



MEMORANDUM

FOR : **The Directors**
Climate Change Service
Legal Affairs Service
Policy and Planning Service

The Bureau Directors
Environmental Management Bureau
Biodiversity Management Bureau
Forest Management Bureau
Land Management Bureau
Ecosystem Research Development Bureau

The Executive Directors
National Water Resources Board
Palawan Council for Sustainable Development Staff

The Officer-in-Charge
Mines and Geosciences Bureau

FROM : **The Director**
Legislative Liaison Office

SUBJECT : **INVITATION TO A TECHNICAL WORKING GROUP (TWG) MEETING RE: HOUSE BILLS ON THE "CLIMATE ACCOUNTABILITY (CLIMA) ACT" FROM THE COMMITTEE ON CLIMATE CHANGE OF THE HOUSE OF REPRESENTATIVES**

DATE : 02 July 2024

In reference to the electronic mail received, the Committee on Climate Change of the House of Representatives is inviting the Department to a face-to-face Technical Working Group (TWG) meeting on **July 9, 2024 (Tuesday), 9:30 A.M. at Conference Rooms 1 & 2, Ramon V. Mitra Building** to discuss and refine the following measures:

1. **HOUSE BILL NO. 9609, ENTITLED: "AN ACT TO INSTITUTE POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES," AUTHORED BY REP. EDGAR M. CHATTO, REP. JOCELYN SY LIMKAICHONG, REP. FERNANDO T. CABREDO, REP. ANNA VICTORIA VELOSO-TUAZON, REP. CHRISTIAN TELL A. YAP AND REP. JOSE MANUEL F. ALBA**

MEMO NO. 2024 - 580

2. **HOUSE BILL NO. 10478, ENTITLED: "AN ACT INSTITUTING POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES," AUTHORED BY REP. RALPH WENDEL P. TULFO, REP. JOCELYN P. TULFO, AND REP. ERWIN T. TULFO**

In this regard, may we invite a representative to participate in the meeting and share comments and insights on the proposed legislation. Kindly send your comments on the working Draft Bill on or before **05 July 2024 at 5:00 PM** via email at denrlo@denr.gov.ph for submission to the Committee. Further, kindly inform us of the name/s of the representative/s from your office who will participate in the meeting so we may include him/her/them as resource person/s.

Attached herewith are the Letter Invitation, Agenda, the House Bills, and the Draft Substitute Bill for your reference.


ROMIROSE B. PADIN

cc: Undersecretary for Special Concerns and Legislative Affairs
Undersecretary for Finance, Information Systems and Climate Change



Republic of the Philippines
House of Representatives
Quezon City

COMMITTEE ON CLIMATE CHANGE

July 1, 2024

HON. MARIA ANTONIA YULO LOYZAGA

Secretary

Department of Environment and Natural Resources

Visayas Avenue, Diliman, Quezon City

Dear Secretary Loyzaga:

We wish to inform you that the **Committee on Climate Change** of the House of Representatives will hold a **Technical Working Group (TWG) meeting** on **July 9, 2024 (Tuesday), 9:30 A.M.** at **Conference Rooms 1 & 2, Ramon V. Mitra Building** to discuss and refine the following measures:

1. **HOUSE BILL NO. 9609**, ENTITLED: "AN ACT TO INSTITUTE POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES," AUTHORED BY REP. EDGAR M. CHATTO, REP. JOCELYN SY LIMKAICHONG, REP. FERNANDO T. CABREDO, REP. ANNA VICTORIA VELOSO-TUAZON, REP. CHRISTIAN TELL A. YAP AND REP. JOSE MANUEL F. ALBA
2. **HOUSE BILL NO. 10478**, ENTITLED: "AN ACT INSTITUTING POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES," AUTHORED BY REP. RALPH WENDEL P. TULFO, REP. JOCELYN P. TULFO, AND REP. ERWIN T. TULFO

In this regard, we would like to invite you or your representative to participate in the meeting and share your comments and insights on the proposed legislation.

We have included the agenda, copies of the aforementioned measures, and the latest working draft substitute bill for your easy reference.

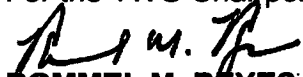
Should you have any clarification and for confirmation of your attendance, please contact the Committee Secretary at 09277193534 or Ms. MeAnne Ordovez at 09154448595.

Thank you and we look forward to seeing and hearing from you at the meeting.

Very truly yours,

HON. ANNA VICTORIA VELOSO-TUAZON
TWG Chairperson

For the TWG Chairperson:

A handwritten signature in black ink, appearing to read 'R. M. Reyes', written over the printed name.

ROMMEL M. REYES
Committee Secretary

Republic of the Philippines
HOUSE OF REPRESENTATIVES
19TH Congress
Second Regular Session

TECHNICAL WORKING GROUP (TWG) MEETING
Committee on climate change

July 9, 2024, 9:30 AM
Conference Rooms 1 & 2, Ramon V. Mitra Building, House of Representatives

Agenda

- I. ACKNOWLEDGMENT OF AUTHOR, GUESTS, & RESOURCE PERSONS
- II. OPENING REMARKS OF THE TWG CHAIRPERSON
- III. DELIBERATION ON THE FOLLOWING MEASURES:
 1. **HOUSE BILL NO. 9609**, ENTITLED: "AN ACT TO INSTITUTE POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES," AUTHORED BY REP. EDGAR M. CHATTO, REP. JOCELYN SY LIMKAICHONG, REP. FERNANDO T. CABREDO, REP. ANNA VICTORIA VELOSO-TUAZON, REP. CHRISTIAN TELL A. YAP AND REP. JOSE MANUEL F. ALBA
 2. **HOUSE BILL NO. 10478**, ENTITLED: "AN ACT INSTITUTING POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES," AUTHORED BY REP. RALPH WENDEL P. TULFO, REP. JOCELYN P. TULFO, AND REP. ERWIN T. TULFO
- IV. OTHER MATTERS
- V. ADJOURNMENT

