



SUSTAINABILITY WHITEBOOK 2021



ABOUT ECCP

The European Chamber of Commerce of the Philippines (ECCP) is a service-oriented organization whose main goal is to foster close economic ties and business relations between the Philippines and Europe. The ECCP does this by providing a wide range of consultancy services and by creating linkages between companies, organizations, and individuals with existing or potential business interests in Europe and the Philippines. It is also at the forefront of pro-business, pro-growth advocacy in the Philippines, representing European business interests for increased market access and trade facilitation, at the highest level of Philippine political discussions.

The ECCP sees itself as the stepping stone for Europeans into the Philippine market and for Filipinos into the European market.



SUSTAINABILITY WHITEBOOK 2021



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Message from the ECCP President

Building a truly sustainable and inclusive economy, in line with the ambitions of the Global Goals, requires responsible stewardship of all stakeholders including the private sector. We all have a part to play in tackling many of today's complex environmental, economic and social challenges to ensure that we reap the benefits of sustainable growth and development in terms of job creation, environmental protection, and better living standards, among others.

Likewise, this ambition is a shared endeavor where we can draw inspiration from one another on how to design policy frameworks, institutional mechanisms, and operational guidelines to drive the path forward. Europe offers a promising model with its European Green Deal for organizations operating in the Philippines committed to transitioning to a more sustainable growth strategy that creates value and opportunities for the people, the environment, and the economy at large.

In this context, we are proud to present the Sustainability Whitebook which takes stock of the current state of play on six key themes of sustainability in the country, namely on smart and safer mobility, clean and energy efficiency, circular economy, sustainable food and nutrition, green and inclusive finance solutions, and water resource management. The Whitebook builds upon the various advocacies and policy recommendations of the Chamber in line with the Sustainable Development Goals to overcome present and emerging challenges confronting the business community and become effective drivers for sustainable growth and development.

On behalf of the European Chamber of Commerce of the Philippines, I would like to thank the various Committees, member companies, and the team behind this milestone publication. Moreover, the European-Philippine business community remains committed to doing its part to pave the way for a sustainable future.

Nabil Francis
ECCP President



Message from the EU Ambassador

It is my pleasure to participate as a juror to the Europa Awards of the European Chamber of Commerce of the Philippines. The Europa Awards exists to recognize Filipino companies with exceptional contributions to sustainability in line with the Philippine Development Plan and global standards.

The European Union launched the European Green Deal making Europe climate neutral by 2050 boosting the economy thru green technology creating sustainable industry and transport. We clearly share the same aspirations as the ECCP.

This is even more important in 2021 as we continue to face COVID-19 challenges. Thus, our world requires new ideas and strategies for our economies to recover. Together with the Philippines, the European Union believes that we can gain more grounds thru sustainable economies.

Sustainability, after all, requires a whole society approach. We all must act now to protect the environment and to boost green economy.

With the European Chamber of Commerce of the Philippines, the European Union Delegation looks forward to collaborating more with business stakeholders towards these goals.

Sama-sama tayo together!

H.E. Luc Véron
Ambassador Extraordinary and Plenipotentiary of the
Delegation of the European Union to the Philippines







SUSTAINABILITY WHITEBOOK: SDGS IN THE PHILIPPINE CONTEXT

WHERE ARE WE NOW?

In September 2015, the Philippines, together with other United Nations member states, expressed its commitment to attaining the 17 Sustainable Development Goals (SDGs) and their corresponding targets by 2030. Also known as the Global Goals¹ the SDGs are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity.

Since then, the Philippine government has initiated and implemented several policies and programs pursuant to the SDGs. Likewise, the United Nations Development Programme (UNDP) Philippines has further emphasized the important role that the private sector plays in achieving the large-scale ambition of these Goals.

In 2017, the Transformational Business Report was released to showcase the preliminary results of an online portal survey on how businesses are aligning their core business processes, activities, and initiatives with the SDGs. The report highlights 139 initiatives from 75 reporting companies. Based on the submitted initiatives with disclosed investments information, a total of PHP 40.7 billion have already been invested in SDG-aligned core business practices and programs in the Philippines.²

Further to this, as part of the commitment to provide sound metrics and data to deliver the Global Goals, the Philippine Statistics Authority (PSA) releases the baseline and latest SDG data through the SDG Watch.³ The latest report released in March 2020 highlights the Anticipated Progress Index toward the SDGs Targets within which 7 Targets (21.9%) were on-track, 20 Targets (62.5%) were accelerating, and 5 Targets (15.6%) were regressing. This index provides a measure of how much progress towards the target will still be required by the end of the target year, assuming the pace of progress is sustained.⁴ While there have been commendable strides towards sustainability, there remains a lot of work to be jointly undertaken by stakeholders.

1 United Nations Development Programme. (n.d.). *What are the Sustainable Development Goals?*. Retrieved from <http://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

2 Ibid.

3 Philippine Statistics Authority. (n.d.). SDG Database Philippine Indicators. Retrieved from <https://openstat.psa.gov.ph/Database/Sustainable-Development-Goals>

4 United Nations Economic and Social Commission for Asia and the Pacific. (n.d.) Progress Assessment Methodology. Retrieved from <https://data.unescap.org/dataviz/methodology/technical-notes.html>

WHERE DO WE WANT TO BE?

The National Economic and Development Authority (NEDA), as the socio-economic planning ministry of the Philippines, has been coordinating the implementation of the SDGs in the country while also monitoring the country's medium- and long-term development plans.

Issued in 2016, the Executive Order (EO) No. 05⁵ approves and adopts the twenty-five year long term vision entitled *AmBisyon Natin 2040* as a guide for the country's development planning. *AmBisyon Natin 2040*⁶ lays down the "collective long-term vision and aspirations of the Filipino people for themselves and for the country". The issued EO further adopted a vision for the country that by 2040, the Philippines shall have been a **prosperous, predominantly middle-class society, and that the Filipino people live long and healthy lives, are smart and innovative, and live in a high-trust society.**

Likewise, Executive Order No. 27⁷ issued in 2017 mandates all government agencies and instrumentalities, both national and local, to implement the Philippine Development Plan (PDP) and Public Investment Program (PIP) for the Period of 2017-2022. Guided by the *AmBisyon Natin 2040*, the PDP 2017-2022⁸ has been formulated to provide the "foundation for inclusive growth, a high-trust and resilient society, and a globally competitive knowledge economy", which is envisioned to be the course through which the SDGs will be implemented in the Philippines.

The Philippine government, along with the UNDP Philippines, continue to accentuate the importance of stakeholders collaboration and engagement in achieving the SDGs. According to a study conducted by the World Business Council for Sustainable Development (WBCSD) in 2017, achieving the Global Goals opens up USD 12 trillion of market opportunities across four economic systems: food and agriculture, cities and urban mobility, energy and materials, and health and well-being.⁹ Nonetheless, the Goals present enormous opportunities and potential for the private sector to contribute development at such an unprecedented scale. Likewise, stakeholders should remain informed and engaged in the discussions for better coordination in the implementation of the SDGs.

On the ECCP's end, the Chamber has been heavily involved in sustainability-related advocacies which will be featured in the succeeding pages. We remain committed to continue working with partners to push for policy reforms, raise public awareness, create positive change, and maximize our impact towards sustainable development.

5 The Official Gazette. (11 October 2016). Executive Order No. 05. Retrieved from <https://www.officialgazette.gov.ph/downloads/2016/10oct/20161011-EO-5-RRD.pdf>

6 National Economic and Development Authority. (2016). *AmBisyon Natin 2040*. Retrieved from <http://2040.neda.gov.ph/wp-content/uploads/2016/04/A-Long-Term-Vision-for-the-Philippines.pdf>

7 The Official Gazette. (01 June 2017). Executive Order No. 27. Retrieved from <https://www.officialgazette.gov.ph/downloads/2017/06jun/20170601-EO-27-RRD.pdf>

8 National Economic and Development Authority. (2021). Updated Philippine Development Plan 2017-2022. Retrieved from <http://pdp.neda.gov.ph/wp-content/uploads/2021/02/Pre-publication-copy-Updated-PDP-2017-2022.pdf>

9 Business and Sustainable Development Commission. (January 2017). Better Business, Better World. Retrieved from https://d306pr3pise04h.cloudfront.net/docs/news_events%2F9.3%2Fbetter-business-better-world.pdf

SNAPSHOT: SUSTAINABILITY INITIATIVES

Theme	Several initiatives by the Philippine government	ECCP advocacies & initiatives
Smart and Safer Mobility	<p>Formulated by NEDA, the National Transport Policy (NTP)¹⁰ aims to achieve the government's vision of a safe, secure, reliable, efficient, integrated, intermodal, affordable, cost-effective, environmentally sustainable, and people-oriented national transport system that ensures improved quality of life for the people. Issued in 2020, its implementing rules and regulations (IRR) sets the direction of and parameters for the integrated development and regulation of the Philippine transport sector.</p> <p>In recent years, there has been an emerging interest in biking infrastructure.</p>	<p>The ECCP has been at the forefront of promoting policy advocacies and best practices that will advance sustainable mobility solutions.</p> <p>The Automotive Committee's policy recommendations on the further promotion and use of measures towards cleaner emissions and improved roadworthiness testing, institutionalization of vehicle and road safety, and passage of an e-vehicles law are aligned with the three specific SDG targets on mobility namely Targets 3.6, 9.1, and 11.2.</p> <p>Various information sharing sessions were also held to raise awareness and help provide clarity and guidance to business leaders on the trends, challenges, and opportunities on the the future of mobility such as webinars and large physical and online sessions such as the Safer Mobility and Logistics Conference the Smart Mobility Forum among others.</p>
Clean and Efficient Energy Related SDG: SDG #7 Affordable and Clean Energy	<p>The Republic Act No. 11285, also known as the Energy Efficiency and Conservation Act¹¹ seeks to institutionalize energy efficiency and conservation as a national way of life geared towards the efficient and judicious utilization of energy by formulating, developing, and implementing energy efficiency and conservation plans and programs.</p> <p>Republic Act No. 11234 or the Energy Virtual One-Stop (EVOSS) Act¹² seeks to streamline the permitting process of power generation, transmission, and distribution projects.</p> <p>Republic Act No. 11371 or the Murang Kuryente Act¹³ aims to reduce electricity rates by allocating a portion of the net national government share from the Malampaya Natural Gas Project for the payment of the stranded contract costs and stranded debts.</p> <p>Green Energy Option Program (GEOP) is a renewable energy (RE) policy mechanism which shall provide end-users the option to choose RE resources as their source of energy.¹⁴</p>	<p>Energy is an imperative factor in ensuring that there is continuity in our daily and economic activities. Increase in population translates to the augmentation of demand in energy. As stakeholders continue to work towards meeting the rising energy demand, clean and sustainable practices should be upheld. This helps strike the balance between meeting the energy needs and ensuring that environmental objectives are met.</p> <p>For this reason, the ECCP and its Renewable Energy and Energy Efficiency Committee continue to advocate for the promotion of energy conservation and the use of clean sustainable power sources, as well as increasing the country's energy generation and capacity. Among its key policy recommendations are the diversification of energy resources and formulation of a sustainable energy mix policy, as well as the efficient implementation of the Energy Efficiency and Conservation Act. The Chamber has also conducted information sessions to promote its implementation.</p> <p>ECCP has been organizing annual energy stakeholders conferences and exhibitions since 2010, namely, the Philippine Energy Efficiency Forum (2010-2011) and Energy Smart Philippines (physically since 2012 and virtually since 2020)</p> <p>The ECCP launched its REPH100 Initiative in 2020. The REPH100 movement is a private sector-driven effort aimed to support the Green Energy Option Program implemented by the Department of Energy and to provide support to companies committed and interested to work towards 100% renewables. It adopts a whole-of-society approach to fueling the Philippine energy transition for more inclusive economic recovery.</p>
Circular Economy Related SDG: SDG #12 Responsible Consumption and Production	<p>The National Economic and Development Authority, with the support of an Asian Development Bank (ADB) technical assistance, led the formulation of the Philippine action plan for Sustainable Consumption and Production (SCP) to guide the implementation of SCP across sectors in the country and contribute to the realization of the country's long-term vision of AmBisyon Natin 2040.¹⁵</p> <p>There have been discussions in both Houses of Congress on single-use plastics.</p>	<p>The ECCP has actively engaged with stakeholders on the circular economy especially about single-use plastics and marine litter. It has also implemented several EU funded projects that promote resource efficiency and cleaner production (RECP) that supports SCP. ECCP also organizes the Waste Management Forum to bring together policy makers, business stakeholders, and solutions providers.</p> <p>Given the complex issue of plastic pollution, the ECCP calls for the adoption of a tailor-fit approach based on thorough scientific studies and constructive dialogue with the industry instead of the unitary sweeping ban of plastics especially without the presence of affordable, viable alternatives.</p> <p>For plastics which do not have affordable and viable alternatives for now, there are also other measures which could be undertaken such as packaging and product redesign; converting wastes into materials of value; waste-to-energy; waste diversion; and waste/recycling credit schemes. The ECCP also continues to strongly advocate for the imposition of an Extender Producer's Responsibility (EPR) scheme.</p>

¹⁰ National Economic and Development Authority. (2020.) *The National Transport Policy and its Implementing Rules and Regulations*. Retrieved from <https://www.neda.gov.ph/wp-content/uploads/2020/02/NTP-IRR-Final.pdf>

¹¹ The Official Gazette. (12 April 2019). Republic Act. No. 11285. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/04apr/20190412-RA-11285-RRD.pdf>

¹² The Official Gazette. (08 March 2019). Republic Act No. 11234. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/03mar/20190308-RA-11234-RRD.pdf>

¹³ The Official Gazette. (08 August 2019). Republic Act No. 11371. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/08aug/20190808-RA-11371-RRD.pdf>

¹⁴ Department of Energy. (2017). *What is Green Energy Option Program? (GEOP)*. Retrieved from https://www.doe.gov.ph/sites/default/files/pdf/consumer_connect/2017_green_energy_option_flyer.pdf

¹⁵ Development Asia. (31 March 2020). *Developing an Action Plan for Sustainable Consumption and Production in the Philippines*. Retrieved from <https://development.asia/case-study/developing-action-plan-sustainable-consumption-and-production-philippines#:~:text=In%202018%2C%20supported%20by%20an,for%20the%20average%20Filipino%20to>

<p>Sustainable Food and Nutrition</p> <p>Related SDG: SDG #2 Zero Hunger</p>	<p>Created on 10th January 2020 through Executive Order No. 101¹⁶, the Inter-Agency Task Force on Zero Hunger (IATF-ZH) is a dedicated government body responsible to “ensure that government policies, initiatives, and projects on attaining zero hunger shall be coordinated, responsive and effective”.</p> <p>The government, with the support of the private sector, non-government organizations, and civil society groups, and spearheaded by IATF-ZH, Pilipinas Kontra Gutom (PKG) is adopting a whole-of-nation approach to achieve its immediate and long-term goals of addressing involuntary hunger and malnutrition in the Philippines¹⁷</p> <p>The Republic Act No. 11203, otherwise known as the Rice Tariffication Law¹⁸, aims to lower rice prices, removes quantitative restrictions on rice trading, and imposes a minimum 35 percent tariff on imports of the grain.</p> <p>Agricultural Free Patent Reform Act or the Republic Act No. 11231¹⁹ removes the restrictions on free patents to allow the efficient and effective utilization of lands.</p> <p>Republic Act No. 11321 or the Sagip Saka Act²⁰ establishes the “Farmers and Fisherfolk Enterprise Development Program”, which refers to “the comprehensive set of objectives, targets, and holistic approach in promoting the establishment of enterprises involving agricultural and fishery products”.</p>	<p>A sustainable agri-food sector remains one of the top priorities of the Chamber with its Agriculture Committee and Food and Beverage Committee the main drivers of its core advocacies. Both Committees play a vital role in enabling collaborative engagement among stakeholders through policy advocacy, information awareness through events, and partnerships with like-minded organizations.</p> <p>One of the Chamber’s pillar events is its annual Sustainable Agriculture Forum which highlights megatrends, best practices, and actionable solutions to address some of the critical challenges on food security and increased trade and investments in the sector.</p> <p>The ECCP also hosted numerous luncheon meetings, webinars, roundtable discussions, and other various online sessions to increase awareness on the multifaceted challenges confronting the agribusiness and food and beverage sectors and exchange dialogue to ensure continuous collaboration among different stakeholders.</p> <p>Furthermore, the ECCP has been active in various consultations with the government such as <i>kapihan</i> and training sessions with the Food and Drug Administration, crafting of relevant policies and measures including the drafting of the National Food Policy and measures designed to combat the African Swine Fever epidemic.</p> <p>These are some of the activities spearheaded by the ECCP to bring policymakers, the business community, development partners, and other stakeholders closer to achieve the shared goal of improving the state of food security and nutrition between Europe and the Philippines.</p>
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16 Official Gazette. Executive Order No. 101. Retrieved from <https://www.officialgazette.gov.ph/downloads/2020/01jan/20200110-EO-101-RRD.pdf>

