

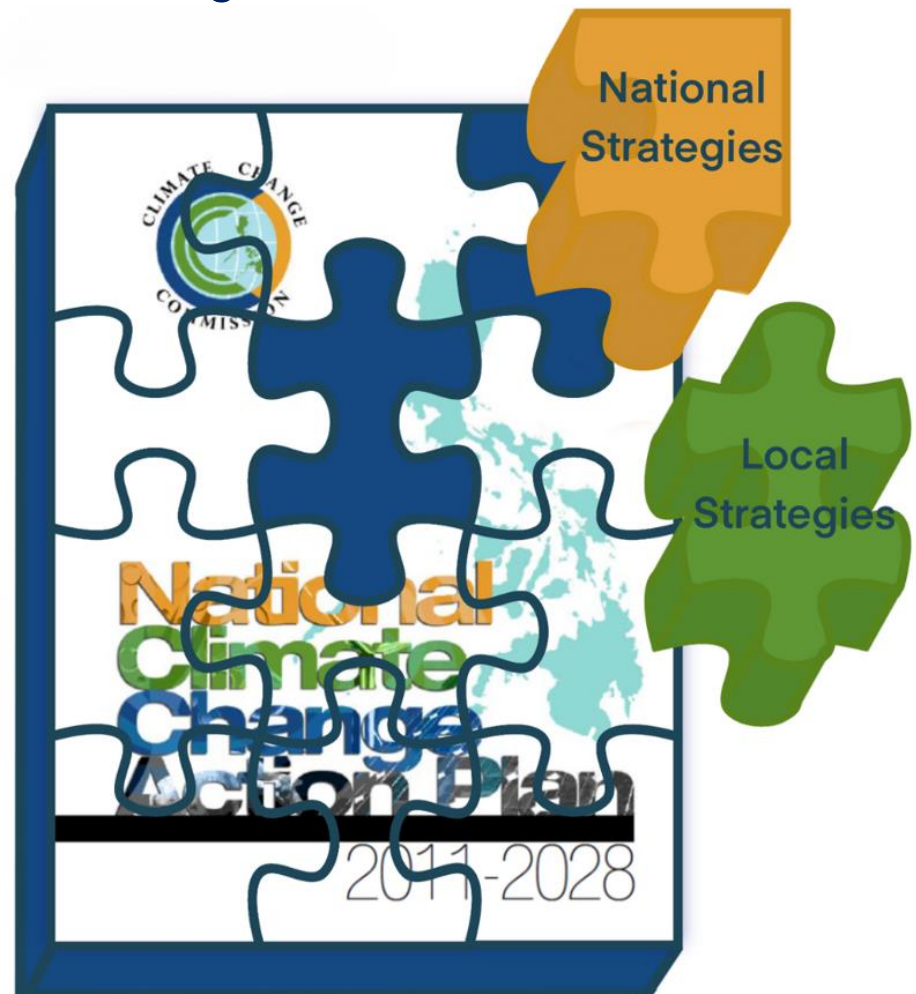


Performance Audit Report

PAO-2024-01

NATIONAL CLIMATE CHANGE ACTION PLAN (NCCAP)

Strengthening Collaboration and Accountability Amongst Stakeholders Holds the Key to Aligning National Climate Change Action Plan with National and Local Government Agencies' Programs and Strategies



Audit Highlights

Why COA Did This Study

The National Climate Change Action Plan (NCCAP) for 2011-2028 serves as the current overarching policy framework for climate change adaptation and mitigation efforts across all levels of the Philippine Government. Considering the escalating effects of climate-related hazards on our economy, health, agriculture, environment, and communities, there is a need to look at the effectiveness and progress of the NCCAP in the last phase of its implementation. As climate change action is the concern of Sustainable Development Goals (SDG) 13, and consistent with our effort in the follow-up and monitoring towards the achievement of the SDGs by the government, this audit is in line with COA's participation in the initiative of the Asian Organization of Supreme Audit Institutions to audit the implementation of SDGs.

This audit comprehensively assesses the NCCAP, focusing on Human Security and Knowledge and Capacity Development. We examined three key components: (1) the extent to which the government has enacted necessary legal and policy frameworks, as well as established functional institutional arrangements, in response to the pressing need for climate change action; (2) the availability and sufficiency of resources and capabilities required for the successful implementation of climate change adaptation initiatives outlined in the NCCAP; and (3) effectiveness of existing mechanisms for monitoring, evaluating, and reporting on the progress and outcomes of the NCCAP implementation.

COA assessed the program's foundational elements, including its purpose, objectives, and institutional structure, through a comprehensive review of legal frameworks and consultations with key stakeholders, including local government officials, community groups, and program beneficiaries. This holistic approach, encompassing interviews, focus group discussions, site visits, and surveys, validated the program's integration with national and local climate change strategies and the active participation of multiple stakeholders in its development, implementation, and monitoring.

What COA Recommends

Despite NCCAP's near completion, challenges persist in translating national climate policies into tangible development plans at national and local levels. Nevertheless, opportunities remain for enhancing coordination and mainstreaming adaptation strategies across all government levels. Hence, COA recommends that the Climate Change Commission (CCC), in collaboration with key stakeholders: (1) revisit and update the NCCAP to incorporate the assessment of climate risk and vulnerability, establish baselines and measurable indicators, and ensure responsiveness to existing vulnerabilities; (2) boost uptake of People Survival Fund (PSF) by continuous conduct of awareness campaigns and capacity-building initiatives for eligible proponents; and (3) provide comprehensive Monitoring and Evaluation (M&E) reports to inform strategic directions for national climate change strategies.

June 2024

National Climate Change Action Plan

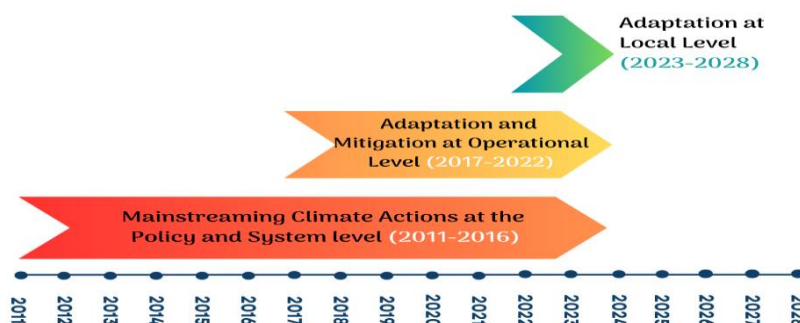
Strengthening Collaboration and Accountability Amongst Stakeholders Holds the Key to Aligning National Climate Change Action Plan with National and Local Government Agencies' Programs and Strategies

What COA Found

The Philippine government enacted the Climate Change Act of 2009 to address the global climate crisis and its anticipated ramifications within its archipelago. This statute established the Climate Change Commission (CCC) and gave a directive for the formulation of the National Framework Strategy on Climate Change (NFSCC), and the NCCAP. The NCCAP's goal is to build the adaptive capacities of women and men in their communities, increase the resilience of vulnerable sectors and natural ecosystems to climate change, and optimize mitigation opportunities towards gender-responsive and rights-based sustainable development.

Various national agencies and local government units (LGUs) have been progressively integrating NCCAP into their respective development plans. Notwithstanding the efforts, NCCAP's intended mainstreaming from 2011 to 2016 at the policy and system level of these agencies and LGUs is still in progress as of 2023. Nearing the NCCAP final implementation phase, the desired outcomes remain elusive due to challenges in integrating national climate strategies into the planning processes of both national and local governments.

Actual Implementation of NCCAP Against Timeline by Phase



As the overarching strategy for climate change adaptation and mitigation, NCCAP's action plan integration across all levels of governance is desired. However, the evaluation of key stakeholders' climate change initiatives reveals a misalignment in the NCCAP with the development plans of national agencies and LGUs. At the national level, climate change programs of the six Lead Government Agencies responsible for Human Security and Knowledge, and Capacity Development lack clear connections to the NCCAP goals. The delineation of roles, responsibilities, and accountabilities is not clearly outlined between and amongst these lead agencies, leading to misalignment of these agencies' priorities with that of the NCCAP, ranging from 0% to 75% during 2017 to 2022. At the local level, factors such as incomplete tagging of climate change initiatives, policies promoting local autonomy, and the absence of evaluation mechanisms for formulating Local Climate Change Action Plans (LCCAPs) contribute to further disparities between NCCAP and LCCAP strategies. Regarding the government's commitment to achieve the SDG 13 targets, the NCCAP has contributed to the attainment of SDG 13.2.1. However, data needs to be updated along with the indicators to monitor and assess progress toward the 2030 Agenda. Insufficient efforts on policy integration and coordination are the primary factors that hinder the translation of NCCAP strategies across national agencies and LGUs.

The NCCAP recognizes the critical role of quantified vulnerability assessments in prioritizing and refining adaptation strategies to achieve its long-term objectives. However, the results of validation with the CCC indicate a lack of systematic vulnerability assessments embedded in the NCCAP formulation. Likewise, the minimal engagement with non-governmental organizations, as revealed through focus group discussions and stakeholder inquiries, affects the inclusiveness of stakeholders' participation in the program.

The government earmarks a minimum annual budget of Php One Billion for the PSF, which is readily accessible to LGUs and accredited local community organizations to undertake climate change adaptation initiatives. The PSF program caters to LGUs classified as second-class and below to enhance their capabilities in addressing the detrimental effects of climate change. However, since the program's inception in 2011, only a limited number of project proposals have been approved for funding (roughly 3% or six projects out of 176). This low approval rate can be attributed to two primary factors such as stringent eligibility criteria and technical capacity limitations of project proponents.

The NCCAP Results-Based M&E System has yet to be institutionalized. Without this system, the program implementors cannot effectively get the lessons learned and feedback to make an informed decision and plan the way forward actions. Consequently, the Government's climate change strategies remain susceptible to bias and may not effectively address the most pressing concerns. Given these circumstances, the progress toward attaining NCCAP's goals and objectives could not be assessed.

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Acronyms

AF	Adaptation Fund
AIP	Annual Investment Program
CADT	Certificate of Ancestral Domain Title
CCA	Climate Change Adaptation
CCAM	Climate Change Adaptation and Mitigation
CCAM-DRR	Climate Change Adaptation and Mitigation-Disaster Risk Reduction
CCC	Climate Change Commission
CCET	Climate Change Expenditure Tagging
CDP	Comprehensive Development Plan
CDRA	Climate and Disaster Risk Assessment
CHED	Commission on Higher Education
CLUP	Comprehensive Land Use Plan
COA	Commission on Audit
COI	Critical Output Indicators
COP	Conference of the Parties
CPD	Commission on Population and Development
CRI	Climate Risk Index
CSOs	Civil Society Organizations
CTCN	Climate Technology Center and Network
CY	Calendar Year
DAE	Direct Access Entities
DBM	Department of Budget and Management
DCF	Data Capture Forms
DENR	Department of Environment and Natural Resources
DepEd	Department of Education
DHSUD	Department of Human Settlement and Urban Development
DICT	Department of Information and Communication Technology
DILG	Department of Interior and Local Government
DOH	Department of Health
DOST	Department of Science and Technology
DRR	Disaster Risk Reduction
EO	Executive Order
FGD	Focus Group Discussion
FPIC	Free Prior Informed Consent
GAA	General Appropriations Act
GCF	Green Climate Fund
GEF	Global Environment Facility
GHG	Greenhouse Gas
HLURB	Housing and Land Use Regulatory Board
IP	Indigenous People
IPCC	Intergovernmental Panel for Climate Change
ISAM	INTOSAI Development Initiatives SDGs Audit Manual
ISSAI	International Standards of Supreme Audit Institutions
IT	Information Technology

Acronyms

JCM	Joint Crediting Mechanism
JMC	Joint Memorandum Circular
KRAs	Key Results Areas
LCOs	Local/ Community Organizations
LCCAP	Local Climate Change Action Plan
LCCET	Local Climate Change Expenditure Tagging
LCE	Local Chief Executive
LDIP	Local Development Investment Program
LGA	Local Government Academy
LGU	Local Government Unit
M&E	Monitoring and Evaluation
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
NAMA	Nationally Appropriate Mitigation Actions
NAP	National Adaptation Plan
NCCAP	National Climate Change Action Plan
NCR	National Capital Region
NCRMf	National Climate Risk Management Framework
NDAs	National Designated Authorities
NDC	Nationally Determined Contribution
NDCIP	NDC Implementation Plan
NDRRMC	National Disaster Risk Reduction and Management Council
NEDA	National Economic and Development Authority
NFSCC	National Framework Strategy on Climate Change
NGA	National Government Agency
NGO	Non-Government Organization
NICCDIES	National Integrated Climate Change Database and Information Exchange System
NPTE	National Panel of Technical Experts
OCD	Office of Civil Defense
PAGASA	Philippine Atmospheric, Geophysical, and Astronomical Services Administration
PAO	Performance Audit Office
PDG	Project Development Grant
PDP	Philippine Development Plan
PGHGIMRS	Philippine Greenhouse Gas Inventory Management and Reporting System
PhilCCA	Philippines Climate Change Assessment
PIA	Philippine Information Agency
PO	People's Organization
PPAs	Program, Projects and Activities
PSA	Philippine Statistics Authority
PSF	People's Survival Fund
QAR	Quality Assurance Review
RA	Republic Act
RBMES	Results-Based Monitoring & Evaluation System
R-IRR	Revised - Implementing Rules and Regulations

Acronyms

SCFSFF	Siargao Climate Field School for Farmers and Fisherfolks
SDGs	Sustainable Development Goals
SDN	Surigao Del Norte
SDS	Surigao Del Sur
SGLG	Seal of Good Local Governance
SMART	Specific, Measurable, Attainable, Relevant, and Time-bound
TSE	Tidal Stream Energy
UNFCCC	United Nations Framework Convention on Climate Change
VARBA	Vigan Agrarian Reform Beneficiaries Association



REPUBLIC OF THE PHILIPPINES

COMMISSION ON AUDIT

Commonwealth Avenue, Quezon City

June 27, 2024

Mr. ROBERT E.A. BORJE

Vice Chairperson and Executive Director

Climate Change Commission

San Miguel, Manila City

Dear **Vice Chairperson and Executive Director Borje**:

The Commission on Audit (COA) conducts performance audits to assist government agencies in better performing their mandates and achieving program goals and objectives more economically, efficiently, and effectively. In line with its vision of becoming an enabling partner of the government in ensuring a better life for every Filipino and with COA's participation in the initiative of the Asian Organization of Supreme Audit Institutions to audit the implementation of Sustainable Development Goals (SDG), the National Climate Change Action Plan (NCCAP) has been identified as one of the priority topics to be audited.

To prepare for the apparent impact of climate change in the Philippines, the national government has enacted the Republic Act (RA) No. 9729, "An act mainstreaming climate change into government policy formulations, establishing the framework strategy and program on climate change creating for the Climate Change Commission (CCC), and other purposes" also known as The Climate Change Act of 2009. Through the enactment of the Climate Change Act, the NCCAP was formulated, outlining the country's agenda for adaptation and mitigation for 2011 to 2028 to build the adaptive capacities of women and men in their communities, increase the resilience of vulnerable sectors and natural ecosystems to climate change, and optimize mitigation opportunities towards gender-responsive and rights-based sustainable development.

The audit focused on three aspects of the NCCAP with emphasis on Human Security and Knowledge and Capacity Development for the mid-term plan 2017-2022: (1) the extent the government provided for enabling legal and policy frameworks and institutional arrangements in response to the urgency for action on climate change; (2) availability and sufficiency of required resources and capabilities to implement adaptation initiatives on climate change; and (3) the periodic monitoring, evaluation, and reporting on the NCCAP implementation.

This audit was carried out from June 2022 to March 2023. During this period, we reviewed significant program policies, joint memoranda circulars (JMCs), resolutions, accomplishment reports, and the program's database. We also conducted surveys and interviews with selected Local Government Unit (LGU)

officials and program stakeholders to assess the extent of coordination and the roles of partner agencies.

The audit was conducted according to the International Standards of Supreme Audit Institutions (ISSAI) 3000 - Standard for Performance Auditing and the INTOSAI Development Initiative's Sustainable Development Goals Audit Model (ISAM). We believe that the processes we executed during the audit provided sufficient and appropriate evidence that served as a reasonable basis for our audit findings and conclusion based on audit objectives.

Background

Key international treaties and frameworks for addressing climate change

1. The observed increase in global temperatures, identified as the primary driver of climate change,¹ is demonstrably linked to human activity. This connection is most evident in the unabated emission of greenhouse gases arising from unsustainable practices across various domains, including energy consumption, land-use management, individual lifestyles, and regional and international production and consumption patterns.²
2. Established in 1992 at the Earth Summit in Brazil, the United Nations Framework Convention on Climate Change (UNFCCC) is the cornerstone of an international treaty combating climate change.³ Its overarching objective is to prevent any perilous anthropogenic interference with the global climate system. The Convention mandates regular convenings of signatory parties known as the Conference of the Parties (COP) to address and respond collectively to the challenge of climate change.
3. In December 2015, at the 21st Conference of Parties (COP21) held in Paris, France, the Paris Agreement was established as the preeminent international framework for addressing climate change. This comprehensive accord encompasses climate change adaptation and mitigation strategies and financial mechanisms to support their implementation. Its central objective is to achieve the long-term goals of holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels, recognizing that this would significantly reduce the risks and impacts of climate change.⁴ This ambitious target acknowledges the significant benefits of minimizing the adverse impacts of climate change. To achieve this objective, Parties to the Agreement aim to reach global peaking of greenhouse gas emissions as soon as possible, recognizing that peaking will take longer for developing country Parties, and to undertake rapid reductions thereafter in accordance with the best available science to achieve a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gases in the second half of this century, on the basis of equity, and in the context of sustainable development and efforts to eradicate poverty.⁵
4. The Agreement establishes a framework for international climate action through nationally determined contributions (NDCs).⁶ Parties must formulate and present their NDCs, which outline their intended commitments to reduce greenhouse gas emissions and related mitigation efforts within their domestic circumstances. Parties further commit to

¹ UNFCCC defines climate change as the change that can be attributed “*directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods*”.

² IPCC Assessment Report 6, Summary for Policy Makers, Current Status and Trends, p.4.

³ UNFCCC, Art. 2, p. 9.

⁴ The Paris Agreement, Art. 2 (1) (a), p. 3.

⁵ Ibid, Art. 4 (1), p. 4.

⁶ An NDC refers to a climate action plan to cut emissions and adapt to climate impacts.

undertaking and implementing appropriate domestic mitigation measures to realize these stated goals.⁷

The Philippines' vulnerability to climate change and its mitigation and adaptation efforts

5. Data from the Intergovernmental Panel on Climate Change (IPCC) indicates a concerning trend of rising temperatures in the Philippines. Since 1971, the nation's average, maximum, and minimum temperatures have climbed by 0.14 degrees Celsius per decade. Projections for 2080 suggest a further increase of 1.2 to 3.9 degrees Celsius, with anticipated consequences including sea-level rise exceeding 50 centimeters by 2060 and 100 centimeters by 2090. This rise in sea level, coupled with the potential for more intense tropical cyclones and their associated storm surges, poses a significant threat to the Philippines.
6. The unique geographical position of the Philippines, situated within the Northwestern Pacific Basin, the world's most active tropical cyclone region, renders the country and its local communities exceptionally susceptible to a multitude of climate-related hazards. These include rising sea levels, alterations in landscapes, more frequent and/or severe occurrences of droughts, wildfires, floods, and storms, along with an increased prevalence of climate-driven illnesses and diseases. Such phenomena disproportionately impact the nation's environment, culture, and economic stability.⁸ The annual average of twenty tropical cyclones traversing the Philippines, with eight to nine making landfall, underscores this vulnerability.⁹ These weather systems often bring torrential downpours that trigger widespread flooding, accompanied by powerful winds that inflict harm upon human life and cause devastation to agricultural crops and infrastructure.¹⁰ Between 2011 and 2021, the Philippines incurred damages and losses due to tropical cyclones amounting to Php 673.30 billion.¹¹
7. The 2021 Global Climate Risk Index (CRI) reveals that the Philippines occupies the 17th position among nations most significantly impacted by extreme weather events.¹² This index, constructed upon analyzing both the consequences of extreme weather events and corresponding socioeconomic data, sheds light on the extent of exposure and vulnerability to such events, including storms, floods, and heat waves. This information serves as a crucial indicator for nations, urging them to prioritize preparedness measures in anticipation of potentially more frequent and/or severe occurrences of these events in the context of climate change.¹³

⁷ Supra Note 4, Art. 4 (2), p.4.

⁸ Climate Change Act of 2009, § 2, par.3, p.1.

⁹ <https://bagong.pagasa.dost.gov.ph/climate/tropical-cyclone-information> (last accessed August 02, 2023)

¹⁰ <https://www.pagasa.dost.gov.ph/information/about-tropical-cyclone#:~:text=The%20Philippines%20is%20prone%20to,destructions%20to%20crops%20and%20properties>. (last accessed August 02, 2023).

¹¹ PDP 2023-2028, p.355.

¹² Congressional Policy and Budget Research Department, House of Representatives, February 2021 (No.09), *Global Climate Risk Index 2021*, par.1, p.1.

¹³ *Ibid* Note 10, par.2, p.1.

The landmark
Climate Change
Act of 2009

8. In fulfilling its responsibilities as a developing nation, the Philippines submitted its NDC on April 15, 2021. This document outlines the country's ambitious emissions reduction targets for the 2020-2030 period, encompassing a projected greenhouse gas (GHG) emissions reduction and avoidance of 75 percent. Notably, 2.71 percent of this reduction commitment is unconditional, demonstrating the Philippines' unwavering commitment to climate action.¹⁴ The remaining 72.29 percent is conditional upon international cooperation and support,¹⁵ further emphasizing the nation's dedication to a collaborative approach to mitigating climate change. The NDC also integrates the NCCAP 2011-2028, which guides government interventions across seven thematic areas to mitigate climate change and adapt to its impact. These efforts are strategically aligned with the SDGs and the Sendai Framework for Disaster Risk Reduction (DRR), underscoring the Philippines' commitment to holistic and sustainable development.¹⁶
9. In recognition of the imminent consequences of climate change for the Philippines, the national government promulgated RA No. 9729, officially titled "An Act Mainstreaming Climate Change into Government Policy Formulations, Establishing the Framework Strategy and Program on Climate Change, Creating for this Purpose the Climate Change Commission, and for Other Purposes". This landmark legislation, also known as the Climate Change Act of 2009, represents a comprehensive and proactive approach to addressing the challenges posed by climate change in the Philippine context.
10. Recognizing the inherent vulnerability of the Philippine archipelago and its local communities to the adverse impacts of climate change, fostering effective engagement between national and local governments, businesses, private organizations, local communities, and the general public is deemed crucial for mitigation and adaptation efforts. To this end, the government shall undertake measures to solidify, unify, and embed existing initiatives to coordinate implementing plans and programs addressing climate change within the framework of sustainable development. Furthermore, it shall ensure that national and sub-national government policies, plans, programs, and projects are firmly grounded in robust environmental considerations and the overarching principle of sustainable development. This systematic integration of climate change considerations shall permeate all phases of policy formulation, development plans, poverty reduction strategies, and other development tools and techniques employed by all agencies and instrumentalities of the government.¹⁷

¹⁴ Unconditional refers to policies and measures which can be undertaken using nationally mobilized resources.

¹⁵ Conditional refers to policies and measures which require support or the means of implementation under the Paris Agreement.

¹⁶ Philippines' NDCs communicated to the UNFCCC on 15 April 2021, p.4.

¹⁷ R-IRR of Climate Change Act of 2009, RA No. 9729 as amended by RA No. 10174, § 1(i), Rule II, p.4.

The establishment,
structure, and
functions of the CCC

11. The CCC was established by RA No. 9729, as amended by RA No. 10174 of 2012. It functions as an independent and autonomous body under the Office of the President, with the equivalent status of a National Government Agency (NGA). The CCC serves as the government's lead policy-making body for climate change. It is tasked with coordinating, monitoring, and evaluating all government programs and action plans to ensure the effective integration of climate change concerns into national, sectoral, and local development plans and programs, implemented through the NCCAP.
12. The President of the Republic of the Philippines serves as the Chairperson of the CCC. In addition, the CCC is comprised of three Commissioners appointed by the President, with one designated as the Vice Chairperson. This structure reflects the highest level of government oversight and ensures the Commission's independence and impartiality in fulfilling its mandate.
13. The Climate Change Act established the National Panel of Technical Experts (NPTE). This body serves as a critical resource, providing expert advice and support on a range of climate-related issues. Their expertise encompasses the fields of climate science and technology, best practices for risk assessment and management, and strategies for enhancing the resilience of vulnerable human settlements to the potential impacts of climate change. Additionally, the Panel plays a vital role in informing the development and implementation of effective mitigation policies and measures.

The National
Framework
Strategy on
Climate Change

14. Pursuant to the provisions of the climate change legislation, a comprehensive framework of strategies and actions aimed at both climate change adaptation¹⁸ and mitigation¹⁹ (CCAM) was established for 2010-2022. Recognizing the nation's relatively low GHG emission profile,²⁰ the framework prioritizes adaptation measures as a necessary complement to global efforts towards emissions reduction. The National Framework Strategy on Climate Change (NFSCC), adopted in April 2010, serves as the foundational document for all climate change-related initiatives, encompassing planning, research and development, extension services, activity monitoring, and climate financing. The NFSCC's formulation is grounded in a thorough assessment of national climate vulnerabilities, specific adaptation requirements, and mitigation potential, aligning with international agreements and guided by the principles outlined in Table 1.

¹⁸ IPCC defines Adaptation as *"the adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities"*.

¹⁹ IPCC defines Mitigation as *"an anthropogenic intervention to reduce the anthropogenic forcing of the climate system; it includes strategies to reduce greenhouse gas sources and emissions and enhancing greenhouse gas sinks"*.

²⁰ NFSCC 2010-2022, § 2.7, p. 5 & § 8, p. 20.

Table 1: NFSCC Guiding Principles

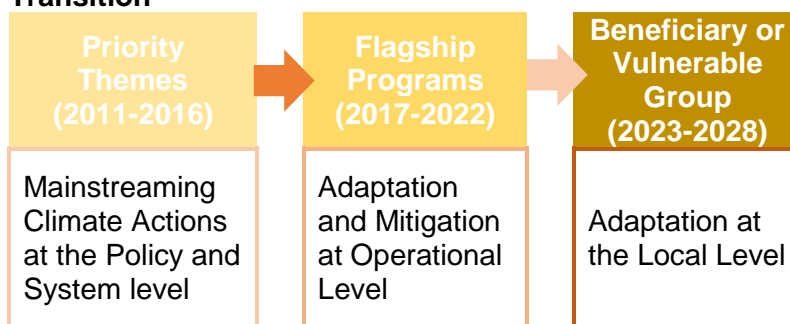
✓ The NFSCC envisions a climate risk-resilient Philippines with healthy, safe, prosperous, and self-reliant communities, and thriving and productive ecosystems;	✓ Even with inadequate scientific information, anticipatory adaptation measures should be undertaken to prevent or minimize the causes and potential impacts of climate change, whenever necessary;
✓ The goal is to build the adaptive capacity of communities and increase the resilience of natural ecosystems to climate change, and optimize mitigation opportunities towards sustainable development;	✓ The NFSCC adopts the Philippine Agenda 21 for Sustainable Development, to fulfill human needs while maintaining the quality of the natural environment for current and future generations;
✓ The Philippines, as a State Party to the UNFCCC, is committed to its core principle of common but differentiated responsibilities and respective capabilities;	✓ The principle of complementation shall be observed to ensure that climate change initiatives by one sector do not restrict the adaptation of other sectors;
✓ The precautionary principle guides the State's climate change framework and shall take precautionary measures to anticipate, prevent or minimize the causes of climate change and its adverse effects;	✓ The NFSCC recognizes the roles of agencies and their respective mandates as provided by law. The NFSCC also recognizes the principle of subsidiarity and the role of local governments as front-liners in addressing climate change;
✓ The NFSCC is risk-based, and strategies/ activities shall be formulated, with decisions made based on the causes, magnitude and impact of risks;	✓ The NFSCC recognizes the value of forming multi-stakeholder participation and partnerships in climate change initiatives, including partnerships with CSO, the private sector and local governments, and especially with indigenous people (IP) and other marginalized groups most vulnerable to climate change impacts; and
✓ Climate change knowledge is science-based, and shall draw from scientific contributions and best practices from communities taking into considerations local circumstances;	✓ Policy and incentive mechanisms to facilitate private sector participation in addressing adaptation and mitigation objectives shall be promoted and supported.
✓ The national priorities, and therefore, the pillars, of the National NFSCC shall be adaptation and mitigation, with an emphasis on adaptation as the anchor strategy. Whenever applicable, mitigation actions shall also be pursued as a function of adaptation;	
✓ Adaptation measures shall be based on equity, in accordance with common but differentiated responsibility; special attention must be given to ensure equal and equitable protection of the poor, women, children and other vulnerable and disadvantaged sectors;	

Source: NFSCC

The National Climate Change Action Plan

15. Aligned with the NFSCC, the NCCAP's ultimate goal is to build the adaptive capacities of women and men in their communities, increase the resilience of vulnerable sectors and natural ecosystems to climate change, and optimize mitigation opportunities towards gender-responsive and rights-based sustainable development.²¹
16. The NCCAP serves as the overarching policy framework for CCAM efforts across all levels of the Philippine government from 2011 to 2028. It is structured into three distinct six-year intermediate phases that coincide with the terms of the national administration and the Philippine Development Plan (PDP). These phases progressively translate national climate change policy into concrete, localized implementation strategies for adaptation, as illustrated in Figure 1.

Figure 1: NCCAP's Three Six-Year Mid-Term Plans Transition



Source: CCC

17. These three six-year mid-term plans outline the specific programs and strategies for adaptation and mitigation that provide key actions that:
 - a) enhances adaptive capacity and resilience of communities and natural ecosystems to climate change;
 - b) adopts the total economic valuation of natural resources while ensuring biodiversity conservation; and
 - c) recognizes the competitive advantage of putting a value on the direct use, indirect use, option to use, and non-use of environment and natural resources as a short to long-term sustainable development goal.²²
18. The NCCAP identified seven thematic priorities to address the impact of climate change in the country, as shown in Table 2.

²¹ NCCAP 2011-2028, p.5.

²² Supra Note 20, p.5.