RESOURCE PERSONS

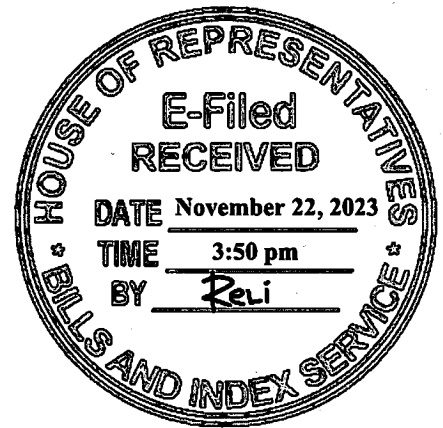
- GOVERNMENT SECTOR
- Climate Change Commission
 - Commission on Human Rights
 - Department of Budget Management

- Department of Energy
 - Department of Environment and Natural Resources
 - Department of Finance
 - Department of Science and Technology
 - Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA)
 - Energy Regulatory Commission
 - National Anti-Poverty Commission
 - National Disaster Risk Reduction and Management Council
 - National Economic and Development Authority
 - Securities and Exchange Commission
- LGUs
- League of Cities of the Philippines
 - League of Provinces of the Philippines
 - League of Municipalities of the Philippines
 - Union of Local Authorities of the Philippines
- PRIVATE SECTOR
- Ayala Corporation
 - Carbon PH Coalition
 - Cement Manufacturers Association of the Philippines, Inc. (CeMAP)
 - First Philippine Holdings Corporation
 - Makati Business Club
 - Nestlé Philippines
 - Philippine Chamber of Commerce and Industries (PCCI)
 - Philippine Independent Power Producers Association (PIPPA)
 - San Miguel Global Power Holdings Corp.
- ACADEME
- Manila Observatory
 - UP Institute of Environmental Science and Meteorology
 - UP Institute of International Legal Studies
 - UP Resilience Institute
- CIVIL SOCIETY GROUPS/NGOs
- Aksyon Klima Pilipinas
 - Climate Action and Human Rights Institute (CAHRI)
 - Greenpeace Philippines
 - Institute for Climate and Sustainable Cities (ICSC)
 - Legal Rights and Natural Resources Center (LRC)
 - Parabukas
 - Save the Children Philippines
 - World Wide Fund for Nature (WWF) – Philippines

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. **9609**



Introduced by **Representatives EDGAR M. CHATTO, JOCELYN SY LIMKAICHONG, FERNANDO T. CABREDO, ANNA VICTORIA VELOSO-TUAZON, CHRISTIAN TELL A. YAP, and JOSE MANUEL F. ALBA**

EXPLANATORY NOTE

The world is on the brink of climate catastrophe.

The recently published Sixth Assessment Report (AR6) of the Working Group I of the Intergovernmental Panel on Climate Change (IPCC), entitled "Climate Change 2021: the Physical Science Basis", warned that "unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting warming to close to 1.5°C or even 2°C will be beyond reach." It was further emphasized that a 1.5°C increase shall bring with it more severe heat waves, longer warm seasons and shorter cold seasons; at 2°C of global warming, heat extremes would more often reach critical tolerance thresholds for agriculture and health. This change in the climate is unequivocal and supported by multiple lines of evidence. As such, the limiting warming to these numbers is the ultimate goal of the Paris Agreement.

Subsequently, the IPCC AR6 Working Group II's Report entitled "Climate Change 2022: Impacts, Adaptation and Vulnerability" affirmed that the observed increases in frequency and intensity of weather and climate extremes have resulted to widespread and pervasive impacts to ecosystems, peoples, settlements, and infrastructure, and that the changing climate has caused substantial damages and increasingly, irreversible losses. It projected that global warming of 1.5°C in the near-term would cause unavoidable increases in multiple climate hazards and present multiple risks to ecosystems and humans (very high confidence). The level of risk depends on concurrent near-term trends in vulnerability, exposure, level of socioeconomic development, and adaptation (high confidence). Near-term actions that limit global warming to close to 1.5°C would substantially reduce projected losses and damages related to climate change in human systems and ecosystems, compared to higher warming levels, but cannot eliminate them all (very high confidence).

The IPCC is especially resonant to the Philippines and other highly vulnerable countries for which some climate impacts can no longer be absorbed by adaptation, as clarified by the IPCC AR6 Working Group II:

“Adaptation does not prevent all losses and damages, even with effective adaptation and before reaching soft and hard limits. Losses and damages are unequally distributed across systems, regions and sectors and are not comprehensively addressed by current financial, governance and institutional arrangements, particularly in vulnerable developing countries. With increasing global warming, losses and damage increase and become increasingly difficult to avoid, while strongly concentrated among the poorest vulnerable populations.”

Worryingly, these projected adverse impacts and related loss and damages escalate with every increment of global warming.

Apart from the disastrous consequences, climate change also threatens the effective enjoyment of a range of human rights including those that are vital to life, water and sanitation, food, health, housing, self-determination, culture, and development. The State, indubitably, has an obligation to prevent the foreseeable adverse effects of climate change and ensure that those affected by these, particularly those that are marginalized and in vulnerable situations, have access to effective remedies.