17 Philippine News Agency. *Gov’t, Private Sector Formally Launch Pilipinas Kontra Gutom*. Retrieved from <https://www.pna.gov.ph/articles/1131490>

18 The Official Gazette. (14 February 2019). Republic Act No. 11203. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/02feb/20190214-RA-11203-RRD.pdf>

19 The Official Gazette. (22 February 2019). Republic Act No. 11231. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/02feb/20190222-RA-11231-RRD.pdf>

20 The Official Gazette. (17 April 2019). Republic Act No. 11321. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/04apr/20190417-RA-11321-RRD.pdf>

<p>Green and Inclusive Finance Solutions</p> <p>Related SDG: SDG #13 Climate Action</p>	<p>In 2018, the Securities and Exchange Commission issued Memorandum Circular No. 12²¹ which provides guidelines on the issuance of green bonds under the ASEAN Green Bonds Standards in the Philippines. Under the guidelines, ASEAN member and non-member issuers are eligible to introduce bonds provided that they will be used for green projects located in Southeast Asia.</p> <p>The Banko Sentral ng Pilipinas (BSP) issued Circular No. 1085²² last 29 April 2020, which approved the Sustainable Finance Framework. This framework expects banks to embed sustainability principles, including those covering environmental and social risk areas, in their corporate governance framework, risk management systems, and strategic objectives consistent with their size, risk profile, and complexity of operations.</p> <p>Republic Act. (RA) No. 10174²³, signed on 16 August 2012, established the People's Survival Fund (PSF) to provide long-term finance streams to enable the government to effectively address climate change. The annual allocation of PHP 1-billion to finance adaptation programs and projects of Local Government Units (LGUs) and local/community organizations can be augmented through donations, endowments, grants and contributions.</p> <p>Anchored on RA No. 9729 or the Climate Change Act (CCA) of 2009 and the National Climate Change Action Plan (NCCAP), the Climate Change Expenditure Tagging (CCET) supports mainstreaming of climate adaptation and mitigation into the planning process of local government units (LGUs), and provides the starting point from which to measure progress in the implementation of climate change initiatives.²⁴</p> <p>Project NOAH²⁵ is the Department of Science and Technology's (DOST) response to the call for a more accurate, integrated, and responsive disaster prevention and mitigation system, especially in high-risk areas throughout the Philippines.</p>	<p>The Chamber has actively engaged the <i>Bangko Sentral ng Pilipinas</i> on its financial inclusion advocacies.</p> <p>The Chamber is conducting a series of learning sessions on responsible investing, sustainable finance as well as environmental, social, and governance (ESG) reporting.</p>
<p>Water Resource Management</p> <p>Related SDG: SDG #6 Clean Water and Sanitation</p>	<p>The Philippine government is in the process of formulating the Philippine Water Supply and Sanitation Master Plan (PWSSMP) which outlines the strategies and policy reforms, and priority programs and projects to attain Water Supply and Sanitation (WSS) targets.</p> <p>The creation of the Department of Water Resources and Water Regulatory Commission through several bills ensures safe, adequate and continuous water supply in the country.</p> <p>Similarly, NEDA has also supported the initiative and has pushed for the issuance of an executive order to strengthen and transform the National Water Resources Board (NWRB), the government agency which manages and regulates all water resources and services in the Philippines, into the National Water Management Council (NWMC).</p>	<p>The Chamber has advocated for the creation of an apex body to improve water sector governance.</p> <p>The ECCP supports the move of both Houses of Congress in creating an apex and centralized body which will act as the lead agency to oversee and coordinate overall policy and program implementation on all matters relating to water. This is crucial in achieving water security in the Philippines. Such a move will also help the establishment and operations of businesses, as well as attract new investors given the improved governance of the said sector.</p>

21 Securities and Exchange Commission. (2018). Memorandum Circular No. 12 Series of 2018. Retrieved from <https://www.sec.gov.ph/wp-content/uploads/2019/11/2018MCNo12.pdf>

22 Bangko Sentral ng Pilipinas. (2020). Circular No. 1085 Series of 2020. Retrieved from <https://www.bsp.gov.ph/Regulations/Issuances/2020/c1085.pdf>

23 The Official Gazette. (2012). Republic Act No. 10174. Retrieved from <https://www.officialgazette.gov.ph/2012/08/16/republic-act-no-10174/>

24 Department of Budget and Management. (2015). Joint Memorandum Circular No. 2015-01. Retrieved from https://www.dbm.gov.ph/wp-content/uploads/Issuances/2015/Joint%20Memorandum%20Circular/NEW_JMC_DBM-CCC-DILG%20NO.%202015%20-%2001%20DATED%20JULY%202015.pdf

25 The Official Gazette. (n.d.). Project NOAH. Retrieved from <https://www.officialgazette.gov.ph/programs/about-project-noah/>

OTHER Sustainable Development Goals

<p>SDG #1 No Poverty</p>	<p>Enacted into law in 2019, the Pantawid Pamilyang Pilipino Program (4Ps) Act or the Republic Act No. 11310²⁶ institutionalized 4Ps as the national poverty reduction strategy and a human capital investment program that provides conditional cash transfer to poor households for a maximum period of seven (7) years, to improve the health, nutrition and education aspect of their lives. The National Advisory Council (NAC) may recommend a longer period under exceptional circumstances.</p>	<p>The Chamber has been strongly advocating for a more inclusive and sustainable growth in the Philippines through increased trade and investments. Among the ECCP's priorities are increasing competitiveness, improving ease of doing business, and relaxation of restrictions on foreign ownership.</p> <p>The Chamber works closely with stakeholders to further improve the Philippines' investment and business climate. By doing so, we hope to spur economic growth and generate more job opportunities.</p>
<p>SDG #8 Decent Work and Economic Growth</p>	<p>Republic Act No. 10771 or the Green Jobs Act²⁷ was passed into law to scale up promotion of sustainable growth and decent job creation, while building resilience against impacts of climate change by providing incentives to enterprises generating green jobs across all economic sectors.</p>	<p>As with any organization, human capital development is among the key policy advocacies of the Chamber.</p>
<p>SDG #10 Reduced Inequalities</p>	<p>Republic Act No. 11230 or the Tulong Trabaho Act²⁸ institutes a Philippine labor force competencies competitiveness program and free access to technical-vocational education and training (TVET).</p>	<p>Specifically, the ECCP Human Capital Committee outlines six key policy recommendations to realize the goal of creating fair and decent work while adapting to the challenges brought about by the future of work. These recommendations include the creation of a more pragmatic program for K12 through public-private partnerships and enactment of an apprenticeship reform law, both of which aims to reinforce skills and capacity development. Likewise, the Committee and the Chamber calls for the easing restrictions on foreign employment in economic zones and the creation of a one-stop shop for administrative processes for foreign nationals in priority sectors. Lastly, the Chamber urges policymakers to protect and incentivize employers who invest in competitive training programs and strengthen enforcement of laws against the use of contractualization while allowing a more flexible work environment.</p>
<p>SDG #8 Decent Work and Economic Growth</p>	<p>Signed into law in 2019, Republic Act No. 11261 or the First Time Job Seekers Assistance Act²⁹ waives government fees and charges in the issuance of documents required in the application for employment of first time jobseekers.</p>	
<p>SDG #10 Reduced Inequalities</p>	<p>The Tax Reform for Acceleration and Inclusion (TRAIN) Act or the Republic Act No. 10963³⁰ will provide hefty income tax cuts for the majority of Filipino taxpayers while raising additional funds to help support the government's accelerated spending on its "Build, Build, Build" and social services programs.</p>	
<p>SDG #10 Reduced Inequalities</p>	<p>Republic Act No. 11232 or the Revised Corporation Code of the Philippines³¹ amends the old Corporation Code in an effort to improve the ease of doing business in the country.</p>	
<p>SDG #10 Reduced Inequalities</p>	<p>DOLE Integrated Livelihood Program (DILP)³², also known as the KABUHAYAN Program, is a flagship program of the Department of Labor and Employment (DOLE) that provides grant assistance for capacity-building on livelihood and entrepreneurial ventures for vulnerable and marginalized workers.</p>	
<p>SDG #10 Reduced Inequalities</p>	<p>Republic Act No. 10524 or the Magna Carta for Persons with Disability³³ declares that no person with disability be denied access to opportunities for suitable employment.</p>	
<p>SDG #10 Reduced Inequalities</p>	<p>The Republic Act No. 11199, otherwise known as the Social Security Act of 2018³⁴, expands the powers and duties of the Social Security Commission to ensure the long-term viability of the Social Security System.</p>	

26 The Official Gazette. (17 April 2019). Republic Act No. 11310. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/04apr/20190417-RA-11310-RRD.pdf>

27 The Official Gazette. (29 April 2016). Republic Act No. 10771. Retrieved from <https://www.officialgazette.gov.ph/2016/04/29/republic-act-no-10771/>

28 The Official Gazette. (22 February 2019). Republic Act No. 11230. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/02feb/20190222-RA-11230-RRD.pdf>

29 The Official Gazette. (10 April 2019). Republic Act. 11261. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/04apr/20190410-RA-11261-RRD.pdf>

30 The Official Gazette. (19 December 2017). Republic Act No. 10963. Retrieved from <https://www.officialgazette.gov.ph/downloads/2017/12dec/20171219-RA-10963-RRD.pdf>

31 The Official Gazette. (20 February 2019). Republic Act No. 11232. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/02feb/20190220-RA-11232-RRD.pdf>

32 Department of Labor and Employment. (n.d.). DOLE Integrated Livelihood Program (DILP). Retrieved from <https://bwsc.dole.gov.ph/programs-and-projects-submenu1/dileep.html>

33 The Official Gazette. (23 April 2013). Republic Act No. 10524. Retrieved from <https://www.officialgazette.gov.ph/downloads/2013/04apr/20130423-RA-10524-BSA.pdf>

34 The Official Gazette. (07 February 2019). Republic Act No. 11199. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/02feb/20190207-RA-11199-RRD.pdf>

<p>SDG #3 Good Health and Well-being</p>	<p>Signed into law in February 2019, the Universal Health Care Act or the Republic Act No. 11223³⁵ ensures that all Filipinos are guaranteed equitable access to quality and affordable health care goods and services, and protect against financial risk.</p> <p>More recently, the Republic Act No. 11494 or the Bayanihan to Heal as One Act³⁶ was enacted declaring the existence of a national emergency arising from the Coronavirus Disease 2019 (COVID-19) situation and authorizing the President of the Republic of the Philippines for a limited period and subject to restrictions, to exercise powers necessary to carry out the declared national policy.</p> <p>Due to the rising threat brought about by the unprecedented pandemic, Republic Act No. 11494 or the Bayanihan to Recover as One Act³⁷ was enacted to enhance the capacity of the healthcare system, and sustains the efforts to test, trace, isolate, and treat COVID-19 cases.</p> <p>Under the Resolution No. 83 Series of 2020, the National Task Force Against COVID-19 is restructured to establish the COVID-19 Vaccine Cluster with the Vaccine Czar as chair. Different Task Groups, with specific roles and responsibilities, shall likewise be established.</p>	<p>The health of populations is indeed at the core of any country's growth and development. This further highlights the crucial role that public health plays in our lives. For this reason, the ECCP regards Healthcare as among its high-priority sector committees.</p> <p>Among the key priorities of the ECCP and its Healthcare Committee are the efficient implementation of the Universal Health Care Act, as well as the delivery of equitable and inclusive health services.</p> <p>Moreover and also in line with the COVID-19 pandemic, the ECCP also seeks to further support and collaborate with various stakeholders on efforts on further improving health workforce and skills, strengthening of health regulatory management, as well as adapting to emerging health technologies and advancements.</p>
<p>SDG #4 Quality Education</p>	<p>Republic Act No. 11501 or the Alternative Learning System Act³⁸ seeks to provide out-of-school children in special cases and adults with opportunities to improve their knowledge, values, life skills, and readiness for higher education, work, or self-employment.</p> <p>Universal Access to Quality Tertiary Education Act or the Republic Act No. 10931³⁹ provides free tuition in state universities and colleges and state-run technical-vocational institutions, and establishes the tertiary-education subsidy and student loan program.</p>	<p>Reiterating its commitment for strengthened collaboration between the academe and private sector, the ECCP and its Southern Mindanao Business Council (ECCP-SMBC) launched the Education Advocacy Committee last October 2020 to provide its school members a platform to exchange ideas on education issues and development as well as promote institutional partnerships between higher educational institutions (HEIs) and enterprises.</p> <p>The committee also seeks to foster ties between its 22 HEI members and their counterparts in the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area and potential partners in Europe for visiting professor and student exchange programs, joint research undertakings, and cultural exchange initiatives.</p> <p>The latest move follows several education/training initiatives that the Chamber has undertaken to address the needs of industry such as the "English is Cool" program which was aimed at raising the English proficiency of Filipinos for call center jobs, the adoption of the German Dual Training model at the university level to promote practical skills development and now known as the Applied Corporate Management Program of the De La Salle University, the creation of an Academe-Industry Consortium in Cebu to promote collaboration between companies and universities, among others.</p> <p>Furthermore, the ECCP has partnered with HEIs in the Philippines and Europe through the PATHWAY project launched last February 2021. The project aims to promote the entrepreneurship and employability of higher education graduates in the Philippines to meet labor market needs and government reforms and ultimately foster industry-academe cooperation. The ECCP will support and play an active role in the effective implementation of the three phases of the program which will include the creation of a task force, facilitation of capacity building programs, and drafting of a white paper containing policy strategies and recommendations.</p>
<p>SDG #5 Gender Equality</p>	<p>Republic Act No. 11210 or the 105-Day Expanded Maternity Leave Law⁴⁰ extends paid maternity leave from 60 days to 105 days for female workers in the public and private sectors.</p>	<p>The ECCP Women in Business Committee (WBC) is aimed at bringing together business leaders from the ECCP Membership and the wider business community, that aspire to deepen understanding on and participate in women empowerment and gender parity initiatives.</p> <p>The key objective of the ECCP WBC is to provide a special dynamic platform where like-minded individuals can discuss issues affecting the professional growth of women; as well as build their network and opportunities, and initiate activities designed specifically for the development of women.</p>

35 The Official Gazette. (20 February 2019). Republic Act No. 11223. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/02feb/20190220-RA-11223-RRD.pdf>

36 The Official Gazette. (24 March 2020). Republic Act No. 11469. Retrieved from <https://www.officialgazette.gov.ph/downloads/2020/03mar/20200324-RA-11469-RRD.pdf>

37 The Official Gazette. (11 September 2020). Republic Act No. 11494. Retrieved from <https://www.officialgazette.gov.ph/downloads/2020/09sep/20200911-RA-11494-RRD.pdf>

38 The Official Gazette. (23 December 2020). Republic Act No. 11501. Retrieved from <https://www.officialgazette.gov.ph/downloads/2020/12dec/20201223-RA-11501-RRD.pdf>

39 The Official Gazette. (03 August 2017). Republic Act No. 10931. Retrieved from <https://www.officialgazette.gov.ph/downloads/2017/08aug/20170803-RA-10931-RRD.pdf>

40 The Official Gazette. (20 February 2019). Republic Act No. 11210. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/02feb/20190220-RA-11210-RRD.pdf>

