



Republic of the Philippines
Department of Environment and Natural Resources
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MEMORANDUM

FOR : **The Directors**
Biodiversity Management Bureau
Forest Management Bureau
Mines and Geosciences Bureau

Climate Change Service

FROM : **The OIC Director**
Policy and Planning Service

SUBJECT : **REQUEST FOR COMMENTS/RESPONSES TO THE FOLLOWING RESOLUTIONS: (1) RESOLUTION NO. 3, SERIES OF 2023, "RECOMMENDING TO THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR) THE REVOCATION OF MINING RIGHTS INSIDE PROTECTED AREAS (PAs) PURSUANT TO EXISTING REGULATIONS"; AND (2) RESOLUTION NO. 7, SERIES OF 2023, "RECOMMENDING TO THE DA, THROUGH CLIMATE RESILIENT AGRICULTURE OFFICE (CRAO), AND DENR TO SPEARHEAD THE ESTABLISHMENT OF GUIDELINES/STANDARDS ON CARBON CREDIT TRADING FOR THE AGRI-FISHERIES SECTOR"**

DATE : **21 SEP 2023**

This has reference to the letter from Senior Undersecretary Domingo F. Panganiban, Department of Agriculture, dated 15 August 2023 regarding the endorsement of the two (2) policy resolutions adopted during the PCAF National Sectoral Committee on Climate Change, Environment, and Natural Resources (CCENR) 2nd Quarter Regular Meeting held last 14 July 2023 via Zoom.

In line with this, we would like to request your comments/inputs on the herein attached resolutions, namely:

1. Resolution No. 3, Series of 2023, "Recommending to the Department of Environment and Natural Resources (DENR) the Revocation of Mining Rights Inside Protected Areas (PAs) Pursuant to Existing Regulations"; and
2. Resolution No. 7, Series of 2023, "Recommending to the DA, through Climate Resilient Agriculture Office (CRAO), and DENR to Spearhead the

Establishment of Guidelines/Standards on Carbon Credit Trading for the Agri-Fisheries Sector”

Kindly submit your inputs to psddivision@gmail.com, copy furnished ouppia@denr.gov.ph, on or before **30 September 2023**.

For your information and consideration.


CHERYL LOISE T. LEAL

cc: Office of the Head Executive Assistant

Office of the Chief of Staff and Supervising Undersecretary for Strategic Communications



Undersecretary for Policy, Planning and International Affairs <ouppia@denr.gov.ph>

Fwd: OSEC-2023-005733: Endorsement of PCAF CCENR Resolutions, Series of 2023

DENR OSEC Referral <osec.referral@denr.gov.ph>

Wed, Sep 6, 2023 at 9:57 AM

To: "Undersecretary for Policy, Planning and International Affairs" <ouppia@denr.gov.ph>

Cc: "Undersecretary for Administration, Finance, Human Resources and Information Systems" <usecais@denr.gov.ph>, Analiza Teh <annateh@denr.gov.ph>, jannahmitzi.gonzales@pcaf.da.gov.ph

Sir/Madam:

Good day. Respectfully referred to your good office for information and appropriate action, with EDATS No. OSEC-2023-005733.

Thank you.

NOTE: DO NOT REPLY TO THIS EMAIL. For updates, inquiries and other communications, please send to osec@denr.gov.ph.



OFFICE OF THE SECRETARY
4/F DENR Main Building
Visayas Avenue, Diliman
Quezon City

From: **Jannah Mitzi Gonzales** <jannahmitzi.gonzales@pcaf.da.gov.ph>

Date: Mon, Sep 4, 2023 at 1:31 PM

Subject: Endorsement of PCAF CCENR Resolutions, Series of 2023

To: <osec@denr.gov.ph>

Warmest Greetings!

Greetings from the Department of Agriculture!