The Philippines, as a highly climate-vulnerable to impacts of climate hazards, is at great risk in terms of life and livelihood loss, infrastructure damage, and ecosystem collapse, which will, undoubtedly, result in societal upheaval.

In the long-term Climate Risk Index (CRI) for the period 2000 to 2010, GermanWatch ranked the Philippines as the fourth (4th) most affected country in the world to the impacts of climate change. In fact, the Philippines suffered an average annual loss of 0.54 percent in its gross domestic product (GDP), which translates to USD 3.2 billion every year. As corroborated by the Department of Finance (DOF), the Philippines has incurred losses and damages estimated to reach P506.1 billion (approximately US\$10 billion) from climate-related hazards over a decade, underscoring its extreme vulnerability to the climate crisis despite contributing only 0.3 percent of the planet’s total greenhouse gas (GHG) emissions. Further, based on the data gathered by the DOF, this amount makes up 98.2 percent of the country’s total estimated losses and damages from 2010 to 2020 of P515.51 billion or around US\$10.6 billion. This staggering amount is equivalent to an annual average of P48.9 billion, which is about 0.33 percent of the country’s annual average GDP.”¹

¹ https://www.dof.gov.ph/climate-related-hazards-led-to-us10-b-losses-for-low-carbon-emission-phl-over-10-year-period/?utm_source=rss&utm_medium=rss&utm_campaign=climate-related-hazards-led-to-us10-b-losses-for-low-carbon-emission-phl-over-10-year-period

Moreover, in the 2018 World Risk Report of the Global Facility for Disaster Risk Reduction, the Philippines ranked third (3rd) among all the countries with the highest risks to disasters. As stated in its 2017 report, at least 60 percent of the country's total land area is exposed to multiple hazards, and 74 percent of the population is susceptible to their impact.

The vulnerability of the Philippines as well as other poor nations underscores the importance of climate justice. Rich nations and corporations must take responsibility for the adverse impacts of climate change. Such responsibility includes raising the ambition for cutting carbon emissions and committing to finance that allows poor nations to deal with adverse climate impacts. The landmark 2015 Paris Agreement has created a pathway for legal recourse in ensuring accountability. *Milieudefensie et al v. Royal Dutch Shell*,² decided by the District Court of the Hague in May 2021, was anchored on the Paris Agreement. In a watershed decision, the Court recognized the obligation of respondent Shell Corporation to mitigate climate change by instructing it to curtail its GHG emissions from its 2019 levels by 45% by 2030.

In 2015, the Philippines made history when the typhoon survivors and civil society groups lodged a complaint before the Commission on Human Rights (CHR), calling for a probe into the possible human rights violations of several carbon majors, most of which were oil, gas, coal, and cement corporations, in the context of climate change. At the time of its filing, it was the world's first investigation into potential corporate responsibility for climate change.

In May 2022, the CHR released its report on the inquiry, and among its findings were that climate change is a human rights issue, and that carbon majors can be held liable for their human rights violations. Towards the end of its report, it laid down several recommendations, including disincentivizing financial institutions from funding carbon majors, and creating a sufficient loss and damage facility.

It is to be noted, however, that the CHR's report is not legally binding. Nevertheless, it serves as robust precedent and a framework for extracting further accountability for those who would like to subsequently pursue litigation in either domestic or international courts.

In another historic move, the United Nations General Assembly passed a resolution in July 2022 declaring that everyone on the planet had a right to a clean, healthy, and sustainable environment, and called on states to step up efforts to ensure this right is protected.³ The resolution further affirmed that "the promotion of the human right to a clean, healthy and sustainable environment requires the full implementation of the multilateral agreements under the principles of international environmental law." Again,

²

³ <https://www.unep.org/news-and-stories/story/historic-move-un-declares-healthy-environment-human-right>

like the CHR's report, the resolution is not legally-binding; however, it is hoped that said resolution will create a trickle-down effect and lead countries into incorporating that right in their national and local laws.

A law, therefore, which ensures that climate-related human rights violations find legal remedy is necessary and urgent. Without a legal framework to address loss and damage from climate change impacts, corporations will continue to defend and promote their unbridled burning of fossil fuels. Although the Philippines's carbon emissions remain miniscule compared to that of the world average, and even those of developed countries for that matter, continued fossil fuel dependence globally vitiates the principle of common but differentiated responsibility (CBDR) by allowing developed countries to continue their greater share of carbon pollution, aided and abetted by the fossil fuel industry.

Fossil fuel dependence, as the growing field of attribution science can confirm, puts communities in actual risk, where slow-onset events associated with the adverse impacts of climate change and extreme climate events and where climate variability and climate vulnerability meet and create the conditions ripe for disaster. The slow-onset nature of climate change also makes it problematic to locate fittingly within traditional legal notions of harm and injury because by the time sea level rise, apocalyptic typhoons, droughts, spread of diseases, and heatwaves happen, among others, conduct contributing to climate change had taken place; in other words, these apocalyptic events are mere inevitable consequences of a prior harmful conduct that has occurred. It is thus imperative that we take a step-back, make a paradigm shift, and treat conduct contributing to climate change as a harm in and of itself.

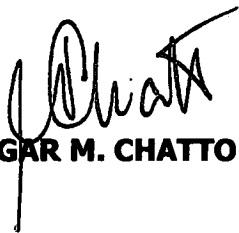
A loss and damage-focused legal framework for these aforementioned climate-related issues will be a world's first and shall establish a specific climate-action track in addition to adaptation and mitigation; it shall serve too as an innovative pioneering example of national legislation to enhance climate action, protect communities, and effect transformative change.