Table 2: Seven Thematic Priorities of the NCCAP

PRIORITIES	OUTCOMES
1. Food Security	The objective of the national strategic priority on food security is to ensure availability, stability, accessibility, and affordability of safe and healthy food amidst climate change.
2. Water Sufficiency	In light of climate change, however, a comprehensive review and subsequent restructuring of the entire water sector governance is required. It is important as well to assess the resilience of major water resources and infrastructures, manage supply and demand, manage quality, and promote conservation.
3. Ecological and Environmental Stability	Ecosystem resilience and environmental stability during the plan period is focused on achieving one immediate outcome: the protection and rehabilitation of critical ecosystems, and the restoration of ecological services.
4. Human Security	The objective of the human security agenda is to reduce the risks of women and men to climate change and disasters.
5. Climate-friendly industries and services	NCCAP prioritizes the creation of green and eco-jobs and sustainable consumption and production. It also focuses on the development of sustainable cities and municipalities.
6. Sustainable Energy	NCCAP prioritizes the promotion and expansion of energy efficiency and conservation; the development of sustainable and renewable energy; environmentally sustainable transport; and climate-proofing and rehabilitation of energy systems infrastructures.
7. Knowledge and capacity development	<p>The priorities of the NCCAP on knowledge and capacity development are:</p> <ul style="list-style-type: none"> • Enhanced knowledge on the science of climate change; • Enhanced capacity for climate change adaptation, mitigation and disaster risk reduction at the local and community level; and • Established gendered climate change knowledge management accessible to all sectors at the national and local levels.

Source: NCCAP 2011-2028

19. Recognizing the inherent importance of all thematic priorities within the NCCAP, the audit's scope was necessarily constrained by resource limitations. Consequently, the evaluation mostly focused on the thematic areas of Human Security and Knowledge and Capacity Development, as depicted in Figure 2.

Figure 2: Audit Focus



Source: NCCAP 2011-2028

20. Human security signifies a societal condition where the fundamental rights of Filipino families and individuals, particularly those experiencing economic hardship and marginalization, are actively safeguarded and fostered. This is achieved through the guaranteed access to vital resources and services, encompassing education, healthcare, secure housing, and robust social safety nets. Notably, ensuring environmental sustainability remains an integral pillar of this framework.²³ Vulnerable and marginalized populations are defined as groups or communities, often composed of impoverished women and men, who face heightened susceptibility to natural disasters and exacerbated poverty burdens. Included, but not restricted to, within this demographic are children, senior citizens, persons with disabilities, and indigenous communities.²⁴
21. The Human Security thematic priority area aims to mitigate the adverse consequences of climate change and disasters on all individuals, emphasizing the vulnerability of men, women, and specific underprivileged groups, including children, elderly, persons with disability, and others. Over the 18-year implementation period of the NCCAP from 2011 to 2028, this priority area will concentrate on achieving three primary target outcomes:

²³ *Supra*, Note 19, p.16.

²⁴ *Supra*, Note 17, Rule III, § 1 (cc).

- a) Climate Change Adaptation and Disaster Risk Reduction (CCA-DRR) implemented in all sectors at the national and local levels;
 - b) Health and social protection delivery systems are responsive to climate change risks; and
 - c) Climate change adaptive human settlements and services developed, promoted, and adopted.²⁵
22. Conversely, Knowledge and Capacity Development refers to attaining sufficient understanding regarding the scientific foundations, challenges, and potential hazards associated with climate change. This encompasses acquiring knowledge and developing the necessary capabilities to address this complex issue effectively. Both elements are deemed crucial for establishing communities and ecosystems capable of withstanding the adverse effects of climate change. To achieve this objective, it prioritizes the following areas:
- a) Enhanced knowledge on the science of climate change;
 - b) Enhanced capacity for CCA-DRR at the national and local levels enhanced; and
 - c) Established and accessible climate change knowledge management to all sectors at the national and local levels.²⁶
23. The NCCAP acknowledges that specific activities transcend individual strategic priorities and sectoral boundaries. These encompass crucial areas such as gender integration and development, technology transfer, research and development initiatives, information dissemination and education, communication strategies, and the ongoing cultivation of knowledge and capacity for effective action.
24. The successful implementation of the NCCAP necessitates a concerted effort from both national and local government entities. As depicted in Figure 3, specific Lead Implementing Agencies are designated for critical aspects like Human Security and Knowledge and Capacity Development, ensuring dedicated leadership and coordinated action across relevant stakeholders.

²⁵ *Supra*, Note 21, p.17.

²⁶ *Ibid*, Note 21, Figure 13, p. 35.

Figure 3: Lead Implementing Agencies for Human Security and Knowledge and Capacity Development







Source: NCCAP 2011-2028

NCCAP's alignment with SDG 13 and its key targets

25. The NCCAP is expected to significantly contribute to achieving Sustainable Development Goal 13 (SDG 13): Take urgent action to combat climate change and its impacts. Generally, it is aligned with SDG target 13.2. All the thematic areas of NCCAP support SDG 13.2, which advocates for integrating climate change measures into national policies, strategies, and planning. Specifically, the human security area of the NCCAP is aligned with SDG 13.1, which is to strengthen reliance and adaptive capacity to climate-related hazards and natural disasters. On the other hand, the knowledge and capacity development area aligns with SDG target 13.3, which emphasizes the importance of education, awareness-raising, and capacity building on climate change mitigation, adaptation, impact reduction, and early warning.
26. Within the Philippine context, a tiered assessment of SDG indicators was conducted based on national priorities.²⁷ Only Tier 1 SDG indicators are monitored by the government. For the Tier 3 indicator, there is no yet established methodology for data collection. The alignment of NCCAP outcomes to SDG 13 targets and indicators is illustrated in Figure 4.

²⁷ PSA, Assessment of the SDG Indicators available at <https://psa.gov.ph/sdg/philippines/assessment> (Last accessed: December 19, 2023).

Figure 4: SDG 13 Indicators Linked to NCCAP

 13 CLIMATE ACTION	GOAL 13: CLIMATE ACTION Take urgent action to combat climate change and its impacts			
	Targets	Indicators	Tier Classification	NCCAP Thematic Area Outcome
TARGET 13-1  STRENGTHEN RESILIENCE AND ADAPTIVE CAPACITY TO CLIMATE RELATED DISASTERS	13.1 Strengthen the resilience and adaptive capacity to climate-related hazards and natural disasters	13.1.1 Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population. 13.1.2 Number of countries that adopt and implement national disaster risk reduction strategies in line with the Sendai Framework for Disaster Risk Reduction 2015-2030 13.1.3 Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies.	1	Reduced risks of women and men to climate change and disasters
TARGET 13-2  INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING	13.2 Integrate climate change measures into national policies, strategies and planning	13.2.1 Number of countries that have communicated the establishment or operationalization of an integrated policy/strategy/plan which increases their ability to adapt to the adverse impacts of climate change, and foster climate resilience and low greenhouse gas emissions development in a manner that does not threaten food production.	1	Enhanced adaptive capacity and resilience of communities and natural ecosystems and sustainability of built environment to climate change
TARGET 13-3  BUILD KNOWLEDGE AND CAPACITY TO MEET CLIMATE CHANGE	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	13.3.2 Number of countries that have communicated the strengthening of institutional, systemic, and individual capacity-building to implement adaptation, mitigation and technology transfer, and development actions.	3	Enhanced knowledge and capacity of women and men to address climate change

Source: PSA SDG Matrix and COA Analysis

27. Considering that the NCCAP and NFSCC were developed before the adoption of the SDG in 2015, the NCCAP is not explicitly aligned with the SDG indicators for gender equality and empowerment of all women and girls. Nonetheless, NCCAP embraces Gender Mainstreaming as a core principle. Consequently, adaptation measures must be grounded in equity, adhere to the principle of differentiated responsibility, and prioritize the protection of the most vulnerable, including the poor, women, children, and other marginalized groups.²⁸ Notably, gender considerations are integrated across the five thematic areas of the NCCAP: food security, water sufficiency, ecological and environmental stability, human security, and knowledge and capacity development. Furthermore, SDG 5 is directly reflected in the NCCAP's ultimate goal.²⁹

LGUs have primary responsibility for climate change action plans

28. As stipulated in the Local Government Code, the NFSCC, and the NCCAP, the LGUs shall be primarily responsible for formulating, planning, and implementing climate change action plans within their respective

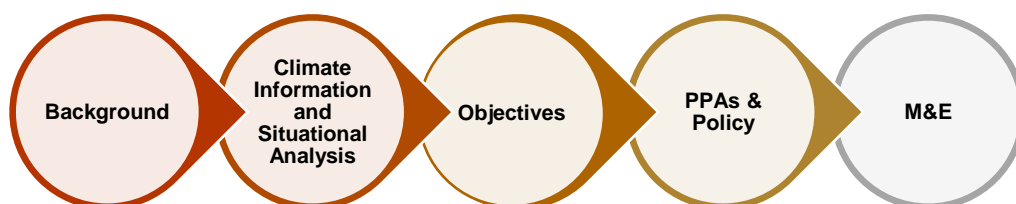
²⁸ *Supra* Note 21, p.36.

²⁹ *Ibid* p.5.

jurisdictions. Within one month from adopting the action plans and all subsequent amendments, modifications, and revisions, LGUs must furnish the CCC with copies of the plans.³⁰

29. In addition to the guidance provided by Memorandum Circular No. 2014-135 issued by the Department of Interior and Local Government (DILG), LGUs shall also utilize the Local Government Academy (LGA) Guidebook (Books 1 and 2) for the development of their Local Climate Change Action Plans (LCCAPs) including the conduct of vulnerability and adaptation assessment, risk analysis, and validation. To align these tools and ensure that the plans are responsive to the latest science, evidence, occurrences, and impacts of extreme weather events, DILG-LGA and CCC published an enhanced LGU Guidebook on the Formulation of LCCAP (Books 3 and 4), clearly defining LCCAP components, including Climate and Disaster Risk Assessment (CDRA) and GHG inventory.
30. The LCCAP serves as a derivative plan stemming from the two mandatory and overarching plans: the Comprehensive Land Use Plan (CLUP) and the Comprehensive Development Plan (CDP). The LCCAP shall encompass the fundamental components outlined in Figure 5.

Figure 5: Basic LCCAP Content



Source: Enhanced LGU Guidebook on the Formulation of LCCAP

31. In contrast to the Local Disaster Risk Reduction and Management Plan, which enjoys dedicated budgetary allocation through Republic Act No. 10121, the LCCAP relies on the existing fiscal resources of the LGU.³¹ Due to the persistent challenges in securing funding for climate change programs, projects, and activities (PPAs), the LCCAP seeks to enhance its implementation by integrating the CLUP and the CDP. This strategic approach leverages the established budgeting processes associated with these mandated plans, notably the Local Development Investment Program (LDIP) and the Annual Investment Program (AIP). By aligning LCCAP priorities with these frameworks and employing Climate Change Expenditure Tagging (CCET), the likelihood of securing adequate budgetary resources for its PPAs significantly increases. Embedding LCCAP within existing plan implementation instruments provides a structured and reliable pathway for channeling resources toward prioritized climate change initiatives.³²

³⁰ *Supra*, Note 17, Rule VIII, § 4, p. 26.

³¹ Enhanced LGU Guidebook on the Formulation of LCCAP, p.73.

³² *Ibid*, Note 27, p.4.

The CCET system and its potential benefits for climate change mitigation efforts

32. In furtherance of transparency and bolstering the efficacy of climate change policies, the CCET system mandates that the government keep track of climate adaptation and mitigation actions at all levels of budgeting (i.e., Agency Request, National Expenditure Program, and the General Appropriations Act (GAA) at the national level, and the AIP at the local level) with the use of climate change typologies. Specifically, the CCET directs national government instrumentalities and LGUs to identify and tag climate PPAs through their respective budget forms and processes. Meanwhile, through its CCET Helpdesk, the CCC administers Quality Assessment Reviews of CCET submissions and consolidates these for monitoring and developing climate investment briefs.³³
33. During the second midterm plan period of the NCCAP (2017-2022), the CCC documented a total of Php 1.47 trillion in the government budget tagged as climate change expenditures at the national level, as illustrated in Table 3.

Table 3: National Climate Change Expenditure Tagged, 2017-2022 (in thousand pesos)

	NCCAP Strategic Priorities	2017	2018	2019	2020	2021	2022	Total
1	Food Security	16,681,990	20,459,306	18,193,938	17,387,901	23,830,162	29,776,929	126,330,226
2	Water Sufficiency	123,082,106	179,727,505	160,428,332	112,685,461	148,077,358	161,102,665	885,103,427
3	Ecosystem and Environmental Stability	11,526,317	11,036,694	9,444,339	5,348,641	7,692,983	8,059,102	53,108,076
4	Human Security	2,635,767	7,513,436	6,694,032	1,002,563	11,428,903	544,612	29,819,313
5	Climate Smart Industries and Services	2,721,736	3,521,677	2,907,752	37,700,739	82,928,873	22,255,789	152,036,566
6	Sustainable Energy	40,022,634	53,618,551	43,829,127	8,457,650	7,122,061	59,959,076	213,009,099
7	Knowledge and Capacity Development	1,256,469	1,728,912	980,815	1,131,820	1,242,064	2,302,573	8,642,653
8	Cross-cutting	24,530	60,572	85,000	231,762	42,102	512,671	956,637
	Total	197,951,549	277,666,653	242,563,335	183,946,537	282,364,506	284,513,417	1,469,005,997

Source: CCC

The creation of the PSF specifically for climate change adaptation projects

34. In addition to the regular funding allocated through yearly appropriations, the People's Survival Fund (PSF) was created. This fund provides financial support to LGUs and accredited Local Community Organizations (LCOs) for implementing Climate Change Adaptation (CCA) projects. The scope of these projects encompasses, but is not restricted to, the following areas:

³³ Local Climate Investment Brief 2016-2020, *Understanding CCET*, p.21.

Figure 6: Sample of CCA Projects that the PSF can finance

Source: R-IRR for RA No. 10174

35. The amount of Php One Billion shall be appropriated under the General Appropriations Act (GAA) as the opening balance of the PSF. The fund balance from all sources, including the amount appropriated in the GAA for the current year, shall not be less than Php One Billion. This amount may increase as needed, subject to the review and evaluation by the Office of the President and the Department of Budget and Management (DBM) of the accomplishments of the CCC and other concerned LGUs. Significantly, any remaining PSF funds, including those allocated through the General Appropriations Act, cannot be reverted to the general fund of the National Treasury. This emphasis on shared responsibility is reflected in the PSF's encouragement of counterpart funding arrangements, where LGUs, Local Community Organizations (LCO), the private sector, and other stakeholders collaborate to contribute financially to adaptation projects. This collaborative approach has yielded positive results, with the PSF supporting six successful climate change adaptation (CCA) initiatives from 2015 to 2022 (see Figure 7).
36. For the latest call for proposals in February 2023, the PSF Board approved five additional projects during the 20th PSF Board Meeting held on 23 October 2023.

Figure 7: List of CCA Projects Approved for PSF Funding from 2015 to 2022

01	Surigao Climate Field School for Farmers and Fisherfolks, Del Carmen, Surigao Del Norte
02	Disaster Risk and Reduction and Mechanism Response as Coping Mechanism to Resiliency, Lanuza, Surigao Del Sur
03	Promoting Resiliency and Climate-Informed Gerona, Gerona, Tarlac
04	Building Resilience Through Community-based Ecological Farming, San Francisco, Cebu
05	Saub Watershed Ecosystem Rehabilitation and Flood Risk Reduction for Increased Resilience, Sarangani
06	Establishment and Sustainable Management of River Ecosystem in Kitcharao, Kitcharao, Agusan Del Norte

Source: CCC

The existing climate change policy framework in the Philippines needs refinement and strengthening to ensure effective implementation and harmonization of climate change strategies at all levels of government.

37. The enactment of the Climate Change Act established the CCC as the primary governmental body responsible for formulating climate change strategies. This mandate includes integrating these strategies into national, sectoral, and local development plans and programs. This multi-sectoral approach ensures the consideration and participation of all relevant stakeholders. However, the implementation of the NCCAP has encountered several critical challenges that have resulted in deviations between national and local climate change strategies, such as:
- a) *Varying Interpretations*: The institutional arrangement and policy framework established lead to varying appreciations of CCA strategies across government institutions.
 - b) *Unclear Roles and Responsibilities*: The NCCAP lacks a clear definition of the specific roles, responsibilities, and accountabilities of key stakeholders involved in implementation.
 - c) *Incomplete Tagged Climate Change PPAs*: Partially tagged climate change PPAs by the LGUs pose challenges for the CCC to effectively monitor the alignment of local climate change strategies with the national plan.
 - d) *Technical Incapacities and Resource Constraints*: Technical incapacities and limited resources of LGUs further complicate the translation of national climate change policies into concrete local action plans.
 - e) *Lack of Evaluation Mechanism*: The absence of a formal evaluation mechanism for the LCCAPs at the national level hinders effective monitoring and improvement.
 - f) *Inadequate Policy Guidance*: National climate change strategies lack sufficient policy guidance documents to facilitate their integration into national, sectoral, and local development plans and programs.
 - g) *Coordination Gap*: Inadequate policy coordination mechanisms to synchronize climate action across different levels and sectors.
 - h) *Gaps in contribution to SDGs*: The NCCAP's implementation needs to be improved to contribute to the SDGs, and data for relevant indicators needs to be collected to track progress towards attaining SDGs.

Institutional policy set resulted in varying appreciation on climate change adaptation strategies across government institutions

38. These identified challenges highlight the need for refinement and strengthening of the existing climate change policy framework to ensure effective implementation and harmonization of climate change strategies at all levels of governance.
39. While the government has developed national policies, legislation, framework, plans, and guidelines to adapt and mitigate climate change adverse impacts, it was noted that there was no working institutional arrangement established since the issuance of the NCCAP in 2011 to encourage mainstreaming of policy, synergies, effective and efficient implementation, and coordination of climate actions at all levels of government towards achieving NCCAP targets. The institutional setup for implementing the national target may be complex, given various actors with responsibilities, accountabilities, and authorities over different sectors of the governance landscape in the Philippines.
40. Section 5 of Rule VIII of the Revised Implementing Rules and Regulations (R-IRR) of RA No. 9729, as amended by RA No. 10174, contained a provision on the roles of the government agencies to ensure the effective implementation of the framework strategy and program on climate change. It is mandated across ten government agencies³⁴ to perform their respective implementation functions.
41. Based on the NCCAP, it was noted that implementing the strategies/activities per thematic priority area relies on the initiatives of various lead-implementing government agencies. Among the key agencies with line responsibility, authority, and accountability for Human Security and Knowledge and Capacity Development, strategic priority areas are presented in Figure 3. Accordingly, five lead government agencies such as CCC, Department of Education (DepEd), DILG, Department of Science and Technology (DOST), and Philippine Information Agency (PIA), have implementation mandates under the Climate Change Act, as amended by RA No.10174. Aside from the Climate Change Act, the CCC and the National Disaster Risk Reduction and Management Council (NDRRMC) share the goal of promoting disaster-resilient Philippines and safer communities. A Memorandum of Understanding (MOU) was initiated between the two agencies to strengthen their partnership in implementing the Climate Change Act of 2009 and the Disaster Risk Reduction and Management (DRRM) Act of 2010. However, the MOU was only valid for five years.
42. On the other hand, the commitment and engagement of the other seven lead government agencies shown in Appendix IV and V, namely: the Department of Health (DOH), Department of Human Settlement and Urban Development (DHSUD), Commission on Higher Education (CHED), Commission on Population and Development (CPD), Department of Information and Communication Technology (DICT), Technical Education

³⁴ Concerned agencies to perform their functions, pursuant to § 5, Rule VIII R-IRR of RA No. 9729, as amended by RA No. 10174, namely: DepEd; DILG through LGA; DENR; DFA; PIA; DOF; DBM; DOST; GFIs; and CCC.

and Skills Development Authority (TESDA), and LGUs was not yet established to kick-start the implementation of the NCCAP in addressing the impacts of climate change.

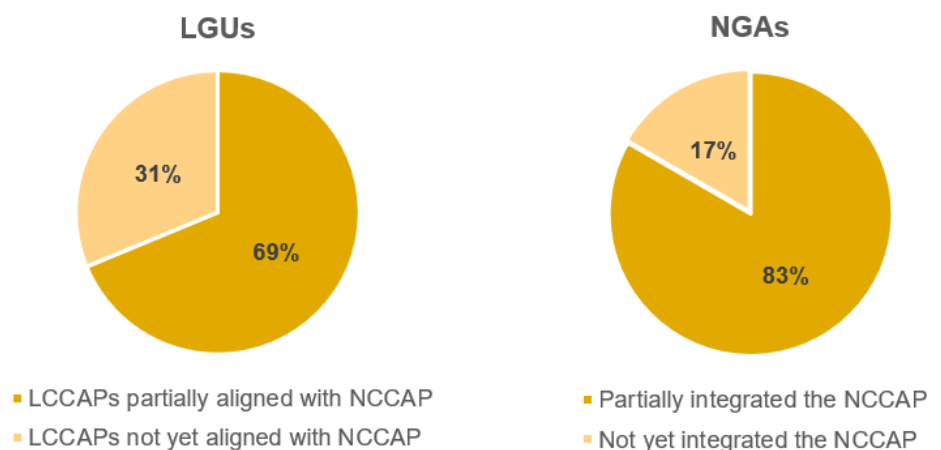
43. The CCC is pursuing the National Adaptation Plan (NAP) development process. This is to set the enabling environment to formulate and implement the NAP to identify short-, medium-, and long-term adaptation needs and develop strategies and programs in which tools, methodologies, approaches, and benchmarks of good practices and interventions within and beyond the country.
44. Further, a proposed coordination mechanism was created to guide the NAP's implementation and/or updating/review.
45. An Executive Order (EO) was issued to reorganize Cabinet Clusters to streamline their functions and improve existing procedures to integrate programs, activities, and priorities more efficiently and effectively. The Cabinet Cluster on CCAM-DRR focuses on conserving and protecting the environment and natural resources, which serves as a venue for discussing inter-related concerns on climate change and disaster risk management. The Cluster also effectively integrates climate risk management policies, DRR, and sustainable development policies and programs. The Department of Environment and Natural Resources (DENR) chaired the CCAM-DRR Cluster, while the CCC was designated as the Secretariat, and 18 heads of departments/agencies were members.³⁵ Meanwhile, it was clarified by the CCC that the CCAM-DRR Cabinet Cluster and its updated structure has yet to be reconstituted under the current Administration of President Marcos.
46. However, as provided in Figure 3, other lead agencies identified in the NCCAP are not CCAM-DRR Cluster members, resulting in a lack of commitment/ownership of these agencies to adopt/implement climate considerations. The absence of a working institutional arrangement to support the implementation of the NCCAP is crucial. It needs to be given equal attention because it forms gaps in the planning and mainstreaming process, such as inadequacy of policy guidance and synergies, lack of clear delineation of roles and responsibilities of various key implementers, and inadequate coordination across agencies. (see discussions on “No clear provision in the NCCAP on the specific roles, responsibilities, and accountabilities of various key implementers page 22)
47. CCC could not effectively perform policy coordination, which is one of its mandated functions. CCC commented that the crucial factor to the effective assessment of NCCAP progress is the established relationship of CCC as an oversight agency to other NGAs, which contributes to the successful implementation of the plan. They also admitted minimal institutional

³⁵ EO No. 24, Series of 2017, § 5, p.4.

knowledge of the current CCC staff on why some lead and implementing agencies are chosen in each outcome area under each thematic priority.

48. Accordingly, this resulted in a varying appreciation of CCA strategies across government institutions and non-ownership roles in NCCAP. We received six responses out of seven audit queries issued to lead NGAs implementing Human Security and Knowledge and Capacity Development during our audit. We reviewed LCCAPs of 16 strategically selected LGUs nationwide to determine the extent of mainstreaming the climate actions/measures into national/sectoral/local plans and programs with national policies. We found that the climate change actions/strategies/measures laid out by five NGAs and 11 LGUs partially aligned with the NCCAP priority activities. At the same time, the remaining government institutions have not yet integrated climate considerations to support the NCCAP (see Figure 8). Without concerted national and sectoral/local action, this limits the opportunity to contribute to achieving the target outcomes of Human Security and Knowledge and Capacity Development thematic priority areas and the broader vision of the NCCAP.

Figure 8: Translation of National Climate Change Strategies to the Developmental Plans of LGUs and NGAs



Source: COA Analysis

49. Nevertheless, the CCC envisioned that institutional arrangements and coordination mechanisms (i.e., thematic working groups) would be formalized as the NFSCC and the NCCAP are updated to ensure the effective implementation and tracking of actions under the updated NCCAP. In this light, the CCC realized the need to issue guidance to harmonize and integrate the various efforts of sectors and stakeholders on climate risk management and to ensure a science-based and “whole-of-society approach” in formulating, implementing, and monitoring the NCCAP. Thus, the CCC, pursuant to its mandate, approved Resolution No. 2019-001 or the “Resolution Adopting the National Climate Risk Management Framework (NCRMF) to Address Intensifying Impacts of Climate Change.” The goal is to provide a clear and organized framework of action and mainstream climate risk management, including probabilistic

climate risk assessment approaches, in all sectors and political levels of society to avert, minimize, and address loss and damage.

50. **We recommended that the CCC: (a) develop and implement a formalized institutional structure with clearly defined roles, responsibilities, and accountabilities for all lead agencies and stakeholders involved in NCCAP implementation; and (b) implement comprehensive capacity building programs for government officials, technical staff, and relevant stakeholders on CCA concepts, best practices, and NCCAP-specific strategies.**

No clear provision in the NCCAP on the specific roles, responsibilities, and accountabilities of various key implementers

51. Generally, the NCCAP serves as the NFSCC's operational plan. The NCCAP embodies the country's national development pathway amid climate change. It links each oversight agency's coordinative relationship and role in achieving the target outcomes for 2012-2028.³⁶ The achievement of the Philippines' action plan to address climate change requires a whole-of-government approach. As discussed earlier, significant strategies/activities in the NCCAP have only been partially integrated into national/sectoral/local plans, mainly due to a lack of clear guidelines on which nationally-led activities should be included in the policies/plans of the key implementers. This contributed to the unclear specific roles, responsibilities, and accountabilities of different lead government agencies, coordinating government agencies, and non-government partner institutions to carry out the priority activities outlined in the NCCAP.
52. Section 3, Rule VIII of R-IRR of RA No. 9729, as amended by RA No. 10174, stated that in accordance with the NFSCC, the CCC should formulate an NCCAP upon consultation with the concerned government agencies, LGUs, private sector, NGOs, and Civil Society Organizations (CSOs) in accordance with the NFSCC. The law also provides that the national government shall be responsible for extending technical and financial assistance to LGUs to accomplish their LCCAP.³⁷ CCC is key in ensuring an efficient institutional arrangement and enabling policies within a whole-of-government approach towards achieving NCCAP targets.³⁸
53. Reviewing the NCCAP, we noted that the plan had identified various lead government agencies, coordinating agencies, and non-government partner institutions in each output area under each thematic priority. However, it does not contain the key stakeholders' well-defined shared functions or responsibilities. Moreover, the Responsible, Accountable, Consulted, and Informed analysis showed that several lead agencies execute the NCCAP priority activities under the Human Security and Knowledge and Capacity Development thematic priority areas. Still, there is no specific agency accountable for the implementation of PPAs. We also noted that the NCCAP did not specify the shared functions/responsibilities of the identified

³⁶ CCC NCCAP M&E Report 2011-2016, § 2.1, p.12.

³⁷ *Supra*, Note 17, § 4, Rule VIII.

³⁸ *Ibid*, Note 37, § 2.1 (a), p.13.

non-government partner institutions in delivering the specific output and achieving the outcome.

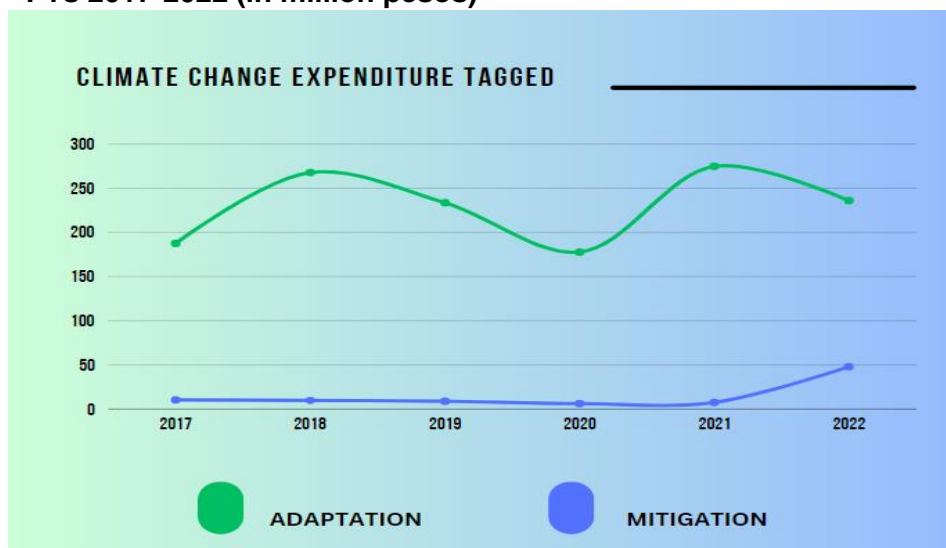
54. At the local level, the Local Chief Executive (LCE) shall appoint the person responsible for formulating and implementing the local action plan as mandated in RA No. 9729, as amended by RA No. 10174. According to the Enhanced LGU Guidebook 3 on the Formulation of LCCAP, a core team is formed to begin working on the LCCAP. It recognizes that the core team will come from different disciplines-territorial/developmental or urban planning, DRR, civil engineering, local economic development, etc.
55. However, during our validation, we observed that the local level's responsibility for developing, implementing, and monitoring the LCCAP varies in different offices due to a lack of human resources. Based on the results of our interview with the officials of 16 selected LGUs, 44 percent or seven out of 16 LGUs organized a Technical Working Group or core team for the preparation of the LCCAP, while in other LGUs, formulation of LCCAP was either led by DRRM council/office, Municipal Planning and Development, Budget, and/or Administrative Offices. With regard to the implementation of climate-related PPAs outlined in their LCCAP, the PPAs were undertaken and monitored by the concerned local offices based on their respective allocated funds. While monitoring the LCCAP, 69 percent or 11 out of 16 LGUs did not organize a committee or responsible office/personnel for this matter. The Enhanced Guidebook version 3 provides that the succeeding version (supposedly Book 5) will strengthen the importance of a multi-level governance approach in formulating the LCCAP, defining the province's role, and the mechanisms for reviewing the acceptability of the LCCAP.
56. This is mainly due to the absence of comprehensive strategic planning and a lack of working institutional arrangements that can provide ownership to the targets of NCCAP and facilitate/mobilize climate actions.
57. CCC explained that it is critical to revisit and update the NCCAP to consider the emerging climate initiatives and information not available during the drafting of the NCCAP. New NGAs were established after the NCCAP formulation and tasked to implement the national action plan. In addition, CCC confirmed that the specific roles of each agency and other stakeholders were not specified in the NCCAP 2011-2028. Due to the lack or minimal institutional knowledge and documentation turned over from the previous CCC personnel involved in the consultation meetings during the drafting of the NCCAP, the current CCC personnel is unable to determine the reasoning behind the selection of some of the identified lead and coordinating agencies. Nevertheless, consultation meetings were organized between 2018 and 2019 to inform, take stock of, and gather views from the lead and concerned agencies per thematic priority of the gaps and needs for better agency convergence for updating the NFSCC and NCCAP.

