards from toxic, carcinogenic fumes, but also contributes to GHG emissions.

The Marcos administration must uphold the ban on incineration and stop the construction and build plans for thermal WTE facilities, and revise the EPR Law to prohibit the burning of plastic waste in cement kilns. Instead, the government must fully implement RA 9003, or the Ecological Solid Waste Management Act.

4. <u>Mandate actual emissions reductions by climate intensive industries, instead of supporting carbon trading and offsetting</u>

Carbon emissions trading and offsetting schemes are a distraction that prevents much needed and very urgent action on fossil fuel phase out. These approaches are being used by industries in order to continue business-as-usual—and delay taking necessary and urgent steps to enable an energy transition. While they have been in place in some countries for decades, the bigger goal for which this mechanism has been formulated (reducing emissions) has not been met.

A bill currently in the House of Representatives, the Low Carbon Economy Bill (HB 7705), is aiming to set the rules for carbon trading in the Philippines. If passed without necessary safeguards, this can enable companies to avoid or delay actual emissions reductions in their operations and use offsetting to pretend that reductions have taken place.

While there are existing carbon offsetting projects in the Philippines, these are currently largely unregulated by the government. Offset projects have come under intense scrutiny in the past years for their susceptibility to greenwashing, misreporting by corporations and the discovery of "phantom offsetting projects" enabled by companies providing offset certifications. A Greenpeace report in 2021 showed how oil and gas companies purchased carbon offset credits to fulfill carbon neutrality or emissions reduction targets on paper—rather than spend time and resources to implement necessary structural changes to develop clean and sustainable technologies. Some companies have gone as far as to market their fossil gas as "carbon neutral." In the case of HB 7705, moves are being made to use the bill to create a purely market-based incentivizing mechanism (instead of penalties) for exceeded emissions.

Carbon trading and offsetting cannot be a replacement for decarbonization, and actual emissions reduction as well as a fossil fuel phase out is still the primary solution to the climate crisis.

As part of a just energy transition, Mr Marcos must mandate actual emissions reductions by climate intensive industries through laws such as the proposed CLIMA Bill, and other regulations, instead of supporting carbon offsetting and trading schemes.

Redirecting the economy towards greener and more equitable systems

It is clear that the transformation needed is not just at the level of climate action or energy transition. To secure the welfare and wellbeing of Filipinos now and in the future, the Philippine government must work to reshape the economy to enable climate justice and community resilience.

The climate crisis has helped expose how the current 'business' ideology of extraction - production - trade - consumption - disposal has devastating impacts on people and the commons—the ecosystems upon which our survival depends. This ideology is not only driving environmental destruction and the climate crisis, but is also fueling massive poverty and inequality. Greenpeace believes we must enable a transformation towards ecological, climate, energy, water and food justice coupled with social, economic, health and redistributive justice, and abandon business-as-usual.

An ambitious Climate Justice Agenda must help enable the country's transition to people-centered and rights-based economic, social and political systems by:

- A. Directing policy and investment priorities away from reliance on resource-intensive industries and infrastructure, towards a more just and green economy; and
- B. Enabling and increasing people participation in societal and political discourse to strengthen people-centered governance.

In short, it is an agenda that ties together people's and the planet's wellbeing.

Greenpeace believes the government must take bold steps to transform our economy and society to tackle the climate crisis and promote positive outcomes. Doing so will help build resilience against future shocks (e.g. future pandemics, and worsening climate impacts, etc.), and ensure a society that puts the well-being of people and nature (on which our well-being depends) first.

All projects and initiatives being planned right now must reshape the economy and society towards climate justice and resilience. At present, governments and industries are prioritizing business-as-usual scenarios, including more dirty investments that will exacerbate inequitable socio-economic conditions that neglect the needs, concerns and rights of women, indigenous peoples, workers and marginalized communities. In order to revitalize the economy, the government needs to "reshape the economy," to invest the vast amounts of finance they are earmarking not to where they have traditionally placed it in the past, but to areas and sectors that will resolve long-term challenges, such as the climate crisis, planetary limits and environmental destruction, as well as poverty and injustice.

The government must use this opportunity to shift to forward-looking investments that do not harm the environment and peoples' health and well-being—and instead uphold collective community rights to development, by decoupling our economies and societies from market-oriented, profit-driven frameworks at the roots of destruction, pollution and injustice.

At a local level, the government has the opportunity to create dignified, localized green jobs that pay a living wage and sustain a healthy, thriving economy of care, while simultaneously designing new community-centered, public infrastructure and systems that we can all access and participate in building and sustaining, so we can live well and get around.

There are opportunities for green, people-centered investment across a range of public sectors: energy, transport, manufacturing, water, food, waste, education and health—the government needs to identify these and seize the opportunity to call for sustained commitments to direct financing accordingly.

The Philippine government must:

A. <u>Direct policy and investment priorities away from reliance on resource-intensive</u> industries and infrastructure, towards a more just and green economy

The government must use this opportunity to enable the country to turn away from dependence on fossil fuels, unfettered extraction and environmental destruction as the root of economic activity; and must reject the market- and overconsumption-oriented race for growth at all costs.