Loss and damage reinforces the need for an accountability regime where climate change has been established by the Intergovernmental Panel on Climate Change (IPCC) as anthropogenic. Fossil fuel dependence continues to be driven by carbon majors; without an accountability framework it will continue unabated, pushing the planet over the edge.

The Paris Agreement is eloquent in reminding States to “respect, promote, and consider their respective obligations on human rights, the right to health, the rights of indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity.”

Further, Article 4 (2) of the Paris Agreement requires country Parties to prepare, communicate and maintain successive nationally determined contributions (NDCs) that it intends to achieve. It also provided in the same paragraph that Parties shall pursue domestic mitigation measures, with the aim of achieving the objectives of such contributions. Article 8 (1) provides that Parties recognize the importance of averting, minimizing and addressing loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events, and the role of sustainable development in reducing the risk of loss and damage. Finally, the 27th Conference of Parties, through the Sharm el Sheikh Implementation Plan, adopted decisions -/CP.27 and /CMA.4 on matters relating to funding arrangements responding to loss and damage associated with the adverse effects of climate change.

For the above reasons, the urgent passing of this bill is earnestly sought.



EDGAR M. CHATTO



JOCELYN SY LIMKAICHONG



FERNANDO T. CABREDO



ANNA VICTORIA VELOSO-TUAZON



CHRISTIAN TELL A. YAP



JOSE MANUEL F. ALBA

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. 9609

Introduced by **Representatives EDGAR M. CHATTO, JOCELYN SY LIMKAICHONG, FERNANDO T. CABREDO, ANNA VICTORIA VELOSOTUAZON, CHRISTIAN TELL A. YAP, and JOSE MANUEL F. ALBA**

AN ACT
TO INSTITUTE POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

CHAPTER I

GENERAL PROVISIONS

1
2
3
4
5 **SECTION 1. *Short Title.*** – This Act shall be known and referred to as "The
6 Climate Accountability (CLIMA) Act."
7

8 **SEC. 2. *Declaration of Policy*** – It is the declared policy of the State to protect
9 and advance the right of the people to a balanced and healthful ecology in accord with
10 the rhythm and harmony of nature, and shall protect and promote the right to health,
11 dignified life, of the people and instill health consciousness among them.
12

13 The State shall protect climate systems for the benefit of its citizens, and
14 generations yet to be born, on the basis of the precautionary principle, climate justice,
15 common but differentiated responsibilities, and just transition. In this context, the State
16 shall enjoin the participation of businesses to prevent and reduce the adverse impacts of
17 climate change in the context of sustainable development. Towards this end, the State

1 adheres to the United Nations Guiding Principles on Business and Human Rights as a
2 basis for the establishment of minimum standards of behavior for corporate interests
3 operating in the Philippines and in all territories over which the Philippines has
4 sovereignty or jurisdiction.

5
6 **SEC. 3. Definition of Terms.** – For the purposes of this Act, the following terms
7 shall be defined as:

- 8
9 (a) **Adaptation** refers to the adjustment in natural or human systems in response
10 to actual or expected climatic stimuli or their effects, which moderates harm
11 and/or exploits beneficial opportunities;
12
- 13 (b) **Anthropogenic causes** refer to causes resulting from human activities or
14 produced by human beings;
15
- 16 (c) **Business** refers to a natural or legal person, including State-owned
17 enterprises, transnational corporations and business enterprises of
18 transnational character, other business enterprises, and joint ventures,
19 whether individual or aggregate entities, undertaken by a natural person or a
20 legal person duly incorporated under the Revised Corporation Code of the
21 Philippines or the corresponding relevant corporate establishment legislation in
22 other countries. For the purposes of this Act, "business" shall mean businesses
23 that reported a gross income of more than ₱100,000,000.00 in the previous
24 tax year, or carbon majors, regardless of amount of gross income.
25
- 26 (d) **Business relationship** refers to any relationship between businesses to
27 conduct business activities, including those activities conducted through
28 affiliates, subsidiaries, agents, suppliers, partnerships, joint venture, beneficial
29 proprietorship, or any other structure or contractual relationship as provided
30 under the domestic law of the State, including activities undertaken by
31 electronic means;
32
- 33 (e) **Carbon majors** refer to the businesses that are multinational or state-owned
34 producers, traders, and refineries of crude oil, natural gas, coal, and cement,
35 that significantly contribute to global greenhouse gas emissions without taking
36 climate accountability, and therefore primarily drive climate change;
37
- 38 (f) **Climate accountability** refers to the responsibility of and corresponding
39 need for reparation from carbon majors significantly responsible for climate
40 change. A climate accountability regime establishes a governance mechanism
41 for ensuring that climate targets are met through robust regulation and
42 progress reporting. The accountability of carbon majors as defined in this Act
43 shall range from negligence to causation based on emissions thresholds;
44