This is to respectfully endorse to your good office the following **policy resolutions** herein attached, adopted during the PCAF National Sectoral Committee on Climate Change, Environment, and Natural Resources (CCENR) 2nd Quarter Regular Meeting, held last July 14, 2023,:

- **PCAF NSC on CCENR Resolution No. 3, Series of 2023, "Recommending to the Department of Environment and Natural Resources (DENR) the Revocation of Mining Rights inside Protected Areas (PAs) pursuant to Existing Regulations"**
- **PCAF NSC on CCENR Resolution No. 7, Series of 2023, "Recommending to the DA, through the Climate Resilient Agriculture Office (CRAO), and DENR to spearhead the establishment of guidelines/ standards on carbon credit trading for the Agri-Fisheries Sector"**

Attached is the copy of the resolutions and their corresponding letter for endorsement to your Office.

In this regard, may we request your office's response or feedback on the said resolutions on or before **September 30, 2023**. For further inquiries, your office may coordinate with Ms. Jannah Mitzi Gonzales through email address: jannahmitzi.gonzales@pcaf.da.gov.ph.

Respectfully,

JANNAH MITZI D.C. GONZALES
Development Management Officer
Philippine Council for Agriculture and Fisheries
Policy Development and Coordination Division-
Strategic Concerns Section





BAGONG PILIPINAS



Masaganang Agrikultura,
Maunlad na Ekonomiya

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PDGD-I-2023-529

August 15, 2023

MS. MARIA ANTONIA YULO LOYZAGA

Secretary

Department of Environment and Natural Resources

Visayas Avenue, Diliman, Quezon City

Dear **Secretary Loyzaga**:

Greetings from the Department of Agriculture!

This is to respectfully endorse to your good office the following policy resolutions herein attached, adopted during the PCAF National Sectoral Committee on Climate Change, Environment, and Natural Resources (CCENR) 2nd Quarter Regular Meeting held last July 14, 2023 via Zoom platform.

- a. **Resolution No. 3, Series of 2023, "Recommending to the Department of Environment and Natural Resources (DENR) the Revocation of Mining Rights inside Protected Areas (PAs) pursuant to Existing Regulations"**

Protected Areas (PAs) are areas with extraordinarily high biodiversity that need to be safeguarded from exploitation in order to maintain a robust ecosystem. In light of this, EO 79, S. of 2012 further regulated mining activities because of their negative impact on the environment. The same regulation outlawed mining explorations and operations in PAs specified under RA 7586 and RA 11038. However, it was found that its implementation is not duly followed as based on some of the released Mining Tenement Control Maps of the DENR-MGB, which showed that mining tenements are still operating in identified PAs. Hence, the body declared its support for the cancellation of mining tenements for private entities operating within PAs.

- b. **Resolution No. 7, Series of 2023, "Recommending to the DA, through the Climate Resilient Agriculture Office (CRAO), and DENR to spearhead the establishment of guidelines/ standards on carbon credit trading for the Agri-Fisheries Sector"**

Given the recent developments on the certified emission reduction (CER) trading through the Clean Development Mechanism internationally, together with local private sectors' voluntary participation on carbon trading, it is timely for the Philippines to establish guidelines/standards on such activities to ensure that it will support the goal towards mitigating climate change and properly compensating the participating beneficiaries, especially in the agri-fisheries sector. Moreover, the Committee acknowledged that it can be piloted in the coconut subsector considering that coconut trees serve as a highly stable carbon reservoir. Hence, promoting productive and sustainable farming ecosystems within the coconut industry could effectively combat climate change impacts while enabling the coconut farmers to receive additional financial incentives.

In this regard, may we request your office's response or feedback on the said resolution **on or before September 30, 2023**. For further inquiries, your office may coordinate with Ms. Jannah Mitzi Gonzales through email address: jannahmitzi.gonzales@pcaf.da.gov.ph.

Thank you very much.