58. This issue resulted in varying appreciation of CCA strategies and non-ownership of the role in NCCAP, which will adversely affect the attainment of the envisioned outcome of NCCAP.
59. **We recommended that the CCC implement the following: (a) define clearly the roles and responsibilities of all stakeholders involved in the NCCAP, including lead agencies, coordinating agencies, and non-government partner institutions; (b) integrate the emerging climate change initiatives and the involvement of new NGAs in the update of NCCAP; (c) establish a multi-level governance approach for formulating and implementing the LCCAP, with clear roles and responsibilities for each level; and (d) strengthen the capacity of LGUs to develop, implement, and monitor their LCCAPs, by providing them with the necessary capacity-building.**

Incompletely tagged climate change PPAs by the LGUs contribute to the challenge of the CCC in monitoring the national climate change strategies

60. In minimizing the risks associated with climate change, LGUs are encouraged to intensify efforts to implement PPAs to improve their localities' resilience. LGUs are encouraged to increase their budgetary allocations for basic services and facilities responsive to climate change to improve the adaptive capacity of their communities and reduce the adverse impacts of climate change, which are chargeable to local funds. All climate change-related strategies and investments of the LGUs in the AIP shall be identified.
61. LGUs shall tag PPAs in their AIPs in accordance with the Climate Change Expenditure Typology (Annex A of JMC 2015-01). LGUs will be guided by the Quality Assurance Review (QAR) in evaluating and finalizing the PPAs that were tagged.
62. Analysis of the data provided by the CCC showed that the PPAs tagged as CCA have been significantly higher than climate change mitigation PPAs. This aligns with the NCCAP's focus on adaptation rather than mitigation. Figure 9 shows an upward trend for the tagged PPAs linked to CCA except for Calendar Year (CY) 2020, which was mainly affected by the realignment of funds to recover from the impact of the COVID-19 pandemic.

Figure 9: Climate Change Expenditure Categorized into CCAM for FYs 2017-2022 (in million pesos)



Source: CCC

63. However, a review of AIPs of selected LGUs revealed that tagged PPAs are not consistent with the guidelines for Local Climate Change Expenditure Tagging (LCCET). Results of the audit team's evaluation of the AIPs of 32 LGUs using the AIP template provided by the DBM/DILG disclosed the following:
- As indicated in the guidelines, 20 LGUs or 62.5 percent, could identify the climate change typologies. Meanwhile, the remaining 12 LGUs could not identify or improperly identify the climate change typologies in their various climate change PPAs as tagged in the AIPs;
 - 19 LGUs or 59 percent, could correctly tag CCA PPAs in their respective AIPs. However, eight of the 19 LGUs failed to identify or tag all their CCA PPAs in their AIPs. There were PPAs in their respective AIPs that were supposed to be tagged as CCA in accordance with the guidelines; and
 - 12 LGUs or 38 percent, could correctly tag climate change mitigation PPAs in their respective AIPs. However, eight of the 12 LGUs failed to identify or tag all their climate change mitigation PPAs in their AIPs. There were PPAs in their respective AIPs that were supposed to be tagged as climate change mitigation in accordance with the guidelines.
64. CCC has yet to institutionalize a monitoring mechanism to evaluate the impact of the government's programs and action plans in relation to CCAM. However, it must be emphasized that they have already introduced the Local CCET Helpdesk, which oversees projects and programs tagged under climate change in the climate programs in the AIPs. The CCC

provided that following the submission and review of AIPs, many LGUs have provided diverse formats and files. To enhance the quality assurance process for submission and reviews, the helpdesk has developed a screening tool to guide the quality of tagged climate change programs in the AIP. It includes checks for the following:

- a) CCET;
- b) Typology codes; and
- c) General format.

65. Based on the interviews with the relevant officials in the selected LGUs, it was noted that upon submission of the tagged PPAs, there was no feedback from the CCC, DILG, or the DBM pertaining to the submitted tagging. The CCC explained that to track the expenditure tagging of the LGUs, the CCET Helpdesk monitors both compliance and climate change tagging of LGUs. This is also why the CCC encourages LGUs to submit Excel files for easier data processing. Since there was no specific policy yet on what file format to submit, different file formats (PDF, scanned, jpeg, and Excel) were submitted by LGUs. On the other hand, the DILG-LGA commented that it was not part of their functions/ roles to provide feedback to the submitted LCCET as outlined in the LCCET guidelines.
66. There has been no assessment or evaluation on the impact of the implemented PPAs in relation to NCCAP since the enactment of the Climate Change Act of 2009. It is important to assess the appropriateness of CCET to determine the level of commitment and succeeding priorities under the thematic areas of NCCAP. As a result, the total annual climate change-tagged expenditure reported by the National Government could not be properly assessed.
67. **We recommended that the CCC: (a) implement a standardized tagging system and provide clear guidelines for LGUs in coordination with DILG-LGA to identify and categorize correctly, appropriately and completely all CCAM projects within their AIPs; (b) develop and implement a robust monitoring and evaluation (M&E) framework for CCAM programs at both national and LGU levels; and (c) foster effective communication and collaboration between CCC, DBM, DILG, and LGUs to ensure consistent implementation of climate change policies and programs.**

Technical incapacities and limited resources of the LGUs among the factors that exacerbate the challenges in translating national climate change policies into local development plans

68. To integrate the national strategies for climate change in the local government's development plan, the DILG issued Memorandum Circular 2021-068, dated June 28, 2021, and pursuant to the climate change act³⁹, the LGUs shall furnish the CCC with copies of their climate change action plans and all subsequent amendments, modifications, and revisions thereof, within one month from their adoption. Since 2016, the CCC has been in partnership with relevant stakeholders, like the LGA of DILG, to enhance the capacities of local governments in mainstreaming climate change into local development plans, including the LCCAP. To recognize the initiatives of the LGUs for complying with the national climate change policies, the CCC initiated the issuance of a Certificate of LCCAP Submission in the first quarter of 2022.
69. In addition, the CCC also established partnerships with private sectors to augment the technical and financial capacity of the CCC in providing direct technical assistance to select LGUs such as: (i) capacity building program on the enhanced LCCAP formulation; (ii) facilitating the development of PSF proposals; and (iii) on public awareness, advocacy campaigns and programs on CCAM. The DHSUD was also tapped through a Memorandum of Agreement (MOA) for capacity building for the CDRA processes. However, even with these interventions, 14 percent, or 247 out of 1,715 LGUs have yet to comply with the submission of LCCAP as of December 2023.
70. To help the LGUs formulate their respective LCCAP, a guideline was issued in October 2014,⁴⁰ and another circular was issued in 2021 emphasizing the deadline for submission of the soft copies of the LCCAP on or before July 2021.⁴¹ As of December 2023, the CCC received 1,484 LCCAPs, accounting for 86.53 percent of submissions (see Table 4).

Table 4 Submissions of LCCAP as of December 2023

Region	Total LGUs	Total LCCAP Submitted to CCC	Percentage %
CAR	83	75	90.36
I	129	129	100.00
II	98	86	87.76
III	137	133	97.08
NCR	17	15	88.24
IVA	147	126	85.71
IVB	78	78	100.00
V	120	81	67.50
VI	139	129	92.81
VII	136	107	78.68
VIII	149	135	90.60
IX	75	57	76.00

³⁹ *Supra*, Note 17, Rule VIII, § 4, pp. 26-27.

⁴⁰ DILG MC 2014-135.

⁴¹ DILG Memorandum Circular 2021-068.

Region	Total LGUs	Total LCCAP Submitted to CCC	Percentage %
X	98	95	96.94
XI	54	53	98.15
XII	53	47	88.68
CARAGA	77	66	85.71
BARM	125	72	57.60
TOTAL/ AVE.	1,715	1,484	86.53

Source: CCC (niccdies.climate.gov.ph)

71. Validation disclosed that the submission of LCCAPs by the LGUs was adversely affected by the following factors:

- a) Technical capacity to fulfill prerequisite documents.

The Enhanced LGU Guidebook on the formulation of LCCAP Book 4, a module provided by DILG-LGA, was issued to guide LGUs on how to gather data, assess their climate change vulnerability and risk, and determine which ones are relevant and should be used as a basis for identifying local climate change actions. It aims to support LGUs in understanding climate change further and its potential impacts on their locality. It also aims to identify key issues, challenges, and opportunities relative to climate change that LGUs should address, given their development objectives.⁴²

For the LCCAP to be consistent with the provisions in the Local Government Code, NFSCC, and NCCAP, LGUs shall prioritize the completion of CDRA, CLUP, and CDP before formulating the LCCAP.

Moreover, planning guidelines, particularly those issued by the DILG, emphasized that the CLUP and the CDP, as plans, are fundamentally required for all the LGUs in the Philippines. All other types of plans should be mainstreamed into these local plans. This is to prevent overlapping processes and outputs that may result in inefficiencies and waste of resources.⁴³

One of the critical entry points in formulating the LCCAP is the risk and vulnerability assessment. It requires LGUs to conduct strict and thorough data gathering and analysis, which uses simple ratings and computations based on set criteria in the CDRA. This is for the LGUs to assess better where they are now in CCA, what and where they should focus, and when the plans should be implemented,⁴⁴ which is crucial in formulating LCCAP.

⁴² Enhanced LGU Guidebook on the formulation of LCCAP Book 4 copyright 2017, par. 1, p. 19.

⁴³ *Ibid*, par. 1, p. 3.

⁴⁴ *Ibid*, par. 3, p.19, 3rd.

One of the LGUs visited in Region XIII reported that it submitted LCCAP to the CCC, and the audit team confirmed to the LGU that their LCCAP was formulated in 2016. However, it was also noted that the LGU was aware that the data used in the formulation of the LCCAP were incomplete and needed improvement. The LGU acknowledged that they had not prepared a CDRA, making their LCCAP not fully compliant with this prerequisite requirement. Since 2015, DILG has recommended that the LGUs conduct CDRA for LGUs that have not yet undertaken risk and vulnerability assessment to avoid duplication of efforts and ensure consistency in CLUP preparation.⁴⁵

b) Resource constraints

According to CCC, the LGUs could not formulate the LCCAP due to a lack of human and financial resources. One of the questions asked during interviews with the officials of selected LGUs was the challenges encountered during the formulation of LCCAP. Content analysis revealed that five out of 16 LGU officials cited insufficient funding, while four out of 16 cited lack of human resources as one of the significant challenges they encountered in formulating the LCCAP.

c) Inadequate coordination between CCC and DILG

The CCC has no regional office or any satellite office. The CCC tapped the DILG to coordinate with the LGUs.

The CCC stressed in the program briefing that their function is limited to coordinating the national government's climate change strategies with all government institutions and not as an implementing agency. RA No. 10174 states that the CCC shall coordinate with LGU and private entities to address vulnerability to climate change impacts of regions, provinces, cities, and municipalities.⁴⁶ DILG, on the other hand, through its LGA, shall facilitate the development and provision of capacity-building programs for LGUs in climate change, including providing necessary and appropriate technology. These programs shall include socioeconomic, geophysical, policy, and other content necessary to address the prevailing and forecasted conditions and risks of particular LGUs.⁴⁷

Validation of selected LGUs without LCCAP submission to CCC as of June 2022 disclosed that three out of six LGUs had already prepared the plan. According to one of the LGUs, its LCCAP was completed in 2017, but the LGUs did not know where or to whom it should be submitted. In addition, another LGU said it had no contact with CCC since the formulation of LCCAP in 2017, not until August 2022, when the latter required them to submit a copy of their LCCAP.

⁴⁵ DILG Memorandum Circular 2015-77 3.3.2, p. 6.

⁴⁶ *Supra*, Note 33, § 9 (l).

⁴⁷ *Ibid*, § 17 (b).

Further, program briefing with the DILG-LGA revealed that the monitoring reports for submission on LCCAP to DILG-LGA and CCC were not synchronized, particularly in seven out of 17 of the selected LGUs for validation, as shown in Table 5. In addition, validation of the four LGUs reported by CCC to be without LCCAP revealed that these LGUs had formulated their respective LCCAP, which the DILG confirmed. These discrepancies raised doubts about the accuracy of the CCC's monitoring report and raised issues in communication between the CCC and DILG.

Table 5: Comparison of Submission of LCCAP Monitoring Reports to DILG and CCC as at August 2022

Province	Cities/ Municipalities	DILG	CCC	Discrepancy
LUZON R III				
Aurora	Baler	Y	Y	
	Dinalungan	N	Y	X
Zambales	Botolan	Y	Y	
	Candelaria	N	Y	X
	Iba	Y	N	X
Visayas (R8)				
Leyte	Ormoc	Y	Y	
	Tacloban	Y	Y	
	Alangalang	Y	N	X
E. Samar	Gen. MacArthur	Y	Y	
	Maydolong	Y	Y	
	San Julian	Y	N	X
Mindanao (CARAGA)				
Surigao del Norte	Burgos	Y	Y	
	Claver	Y	Y	
	San Francisco	Y	N	X
Surigao del Sur	Bislig	Y	Y	
	Carmen	Y	Y	
	Tago	Y	N	X
Total Submission		15	12	7

Source: CCC and DILG-LGA

In response to the noted inadequacy in coordination, the CCC continuously works with the DILG through their LGA to provide technical assistance and capacity building to LGUs. This is reinforced with a signed Partnership Agreement, which will be renewed for CY 2023. The CCC also established partnerships with private sectors to augment its technical and financial capacity in providing direct technical

assistance to selected LGUs. The DHSUD is also closely on board in delivering capacity building for the CDRA process. CCC created an MOA with the DHSUD. While the DILG-LGA does not monitor the submission of LCCAP nor collect any monitoring reports for this matter and that the data presented in Table 5 were drawn from the Seal of Good Local Governance (SGLG) results in 2019, affirms the need to reconcile the data of CCC and DILG.

- d) Inadequate technical assistance to the LGUs.
The DILG and the CCC have made a great effort to support LGUs by providing technical assistance through workshops and seminars. From 2017 to 2021, the DILG provided trainings on CDRA to 227 LGUs and on eLCCAP to 161 LGUs from 2017 to 2022.

However, these training initiatives still appear to be deficient. Interviews with key officials of selected LGUs revealed that three out of 16 LGUs had not received any technical assistance during the planning and formulation process of the LCCAP. They also cited that lack of technical assistance affected the plan's development.

- e) Absence of sanction from non-compliance.
RA No. 10174 mandated LGUs to prepare and implement their respective LCCAP; however, no sanction is stated in the Act for non-compliance. Instead, monitoring the compliance of LCCAPs is being done as part of the assessment for the SGLG of DILG in 2019 and Gawad Kalasag⁴⁸ of the Office of Civil Defense (OCD) in 2004. The SGLG provides an incentive fund for those who qualify.⁴⁹ For Gawad Kalasag, cash awards of Php 50,000.00 shall be given to the national winners except for the category on special citations. The cash awards may be spent for DRM-related activities of the Local Disaster Coordinating Councils.⁵⁰ However, the indicator for the assessment is measured only by a reported presence or absence of an LCCAP document.

- 72. In addition to the enumerated challenges noted, the CCC added that no governing agency is mandated to review and validate the CDRA and LCCAP. The Climate Change Act, as amended by RA No. 10174, does not specify the assessment and review process required for LCCAP.
- 73. The CCC commented that since the enactment of RA No. 9729, as amended by RA 10174, the CCC has consistently emphasized the significance of LGUs preparing their LCCAPs and implementing the identified adaptation and mitigation strategies. The CCC is aware of the challenges LGUs face in crafting their LCCAPs, which significantly contribute to the planning cycle for developing risk-informed plans. These challenges have been the subject of discussions with various concerned agencies, such as the DOST-Philippine Atmospheric, Geophysical, and Astronomical Services Administration (PAGASA), DILG, and DHSUD,

⁴⁸ NDCC MC 01-2008.

⁴⁹ The SGLG Act of 2009, RA No. 11292, § 11, p.10.

⁵⁰ Gawad Kalasag Brochure, pg. 12.

among others, to develop streamlined whole-of-government strategies to assist local development planners.

74. Furthermore, CCC commented that they are building upon ongoing strategies and aiming to enhance these efforts to assist and encourage LGUs in preparing their LCCAPs. In its capacity-building activities, the CCC confirmed that they intend to emphasize that the LCCAP is one of the prerequisites for LGUs to access incentives through the DILG's SGLG and the NDRRMC's Gawad KALASAG. To strengthen and enhance the technical capacities of LGUs, the CCC will continue to pursue collaboration and partnership with other relevant stakeholders, including academic institutions, the League of Municipalities, the League of Provinces, and private sector groups such as Aboitiz Equity Ventures and First Gen.
75. In any case, it is commendable that six LGUs visited by the audit team that are from 4th to 7th class municipalities such as Dinalungan, Carmen, Maydolong, General Macarthur, San Julian, and Burgos were able to prepare their LCCAPs even when faced with resource constraints.
76. Incorporating the NCCAP into the local development plans is essential to ensure that national climate change actions are translated and implemented by the LGUs. Partial compliance in formulating, submitting, and implementing LCCAP will result in deviation from the national government's strategic climate change activities, fragmentation, and deprioritization of climate change PPAs.
77. **We recommended that the CCC: (a) establish a clear and unified system for monitoring and reporting LCCAP submissions, involving both CCC and DILG; (b) implement targeted capacity-building programs focused on financial and human resource management for climate change initiatives; and (c) develop and expand training programs for LGU personnel on LCCAP planning, formulation, and implementation.**
78. The CCC has concurred with the findings and the recommendations of the Audit Team to establish a transparent and unified system for monitoring and reporting LCCAP submissions by local governments. This strengthens coordination with the DILG for compliance monitoring, given its oversight function over local governments.
79. Recognizing the need to ensure that national and sub-national government policies, plans, programs, and projects are founded upon sound environmental considerations and the principle of sustainable development, the climate change act declares that it is the policy of the State to systematically integrate the concept of climate change in various phases of policy formulation, development plans, poverty reduction strategies and other development tools and techniques by all agencies and instrumentalities of the government.⁵¹

Absence of evaluation mechanism for the LCCAP at the national level

⁵¹ *Supra*, Note 33, Rule II, § 1 (I), p.4.

80. As the climate change act provides, the LGUs shall be the frontline agencies in formulating, planning, and implementing climate change action plans.⁵² At the same time, the CCC shall be tasked to monitor and evaluate the programs and action plans of the government to ensure the mainstreaming of climate change into national, sectoral, and local development plans and programs.⁵³
81. As of December 2023, 1,484 LGUs have submitted their LCCAPs to the CCC, representing 86.53 percent submission based on the total number of LGUs in the country (1,715).⁵⁴ However, inquiries with the CCC revealed that no office has been designated to review the submitted LCCAPs. This is supported by the fact that the CCC only established a Help Desk to monitor climate budgeting and has yet to evaluate the programs indicated in the local action plans. In addition, interviews with key personnel from the LGUs visited revealed that they have not received any feedback from the CCC regarding the sufficiency and appropriateness of their submissions. To ensure the quality of the submission of LCCAPs, the CCC is developing and finalizing a review mechanism for the local action plans. The DILG and the OCD, on the other hand, monitor the progress of LGUs in developing LCCAPs as part of the SGLG and Gawad Kalasag assessments, respectively. However, these assessments only focus on the submission of the LCCAPs and not on the quality or whether the climate change strategies are appropriate.
82. The review and approval of the LCCAP are made through the DRRM Council and/or the *Sangguniang Bayan*. It is important to note that an internal review mechanism in the Enhanced LGU Guidebook on the Formulation of LCCAP (Book 4) provides a tool designed to ensure that a review will be done to match the completeness of the LCCAP as against the outline. However, LGUs were not able to utilize the tool. CCC and the DILG initiatives to inform and capacitate LGUs to utilize such tools did not materialize. It was observed that LGUs have opted to use their own quality review and control mechanism, wherein 50 percent or eight out of 16 selected LGUs with LCCAP have established an internal quality review and control mechanism for the LCCAP.
83. Furthermore, in 2017, the DILG-LGA published the Enhanced LGU Guidebook on the Formulation of LCCAP - Book 3, which aims to support LGUs in crafting LCCAPs that lead them to achieve sustainable development by ensuring socio-economic resilience while harnessing the emission reduction potentials. Book 3 is an enhanced version of the previous Guidebooks 1 and 2 and MC No. 2014-135. A review of LCCAPs from 16 selected LGUs that had formulated their LCCAP from 2017 onwards revealed that 75 percent or 12 out of 16 did not fully comply with the Enhanced LGU Guidebook on Formulation of LCCAP, despite the fact that the CCC and DILG have demonstrated a strong commitment to

⁵² *Supra*, Note 17, Rule VIII, § 4, p.27.

⁵³ *Ibid*, Note 17, Rule VI, § 1, p.8.

⁵⁴ LCCAP Compliance Monitoring, available at: <https://niccdies.climate.gov.ph/action-plans/local-climate-change-action-plan> (Last accessed October 02, 2023).

assisting the LGUs in the development of their LCCAPs. The limited capacity of CCC to guide all LGUs in preparing their LCCAPs and the lack of review of these plans resulted in noncompliance with the prescribed guidelines.

84. As previously stated, the CCC has not evaluated programs indicated in the LCCAPs. However, it monitors the submission of LGUs' CCET in their AIP.
85. Results of interviews with officials of selected LGUs revealed the following challenges experienced in terms of monitoring and reporting climate change initiatives:
 - a) No standard monitoring mechanism/tool specifically for LCCAP;
 - b) Lack of technical assistance/guidance from appropriate agencies; and
 - c) Lack of funds to implement the PPAs included in the LCCAP.
86. The lack of, or failure to implement, a review mechanism to ensure the quality of submission of LCCAPs may pose a risk to the national government's policy of "protecting the climate system for the benefit of humankind." Preparing for climate change is a continuing process. Tracking and measuring the "success" and progress of climate actions are necessary to facilitate alterations and further roll-out of measures. Success factors, or otherwise, are important bases and evidence for national and local policies relating to adaptation and mitigation measures.
87. **We recommended that CCC, in partnership with the DILG, formulate a review mechanism on the submitted LCCAPs and provide feedback to LGUs to ensure that LCCAPs are of high quality and that LGUs are implementing effective CCAM measures.**
88. The CCC commented that to ensure that LCCAPs are responsive to both actual and anticipated sudden and slow-onset climate risks and their impacts on local communities and ecosystems, the CCC will pursue renewal of partnership agreement with the DILG for continuous technical support to LGUs on LCCAP formulation and updating, as well as the development and finalization of the LCCAP Review Mechanism.
89. The review mechanism is envisioned to guide the work of the CCC, DILG, and other concerned agencies, partners, and stakeholders in promoting the effectiveness, efficiency, and responsiveness of LCCAPs. It will explicitly define the prescribed form, content, and process for developing LCCAPs and determine the procedure for approving and adopting their LCCAPs.

Inadequate policy integration of the national climate change policies and strategies to the national, sectoral and local development plans and programs would not fully support the objectives of NCCAP

90. Government agencies recognize that addressing climate change is a priority. We also recognize that the policies, guidelines, and plans to integrate climate change are developed in respective sectors, departments, and sub-national planning at the regional, city, and municipal levels. However, aligning national policies and major strategies/activities into the national/sectoral and local development plans and programs remains challenging. As such, the CCC coordinates and synchronizes climate change programs in consultation with the NGAs and other stakeholders.⁵⁵
91. At the national level, to determine the extent to which climate change activities in the NCCAP have been integrated and mainstreamed in the respective policy direction/framework/strategic plan of concerned NGAs, we sought the responses of seven lead implementing agencies for Human Security and Knowledge and Capacity Development thematic priority areas which include OCD-NDRRMC, DOH, DHSUD, CPD, DOST, CHED, and DICT. Based on their respective mandate, these lead implementing agencies shall share in several activities enumerated in the NCCAP for the said thematic priority areas for the implementation period from 2017-2022. We recognized the efforts of these agencies to mainstream climate change considerations into their departmental/sectoral plans/policies. However, we noted that the nationally-led strategies on climate change under each thematic priority area, as stipulated in the NCCAP, were not consistently integrated and streamlined with the climate change initiatives of these lead agencies.
92. One of the questions asked from seven lead agencies pertains to aligning their respective climate change actions, strategies, initiatives, and PPAs with the priority activities outlined in the NCCAP to contribute to attaining the targeted output within the Human Security and Knowledge and Capacity Development thematic priority areas. Based on the responses of six out of seven agencies, five have partially (ranging from 0% to 75%) integrated the corresponding priority climate change actions/strategies in the national plan into their own policies/strategic plans to support the NCCAP targets. Supporting documentation was requested to substantiate these claims. However, concerned agencies could not provide the documents at the time of this writing. On the other hand, CHED disclosed that the NCCAP priority activity has not yet been incorporated into their policies/plans, while DICT did not provide information on this matter. The inadequacy of policy integration among government agencies was mainly due to a lack of clear and specific delineation of shared duties and responsibilities to integrate and implement the NCCAP.
93. We also inquired from the agencies on how the CCC provides guidance and/or direction in adequately implementing the NCCAP's national strategic priorities/activities to attain the targeted outputs. Based on the responses from these lead government agencies, we noted that only one government agency confirmed that the CCC had guided the review of

⁵⁵ *Supra*, Note 33, §. 1(a), p.6.

NCCAP during regular meetings. Five out of six agencies disclosed that the CCC had shown support regarding technical assistance through budget tagging exercises, workshops on urban sector climate reporting, training related to climate change, and participation in the activities of the NDRRMC. Based on these facts, there is no clear indication that CCC ensured integrating and streamlining the nationally-led climate action plan into departmental/sectoral policies, programs, and projects and facilitated/mobilized actions. NGAs are also facing various challenges in integrating climate change into their plans, such as a lack of resources and capacity for stakeholders, a lack of coordination between government agencies, and an inability to align the initiatives between CCA and DRRM.

94. According to the M&E Report for CY 2011-2016 published by CCC, departmental issuances have facilitated the mainstreaming of CCA-DRR in the relevant sectors, albeit to differing extents and levels of effectiveness. These departmental issuances in the scope of application are departmental, sectoral, regional, landscape-wide, or national, as required by considerations of bio-geophysical scale-effectiveness and politico-social subsidiary.⁵⁶ From the NCCAP thematic areas, only Food Security, Water Sufficiency and Ecosystems, and Ecological Stability thematic areas have ample information to initiate an assessment. Assessing PPAs as accomplishments attributable to the NCCAP indicators reveals that NGAs have varying appreciations of climate adaptation programs and projects. Climate PPAs to some government agencies are regarded as development projects – mainstreaming climate change calls for refinement of, rather than outright replacement, development projects. Agency data submitted to corresponding results matrices provides no basis to validate whether climate information is considered in the activities. In most cases, indications seemingly point out that these are business-as-usual PPAs.⁵⁷
95. At the local level, LGUs, as frontline agencies in addressing climate change and disasters, shall formulate, plan, and implement climate change action plans in their respective areas, consistent with the provisions of the Local Government Code, the NFSCC, and NCCAP. In this relation, the LCE shall appoint the person responsible for formulating and implementing the local action plan. In compliance with the climate change act, the DILG issued Memorandum Circular No. 2014-135, dated October 21, 2014, for the guidelines on the steps and processes in the formulation of the LCCAP (Book 1-Process and Book 2-References) wherein adaptation and resilience have been the highlight and the key focus. Its purpose was also to clarify the roles and responsibilities of LGUs and for mainstreaming and integrating DRR and CCA in locally mandated plans.
96. In 2017, the CCC and DILG, through the LGA, co-published the Enhanced LGU Guidebooks on the formulation of LCCAP (Book 3-Process and Book 4-References) to support LGUs in planning for climate adaptation and mitigation measures and strategies. It also introduces the concept of

⁵⁶ *Supra*, Note 37, 6th par., p.262.

⁵⁷ *Ibid*, pp. 14-15.

climate change mitigation and discusses how LGUs can plan and include it in LCCAP in the context of adaptation plans.

97. We visited 19 strategically selected LGUs nationwide to assess how they mainstream the notion of climate change into their local plans and programs to harmonize with national policies, implement the CCA measures/ PPAs, and monitor its implementation. Based on the document review, we noted that 84 percent or 16 of the 19 LGUs have developed their respective LCCAP, whereas three or 16 percent of 19 LGUs do not have LCCAP yet as of December 31, 2022 (see Figure 10). Further, it was noted that only six of the 16 LCCAPs developed have been approved by their respective Sangguniang Bayan or Sangguniang Panlungsod per the Enhanced LGU Guidebook on the formulation of LCCAP.