- 1 (g) **Climate change** refers to a change in climate that can be identified by
2 changes in the mean and/or variability of its properties and that persists for an
3 extended period typically decades or longer, now mainly driven by
4 anthropogenic activities since the 1800s;
5
- 6 (h) **Climate Change Victims/Survivors** refer to (a) people or communities who
7 suffered harm, including physical or mental injury, emotional suffering, or
8 economic or property loss, or impairment of their human rights as a result of
9 climate-related loss and damage; or (b) those communities affected by slow
10 or rapid-onset events of such magnitude, that cannot be avoided either by
11 mitigation (avoiding and reducing greenhouse gas emissions) or adaptation
12 (adjusting to current and future climate change impacts; or who have been, or
13 are likely to be, severely affected by climate change, while at the same time
14 having inadequate human, social and economic capital for climate change
15 adaptation, including relocation;
16
- 17 (i) **Greenhouse gases (GHG)** refer to constituents of the atmosphere that
18 contribute to the greenhouse effect including, but not limited to, carbon
19 dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and
20 sulfur hexafluoride.
21
- 22 (j) **Intergovernmental Panel on Climate Change or IPCC** refers to the
23 intergovernmental body of the United Nations responsible for assessing the
24 science related to climate change;
25
- 26 (k) **Loss and Damage** refers to the harms resulting from the adverse effects of
27 climate change, including extreme weather events and slow onset events, such
28 as sea level rise. This includes economic or non-economic harms to life,
29 livelihoods, ecosystems, or cultural heritage, and can involve tangible or non-
30 tangible property, possessions, cultural identity, sacred places or objects,
31 human health, among other things;
32
- 33 (l) **Mitigation**, in the context of climate change, refers to human intervention to
34 address anthropogenic emissions by sources and removals by sinks of all GHGs,
35 including ozone-depleting substances and their substitutes;
36
- 37 (m) **Nationally determined contribution** refers to the Philippines' nationally
38 determined contribution ("NDC"), as a climate action plan to cut emissions and
39 adapt to climate impacts, undertaken and communicated pursuant to Article 3
40 of the Paris Agreement;
41
- 42 (n) **Paris Agreement** refers to an international treaty on climate change adopted
43 by the Parties, including the Philippines, to the United Nations Framework
44 Convention on Climate Change (UNFCCC) at the twenty-first session of the
45 Conference of Parties of the UNFCCC in December 2015 and duly deposited

1 with the United Nations Secretary-General as its Treaty Depository which aims
2 to strengthen the global response to the threat of climate change, in the
3 context of sustainable development and efforts to eradicate poverty, and will
4 be implemented to reflect equity and the principle of common but
5 differentiated responsibilities (CBDR) and respective capabilities, in light of
6 different national circumstances;
7

8 (o) **Reparations** refer to the amends for a tort or injury inflicted, especially, in
9 the context of this bill, compensation, relocation, and rehabilitation and
10 recovery for victims/survivors of climate loss and damage;

11
12 (p) **Vulnerability** refers to the degree to which a system is susceptible to, or
13 unable to cope with, adverse effects of climate change, including climate
14 variability and extremes. Vulnerability is a function of the character,
15 magnitude, and rate of climate change and variation to which a system is
16 exposed, its sensitivity, and its adaptive capacity.
17

18 CHAPTER II

19 FRAMEWORK FOR BUSINESS ACCOUNTABILITY

20 SEC. 4. **Due Diligence Standard of Care in the Conduct of Business –**

21
22 Businesses in the conduct of their activities shall do no harm. To this end, these
23 businesses are mandated to undertake the following throughout their value chain, among
24 others:
25

26
27 (a) Businesses must take proactive steps to find out facts about possible climate
28 harms their operations may cause and to prevent and address them;

29
30 (b) Businesses must proactively adopt measures to shift away from their business-
31 as-usual activities exacerbating climate change impacts, strategically reduce
32 their GHG emissions, and to uphold human rights; and
33

34 (c) Taking into account existing and prospective vulnerabilities, businesses must
35 address potential impacts of their activities, and to have stringent risk
36 management efforts.
37

38 Businesses must undertake measures that are in reasonable proportion to the
39 nature and scope of the business activities, their ability to influence, the severity of the
40 violation that can typically be expected, and the nature of and causal contribution to such
41 harms.
42

43 A business shall be held accountable for negligence emanating from the
44 businesses' role in exacerbating extreme weather events or slow-onset events where
45 they exceed established thresholds for GHG emissions.

1
2 **SEC. 5. Responsibilities.** – Businesses have the responsibility to update their
3 conduct and policies in accordance with the United Nations Guiding Principles on Business
4 and Human Rights. Moreover, they have the following tasks and responsibilities under
5 the law:
6

7 (a) Climate related financial disclosures – Businesses shall disclose to the Securities
8 and Exchange Commission (SEC) climate-related financial disclosures and the
9 names of those who authorized the climate-related financial transactions. This
10 shall include opportunities and risks from climate impacts, climate policies and
11 new technologies;
12

13 (b) Measurement of GHG emissions – Businesses shall measure and analyze their
14 GHG emissions, throughout their value chains, to comply with the standards
15 based on the most recent scientific evidence and reports of the IPCC;
16

17 (c) Prevention of human rights abuses – Businesses must ensure, throughout their
18 value chains, that in the conduct of their operations and activities, efforts must
19 be made not just to counter the adverse impacts of climate change, but also
20 to ensure the protection of human rights. Businesses shall respect, protect,
21 and promote the human rights of communities, including the right to life,
22 liberty and property, freedom of movement, right of public participation, and
23 the right to self-determination of indigenous cultural communities. In
24 accordance with the United Nations Guiding Principles on Business and Human
25 Rights, businesses have the responsibility to respect human rights especially in
26 the context of climate change, and should avoid harming these rights by taking
27 proactive steps to identify, prevent, mitigate, and address adverse impacts with
28 which they are involved;
29