<p>SDG #9 Industry, Infrastructure</p> <p>Innovation,</p>	<p>The Build Build Build (BBB) Program⁴¹ seeks to accelerate public infrastructure expenditure from an average of 2.9 percent of gross domestic product (GDP) during the Aquino regime to about 7.3 percent at the end of the Duterte administration.</p> <p>Republic Act No. 11337, also known as the Innovative Startup Act⁴², provides benefits and programs to strengthen, promote and develop the Philippine Startup ecosystem.</p> <p>Likewise, Republic Act No. 11293 or the Philippine Innovation Act⁴³ adopts innovation as a vital component of the country's development policies to drive inclusive development, promote the growth and national competitiveness of micro, small and medium enterprises.</p> <p>Similarly, Republic Act No. 11363 or the Philippine Space Act⁴⁴ establishes the Philippine space development and utilization policy and creates the Philippine Space Agency.</p> <p>The Republic Act No. 11035 or the Balik Scientist Act⁴⁵ was signed into law institutionalizing the Balik Scientist Program to encourage Filipino scientists, technologists, and experts abroad to return to share their knowledge and expertise to the country.</p>	<p>The Innovation Committee provides a platform for member companies from different industries with the thrust to and drive for innovative approaches in their business management, operations, and strategies. As such, the committee's overarching advocacy is to provide thought leadership that will enable other enterprises to inject novelty and dynamism in their work. Though newly established, the Committee has already hosted, participated, and engaged in a host of activities seeking to promote best practices, increase attention to emerging trends, and exchange actionable solutions and policy recommendations in the innovation scene.</p> <p>These initiatives include the Sandbox webinars which span discussions on financial technology, healthcare, and e-commerce. In addition, the Committee has engaged in other topical sessions on energy development, cryptocurrency, urban infrastructure, and sustainable business practices, among others.</p> <p>Also, in recent years, infrastructure has taken centerstage with the current administration's ambitious Build Build Build Program. Undoubtedly, infrastructure plays an important role in the country's socio-economic development. Building modern, efficient infrastructure is critical to the country's competitiveness, and is imperative to attracting more investments in the Philippines.</p> <p>The Chamber has advocated for the opening of the construction sector to fully foreign-owned contracts through the removal of the nationality distinction on licensing. This limits the ability of foreign contractors to enter the market and compete with domestic competitors on the basis of a level playing field.</p>
<p>SDG #11 Sustainable Cities and Communities</p>	<p>Created through Republic Act No. 11201⁴⁶, the Department of Human Settlements and Urban Development (DHSUD) acts as the primary national government entity responsible for the management of housing, human settlement and urban development. DHSUD focuses on providing access to decent, affordable, resilient and sustainable housing communities to all Filipinos.</p> <p>Similarly, the adoption of a National Resettlement Policy Framework (NRPF) will rationalize common procedures and guidelines in resettlement to be adopted by all infrastructure agencies, KSAs, LGUs, and other government agencies implementing projects with resettlement and housing components.⁴⁷</p>	<p>The ECCP has hosted a series of Future Cities policy dialogues covering urban and transport infrastructure, waste management, water security, among others. This seeks to promote a better understanding of the challenges faced by cities, explore policy and regulatory changes, as well as feature innovative solutions that are needed to address the challenges in the key operational aspects of cities in order to draw them into the smart, resilient and sustainable path. Similarly, the Chamber has also conducted technology briefings on flood control solutions and the like.</p> <p>In early 2021, the ECCP created its Defense and Disaster Response Committee. This aims to strengthen the collaboration amongst industry players to share best practices and technologies in promoting national security and enhancing the country's disaster risk response and management. It also seeks to highlight the Philippines' potential as an internationally competitive destination for solutions in security and defense in support to the Philippines vision of a modernized and well-respected armed forces among its peers in Asia, and eventually, in the world.</p> <p>The Committee will provide a dialogue for industry players and government officials from various agencies, specifically the Department of National Defense (DND) and the Armed Forces of the Philippines (AFP) along with its three major services such as the Philippine Army, Air Force, and Navy to discuss possible areas of cooperation and exchange of best practices.</p>
<p>SDG #14 Life Below Water</p>	<p>The Expanded National Integrated Protected Areas System Act or the Republic Act No. 11038⁴⁸ declared an additional 94 protected areas within the classification of national parks as provided for in the Constitution. The protected areas have been put under the supervision of the Department of Environment and Natural Resources (DENR)'s Biodiversity Management Bureau.</p>	<p>With over 700 members all over the Philippines, ECCP has members with initiatives committed to conserving marine resources and protecting terrestrial ecosystems.</p>
<p>SDG #15 Life on Land</p>		

41 Subic-Clark Alliance For Development. (n.d.). Build Build Build Projects. Retrieved from <http://build.gov.ph/>

42 The Official Gazette. (17 July 2019). Republic Act No. 11337. Retrieved from <https://officialgazette.gov.ph/downloads/2019/04apr/20190717-RA-11337-RRD.pdf>

43 The Official Gazette. (17 April 2019). Republic Act No. 11293. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/04apr/20190417-RA-11293-RRD.pdf>

44 The Official Gazette. (08 August 2019). Republic Act No. 11363. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/08aug/20190808-RA-11363-RRD.pdf>

45 The Official Gazette. (15 June 2018). Republic Act No. 11035. Retrieved from <https://www.officialgazette.gov.ph/downloads/2018/06jun/20180615-RA-11035-RRD.pdf>

46 The Official Gazette. (14 February 2019). Republic Act No. 11201. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/02feb/20190214-RA-11201-RRD.pdf>

47 National Economic and Development Authority. (2017). Chapter 12: Building Safe and Secure Communities. Retrieved from <http://pdp.neda.gov.ph/wp-content/uploads/2017/01/Chapter-12-462017.pdf>

48 The Official Gazette. (22 June 2018). Republic Act No. 11038. Retrieved from <https://www.officialgazette.gov.ph/downloads/2018/06jun/20180622-RA-11038-RRD.pdf>

<p>SDG #16 Peace, Justice and Strong Institutions</p>	<p>Republic Act No. 11054 or the Bangsamoro Organic Law⁴⁹ is made to establish a new autonomous political entity in the Bangsamoro Autonomous Region (BAR). It aims to bring peace by addressing the grievances, sentiments, and demands of Muslims in the region.</p> <p>Issued in 2018, Executive Order No. 70⁵⁰ institutionalized the whole-of-nation approach in attaining inclusive and sustainable peace, creating a National Task Force to end local communist armed conflict, and directing the adoption of a National Peace Framework.</p> <p>Republic Act No. 11032, also known as the Ease of Doing Business and Efficient Government Service Deliver Act of 2018 (EOBD & EGSD)⁵¹, amends the Anti-Red Tape Act of 2017 to provide a program for adoption of simplified requirements and procedure that will reduce red tape and expedite business and nonbusiness-related transactions in government.</p> <p>Additionally, Joint Memorandum Circular 2019-001 Series of 2019⁵² issued the implementing rules and regulations to guide all concerned departments, offices, agencies, and stakeholders, in the implementation of RA No. 11032.</p> <p>The Department of Trade and Industry, through its Creative Economy Roadmap, envisions the country's creatives industry to lead in the ASEAN region by 2030, focusing on advertising, film, animation, game development, and design subsectors.⁵³</p> <p>Republic Act No. 11055 or the Philippine Identification System (PhilSys) Act⁵⁴ aims to establish a single national ID for all Filipinos and resident aliens.</p>	<p>Integrity Initiative</p> <p>Spearheaded by the Makati Business Club and the European Chamber of Commerce of the Philippines in late 2009, Integrity Initiative calls for a collective action among ethical foreign and local business enterprises that are seeking fair market conditions. As envisioned, the initiative will benefit all market participants willing to undertake a business culture changing process that will revolutionize how companies do business in the Philippines. It is a process that will initiate a change from within and a change that will radiate outward on a collective basis, leading to a new ethical business norm and stronger institutions.</p> <p>Ultimately, the initiative aims to earn for the country more foreign investments, more employment opportunities, and less poverty, resulting from international recognition that the Philippines is serious in its fight against corruption. Through the Integrity Initiative, the Philippines will become a benchmark in the transformation process from being highly corrupt to doing business ethically.</p> <p>LoGIC Network</p> <p>The Chamber also established Multi-sectoral Local Government Integrity Circles (LoGIC). In this project, ECCP was tasked: 1) to promote the LoGIC Network partner LGUs and localities as the preferred investment destinations; and 2) to have integrity building efforts counted in the overall assessment of the investment readiness and/or competitiveness of localities. A locality that has integrity and is competitive is a more attractive and investment-ready province, city or municipality. The project aims to establish a methodology for measuring the integrity efforts of localities and include/integrate it in the Cities and Municipalities Competitiveness Index.</p> <p>ECCP KAS BARMM Project</p> <p>In partnership and with the support of the Konrad Adenauer Stiftung, the European Chamber of Commerce of the Philippines (ECCP) embarked on a survey to understand better how BARMM MSMEs can be assisted to strengthen and enhance their role in supporting the socio-economic progress of the BARMM region.</p> <p>The ECCP aims to build on the peace and order being experienced by BARMM. It wishes to take advantage of this situation as a jumping board for engaging BARMM stakeholders to work together.</p> <p>The ECCP sits at the Board of the Judicial Reform Initiative.</p>
<p>SDG #17 Partnerships for the Goals</p>	<p>The Official Development Assistance, as defined in Republic Act No. 8182⁵⁵, is a loan or a grant administered to promote sustainable social and economic development and welfare of the Philippines.</p> <p>In December 2019, Development Budget Coordination Committee (DBCC) approved the creation of the Sub-Committee on Sustainable Development Goals which will monitor progress on the SDGs in the Philippines, review SDG-related programs and policies, and submit recommendations to the cabinet level of the DBCC.⁵⁶</p>	<p>For over four decades, the ECCP has developed ties with various stakeholders including the government, private sector, academe, civil society organizations, development partners, and international organizations, among others, to make the country a more competitive and attractive destination for trade and investments.</p> <p>Additionally, the Chamber has been deeply involved in sustainability-related advocacies including but not limited to energy efficiency and conservation, water management, and circular economy, by working with partners to push for policy reforms, raise public awareness, and create positive change. Our vast network helps us achieve shared objectives to promote a healthy environment, a thriving society, and a prosperous economy in line with the Global Goals.</p> <p>To this end, the ECCP remains committed to continue building on our past achievements and partnering with other stakeholders to maximize our impact towards sustainable development.</p>

49 The Official Gazette. (23 July 2018). Republic Act No. 11054. Retrieved from <https://www.officialgazette.gov.ph/downloads/2018/07jul/20180727-RA-11054-RRD.pdf>

50 The Official Gazette. (04 December 2018). Executive Order No. 70. Retrieved from <https://www.officialgazette.gov.ph/downloads/2018/12dec/20181204-EO-70-RRD.pdf>

51 The Official Gazette. (28 May 2018). Republic Act No. 11032. Retrieved from <https://www.officialgazette.gov.ph/downloads/2018/05may/20180528-RA-11032-RRD.pdf>

52 The Official Gazette. (17 July 2019). Joint Memorandum Circular 2019-001 Series of 2019. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/07jul/20190717-RA-IRR-11032-RRD.pdf>

53 Board of Investments. (3 April 2019). *Creative Economy Roadmap eyes 5 sectors for development*. Retrieved from <https://boi.gov.ph/creative-economy-roadmap-eyes-5-sectors-for-development/>

54 The Official Gazette. (06 August 2018). Republic Act. No. 11055. Retrieved from <https://www.officialgazette.gov.ph/downloads/2018/08aug/20180806-RA-11055-RRD.pdf>

55 National Economic and Development Authority. (22 October 2013). ODA Act of 1996. Retrieved from <https://www.neda.gov.ph/oda-act-1996/>

56 National Economic and Development Authority. (13 December 2019). *DBCC approved creation of Sub-Committee on SDGs*. Retrieved from <https://www.neda.gov.ph/dbcc-approves-creation-of-sub-committee-on-sdgs/>



SMART AND SAFER MOBILITY

OVERVIEW

Mobility plays a vital role in delivering prosperity and the promise of improved quality of life as cities across the globe including those in the Philippines face rapid urbanization. In recent years, smart and safer mobility has become at the forefront of the sustainability agenda in government circles, corporate boardrooms, academe, and civil society. The development of sustainable transport systems must reconcile the environmental, social, and economic challenges associated with a growing population in concentrated areas with limited space.

In the case of the Philippines, the road ahead remains an uphill battle due to a host of challenges with traffic congestion as one of the most evident for urban planners and city dwellers alike. According to the 2019 TomTom Traffic Index, daily gridlocks in the Philippines' densely populated capital, Metro Manila, is the second worst in the world next to Bangalore, where the average driver spends an additional 10 days and 17 hours in traffic queues.¹

Congestion also carries environmental consequences as transportation accounts for 15% of the country's total greenhouse gas emissions and the third largest contributor by sector (see Table 1). Moreover, pre-pandemic figures point out that the air pollution level in Metro Manila is higher than the country's average; both of which, nevertheless, exceed guidelines set by the World Health Organization (WHO).²

Table 1. Greenhouse gas emissions by sector in the Philippines in 2018 (in million metric tons of carbon dioxide equivalent)	
Sector	MtCO ₂ e
Electricity/Heat	70.44
Agriculture	61.37
Transportation	35.64
Industrial Processes	18.68
Manufacturing/Construction	15.38
Waste	13.77
Building	10.03
Other Fuel Combustion	6.48
Bunker Fuels	4.99
Land-Use Change and Forestry	2.48
Fugitive Emissions	0.55

Source: Climate Watch of the World Resources Institute³

¹ TomTom Traffic Index. Manila traffic. Retrieved from https://www.tomtom.com/en_gb/traffic-index/manila-traffic/.

² Swiss-based air quality technology company IQAir noted that the average concentrations of fine particulate matter in Metro Manila read at 18.2 µg/m³ while the country's air quality levels read at 17.6 µg/m³ in 2019. Both readings exceed the World Health Organization's recommended safety guideline limit of 10.2 µg/m³.

³ Climate Watch Historical GHG Emissions. (2021). Washington, DC: World Resources Institute. Retrieved from:

The current traffic situation in the Philippines also costs the country PHP3.5 billion in daily economic loss. Unfortunately, the economic impact could rise to PHP5.4 billion by 2035 if no substantial policy interventions were made.⁴

At the same time, thoroughfares in the country remain hotspots for accidents that put the lives of motorists, commuters, and pedestrians at great risk. Despite being compliant with best practices from the WHO to have various national legislations related to road safety in place, the Philippines was ranked by the same health body to have the fifth highest road mortality rate in Southeast Asia (see Table 2).

Country	Fatalities
Brunei Darussalam	27.57
Cambodia	2,401
Indonesia	23,949
Lao PDR	1,281
Malaysia	1,240
Myanmar	11,004
Philippines	10,284
Singapore	121.1
Thailand	17,843
Vietnam	23,037

Source: World Health Organization⁵

Considering these developments, stakeholders, particularly industry practitioners and policymakers, are working together to advance policies and solutions on innovative and sustainable mobility systems that will address the current transportation challenges. Digital technology also enables and supports stakeholders in reimagining the mobility ecosystem as it becomes more complex and gives rise to transformational trends such as shared mobility, autonomous technology, digitization of automotive production, and e-mobility, among others.

With the COVID-19 pandemic ushering the unprecedented growth of e-commerce in the Philippines, a notable shift towards mobility-as-a-service such as courier services and transport network vehicle service (TNVS), to name a few, will add demand for urban commercial transport and another layer of complexity in the current situation.

WHERE ARE WE NOW?

- Last January 2020, the government issued the implementing rules and regulations of the **National Transport Policy** three years after the blueprint's original issuance, with the end-goal of creating a "safe, secure, reliable, efficient, integrated, intermodal, affordable, cost-effective, environmentally sustainable, and people-oriented national transport system that ensures improved quality of life of the people". Among other key provisions, the policy seeks to prioritize the movement of people instead of vehicles as well as provide the basis for offering alternative means of mobility.
- It is worth noting that while the government has a national transport framework recently in place, there is a

<https://www.climatewatchdata.org/ghg-emissions>.

⁴ Japan International Cooperation Agency. (20 September 2018) JICA to help Philippines ease traffic congestion in Metro Manila. Press release. Retrieved from <https://www.jica.go.jp/philippine/english/office/topics/news/180920.html>.