Figure 10: Number of selected LGUs with and without LCCAP as at December 31, 2022



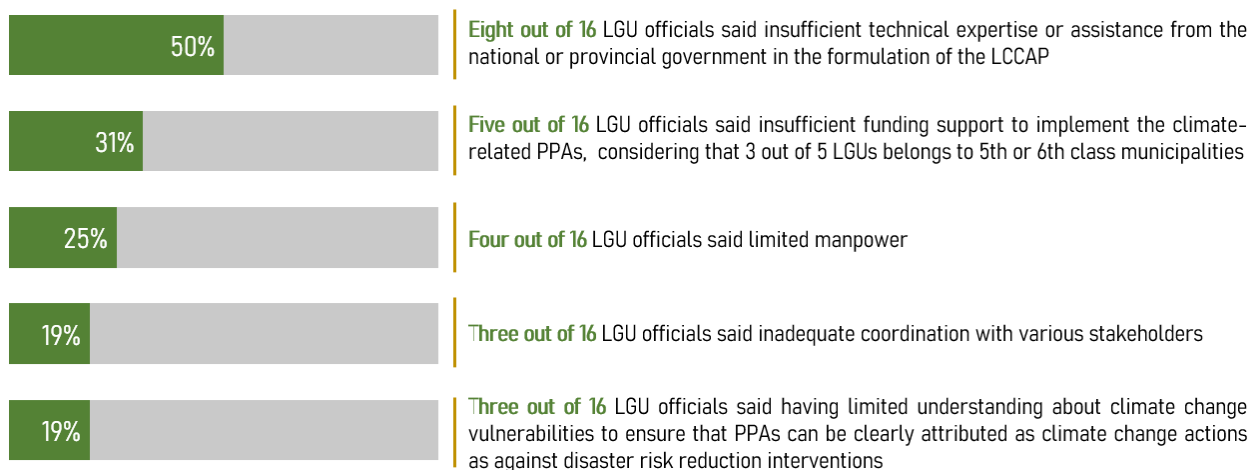
Source: COA Analysis

98. On the other hand, based on our interview with the officials of three LGUs without LCCAP, the Municipality of San Francisco, Surigao del Norte (SDN), mentioned that the preparation of CDRA is still ongoing which is one of the critical components of the LCCAP. At the same time, the Municipality of Claver, SDN, provided the completed and approved CDRA in lieu of the LCCAP, and lastly, Taguig City has recently crafted their LCCAP for CYs 2023-2032.
99. On a positive note, based on the review of the 16 LCCAPs available, we observed that 94 percent or 15 out of 16 LGUs have anchored their LCCAP with the NCCAP's objective on Human Security, while the local goal/objective of LGU-Alangalang in Municipality of Leyte solely focuses on mitigation measures.
100. Based on the NCCAP, LGUs were identified as one of the lead agencies under the Human Security thematic priority area to develop a long-term plan for adaptation of highly climate change vulnerable populations and climate refugees by implementing four specific activities. However, aligning their respective climate change actions, strategies, initiatives, and PPAs with activities identified under the Human Security thematic priority was also challenging for LGUs. We noted that 69 percent or 11 of 16 LGUs have integrated only one of the four (1/4) priority activities outlined in the NCCAP

under Human Security, specifically developing and implementing settlement adaptation and/or resettlement plans. While, the remaining five LGUs have not yet integrated any priority activities into their LCCAP. Moreover, we observed that the identified climate-related options/strategies/ activities laid out by the six LGUs in their own LCCAP did not establish a performance indicator and/or target output.

101. Moreover, one of the priority activities is identifying and implementing gender-responsive sustainable livelihood and social protection programs for resettled and vulnerable poor families. We observed that the LCCAPs had little prioritization by activities related to the said gender-responsive measure/activity. Only LGU - Tacloban City has considered this activity by formulating policies on the provision of accessible public transportation for residents at relocation sites, with the expected output/deliverable of providing basic services in Northern Tacloban resettlement site (i.e., power supply, water supply, health facilities, schools, public services, security, etc.) in 2019.
102. Furthermore, a review of the LCCAP from selected LGUs revealed that two out of 16 LGUs, or 12 percent, have provided a specific gender-responsive measure/activity into their LCCAP. Further, four out of 16 or 25 percent have tried to mainstream the concept of gender-related measures/activity. However, further examination of climate change PPAs shows that no specific PPA was provided in their LCCAP. The remaining 10 of 16, or 62 percent of the LGUs, did not discuss mainstream gender-responsive concepts in their LCCAP.
103. Based on our interview with the officials of 16 LGUs, the five most cited challenges experienced in developing their local policies/actions for climate change are presented in Figure 11. Upon inquiry, DILG confirmed that one of the challenges is the limited availability of experts in the regions to assist LGUs in mainstreaming climate and disaster lenses in local development planning.

Figure 11: Challenges Encountered in Formulating the LCCAP



Source: COA Analysis

104. Decentralization as the inherent policy of LGUs⁵⁸ contributes to the dissimilar actions/outputs and the absence of a review process that should have been instilled to ensure that the approved LCCAP is consistent with the provisions in the NCCAP. CCC explained that LCCAP guidelines provide minimal provisions, especially relative to the M&E system. Measuring the consistency of local plans with the national is a challenge shared among NGAs in the lack of a common, convergent local-national M&E system.
105. Currently, CCC and DILG are finalizing the monitoring and data capture tool for implementation to review existing LCCAP databases. Once the review and analysis of the submitted LCCAPs are completed, they shall serve as a basis for crafting a resolution for adopting the LCCAP QAR Toolkit and submitting thereof. Further, CCC disclosed that consultation meetings were organized between 2018 and 2019 to inform, take stock of, and gather views from lead and concerned agencies per thematic priority of the gaps and needs for better agency convergence for updating the NFSCC and NCCAP.
106. As such, foregoing gaps in the context of policy mainstreaming raise the risk of inconsistent climate-related actions/activities and output/outcomes across government institutions, and ultimately, objectives and priorities in the NCCAP are unlikely to be achieved.
107. **We recommended CCC to implement the following to ensure seamless integration of national climate change policies into the national and sectoral/local plans/programs: (a) develop and implement policies to guide the NGAs to streamline national climate change strategies in their development plans; and (b) in coordination with DILG and other concerned agencies, develop a review mechanism to ensure the consistency of LCCAP with the provisions and objectives of the NCCAP to include gender responsiveness.**
108. The Philippines has developed a set of national policies and legislation to address climate change. Still, there is a lack of effective coordination to integrate and perform/implement the strategic priority activities of the NCCAP. As mentioned earlier (see discussions on *Institutional policy set resulted in varying appreciation on CCA strategies across government institutions*, page 19), there is varying appreciation on CCA actions and lack of strategic and coordinated actions among oversight/implementing agencies on the performance of their shared responsibilities.
109. The law on climate change states that the CCC was tasked to coordinate and synchronize climate change programs with NGAs and other stakeholders. The NGAs may select their own Climate Change Unit, which

Inadequate policy coordination to synchronize the climate change actions

⁵⁸ The Local Government Code of the Philippines, General Provisions, § 2-3, p.1.

will act as their point of coordination with the Climate Change Office for all matters about climate change.⁵⁹

110. Inquiries from the lead implementing agencies revealed that CCC actively involved NDRRMC, DOH, and HUDCC during the NCCAP's development planning process. Three other lead agencies (CPD, CHED, and DOH) revealed that they were not consulted insofar as the synchronization of the national plan for climate change across government institutions is concerned. Also, CCC said that as a member of the NDRRMC, it provides inputs/comments on various issuances/plans to mainstream DRR and climate change in development processes such as policy formulation, socio-economic development planning, budgeting, and governance.
111. Further, the regular data-gathering process for NCCAP M&E started in 2017. It informs agencies of their roles and responsibilities to implement the programs specified under each thematic priority. It subsequently contributes to achieving the outcomes and impacts under the NCCAP.
112. Still, most of the national climate change actions/strategies in the NCCAP were partially integrated into the sectoral/departmental policies/strategic plans. As discussed in the finding on *Inadequate policy integration of the national climate change policies and strategies to the national, sectoral, and local development plans and programs would not fully support the objectives of NCCAP*, page 35, CCC reported that data submitted by agencies to corresponding results matrices provide no basis to validate whether climate information is considered in the activities. In most cases, indications seemingly point out that these are business-as-usual PPAs.⁶⁰ This is partly because there was no clear direction for the partner NGAs to implement the NCCAP and a lack of coordination mechanisms to ensure that all implementers understood their roles and responsibilities in implementing the plan.
113. For the past 11 years from the issuance of the NCCAP, the CCC admitted that at the local level, its action for the implementation of the climate change strategies in the NCCAP had been limited to harmonization and provision of complement to reinforce the LGUs' actions to address the climate change impacts and this will be magnified after the full devolution of the *Mandanas Ruling* which strengthens LGUs fiscal decentralization.
114. The CCC said that the national government continuously guides mainstreaming CCA-DRR in local government plans and programs. The CCC coordinates with mandated agencies to issue and disseminate guidelines and knowledge products and conduct capacity-building activities for the LGUs (See Table 6).

⁵⁹ *Supra*, Note 17, § 1 (a), Rule VI, p.16.

⁶⁰ *Supra*, Note 37, § 4, p.15.

Table 6: Issuances/Guidelines and/or Capacity Building Activities for LGUs in Collaboration with CCC

Issuances and Guidelines	Mandated Agencies
1. LGU Guidebook (1 & 2) on the Formulation of LCCAP, 2014	DILG
2. CLUP Guidebook Vol. 1-3, 2014	HLURB ⁶¹
3. Supplemental CLUP Guidelines for Mainstreaming CC-DRR, 2015	HLURB
4. LCCET Guidelines, 2015	DBM, CCC, and DILG
5. Enhanced LGU Guidebook (3 & 4) on the Formulation of LCCAP, 2017	DILG and CCC
6. CDP Guide for Mainstreaming CC-DRR, 2021	DILG
7. Training of Trainers for LCCAP Formulation in 2017-2019, 2022	DILG and CCC

Source: COA Analysis

115. Further, at the national level, inquiry with CCC revealed that one of the challenges encountered in implementing NCCAP is the lack of dedicated climate change focal persons or units within some of the NGA partners, which caused limitations in the ownership of roles in the NCCAP. This was confirmed upon inquiry to six lead implementing agencies on establishing a climate change unit in the NGAs, which shall serve as a point of coordination with CCC. Analysis of the responses from the six lead implementing agencies for Human Security and Knowledge and Capacity Development thematic priority areas revealed that four out of six agencies did not establish a dedicated climate change unit, while the remaining two agencies have issued departmental orders relative to the creation of climate change unit in the Department. It was also noted that one of the major factors that affected the implementation of the NGAs' respective roles and responsibilities in the NCCAP was a lack of coordination and collaboration with other implementing agencies. Thus, the commitments and resources of these agencies vary.
116. CCC also explained that they had limited local data reach at the local level due to the absence of regional offices and human resource limitations. To address these challenges, CCC capitalized on multi-stakeholder partnerships with academic institutions through the Communities for Resilience capacity-building program to provide technical assistance to LGUs in their LCCAP formulation, development partners through foreign-assisted programs/ projects and private sector through implementing innovative local adaptation and mitigation solutions.
117. In this regard, the prevailing situations were corroborated by the national government's climate change initiative. The cross-sectoral nature of climate and disaster response necessitated an operational collaboration among government agencies and aimed to strengthen convergence across programs. Thus, the CCAM-DRR Cabinet Cluster was established under EO No. 24, dated May 16, 2017, to serve as a venue and mechanism for coordination, harmonization, complementation, and synergy among

⁶¹ Housing and Land Use Regulatory Board (HLURB) is the government's regulatory body for housing and land development.

departments and other government instrumentalities in delivering the national vision on CCAM-DRR. The DENR and CCC, as the Secretariat, are leading it.⁶² Similarly, the updated PDP 2017-2022 also recognized the need to strengthen the coordination among agencies in responding to emergencies and disasters.⁶³

118. As of the 19th Congress, there were 31 bills for creating a Department of Disaster Resilience. This is to provide a clear operational framework to address the fragmented institutional functions and actions among concerned agencies on climate change and disasters by establishing a Department that will serve as the primary agency responsible for leading the coordination, implementation, monitoring, and reporting on climate change and DRRM.⁶⁴ On February 22, 2023, the House of Representatives deliberated on creating a Department of Disaster Resilience.⁶⁵
119. Still, due to the challenges discussed, the CCC cannot fully integrate and implement the national strategies for climate change impact in the national and local government sectors. Without an effective coordination mechanism, the national framework and action plan on climate change can fall flat among all levels of government.
120. **We recommended that the CCC develop a coordination mechanism requiring specific roles and responsibilities, efficient processes, increased motivation, and strong convergence among government agencies to carry out the NCCAP effectively.**

NCCAP's linkage to the attainment of SDG 13

121. Through the issuance of Philippine Statistics Authority (PSA) Resolution No. 4, series of 2016, government agencies were directed to provide necessary data support to monitor the country's performance vis-a-vis the Sustainable Development Goals (SDGs) based on the indicator framework that the National Economic and Development Authority (NEDA), PSA and other government agencies shall determine.⁶⁶ The policy was critical in the government's performance in achieving its numerical target by 2030, which accountable government agencies commit.
122. As discussed earlier, the NCCAP is expected to contribute significantly to the attainment of SDG 13. The NCCAP's thematic area outcomes can readily be linked to the individual targets of SDG 13. Attainment of the NCCAP's objectives and outcomes significantly contributes to attaining relevant SDG targets.
123. **Attainment of targets under SDG 13.1 is not on track, and improved implementation of NCCAP would contribute towards attaining the**

⁶² *Supra*, Note 36, p.4.

⁶³ Updated PDP 2017-2022, p.313.

⁶⁴ *Supra*, Note 63, p.367.

⁶⁵ Manila Bulletin, House panels start hearing on proposed disaster resilience agency, available at: <https://mb.com.ph/2023/02/22/house-panels-start-hearing-on-proposed-disaster-resilience-agency/> (Last accessed: May 17, 2023).

⁶⁶ PSA Resolution No. 04, series of 2016, p.2.

target. SDG 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters. This target has an indicator on the number of deaths (SDG 13.1.1), missing persons (SDG 13.1.2) and directly affected persons attributed to disasters (SDG 13.1.3) per 100,000 population. Based on the SDG Watch posted last January 2023 on the SDG page of the PSA website, there was a progression in the opposite direction (regression) of 48.5 percent on the aggregated indicators monitored for the target 13.1.1. This means that the progress towards attainment of this target by 2030 is not on track.

124. Considering that the Philippines is highly vulnerable to climate change risks and natural hazards, there is a need for an effective implementation of the NCCAP to mitigate the effects of climate-related disasters. The challenges noted in implementing the plan would not contribute to the progress toward attaining the SDG target by 2030.
125. **NCCAP contributes to attaining the SDG target under indicator 13.2.1 but needs to reconcile with the requirements of EO No. 174.** In November 2011, NCCAP was adopted consistent with the NFSCC as the overarching policy framework for climate change adaptation and mitigation efforts across all levels of the Philippine government from 2011 to 2028. It was noted that part of the PPAs enumerated in the NCCAP is implementing a national system for monitoring GHG, which will be implemented by the CCC together with the DOST.⁶⁷
126. In 2014, Executive Order No. 174 was issued, institutionalizing the Philippine Greenhouse Gas Inventory Management and Reporting System (PGHGIMRS) to enable the country to transition towards a climate-resilient pathway for sustainable development. The CCC was designated as the overall lead in implementing the PGHGIMRS, which is the lead agency in formulating mitigation and adaptation policies and strategies to address the effects of climate change. Accordingly, CCC shall be responsible for the following:
 - a) Provide direction and guidance in the accounting and reporting of GHG emissions from identified key source sectors to develop and maintain centralized, comprehensive, and integrated data on GHGs;
 - b) Develop a system for archiving, reporting, monitoring, and evaluating GHG inventories in all key sectors; and
 - c) Provide and facilitate continuous capacity-building initiatives in the conduct of GHG inventories to ensure the application of updated methodologies.⁶⁸
127. The team inquired from the DOST on the shared activities specified in the NCCAP under the Knowledge and Capacity Development area in relation to the implementation of the national system for monitoring GHG emissions. The DOST did not respond to our query. However, they shared their challenges in mainstreaming climate change into departmental

⁶⁷ *Supra* Note 21, Annex A, Knowledge and Capacity Development, pp. 115-116.

⁶⁸ EO No. 174, § 2, p.2.

policy/framework/strategic plan in bringing together the major stakeholders through national and regional consultations, which involved logistical/human resource and financial requirements; and—in translating science-based results which are technical into terms that policymakers and other end users of the generated knowledge/technologies can understand.

128. Further, in the review of the provisions in the EO No. 174, in implementing the PGHGIMRS, the following are identified as Lead Agencies:
 - a) Department of Agriculture and the PSA – lead agencies for the agriculture sector;
 - b) Department of Energy – lead agency for the energy sector;
 - c) DENR – lead agency for the waste, industrial processes, and the land-use and forestry sectors; and
 - d) Department of Transportation and Communications is the lead agency for the transport sector.⁶⁹
129. It was noted in the NCCAP that the DOST was initially identified as the lead implementing agency, along with the CCC, to implement a national system for monitoring GHG. However, in EO No. 174, DOST was not included among the lead implementing agencies. In addition, Executive Order No. 174, series of 2014, also provided that the CCC may invite concerned Local Government Units, academe, private and public institutions to participate, complement, and assist in implementing the PGHGIMRS and this Order. Also, the PSA may assist other lead agencies in the conduct of the sectoral GHG inventories.
130. Indicator SDG 13.2.1, as indicated in Figure 4, was modified when the PSA Board issued Resolution No. 02 series of 2023 on the Approval and Adoption of Refined List of Philippine SDG Indicators. It was updated to “The Philippines has nationally determined contributions, long-term strategies, national adaptation plans, and adaptation communications, as reported to the Secretariat of the United Nations Framework Convention on Climate Change.”
131. The SDG Watch at the PSA website, as of November 8, 2023, data submission showed that indicator SDG 13.2.1 target for 2030 has already been achieved. However, as noted, there are two overlapping policies for monitoring GHGs. The definition of the indicator in the metadata of the refined list of SDG indicators states that the Guidance Document is envisioned to provide the general framework of the PGHGIMRS. It will serve as the implementing rules and regulations for the conduct, implementation, documentation, reporting, and archiving of data in PGHGIMRS.
132. The relevant provisions of NCCAP on GHG may not be fully aligned with the requirements under the Guidance Document of EO 174. This may affect the national climate change directions, impact the prioritization of

⁶⁹ Supra Note 70, § 3, p.2.

climate change PPAs, and result in a waste of resources and confusion between key stakeholders.

133. **The baseline and target for SDG13.2.2 on GHG emission have yet to be set to be able to monitor the progress in the attainment of the target in 2030.** This indicator is included in the refined Philippine SDG indicators approved in 2023 for monitoring. A GHG inventory estimates all emissions and removals of GHG from given sources and sinks within a defined spatial and temporal dimension. It aids in identifying source sectors and activities contributing to GHG emission, understanding trends in emissions and removals alike, developing cost-effective mitigation measures, and monitoring progress towards policy goals, as it provides scientific bases upon which emissions reduction strategies and policies shall be constructed.⁷⁰ The data sources for this indicator are the PGHGIMRS and CCC.
134. As of November 8, 2023, the SDG Watch per PSA website revealed that SDG 13.2.2 has no baseline data and a target in 2030. This deficiency will hinder the monitoring and reporting progress in attaining the target under this indicator.
135. **SDG 13.3 indicators are still not included in the indicators for monitoring by the PSA.** All the indicators under SDG 13.3: Build knowledge and capacity to meet climate change were classified under Tier 3 when the list of SDG Indicators for Initial Monitoring in the Philippines was issued in 2017. Notably, when the list was updated to develop the refined list for Philippine SDG indicators, no indicators under SDG 13.3 were included.
136. Unless methodologies can be developed for the indicators under SDG 13.3 target and prescribed to be monitored within the remaining years of the Agenda 2030, the attainment of this target cannot be assessed.
137. **We recommended that CCC, as the national lead policy-making body for climate change: (a) incorporate in the updating of the NCCAP the requirements under EO No. 174, series of 2014, for the commitment of the government to SDG 13.2 on GHG monitoring; (b) in coordination with NEDA to come up with baseline and target for 2030 for SDG 13.2.2 from which progress can be monitored and assessed; (c) in collaboration with the PSA, to formulate proactive measures to be able to develop methodologies for indicators under SDG 13.3 target.**

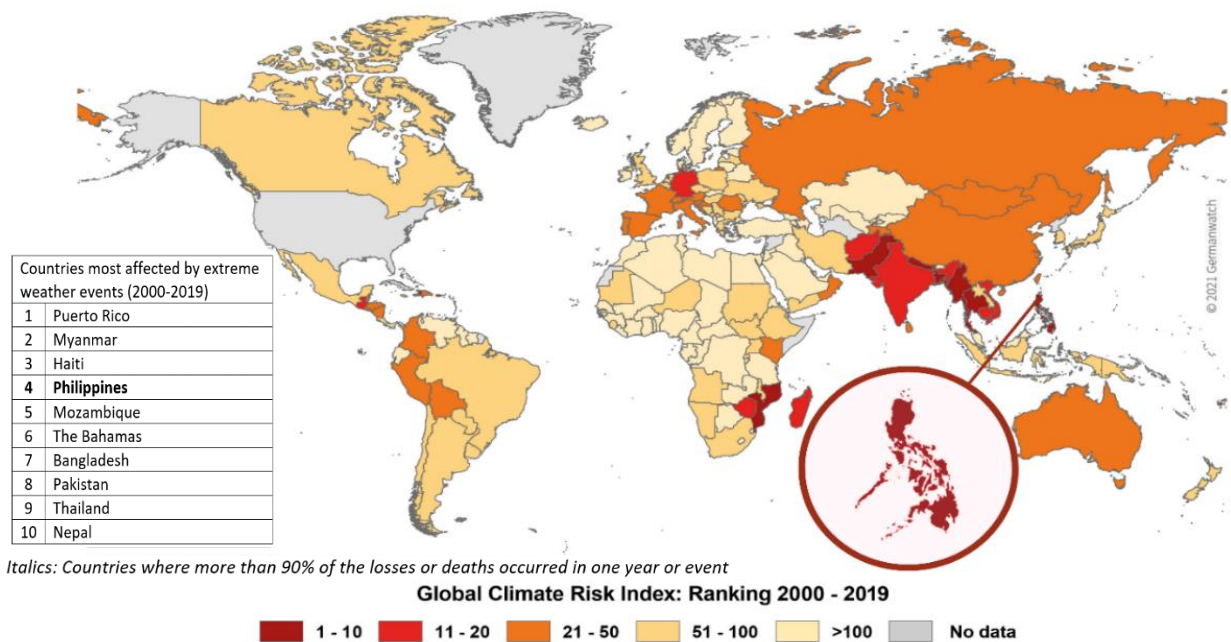
⁷⁰ Metadata of the Refined List of Sustainable Development Goals Indicators for Monitoring in the Philippines (Annex PSA BR 10-202300629-01).

No risk and vulnerability assessment was performed, which may result in incompatible climate change strategies and failure to address actual vulnerabilities.

138. Quality vulnerability and adaptation assessments shall be conducted to ensure that the national government has formulated the appropriate climate change strategies. Thus, the national government shall adopt strategic priorities that: i) ensure the formulation of effective and efficient vulnerability, impact, and adaptation assessment tools; ii) improve mechanisms for addressing gaps and limitations of existing assessment and vulnerability approaches; and iii) increase access to CCA knowledge products and support services to guarantee that the needs of the marginalized and vulnerable sectors are addressed.⁷¹ Despite adopting these strategic priorities, crucial concerns impacting the formulation of appropriate climate change strategies cast doubt on achieving NCCAP's objective. These are:
- a. *Risk and Vulnerability Assessment.* NCCAP was not systematically exposed to climate risks and vulnerability assessment;
 - b. *Engagement with non-government sectors.* Limited engagement with non-government sectors in the development of NCCAP and LCCAP; and
 - c. *Coordination.* Limited coordination for CCA initiatives to key stakeholders may expose vulnerable communities to climate change hazards.
139. In the Global CRI 2021, the Philippines ranked fourth as the most affected country globally for the past 20 years (2000-2019) based on annual average weighted CRI (see Figure 12). The CRI indicates the level of exposure and vulnerability to extreme events such as storms, floods, and heat waves, which countries should understand as warnings to be prepared for more frequent and/or more severe events in the future due to climate change. The Philippines was categorized as one of the countries regularly exposed to tropical cyclones due to its geographical location, thus continuously ranking among the most affected countries. There were 317 extreme weather events recorded in the country over the 20-year period, resulting in fatalities and economic losses.⁷²

⁷¹ *Supra* Note 20, § 9.1, p. 27.

⁷² *Supra* Note 12, p.2.

Figure 12: Global CRI from 2000-2019

Source: Germanwatch, Global CRI 2021

140. Between 2011 and 2021, the country incurred Php 673.30 billion worth of damages and losses due to tropical cyclones alone. These damages and losses from climate change are expected to increase under a business-as-usual scenario, reaching up to 7.6 percent of the country's gross domestic product by 2030 and 13 percent by 2040.⁷³
141. **National Framework Strategy on Climate Change.** Pursuant to the Climate Change Act of 2009, CCC shall, within six months from the effectivity of the Act, formulate an NFSCC upon consultation with concerned government agencies, LGUs, private sector, NGOs, and CSOs. The NFSCC shall serve as the basis for climate change planning, research and development, extension, and monitoring of activities, programs, and projects, as well as climate financing to protect vulnerable communities from the adverse effects of climate change.⁷⁴
142. **National Climate Change Action Plan.** Climate change act states that the Commission shall formulate an NCCAP upon consultation with concerned government agencies, LGUs, private sector, NGOs, and CSOs in accordance with the NFSCC within one year after the formulation of the latter. The NCCAP shall include, but not be limited to, the following components:
- Assessment of the national impact of climate change;

⁷³ *Supra* Note 11, p. 355.

⁷⁴ *Supra*, Note 17, § 1 (b), p.17.

- b) The identification of the most vulnerable communities/areas, including ecosystems, to the impacts of climate change, variability and extremes;
- c) The identification of differential impacts of climate change on men, women, and children;
- d) The assessment and management of risk and vulnerability;
- e) The identification of GHG mitigation potentials; and
- f) The identification of options prioritization of appropriate adaptation measures for joint projects of national and local governments.⁷⁵

143. In 2010, the NFSCC 2010-2022 was developed by CCC, which envisions a climate risk-resilient Philippines with healthy, safe, prosperous, self-reliant communities and thriving and productive ecosystems. Its main goal is to build communities' adaptive capacity, increase the resilience of natural ecosystems to climate change, and optimize mitigation opportunities towards sustainable development.⁷⁶
144. Following the development of the NFSCC in 2011, the NCCAP was crafted by CCC in consultation with key stakeholders, outlining the roadmap for adaptation and mitigation for 2011 to 2028. Under the Duterte Administration (2016-2022), the updated medium-term PDP for 2017-2022 recognizes the climate change projections, threats of geologic hazard events, and public health emergencies. In this regard, the government continues to invest in DRR and CCA initiatives to reduce vulnerability to multiple hazards. Various government initiatives and developments over the 13 years from 2009 to 2022 were enumerated in Appendix VIII.
145. The NCCAP serves as the Government's road map for climate action and the lead policy document guiding the climate agenda at all levels of government. However, we found that the NCCAP was not systematically exposed to climate risks and vulnerability assessment on the most vulnerable communities/areas and differential impacts of climate change on men, women, and children, among others. In addition, no specific performance indicator, baseline, or timeframe had been established to assess the progress of the strategic actions/particular activities outlined in the plan.

NCCAP was not systematically exposed to climate risks and vulnerability assessment on the most vulnerable communities/areas and differential impacts of climate change on men, women and children, among others

146. The NFSCC adopted the Key Results Areas (KRAs), from which the national, sectoral, and local action plans shall be drawn to achieve the long-term objective of the country's CCA strategies. One of the KRAs is Enhanced Vulnerability and Adaptation Assessments, which enhance the availability and quality of vulnerability and adaptation assessments to serve as the country's scientific basis for formulating appropriate CCA strategies.⁷⁷ Developing a science-based approach to CCA requires establishing a comprehensive knowledge system that has, as its components, the rigorous collection, warehousing, and publishing of

⁷⁵ *Supra*, Note 17, Rule VIII, § 3 (b), p.26.

⁷⁶ *Supra*, Note 20, § 2, p.5.

⁷⁷ *Ibid*, Note 20, *The Adaptation Pilar*, § 9.1, p.27.

country-specific data for the generation of methods, tools, and assessments for better decision-making.

147. As defined by the NFSCC, vulnerability assessment is the process of identifying, quantifying, and prioritizing (or ranking) the vulnerabilities in a system. It means assessing the threats to the population and existing infrastructure from potential hazards. Consequently, vulnerability and adaptation assessments must be generated to serve as the country's scientific basis for quantifying and prioritizing climate-related vulnerabilities and refining adaptation strategies in national and local settings.
148. Based on the review of the NCCAP, we noted that it contains an assessment of the national impact of climate change based on PAGASA 2011 data. The NCCAP also referred to the high susceptibility of the Philippines to climate risks, as mentioned in a 2010 study on the Climate Change Vulnerability Index by Maplecroft, wherein the Philippines ranked sixth of the 16 countries as extremely vulnerable to climate change.⁷⁸ Likewise, the plan broadly states that the Philippines, being archipelagic and, because of its location, is one of the most vulnerable to the impacts of climate change.⁷⁹ Aside from these facts, no specific information was provided on the possible vulnerabilities, underlying reasons, likelihood, or magnitude of climate change impacts, especially to vulnerable communities/areas and the population being left behind.
149. Other components of the NCCAP, pursuant to the Climate Change Act on the differential impacts of climate change on men, women, and children, the assessment and management of risk and vulnerability, and the most vulnerable communities/areas, including ecosystems to climate change, variability, and extremes,⁸⁰ are generally lacking. The information on these components shall represent the starting point in developing adaptation strategies to address the country's potential vulnerabilities, especially in remote areas/communities more vulnerable to the impacts of climate change.
150. Inquiry on the national-level vulnerability assessment of climate change impact to the vulnerable groups disclosed that CCC conducted a capacity building and assessment workshop on October 28-29, 2010, to provide a forum for knowledge sharing among scientific communities and policymakers in crafting the goals of the NCCAP. The workshop was attended by 65 participants from the academy, as well as government and non-government agencies. The workshop was also conducted to ensure that the CCA programs of the various sectors are in harmony with the NFSCC. A separate consultation with key stakeholders was also performed after the workshop in preparation for drafting the NCCAP. The audit team requested supporting documentation for these initiatives to determine possible linkages of the output to the development of NCCAP. Unfortunately, CCC could not provide the requested documents due to a lack of documentation/record on what transpired during the workshops and

⁷⁸ *Supra*, Note 21, p.1.

⁷⁹ *Ibid*, Note 21, p.1.