30 (d) Monitoring of people who experience the impacts of climate change – Due
31 diligence must be undertaken by businesses to address the adverse climate
32 change-related human rights impacts they may cause or contribute through its
33 own activities, or which may be directly linked to its operations, products or
34 services by its business relationships. This can be achieved through on-the-
35 ground assessments of adverse impacts through stakeholder participation.
36

37 Stakeholder consultations should be held on a regular basis with reports
38 released on a quarterly schedule.
39

40 For projects that require the consent of the communities in which
41 infrastructure is constructed, the business must proactively pursue the
42 compliance with and adherence to the provisions of Republic Act No. 8371, or
43 “The Indigenous People’s Rights Act of 1997”.
44

1 (e) Reporting – Businesses shall submit a report of their findings, and initiatives to
2 address the issues mentioned under Sections 4, 5, and 6 of this Act. The report
3 shall include initiatives that were taken in the context of business relationships,
4 such as, entities in its value chain, and any other non-state or state entity
5 directly linked to the business operations, products or services. The report shall
6 also include an assessment of vulnerabilities, and whether or not efforts have
7 been made to address the possible impacts of climate change through internal
8 or external corporate policy decisions, or whether the business utilizes
9 renewable energy. The report must also include mitigation and adaptation
10 efforts, energy efficiency particularly with regard to equipment inventory,
11 waste reduction, and the utilization and construction of green infrastructure to
12 support the work of the corporation.
13

14 The report shall be filed by the business with the Climate Change Commission
15 and the Securities and Exchange Commission, and shall be made available on
16 all their platforms for download and distribution to the public at any time.
17

18 To help businesses with their reportorial requirements, this Act shall establish
19 a reporting facility for GHG emissions of businesses, and a threshold for
20 acceptable emissions established. Such a reporting facility will be lodged with
21 the Philippine Geophysical Atmospheric and Astronomical Services
22 Administration (PAG-ASA).
23

24 **SEC. 6. Adoption of the Precautionary Principle.** – This Act shall adopt Rule
25 20 of the *Rules of Procedure for Environmental Cases*, where:
26

27 (a) Applicability.—When there is a lack of full scientific certainty in establishing a
28 causal link between human activity and environmental effect, the court shall
29 apply the precautionary principle in resolving the case before it.
30

31 The constitutional right of the people to a balanced and healthful ecology shall be
32 given the benefit of the doubt.
33

34 (b) Standards for application.—In applying the precautionary principle, the following
35 factors, among others, may be considered: (1) threats to human life or health; (2)
36 inequity to present or future generations; or (3) prejudice to the environment
37 without legal consideration of the environmental rights of those affected.
38

39 The business and the PAGASA, which monitors GHG emissions, shall also be
40 obliged to disclose whether or not the cause and effect have not yet been scientifically
41 established.
42

43 **SEC. 7. Incentives.** – Businesses which observe their due diligence standard

1 of care and which contribute to the transition to clean energy as set out in the Philippines'
2 Nationally Determined Contribution (NDC) and other mechanisms and roadmaps shall be
3 recognized by the government through a tax credit regime. This shall be rationalized in
4 the IRR upon the passage of the bill.

5
6 **SEC. 8. *Who may file.*** – Any real party in interest, or the climate change
7 victims/survivors may seek redress for any harm caused by non-compliance of the
8 business entity with its obligations under Sections 4 to 6 or commission of any prohibited
9 acts under this Act. Minors, generations yet unborn, and biodiversity can, likewise, be
10 allowed as litigants which should be represented by a legal guardian, in compliance with
11 A.M. No. 09-6-8-SC, or the "Rules of Procedure for Environmental Cases". The petitions
12 may be filed with the regional trial court exercising jurisdiction on the business address
13 of the corporation, the residence of the complainant/s, or any location where the impact
14 is felt.

15
16 The filing of a petition in the domestic courts shall be without prejudice to the
17 seeking of appropriate administrative recourse or international redress.

18
19 **SEC. 9. *Citizens suits.*** – For the purpose of enforcing the provisions of this Act
20 or its implementing rules and regulations, any real party in interest may file appropriate
21 civil, criminal, and administrative suits against any of the following:

22
23 (a) Any person who violates or fails to comply with the provisions of this Act or its
24 implementing rules and regulations; or

25
26 (b) Any public officer with respect to orders, rules and regulations inconsistent
27 with this Act.

28
29 **SEC. 10. *Adoption of the Polluter Pays Principle.*** – Carbon majors or
30 polluters shall pay for the damage they caused to the environment, as may be provided
31 under relevant environmental and natural resource management laws such as, but not
32 limited to:

- 33
34 (a) Presidential Decree No. 705 or the "Revised Forestry Code of the Philippines";
35 (b) Presidential Decree No. 856 or the "Code on Sanitation of the Philippines";
36 (c) Presidential Decree No. 979 or the "Marine Pollution Decree of 1976";
37 (d) Presidential Decree No. 1152 or the "Philippine Environmental Code";
38 (e) Presidential Decree No. 1219 or "The Coral Resources Development and
39 Conservation Decree";
40 (f) Republic Act No. 6969 or the "Toxic Substances and Hazardous and Nuclear
41 Wastes Control Act of 1990";
42 (g) Republic Act No. 7076 or the "People's Small-scale Mining Act of 1991";
43 (h) Republic Act No. 7586 or the "National Integrated Protected Areas Systems
44 Act of 1992" as amended by Republic Act No. 11038;