⁵ World Health Organization. (2021). The Global Health Observatory: Road traffic deaths. Retrieved from <https://www.who.int/data/gho/data/themes/topics/indicator-groups/indicator-group-details/GHO/road-traffic-deaths>.

relative lack of **alignment between the Philippine government's Nationally Determined Contributions and targets of the Sustainable Development Goals (SDGs)** in terms of mobility vis-à-vis its regional peers (see Table 3).

Table 3. Alignment between the Nationally Determined Contributions of the member-states of the Association of Southeast Asian Nations and the targets of the Sustainable Development Goals on mobility

Country	Specific SDG targets on mobility		
	3.6: By 2020, halve the number of global deaths and injuries from road traffic accidents	9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	11.2: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Brunei Darussalam	Not linked	Linked	Linked
Cambodia	Not linked	Linked	Linked
Indonesia	Not linked	Linked	Not linked
Lao PDR	Not linked	Linked	Linked
Malaysia	Not linked	Not linked	Not linked
Myanmar	Not linked	Not linked	Linked
Philippines	Not linked	Not linked	Linked
Singapore	Not linked	Linked	Linked
Thailand	Not linked	Linked	Linked
Vietnam	Not linked	Linked	Linked

Source: Climate Watch of the World Resources Institute⁶

- **Electric Vehicles and Charging Stations Act:** Several bills were filed in both Houses of Congress seeking to create a national policy and framework to encourage the uptake of electric vehicles in the public and private sector. Senate Bill No. 1382 was filed as a substitute bill was filed in the upper house last March 2020 while a technical working group was formed at the lower house to consolidate similar bills. The European Chamber of Commerce of the Philippines (ECCP), together with its partners at the Joint Foreign Chambers of the Philippines, calls for the passage of this measure.
- **Motorcycles-for-Hire Act:** In response to the growing niche of technology- and app-based TNVS primarily using two-wheeled vehicles, lawmakers have introduced bills amending the Land Transportation and Traffic Code to allow and regulate motorcycles-for-hire and motorcycle ride-sharing services in the country. The upper house issued a Committee report last February 2020 while House counterparts are pending at the Committee level.

⁶ Northrop, E., H. Biru, S. Lima, M. Bouye, and R. Song. (2016). "Examining the Alignment between the Intended Nationally Determined Contributions and Sustainable Development Goals." Working Paper. Washington, DC: World Resources Institute. Retrieved from at: http://www.wri.org/sites/default/files/WRI_INDCs_v5.pdf.

- **Road Safety Education Act:** Numerous bills were also filed in Congress proposing the mandatory integration of basic road safety and comprehensive driver’s education in the enhanced basic education curriculum with the rationale of honing well-rounded and responsible citizens at a young age. All bills are pending in their respective Committees in both houses.
- **Alternative Modes of Transportation Act:** Two House bills were filed seeking to create a regulatory framework governing the operations of the emerging ridesharing industry in the country. Among others, the measure seeks to clarify the responsibilities of TNVS support companies with their drivers and passengers. The respective House Committee in charge has yet to act on the bills.
- **Sustainable Transportation System Act:** The proposed legislation seeks to address immediate traffic and transport challenges by establishing an integrated and efficient transport system. Authors of the bills said they aim to stimulate the health consciousness of the riding public through a culture of walking, cycling, and other low-emission modes of transport. The bills in question are pending at the Committee level.
- **Bicycle-Friendly Communities Act:** In addition, legislators in the lower house filed bills that aim to create bicycle lanes across major road networks across the country and formulate an educational program to increase awareness on bike safety and road sharing. In the Senate, two similar iterations further propose to establish a network of pop-up cycle lanes and emergency pathways. The Senate passed on third reading its substitute version last February 2021 and transmitted it to the lower house for deliberations.
- **National Road Safety Unit Act:** The lone bill filed in the House of Representatives aims to create the National Road Safety Unit (NRSU) as an attached agency to the transportation department to ensure the implementation of the Philippine Road Safety Action Plan. According to its explanatory note, the legislation attempts to address the need for a more focused, mandated, and adequately managed road safety unit dedicated to the effective implementation of the action plan. The Committee has yet to take substantial action in this measure.
- **Dashboard Camera Act:** There are four House bills filed, pending at the Committee level, requiring the installation of dashboard cameras and other recording devices to deter traffic violations and promote responsible driving. House Bill(HB)No. 4475 is the most comprehensive in coverage, HB 1595 contains heftier fines, HB 3341 only pertains to public utility vehicles including TNVS, while HB 3411 only covers government-owned cars. There are no similar measures tabled in the Senate.
- **Heavy Vehicle Preventive Maintenance Act:** Another lone bill filed in the lower house and pending at the Committee level mandates buses, trucks, and other heavy vehicles to undergo preventive maintenance with their respective companies and monthly inspections with the Land Transportation Office (LTO) to prevent accidents due to mechanical malfunction and to ensure road safety.
- Last February 2021, following calls for suspension from some lawmakers and the riding public, the president ordered the deferment of the implementation of the recently enacted **Child Safety in Motor Vehicles Act** which no longer allows children aged 12 years old and below to take the front seat and requires the use of child restraint systems. Cambodia, Lao PDR, and Singapore are the only other countries in Southeast Asia to have implemented a national child-restraint law.
- Likewise, the president halted in the same period the privatization of the **Motor Vehicle Inspection System** (MVIS) following calls for suspension from Congress over transparency concerns and the “exorbitant” fees being charged by private motor vehicle inspection centers (PMVICs). Regulators subsequently clarified that undergoing PMVICs is no longer mandatory for vehicle registration, but motorists are still required to take a visual inspection under the LTO MVIS. Transport authorities also lowered the inspection fees for PMVICs.

ECCP ADVOCACIES

It is undeniable that the socio-economic benefits of a sustainable, seamless, smart, and safer mobility future hold potential for enabling the promise of sustainable cities and communities as demonstrated by SDG 11 of which envisions to make cities and human settlements inclusive, safe, resilient, and sustainable.

The European business community in the Philippines is pleased to contribute to the policy discussion with the following cross-sectoral advocacy recommendations and their respective alignment with the specific targets on mobility under the Global Goals (see Table 4).

Table 4. Alignment between the ECCP Advocacies recommendations and the specific SDG targets on mobility			
ECCP Advocacies recommendations	Specific SDG targets on mobility		
	3.6	9.1	11.2
Further promotion and use of measures towards cleaner emissions and improved roadworthiness testing <ul style="list-style-type: none"> • Full and efficient implementation of the MVIS • Improve implementation and enforcement framework of the Euro 4 emission standards 	✓	-	✓
Institutionalize mechanisms to improve vehicle and road safety <ul style="list-style-type: none"> • Adopt compulsory vehicle safety standards for passenger cars and two-wheelers • Incorporate road safety education in basic education curriculum 	✓	✓	✓
Passage of the Electric Vehicles and Charging Stations Act	-	✓	✓
Effective Implementation of the Energy Efficiency and Conservation Act	-	✓	✓

As the Global Goals require the concerted efforts of all sections of society, including the business community, so does the overarching objective to increase the sustainability footprint of the transport sector. As such, the ECCP stands ready to work with stakeholders to unlock the gains of future mobility solutions and create a positive impact that will benefit the environment, the community, and the economy.



CLEAN AND EFFICIENT ENERGY

OVERVIEW

The expansion of economic and day-to-day activities as a result of global development and population growth has resulted in a rise in demand for something that has long been central to everyone's lives: energy. It is projected that in 2021, global energy demand is to increase by 4.6%, with almost 70% of which will be from emerging markets. This anticipated demand is 0.5% higher than in 2019, while it offsets the 4% decline in 2020 demand.¹

Even so, although meeting energy demand remains a global challenge, environmental concerns must also be considered. The United Nations reports that energy is responsible for 60% of the world's greenhouse gas emissions, which are a major contributor to climate change.²

Recognizing these challenges alongside the objective to achieve sustainable growth and development, various global initiatives with the objective of encouraging and supporting economies to shift to cleaner and efficient energy have been put in place. Among these are the United Nations and its Sustainable Development Goals (SDGs),³ which provides a set of calls to action that takes into consideration the social, economic, and environmental sustainability aspects of development.⁴ In addition, the Paris Agreement adopted in 2015, serves as a pledge for countries to reduce carbon dioxide (CO₂) and other greenhouse gas emissions.⁵ Renewable energy plays a key role in helping achieve these targets, in as much as its increased use could reduce energy-related CO₂ emissions and global average temperatures.

Nonetheless, these challenges are coupled by opportunities to advance the clean, efficient, and sustainable energy agenda, particularly through various forms of energy development and innovation. At the global scale, improved energy efficiency has the potential to cover 40% of the targeted emissions reduction.⁶ Meanwhile, global demand for renewable energy has also been heightened with a 3% increase in 2020, and seen to expand by more than 8% across the power, industry, and transport sectors.⁷

In the Philippines, 2019 peak energy demand was at 15,581 MW, higher by 799 megawatts (MW) or 5.4% than the 14,782 MW in the previous year.⁸ Further to this, energy demand by 2040 is projected to be at 43,765 MW.⁹ With the need to create an environment that creates a balance between meeting the required energy levels and adhering

1 International Energy Agency. (2021). Global Energy Review 2021. Retrieved from <https://www.iea.org/reports/global-energy-review-2021>

2 United Nations. (n.d.). UN Sustainable Development Goals: Ensure access to affordable, reliable, sustainable and modern energy. Retrieved from <https://www.un.org/sustainabledevelopment/energy/>

3 The UN includes 'Ensure access to affordable, reliable, sustainable and modern energy' as its Goal 7.

4 United Nations. (n.d.). Sustainable Development Goals. Retrieved from <https://www.undp.org/content/undp/en/home/sustainable-development-goals.html>

5 International Renewable Energy Agency. (2020). Renewable Energy And Climate Pledges: Five Years After The Paris Agreement. Retrieved From https://www.irena.org/-/media/Files/IRENA/Agency/Publication/2020/Dec/IRENA_NDC_update_2020.pdf

6 United Nations Environment Programme. (n.d.). Issue Brief: SDG 7. Retrieved from https://wedocs.unep.org/bitstream/handle/20.500.11822/25762/SDG7_Brief.pdf?sequence=1&isAllowed=y

7 International Energy Agency. (2021). Global Energy Review 2021.

8 Department of Energy. (2020). 2019 Power Situation Report. Retrieved from https://www.doe.gov.ph/sites/default/files/pdf/electric_power/2019-power-situation-report.pdf

9 Atty. Fuentesbella, F. (2018). Energy Investment Opportunities.

to the call for sustainability, the Philippines has put in place policies such as the Renewable Energy (RE)¹⁰ and Energy Efficiency and Conservation (EE&C)¹¹ Laws, as well as frameworks such as the Philippine Development Plan, which helps align the country with the UN SDGs.

While there has been an overall augmentation in renewable energy as well as energy efficiency and conservation practices, growth has been quite modest in comparison to the increase in other energy sources. It goes without saying that it remains crucial that all stakeholders are engaged in the transition to clean and efficient energy, to help ensure the continuity of daily operations and activities, as well as advancing economic recovery and development.

WHERE ARE WE NOW?

In light of its energy objectives and an unprecedented global crisis due to the COVID-19 pandemic, a number of policy measures and initiatives have been implemented in the Philippines.

With the signing of the Energy Efficiency and Conservation Act or Republic Act No. 11285 in early 2019, its implementing rules and regulations (IRR) was released in late 2019, as **Department of Energy (DOE) Department Circular (DC) No. 2019-110014**.¹² The EE&C Act and its IRR create a framework on the enactment of measures on energy efficiency and conservation, which includes the promotion of efficient use of energy, use of RE and EE technologies, as well as encouraging increased investments and other activities in these subsectors.

Complementary to this, the energy agency has also recently adopted the **Guidelines on Energy Conserving Design of Building**¹³ through the release of **DC 2020-12-0026**¹⁴. Designated Establishments under commercial, industrial, and transport sectors have also been directed to submit their energy consumption reports, as stipulated in **Memorandum Circular No. 2020-05-0001**.¹⁵ Most recently, **DC No. 2021-01-0001**¹⁶ has provided guidelines on the qualification and certification of energy conservation officers, energy managers, and energy auditors.

Implementing rules and regulations of several other pieces of legislation that have been signed into law in 2019 have also been issued in the past year. These include those of RA No. 11361 or the Anti-Obstruction of Power Lines Act (**DC No. DC2020-02-0002**)¹⁷, and of RA No. 11371 or the *Murang Kuryente* Act (**DOE-DOF Joint Circular No. 1, series of 2020**)¹⁸.

The Department of Energy has likewise enacted an important measure, **DC No. 2020-02-0003**¹⁹ which provides a smart grid policy framework for the Philippine electric power industry and roadmap for distribution utilities.

Meanwhile, on renewable energy, **DC No. DC2020-04-0009**²⁰ has laid down the guidelines on issuing permits to

RE suppliers under the Green Energy Option Program, **DC No. 2020-07-0017**²¹ has set forth the guidelines for green energy auction in the Philippines.

Furthermore, in response to the COVID-19 pandemic, the DOE also put in place **Administrative Order No. A02020-05-0001**,²² which provides a protocol on COVID-19 response²³ for the DOE and its attached agencies, as well as energy industry players. Among its key provisions is the incorporation of the said protocol in energy companies' business continuity plan.

At the legislative level, the Senate has called for the substitution of Senate Bill No. 363 and 401²⁴ to **Senate Bill No. 1789**.²⁵ This bill calls for the establishment of a national policy on the promotion and use of waste-to-energy (WTE) technologies. Its counterpart in the lower chamber, **House Bill No. 7829**²⁶ which has substituted various WTE bills, has been approved in November 2020.

ECCP ADVOCACIES

ENSURE EFFICIENCY IN IMPLEMENTATION OF MEASURES ON THE PROMOTION OF RENEWABLE ENERGY AND ENERGY EFFICIENCY AND CONSERVATION

The continued increase in energy demand indeed calls for policies that will promote development of renewables and engagement in energy efficiency activities. Alongside these would be to provide a deeper understanding of these objectives, adequate sufficient support for stakeholders in their transition, as well as attract more activities in these energy sub-sectors.

With this energy picture in mind, some of the ECCP's long-standing advocacies are the efficient implementation of the Energy Efficiency and Conservation Act, as well as mechanisms that allow for increased renewable energy use in order to boost its share of the country's energy mix.

The ECCP regards the enactment of the EE&C Act as a milestone in the Philippine energy sector, being a measure that will help provide energy security and sufficiency, as well as reduce carbon emissions. On the other hand, the RE Act presents mechanisms to accelerate the development of the renewable energy sector which advances the country's energy self-reliance goal.

The ECCP has also furthered its commitment to serving as a platform for deepened stakeholder engagement, with the recent launch of the REPH100 Initiative.²⁷ Inspired by the global RE100 initiative,²⁸ the REPH100 movement is a private sector-driven effort aimed to support the Green Energy Option Program implemented by the Department of Energy. It adopts a whole-of-society approach to fueling the Philippine energy transition for more inclusive economic recovery.

In addition to the above recommendations, there should also be support mechanisms for energy producers and consumers on how they can utilize the available programs that help move towards clean and efficient energy transition. Incentives to attract more investments in the energy sector are also necessary, as they support the country's goal of becoming more competitive in the region. Finally, with the anticipated effects of lower energy costs, enhanced access to energy, increased economic activity, and bolstered sustainable practices, positive spillover effects will be felt at social, environmental, and economic levels.