⁸⁰ *Supra*, Note 17, Rule VIII, § 3 (b), p.26.

consultations. Thus, there was no indication that the workshops and consultations contributed significantly to identifying the targeted group's risks and vulnerabilities.

151. In addition, in 2016, the Oscar M. Lopez Center, in partnership with the CCC, released the Philippines Climate Change Assessment (PhilCCA) Working Group 1 Report on the physical science basis, a comprehensive assessment of climate change science in the country. In 2017, the PhilCCA Working Group 2 Report focused on impacts, vulnerabilities, and adaptation on critical areas: ecosystems, freshwater resources, coastal systems and low-lying areas, agriculture and fisheries, and human health. It was cited in the report that there is a clear need to continuously support further research to build evidence-based information that will guide decision and policy making, financial planning, and development of innovative technologies and solutions to help us better confront climate change.⁸¹
152. Lastly, in October 2021, CCC reconstituted the NPTE in accordance with the R-IRR of RA No. 9729, as amended by RA No. 10174. CCC has sought the advice of the NPTE on the top ten climate-induced risks and their corresponding impacts. Based on CCC Resolution 2021-010, dated December 16, 2021, the NPTE provided the top ten climate-induced risks and proposed action points. To kick-start the assessment, based on the said resolution, CCC, in consultation with the NPTE, shall develop and implement an action plan that addresses the ten climate-induced risks and define the critical issues and urgent interventions, the current government initiatives to be sustained and strengthened, and the strategic long-term climate actions.
153. Although there was no comprehensive climate and disaster risk and vulnerability assessment during the drafting of the NCCAP in 2010, the CCC collaborated with a private institution to conduct a comprehensive assessment of climate change science in the country and reconstituted the NPTE to identify climate-induced risks and proposed action points.
154. In confirmation, the CCC reiterated that the NCCAP, as a plan of action, stressed in its theories of change the need to conduct risk and vulnerability assessments as the foremost requirements to develop sectoral policies, plans, and programs addressing climate change. It is, therefore, critical to revisit and update the NCCAP to consider the emerging climate initiatives and information unavailable during its drafting. The CCC also revealed that it had limited resources to strengthen climate rationale and climate science basis through robust CDRA.
155. To address these challenges, CCC embarks on the following strategies:
 - a) Issuance of Commission Resolution 2019-001 adopting the NCRMF, which intends to take stock and organize multi-stakeholder efforts towards probabilistic climate risk assessment.

⁸¹ PhilCCA Working Group 2 Report, Foreword.

- b) The CCC adopted the priority climate-induced risks for the Philippines based on prioritization context that may affect the Philippines, which includes but is not limited to the following:
- i. Rising Sea Levels;
 - ii. Coastal Erosion;
 - iii. Flooding;
 - iv. Increasing in Frequency and Severity of Tropical Cyclones;
 - v. Extreme Drought;
 - vi. Temperature Increase: Rising Urban Heat Index;
 - vii. Extreme Rainfall;
 - viii. Climate Influenced Diseases;
 - ix. Wind Patterns; and
 - x. Biodiversity Loss.
156. According to CCC, the review and updating of the NCCAP will be initiated by the development of the NDC Implementation Plan (NDCIP) and the NAP. The NAP and NDCIP were presented in the Philippine Pavilion at the 28th Conference of the Parties to the UNFCCC on December 02, 2023, and were presented to President Ferdinand Marcos, Jr., and the cabinet secretaries on January 24, 2024.
157. CCC further explained that from an operational perspective, the elements of the updated NCCAP will be managed using iterative results and practical evidence from the NDC and NAP. Specifically, the evaluation results from the NDC and NAP will guide the review and updating of sub-national, sectoral, and local plans, such as the LCCAP.
158. Even though there is a lack of comprehensive CDRA during the development planning process of the NCCAP, the CCC has identified the strategic priority activities, targeted outputs, and outcomes in each thematic area for adaptation and mitigation for 2011-2028. However, the NCCAP stated that the action plan for the Human Security thematic area focuses on the priority activities that will lay the foundation or inform more long-term actions to enhance human security in ways that will reduce risks to climate change and disasters.⁸² Yet, the extent to which these measures/strategies/activities contribute to reducing the risk of men and women and other vulnerable groups from impacts of climate change and disasters is undetermined.
159. It is essential to develop a comprehensive evidence-based climate vulnerability and adaptation assessment to quantify and prioritize identified climate-related vulnerabilities and refine adaptation strategies in both national and local settings for better decision-making. Without a clear understanding and consideration of the risks and vulnerabilities in the planning process, the national plan on climate change may not adequately address the actual climate change vulnerabilities of the country.
160. The CCC commented that the NAP was developed using the best available science and climate analytics, as vetted through a Consultative Group of

⁸² *Supra*, Note 21, p. 19.

Experts, taking into account physical, social, and economic dimensions to understand the potential impact of climate change on each sector at the national level. The assessment will be downscaled at local and sectoral levels to supplement the analysis conducted for the first NAP, which will form part of updating the NFSCC and NCCAP.

161. **We recommended that CCC: (a) implement the NCRMF to inform the downscaling/localization of the NAP, which will involve bringing together sector-specific adaptation strategies into a comprehensive systems model; and (b) incorporate the results of the risk and vulnerability assessments through NCRMF in updating the NCCAP.**

Limited engagement with non-government sectors in the development of NCCAP and LCCAP

162. According to the climate change act, it shall be the policy of the State to enjoin the participation of national and local governments, businesses, NGOs, local communities, and the public to prevent and reduce the adverse impacts of climate change and, at the same time, maximize the potential benefits of climate change.⁸³ The law also states that in the formulation of the NFSCC and the development of NCCAP and LCCAPs, CCC shall consult and coordinate with the NGOs, CSO, academe, People's Organizations (POs), local and indigenous communities, private sectors, and other concerned stakeholder groups.⁸⁴
163. Twelve non-government sectors participated in the consultations and workshops in drafting the NCCAP 2011-2028, particularly for the Human Security and Knowledge and Capacity Development agenda.⁸⁵ Multi-sectoral processes were undertaken in preparing the NCCAP to ensure that the concerns of various sectors were heard and considered (see discussion in *NCCAP was not systematically exposed to climate risks and vulnerability assessment on the most vulnerable communities/areas and differential impacts of climate change on men, women and children, among others, page 48*).
164. The CCC provided the list of non-government sector entities participating in the consultations and workshops conducted in preparation for drafting the NCCAP, particularly on Human Security and Knowledge and Capacity Development priorities. The non-government organizations/groups consulted were from the fisheries, health, agriculture, academic sectors, and women's groups. However, information gathered/shared from these sectors/groups generally stated the views/experiences of fishery sector programs and initiatives conducted. We further clarified this information, and CCC said that the list provided to the audit team was based on the generic objective of consultation meetings conducted. Unfortunately, the CCC could not substantiate the possible linkage of the workshops and consultations in formulating the NCCAP due to a lack of documentation/record on what transpired during the consultations conducted during the drafting of the NCCAP.

⁸³ *Supra*, Note 17, Rule II, § 1 (f), p.3.

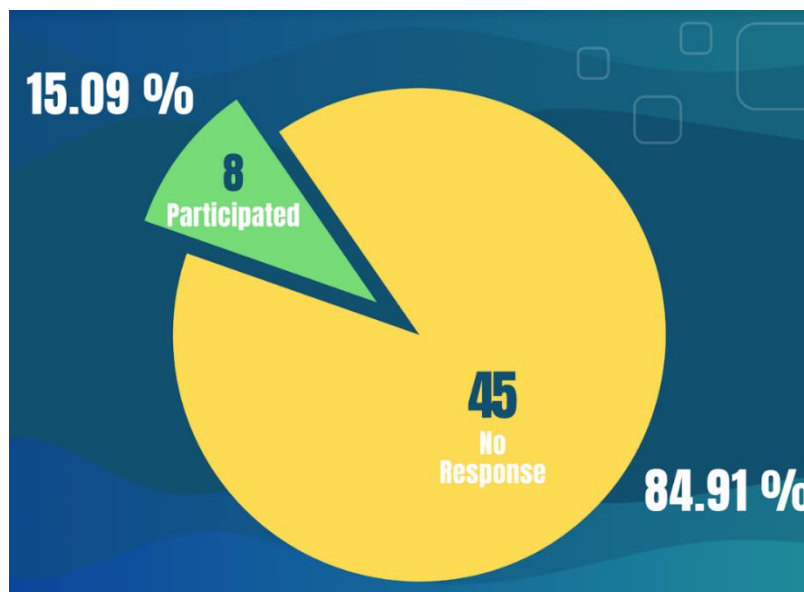
⁸⁴ *Ibid*, Note 17, Rule IX, § 1.

⁸⁵ *Supra*, Note 21, pp. 53 & 57-58.

165. At the local level, the Enhanced LGU Guidebook 3 issued by the DILG in the development of LCCAP also provides for the engagement of various sectors by identifying the important stakeholders, understanding their concerns, and looking into possible contributions to the climate change planning process and implementation actions they may bring. Even the risks that they may pose are important considerations for LCCAP development. In Step 2: Stakeholders and Participation of Module A of the Enhanced Guidebook, LGUs shall identify the core team working on the project and the stakeholders and institutions that can provide support. It includes identifying offices, institutions, and individuals involved in the LCCAP formulation and implementation, along with their interest, capacity, role, and influence on the planning process. Said analysis is crucial, especially in obtaining the scientific and technical information needed for formulation and implementation.⁸⁶
166. Interviews were conducted with the local officials/personnel of selected 16 LGUs with LCCAP on the level of coordination between the LGUs and the stakeholders in crafting their respective climate change plans. Results of the interview indicate that 69 percent or 11 of 16 LGUs said that the CSOs and/or communities were involved through regular consultation, barangay assembly, and/or barangay Disaster Risk Reduction Management Council meetings, which serve as the venue for discussion to determine the needs and concerns affecting the community due to climate change.
167. In addition, focus group discussions (FGDs) were also conducted by the audit team with 53 NGOs/CSOs composed of farmers, fisherfolks, drivers, social workers, IPs, and academe to determine their awareness of the climate change action plan set by the local government and their involvement or participation in the LCCAP formulation. The FGDs result showed that only eight out of 53 or 15 percent of the CSOs/NGOs were involved in developing and planning the LCCAP (See Figure 13).

⁸⁶ *Supra*, Note 31, Step 2, p.24.

Figure 13: Participation of the CSOs/NGOs in the Development and Planning of the LCCAP



Source: COA FGD

168. The DILG-LGA also confirmed the required partnership in formulating the local climate change plan. Accordingly, one of the activities under Step 2 of the Enhanced Guidebook is mapping all key stakeholders and relevant actors, including non-government sectors (CSOs, NGOs), as they play catalytic roles in building community awareness of climate change. In particular, competent and experienced CSOs and NGOs can assist local government and government agencies develop and deploy adaptable climate-smart responses and adaptive actions.
169. Meanwhile, to ensure the quality of formulated LCCAP, the Local Resources Institutes organized as Multi-Stakeholder Advisory Committee in DILG-LGA Local Governance Regional Resource Centers serves as a partner that provides technical assistance to local governments in formulating the LCCAPs.
170. Without the active participation of NGOs, CSOs, and/or the public in the LCCAP formulation, particular needs/concerns and preferences of climate/disaster-prone communities/areas and most vulnerable groups may not be considered. Climate change strategies that will address the common issues and/or impacts of climate change on these sectors include but are not limited to:
 - a) Loss of houses, especially settlements located in the coastal areas whose dwelling units are made of makeshift materials;
 - b) Damage to agriculture/properties, health, and/or school facilities;
 - c) Exposure to air and/or water-borne diseases and other weather-related illnesses;
 - d) Loss of lives;

- e) Loss of livelihood/income;
- f) Shortage of food and/or water supply; and
- g) Adverse psycho-social conditions of affected individuals, especially the elderly, children, and persons with disabilities.

171. As a result, the CCA strategies/activities formulated may not fully support the attainment of the outcome in reducing the risk of men, women, and other vulnerable groups and building communities' capacities for climate adaptation.

172. **We recommended that the CCC implement the following: (a) strengthen partnerships with non-government sectors by establishing clear guidelines for enhancing NCCAP to identify priorities and appropriate PPAs; and (b) in collaboration with the DILG-LGA, revisit and update the guidebook in formulating/enhancing the LCCAP to ensure that particular needs and preference of vulnerable group/community are considered.**

Limited coordination for climate change adaptation initiatives to key stakeholders may expose vulnerable communities to climate change hazards.

173. Since its approval in 2010, the NFSCC has been committed to ensuring and strengthening the adaptation of our natural ecosystems and human communities to climate change. In the process, the NFSCC aspires to chart a cleaner development path for the Philippines, highlighting the mutually beneficial relationship between climate change mitigation and adaptation. As a matter of principle, the NFSCC aggressively highlights the critical aspect of adaptation meant to be translated to all levels of governance alongside coordinating national efforts towards integrated ecosystem-based management, ultimately rendering sectors climate-resilient.⁸⁷

174. The national process aims to build a roadmap that will serve as the basis for a national program on climate change and establish an agenda in which the Philippines would pursue a dynamic process of determining actions through the NCCAP process.⁸⁸

175. As one of the guiding principles in the formulation of the NFSCC, it recognizes the value of forming multi-stakeholder participation and partnerships in climate change initiatives, including with CSOs, private sector and local governments, and especially with IPs and other marginalized groups most vulnerable to climate change impacts.⁸⁹

176. All of the groups that have a role and an interest in the objectives and implementation of activities are the stakeholders in the M&E process. Stakeholders may include:

- a) target groups or those sectors of the population targeted to benefit ultimately from the results of programs and projects;

⁸⁷ *Supra*, Note 20, 2010-2022, p. 3.

⁸⁸ *Ibid*, Preface p. 3.

⁸⁹ *Ibid*, § 2.13 p. 6.

- b) direct beneficiaries are usually institutions and/or individuals who are the direct recipients of technical cooperation aimed at strengthening their capacity to undertake development tasks that are directed at specific target groups;
 - c) those who are responsible for ensuring that the results are produced as planned; and
 - d) those accountable for the resources they provide to the programs and projects: national policy-makers, budget authorities, donors, and development partners.
177. A “Stakeholder” refers to people, groups, and organizations with significant and legitimate interest in a specific issue.⁹⁰
178. In addition, the Philippine climate change act states that it shall be the policy of the State to enjoin the participation of national and local governments, businesses, NGOs, local communities, and the public to prevent and reduce the adverse impacts of climate change and at the same time maximize the benefits of climate change.⁹¹
179. The same law also states that in developing and implementing the NCCAP and the local action plans, the CCC shall coordinate with the NGOs, CSOs, academe, POs, the private and corporate sectors, and other concerned stakeholder groups.⁹²
180. To implement the Climate Change Act, CCC partnered with the DILG through the LGA to facilitate the development and provide a training program for LGUs in climate change. The training program shall include socioeconomic, geophysical policy, and other content necessary to address the prevailing and forecasted conditions and risks of particular LGUs. It shall likewise focus on women and children, especially in rural areas, since they are the most vulnerable to the impacts of climate change.⁹³
181. **Planning and Implementation.** Based on the interviews, FGDs, and surveys conducted in four regions, including the National Capital Region (NCR), the audit team acknowledges that the LGUs have implemented various PPAs concerning CCAM and coordinated with a number of LCOs. The CCC and the DILG have been conducting seminars, trainings, workshops, and activities to capacitate LGUs and other key stakeholders, including non-government sectors, in implementing NCCAP/LCCAP. However, FGD results showed that even with a high level of awareness instilled in the residents and LCOs, their involvement in the planning and implementation of the LCCAP was limited.
182. It is important to note that while the LCOs may not have been certain about their involvement with the LCCAP, they believe their climate change-

⁹⁰ *Supra*, Note 31, p. 12.

⁹¹ *Supra*, Note 17, Rule II, § 1, p.2.

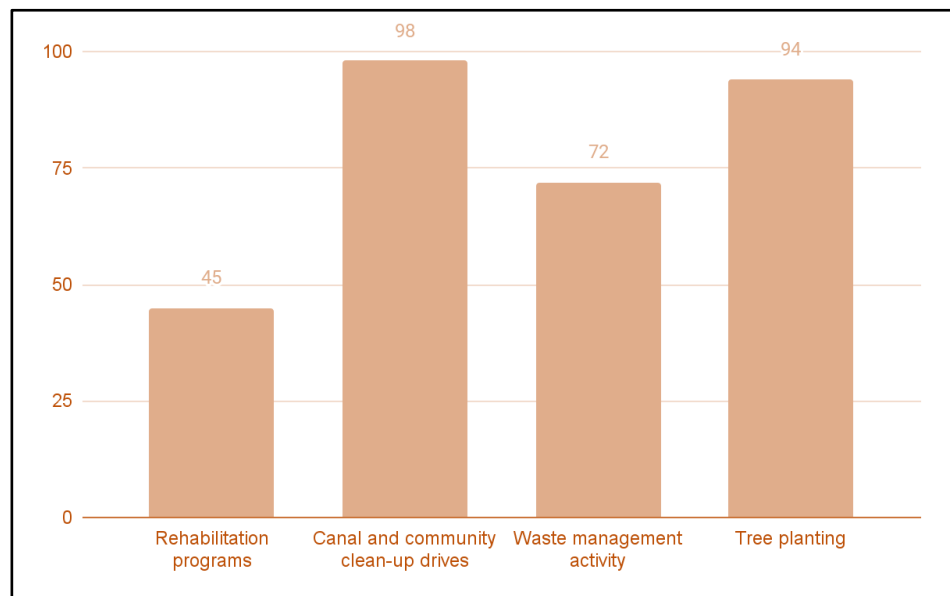
⁹² *Ibid*, Note 17, Rule VIII, § 3, p.25.

⁹³ *Ibid*, Note 17, §1, p.25.

related activities are significant. It suggests that these organizations recognize the urgent need to address the impacts of climate change and are actively working to mitigate or adapt to its effects.

183. For the involvement in LCCAP formulation, content analysis on the FGDs indicates that eight out of 53 CSOs were involved with planning and development related to the LCCAP, while 18 were involved in implementation.
184. Survey results from the residents disclosed that 186 out of 384 or 48 percent of the respondents were involved in implementing climate change-related PPAs by their respective LGUs (see Figure 14).

Figure 14: Involvement of 384 Sample Local Residents in the Implementation of Various Climate Change-Related PPAs



Source: COA Analysis

185. Respondents are primarily involved in community clean-up efforts. However, the activities in which they participate are limited, wherein the highest rate of involvement obtained was 25 percent or 98 of the 384 respondents. As for tree planting activities, the audit team noted the remarkable initiatives of the Vigan Agrarian Reform Beneficiaries Association (VARBA). VARBA is a CSO in General MacArthur, Eastern Samar, and one of its advocacies is planting mangroves. For years, the initiative of VARBA was recognized by the LGU of General MacArthur and thereafter entered a MOA with VARBA whereby the latter shall continue its program of planting mangroves (see Figure 15), and the former to provide monitoring and maintenance of the mangrove plantation. According to the

Assessment Reports of the UN-IPCC, mangroves provide essential functions as protection against storms, tides, cyclones, and storm surges⁹⁴.

Figure 15: Mangroves Planted by the VARBA (CSO) in Partnership with the LGU of General MacArthur, Eastern Samar



Source: COA Fieldwork photos

186. **Monitoring, Evaluation, and Reporting.** To determine the extent of participation of relevant stakeholders in the monitoring, evaluation, and reporting process of the climate change action plans, we performed interviews with relevant LGU personnel, conducted FGDs with the identified stakeholders by the LGUs, and reviewed necessary documents to corroborate the pieces of evidence gathered during such interviews and discussions.
187. In the provincial LGUs validated, they could not design measures to ensure stakeholder coordination in the monitoring, evaluation, and reporting.
188. Meanwhile, the involvement of relevant stakeholders in the monitoring, evaluating, and reporting of action plans is also lacking at the city or municipality level, although not as low as at the provincial level. It is important to state that the participation of these stakeholders in the local action plan is limited only to the formulation and implementation of the programs, plans, and activities and not to the monitoring, evaluation, and reporting.
189. Through FGDs with CSOs, it was determined that only two out of 53 CSOs, the Daloy ng Buhay from Region III and the Coalition of Yolanda Survivor

⁹⁴ UN-IPCC Assessment Reports, Chapter 17: Small Island States, available at <https://archive.ipcc.ch/ipccreports/tar/wg2/index.php?idp=629> (last accessed March 13, 2024).

Associations of Tacloban from Region VIII, were involved in monitoring climate change-related PPAs.

190. The lack of monitoring and reporting can have negative consequences, as it will be challenging to assess the progress and effectiveness of their initiatives. Without regular monitoring and reporting, it is also challenging to identify improvement areas or make data-driven decisions for their succeeding plans.
191. The audit team would like to highlight the Bislig LGU, which includes CSOs in the M&E of their LCCAP. The Project Monitoring Council from Bislig City has been the only LGU that has followed the performance indicators as an assessment guide.
192. For the conduct of trainings, LGUs were the most active in providing trainings to the CSOs, according to eight responses from the participants of FGDs. They are responsible for delivering essential services to their communities. They are mandated to ensure that their staff and constituents are well-equipped to handle various climate change challenges and issues. In addition, LGUs have limited resources and need to rely on trainings provided by the CCC and DILG-LGA to build capacity and improve performance. The audit team also noted that various government and non-government agencies/organizations, such as PROACT and the United States Agency for International Development, had provided trainings to the CSOs.
193. Further, of the trainings participated by the CSOs, disaster response was the most well-attended training according to the nine participants, followed by gardening/farming at six, and the third was safekeeping and protection of sanctuaries/tree planting with five participants.
194. For the LCCAP's impact on the community, LGU's intervention through LCCAP has several positive outcomes for the CSOs. The two most significant gains for the CSOs were awareness and knowledge (10) and sustainable livelihood (nine), impacting their socio-economic status.
195. Furthermore, the CSOs have also benefited from several other initiatives, including a clean and healthy environment (five), flood/storm surge control system (four), rehabilitation and construction of structures (two), improved crop production (two), improved water source/irrigation (two), improvement in living conditions (two), creation of an office dedicated to DRRMP, improved mobilization and transportation, annual clean-up of the coastline, reduced health risk, waste reduction, and mainstreaming of DRR as part of the academic curriculum.
196. Based on the CSOs' inputs during the FGD series, 24 participants requested additional trainings, workshops, and drills. Hence, there is a perceived lack of knowledge or skills among the CSOs and a need for capacity-building efforts to enhance their ability to perform their roles effectively. In this connection, additional programs and resolutions

pertaining to climate change were the next most commonly suggested need, according to 12 participants. This indicates a desire for more support or guidance from higher-level organizations or authorities in addressing the issues the CSOs face.

197. In addition, nine participants also requested additional supplies and equipment, and six participants requested additional flood control projects within the LGU. These observations suggest that CSOs need necessary resources for their involvement in implementing climate change PPAs and a perceived need for infrastructure improvements to help mitigate the impacts of flooding in their communities.
198. For awareness of PSF, out of 53, only four know the PSF, albeit limited. At least one stated the issues on:
 - a) Stringent requirements. Accessing the PSF may require meeting specific strict criteria or conditions that not all organizations can fulfill.
 - b) Unclear process of application. The CSO is unsure how to apply for the PSF, indicating a lack of information dissemination for guidance on the application process.
199. In addition, misinformation was also observed. The four CSOs mentioned above believed that only LGUs could access the PSF, which indicates misinformation on the eligibility criteria for accessing the fund. (ZUFARPO-MPC) (see further discussions on *Stringent requirements and proponents' incapacities among major reasons for inefficient use of the PSF*, page 62)
200. Another factor that limits coordination is that there is no strict implementation of the law, which requires the participation of multi-stakeholders, including NGOs, CSOs, and other local community organizations. Although there were efforts from the CCC, DILG, and the LGUs to collaborate and capacitate NGOs/CSOs, the awareness and coordination in the development, implementation, and M&E of LCCAP and climate-related PPAs for vulnerable sectors in their respective LGUs, including awareness on financing mechanisms is still limited.
201. A review of the LCCAP of selected LGUs revealed a limited number of climate change-related PPAs to address the specific needs of vulnerable groups/sectors/areas in relation to the implementation of the NCCAP/LCCAP. Out of the 32 LGUs using the prescribed template, only 15 LGUs have tagged PPAs in regard to CCAM for vulnerable sectors.
202. The lack of involvement of key stakeholders in the development, implementation, and M&E of LCCAP and climate-related PPAs may be attributed to the insufficient policy established by the CCC on how M&E is to be conducted by these LGUs. As such, LGUs could not involve the stakeholders in monitoring, evaluating, and reporting climate change PPAs. However, it is imperative to highlight the initiatives of other LGUs that have successfully involved stakeholders in monitoring their local action plans. In Bislig City, for example, an executive ordinance has been passed

creating a program monitoring council comprised of CSOs tasked with monitoring the LGU's PPAs. The said monitoring council monitors the City of Bislig's action plans and evaluates and reports them.

203. The failure of the LGUs to tap the stakeholders results in inefficiency and ineffectiveness in the monitoring, evaluation, and reporting process of the local action plans. To state otherwise, there is a lack of binding agreement between the stakeholders and the LGUs in the monitoring, evaluation, and reporting process.
204. The success of LCCAP formulation depends mainly on the commitment of political leadership and the continued engagement of local stakeholders. Building ownership and responsibility were linked to the entire LCCAP process, from initiation to monitoring, evaluation, and reporting. Identifying the key stakeholders, understanding their concerns, looking into possible contributions to the climate change planning process, and implementing actions they may contribute to the process are important considerations for LCCAP development.
205. Hence, the PPAs implemented by the LGUs as CCAM might not address the specific needs of the most vulnerable groups/sectors to climate change impacts. The needs of these vulnerable sectors are not considered when formulating climate change-related PPAs. The failure to commit and include stakeholders in the monitoring, evaluation, and reporting process will entail a delay in the accomplishment of the goals and objectives of the climate change act.
206. **We recommended CCC, in collaboration with the DILG to: (a) require the participation of relevant stakeholders in formulating, implementing, and monitoring LCCAP; and (b) continuously provide technical and other assistance to relevant stakeholders for effective engagement in implementing and monitoring the LCCAP.**

Stringent requirements and proponents' incapacities are among the major reasons for the low rate of approval of PSF grants up to CY 2022

207. Under the Climate Change Act, the PSF was established to provide long-stream finance for adaptation projects of LGUs and LCOs aimed at increasing the resilience of communities and ecosystems to climate change.⁹⁵ The balance of the PSF from all sources, including the amount appropriated in the GAA for the current year, shall not be less than Php One Billion.⁹⁶ Several guidelines were issued to assist eligible proponents in accessing PSF, and trainings and workshops were conducted. However, since the availability of PSF from 2015 to 2022, only six adaptation projects in the LGUs out of 176 proposals were approved for funding. It was noted that the low approval rate of PSF grants was attributable to stringent documentary requirements, proponents' lack of technical capacities and awareness, and irregular calls for proposals.
208. The PSF shall be managed by a Board that is composed of the following:
- a) Secretary of the DOF as Chair;
 - b) Vice Chairperson of the Commission, CCC;
 - c) Secretary of the DBM;
 - d) Director-General of the National Economic and Development Authority;
 - e) Secretary of the Department of the Interior and Local Government;
 - f) Chairperson of the Philippine Commission on Women, and
 - g) Representatives from the academic and scientific communities, the business sector, and NGOs.⁹⁷
209. To begin granting the PSF, the PSF Board will issue a notice of call for proposals twice yearly in January and July. Acceptance of proposals will commence in April and run until May, October, and November. While the PSF Secretariat will provide administrative, coordinative, and logistical support to target beneficiaries were initially assigned to the CCC - Climate Change Office (CCO), upon receipt of the project proposal and after all the administrative arrangements with project proponents,⁹⁸ will present the shortlisted proposals to CCC for endorsement to the PSF Board.⁹⁹



⁹⁵ *Supra*, Note 17, Rule XIII, § 1, 35.

⁹⁶ *Ibid*, Note 17, Rule X, § 3, p30.

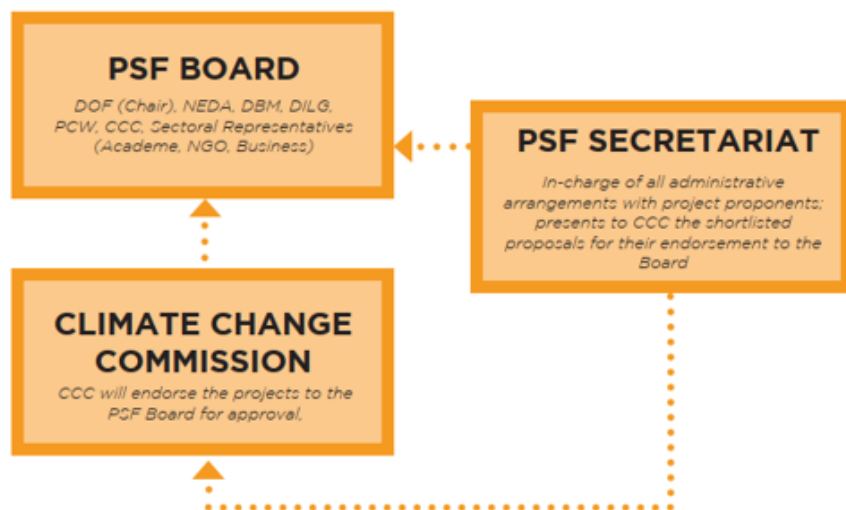
⁹⁷ *Ibid*, Note 17, Rule XI, § 1, p. 31.

⁹⁸ PSF Manual of Operations, p. 5 § 2.1.

⁹⁹ *Ibid*, Note 17, p. 6.