- 1 (i) Republic Act No. 7942 or the "Philippine Mining Act of 1995";
2 (j) Republic Act No. 8048 or the "Coconut Preservation Act of 1995";
3 (k) Republic Act No. 8041 or the "National Water Crisis Act of 1995";
4 (l) Republic Act No. 8371 or "The Indigenous Peoples' Rights Act of 1997";
5 (m) Republic Act No. 8435 or the "Agriculture and Fisheries Modernization Act of
6 1997";
7 (n) Republic Act No. 8550 or "The Philippine Fisheries Code of 1998";
8 (o) Republic Act No. 8749 or the "Philippine Clean Air Act of 1999";
9 (p) Republic Act No. 9003 or the "Ecological Solid Waste Management Act of
10 2000";
11 (q) Republic Act No. 9136 or the "Electric Power Industry Reform Act of 2001";
12 (r) Republic Act No. 9147 or the "Wildlife Resources Conservation and Protection
13 Act";
14 (s) Republic Act No. 9072 or the "National Caves and Cave Resources
15 Management and Protection Act";
16 (t) Republic Act No. 9003 or "The Ecological Solid Waste Management Act";
17 (u) Republic Act No. 9168 or the "Philippine Plant Variety Protection Act of 2002";
18 (v) Republic Act No. 9275 or "The Philippine Clean Water Act of 2004";
19 (w) Republic Act No. 9367 or the "Biofuels Act of 2006";
20 (x) Republic Act No. 9513 or the "Renewable Energy Act of 2008";
21 (y) Republic Act No. 9729 or the "Climate Change Act of 2009" as amended by
22 Republic Act No. 10174;
23 (z) Republic Act No. 10121 or the "Philippine Disaster Risk Reduction and
24 Management Act of 2010";
25 (aa) Republic Act No. 7611 or the "Strategic Environmental Plan (SEP) for
26 Palawan Act";
27 (bb) Republic Act No. 9483 or the "Oil Pollution Compensations Act of 2007";
28 and
29 (cc) Republic Act No. 11285 or "An Act Institutionalizing Energy Efficiency and
30 Conservation, Enhancing the Efficient Use of Energy, and Granting Incentives
31 to Energy".
32

33 The polluter is not allowed to shift the burden of evidence for the damage caused
34 by the pollution.
35

36 The rights and causes of action that are created under this Act shall be without
37 prejudice to other causes of actions under existing laws. In estimating the amount of and
38 accountability for damage, attribution science can be used as a complementary
39 framework in lieu of proof of actual damage.
40

41 **SEC 11. Application of the Doctrine of Last Clear Chance.** — The Doctrine
42 of Last Clear Chance shall be applied to this Act whereby carbon majors' knowledge of
43 their significant contribution to climate change compels them to substantially reduce
44 greenhouse gas emissions to be faithful to their duty of care. Failure to do so implicates

1 them in exacerbating and thus makes them accountable for significantly contributing to
2 the climate crisis.

3
4 **SEC. 12. Attribution Science.** – Attribution science looks at how climate change
5 exacerbates an extreme event or makes it more frequent. In extreme event attribution,
6 real-time analyses may be conducted immediately after an extreme weather event to
7 determine whether climate change had played a role in it. This is carried out first by
8 examining archival data, and then running two simulation models, one where greenhouse
9 gas emissions are kept constant and another where actual greenhouse gas emissions are
10 factored in. Attribution science shall be viewed alongside factors such as exposure and
11 underlying vulnerability, which put communities at risk.

12
13 The adjudication of cases under this Act, therefore, shall make use of attribution
14 science as one of its bases for ruling. The adjudication shall build on existing
15 understandings of the climate-related events most substantially affected by human
16 influence on the climate. Establishing a threshold for greenhouse gas emissions beyond
17 which corporations will be found liable shall be the principal basis for prosecuting and
18 penalizing corporations.

19
20 **CHAPTER III**
21 **LOSS AND DAMAGE MECHANISMS**

22
23 **SEC. 13. Establishment of the Climate Change Reparations Fund.** –The Climate
24 Change Reparations Fund (CCRF) is hereby created as a special fund in the Bureau of
25 the Treasury for the financing of the claims approved by the Climate Change Reparations
26 Board. The CCRF shall be used to respond to claims made by Climate Change
27 Victims/Survivors. Claims may take the form of the following, among others:

- 28
29 (a) Compensation for economic and non-economic harms;
30 (b) Technology transfers;
31 (c) Capacity building;
32 (d) Financial support
33 (e) Relocation; and
34 (f) Recovery and Rehabilitation measures.

35
36 The amount of Fifty million pesos (₱50,000,000.00) shall be initially allotted as the
37 opening balance of the CCRF under the General Appropriations Act (GAA); Provided, That
38 the balance of the CCRF may be increased as the need arises; Provided, Further, That
39 the CCRF shall not be used to fund personal services and other operational services of
40 the Board; Provided, Furthermore, That the balance of the CCRF including the amount
41 appropriated in the GAA which shall form part of the funds shall not revert to the general
42 fund; Provided, Finally, That the Board shall submit to the Congress and the Department
43 of Budget and Management (DBM) an annual narrative and financial report on the
44 utilization of the CCRF.

