

The Philippines Mission Report

PaSTI- JAIF phase 1 project on development of facility/company level measurement, reporting and verification (MRV) to support carbon pricing in ASEAN member states (AMS)



01. Project Description

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| Project Type | Development and implementation of facility/company level Monitoring, Reporting and Verification (MRV) systems for Greenhouse Gas (GHG) emissions in ASEAN Member States (AMS) |
| Objectives of the mission | <ul style="list-style-type: none"> To collect and validate the information on facility level GHG measurement and reporting (M&R) To identify the priority sector to develop regional facility level M&R guideline for ASEAN. |
| Location | <p>1st and 2nd Meetings: Park inn by Radisson, Philippines</p> <p>3rd Meeting: Climate Change Commissions, Philippines</p> |
| Dates | 08 November 2019 |
| Project Participants | <p>1st meeting:</p> <p><i>Climate Change Office (EMB-Dept of Environment and Natural Resources)</i></p> <p><i>Mr. Albert A. Magalang (Head)</i></p> <p><i>OECC (Implementation Agency of PaSTI-JAIF)</i></p> <p>Riki Nakajima (Researcher)</p> <p><i>ClimateSI (International Consultant of PaSTI-JAIF Phase 1)</i></p> <p>H.M.Buddika Hemashantha (International MRV expert), H.M. Wasundara Sashenka (MRV Engineer)</p> <p>2nd meeting:</p> <p><i>Climate Change Office (EMB-Dept of Environment and Natural Resources)</i></p> <p><i>Mr. Albert A. Magalang (Head)</i></p> <p><i>Energy Development Corporation</i></p> <p><i>Mr. Paulo M. Goooc (Air quality specialist)</i></p> <p><i>OECC (Implementation Agency of PaSTI-JAIF)</i></p> |

Aya Marabini (Researcher)

ClimateSI (International Consultant of PaSTI-JAIF Phase 1)

H.M.Buddika Hemashantha (International MRV expert), H.M. Wasundara Sashenka (MRV Engineer)

3rd meeting:

Climate Change Commission (Implementation Oversight Division)

Ms. Sandee G. Recabar (Planning Officer)

OECC (Implementation Agency of PaSTI-JAIF)

Riki Nakajima (Researcher)

ClimateSI (International Consultant of PaSTI-JAIF Phase 1)

H.M.Buddika Hemashantha (International MRV expert), H.M. Wasundara Sashenka (MRV Engineer)

02. Participating Organizations

- Partnership to Strengthen Transparency for Co-Innovation-Japan-ASEAN Integration Fund (PaSTI-JAIF)
- Overseas Environmental Cooperation Centre (OECC)
- Climate Change Commission (CCC) – Philippines
- Energy Development Corporation - Philippines
- Climate Smart Initiatives (Pvt) Ltd (ClimateSI)

03. Participants

(Omitted)



04. Matters Discussed with the National Environment Agency

| Agenda Item | Matters Discussed | Remarks |
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| 01. | Objective of the missions | <ul style="list-style-type: none"> To explore the experience of facility level M&R guideline in state and non-state level; To identify the legal gaps; and to identify a sector to develop facility level M&R guideline |
| 02. | Legal status for facility level M&R in the Philippines | <p>The Philippine currently does not have any legislations to mandate the measurement and reporting (M&R) at facility level. Executive order 174 (2014) is mainly for national level M&R, which does not cover facility level M&R.</p> <p>Security Exchange Commission (SEC) of the Philippine has issued a resolution No. 4 mandating publicly listed companies to report their emissions, and it has also produced a guideline to be followed by the companies.</p> |
| 03. | Existing and proposed facility level M&R system | <p>There is M & R guideline established for energy sector based on UNFCCC CDM methodologies. However, this has not been used due to its complexities.</p> <p>Though there is no voluntary M&R system for any sector in the country, Cement Manufacturers Association of the Philippine collects GHG data from their members.</p> <p>The country has developed MRV templates for mitigation actions at national level while it is also developing climate change statistics database.</p> <p>It is observed that Santa Rosa City (economic zone) has a system to calculate the facility level GHG emissions, which has been developed with the assistance from USAID.</p> |
| 04. | Preferred sectors for developing regional facility level M&R guideline | <p>The Philippine suggested industry, energy and transport sectors should be considered while developing regional facility level M & R guideline.</p> |

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| | | <p>However, the country indicated that cement sub sector under Industry will be priority for now.</p> <p>But the Philippine also highlighted that they can align the priority sector with other ASEAN countries while they will also have an internal discussion to prioritize sub sectors internally and share with the PaSTI JAIF.</p> |
| 05. | Capacity building | <p>Capacity building programs are conducted for the national agencies in the Philippines. Climate Change Commission (CCC) provides the training for the agencies</p> <p>The Philippines conduct training for the private sector and develop GHG M & R module. DENR has already started developing these modules.</p> <p>However, the Philippines need the experts to train the private sector. They also would like to have module developed via PaSTI project. Further, the Philippines may also need the support to develop executive order or an act relevant to facility level M & R.</p> |
| 06. | Finalizing road map for M&R guideline | <p>PaSTI JAIF team indicated that they will be able to finalize the draft roadmap by end of January 2020 after completing all country visits.</p> |

05. Additional information collected

- 1st submission of the Public Listed Company (PLC) reports will be in April 2020 and then submission will be annually.
- CCC also issues the voluntary protocol, which are developed based on WRI GHG protocol. Listed companies mostly use WRI Scope 1 & 2, and GHG protocol.
- The Philippines has GHG measuring and reporting protocol for the government as well as for the businesses. (National level guideline uses IPCC and Business level guideline uses GHG Protocol)
- The two guidelines that the CCC has developed will be revised again.
- Training will be designed for the PLC to report sustainability report.

- There were 68 findings for the 2010 GHG inventory by UNFCCC. The most of the findings related to lack of information from the private sector, mainly from IPPU and Waste.
- Online platform for the private sector was suggested during the workshop conducted for the private sector. Since Securities and Exchange Commission has the institutional arrangement and mandate to collect the GHG data from the listed companies, they can now start the digital platform to collect the data.
- Department of Information and Communication Technology will house the server of online platform.
- Ms. Sandee suggested that signing a MoU with the facilities will help Environmental Management Bureau to get the data. EMB can also work with Department of Trade and Association (DTA).
- First Philippines Holdings (FPH)
They use Global Reporting Initiatives (GRI) as their platform and GHG protocol to quantify the GHG emissions. They set internal target to reduce CO₂, 5% target by 2021. FPH have difficulties in setting boundaries. With their experience they think it would be better to use financial boundaries for big corporations and operational boundaries for small companies. According to the FPH, private companies attract to GHG measurement and reporting due to satisfy the customers, investors and company policies.
- According to Mr. Albert, there will be an incentive system for organization who measure and report GHG emissions in the future.