Very truly yours,

DOMINGO F. PANCANIBAN
Senior Undersecretary



DA-CO-OSEC-LE20230815-04566



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PCAF NATIONAL SECTORAL COMMITTEE
CLIMATE CHANGE, ENVIRONMENT AND NATURAL RESOURCES
RESOLUTION NO. 7
SERIES OF 2023

RECOMMENDING TO THE DEPARTMENT OF AGRICULTURE (DA), THROUGH THE CLIMATE RESILIENT AGRICULTURE OFFICE (CRAO), AND THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR) TO SPEARHEAD THE ESTABLISHMENT OF GUIDELINES/STANDARDS ON CARBON CREDIT TRADING FOR THE AGRI-FISHERIES SECTOR

WHEREAS, over the past few decades, the Earth's temperature has been increasing at an average rate of 0.08°C per decade. In 2022, the surface temperature was notably higher, exceeding the 20th-century average of 13.9°C by 0.86°C and surpassing the pre-industrial period (1880-1900) by 1.06°C. Notably, all of the top 10 warmest years in recorded history have occurred since 2010;

WHEREAS, the Republic Act of 9729, also known as the Climate Change Act of 2009, declared that it is the policy of the state to safeguard the climate system for the betterment of humanity, following the principles of climate justice, common but differentiated responsibilities, and the Precautionary Principle in managing climate risks. As a participant in the UN Framework Convention on Climate Change, the State's primary goal is to stabilize greenhouse gas concentrations in the atmosphere, preventing detrimental human-induced effects on the climate system;

WHEREAS, during the Glasgow COP26 climate change summit in November 2021, negotiators from various countries reached an agreement to create a global carbon credit offset trading market. The creation of a carbon credit offset trading market entails creating a system for governments or businesses to buy and sell carbon credits;

WHEREAS, carbon credits are a market-based approach used to reduce greenhouse gas emissions. The concept revolves around the idea of assigning a monetary value to the reduction or removal of greenhouse gasses (GHGs) from the atmosphere. Where nations have the ability to engage in carbon trading, which can assist to more efficiently balance total reduction efforts;

WHEREAS, carbon credits play a significant role in international climate agreements, such as the Kyoto Protocol and the Paris Agreement, where countries commit to specific emission reduction targets. By using carbon credits, it provides a financial mechanism to support climate action initiatives in developing countries, as they can earn revenue by selling carbon credits generated from emission reduction projects;

WHEREAS, in December 2022, the Department of Environment and Natural Resources (DENR) made an announcement advocating for the legislation of carbon credit systems. However, this proposal faced criticism from environmental groups who pointed out that





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the Philippines accounts for only 0.48 percent of the world's total greenhouse gas emissions, as estimated by the United Nations (UN) in 2019. These groups considered the proposal to institutionalize carbon credit systems as an unsustainable solution that would not be advantageous for a low-emission country like the Philippines;

WHEREAS, in a research conducted by the Bureau of Agricultural Research (BAR) and Philippine Coconut Authority (PCA), entitled: *"Productive and Sustainable Coconut Farming Ecosystems as Potential Carbon Sinks in Climate Change Minimization: A Review and Advisory Notes"*, it was noted that coconut plantations could be used to reduce carbon emissions through carbon sequestration in the crop-soil system through coconut plantation management;

WHEREAS, during the second quarter meeting of the NSC-CCENR, the committee recognized the potential of the coconut industry to serve as "carbon sinks". Through fostering productive and sustainable farming ecosystems, the coconut industry could effectively mitigate the impacts of climate change. They agreed to establish and advocate for the development of guidelines and policies related to carbon trading methodology;

WHEREAS, further, there is a need to harmonize the policies of the DA and the Department of Environment and Natural Resources (DENR) related to the carbon credit trading methodologies for the agri-fisheries sector;

NOW THEREFORE, BE IT RESOLVED, that the National Sectoral Committee on Climate Change, Environment and Natural Resources (NSC-CCENR) is recommending to the DA, through the Climate Resilient Agriculture Office (CRAO), and the DENR to spearhead the establishment of guidelines/standards on carbon trading for the agri-fisheries sector;

RESOLVED FURTHER, the establishment of carbon trading guidelines/ standards will be piloted in the coconut subsector, recognizing the results of the above research and that by monetizing carbon sequestration from coconut plantations and engaging in carbon credit trading, coconut farmers can receive financial incentives while simultaneously reducing the country's greenhouse gas emissions;

RESOLVED FURTHER, that the experts of the Department of Energy (DOE) and Climate Change Commission (CCC) will be rigorously consulted on the creation of the said guidelines;

UNANIMOUSLY APPROVED by the PCAF National Sectoral Committee on Climate Change, Environment and Natural Resources during its Second Quarter Regular Meeting held through video conference on July 14, 2023.