10 Official Gazette. (2008). Republic Act No. 9513. Retrieved from <https://www.officialgazette.gov.ph/2008/12/16/republic-act-no-9513/>

11 Official Gazette. (2019). Republic Act No. 11285. Retrieved from <https://www.officialgazette.gov.ph/downloads/2019/04apr/20190412-RA-11285-RRD.pdf>

12 DOE. (2019). Department Circular No. DC2019-11-0014. Retrieved from <https://www.doe.gov.ph/laws-and-issuances/department-circular-no-dc2019-11-0014>

13 DOE. (2020). Guidelines on Energy Conserving Design of Buildings - 2020 Edition. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/dc2020-12-0026%20guidelines.PDF>

14 DOE. (2020). DC 2020-12-0026. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/dc2020-12-0026.PDF>

15 DOE. (2020). Memorandum Circular No. 2020-05-0001. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/mc2020-05-0001.pdf>

16 DOE. (2021). DC No. 2021-01-0001. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/dc2021-01-0001.PDF>

17 DOE. (2020). DC No. 2020-02-0002. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/dc2020-02-0002.pdf>

18 DOE. (2020). DOE-Department of Finance Joint Circular No. 1, series of 2020. Retrieved from https://www.doe.gov.ph/sites/default/files/pdf/issuances/jc_no_01_series_2020.pdf

19 DOE. (2020). DC No. 2020-02-0003. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/dc2020-02-0003.pdf>

20 DOE. (2020). DC No. 2020-04-0009. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/>

dc2020-04-0009.pdf

21 DOE. (2020). DC No. 2020-07-0017. Retrieved from <https://www.doe.gov.ph/laws-and-issuances/department-circular-no-dc2020-07-0017>

22 DOE. (2020). Administrative Order No. A02020-05-0001. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/ao2020-05-00011.pdf>

23 DOE. (2020). COVID-19 Response Protocol. Retrieved from <https://www.doe.gov.ph/sites/default/files/pdf/issuances/covid-19-response-protocol-public-doc.pdf>

24 Philippine Senate. (2020). Committee Report No. 106. Retrieved from [legacy.senate.gov.ph/lisdata/3337530201!.pdf](https://www.legacy.senate.gov.ph/lisdata/3337530201!.pdf)

25 Philippine Senate. (2020). Committee Report No. 106. Retrieved from [legacy.senate.gov.ph/lisdata/3337530201!.pdf](https://www.legacy.senate.gov.ph/lisdata/3337530201!.pdf)

26 House of Representatives. (2020). House Bill No. 7829. Retrieved from https://www.congress.gov.ph/legisdocs/third_18/HBT7829.pdf

27 ECCP. (2021). Energy Stakeholders and Advocates Gather at the NREB-ECCP REPH100 Launch. Retrieved from <https://www.eccp.com/articles/2392>

28 Climate Group. (n.d.). REPH100. Retrieved from <https://www.there100.org/about-us>

ENACTMENT OF POLICIES THAT PROVIDE A CLEAR FRAMEWORK ON THE DEVELOPMENT OF WASTE-TO-ENERGY TECHNOLOGIES

It is critical that the goal of increasing energy capacity be accompanied by deliberate decision-making that addresses environmental concerns. One of the most important opportunities to achieve this goal is to make the best use of the country's available resources that can be harnessed or transformed into energy.

On this note, the ECCP calls for stricter enforcement of RA No. 9003 on solid waste management, as well as the waste management provision in the EE&C Act. Through the successful implementation of these measures, the country's resources may be more efficiently utilized to maximize energy generation via integrated recycling plants.

Nonetheless, the ECCP appreciates the efforts of the government, especially the DOE and some LGUs, in pursuing environmentally-safe alternatives in power generation. The use of waste-to-energy projects will help make these areas to become more energy self-sufficient and overcome concerns on power shortage.

It is in this context that we look forward to having clarity on the Philippines' WTE guidelines, which will govern the operation of WTE plants in the country. In relation to this, the ECCP highly recommends the limitation on the number of WTE installations established in the Philippines, to help curb possible imminent effects such as the foreseen shortage of garbage supply to feed WTE plants.





CIRCULAR ECONOMY

(SPECIAL FOCUS ON PLASTIC WASTE MANAGEMENT)

OVERVIEW

Over the years, the **'circular economy' concept** has gained traction as producers and consumers recognize that the widely used linear economy model of "take-make-dispose" approach will ultimately result in resource depletion, excessive waste, and environmental degradation. There has been an increased focus on changing the narrative and processes to a 'regenerative and restorative' one — converting waste into productive inputs, reducing pollution and greenhouse gas emissions, and their adverse health and environmental consequences.¹

The Global Circularity Report 2020 presents a dismal figure of 8.6% global circularity.² Nevertheless, moving toward a circular economy poses far-reaching benefits that would make a significant contribution to environmental preservation and climate change mitigation. On the economic front, studies estimate that a circular economy may generate a USD 4.5 trillion economic potential by eliminating waste and concurrently creating business growth and job opportunities.³

Looking at the various United Nations Sustainable Development Goals (SDGs), it was posited that 'circular economy' is critical to achieving the other Global Goals. Many of the SDGs, including those on water, electricity, economic development, climate change, life below water, and life on land, will substantively benefit from CE approaches applied in various industry sectors such as agriculture, manufacturing, water, energy, and transportation (i.e., SDGs 6, 7, 8, 13, 14, and 15).⁴

In the Philippine context, **waste management and improving recovery rates of materials** have become a priority area for the circular economy. Nevertheless, an **increased focus on circular economy and Sustainable Consumption and Production (SCP)** as a strategy towards sustainable development would be aligned with the Philippine Development Plan (PDP) 2017-2022 and its Strategy Framework to Ensure Ecological Integrity, Clean and Healthy Environment. The circular economy offers vast opportunities in further improving water and sanitation, generating income in agriculture, food processing and biogas generation to support rural livelihoods. There is much untapped potential to increase the circularity of major material categories.⁵

1 P. Schroeder (2020). ADB-NEDA Circular Economy Report Philippines. Retrieved from https://www.adb.org/sites/default/files/project-documents/50158/50158-001-tacr-en_0.pdf.

2 Circularity Gap Reporting Initiative (2020). The Circularity Gap Report 2020. Retrieved from <https://www.circularity-gap.world/2020>.

3 Accenture (2015). The Circular Economy Could Unlock 4.5 Trillion of Economic Growth Finds New Book by Accenture. Retrieved last 18 April 2021 from <https://newsroom.accenture.com/news/the-circular-economy-could-unlock-4-5-trillion-of-economic-growth-finds-new-book-by-accenture.htm>.

4 Ibid.

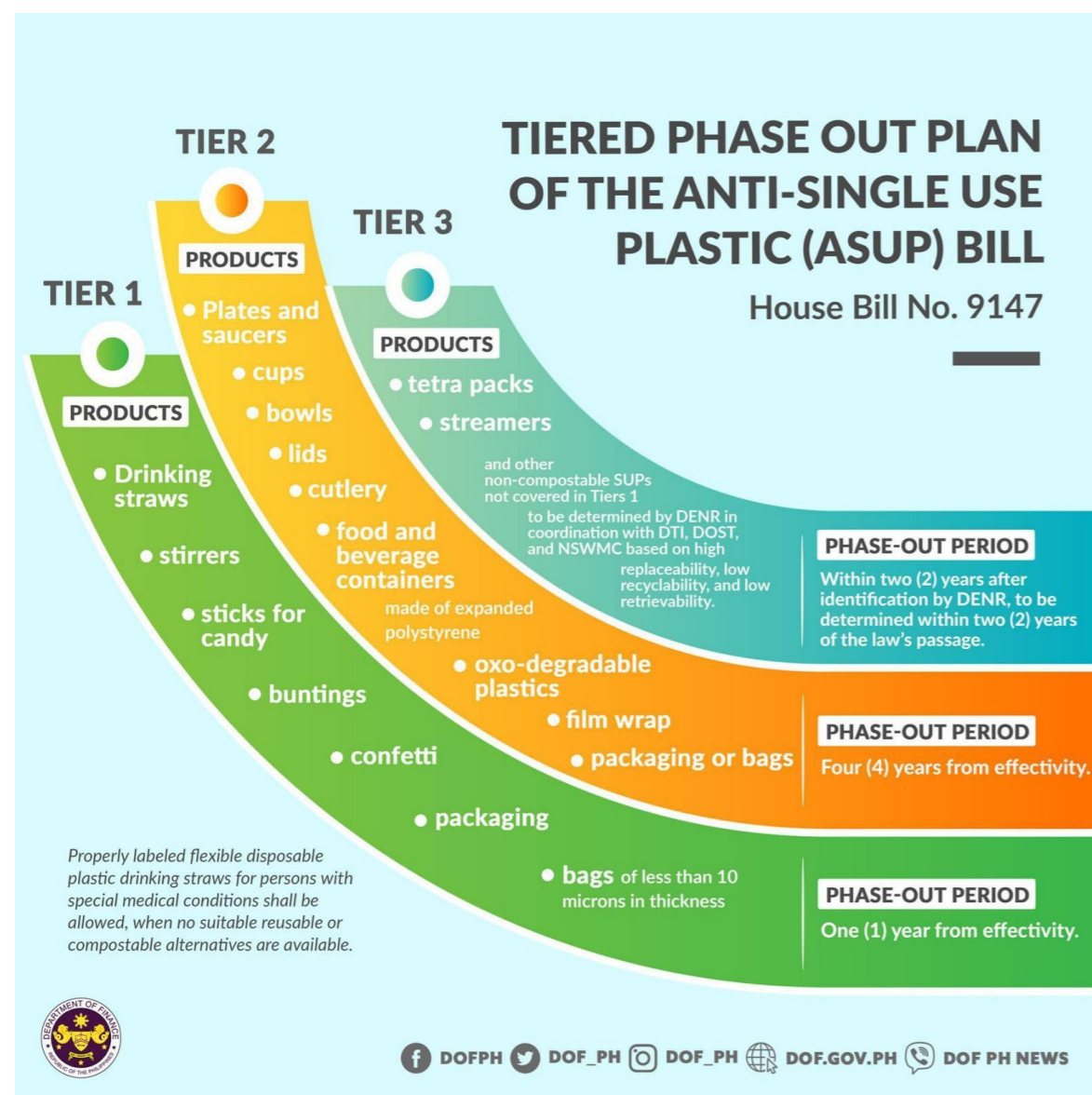
5 Ibid.

WHERE ARE WE NOW?

IN THE PHILIPPINES

In late March 2021, the House Committee on Ecology and Ways and Means released Committee Report No. 897, recommending the approval of **House Bill No. 9147** in substitution of 38 House Bills filed by several legislators. House Bill No. 9147 seeks to regulate the production, importation, sale, distribution, provision, use, recovery, collection, recycling and disposal of single-use plastic products. As of writing, the bill was approved on second reading.

The substitute measure proposes a transition period and tiers of single-use plastic products that would be regulated in varying degrees.⁶ The measure also proposes to increase the **producer's responsibility to reduce and recover single-use plastic products** in the market as well as to **undertake environmental education to positively influence consumer's behavior in using plastics**. The measure also specifies **sharing of revenues from fees and penalties between the NSWMC and the barangays to help provide the source of funds in enhancing material recovery on solid waste management programs**.



Source: Department of Finance

⁶ Congress (2021). Substitute Bills on Single-Use Plastics Regulation and Mandatory Environmental Insurance Coverage Approved. Retrieved from <https://congress.gov.ph/photojournal/zoom.php?photoid=2917&key=plastic>

More recently, there has been a move from the House Ways and Means Committee with the filing of HBN 9171 to impose excise tax on plastic bags, thereby adding a new section, designated as section 150-C, in the National Internal Revenue Code of 1997, as amended. This substitutes an earlier House Bill No. 178. As of writing, the bill was approved on second reading.

In the upper house, a legislation⁷ has been introduced to change the RA9003 by instituting the practice of Extended Producer Responsibility (EPR) which will require businesses, especially those in industries that generate plastic waste, to be responsible "for the proper and efficient disposal of their goods after they have been sold to and used by consumers, with the goals of minimizing waste generation and improving waste recyclability or reusability, which includes plastic containers or packaging materials."

At the executive level, the Department of Environment and Natural Resources also recently approved a list of non-environmentally acceptable products and packaging (NEAPs) which has undergone a series of public consultations, deliberated by members of the National Solid Waste Commission.

IN EUROPE

At the European level, the **European Green Deal** was unveiled in December 2019, which included a pledge to net zero emissions by 2050. The circular economy is deemed to be a key solution in the European Green Deal, which will introduce waste and recycling laws and will account for roughly half of the EU's initiative to reach net-zero carbon emissions by 2050, and will be deemed as the top priority.⁸ The Executive Vice President of the European Green Deal strengthens the importance of a fully circular economy "to achieve climate-neutrality by 2050, to preserve our natural environment, and to strengthen our economic competitiveness."⁹ The policy priority areas of the European Green Deal include biodiversity; sustainable agriculture; clean energy; sustainable industry; sustainable mobility; eliminating pollution; and climate action.

ECCP ADVOCACIES

Despite being enacted for nearly two decades, the implementation of Republic Act 9003, Ecological Solid Waste Management Act of 2000, remains to be a challenge especially for the local government units (LGUs). Technical, political and financial limitations have been cited as bottlenecks in the implementation. Moreover, many LGUs have yet to comply with the establishment of local solid waste management (SWM) boards, submission of SWM Plans, establishment of materials recovery facilities (MRFs) and closure of all open and controlled dumpsites.¹⁰ Given the status quo, it is crucial that the Ecological Solid Waste Management Act of 2000 is properly enforced.

Furthermore, inadequate solid waste management systems and human negligence has also led to one of today's most serious concerns—**plastic pollution**. Over recent years, plastic pollution has been a global concern and has therefore received increased attention. In 2018, the European Parliament voted to reduce marine litter through the ban of specific single-use plastics. It is important to note that the current said regulation, Directive (EU), 2019/904 on the reduction of the impact of certain plastic products on the environment, only prohibits specific types of single-use plastics (i.e., cutlery, plates, stirrers, straws, and cotton bud sticks)¹¹ which already have existing affordable alternatives; recycled materials such as wooden stirrers and straws are not banned. Otherwise, several approaches¹² as defined by the European Parliament were **mandated to member states**:

- **Product design:** This requires that single-use plastic drinks containers and bottles have their caps and lids attached.
- **Extended producer responsibility (EPR):** This requires Member States to ensure that EPR schemes are established. It is important to note that EPR may take various definitions and forms. For example, producers

⁷ Philippine Senate (2021). Villar: Fast-tracking Distribution of Solid Waste Management Equipment Will Help LGUs Achieve Zero Waste Goals. Retrieved from http://legacy.senate.gov.ph/press_release/2021/0113_villar1.asp

⁸ European Commission (2020). Changing how we produce and consume: New Circular Economy Action Plan shows the way to a climate-neutral, competitive economy of empowered consumers. Retrieved from https://ec.europa.eu/commission/presscorner/detail/en/ip_20_420

⁹ Ibid.

¹⁰ Senate Economic Planning Office (2017). Philippine Solid Wastes At A Glance. Retrieved from https://www.senate.gov.ph/publications/SEPO/AAG_Philippine%20Solid%20Wastes_Nov2017.pdf

¹¹ European Parliament (2018) Single-use plastics and fishing gear: Reducing marine litter. Retrieved from: [http://www.europarl.europa.eu/RegData/etudes/BRIE/2018/625115/EPRS_BRI\(2018\)625115_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2018/625115/EPRS_BRI(2018)625115_EN.pdf)

¹² Ibid.

- would cover the costs of waste management and cleanup as well as efforts in raising awareness.
- **Labelling:** This requires certain items to include a label on how the items should be disposed of as well as the negative consequences of improper disposal of plastic wastes.
- **Awareness raising:** This requires Member States to raise consumers' awareness on the available re-use systems and waste management options as well as about the negative impacts of inappropriate disposal.

In the Philippines, plastic pollution remains to be a pressing concern due to lack of waste infrastructure, consumer preferences and socio-economic means and waste disposal habits. Both public and private sectors, as well as other stakeholders, have stepped up and launched various initiatives to curb marine debris. The right kind of law and policy must complement these efforts. In line with this, we submit the following inputs and recommendations to enhance the Single Use Plastic Bill currently pending in Congress:

Banning necessitates affordable and appropriate alternatives. Otherwise, this can put consumers at a disadvantage and worsen the problem at hand.

Banning single-use plastics necessitates the existence of affordable, viable alternatives. The alternatives must meet (1) the desired quality, (2) minimum specifications; and (3) circumstances for the use; (4) supply of materials; (5) policy side; and (6) competitive cost.

Plastics are widely used given their versatile properties including the following: (1) moisture-resistant, providing a barrier against moisture and oxygen, preventing immediate the contamination of a product; (2) widely available and inexpensive; (3) malleable, easily be shaped in different forms (4) lightweight but highly durable, making it an excellent packaging material; (5) protection of product when transported, and transferred from one transport mode to another; and (6) resistant to corrosion and chemicals.