210. The call for proposals shall include, at the minimum, the following details and information: the start and deadline of submission, address, contact information, and documentary, along with the requirements. Where feasible, the PSF Secretariat shall maximize all forms of public information channels and tools (e.g., online, print, multi-media, radio, etc.).¹⁰⁰
211. During the 9th PSF Board Meeting on 05 July 2017, due to lag time from the proponents and the insufficient number of staff working for the PSF Secretariat under the CCC-CCO, a motion was raised to transfer the PSF Secretariat from CCC-CCO to the DOF-International Finance Group. Upon adoption of the said motion, the transfer of the Secretariat was immediately implemented.
212. Figure 16 shows how the PSF Board approves the PSF project proposals, see Appendix II for the detailed PSF process flow.¹⁰¹

Figure 16: PSF Institutional Chart



Source: CCC

213. As part of the continued effort of the CCC to streamline the embedding of the climate agenda, it embarked on continued knowledge-sharing and capacity-building activities at all levels across sectors of society since 2011. These initiatives are presented into five categories: harnessing opportunities from climate budgeting and financing.¹⁰²
214. Under Section 23 of RA No. 10174, the PSF Unit of the CCC-CCO initiated the conduct of capacity-building activities since 2016 through rollouts to devise a 'strategic plan' which aims to provide an outline of the succeeding steps that eligible PSF proponents (LGUs and LCOs) and stakeholders (e.g., Higher Education Institutions, NGOs, and NGAs) should undertake

¹⁰⁰ *Supra*, Note 98, p. 13.

¹⁰¹ *Ibid*, p. 6.

¹⁰² Accomplishments on Capacity Building and Knowledge Sharing: A Compendium of Work (April 2021), pp. 5-7.

to enable further access to the PSF. Accordingly, 420 LGUs and 25 higher education institutions benefitted from the training conducted for climate budgeting and financing between CYs 2016 and 2019.¹⁰³

215. In addition, the PSF unit of CCC also offered e-learning sessions to technical and focal officers of the LGUs and LCOs as extended technical assistance to eligible proponents, specifically to enhance their knowledge of accessing the PSF. Representatives from 86 LGUs, seven NGAs, 13 higher education institutions, and 12 NGOs and CSOs enrolled in the online PSF sessions.¹⁰⁴
216. Since the first call for proposals in 2015 up to 2022, 176 project proposals were reviewed from various proponents (including LGUs and LCOs) nationwide, amounting to Php 14.21 billion. All the proposals forwarded by the PSF Secretariat to the CCC-CCO were reviewed and evaluated following its responsibilities under the PSF process flow.
217. However, until 2022, only six proposals, or three percent of the 176 project proposals submitted by the LGUs, were approved for funding. During the evaluation, 97 proposals failed to pass the initial screening due to a lack of documentary requirements. Seventy-one proposals did not pass the evaluation because the project activities were not eligible, and the remaining two proposals were recommended for a Project Development Grant (PDG). The projects were deemed ineligible as they were assessed as business-as-usual projects or failed the climate rationale review and technical evaluation. PDG is another funding window established by the PSF Board in recognition that some proponents may need further studies in their project proposal preparation and development with a total budget of Php 60 million from the Php One Billion opening balance for PSF. In November 2022, the PSF Board approved five projects funded by the PDG located in Northern Samar, which amounted to Php 10 million, and one project in Mountain Province amounting to Php 2 million.
218. Moreover, though the PSF is intended to support qualified LGUs and LCOs, the document review revealed that the latest call for proposals in the first quarter of 2023 was intended only for LGUs. To address these concerns, the PSF Board established the PDG. It is a sub-financing window under the PSF with an allocation of Php 60 million, six percent of the annual Php One Billion PSF budget, to deal with the barriers faced by proponents during project initiation/design by providing funding for activities that are essential in the identification and development of climate change adaptation projects.
219. While the PSF serves as an attractive grant facility, the PSF Board continues to face challenges in efficiently handling the Fund and ensuring its requirements promote equity to the intended LGUs (second class and below), who need financing support.

¹⁰³ *Supra*, Note 102, pp. 5-7.

¹⁰⁴ *Ibid*, pp. 5-7.

220. From the initial call for proposals in 2015 until 2017, the documentary requirements to be submitted by the proponents to access the Fund were as many as 15 items. Due to the reports that LGUs experienced difficulties complying with the documentary requirements, the PSF Board streamlined the process by reducing the initial documentary requirements from 15 items to only four through PSF Board Resolution No. 2016-005. However, a review of documents revealed that the said resolution was implemented only in the 2023 call for proposals (see Appendix III).
221. Aside from the stringent requirements cited, irregular conduct of calls for proposals and the quality of project proposals received from LGUs were also identified as barriers and gaps in the full utilization of the Fund. As provided in the PSF Manual of Operations, the PSF Board shall issue a notice of call for proposals twice a year in January and July. However, only three calls for proposals were made before the current call, which was made in 2015, 2016, and 2017. In line with this, the CCC also acknowledged that they must conduct regular calls for proposals to increase uptake for the Fund.
222. Given the transfer of the Secretariat and the needed transition, the regular call for proposals was put on hold. The PSF Board closed the loop for 176 project proposals received before issuing a new call. While the calls for proposals from 2015 to 2017 were open for eligible LGUs and LCOs, CCC explained that upon the directive of the DOF leadership, the PSF Board decided to focus the latest call for proposals in February 2023 for LGUs only.
223. A series of FGDs conducted with CSOs and NGOs of selected LGUs noted that the LGUs and LCOs lack awareness of the process and requirements for the climate change PPA proposals in accessing the PSF. Based on the results of the FGDs during field validations conducted by the audit team, only four out of the 53 CSOs/NGOs know the PSF. Reasons or issues provided by the representatives for not accessing the PSF despite the fact the CSOs/NGOs may access the fund include: 1) stringent requirements in accessing the Fund; 2) the unclear application process; and 3) misinformation or lack of awareness on the eligibility criteria.
224. The results of interviews with concerned LGU officials revealed that 56 percent or nine out of 16 LGUs with LCCAP submissions said that they have not tried to access the PSF due to stringent requirements, and LGUs without LCCAP submissions are not aware of how to access the PSF.
225. To qualify for PSF funding, the proposed project should provide a climate rationale that addresses the locality's climate risk and vulnerabilities based on scientific and historical data. PSF also aims to support programmatic interventions, which integrate soft and hard project interventions designed to empower and increase the climate adaptive capacity of the community. Moreover, the Fund fills the gap for climate change projects that other

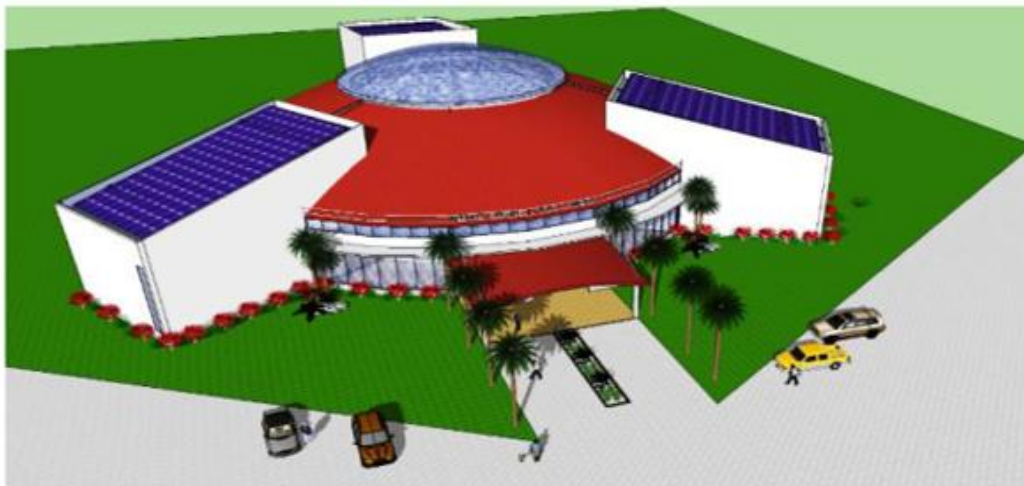
government agencies do not fund.¹⁰⁵ A few of the project proposals submitted intend to primarily pursue climate change mitigation, which the PSF does not support. Interventions include the formulation of the master plan for carbon neutrality, the installation of solar panels, and reforestation for carbon sequestration, among others.

226. Moreover, as stipulated in RA No. 10174, the PSF only finances CCA initiatives. The law outlines the set of adaptation activities that the Fund may support. However, a number of activities in the proposals validated were not responsive to the long-term adaptation intervention that may be needed on the ground, as indicated in their attached adaptation references. Examples of these activities include procuring ambulances, constructing materials recovery facilities, and conducting solid waste management campaigns.
227. The CCC pointed out that improving the governance and operational processes of the Fund is currently a work in progress at the PSF Board level. They emphasized that they continue to push for reforms, including streamlining the current process flow and updating the Manual of Operations to increase the uptake for the Fund.
228. CCC explained that after the PSF Board Secretariat's transition, the consequences of institutional adjustments were inevitable. To address the noted lapses, CCC said that the Board Secretariat organized a PSF Strategic Planning Workshop in April 2023, resulting in a work plan for FYs 2023 and 2024. The work plan included the call for proposals in February 2023.
229. The audit team visited two PSF-approved projects in the LGUs of Del Carmen, SDN, and Lanuza, Surigao Del Sur (SDS). The selection of these projects in Mindanao aligned with the sampling methodology used for field validation. The validated projects and status of implementations are discussed as follows:
 - a) **Siargao Climate Field School for Farmers and Fisherfolks (SCFSFF) in the Municipality of Del Carmen, Siargao Islands, SDN.** The SCFSFF is an LGU Del Carmen initiative in partnership with SDN State University -Del Carmen, formerly Surigao State College of Technology. The project aims to provide the best available science and the latest agricultural and fisheries development technology. This is in response to the natural hazards posed by climate change, such as the monsoons during the Southwest Monsoon (Habagat) season, the increase in rainfall resulting in flooding and abrupt landslides, as well as huge wind-induced ocean waves occurring during the Northeast monsoon (Amihan) season. Also, it considers other climate scenarios like El Niño and La Niña. It is envisioned as a regional and national center of excellence for innovative solutions for small island-based

¹⁰⁵ BTr Report, available at: <https://www.dof.gov.ph/peoples-survival-fund-seeks-to-find-solution-to-climate-crisis/> (Last accessed 27 September 2023).

ecosystems with an estimated grant of Php 80.7 million. Accordingly, the climate field school was projected to start operating in the first quarter of 2022.

Figure 17: Siargao Climate Field School Project Plan



Source: CCC

Based on the disbursed budget, the current progress of implementation is 61.38 percent. Figure 16 above was the project's perspective as planned by the LGU of Del Carmen. Unfortunately, in December 2021, Super Typhoon Odette hit Siargao Islands and caused damage to the building, pegged at Php 50 million.

The audit team noted that the building outlay was fully expended, given that the school was about to be operational in the first quarter of 2022, but was rendered unserviceable because of the damage from the impact of Super Typhoon Odette, as shown in Figure 18.

Figure 18: SCFSFF after the Devastation of Super Typhoon Odette

Source: COA, Photos taken during fieldwork

After the CCC visited Del Carmen in December 2022, the CCC requested the PSF Board to reconsider the decision on Del Carmen. In response, the PSF Board committed to discussing LGU Del Carmen's request in the succeeding PSF Board Meeting. However, during the 19th PSF Board Meeting, the Board disapproved of the request. Instead, it encouraged the LGU of Del Carmen to submit another proposal to cover the cost of reconstruction.

- b) **Risk Reduction & Management Response as Coping Mechanism to Resiliency – Lanuza, SDS.** The DRRM Response as Coping Mechanism to Resiliency of Lanuza, on the other hand, is the application of the “Ridge to Reef” concept that showcases various but interconnected components that consist of a) the management of their watersheds, ecosystem, and forests, plus livelihood programs and b) capacity development. This aims to adapt to the impacts of climate change in LGU Lanuza's agricultural and forest lands while also strengthening their citizens' resiliency by improving their existing sources of income. The PSF Board approved the project proposal at its 8th meeting last November 22, 2016.

During the interview with relevant LGU officials of Lanuza, one of the team's queries was on the challenges/issues encountered in developing, implementing, and monitoring the approved project proposal. The officials of LGU Lanuza explained that one of the major challenges faced was securing Free Prior Informed Consent

(FPIC) with Certificate of Ancestral Domain Title (CADT) holders since the IPs are one of the program's key stakeholders. During the development stage of the proposal, the CADT holders were among the stakeholders. However, during the FPIC process, the project team had to exhaust all remedies and time before consent was secured due to the IPs' uncertainty with the government's bureaucracy.

Another major challenge was the delay in the project's downloading or release of the tranche or the authority to utilize the funds. The release of the first tranche was only 15 percent of the total project cost, which is minimal compared to the actual cost of implementing the project in year one. The release of the 2nd tranche was made 14 months after the first release. The effect of the COVID-19 pandemic and the onslaught of Super Typhoon Odette were also factors to consider in the delays.

Figure 19: PSF Projects of LGU Lanuza, SDS Funded by PSF



Source: COA, Photos taken during fieldwork

In this regard, the CCC said that during the 19th PSF Board Meeting, the PSF Board approved the project's request for reallocation of funds amounting to Php 1.16 million and an extension of the implementation period of up to June 30, 2023, subject to the condition that there is no additional cost that will be incurred and that the deliverables are maintained.

230. Meanwhile, Table 7 summarizes the status of the remaining four PSF-approved projects, as relayed by the CCC.

Table 7: Status of PSF Approved Projects Excluding LGUs of Del Carmen and Lanuza as of CY 2022

PSF Approved Projects	Status
A. Building Resilience through Community-based Ecological Farming (San Francisco, Cebu)	<ul style="list-style-type: none"> • Approved on August 11, 2017; • The project's disbursed amount is currently at Php 30.75 million (90.73 percent); • The hard components of the project (i.e., installation of 44 rainwater catchment facilities, solar-operated water pump, greenhouse, rehabilitation and development of water system) were already completed as of October 2022; and • The LGU submitted its project closure documents to the PSF Secretariat in November 2022.
B. Promoting Resiliency and a Climate-Informed Gerona (Gerona, Tarlac)	<ul style="list-style-type: none"> • Approved on August 11, 2017; • The project's disbursed amount is currently at Php 5.71 million (15 percent); • The LGU has a pending request for fund reallocation and changes to project outputs; and • During the 19th PSF Board Meeting, the Board agreed that a Board Resolution, via ad referendum, shall be circulated to solicit approval on the LGU's request. The CCC has already approved the said resolution.
C. Saub Watershed Ecosystem Rehabilitation and Flood Risk Reduction for Increased Resilience for Climate Change and Natural Hazards (Sarangani Province)	<ul style="list-style-type: none"> • Approved in July 06, 2018; • The current progress in implementation, based on the project's disbursed budget, is 74.55 percent; • During the 19th PSF Board Meeting, the PSF Secretariat reported that Phase 1 and Phase 2 of the Community Irrigation System of the project were 100 percent complete; • The proponent requested additional funding of Php 19.38 million due to an increase in construction material cost overruns; and

PSF Approved Projects	Status
	<ul style="list-style-type: none"> During the 20th PSF Board Meeting, the PSF Board approved the additional funding of Php 19.38 million.
D. Establishment and Sustainable Management of the River Ecosystem in Kitcharao (Kitcharao, Agusan del Norte)	<ul style="list-style-type: none"> Approved in July 06, 2018; The project's disbursed amount is currently at Php 21.05 million (84.20 percent). Components of the project include Gabion River control along the Mamcas River and watershed management; Attributed to the damages incurred from Super Typhoon Odette in December 2021, the LGU requested additional funding of Php 8.49 million and an extension of project implementation of at least three months; and During the 19th PSF Board Meeting, the PSF Board deferred the approval of the request subject to the PSF Secretariat's full cost validation and project evaluation. During the 20th PSF Board Meeting, the PSF Board approved the additional funding of Php 8.49 million.

Source: CCC

231. During site visits and validations, the audit team observed and noted some practices in implementing the PSF-approved projects that other eligible proponents of the PSF could replicate.

- a) One of the LGUs focused on capacitating farmers and fisherfolks in food production for the next 30 years. Accordingly, it is very crucial to capacitate the community to be able to sustain the benefits of the PSF project, specifically on food security;
- b) Collaborating with various Local Community Organizations is also vital in the success of the implementation of the PSF projects; and
- c) One way to work on project sustainability is to ensure that development cooperation efforts align well with domestic processes and priorities. Strong political commitment guided by clear development objectives has been critical in the success of local projects, coupled with the willingness of the LGU to allocate resources for their sustainability. Development cooperation could help build capacity to enable LGUs to understand new concepts and

paradigms to better access the domestic funding that is available but largely unused in the PSF.

232. The CCC commented that the mobilization of the Fund was faced with challenges, including stringent documentary requirements, proponents' lack of technical capacities and awareness, and irregular calls for proposals. Fortunately, it is noteworthy to mention that following the streamlined documentary requirements and a new call for proposals in February 2023, five additional projects were granted approval by the PSF Board on October 23, 2023, amounting to Php 539.44 million, as follows:
- a) Mountain Province Field School for Farmers, Mountain Province;
 - b) Reinforcement of Lo-om River Flood Protection System and Redevelopment for Resilient Communities and Livelihoods, Borongan City, Eastern Samar;
 - c) Enhancing the Climate Adaptive Capacity of Communities through Establishing a Disaster Risk Reduction Management Approach in the River Ecosystem of Maramag, Bukidnon, Maramag, Bukidnon;
 - d) Construction of Three (3) Units of Solar Powered Pump in Different Barangays, Cabagan, Isabela; and
 - e) Mangrove Rehabilitation and Mangrove Eco-Park, Catanauan, Quezon.
233. **In coordination with the PSF Board and in partnership with the DILG, we recommended CCC to: (a) conduct continuous awareness campaigns to improve the uptake of the fund; and (b) strengthen the technical capacity of eligible proponents through regular capacity-building, taking into consideration the three-year term in the LGU.**

Absence of a Complete and Fully Operational M&E System for the NCCAP Impacted the Prioritization of Strategies

234. M&E is vital in implementing the NCCAP, as it could provide information that sets directions in setting priorities, budgets, and information needed to make decisions. This includes defining what is to be achieved, who is to achieve it, how it will be achieved, and the time frames for achievement. However, the CCC failed to provide a complete M&E implementation of NCCAP, which impacted the direction of the government's climate change strategies. These were caused by the following:

- a. *Key performance indicators*. Philippine climate change strategy's specific key performance indicators were not determined;
- b. *M&E report*. Complications in correspondence with NGAs contribute to the failure of the CCC to provide a complete M&E report;
- c. *International financing windows*. PPAs funded by international sources were not completely monitored;
- d. *Expenditure tagging*. Lenient implementation of policies causes low compliance with expenditure tagging; and
- e. *LCCAP implementation status*. Due to the lack of reports on the status of the implementation of climate change at the local level, the effectiveness of climate change strategies could not be determined.

No performance indicators on objectives of reducing risks of women, men and other vulnerable sectors to climate change and disasters and enhancing their knowledge and capacity to address these hazards

235. Internal Control Standards for the Philippine Public Sector (ICSPPS) requires Management to identify and define objectives in specific and measurable terms. By developing objectives in specific and measurable terms, the design of internal control for related risks can facilitate better understanding at all levels of the agency. This includes defining what is to be achieved, who is to achieve it, how it will be achieved, and the time frames for achievement. Objectives may be provided in a quantitative or qualitative form, allowing reasonably consistent assessment. Performance measures may be a targeted percentage or numerical value for quantitative objectives. For qualitative objectives, management may need to develop performance measures that indicate a level or degree of performance.¹⁰⁶

236. As discussed earlier, "NCCAP was not systematically exposed to climate risks and vulnerability assessment on the most vulnerable communities/areas and differential impacts of climate change on men, women and children, among others" page 42, NCCAP's linkage to attaining SDG 13. To achieve the 2030 Agenda, one of the nationally agreed targets is SDG 13.1, which aims to strengthen communities' resilience and adaptive capacity to climate-related hazards. CCC recognized the SDG target as NCCAP's outcome for the area of Human Security thematic

¹⁰⁶ Internal Control Standards for the Philippine Public Sector, p. 29.

priority. The objectives for Human Security and Knowledge and Capacity Development thematic priority areas in the NCCAP are to reduce the risks to men, women, and other vulnerable groups from climate change and disaster and enhance the knowledge and capacity of women and men to address climate change.¹⁰⁷ The NCCAP outlines the targeted outcomes, output areas, and strategic priority activities for 2011 to 2028 for Human Security and Knowledge and Capacity Development. However, we noted that the 17-year period action plan lacked a baseline for CY 2010, measurable performance indicators, and a specific timeframe for the priority activities, outputs, and outcomes. For the Human Security area, one of the indicators identified is “No. of local and community implementing CCA-DRRM”, while for Knowledge and Capacity Development, “No. of centers of excellence on CC science established and capacity enhanced”.

237. Without measurable performance indicators, it may be challenging to determine the extent to which the activities had contributed towards achieving the set objectives to reduce the risks of men, women, and other vulnerable groups to climate and disaster and enhancing the knowledge and capacity of women and men to address climate change. The CCC explained that since 2013, they have endeavored to develop the NCCAP Results-Based Monitoring and Evaluation System (RBMES), which provides a suggestive system of measures for each NCCAP target. The NCCAP RBMES distinguishes between the Output (Critical), Immediate Outcome, and Intermediate (Key) indicators in each thematic priority theme.
238. A review of documents revealed that in the GAA FY 2017 of CCC, the performance indicator was limited to the percentage of LGUs that have formulated their LCCAPs. For GAA FYs 2018-2022, the performance indicators were the percentage of the NCCAP activities programmed for implementation, and the target set was 84 percent by the end of 2022. These performance indicators in the GAA might be difficult to assess since CCC has encountered challenges in implementing the NCCAP RBMES. Currently, CCC continues its monitoring of the 2017-2020 government accomplishments under the NCCAP and has undergone interagency validation from February 23-27 and 28, 2023.
239. CCC confirmed that the quantification of targets, including the necessary baselines, is to be considered in fully implementing the NCRMF and enhancing CCET concerning NFSCC and NCCAP updating. The audit team inquired about the factors that hindered identifying the baseline and measurable targets on the intended outputs/activities during the NCCAP development planning process. Still, CCC did not provide a direct response to the query. Instead, CCC responded that among the key factors for the actual implementation of NCCAP RBMES are:
 - a) Data availability as some indicators are not measured by key agency stakeholders;

¹⁰⁷ *Supra*, Note 21, p. 17 and 35.

- b) Lack of quality data that corresponds directly to the suggested indicators under RBMES; and
- c) Absence of institutional arrangements that can provide ownership to the targets of NCCAP.

240. CCC is drafting a resolution to institutionalize the NCCAP M&E system to resolve this. It aims to develop a shared M&E system to embed the target indicators within the governance framework of key stakeholders. The shared M&E system is also intended to strengthen strategic partnerships and promote the participatory and inclusive implementation of NCCAP targets at all levels.
241. In addition, consultations and a national stocktake survey were conducted for the NCRMF in January 2022 to collect information on available climate risk datasets, information, tools, methodologies, capabilities, and mechanisms from NGAs, academic/research institutions, State Universities and Colleges, leagues, regional stakeholders, and LGUs assisted by select international development partners. For the enhancement of CCET, CCC planned its update on CY 2024 to respond to the CCET M&E system findings and the issuance of the NAP and NDC Implementation Plan, including finalizing the CCET plan.
242. Nonetheless, the NCCAP has not yet been updated since its issuance in November 2011. Hence, evaluating the progress made in implementing the NCCAP and the attainment of goals and objectives of the government's climate change strategies could be challenging.
243. **We recommended that CCC enforce the following: (a) expedite the issuance of the resolution to institutionalize the M&E system for NCCAP; and (b) implement the results of NCRMF in identifying the baseline data and set specific, measurable, attainable, relevant, and time-bound (SMART) performance indicators/targets for the NCCAP to be utilized in the enhancement of the NCCAP and to efficiently and effectively assess the government's climate change actions' progress and/or shortcomings in each thematic area and objectives including SDG relevant targets.**

Deficiencies in indicators challenges in data collection and inadequate resources contributing to the limitations of CCC to provide complete and timely M&E reports

244. As provided in Sec. 9(c) of RA No. 9729, CCC was vested with the powers and functions, which include formulation of NFSCC to serve as the basis for a program for climate change planning, research and development, extension, and monitoring activities on climate change. In that context, Sec. 13 states that the CCC shall formulate an NCCAP in accordance with the NFSCC within one (1) year after the formulation of the latter.
245. Consequently, the NFSCC shall include M&E as one of its components.¹⁰⁸ It is also provided that the CCC shall be tasked to coordinate, monitor, and evaluate the programs and action plans of the government to ensure the mainstreaming of national climate change strategies into the national,

¹⁰⁸ *Supra*, Note 17, §2 (i), p.26.

sectoral, and local development plans and programs pursuant to the provisions of the same law.

246. To ensure that the NFSCC works as planned, its review is set every three years, or as necessary, in consultation with government agencies, LGUs, the private sector, NGOs, and CSOs.¹⁰⁹
247. In a review of events that transpired in formulating the NFSCC and the action plan, it was noted that while the Climate Change Act took effect in November 2009, the CCC formulated the NFSCC in April 2010, while the NCCAP was adopted only in November of 2011, or beyond the 1-year requirement after the adoption of the NFSCC.
248. In any case, the provisions of the NFSCC and the NCCAP with regard to M&E provide that:
 - a) In coordination with the concerned agencies and stakeholder groups, the CCC shall install an M&E system to track the implementation progress of the provisions of the NFSCC and the resulting NCCAP and LCCAPs. (NFSCC, M&E); and
 - b) The NCCAP *Monitoring* is set annually, while the *Evaluation* is every 3 years.
249. To identify and monitor results that can be attributed to NCCAP interventions - whether and to what extent expected results occur, identify external factors, and recognize positive and negative effects, the CCC initiated the RBMES for the Action Plan. It builds on previous and current government initiatives to integrate climate and disaster risks into the planning process.¹¹⁰ In response to the demand for an M&E system, the formulation of the RBMES was started in 2012 and finished in 2015.
250. As to the M&E's timeframe, the RBMES framework provides the monitoring timeline of the implementation period (2011–2028) of the NCCAP into three sequential time frames given the distinct type or level of M&E that can feasibly be accomplished within specific implementation periods as follows:
 - a) Short-term (up to 2016): Mainly implementation monitoring of various PPAs on or related to climate change and evaluation of short-duration climate change actions with final outputs and discernible outcomes;
 - b) Intermediate term (up to 2022): Continue implementation monitoring and focus more on the evaluation of emerging outcomes of PPA outputs of medium-duration climate change actions; and
 - c) Long-term (up to 2028): Continue implementing M&E of output-outcome causalities, but mostly evaluation of final outcome translation (and impact).¹¹¹

¹⁰⁹ *Supra* Note 17, Rule VIII, §1 par 2, p.25.

¹¹⁰ *Supra*, Note 36, p. 12.

¹¹¹ NCCAP RBMES, p. 27.

251. Further, the RBMES provides that the communication of M&E findings and NCCAP key results shall be at the following intervals:
- Annual – As part of the monitoring report and/or reportorial requirements to the Philippine President (as Chairperson of the CCC board);
 - Every 3 years – This is to coincide with the mid-term review of the PDP; and
 - Every 6 years – As input to preparing and drafting a new 6-year PDP.
252. Through program briefing, it was discussed by the CCC Management that the initial monitoring of the implementations was done in 2015, but the actual validation was made only in 2017. The first M&E report—covering the first midterm plan 2011–2016 was completed in 2018 and approved only in 2019. It would be important to note that there was a delay in the conduct of the M&E, including the release of the M&E report, distinctively as follows:
- M&E* - Delay of three (3) years. The initial monitoring was made only in 2015, which should have begun in 2012.
 - Release of Report* - Delay of four (4) years. The Report should *have* been released a year after the first period (2011-2016); However, as already provided, it was released only in 2019.
253. On the other hand, the CCC started the second M&E in 2021, which will initially cover the monitoring for 2017–2020. The timeline of the NCCAP Progress is shown in Figure 20.

Figure 20: Timeline of M&E of the NCCAP Progress



Source: CCC

254. Notably, the RBMES has been subjected to materiality testing to develop the first iteration of NCCAP covering the 2011-2016 implementation period.

Further, the CCC reviewed methodology and improvements in the Data Capture Form used during the first iteration of the NCCAP M&E. This process is essential to establish and institutionalize the M&E system on climate change.

255. Consequently, to track the progress of NCCAP implementation, the CCC relied on the data capture forms (DCF) submitted by the NGAs, available accomplishment reports, and website information. The DCF was explicitly developed to address the challenges of data collection from the first iteration of NCCAP M&E.¹¹² During the data collection in preparation for the NCCAP updating in 2015, the qualitative interpretation of collected data has, however, been limited, arising from the challenge to secure data submissions from NGAs.¹¹³
256. A review of the M&E report revealed that local data are collected at the municipal and city levels as a process in collecting data for the M&E. Accordingly, there is difficulty in data aggregation and monitoring due to varying annual data requirements from different national agencies. A deficiency in human resources is also a concern since only one field officer is tasked with monitoring municipal and city-level data.¹¹⁴ Additionally, NGAs are not compliant with the NCCAP updating process through data submission. The low turnout of data submissions from NGAs resulted in insufficient data sets to support the preparation of the NCCAP 2011-2016 M&E Report.¹¹⁵
257. Challenges were encountered during the collection and validation of the data and information. Existing communication structures within government agencies pose difficulty in communicating with appropriate offices. This was observed when communication was done through email. As a result, there were delays in the schedule, or communication did not even reach the proper office. Also, the assessment of Immediate Outcome 2 (CC-responsive health and social sector systems) and Immediate Outcome 3 (CC-adaptive settlements and services) cannot entirely be ascertained for this period because data were not available or provided.¹¹⁶
258. Moreover, there was no consistency in report submissions from NGAs, particularly on critical output indicators (COI), with indicators that are not clear or not measurable in the agencies' internal monitoring processes. The nature of the information provided is very diverse. The RBMES COI has not responded on a "one is to one" relation. The results matrices reflected varying units of measures and performance indicators. Furthermore, some data provided are considered "inputs" that must be further processed to represent the COI requirement appropriately.¹¹⁷

¹¹² Draft NCCAP M&E (2nd Iteration), p. 16.

¹¹³ *Supra*, Note 36, p. 16.

¹¹⁴ *Ibid*, p. 14.

¹¹⁵ *Ibid*, p. 14.

¹¹⁶ *Supra*, Note 115, p. 162.

¹¹⁷ *Ibid*, Note 36, p. 14.