This should include policies to ensure that:

- 1. All new infrastructure investments are climate and community responsive—while urgently managing a phase-out of fossil fuel-dependent energy generation and infrastructure:
 - a. Institute and fast-track a 100% RE by 2030 roadmap that is locally-oriented and has clear incremental timelines:
 - City infrastructure planning should institutionalize inclusive green public spaces and safe, accessible and efficient active mobility and mass public transport systems over private motorized vehicles, developed through the full informed participation, input, consultation and consent of residents, including the urban poor;
 - c. National budget going to road repair projects should include financing for upgrading roads to offer an inclusive and full range of active mobility options, ensuring community needs are met. Infrastructure projects should not go forward until and unless local communities for which these are intended—or which these affect—have been consulted, given ample opportunity to offer input and freely granted informed consent; and
 - d. Investments in government, education and hospital facilities should focus on retrofitting/construction to reduce their environmental and climate footprints and to ensure they are climate-proofed.
- 2. No environmentally destructive infrastructure projects are approved.
 - The long term costs of environmental destruction and impacts on people's health and livelihoods outweigh any short term perceived benefits from environmentally destructive projects, which include, among others, large- and medium-scale hydropower, mining and quarrying, waste incinerator facilities, large industrial farms (aquafarms) and nuclear power plants.

Projects already underway should be prioritized for suspension and reconsideration, following stringent environmental and health standards. Safe reporting mechanisms must be available for women, indigenous peoples, affected communities and allied groups or individuals to express grievances, concerns and questions. And evaluation mechanisms must be transparent and must prioritize the health and safety of communities, and environmental integrity.

3. No financial incentives, subsidies, bail-outs or enabling policy measures allowing for, or leading to, further expansion of fossil fuel exploration, extraction and intensive use, including industrial agriculture and fisheries, are approved. These sectors have already been

benefiting from public resources for decades. None also for other large businesses. Money for recovery must go to the most vulnerable sectors which need it most.

- 4. Promote redistributive, relocalized and sustainable systems of production, trade and consumption that recognize and respect planetary limits as the commons on which life depends, and which:
 - Ensure investment goes to building and strengthening local economies and livelihoods, and favors community-oriented/directed business models (rather than investment supporting big businesses, and that is being driven towards export-oriented industries);
 - b. Foster cooperatives that work for communities, including for farmers, fisherfolk, health workers, subsistence /land based communities, day care and other vital sectors:
 - c. Promote repair, reuse and sharing economies, rather than drive consumer spending as an economic indicator;
 - d. Suspend new trade negotiations and open a forward-looking participatory public planning procedure for grounding a full recalibration of the country's current and future trade agenda; and
 - e. Respect and uphold indigenous peoples' rights to ancestral domains, self-determination and rights to give or withhold prior informed consent to developments that affect them.

B. <u>Enable and increase people participation in societal and political discourse to strengthen people-centered governance</u>

The country's Climate Justice Agenda must enable a new kind of people-centered, caring economy—measuring economic success not by the quantity of produced goods and services (GDP) but by the contribution to the preservation of public resources and welfare for the collective wellbeing of the population. It must be fair, inclusive, accountable and non-exploitative.

To achieve this, the government must:

- 1. Invest money in people through:
 - a. Poverty alleviation measures that prioritize redistributive (development) justice, particularly for the most vulnerable in the face of the climate crisis.
 - b. Health and well-being, both of people and the planet, recognizing how people's health depends on the health of the planet and safeguarding the commons.
 - c. Education, particularly enabling an informed and active citizenry as a necessary component in a democracy; and
 - d. Green and sustainable livelihoods, housing and jobs for everyone.
- 2. Promote and support investment in people-centered systems, such as:
 - a. Participatory systems and platforms that encourage collective citizen action and decision making; and
 - b. Inclusive, transparent and inspired models of governance that are fully accountable to people, prioritizing and meeting our collective rights to social, economic, cultural and environmental dignity.
- 3. Protect people's rights to participation through:
 - a. Mechanisms that safeguard and uphold the rights of activists and protect them from intimidation and persecution; and

 More involvement of civil society groups in decision-making and shaping policies and programs through consultations and discussions and other venues for citizen participation.

Such investments provide a crucial opportunity to make the Philippine economy fit for the 21st century, and will help address the economic, social and health inequalities which are magnified by the climate crisis.

Conclusion and recommendations

The imperative for climate justice and climate and environmental action has never been more crucial or more clear, and it falls upon the shoulders of the current administration to address the triple planetary crisis (climate change, pollution, biodiversity loss) before things get even worse.

To address this effectively, the Philippines needs a Climate Justice Agenda that can serve as a framework for environment and climate protection that is grounded on human rights and corporate accountability.

Moving forward into its remaining four years, the Marcos administration needs to support the calls of Filipinos who are in need of climate and environmental justice. It must hold polluting corporations, whether here or abroad, responsible and accountable; demand and secure payment for loss and damage and make it accessible to communities; steer the country towards a full, fair, fast and funded fossil fuel phase out; and redirect the economy towards greener and more equitable systems. When these are achieved, the Filipino people will have a fighting chance at "a prosperous, predominantly middle-class society where no one is poor," and where people "enjoy long and healthy lives."

Greenpeace is calling on President Marcos Jr to:

- Speed up the passage of and enact the Climate Accountability Bill;
- Start the process to litigate carbon majors for climate impact damages to the Filipino people;
- Review and cancel MOUs from line agencies such as the DENR with companies that perpetuate the climate crisis and who likewise deny their own responsibility in the climate crisis;
- Champion the Climate Damages Tax and other innovative sources of finance to ensure not just adequate funding, but, importantly, payment from corporations, for loss and damage;
- Stop all plans for nuclear energy, fossil gas expansion and other false solutions; and
- Enable policy reforms to reshape the economy to enable climate justice and community resilience.