Any alternative material that fails to meet the aforementioned criteria could do more harm than good. It is feared that **hastily banning plastics without an appropriate alternative will lead to proliferation of untested substitutes. This could ultimately compromise consumers' health and safety as products could potentially get contaminated or spoiled.** Also, apart from the health safety reasons mentioned earlier, there are no commercially viable large-scale alternatives to sachets and multi-layer packaging as well as film wrap or packaging less than 50 microns.

We believe that a ban on plastic will not properly address the plastic waste issue, and a tax will ultimately burden the consumers who will have to bear the costs of price increases. We should not ban products without clear alternatives that are proven to have better environmental, economic and social impact, especially if research has shown that replacing plastics with available alternatives would have significant negative environmental impact. In partnership with the government, industry can help develop sound, data-based or researched-based programs, solutions, regulations and legislation. This will create better environmental and economic outcomes instead of unintended consequences that will promote the use of less recoverable/recyclable/reusable, unstudied alternatives.

In this context, we respectfully submit our position **to exclude sachets and multi-layered packaging as well as film wrap or packaging less than 50 microns from the ban.** We wish to raise our concerns on the viability of a major shift without conducting any research given that compostable or biodegradable plastics result in shorter shelf life, possible exposure to health hazards especially of food products, and of course, higher cost. Add to this, is the fact that there are currently no facilities in place for industrial composting and there is also a limited market for composts. We believe that there should first be a system, backed up by solid research, and alongside provisions of infrastructure and market support, that should be put in place before we agree to a drastic push for a shift on a commercial scale, given its ultimate effect on the supply and prices of goods and commodities.

EXTENDED PRODUCER RESPONSIBILITY

For plastics which do not have affordable and viable alternatives for now, we are in support of the **establishment of producers' responsibility scheme to manage and prevent plastic wastes** from polluting the environment as contemplated in the draft consolidated bill. There are also other measures which could be undertaken such as packaging and product redesign; converting wastes into materials of value; **waste-to-energy; waste-to-fuel (e.g., cement kiln co-processing); waste diversion; and waste/recycling credit schemes.**

An EPR scheme requires significant public and private sector investment towards the establishment of a sustainable waste management infrastructure involving many players that will divert, reuse, reduce, and recycle

waste. The viability of an EPR system will depend on the availability of feedstock for diversion, reuse, and recycling. If sachets, multi-layer packaging, and other SUP are banned as proposed on year 4 of the implementation of the SUP bill, a significant portion of the "feedstock" for an EPR system will be lost which affects the viability of said scheme. Furthermore, subjecting compostable or biodegradable plastic to EPR will expose manufacturers to increasingly prohibitive costs of, first, investing in the design and manufacture of sustainable packaging and then investing in industrial composting infrastructure which does not exist in the country today.

In sum, we propose that an EPR scheme be implemented instead and in substitution of an outright ban of sachets and multilayered packaging. We advocate for the establishment of an EPR system that is inclusive, target-based, phased, achievable and implementable.

ADDRESSING CONSUMER HABITS

The Philippine economy is rooted in the strong consumer demand through sari-sari stores, groceries, or supermarkets. There are over 1.3 million sari-sari stores which hold a significant portion of the domestic retail market in the Philippines. Practically and on a regular basis, almost every Filipino prefers to buy/consume products in smaller sizes at lower prices. The need for a paradigm shift in the buying habits of Filipino consumers is an important facet that should first be acknowledged and addressed.

Hence, we reiterate our advocacy on the introduction and integration of environmental education in the formal curriculum. Education undoubtedly plays a crucial role in shaping and motivating positive behavior change. Looking into the Philippines' environmental education model, Section 3 of the Environmental Awareness and Education Act of 2008 (RA 9512) currently provides for the introduction of environmental education in school curricula across the board.

Furthermore, the Law covers both theoretical and practicum modules comprising activities, projects, programs including, but not limited to, tree planting; waste minimization, segregation, recycling and composting; freshwater and marine conservation; forest management and conservation; relevant livelihood opportunities and economic benefits and other such programs and undertakings to aid the implementation of the different environmental protection law.¹³ The JFC also appreciates the inclusion of waste minimization education in the K-12 Program. However, the curriculum only introduces the said subject starting Fourth Grade.

While this is a commendable undertaking, environmental education must be intensified and introduced at an earlier stage. New Zealand offers introductory waste minimization courses as early as pre-school.¹⁴ In Asia, good practices can also be learnt from Japan. Since 2000s, schools in Japan have developed diverse approaches to environmental education and have incorporated this into each subject, special activity, and even its moral education. The textbooks on Japanese language and moral education also featured literary works on environmental conservation and protection of nature.¹⁵

It is also worth noting that RA 9003 (Solid Waste Management Act) and RA 9512 (Environmental Education) both provide for the policies and guidelines on environmental awareness and education. This responsibility, however, should not be imposed on businesses especially at the onset, so that it can focus its efforts on the huge task of **recovering plastic waste that has been sold in the market and before it gets to the landfills and our waters.**

CONDUCTING A NATIONAL WASTE INVENTORY

Before any move to approve the subject bill is considered, it is essential to come up with a national inventory of wastes that will provide proper quantitative data in order to identify priority waste streams and sources, main risks, main players, and service and investment needs. The United Nations Environment Programme, through the Basel Convention, has come up with a methodological guide for the development of inventories of hazardous wastes and other wastes. As signatory to this Convention, the Philippines has the obligation to report information concerning measures they have taken towards its implementation and other information on the

¹³ Department of Natural Resources (2017). The National Environmental Education Action Plan 2018-2040 (Version 1). Retrieved from https://www.switch-asia.eu/fileadmin/user_upload/Publications/2017/PSC_Philippines/National_Environmental_Education_Action_Plan__NEEAP_.pdf

¹⁴ Zero Waste Education Program (n.d.). Retrieved from <https://www.zerowasteeducation.co.nz/howitworks>

¹⁵ Kodama (2017). Environmental Education in Formal Education in Japan. Retrieved from <https://www.eubios.info/EJ94/ej94i.htm>

status of generation, transboundary movements, and management of hazardous wastes and other wastes in the country.¹⁶

This guide can be locally implemented by data gathering government agencies and instrumentalities. This waste inventory system, when developed, can also be used as a compliance monitoring system for producers and manufacturers subject to the legislative measure.

Data gathering should first be the priority to correctly target the evil that the legislative measure seeks to eradicate.

SUMMARY

Given the complex issue of plastic pollution, a sweeping ban on all single-use plastics is not ideal; a tailor-fit approach must be considered depending on the scenario. We recommend the following actions:

- Engage data gathering government agencies/institutions to conduct, prior to the implementation of any outright ban, a complete inventory of waste sources.
- Adopt a tailor-fit approach based on thorough scientific studies and/or constructive dialogue with the industry instead of the unilateral sweeping ban of plastics especially without the presence of affordable, viable alternatives;
- The exclusion of sachets and multi-layered packaging as well as film wrap or packaging less than 50 microns from the ban;
- The establishment of a producers' responsibility scheme to manage and prevent plastic wastes and undertaking other such as packaging and product redesign; converting wastes into materials of value; waste-to-energy; waste-to-fuel (e.g. cement kiln co processing); waste diversion; and waste/recycling credit schemes;
- Strengthening public awareness on waste minimization and improving implementation of RA 9512 or the National Environmental Awareness and Education Act of 2008.

Finally, we wish to highlight that the responsibility of managing plastic waste requires a whole-of-government, whole-of-society approach. This must be shared by all players in the value chain, from the producers to the consumers, and with the support of the government.

adhering to the call for sustainability, the Philippines has put in place policies such as the Renewable Energy



¹⁶ Basel Convention, Methodological Guide for the Development of Inventories of Hazardous Wastes and Other Wastes under the Basel Convention.



SUSTAINABLE FOOD AND NUTRITION

OVERVIEW

The year 2050 is a date that is often mentioned while reading about sustainability. In recent years, the year 2050 has served as a sort of ticking time bomb, encouraging the world to follow sustainable practices in all facets of life as the world and the environment change dramatically under the pretext of climate change. This is especially true when it comes to the topic of food, specifically on food systems, as world population is estimated to grow from 7.7 billion in 2019 to nearly 9.8 billion people in 2050 according to the Population Division of the UN Department of Economic and Social Affairs¹. As a result, food demand is expected to increase by 60% while arable lands are estimated to decrease due to soil degradation, climate change, and urbanization.²

Today, food insecurity remains to be one of the pressing issues that countries across the globe continue to face. According to the United Nations Food and Agriculture Organisation (FAO), the number of undernourished people around the world is estimated to have increased to 688 million in 2019 from 624 million people in 2014, including those suffering from acute and chronic hunger.³ Children continue to be one of the most affected people by the crisis causing nearly half of the total number of accumulated child deaths below age five.⁴ Yet, amidst this scenario, global food waste is estimated at 1.3 billion tonnes of food annually⁵, amounting to at least USD 1 trillion per year⁶. Aside from the financial impact of food waste, it also has a tremendous impact on the environment generating 4.4 GtCO₂ eq per year or at least 8% of the total anthropogenic GHG emissions.⁷

The United Nations identified conflict as the main cause of acute hunger, reporting that at least 77 million in 22 countries suffered from hunger as a result of armed violence in 2019. Aside from armed conflicts, climate change is also a key factor in the upsurge of the number of people suffering from hunger. In 2019, the UN reported that nearly 34 million people were driven into a food crisis in 25 countries due to extreme climatic events.⁸

2020 brought in one of the biggest challenges that the world faces today in the form of the COVID-19 pandemic. In the same year, the state of food security in the world worsened as 8.9% of the global population, or nearly 690 million people, were estimated to experience hunger and are undernourished posing a growth rate of 10% from the figure in 2019 and up by at least 60 million from the past five years.⁹ In the Philippines, about 62% of the

1 UN Department of Economic and Social Affairs. (2019). Growing at a slower pace, world population is expected to reach 9.7 billion in 2050 and could peak at nearly 11 billion around 2100. Retrieved from <https://www.un.org/development/desa/en/news/population/world-population-prospects-2019.html>

2 World Economic Forum. (2016). Food security and why it matters. Retrieved from <https://www.weforum.org/agenda/2016/01/food-security-and-why-it-matters/>

3 World Bank. (2021). Food Security and COVID-19. Retrieved from <https://www.worldbank.org/en/topic/agriculture/brief/food-security-and-covid-19>

4 UN Office for the Coordination of Humanitarian Affairs. (n.d.). Hunger is Rising, COVID-19 Will Make it Worse. Retrieved from <https://gho.unocha.org/global-trends/hunger-rising-covid-19-will-make-it-worse>

5 Food and Agriculture Organization. (2013). Food Wastage Footprint Impacts on Natural Resources. Retrieved from <http://www.fao.org/3/i3347e/i3347e.pdf>

6 Food and Agriculture Organization. (n.d.). Food Wastage Footprint. Retrieved from <http://www.fao.org/nr/sustainability/food-loss-and-waste/en/>

7 Food and Agriculture Organization. (2015). Food Wastage Footprint & Climate Change. Retrieved from <http://www.fao.org/3/bb144e/bb144e.pdf>

8 Ibid.

9 Food and Agriculture Organization. (2021). The State of Food Security and Nutrition in the World. Retrieved from <http://www.fao.org/3/ca9692en/online/ca9692en.html#chapter-1.1>

households, from the 40.2% reported in 2019, have experienced moderate to severe food insecurity according to the recent survey conducted by the Department of Science and Technology – Food and Nutrition Research Institute (DOST-FNRI). The report attributed the high rate of food insecurity to the COVID-19 pandemic and noted that food insecurity spiked during the months of Enhanced Community Quarantine sometime between April – May.¹⁰

As the pandemic drags on, the prevalence of food insecurity is expected to increase. In response to this stark reality, the UN has continued to campaign for states to move towards the adoption of a sustainable food system in line with the UN 2030 Agenda for sustainable development and the UN Sustainable Development Goals. A “sustainable food system” is defined as “a food system that delivers food security and nutrition for all in such a way that the economic, social and environmental bases to generate food security and nutrition for future generations are not compromised”. A food systems approach abandons traditional approaches to food security which are usually sectoral, and focuses on a more holistic approach by considering all sectors involved in the food system, how these sectors interact, and the impact of these correlations.¹²

Sustainable food system also moves away from the initial thinking that food security is mainly about food production. Equally important to the quantity of food resources is the quality of food produced for the population. In order to overcome malnutrition and hunger in all its forms, adoption and access to healthy diets must be achieved. This, however, is not an easy feat as retail price of nutritious foods remains to be high with vegetables, fruits, protein-rich food, and nutrient-rich dairy being the most expensive food groups globally as reported by the World Health Organization.¹³ Overall, food security has four pillars namely, availability, access, utilization, and stability which means that food security is achieved when the populace have social, physical, and economic access to adequate nutritious food for their daily needs to have and maintain a healthy lifestyle.¹⁴

WHERE ARE WE NOW?

Food security is critical for a country like the Philippines, which is prone to natural disasters and faces growing climate change threats as its population grows. In 2019, FAO reported that the number of severe and moderately food insecure Filipinos rose to 59 million in the period of 2017–2019 from the 44.0 million Filipinos recorded within the period of 2014–2016.¹⁵ Similarly, the number of Filipinos suffering from severe food insecurity increased from 12.4 million to 19.9 million in the periods of 2014–2016 and 2017–2019 respectively.¹⁶

In view of the increasing challenges to attain food security and in line with the country’s commitment to achieve Zero Hunger in line with the 2030 Sustainable Development Agenda, the Philippine government created the **Inter-Agency Task Force on Zero Hunger (IATF-ZH)** on 10th January 2020 through Executive Order No. 101.¹⁷ The Task Force is a dedicated government body responsible to “ensure that government policies, initiatives, and projects on attaining zero hunger shall be coordinated, responsive and effective”. It is headed by Cabinet Secretary Karlo Alexei Nograles and co-chaired by Department of Social Welfare and Development Secretary Rolando Joselito Delizo Bautista and Department of Agriculture Secretary William Dar.¹⁸

As part of the Task Force’s mandate, the government launched the **National Food Policy (NFP)** and the **Food Security and Nutrition (FSN) Roadmap of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM)** on 16th October 2020 during the celebration of the 2020 World Food Day.¹⁹ The NFP is anchored on a “whole-of-

nation” approach to food security in recognition of the issue of hunger as a multi-dimensional. It identifies six priority areas of the government such as 1) recalibration of existing rules, regulations, and policies related to the attainment of zero hunger; 2) ensure that food is readily available and affordable; 3) secure nutrition adequacy; 4) secure food accessibility and safety; 5) ensure sustainable food systems, food resiliency, and stability; and 6) ensure information, education, awareness, and people participation.²⁰

Similarly, the **FSN Roadmap of BARMM** also adopts a holistic approach towards food security specifically for the Bangsamoro region which has been affected by the decades long armed conflict between the government and the MNLF/MILF factions. The Roadmap aims to achieve a ‘self-reliant, food secure, and resilient’ Bangsamoro Region by providing a ten-year framework starting from 2020 up to 2030 and beyond.²¹ It was made in collaboration between the Region’s Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR), Bangsamoro Planning and Development Authority (BPDA), and the World Food Programme of the United Nations (UN-WFP) with the support of UN-FAO.²²

Relatedly, the Philippines has also formally launched the **“Pilipinas Kontra Gutom Movement”** last February 2021 which is a national anti-hunger movement involving stakeholders from the public and private sectors.²³ The program’s main objective is to ensure food availability and accessibility, as well as adequate nutrition and support for farmers and fishermen, and reduce the number of Filipinos suffering from hunger to 1 million by 2022. It has four sub-programs such as (1) market and financing access, (2) policy advocacy, (3) improving logistics, and (4) education.²⁴

Aside from the twin initiative, the Department of Agriculture continues to implement its umbrella program entitled, **“Plant, Plant, Plant Program”**. Launched last year in response to the pandemic, the program intends to support the agriculture sector and aid rural development all over the Philippines with the end goal of increasing production and supply of agri-fishery product in the country by providing aid to farmers and through the use of innovation, better quality of seeds, and other related initiatives.²⁵ Some of the sub-projects that are funded under the program includes:

- Additional palay (unmilled rice) procurement fund of the National Food Authority;
- Expanded SURE Aid and recovery project;
- Expanded agricultural insurance project;
- Social amelioration for farmers and farm workers;
- Upscaling of KADIWA ni Ani at Kita direct marketing program;
- Integrated livestock and corn resiliency project;
- Expanded small ruminants and poultry project;
- Coconut-based diversification project;
- Fisheries resiliency project;
- Revitalized urban agriculture and gulayan project;
- Corn for food project;
- Strategic communications project; and
- Expanded Survival and Recovery Assistance Program for Rice Farmers & Recovery Project²⁶

As part of the program, the DA aimed to increase palay production to 22.1 million tons by the end of 2020. For this year, the Department is eyeing to increase rice production and adequacy to 20.4 million metric tons of palay from 19.4 million metric tons recorded last year.²⁷

10 Department of Science and Technology. (2021). More Food-Insecure Families during COVID-19 Pandemic DOST-FNRI Survey Reveals. Retrieved from <https://www.dost.gov.ph/knowledge-resources/news/72-2021-news/2207-more-food-insecure-families-during-covid-19-pandemic-dost-fnri-survey-reveals.html>

11 Food and Agriculture Organization. (n.d.). Sustainable Food Systems. Retrieved from <http://www.fao.org/3/ca2079en/CA2079EN.pdf>

12 Ibid.

13 Bilal, S., Torres, C., Wermuth, E. (2017). Towards more sustainable food systems – Editorial. GREAT Insights Magazine, Volume 6, Issue 4. September/October 2017. Retrieved from <https://ecdpm.org/great-insights/sustainable-food-systems/towards-sustainable-food-systems-editorial/>

14 Committee on World Food Security. (2014). Global Strategic Framework for Food Security & Nutrition (GSF). Retrieved from http://www.fao.org/fileadmin/templates/cfs/Docs1314/GSF/GSF_Version_3_EN.pdf

15 Food and Agriculture Organization. (2021). The State of Food Security and Nutrition in the World. Retrieved from [fao.org/3/ca9692en/online/ca9692en.html](http://www.fao.org/3/ca9692en/online/ca9692en.html)

16 Ibid.

17 Official Gazette. Executive Order No. 101. Retrieved from <https://www.officialgazette.gov.ph/downloads/2020/01jan/20200110-EO-101-RRD.pdf>

18 Ibid.

19 Department of Agriculture. (2020). Phil Launches Nat’l Food Policy, Capping World Food Day Celeb. Retrieved from <https://www.da.gov.ph/phi-launches-natl-food-policy-capping-world-food-day-celeb/>

www.da.gov.ph/phi-launches-natl-food-policy-capping-world-food-day-celeb/

20 Food and Agriculture Organization of the United Nations. (2020). FAO Philippines Newsletter. Retrieved from <http://www.fao.org/3/cb3778en/cb3778en.pdf>

21 BARMM Ministry of Agriculture, Fisheries and Agrarian Reform. (n.d.). Primer BARMM Food Security and Nutrition Roadmap. Retrieved from <https://mafar.bangsamoro.gov.ph/wp-content/uploads/2020/10/PRIMER-BARMM-Food-Security-and-Nutrition-Roadmap-Oct9Final.pdf>

22 Ibid.

23 Philippine News Agency. Gov’t, Private Sector Formally Launch Pilipinas Kontra Gutom. Retrieved from <https://www.pna.gov.ph/articles/1131490>

24 Department of Agriculture (2021). Meeting with Pilipinas Kontra Gutom. Retrieved from <https://www.da.gov.ph/gallery/meeting-with-pilipinas-kontra-gutom-jan-27-2021/>

25 Department of Agriculture. (2020). DA’s “Plant, Plant, Plant Program” to benefit all farmers, fishers, consumers nationwide. Retrieved from <https://www.da.gov.ph/das-plant-plant-plant-program-to-benefit-all-farmers-fishers-consumers-nationwide/>

26 Ibid.

27 Department of Agriculture. (2021). DA Eyes Bigger Rice Production in 2021. Retrieved from [da.gov.ph/da-eyes-bigger-rice-production-in-2021/#:~:text=Last%20year%2C%20the%20Philippine%20Statistics,crop%20on%20November%201%2C%202020.](https://www.da.gov.ph/da-eyes-bigger-rice-production-in-2021/#:~:text=Last%20year%2C%20the%20Philippine%20Statistics,crop%20on%20November%201%2C%202020.)

To encourage businesses to adopt sustainable practices and foster generation of green jobs, the Philippines enacted Republic Act No. 10771 or otherwise known as the “Philippine Green Jobs Act of 2016” on 29th July 2016 which grants tax incentives for businesses promoting green jobs.²⁸ As per BIR Revenue Regulations No. 5-2019, qualified businesses can apply for a special deduction on taxable income equal to half (50%) of the gross expenditures for skills training and research development. Some examples of business enterprises that can apply for the incentive are those utilising green technologies and/or adhere to green business practices.²⁹

ECCP ADVOCACIES

SUSTAINABLE FOOD SYSTEM DEVELOPMENT

1. **Support investments in Sustainable Agricultural Infrastructure**

Infrastructure plays a critical role in food security. According to the Economist Intelligence Unit, one of the main causes of food losses especially in low and middle income countries apart from inefficient harvesting is the inadequate infrastructure for food storage and market access.³⁰ In order for the food supply chain to be fully operational, one must recognize the need for better technologies and infrastructure mechanisms.

We support the government’s initiative to improve the country’s infrastructure through its flagship program, “Build, Build, Build” and lauds the government’s commitment to facilitate easier access to food by investing in farm-to-market roads. In augmentation of these efforts, we highly encourage the government to also look into other forms of infrastructure such as food storage infrastructure and facilities, post-harvest facilities, and green infrastructure among others.

The ECCP, together with its members, remains steadfast in its commitment to work with the government by extending technical assistance and engaging in exchanges of best practices on how to modernize the Philippine infrastructure in the context of food security.

2. **Increase food production by providing aid to farmers**

Farmers are integral to food supply chain and food security. In order for the country to succeed in attaining a sustainable food system, the government must pay close attention to the current situation of farmers.

While the ECCP recognizes the government’s efforts to uplift the wellbeing of our farmers, further builds can be done through granting of more comprehensive financial support and conduct of skills development programs for farmers. We then recommend the facilitation of access to finance for smallholder farmers for their increased capacity to develop innovative methods. Innovations in rural and agricultural financing through technology can also be explored to promote inclusive microfinancing models for these smallholder farmers. Promoting financial literacy to farmers by making relevant information public will also mitigate credit risks to them and the sector. Additionally, the establishment of agricultural cooperatives will assist in integrating small farmers into larger and established enterprises, who can share their resources and expertise in the field. All of these could then translate to increased profit, improved skills, and enhanced output.

Moreover, we strongly believe that the government should further intensify its efforts in attracting and encouraging the youth to engage in the sector and pursue agribusiness opportunities. Various industry reports and government statistics point out that the average age of Filipino farmers is gradually increasing and is currently between 57 to 60. With this, we push for their further education on and implementation of agripreneurship and agribusiness methods, among others, to help improve farmers’ skills.

3. **Facilitate Ease of Doing Business**

As in all industries, ease of doing business plays a vital role to ensure the unimpeded and efficient flow of food systems in the country. Not only will it aid in the accessibility of food in terms of production but would also help in terms of affordability as reduction of red tapes would encourage more producers and manufacturers to enter and participate in the market resulting in more options for consumers to choose from.

Furthermore, in order to increase competition in the market and ensure food self-sufficiency, it is vital to introduce policies that further open the food and agriculture sector to trade and investment. As such, the government must analyze which of the food commodities and products would be more efficient to be outsourced and which should be nurtured locally to maximize food production in the country.

FOSTER PEACE AS A PREREQUISITE OF DEVELOPMENT

As mentioned earlier on, one of the main causes of hunger are armed conflicts. It paralyzes the food supply chain by hindering access to food and cripples food production in the area of concern.

As an active partner of the government in promoting the country as an attractive investment destination, we remain committed in further promoting socio-economic development in conflict-stricken areas through governance and competitiveness building initiatives.

ESTABLISH A CONSTRUCTIVE REGULAR DIALOGUE BETWEEN PUBLIC AND PRIVATE SECTOR STAKEHOLDERS

Food security is a multi-dimensional issue requiring a multi-sectoral approach. As such, the ECCP highly recommends the establishment of a regular dialogue involving all stakeholders from the public and private sectors to come up with responsive, well-coordinated and effective solutions to end the prevalence of food insecurity in the country. The creation of the IATF-ZH and the launching of the “*Pilipinas Kontra Gutom Movement*”, wherein a good number of ECCP members are involved, are welcome developments.

By doing so, stakeholders will be able to effectively share resources, expertise and best practices to address existing bottlenecks in the system as well as identify possible challenges and solutions, thereby maximizing the collaboration among parties.

28 The Official Gazette. Republic Act No.10771. Retrieved from <https://www.officialgazette.gov.ph/2016/04/29/repub-lic-act-no-10771/>

29 Bureau of Internal Revenue. Revenue Regulations No. 5-2019. Retrieved from https://www.bir.gov.ph/images/bir_files/internal_communications_1/Full%20Text%20RR%202019/RR%20No%205-2019.pdf

30 Economist Intelligence Unit. (2014). Food loss and its intersection with food security. Retrieved from https://foodsecurityindex.eiu.com/Home/DownloadResource?fileName=EIU_GFSI%202014_Special%20report_Food%20loss.pdf



GREEN AND INCLUSIVE FINANCE SOLUTIONS

OVERVIEW

Green and inclusive financing mechanisms offer significant opportunities for entities to transition to more sustainable systems and solutions by facilitating green investments and economic activities. Not only does sustainable finance enhance economies' market resilience and stimulate financial market development, it more so helps manage social, environmental, and climate risks.

At a regional level, between 2016 and 2030, ASEAN's green financing prospects are expected to be worth USD 3 trillion, with green infrastructure constituting USD 1.8 trillion.¹ All ASEAN member states have ratified the Paris Agreement under the United Nations Framework Convention on Climate Change or Paris Agreement, and have committed to individual Nationally Determined Contributions (NDCs).² One of the mechanisms that economies adopt is the advancement of climate and sustainable finance.

The Philippines is known as one of ASEAN's key performers in the green finance sphere, having issued the first ever green bond, as well as the first Climate Bonds Certified green bond in the region – an indication of best practice in terms of climate ambition.³ Latest reports indicate that USD 3.5 billion of green bonds have been issued in the Philippines.⁴ In 2019, 10.6% of the overall loan portfolio of the Philippine banking system was used to fund green and social programs aligned with the United Nations' Sustainable Development Goals.

Nonetheless, much opportunity remains in the field of green finance and investment. A recent Asian Development Bank report⁵ rounded up the energy, transportation, water, and waste management sectors, as among those that have substantial potential for investment and thus, financing.

- **Energy.** Projects on renewable energy are recognized as eligible for a number of funding options such as through banks, capital markets, investment funds. The renewable energy sector has been leading in green finance with an renewable country being the issuer of the first green bond in the Philippines and the region.
- **Transportation.** A bulk of transportation projects are funded by the national government under its Build, Build, Build program. Nonetheless, private sector funding is also available to help close the funding gap.
- **Water Management.** Most of the sustainable water projects in the Philippines are financed by a mix of bilateral government agencies, multilateral banks, and the national budget. Joint ventures and public-private partnership are also being undertaken by several actors.
- **Waste Management.** Public-private partnerships and issuance of green bonds are mechanisms that can pave way for further investments in the sector. Currently, the majority of waste management activities such as waste treatment facilities and waste-to-energy projects utilize public financing.

¹ Association of South East Asian Nations. (2020). Report on Promoting Sustainable Finance in ASEAN: ASEAN Working Community on Capital Market Development. Retrieved from asean.org/storage/2012/05/Report-on-Promoting-Sustainable-Finance-in-ASEAN-for-AFCMD-AFMGM.pdf

² Ibid.

³ Asian Development Bank. (2020). Green Infrastructure Investment Opportunities: Philippines 2020 Report. Retrieved from www.adb.org/sites/default/files/publication/653566/green-infrastructure-investment-philippines-2020.pdf

⁴ Securities and Exchange Commission. (2021). Sustainable Finance Market Update. Retrieved from sec.gov.ph/wp-content/uploads/2021/03/2021CM_Sustainable-Finance-Market-Update_February2021_v3.pdf

⁵ Asian Development Bank. (2020). Green Infrastructure Investment Opportunities: Philippines 2020 Report.

WHERE ARE WE NOW?

Republic Act. (RA) No. 10174⁶, signed on 16 August 2012, established the **People's Survival Fund (PSF)** to provide long-term finance streams to enable the government to effectively address climate change. The annual allocation of PHP 1-billion to finance adaptation programs and projects of Local Government Units (LGUs) and local/community organizations can be augmented through donations, endowments, grants and contributions.

Anchored on RA No. 9729 or the Climate Change Act (CCA) of 2009 and the National Climate Change Action Plan (NCCAP), the **Climate Change Expenditure Tagging (CCET)** supports mainstreaming of climate adaptation and mitigation into the planning process of local government units (LGUs), and provides the starting point from which to measure progress in the implementation of climate change initiatives.⁷

Pursuant to RA No. 9729, as amended, and the **RA No. 11260 or the General Appropriations Act of 2019**, the Climate Change Commission (CCC) was mandated to coordinate, monitor and evaluate climate change adaptation and mitigation in the programs, and action plans of the government, especially the Climate Change-related GAA FY2019 Provisions. Under the GAA 2019, there are seven (7) Climate Change-related General Provisions, and 32 Climate Change-related Special Provisions from 25 National Government Agencies.⁸

The Bangko Sentral ng Pilipinas (BSP) issued **Circular No. 1085⁹** last 29 April 2020, which approved the Sustainable Finance Framework. This framework expects banks to embed sustainability principles, including those covering environmental and social risk areas, in their corporate governance framework, risk management systems, and strategic objectives consistent with their size, risk profile, and complexity of operations.

In 2018, the Securities and Exchange Commission issued **Memorandum Circular No. 12¹⁰** which provides guidelines on the issuance of green bonds under the ASEAN Green Bonds Standards in the Philippines. Under the guidelines, ASEAN member and non-member issuers are eligible to introduce bonds provided that they will be used for green projects located in Southeast Asia.

House Resolution No. 1377¹¹, adopted in December 2020, urged the declaration of a climate and environmental emergency, and called for the mobilization of government agencies and instrumentalities and local government units, towards the effective implementation of environmental climate change adaptation and mitigation, and disaster risk reduction.

House Bill No. 8634¹² seeks to amend the RA No. 1405, otherwise known as the Bank Secrecy Law. The bill proposes to expand the supervisory powers of the BSP to foreign currency deposits in banks operating in the Philippines including off-shore branches of domestic banks. Last 26 February 2021, **House Bill No. 8991¹³** was approved by the Committee on Banks and Financial Intermediaries in substitution of the House Bill No. 8634.

Senate Bill (SB) No. 1802¹⁴, filed on 01 September 2020, also seeks to effectively restore the authority of BSP to examine bank deposits, provided it found reasonable grounds there may be fraud, serious irregularity or unlawful activities. The bill also proposes that the necessity to investigate bank deposits should be used exclusively by the BSP. Furthermore, it notes that no deposit shall be examined, inquired or looked into by BSP during an election period.

6 The Official Gazette. (2012). Republic Act No. 10174. Retrieved from <https://www.officialgazette.gov.ph/2012/08/16/rep-lic-act-no-10174/>

7 Department of Budget and Management. (2015). Joint Memorandum Circular No. 2015-01. Retrieved from https://www.dbm.gov.ph/wp-content/uploads/Issuances/2015/Joint%20Memorandum%20Circular/NEW_JMC_DBM-CCC-DILG%20NO.%202015%20-%2001%20DATED%20JULY%2023,%202015.pdf

8 Climate Change Commission. (n.d.). Monitoring Of Climate Change Related General Appropriations Act Provisions. Retrieved from <https://climate.gov.ph/our-programs/monitoring-of-climate-change-related-general-appropriations-act-provisions>

9 Bangko Sentral ng Pilipinas. (2020). Circular No. 1085 Series of 2020. Retrieved from <https://www.bsp.gov.ph/Regulations/Issuances/2020/c1085.pdf>

10 Securities and Exchange Commission. (2018). Memorandum Circular No. 12 Series of 2018. Retrieved from <https://www.sec.gov.ph/wp-content/uploads/2019/11/2018MCNo12.pdf>

11 House of Representatives. (2020). House Resolution No. 1377. Retrieved from https://www.congress.gov.ph/legisdocs/first_18/CR00606.pdf

12 House of Representatives. (2021). House Bill No. 8634. Retrieved from https://www.congress.gov.ph/legisdocs/basic_18/HB08634.pdf

13 House of Representatives. (2021). Committee Report No. 861. Retrieved from https://www.congress.gov.ph/legisdocs/first_18/CR00861.pdf

14 Senate of the Philippines. (2020). Senate Bill No. 1802. Retrieved from <http://legacy.senate.gov.ph/lisdata/3343330242!.pdf>

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Likewise, **SB No. 26¹⁵**, **SB No. 374¹⁶**, and **SB No. 539¹⁷** seeks to amend the RA No. 1405 by excluding government officials and employees from the Bank Secrecy Law to promote transparency in governance.