259. On the other hand, according to the CCC, the NCCAP RBMES was only developed in 2014 and was thoroughly tested in 2018. As already noted, human resources is an issue. In this case, only two staff members are dedicated to NCCAP monitoring, and starting September 2023, only one staff member remains in the NCCAP monitoring. Budgetary constraints also hindered the full mobilization of M&E. Likewise, there was a lack of guidelines in preparing the report. The CCC mentioned that the M&E system for climate change has yet to be institutionalized. While current NCCAP RBMES exist, quantitative indicators for a more evaluative approach to the NCCAP M&E have yet to be determined.
260. Annual monitoring provides information that sets directions for priorities and budgets every year. Evaluation will focus on efficiency, effectiveness, and impact. M&E informs government decision-makers when plans are not working, and circumstances have changed; therefore, M&E reports provide the information needed to make decisions about changes necessary in the plan or the implementation mechanisms.¹¹⁸
261. Since M&E is based on the targets and planned activities during the various phases of implementing the action plan, deciding the appropriateness of key performance indicators and targets for the succeeding CCAM activities is crucial.¹¹⁹
262. Without a complete and adequate M&E for the NFSCC and NCCAP, the CCC and other concerned government institutions could not:
- a) Track the progress and effectiveness of the climate change strategies;
 - b) Assess attainment of NCCAP objectives;
 - c) Be held accountable for the activities in the NCCAP not implemented;
 - d) Be provided with insights for planning to adjust succeeding strategies accordingly; and
 - e) Identify areas that need improvements.
263. **We recommended the CCC to impose the following: (a) in partnership with the DILG and concerned NGAs, issue resolution to institutionalize data review processes to increase data completeness, consistency, accuracy, and validity; (b) conduct robust coordination by encouraging the NGAs to establish a Climate Change Unit to ensure full integration of national climate change strategies in the development plans of NGAs; and (c) ensure that timelines for the M&E reports are complied.**

No monitoring mechanism to track the implementation of PPAs funded by international sources

264. A data review shows that the NCCAP is utilizing existing government budgets and new sources of financing from the private sector and

¹¹⁸ *Supra*, Note 36, p. 48.

¹¹⁹ *Ibid*, Note 36, p. 48.

international community by aligning programs with the national framework strategies and actions for climate change.

265. Currently, the Philippines has existing climate finance tracking initiatives as follows:¹²⁰
- a) National Integrated Climate Change Database and Information Exchange System (NICCDIES) - primarily as an online platform to monitor and track progress on climate action and support, house GHG inventories, climate budget tagging, climate action plans, and climate reports.
 - b) Public Investment Program Online System - Manages data entry and updates on priority programs and projects under the Public Investment Program. It allows agencies to submit online information regarding their priority PPAs, including program/project details and status updates, and it assists NEDA in generating reports.
 - c) Monitoring of Climate Change General Appropriations Act (GAA) Special Provisions - A monitoring process in which the CCC observes implementing climate change-related PPAs lodged under the special provisions.
266. The CCET mandates that the national and local governments use a common framework to track climate change expenditures in their respective budget submissions.
267. Climate Change Act states that the DOF shall coordinate with the Commission on fiscal policies related to climate change and monitor and report measures involving climate finance.¹²¹ Inquiry with the CCC and the DOF on the status of utilization of the PPAs in relation to climate mitigation and adaptation revealed that there are specific National Designated Authorities (NDAs) per international climate finance windows assigned as a focal point of contact between the Philippines and the financing source.
268. According to the UNFCCC, climate finance is local, national, or transnational funding from public, private, and alternative sources to support climate change mitigation and adaptation actions.¹²² Based on our query with the CCC and the DOF International Finance Group – Policy Office, it was noted that aside from the PSF, there are other climate finance sources, which include the following international sources:
- a) Green Climate Fund (GCF)
The DOF is assigned as the Philippine's NDA to GCF. The Department has the following functions and responsibilities:
 - Providing strategic oversight of the country's priorities and its alignment with the funding proposals;

¹²⁰ Climate Finance in the Context of the Philippines as presented by ASEC Paola Sherina A. Alvarez of the DOF.

¹²¹ *Supra* Note 17, Rule VIII, § 5 (f), p.29.

¹²² Available at: <https://www.iberdrola.com/sustainability/what-is-climate-finance> (Last accessed 22 June 2023).

- Convening national stakeholders to identify priorities for GCF funding;
- Leading the deployment of readiness and preparatory support;
- Providing nomination letters for the accreditation of Direct Access Entities (DAEs); and
- Providing no-objection letters for qualified project funding proposals.

In particular, the DOF reviews, evaluates, and monitors all proposed programs and/or projects submitted by the proponent to the GCF. In addition, the DOF also coordinates with the CCC, NEDA, and other relevant government agencies to ensure that the proposed program/project is aligned with the country's interests and priorities.

Currently, under the GCF, the Philippines has accessed and received the approval of the two Readiness and Preparatory Support Program, which is a grant and technical assistance that the GCF provides to NDAs and DAEs to enhance the capacity of the institutions to efficiently engage and access the fund in undertaking the countries adaptation and mitigation plans (see Table 8):

Table 8: GCF Approved Readiness and Preparatory Support Program provided to NDAs and DAEs

Sectors/Scope	Amount	Status
1. Readiness Support to Strengthen Philippines' Capacity and Knowledge on Accessing the GCF	USD 300,000.00	Ongoing implementation by the DOF as the GCF's NDA and beneficiary for the project with the support of GGGI as the delivery partner.
2. Readiness and Preparatory Support Programme: Readiness Support to Strengthen Philippines' Engagement and Direct Access with the GCF	USD 700,000.00	The program's implementing agreement between the DOF and GGGI is targeted to be signed before June 2023.

Source: DOF

In addition to the readiness support programs, the Philippines also tapped the GCF to finance government agencies' projects. The DOF has successfully accessed the GCF's Simplified Approval Process modality through the approval project: "Multi-Hazard Impact-Based

Forecasting and Early Warning System for the Philippines with a total project cost of USD 20 million, of which USD 9.9 million is the GCF grant, and USD 10.1 million is co-financing from the DOST-PAGASA.

Moreover, the GCF Board also recently approved the Philippines' Department of Agriculture project: "Adapting Philippine Agriculture to Climate Change." It has a total project cost of USD 39.2 million, comprising a USD 26.3 million grant and USD 12.9 million co-financing by the national government.

- b) **Nationally Appropriate Mitigation Actions (NAMA) Facility**
The NAMA Facility provides tailor-made finance for climate change mitigation projects in all sectors, notably energy efficiency, renewable energy, transportation, waste and agriculture, forestry, and other land uses. There are two projects approved for the Philippines under the NAMA Facility:
 - i. **Distributed Solar Power project** – Approved during the 4th call in 2015, the project aims to accelerate the penetration of new distributed solar power by reducing technology risks, lowering transaction costs, and creating financing options for distributed generation photovoltaic customers and third parties. Despite the finalized Detailed Preparation Phase, the project was not implemented.
 - ii. **Tidal Stream Project** – approved during the 17th call in 2018, the project aims to provide funding and advisory support for using tidal stream energy (TSE) and TSE hybrid systems in islands. The expected project outcome is that small island grid operators can substitute fossil fuel-based electricity generation through TSE hybrid systems via replicable, sustainable private investment projects.

The project is still in the Detailed Preparation Phase, with USD 19 million NAMA grants. The identified project implementing partners are the Landbank of the Philippines and the National Electrification Association. The Frankfurt School of Finance and Management also supports the project.

The NAMA facility is not under the management of the DOF. However, the DOE, the CCC, and the Frankfurt School of Finance and Management are the program's steering committee entitled "Decarbonisation of Electricity Generation on Philippine Islands (Using Tidal Stream and Solar PV), funded under the Facility. The DOE represents the Philippines in the NAMA Facility and oversees the implementation of the said program.

- c) **Global Environment Facility (GEF)**
According to the DENR as the Operational Focal Point (OFP) of the GEF in the Philippines, there are 27 climate change focal area projects in the Philippines with a total amount of USD 135,716,772 in grants.

d) UN Climate Technology Center and Network (CTCN)

The CTCN promotes the accelerated transfer of environmentally sound technologies for low-carbon and climate-resilient development at the request of developing countries.

As of March 2023, there are three network members for the CTCN:

- i. International Rice Research Institute
- ii. Clean Air Asia
- iii. Asian Development Bank

The CCC acts as the NDA for the CTCN. The CCC primarily manages the national submission process of technical assistance requests to the CTCN.

e) Adaptation Fund (AF)

The AF was established under the guidance of the UNFCCC. The fund finances concrete adaptation projects and programs in developing countries that are Parties to the Kyoto Protocol. It pioneered fully operational direct access to climate financing, whereby a country can access funds directly from AF and other funds adopting similar modalities to manage adaptation projects. Under its strategic priorities, the AF shall:

- i. Assist developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change in meeting the costs of adaptation; and
- ii. Finance concrete adaptation projects and country-driven programs based on eligible Parties' needs, views, and priorities.

Since its establishment, the Philippines has yet to implement a project financed by the AF. The country's NDA for AF is DENR.

f) Joint Crediting Mechanism (JCM)

JCM is a bilateral carbon market mechanism involving Japan and a host country. It seeks to facilitate the transfer of low-carbon technologies and implement mitigation actions that enable developing countries to achieve sustainable development. The Philippines is one of the participating host countries of the JCM.

Following the signing of the Memorandum of Cooperation on Low Carbon Growth partnership between the Philippines and Japan on January 12, 2017, 15 projects were approved under the JCM's Financing Program.

DENR is the co-chair of the joint committee that approves projects for the JCM Financing Program.

269. According to the CCC, the following funding mechanisms may be tapped or accessed through "calls" made by the fund providers. It was noted that CCC provides comments on the proposals of the agencies' climate change programs to utilize these funds.

270. Although the audit team has been provided with specific data on international climate finance, these are not readily accessible, and no particular office is assigned to track and monitor all these financing sources. Evaluation of responses from DOF and CCC revealed that the National Government has not established a monitoring mechanism to track the utilization and implementation of all the funds provided by other financing windows, particularly from international sources.
271. Moreover, although the DOF is mandated to track all the climate finance initiatives and there are assigned NDAs per source, there is no established tracking mechanism to monitor these funds' utilization.¹²³
272. The absence of a monitoring mechanism established to track the implementation of PPAs funded by these financing organizations will affect DOF's mandate to coordinate with the Commission on fiscal policies related to climate change and monitor and report measures involving climate finance. These would adversely affect the CCC's ability to coordinate, synchronize, and track climate change strategies. The implementation of these projects may not be in accordance with the priorities and vulnerability of specific areas, as stated in the NCCAP and the LCCAP at the local level.
273. **We recommended that CCC, in partnership with the DOF, develop and implement a monitoring system for climate change PPAs funded by international financing windows that will include designation of an appropriate agency to conduct these activities for accountability and transparency consistent with the national policy on CCET to track, monitor, and report climate change PPAs effectively.**
274. Philippine law on climate change states that it shall be the policy of the State to enjoin the participation of national and local governments, businesses, nongovernment organizations, local communities, and the public to prevent and reduce the adverse impacts of climate change and, at the same time, maximize the benefits of climate change.¹²⁴
275. At the local level, the CCET supports mainstreaming CCAM into the planning process of LGU and provides the starting point from which to measure progress in implementing climate change initiatives.¹²⁵ The results of the CCET guide the sequencing and the prioritization of projects and activities to maximize benefits in light of limited resources and the worsening impact of climate change. As for the CCC, it intends to use CCET to monitor the NCCAP implementation and serve as evidence for policy formulation and discussion on climate change.¹²⁶ This was demonstrated through the issuance of DBM-CCC-DILG JMC 2015-01 dated July 23, 2015, wherein LGUs are required to submit an electronic

Lenient implementation of policies causes the low compliance of expenditure tagging

¹²³ Supra, Note 17, Rule VIII, § 5 (f), p. 29.

¹²⁴ Ibid, Note 17, Rule II, § 1(f), p.3.

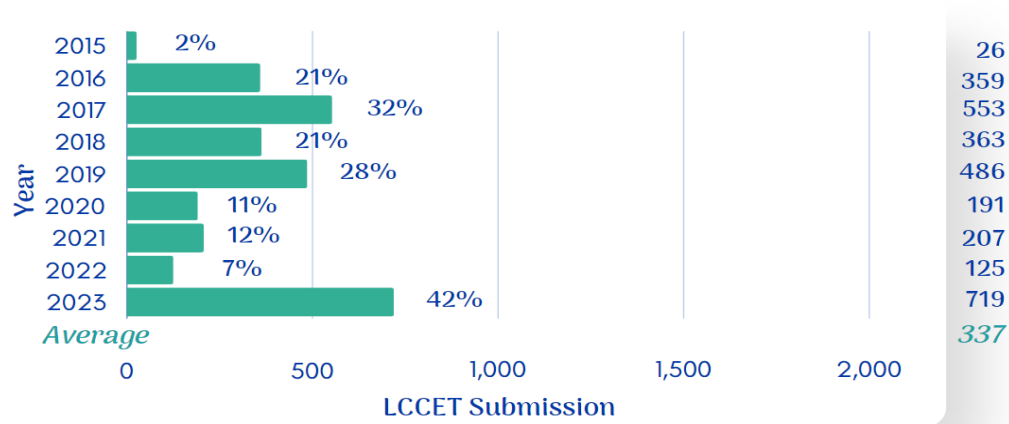
¹²⁵ DBM-CCC-DILG JMC 2015-01, page 1.

¹²⁶ Ibid, Note 125, p. 24.

copy of their climate change expenditure tagged AIP directly to the CCC, in addition to their submission to the DBM and the DILG during the budget preparation process.¹²⁷

276. Analysis of the submissions of LCCETs of LGUs showed that the submission rate has not reached 50 percent since 2015. Nevertheless, 2023 witnessed a notable upswing, registering 719 out of 1,715, equivalent to 42 percent, though this still represents a relatively modest portion of the overall LGU count. Climate change expenditures tagging of AIP averaged 337 LGUs, including provinces, cities, and municipalities¹²⁸, as shown in Figure 21.

Figure 21: Number and Percentage of LGUs Submission of LCCETs from CYs 2016-2023



Source: COA Analysis

277. The audit team visited 58 selected LGUs, comprising six provinces, 19 cities/municipalities, and 33 barangays. Of the 58 LGUs, 91%, or 53 LGUs provided the team with AIP. Of these 53 LGUs, 32 used the prescribed template provided by the DILG in tagging/tracking climate change expenditures. However, a review of AIPs revealed that seven out of the 32 LGUs had tagged/tracked climate change adaptation PPAs only, while 12 LGUs tagged/tracked both climate change adaptation and mitigation PPAs, and the remaining 13 LGUs did not tag/track their climate change PPAs. These issues were also noted upon further review of the LGUs' AIPs and LCCET submissions:

a) Different formats of LCCET submission

According to DILG, LGU should submit an electronic copy of their climate change expenditure tagged AIP directly to the CCC, the DBM, and DILG during the budget preparation process,¹²⁹ not specifically requiring it in Excel format. Non-excel files were

¹²⁷ *Supra* Note 125, § 5.1.5, p. 5.

¹²⁸ Status of Local Government Compliance to LCCET and LCCAP as of 29 June 2022.

¹²⁹ *Ibid* Note 128, para. 3, 1st bullet, pg. 1.

considered for resubmission, which delayed the processing time. However, no policy or instructions required LGUs to submit their climate change expenditure in Excel file format.

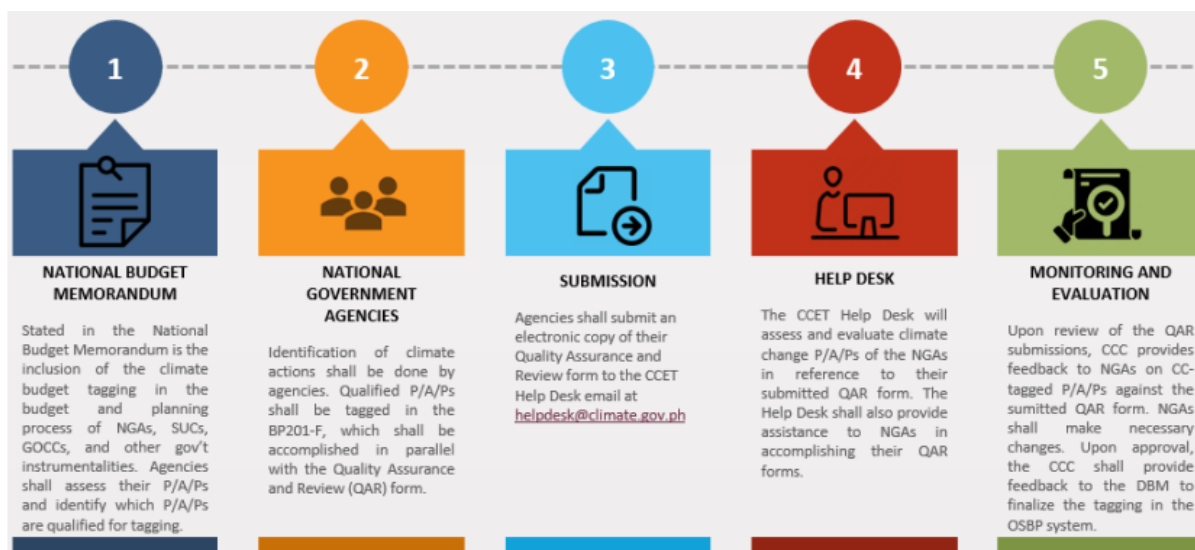
b) Absence of consequences for failure to comply.

There was poor compliance in LCCET submissions because its submission was not mandatory for LGUs. They still got their share of national taxes even without participating in the CCET. According to DBM-CCC-DILG JMC No. 2015-01, the purpose of LCCET is (a) to identify, prioritize, and tag climate change PPAs by all departments and offices of LGUs; (b) to take stock of climate change PPAs and to track and report climate change expenditures of LGUs; and (c) to clarify and spell out responsibilities among LGUs, DBM, CCC, and DILG relative to the tagging of climate change expenditures in the AIP of LGUs.¹³⁰

The CCC management commented that, similar to the LCCAP, the LCCET is already included as one of the SGLG requirements, which has increased LGUs' compliance with the tagging process.

278. At the national level, the DBM and the CCC set up a QAR system in CY 2016 to ensure the quality of the collected data and to strengthen the data uptake in the budget planning, prioritization, monitoring, and reporting processes (see Figure 22).¹³¹

Figure 22: Budget Tagging Process Flow



Source: COA Analysis

¹³⁰ Supra, Note 128 2.0, p.2.

¹³¹ DBM-CCC JMC 2015-01 Annex C (2015).

279. Likewise, at the LGU level, a QAR Tool was introduced in CY 2016 to guide LGUs in assessing and documenting the evidence that supports their climate change tagging decisions. The QAR Tool reviews the climate change objectives and coverage of the tagged PPAs and identifies their interconnection with CCA and/or mitigation responses. In addition, the QAR helps document which climate change vulnerabilities the PPA responds to in the locality and how these vulnerabilities have informed the PPA design. The QAR also reports on the contribution of the PPA to the existing LGU plans.¹³²
280. To ensure that the PPAs are properly tagged, the Help Desk requires LGUs to submit a QAR form. Moreover, the Help Desk provides a screening tool to give feedback to the LGUs. However, based on the audit team's validations, the CCC or DILG does not strictly implement the QAR form submission.
281. The CCC/Help Desk has not evaluated the programs indicated in the local action plan. However, the Help Desk monitors the climate budgeting regarding their submission of the tagged AIP aside from the LDIP of the CDP and other derivative plans at the local level. The CCC reiterated that through monitoring, it produces Local Climate Briefs, which will be shared with LGUs.
282. On the other hand, the audit team would also like to recognize that the CCC has also been actively promoting and advocating for the tagging of climate change-related PPAs in the CCET, including the following NGAs:
- a) The DOST stated that with the proper guidance of the CCC, the Department successfully accounted for the total expenditure of PPAs under the climate change sector. This initiative ensures the appropriate prioritization and allocation of funds to support climate change-related programs and projects in the government's annual program.
 - b) According to the Commission on Population and Development (CPD), the CCC provided technical assistance to the CPD through budget tagging exercises. The CPD is invited to orientations the CCC provides concerning climate initiatives.
 - c) CHED stated that they have been very active in collaborating with the CCC in the orientation workshops in CCET conducted with the State Universities and Colleges.
283. Based on the CCC's organizational structure, the Implementation Oversight Division is responsible for establishing, monitoring, evaluating, and reporting plans and programs on CCAM, including public expenditure at the national and local levels. This division comprises three sections, with nine plantilla personnel, one detailed plantilla personnel, and eight job orders. With the current number of personnel, the CCC admitted they have

¹³² Supra, Note 131, Annex C (2015).

limited personnel (capacity) to execute all its mandates. Further, in one of the meetings with the CCC, it was mentioned that there is a large volume of data to be validated by the CCC and that only two personnel are designated for this process.

284. Nevertheless, it was noted in the analysis that there was no strict implementation of the law, which requires the participation of national and local governments in the CCET. However, through the proactive measures taken by the DBM, starting in 2021, the climate budget tagging has been included in the GAA under the General Provisions. The results of the budget tagging shall guide the formulation of subsequent budgets to mainstream climate change adaptation and mitigation strategies in the national and local development process.
285. The LGUs concerned discussed the challenges they have encountered in the implementation of the LCCAP and the tagging of climate change-related PPAs in the LCCET, which includes the lack of funds to implement the PPAs, limited personnel, no feedback from CCC on their submitted expenditure tagging, and inadequate technical expertise.
286. From 2020-2022, there was low compliance in submission from LGUs. The weak participation/compliance was because it is not mandatory, and they still get their share of national taxes even without participating in the CCET. The CCC confirmed that this was due to the shifting priorities of LGUs during the COVID-19 pandemic.
287. Along with the low compliance, there is difficulty in different formats of submission from the LGUs. Non-excel files will be considered for resubmission and may delay the processing time. The CCC commented that part of their role is to assess and ensure the quality of the climate change tagging of the AIP against the climate change expenditure typology. To ensure quality submission, the LCCET Help Desk inspected the submission in three areas such as: (i) format, (ii) content, and (iii) alignment. Another role of the CCC is to review and consolidate CCC-tagged AIP submitted by the LGUs and monitor developments in coordination with oversight agencies and stakeholders.
288. The CCC further explained that from 2016 to 2023, 47 LCCET trainings were conducted, and at least 4,625 individuals representing 1,361 LGUs participated. Also, a request for assistance from the World Bank was made to conduct a study to enhance the compliance of both national and local CCET submissions that resulted in the following strategies:
 - a) For the national, deep-dive sessions were conducted with SUCs and GOCCs to increase their CCET participation in coordination with CHED and GCG. This resulted in a 21 percent increase in participation of SUCs budget preparation from 70 for CY 2023 to 85 for CY 2024, while a 100 percent increase in GOCCs participation was noted from 15 for CY 2023 budget preparation to 30 for CY

2024. In addition, for CY 2024, the CCC planned to deliver the following to sustain national CCET compliance:

- Organize special sessions for non-compliant NGAs; and
- Conduct FGDs with COA Auditors on the implementation of the COA audit policies that include reporting timelines, outputs, and institutional arrangements

b) For the local level, the CCC collaborated with the DILG to include the LCCET indicator in the SGLG. This resulted in a 472 percent increase in submission from 125 LGUs in CY 2022 to 715 LGUs in 2023. For CY 2024, to sustain LCCET compliance, the CCC planned to deliver the following:

- Strengthen its monitoring systems in line with the inclusion of the LCCET certification as one of the criteria for the SGLG and as one of the targets under PDP 2023-2028 and
- Conduct FGDs with the DILG, NEDA, and the Leagues of Cities and Municipalities.

289. The total annual climate change expenditure reported by the National Government is incomplete, as various LGUs cannot tag their respective PPAs as climate adaptation or mitigation projects. At the local level, even with a new record high submission of tagged AIPs to date, the total submission is still only 42 percent of the total LGUs. Due to the lack of proper review or validation of the utilization of funds per tagged PPA, it could not be determined whether the tagged budget for climate adaptation and mitigation PPAs can contribute to achieving the objectives.

290. The CCC clarified that for diverse formats used by LGUs in submitting AIPs, the Helpdesk encourages LGUs to provide copies of their AIP in Excel format for easier data processing. Currently, there is an ongoing effort to establish guidelines for AIP submission. The Helpdesk will coordinate with relevant agencies and LGUs on this matter. Regardless of the file format submitted, as long as it pertains to AIP and QAR, the Helpdesk will consider it as one submission. While for poor compliance to LCCET submissions, for 2023, DILG included LCCET submission as one of the SGLG Indicators.

291. Furthermore, CCC commented that in recognizing the efforts of the CCET Helpdesk at the NGA level, the CCET Helpdesk is committed to translating that same effort in assisting LGUs in the CCET process. The CCET Helpdesk is collaborating with DILG, the private sector, and other relevant stakeholders to develop capacity-building programs for LGUs. Additionally, the CCET Helpdesk also accommodates requests for technical assistance from LGUs. More personnel under the CCET Helpdesk are needed to fully assist LGUs nationwide. Lastly, to address the gaps noted on the CCC/Helpdesk, the CCC has established a Special Working Group on March 2023.

292. **In collaboration with the DILG and DBM, we recommended that the CCC implement the following: (a) formulate and issue resolution for a**

prescribed format to expedite the submission of CCET; (b) formulate a responsive review mechanism for CCET to immediately address commentary notes; and (c) develop and implement a program management plan to be able to assess resources gap to implement the NCCAP effectively.

Due to lack of report on the status of implementation of climate change in the local level, effectiveness of climate change strategies' could not be determined

293. The law mandates that the Commission shall, within six months from the effectivity of the Act, formulate an NFSCC upon consultation with concerned government agencies, LGUs, private sector, NGOs, and CSOs. The NFSCC shall serve as the basis for climate change planning, research and development, extension, and monitoring of activities, programs, and projects, as well as climate financing to protect vulnerable communities from the adverse effects of climate change.¹³³
294. Moreover, in coordination with the concerned agencies and stakeholder groups, the CCC shall install an M&E system to track the implementation progress of the provisions of this NFSCC and the resulting NCCAP and LCCAPs.¹³⁴
295. At the LGU level, implementation monitoring of CC-related PPAs may have to be lodged with the Planning and Development Office, except when a unique climate change unit has been established. For instance, the Provincial Government of Albay has been established to focus singularly on the coordination, monitoring, and implementation of CC-related PPAs. The NCCAP RBME framework will guide to determine the following:
 - a) which LGUs need to be included in the monitoring;
 - b) up to what level in the LGU hierarchy (provincial, municipal, village) will monitoring be appropriate and relevant. Some considerations may pertain to:
 - i. the vulnerability of geo-political jurisdiction of specific LGUs;
 - ii. ecosystem approach to addressing climate change vulnerability, but the M&E mechanism remains LGU-based; and
 - iii. the feasibility of "localized" M&E is integrated into the whole NCCAP RBMES.¹³⁵
296. Under the monitoring guide prescribed by the CCC and DILG-LGA, once the LCCAP is formulated, the LGU shall develop measures for M&E progress and evaluate adaptation and mitigation programs/projects, reporting on results, and adjusting objectives and strategies to ensure that the LGU's climate change actions remain aligned with its development goals and that the LCCAP remains responsive to the needs of the community over time.¹³⁶ The prescribed guide gave the LGU room for flexibility, wherein the LGU may adopt a specific M&E system or framework—either results-based management or logical framework, etc.—

¹³³ *Supra*, Note 17, Rule VIII, § 1, p.25.

¹³⁴ *Supra*, Note 20, p. 36.

¹³⁵ *Supra*, Note 36, p. 28.

¹³⁶ *Ibid*, Note 36, p. 135.

or use an existing one for M&E to implement its LCCAP.¹³⁷ In addition, the assessment, M&E, is integral to climate change action planning and implementation. In doing these activities, the LGU is expected to measure progress and evaluate successes and setbacks in the LCCAP implementation.¹³⁸

297. However, interviews with officials of selected LGUs disclosed that they have not prepared monitoring reports on implementing their LCCAP following the process required by the CCC. Some LGUs prepared reports, but these were not compliant with CCC requirements.
298. Furthermore, while the CCC was able to provide guidelines¹³⁹ for how LGUs should track the progress of their PPA implementation in their action plans, it failed to capacitate them to adopt the same. Nonetheless, as part of their initiative, LGUs have made a concerted effort to monitor the PPAs of their local action plans by preparing or generating a periodic accomplishment report.
299. These may be attributed to the following:
 - a) There is no standard monitoring mechanism or tool explicitly designed for LCCAP; and
 - b) There is a lack of technical assistance or guidance from appropriate agencies.
300. In the absence of capacity to monitor and evaluate the implementation of the LCCAP, it would be challenging for the LGUs and the CCC to effectively track the progress and performance of climate change actions and ensure that programs, activities, and projects remain relevant and effective in meeting the complexity of the realities and challenges on the ground and identify areas for improvement or to make data-driven decisions.
301. Since the LCCAP and other local development plans are reviewed regularly, the results from the monitoring tools will be useful in revisiting the vulnerability and risk assessments conducted in the initial steps of the LCCAP implementation process.¹⁴⁰
302. **We recommended that CCC, in partnership with the DILG, implement the following: (a) formulate and prescribe a monitoring tool for LGUs; and (b) provide technical assistance and guidance in utilizing the prescribed monitoring tool to track the progress of the implementation of their climate change PPAs effectively.**

¹³⁷ *Supra* Note 36, p. 137.

¹³⁸ *Ibid*, p. 76.

¹³⁹ LGA Handbook.

¹⁴⁰ *Supra* Note 142, p. 76.