MARITA RODRIGUEZ

Committee Chairperson

National Sectoral Committee on Climate Change, Environment and Natural Resources





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PCAF NATIONAL SECTORAL COMMITTEE
CLIMATE CHANGE, ENVIRONMENT AND NATURAL RESOURCES
RESOLUTION NO. 3
SERIES OF 2023

RECOMMENDING TO THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR) THE REVOCATION OF MINING RIGHTS GRANTED TO PRIVATE ENTITIES OPERATING WITHIN PROTECTED AREAS (PAs) PURSUANT TO EXISTING REGULATIONS

WHEREAS, the State owns all of the country's natural resources including minerals; and thus, it pursues a policy of ensuring sustainable and rational exploration, utilization, development, and conservation of these resources, especially of mineral resources;

WHEREAS, in accordance with Republic Act 7942 or the Philippine Mining Act of 1995, the Department of Environment and Natural Resources (DENR) is the primary agency to regulate the use of the country's mineral resources and impose necessary conservation and management measures;

WHEREAS, private entities acquire mining rights through mining tenements granted by the DENR in the form of Exploration Permits (EP), Mineral Agreements, Financial or Technical Assistance Agreement (FTAA), Mining Patents, and Special Mines Permit;

WHEREAS, EO No. 79. S. of 2012 institutionalized and implemented reforms in the Philippine Mining Sector and specified that the following areas are closed to mining operations: (1) no-go zones identified in the Mining Act; (2) Protected areas (PAs) included in the National Integrated Protected Areas System (NIPAS) and the Expanded National Integrated Protected Area Systems (ENIPAS); (3) identified Network of Protected Areas for Agriculture and Agro-Industrial Development (NPAAAD) and Strategic Agriculture and Fisheries Development Zone (SAFDZ) in addition to areas covered by the Comprehensive Agrarian Reform Law; (4) areas under National Tourism Development Plan; and (5) critical ecosystem areas as classified by DENR;

WHEREAS, Republic Act 7586, otherwise known as the NIPAS Act of 1992, listed and defined PAs as portions of land and water with unique physical and biological significance that should be managed to further enhance and protect biological diversity against destructive human exploitation;

WHEREAS, PAs are divided into two management zones: (1) the Strict Protection Zone, which is closed to all human activities except for scientific researches and ceremonial or religious activities by Indigenous Peoples (IPs), and (2) Multiple-Use Zones wherein sustainable land-use, including agricultural and agro-forestry activities may be allowed, in compliance with the protected area management plan;

WHEREAS, the ongoing protection of PAs is crucial to ensuring food security because PAs are known for maintaining ecosystem integrity, lowering risks and impacts from climate change, and acting as natural reservoirs for important species to promote biodiversity, which supports the increased productivity of agricultural and fisheries areas with the use of less synthetic inputs;

WHEREAS, concerns regarding mining tenements granted to private entities which are operating within PAs had been raised during the PCAF NSC CCENR regular meetings;





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WHEREAS, for instance, the DENR - MGB MIMAROPA Regional Office's Region IV-B North and South Palawan Mining Tenement Control Maps show active Mineral Production Sharing Agreements (MPSAs) in the municipalities of Brookes Pt., and Sofronio Espanola in Palawan, within the Mt. Mantalingahan Protected Landscape;

WHEREAS, the Committee concurred that destructive profit-generating activities such as mining explorations and operations, particularly in protected areas, should be discontinued, while more importance should be placed on ensuring a healthy ecosystem that would contribute to higher agricultural and fisheries productivity;

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the PCAF NSC - CCENR recommends to the DENR the revocation of mining rights granted to private entities operating within protected areas pursuant to existing regulations;

RESOLVE FURTHER, that swift conduct of investigations shall be held in order to restore the previous ecosystem in the affected areas;

UNANIMOUSLY APPROVED by the PCAF NSC on Climate Change, Environment and Natural Resources during its Second Quarter Regular Meeting held through a virtual conference on July 14, 2023.


MARTA RODRIGUEZ

Committee Chairperson
PCAF Committee on Climate Change, Environment and Natural Resources