ECCP ADVOCACIES

ENABLE INCREASED SUPPORT FOR MARKET DEVELOPMENT FOR GREEN AND INCLUSIVE FINANCE SOLUTIONS

In the recent years, businesses investing in green finance projects and pursuing funding through green bonds have emerged in the Philippines. In the face of an unprecedented pandemic that continues to challenge the economy, investments and funding on these initiatives can boost economic growth in line with sustainable development.

The government, along with financial institutions, play a key role in mandating regulations to guide businesses toward financial sustainability. As such, the ECCP acknowledges the adoption of the ASEAN Green Bonds Standards by the Securities and Exchange Commission. Furthermore, the country's adoption of the Paris Agreement and acknowledgement of the Sustainable Development Goals send a signal towards advancing the development of green and sustainable projects.

Further to this, we support the recent issuance by the Bangko Sentral ng Pilipinas (BSP) for the country's first Sustainable Finance Framework in pursuit of procedures and policies that adheres to the Environment, Social, and Governance (ESG) standards. Policies and mechanisms such as the earlier-mentioned will remain essential in shaping the green finance market and encouraging actors to engage in sustainable projects.

ALIGN NATIONAL SUSTAINABLE FINANCE ROADMAPS WITH SECTOR POLICIES

The ECCP acknowledges the recognition and action of the Bangko Sentral ng Pilipinas¹⁸, together with the Department of Finance (DOF), for the creation of an inter-agency group that will institutionalize and facilitate the implementation of a roadmap for sustainable finance. Members of the group include the National Economic and Development Authority (NEDA), Bureau of the Treasury (BTR), Bases Conversion and Development Authority (BCDA), Department of Energy (DOE), and Climate Change Commission (CCC).¹⁹

To this end, it is crucial that the national sustainable finance roadmap takes into account other sector roadmaps, especially those with high-growth potential, such as electricity, water, transportation, and infrastructure, to reap the full benefits of this course of action. Concurrently, the alignment of these factors and the whole-of-country approach would maximize the impact of policies within the financial sector.

IMPLEMENT MEASURES THAT ENSURE EFFICIENCY AND SECURITY IN FINANCIAL TRANSACTIONS

As one of its long-standing advocacies, the ECCP recognizes bills seeking to amend the Republic Act No. 1405 or the Bank Secrecy Law. We likewise acknowledge the support of the Department of Finance²⁰ and the Bangko Sentral ng Pilipinas²¹ to this proposed course of action to strengthen the country's financial system.

15 Senate of the Philippines. (2019). Senate Bill No. 26. Retrieved from <http://legacy.senate.gov.ph/lisdata/3024227071!.pdf>

16 Senate of the Philippines. (2019). Senate Bill No. 374. Retrieved from <http://legacy.senate.gov.ph/lisdata/3066627520!.pdf>

17 Senate of the Philippines. (2019). Senate Bill No. 539. Retrieved from <http://legacy.senate.gov.ph/lisdata/3092227783!.pdf>

18 Bangko Sentral ng Pilipinas. (2019). Sustainable Finance Towards a Climate-Resilient Philippine Economy. Retrieved from <https://www.bsp.gov.ph/Pages/MediaAndResearch/Speeches/2019/November/692.aspx>

19 Bangko Sentral ng Pilipinas. (2019). The Philippine Economy: Moving the Financial Services Industry Forward Through Inclusive Technology, Green Initiatives. Retrieved from <https://www.bsp.gov.ph/Pages/MediaAndResearch/Speeches/2019/October/682.aspx>

20 Department of Finance. (03 June 2020). DOF ready to work with Congress on AMLA, Bank Secrecy Law amendments. Retrieved from <https://www.dof.gov.ph/dof-ready-to-work-with-congress-on-aml-bank-secrecy-law-amendments/>

21 Bangko Sentral ng Pilipinas. (09 March 2021). Philippine Banking System: Transforming for Economic Recovery. Retrieved from <https://www.bsp.gov.ph/SitePages/MediaAndResearch/SpeechesDisp.aspx?ItemId=783>

Likewise, amendments to the Bank Secrecy Act will help provide more security and confidence in financial transactions, which can facilitate the conduct of sustainable finance activities even more. Particularly in light of the current scenario, this will also help with the recovery of markets, together with other fiscal and monetary support measures that have been put in place.

INVOLVEMENT AND COORDINATION OF RELEVANT ACTORS TO FURTHER THE DEVELOPMENT OF GREEN FINANCE

As green finance continues to flourish in the country, further implementation and deeper understanding of policies and regulations are needed to better promote sustainable development in the sector. It is in this light that the ECCP recognizes the importance of a dialogue between and among all stakeholders to better assess sector needs and opportunities.

Towards this objective, the ECCP acknowledges the efforts of the Bangko Sentral ng Pilipinas and the International Finance Corporation (IFC)²² for further capacity building on Environmental and Social Risk Management (ESRM) methodologies and good practices. Furthermore, we recognize the central bank's move to join the international body called the Network for Greening the Financial System²³ which is composed of central banks and supervisors, and organized to enhance the role of the financial system to manage risks and to mobilize capital for green and low-carbon investments.

Likewise, the ECCP advocates for the involvement and coordination between public and private stakeholders to better facilitate the shift to sustainable financing.

22 International Finance Corporation. (October 2019). Country Progress Report. Retrieved from https://www.ifc.org/wps/wcm/connect/a00a140e-a481-4fb3-9505-47f175545982/SBN+country+reports_country+without+framework_Philippines.pdf?MOD=AJPERES&CVID=mSRv6pA

23 Network for Greening and Financial System. (n.d.). Retrieved from <https://www.ngfs.net/en>





WATER RESOURCE MANAGEMENT

OVERVIEW/INTRODUCTION

Water scarcity has increasingly become a worldwide problem, affecting more than 40% of the global population with water resources depleting at an alarming rate due to the increase in the world's population coupled with the impact of climate change.¹ Data from the Asian Development Bank also show that global water demand projections are estimated to increase by nearly 55% with the global population increasing to almost 10 billion by 2050.² The World Bank also reported that by 2050, the world will require an increase of 60% in agricultural production in order to feed the rising population.³

At present, water security continues to be a major and evolving global concern particularly in light of the ongoing COVID-19 pandemic which has further heightened the need to have access to water for the purposes of sanitation and hygiene to help contain the spread of the virus.

WHERE ARE WE NOW?

The Asian Development Bank's Water Development Outlook 2020 publication reported improvements in terms of the country's water security as the Philippines received a score of 3 or "capable" out of 5 in its national water security index.⁴ The ADB used five metrics to determine the situation of water security in countries namely, environmental water security, rural household water security; economic water security; urban water security; and water-related disaster security. The Philippines posted a cumulative score of 67.9 which is a slight improvement from the previous score of 67 in 2016 and 59 in 2013.⁵ While this is a welcome development, there is still much work to be done to achieve water security.

Lawmakers have filed bills on the **creation of an apex and centralized body** which will act as the lead agency to oversee and coordinate overall policy and program implementation on all matters relating to water. In previous Presidential pronouncements, the creation of such a government agency has been listed as a priority to help address concerns in water sector governance and avoid water shortage.

Also, the **Philippine Water Supply and Sanitation Master Plan (PWSSMP)** is underway and does outline the strategies and policy reforms, and priority programs and projects to attain Water Supply and Sanitation (WSS) targets in line with the Philippine Development Plan (PDP) 2017-2022 and Goal 6 of the United Nations (UN) Sustainable Development Goals (SDG). Additionally, in 2016, the DENR adopted **Department Administrative Order 2016-08**, otherwise known as the Water Quality Guidelines (WQG) and General Effluent Standards (GES) of 2016, which establishes a relatively new set of guidelines for water quality and effluent standards in line with the Philippine Clean Water Act of 2004 or Republic Act No. 9275.⁶ The 2016 DAO, in comparison to the superseded DAO 34 and

1 World Bank. Water Resources Management. Retrieved from [https://www.worldbank.org/en/topic/waterresourcesmanagement#:~:text=Water%20Resources%20Management%20\(WRM\)%20is,support%20and%20guide%20water%20management](https://www.worldbank.org/en/topic/waterresourcesmanagement#:~:text=Water%20Resources%20Management%20(WRM)%20is,support%20and%20guide%20water%20management)
2 Asian Development Bank. Asian Development Water Outlook: 2016. Retrieved from <https://www.adb.org/sites/default/files/publication/189411/awdo-2016.pdf>
3 World Bank. Water Resources Management. Retrieved from [https://www.worldbank.org/en/topic/waterresourcesmanagement#:~:text=Water%20Resources%20Management%20\(WRM\)%20is,support%20and%20guide%20water%20management](https://www.worldbank.org/en/topic/waterresourcesmanagement#:~:text=Water%20Resources%20Management%20(WRM)%20is,support%20and%20guide%20water%20management)
4 Asian Development Bank. (2020). Asian Water Development Outlook 2020. Retrieved from <https://www.adb.org/sites/default/files/publication/663931/awdo-2020.pdf>
5 Ibid.
6 Department of Environment and Natural Resources. (2016). Department Administrative Order 2016-08. Retrieved from <https://>

35 Series of 1990, has been observed to have stricter provisions on water quality and effluent standards in the country.

In a recent engagement with DENR, it was mentioned that the Agency is in the process of crafting a revised DAO which will provide relaxation of parameters for five chemicals mentioned in DAO 2016-08 namely, Ammonia, Boron, Copper, Fecal Coliform, Phosphate, and Sulfate. The ECCP reaffirms its commitment to work with the government in its pursuit towards having a higher water quality in the country.

ECCP ADVOCACIES

CREATION OF THE DEPARTMENT OF WATER RESOURCES

The governance of the Philippine water sector has been fragmented and uncoordinated with over 30 government entities involved in diverse roles and jurisdictions. This has unnecessarily created bottlenecks and confusion for potential and existing investors in the sector. Furthermore, the lack of leadership, accountability, and strategic direction in the water sector is often identified as a key factor affecting the Philippines' poor state of water resources.

It is then imperative to approach water resource planning using **Integrated Water Resource Management (IWRM)**. The IWRM⁷ is an internationally recognized framework that is used to guide countries on their journey to water security. It is based on the idea that water issues should not be approached in isolation but rather in a more holistic manner due to the interdependence of the uses of finite water resources.⁸

Considering the foregoing, the ECCP welcomes the government's proposals to **establish an overseeing, apex body mandated to formulate policies for the water sector and manage the usage of water resources**. Creating a Department to oversee the Philippine Water Sector, at the very least, will ensure that issues and concerns in the sector are being handled by a line agency led by a member of the Cabinet of the President of the Philippines. This will allow for a better venue for the resolution of the same issues and concerns which are critical to the sector that provides both a social and economic good.

TEMPORARY SUSPENSION OF THE IMPLEMENTATION OF THE DENR ADMINISTRATIVE ORDER 2016-08

The ECCP shares the goal of the Philippine government of attaining higher water quality standards. However, we wish to note that the provisions and deadlines set in the aforementioned DAO are impractical and onerous especially in the context of the ongoing pandemic.

The establishment of the Water Quality Guidelines (WQG) under the DAO expands the coverage from initially only involving fresh waters, sea areas and coastal waters to now covering all water bodies in the country such as marine waters, groundwater and freshwaters. Among the key changes under the DAO are:

- Introduction of standards for nutrients
- General Effluent Standards (GES) apply to all points of source of pollution irrespective of the volume of generated wastewater
- New parameters considered: ammonia, boron, selenium, fluoride
- More stringent standards for arsenic, cadmium, chromium, lead mercury
- Standards are defined based on the sector of the industry. For most of the sectors, introduction of standards for nitrates, ammonia, phosphates, and surfactants
- More stringent standards for the industries with strong wastewater

emb.gov.ph/wp-content/uploads/2019/04/DAO-2016-08_WATER-QUALITY-GUIDELINES-AND-GENERAL-EFFLUENT-STANDARDS.pdf

7 IWRM is defined by the Global Water Partnership as "a process which promotes the coordinated development and management of water, land and related resources, to maximize the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems"

8 White, C. (2013). Integrated Water Resources Management: What is it and why is it used?. Retrieved from <https://globalwaterforum.org/2013/06/10/integrated-water-resources-management-what-is-it-and-why-is-it-used/>

In its previous position papers and representations, the ECCP and its members have commented that the initial grace period provided by the law is not sufficient for the private sector and the government to upgrade their facilities, adopt new technologies and educate and train the labor force, which are all essential to meet the new standards and be compliant with the new guidelines.

More recently, last January 2021, the DENR issued EMB Memorandum Circular No. 2021-01 which sought to clarify the implementation of its DAO No. 2016-08. Until before the issuance of this Memorandum Circular in January, it was understood by industry that the grace period to comply with the new general effluent standards contained in DAO No. 2016-08 would be until 31 December 2022. This understanding was based on the very explicit wording contained in EMB Memorandum Circular No. 2019-001 that stated the same so long as a Compliance Action Plan was approved by the concerned EMB Regional Office not later than 31 December 2019. As such, many companies have prepared for their compliance to the higher DAO No. 2016-08 standards on a timeline that assumed that the lifting of the grace period will go beyond the 18 June 2021 grace period.

The ECCP, therefore, appeals for the **temporary suspension of the DENR DAO No. 2016-08** planned for 18 June 2021. This recommendation has been made in view of the constraints placed by the pandemic which ultimately delayed the companies' plans and programs needed to be accomplished in order to comply with the guidelines set by the administrative order. These constraints include the travel restrictions implemented in the country making it difficult for companies to facilitate the entry of highly skilled workers needed to come on-site to conduct the necessary system upgrades. and the reduction of the allowed workforce capacity to comply with social distancing protocols, to mention a few.

Moreover, as the grace period was previously extended to 31 December 2022, companies crafted their approved compliance action plans under the assumption that the deadline for compliance for the new standards go beyond the 18 June 2021 grace period. Five months is not sufficient to adjust the timelines set in the compliance action plan. In fact, the adverse effect of the pandemic has made it extremely challenging to stick with the timelines in the original compliance action plan causing delays in the implementation.

In consideration of these points, the **ECCP respectfully reiterates recommendation to temporarily suspend DAO No. 2016-08 for at least three years from 18 June 2021, for regulatory relief until economic recovery has been achieved or when the quarantine is lifted, whichever is longer.**⁹ This extension is also requested in view of the challenges of civil works and retrofitting wastewater management systems brought about by COVID-19. The **temporary suspension of DAO 2016-08** is within the power and authority of the Executive considering that the same DAO is an Executive issuance carried out through the DENR.

We also humbly **call on Congress to legislate through Bayanihan 3 a moratorium on the lifting of the grace period contained in DENR DAO No. 2016-08 of 2016 planned for 18 June 2021**. As *Bayanihan 3* is an attempt to provide policy and fiscal interventions to help the country deal with the economic fallout brought about by COVID-19, the extension of the grace period to comply with DAO No. 2016-08 would not only provide relief to businesses who would have to spend more to try to meet the new deadline (which is virtually impossible for many) but also help them avoid unnecessary costs in the form of fees and penalties.

We fully support the objectives of DAO No. 2016-08 to ensure the sustainability and quality of our water bodies and waterways, but this needs to be balanced with the realities we face during the COVID pandemic. We hope that the government will see the wisdom in our proposed recommendations.

9 Portions of the above text were lifted from a statement that was jointly released by the ECCP and several foreign and local business groups.