Conclusions

303. The NCCAP, consistent with the NFSCC, aims to build the adaptive capacities of women and men in their communities, increase the resilience of vulnerable sectors and natural ecosystems to climate change, and optimize mitigation opportunities towards gender-responsive and rights-based sustainable development. Considering its geographical location, the Philippines and its local communities are particularly vulnerable to several adverse climate change impacts that may damage ecosystems and cause biodiversity loss that affects the country's environment, culture, and economy.
304. One of the CCC's significant functions includes mainstreaming climate risk reduction into national, sectoral, and local development plans and programs. However, at the national level, varying appreciation of CCA strategies across government institutions and vague provisions of roles, responsibilities, and accountabilities of various key implementers in the NCCAP were noted. At the local level, CCC encountered challenges in M&E LGUs' climate change strategies due to the partial tagging of PPAs and the absence of mechanisms. The fiscal autonomy of LGUs exacerbates the challenges in translating national climate change policies into local-level policies and development plans. In addition, inadequate policy integration and coordination of national climate change strategies were noted in national and local level policies and development plans. For these reasons, despite the planned synchronized implementation of climate change strategies, institutional arrangements, and legal framework set, climate change strategies, particularly in Human Security and Knowledge and Capacity Development thematic areas in the national and local level policies and development plans were not fully aligned with the NCCAP.
305. Ensuring that crafted climate change policies and strategies appropriately address climate change impacts is one of the major functions of the CCC in conducting vulnerability assessments. However, despite adopting strategic priorities through developing NFSCC and formulating NCCAP, crucial concerns impacting the formulation of climate change priorities were noted. The NCCAP embodied the national climate change policies and was not exposed to climate risks and vulnerability assessment. Limited engagement with key stakeholders was pointed out in the formulation of the NCCAP and the LCCAP, which may result in the incompatibility of climate change strategies and the actual vulnerabilities impacting marginalized communities and gender responsiveness, among others.
306. The role of LGUs is specifically significant as the frontline in formulating, planning, and implementing climate change action plans. In support, the government created the PSF with an allocation of at least Php One Billion annually for the CCA strategies of LGUs and eligible LCOs. However, since its creation in 2015, stringent documentary requirements, proponents' lack of technical capacities and awareness, and irregular calls for proposals were noted. While it is notable that the PSF Board streamlined the documentary requirements from 15 down to four documents in its 2023 call for proposals, it was applicable only for LGUs. Consequently, the LCOs were excluded. Still, from 2015 to the present, out of 176 project proposals submitted, only six were approved, showing that the use of PSF was not maximized.

307. To provide information that sets directions in setting priorities and budgets and information needed to make decisions and implementation status that aim to build experiences, M&E is also an initiative that heightens the government's accountability, transparency, and public participation in implementing climate change strategies. However, due to the absence of specific key performance indicators, complications in communicating with the NGAs, and rendering of a partial report of the following: i) adaptation initiatives funded by international financing windows; ii) tagging of LCCET; and iii) lack of status report in the LCCAP, caused the inability of the CCC to provide a complete M&E report for the NCCAP.
308. As regards the contribution of NCCAP to the implementation of SDG 13: Climate Action, the target for SDG 13.2.1 for 2030 has already been attained. However, noted gaps in implementing the NCCAP and SDG indicators would hinder the monitoring and/or progress in attaining SDG 13 targets.

Recommendations

309. Nonetheless, while the implementation of the NCCAP is in its final phase, the CCC is still experiencing difficulty translating the government's national climate change policies and strategies into national and local developmental plans. Enhanced coordination and mainstreaming of CCA policies and strategies at all levels of government can still be realized. The COA recommends measures that the CCC can adopt that align with the principles of efficiency, economy, and effectiveness.
310. To align the implementation of climate change strategies throughout the government, the CCC should:
 - a) revisit and update the NCCAP to consider the assessment of climate risk and vulnerability and establish the baselines and measurable indicators by:
 - i. conducting a comprehensive nationwide climate risk and vulnerability assessment, taking into account the climate analytics conducted for the NAP, in updating the NCCAP to be able to identify and prioritize the most vulnerable communities/ areas, determine the appropriate climate change interventions, strategies, and assess the capability of the government in responding to the current and emerging needs of men, women, and other vulnerable groups to potential impacts of climate change; and
 - ii. identifying the baseline data and setting SMART performance indicators/ targets to assess the government's climate change actions' progress and/or shortcomings.
 - b) develop a proactive measure that will support collaboration across government institutions by ensuring close coordination with the key stakeholders in the following areas:
 - i. in the implementation of NCCAP, specify climate change activities through robust consultation with the lead implementing agencies; and
 - ii. while at the local level, develop a review mechanism in partnership with DILG and other concerned agencies to ensure the consistency of LCCAP with the provisions in the NCCAP and continued training and capacity-building activities for personnel responsible for the development/enhancement of the LCCAP and tagging of climate change-related PPAs in the AIPs.
 - c) strengthen partnerships with the non-government sector by establishing clear guidelines for enhancing NCCAP for the former's participation in identifying priorities and appropriate programs/strategies. Keep in mind that its result will be utilized to enhance the national and local climate change action plans.
 - d) as the national lead policy-making body for climate change, the CCC should:

- i. incorporate in the updating of the NCCAP the requirements under Executive Order No. 174, series of 2014, for the commitment of the government to SDG 13.2 on GHG;
 - ii. in coordination with other lead agencies to come up with a baseline and target for 2030 for SDG 13.2.2 from which progress can be monitored and assessed; and
 - iii. in collaboration with the PSA, formulate proactive measures to develop methodologies for indicators under the SDG 13.3 target.
311. To ensure that climate change priorities are responsive to the existing vulnerabilities, in enhancing the NCCAP, CCC should:
- a) expose the enhanced NCCAP to risk and vulnerability assessment to improve the quality of climate change vulnerabilities and ensure that climate change priorities are responsive to the actual vulnerability;
 - b) ensure the participation of the non-government sectors in the enhancement of NCCAP to maximize its benefits to vulnerable sectors/areas; and
 - c) continuously conduct trainings/workshops involving all critical stakeholders, including non-government sectors.
312. While it is outstanding that the PSF Board streamlined the documentary requirements for the PSF applications from 15 documents down to 4, the percentage of approved project proposals was only three percent. To improve the uptake of the fund, the CCC, through the guidance of the PSF Board and in partnership with the DILG-LGA, conducts continuous awareness campaigns and capacity-building efforts for all eligible proponents.
313. To provide the information needed to set directions for the national climate change strategies, CCC needs to:
- a) implement the M&E mechanism to help LGUs in identifying the priorities in their climate change strategies;
 - b) develop a mechanism in collaboration with the DILG-LGA to strictly enforce submission of LCCAP and tagging of climate change expenditures; and
 - c) in partnership with the DOF, to create and implement a monitoring mechanism for climate change PPAs funded by international financing windows that will include the designation of an appropriate agency/office to conduct these activities for accountability and transparency.

Agency Comments

The CCC and DILG-LGA were provided copies of the draft report, and the comments were incorporated into the report where appropriate.

Contact points for our Performance Audit Office may be found on the last page of this Report. In addition, significant contributors to this report are listed in Appendix IX.

In addition, the Report will be available on the COA website, which can be found at <https://www.coa.gov.ph>.



MICHAEL L. RACELIS

Director IV
Performance Audit Office
Special Services Sector

Appendix I: Objectives, Scope and Methodology

COA conducted performance audits to help government agencies better perform their mandate and achieve program goals and objectives more economically, efficiently, and effectively. It identified the NCCAP to be audited considering that it outlines national programs and strategies for CCAM for 2011 to 2028, with the ultimate goal to build the adaptive capacities of women and men in their communities, increase the resilience of vulnerable sectors and natural ecosystems to climate change, and optimize mitigation opportunities towards gender-responsive and rights-based sustainable development. Considering the resources granted for the audit engagement, the second mid-term plan, the flagship program implemented from 2017-2022, was selected for audit focusing on “Adaptation and Mitigation at Operational Level”. Human Security, Knowledge, and Capacity Development were selected from seven thematic priorities. These two priority areas are directly linked to the ultimate goal of NCCAP. Human Security’s objective is to reduce the risks of women and men to climate change and disasters, while the starting point to achieve this objective is through knowledge and capacity development activities.

The audit aimed to determine: (1) the extent the government provided for enabling legal and policy frameworks and institutional arrangements in response to the urgency for action on climate change; (2) the availability and sufficiency of required resources and capabilities to implement adaptation initiatives on climate change; and (3) the periodic monitoring, evaluation, and reporting on the NCCAP implementation.

Desk reviews were conducted on relevant laws, policies, rules, and regulations related to the NCCAP to determine the legal and policy frameworks and institutional arrangements for implementing the national climate change strategies. These include documentation of the outcomes (ultimate, intermediate, and immediate), output area, key performance indicators, institutions involved, and activities. In addition, to determine whether the national climate change policies and strategies were translated to the national and local development plans, the audit team issued inquiries to the lead implementing agencies of Human Security and Knowledge and Capacity Development thematic areas. It analyzed policies to determine each agency’s respective roles and responsibilities at the national level. At the local level, the audit team interviewed concerned Officials, performed desk reviews, conducted FGDs with the non-government sector, and administered surveys to selected residents and employees of critical facilities.

To determine the availability and sufficiency of required resources and capabilities to implement adaptation initiatives on climate change, the team performed a desk review of the LCCAPs and expenditure tagging of climate change strategies. The team also interviewed concerned officials of selected LGUs and conducted an ocular inspection of approved projects funded by the PSF. Inquiries were sent to the DOF for other financial windows for Philippine CCAM strategies.

Finally, to determine whether the periodic monitoring, evaluation, and reporting on the NCCAP implementation, the team reviewed policies, JMCs, and NCCAP M&E reports. Moreover, the team interviewed officials of selected LGUs, attended meetings and program briefings with CCC representatives, and administered survey questions to assigned residents and employees of critical facilities of selected LGUs.

The audit was conducted from June 2022 to September 2023. Using the Hazard Mapping Assessment for Effective Community-Based Disaster Risk Management or “READY” Project, the audit team identified areas/provinces most vulnerable to natural and climate-related hazards in Regions III, VIII, and CARAGA. In addition, NCR was also selected due to its vulnerability to flooding. The selected provinces were Aurora and Zambales in Region III, Eastern Samar and Leyte in Region VIII, and SDN and SDS in CARAGA. In contrast, the Cities of Marikina and Taguig were selected for NCR.

The LGUs within the said Regions were selected based on the submission of LCCAP and compliance to LCCET from CYs 2017-2022. The audit fieldwork and validation involved interviews with LGU Officials on the formulation/development, implementation, and monitoring of the LCCAP, administration of survey questions to residents and employees of critical facilities, and conducting FGDs with CSOs and LCOs.

The audit followed the Standard for Performance Auditing embodied in the ISSAI 3000 and ISAM. The standard requires that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: PSF Process Flow

1. PSF Board issues a call for proposals to be submitted to the PSF Secretariat. This is usually conducted twice a year. Announcements will be declared through the DOF and CCC's social media pages and websites.
2. Upon receiving proposals, the PSF Secretariat will assess the completeness of the submitted documents.
3. If documents are complete, the PSF Secretariat shall forward the proposals to the CCC for climate rationale review and technical evaluation. After the review and assessment, reports shall be transmitted to the PSF Secretariat.
 - i. If the review result is favorable, the PSF Secretariat shall proceed with field validation/field appraisal.
 - ii. If not favorable, the result of the review and evaluation shall be forwarded by the PSF Secretariat for the proponent's guidance. The CCC may also provide technical assistance to enhance the proposal based on the review.
4. Once the PSF Secretariat has conducted a field appraisal, an appraisal report shall be prepared and forwarded to CCC for endorsement by the Commissioners.
5. Upon endorsement of most Commissioners, the PSF Board shall deliberate whether the project will be approved.
6. After deliberation, the Secretariat will inform the proponent of the decision. If approved, the Financial Agreement shall be signed.
7. The Development Bank of the Philippines, as the fund conduit of PSF, shall disburse the funding per tranche. This is also based on the terms indicated in the Financial Agreement.
8. Once there is funding, the proponents shall proceed with project implementation.
9. Proponents shall submit quarterly reports to monitor the progress of the project. This shall be submitted to the PSF Secretariat.
10. Upon completion of the whole project, an Impact Evaluation shall be conducted for 3-5 years to assess the effectiveness of the project.

Appendix III: Comparative List of PSF Documentary Requirements Before and After Streamlining

From 2015 to 2017	Starting 2023
<ol style="list-style-type: none"> 1. Project proposal; 2. Sanggunian/Board Resolution affirming the interest to apply; 3. Audited Financial Statement covering the last 3 years; 4. Vulnerability/Risk Assessment/Hazard Maps or any relevant document indicating climate risk exposure; 5. Feasibility study (if applicable); 6. Administrative Order/EO creating the Project Implementation Unit/Team; 7. Minutes and highlights of consultation with stakeholders for the project; 8. Database of stakeholders consulted; 9. Sex/Gender disaggregated data in proposal consultations and proposal beneficiaries; 10. Program of Work; 11. Detailed Cost Estimates of the Project; 12. Environment Compliance Certificate and Certificate of Non-Coverage if applicable; 13. Results Framework; 14. Certificate of No Derogatory Record of the officials/board members; and 15. All other necessary documents as maybe required upon evaluation of the application. 	<ol style="list-style-type: none"> 1. Letter of intent signed by the LCE, or head of the organization; 2. Accomplished PSF project proposal template with Work and Financial Plan; 3. Any reference document such as enhanced CDP, enhanced CLUP, LCCAP, or any risk and vulnerability assessment; and 4. Annual Investment Plan.

Appendix IV: Activities and Outputs for Human Security for CYs 2017-2022

ACTIVITIES		OUTPUTS
Output Area:		
1.2. Knowledge and capacity for CCA-DRRM developed and enhanced		
Institutions Involved:		
Lead Government Agencies: CCC, NDRRMC, PIA		
Coordinating Government Agencies: All NGAs, LGUs		
Other Partner Institutions: CSOs, academic organizations on health		
1.2.1. Develop and implement knowledge management on CC and disaster risks.		
a. Organize and mobilize national and local networks of CC practitioners and resources that can provide assistance to LGUs and communities on CCA-DRRM		Resource networks on CCA-DRRM mobilized.
b. Develop accessible and gendered knowledge products on CC and disaster risks.		Accessible and gendered knowledge products on CC and disaster risks developed.
c. Develop and implement an IEC program.		IEC program developed and implemented.
1.2.2. Increase local and community capacities for CCA-DRRM		
a. Increase capacity for forecasting, early warning and disaster risk communication.		Upgrading of skills, equipment, and infrastructure for forecasting, early warning and risk communication implemented.
b. Identify indigenous early warning systems on disasters for potential replication in other areas.		Indigenous early warning systems for DRR identified, assessed, and replicated.
c. Conduct training of trainers to respond to the needs of communities for CCA-DRRM.		Pool of trainers at the local level organized.
Output Area		
2.1. Public health surveillance system developed and implemented in all provinces.		
Institutions Involved:		
Lead Government Agency: DOH		
Coordinating Government Agencies: Department of Social Welfare and Development, LGUs, DILG		
2.2.1. Implement community-based public health surveillance system for CC-sensitive diseases		
a. Develop and implement community-based public health monitoring and surveillance system.		Community-based system for public health monitoring and surveillance system developed and implemented.

ACTIVITIES	OUTPUTS
b. Conduct training of communities on the public health monitoring and surveillance system.	Capacity building for communities implemented.
c. Develop reporting system for early warning and timely response	Reporting system developed and implemented.
Output Area: 2.3. Health emergency response, preparedness and post-disaster management implemented at the national and local levels.	
Institutions Involved: Lead Government Agencies: DOH, NDRRMC Coordinating Government Agencies: All NGAs, LGUs Other Partner Institutions: Red Cross, professional associations	
2.3.1. Improve system for health emergency preparedness and response for climate and disaster risks	
a. Develop and implement a program to increase capacity for health emergency preparedness and response.	Health emergency preparedness and response capacity development programs implemented.
b. Implement program for community health emergency preparedness and response.	Community health emergency preparedness and response implemented.
Output Area: 3.1. Adaptive and secured settlement areas for vulnerable communities and climate-refugees defined.	
Institutions Involved: Lead Government Agencies: LGUs, HUDCC	
3.1.1. Develop a long-term plan for adaptation of highly CC vulnerable population and climate refugees.	
a. Develop and implement a settlement adaptation and resettlement plan in consultation with affected communities, private sector, and CSOs	Settlement adaptation and resettlement plan in consultation with affected communities, private sector, and CSOs developed and implemented.
b. Develop and implement a financing plan	Financing plan implemented.
c. Develop and implement plan to secure and manage conflict-affected resettlements.	Plan to secure and manage conflict-affected resettlements developed and implemented.
d. Identify and implement gender-responsive sustainable livelihood and social protection programs for resettled and vulnerable poor families.	Gender-fair sustainable livelihood and social protection programs for resettled and vulnerable poor families implemented.

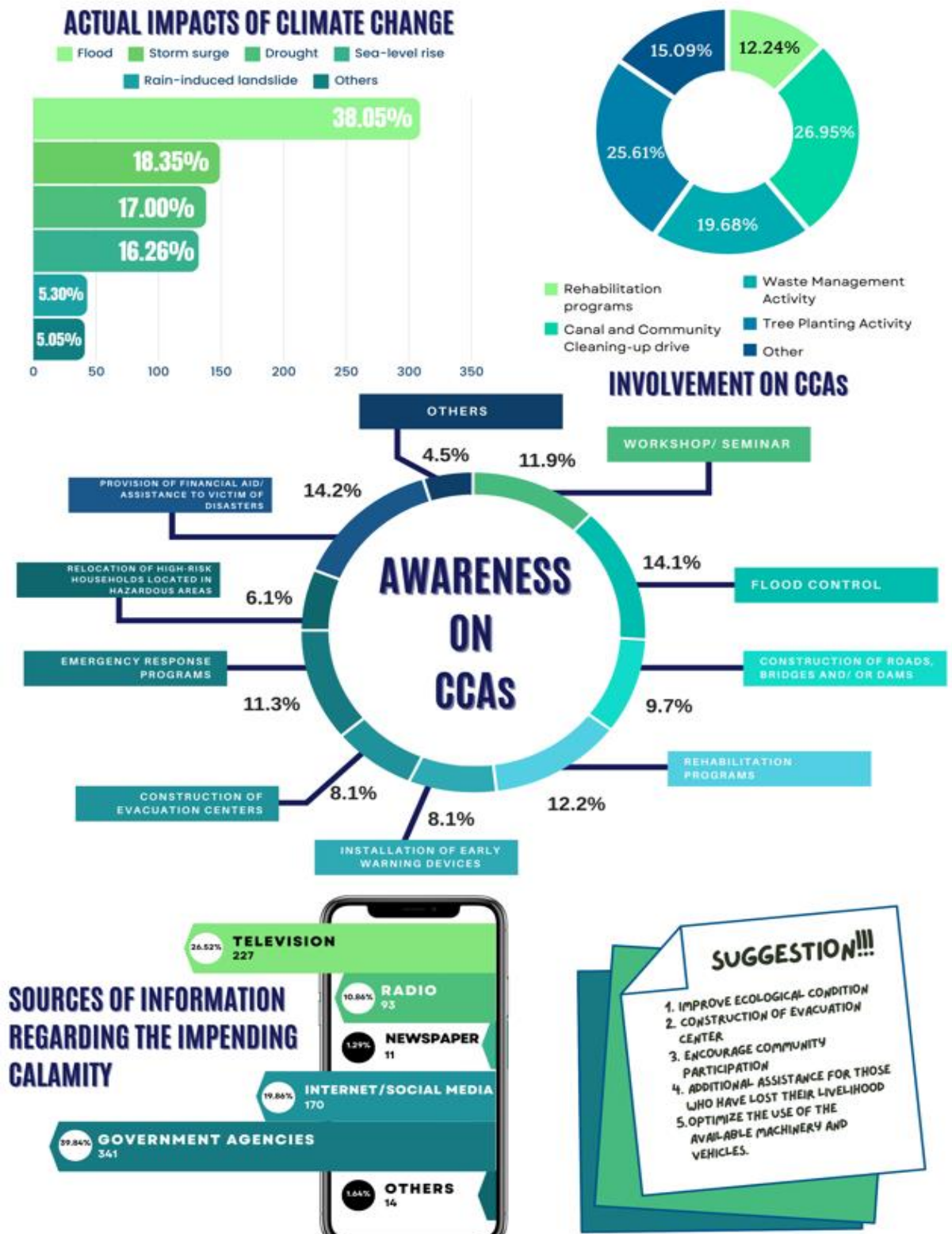
ACTIVITIES	OUTPUTS
Output Area:	
3.2. Population congestion and exposure to CC risks reduced	
Institutions Involved:	
Lead Government Agencies: DOH, Population Commission	
3.2.1. Extensive IEC program on CC risks and population management	
a. Develop and implement a CC-proofed integrated settlement that considers CC risks and carrying capacities.	CC-proofed integrated settlement that considers CC-risks and carrying capacities developed and implemented.
b. Develop and conduct IEC program on CC and population management in coordination with LGUs, local health organization and community organizations.	IEC program on CC and population management in coordination with LGUs, local health organization and community organizations developed and conducted.
c. Increase access to population management information and services.	Access to population management information and services increased.

Appendix V: Activities and Outputs for Knowledge and Capacity Development for CYs 2017-2022

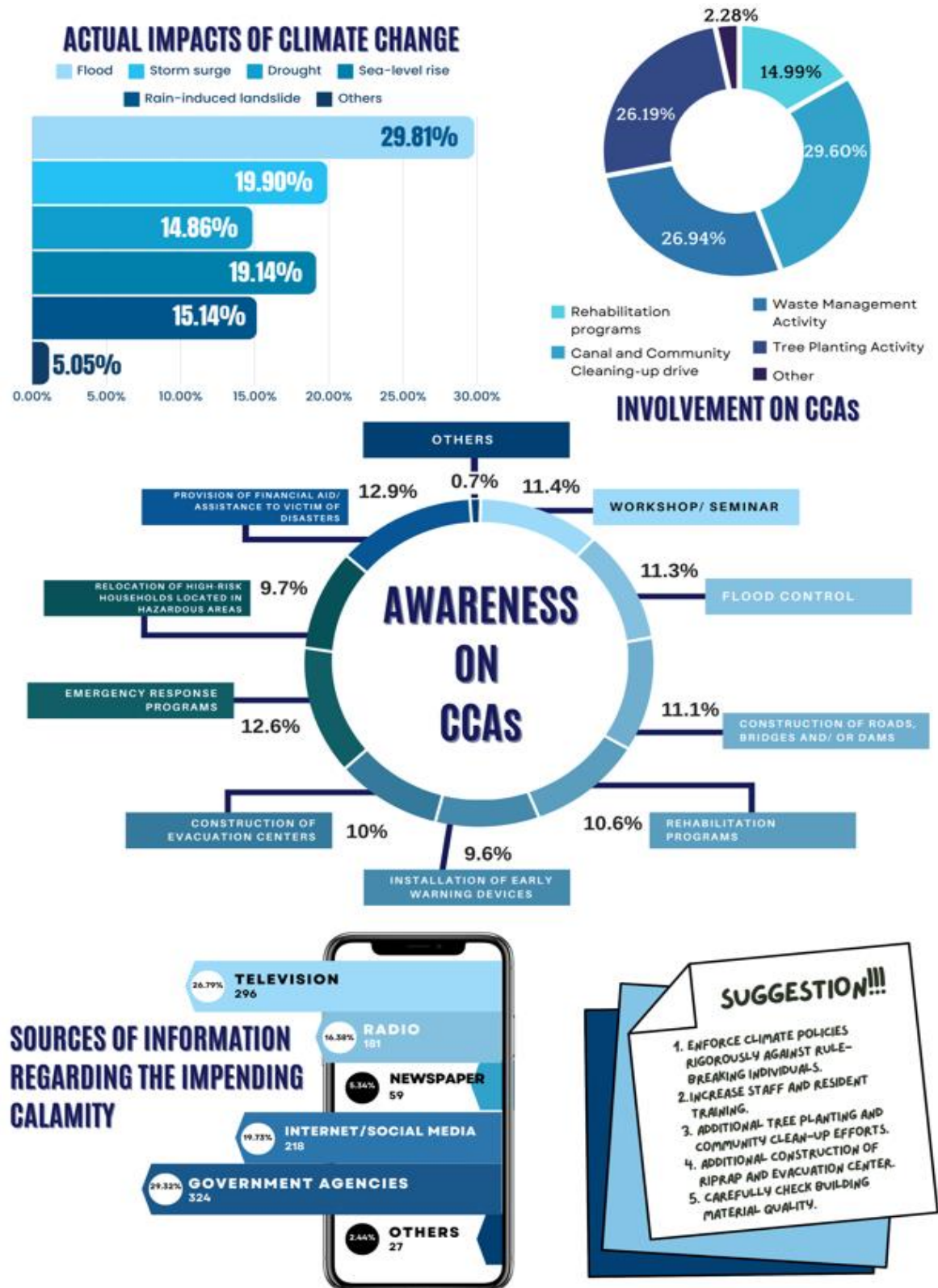
ACTIVITIES		OUTPUTS
Output Area		
1.1. Improved capacity for CC scenario modeling and forecasting.		
Institutions Involved:		
Lead Government Agencies: DOST, CHED		
Coordinating Government Agencies: CCC, All NGAs, LGU Leagues		
1.1.1. Establish centers of excellence on CC science at the national and regional level.		
a. Identify and designate centers of excellence for CC research and development.		Centers of excellence at the national and regional level designated.
b. Develop capacity building plan for the identified centers.		Capacity building plan and program developed
c. Implement capacity building plan.		Capacity building plan for CC centers of excellence implemented.
e. Develop financing plan.		Financing mechanism for capacity development established.
1.1.2. Improve government systems and infrastructure required for CC modeling and climate forecasting.		
a. Upgrade skills, infrastructure and equipment for CC modeling and weather forecasting.		Infrastructure and equipment for CC modeling and forecasting at the national and local level upgraded.
Output Area:		
1.2. Government capacity for CC adaptation and mitigation planning improved.		
Institutions Involved:		
Lead Government Agencies: DOST, CCC		
Coordinating Government Agencies: All agencies		
1.2.3. Implement a national system for monitoring greenhouse gas emissions.		
c. Develop an integrated data and information system on greenhouse gas with the CCC.		Integrated database and information system of GHG developed.
Output Area:		
2.1. CC resource centers identified and established		
Institutions Involved:		
Lead Government Agencies: DICT, DILG, CCC		
Coordinating Government Agencies: All government agencies		
Other Partner Institutions: Academic institutions, professional associations, service organizations, non-government organization		
2.1.1. Establish network CC resources in all regions.		

ACTIVITIES	OUTPUTS
b. Establish web-based network linking CC resource networks and centers of excellence.	CC resource networks and centers of excellence web-based link established and expanded.
Output Area: 3.1. Gendered CC knowledge management established	
Institutions Involved: Lead Government Agencies: DICT, DILG, CCC Coordinating Government Agencies: All agencies Other Partner Institutions: CSOs, private sector and industry associations	
3.1.3. Validate and monitor the implementation of NCCA	
a. Develop and implement a gender sensitive performance monitoring system for NCCAP	Gender-sensitive performance monitoring system for NCCAP developed and implemented.

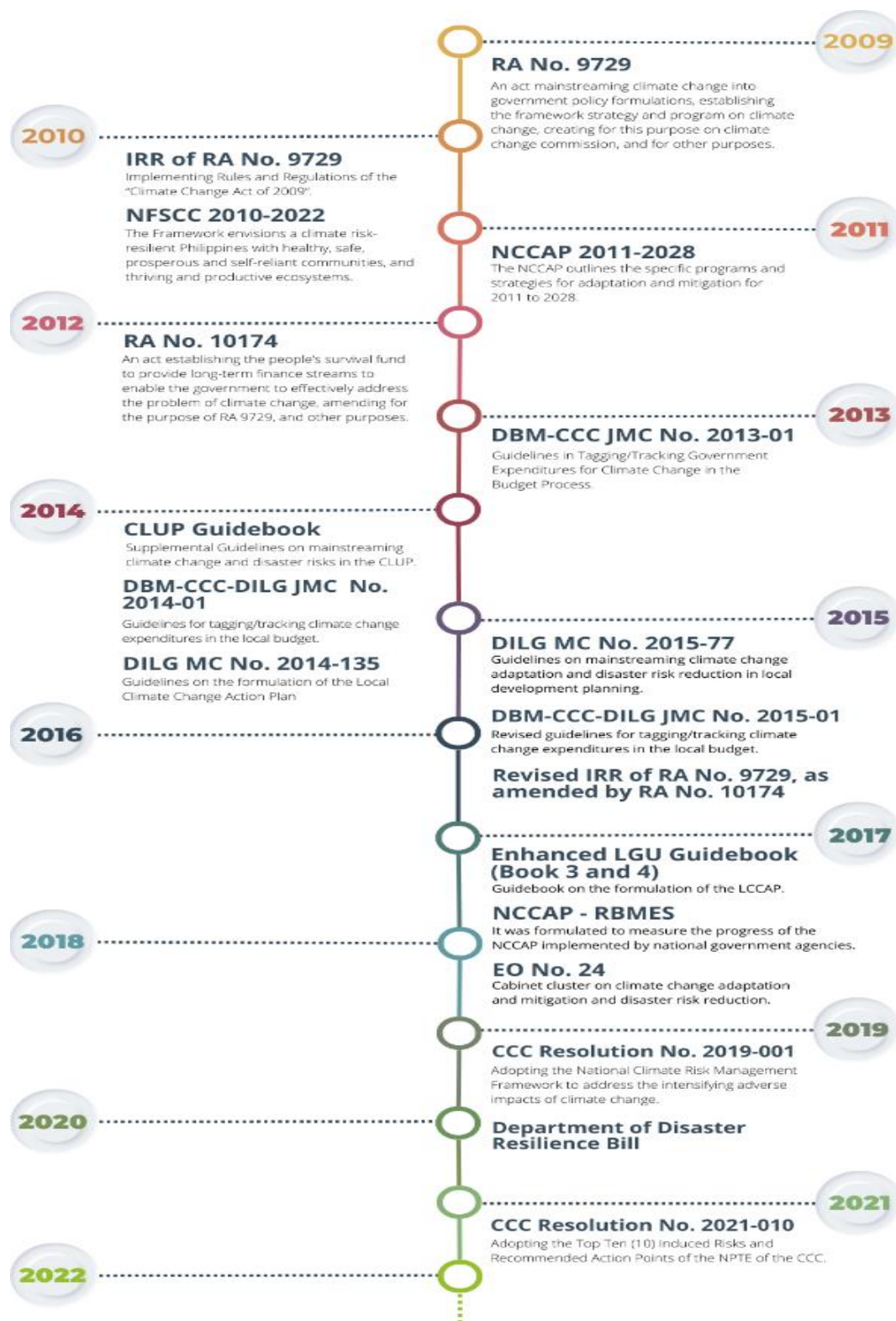
Appendix VI: Survey Results on Local Residents



Appendix VII: Survey Results on Employee of Critical Facilities



Appendix VIII: Key National Policy, Legislation, Framework, Plan and Guidelines Issuances from 2009-2022



Appendix IX: COA Contact and Staff Acknowledgements

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