1
2 The CCRF may be augmented by donations, endowments, grants, and
3 contributions, which shall be exempted from donor's tax and be considered as allowable
4 deductions from the gross income of the donor, in accordance with the provisions of the
5 National Internal Revenue Code of 1997, as amended. The CCRF shall also serve as the
6 repository for funds generated by international and other mechanisms created for loss
7 and damage finance.
8

9 **SEC. 14. Establishment of the Climate Change Reparations Board.** – There
10 is hereby created an independent quasi-judicial body to be known as the Climate Change
11 Reparations Board, hereinafter referred to as the Board, which shall be attached to the
12 Commission on Human Rights. The CCRB shall administer the CCRF.
13

14 The Board shall be composed of five (5) members, who shall possess the following
15 qualifications:
16

- 17 (a) Must be of known probity, competence, and integrity;
18 (b) Must have a deep and thorough understanding and knowledge of climate change,
19 environmental law, and/or ecosystems science;
20 (c) At least two (2) must be members of the Philippine Bar who have been engaged
21 in the practice of environmental law or human rights for at least ten (10) years;
22 (d) At least two (2) must be climate scientists or recognized experts who have a
23 technical proficiency of climate science and the subfield of climate attribution
24 science; and
25 (e) At least one (1) representative from and chosen by civil society engaged in human
26 rights and climate justice issues.
27

28 The Board shall organize itself within thirty (30) days from the completion of
29 appointment of all three (3) members and shall, thereafter, organize its Secretariat.
30

31 **SEC. 15. Appointment to the Board.** – The President shall appoint the
32 Chairperson and the members of the Board; *Provided*, That human rights organizations,
33 environmental organizations, and indigenous peoples' rights, women's rights, youth's
34 rights, and people with disabilities' rights advocates may submit nominations to the
35 President for the civil society representative; *Provided*, Further, That the members of the
36 Board cannot be removed without justifiable cause.
37

38 **SEC. 16. Term of Office.** – The members of the Board shall serve for three (3)
39 years: *Provided*, That for the first appointees, the Chairperson and two (2) members,
40 shall hold office for three (3) years, two (2) members shall hold office for two (2) years;
41 *Provided*, Further, That appointment to any future vacancy shall only be for the unexpired
42 term of the predecessor: *Provided*, Finally, That there shall be no reappointment and in
43 no case shall any member serve for more than seven (7) years.
44

1 **SEC. 17. Functions of the Board.** – The Board shall have the following powers
2 and functions:

- 3
- 4 (a) Receive, evaluate, process, and investigate applications for claims under this
5 Act;
- 6 (b) Issue *subpoena ad testificandum* and *subpeona duces tecum*;
- 7 (c) Enjoin any and all acts involving or arising from any claims pending before
8 it, which, if not restrained forthwith, may cause further or irreparable damage
9 to any of the parties to the claim or seriously affect social and economic
10 stability;
- 11 (d) Hold any person in contempt, directly or indirectly, and impose appropriate
12 penalties therefor;
- 13 (e) Administer the Climate Change Reparations Fund;
- 14 (f) Approve with finality all eligible claims under this Act;
- 15 (g) Deputize appropriate government agencies to assist the Board in order for it
16 to effectively perform its functions;
- 17 (h) Exercise administrative control over its Secretariat;
- 18 (i) Promulgate such rules as may be necessary to carry out the purposes of this
19 Act, including rules of procedure in the conduct of its proceedings, with the
20 Revised Rules of Court of the Philippines having suppletory application; and
- 21 (j) Perform such other duties, functions, and responsibilities as may be
22 necessary to effectively attain the objectives of this Act.

23

24 In any proceeding before the Board, the rules of evidence prevailing in the courts
25 of law or equity shall not be controlling but applied suppletorily, and it is the spirit and
26 intention of this Act that shall govern. The board shall use every and all reasonable means
27 to ascertain the facts in each case speedily, objectively, and without regard to
28 technicalities of law or procedure, all in the interest of due process and social justice.

29

30 In any proceeding before the Board, the parties may be represented by a legal
31 counsel.

32

33 The findings of fact of the Board shall be conclusive and binding on the parties
34 and its decision or order shall be deemed final and executory.

35

36 **SEC. 18. Resolution of Claims.** – The Board shall be convened, with an
37 attendance of a majority, to resolve all claims.

38

39 **SEC. 19. Compensation.** – The Chairperson and members of the Board shall be
40 entitled to compensation in accordance with the Salary Standardization Law.

41

42 **SEC. 20. Secretariat of the Board.** – The Board shall be assisted by a
43 Secretariat, without prejudice to the hiring of additional personnel as determined by the
44 Board to accommodate the volume of required work.

1 The Secretariat shall assist the Board with its functions and perform other duties
2 as may be assigned by the Board.

3
4 The Chairperson of the Board shall appoint a Board Secretary who shall head the
5 Secretariat for the duration of the existence of its Board. There shall be a Technical Staff
6 Head to be assisted by five (5) legal officers and three (3) climate scientists, and an
7 Administrative Staff Head assisted by three (3) administrative support staff.

8
9 **CHAPTER IV**
10 **FINAL PROVISIONS**

11 **SEC. 21. Penal Provisions.** — Businesses shall be held liable for any observed
12 adverse impacts on the climate through the exercise of their work. This is anchored on
13 Sec 32 of the Civil Code of the Philippines which provides for the liability for damages of
14 any public officer or employee, or any private individual, who directly or indirectly
15 obstructs, defeats, violates or in any manner impedes or impairs the rights and liberties
16 of another person. The violation of the human right to the environment entitles the
17 victims thereto for damages from the perpetrators of such damage.

18
19
20 (a) **Greenwashing.** — Greenwashing refers to the conveyance of false information
21 on the environmental soundness of their products, operations, and services. Acts of
22 greenwashing include, but are not limited to, outright false statements, understating
23 impacts, omitting trade-offs, absence of proof backing up claims, vague or overbroad
24 claims, false third-party certifications, and the like. Any act of greenwashing shall be
25 restrained, and the culpable business engaged in greenwashing fined an amount
26 equivalent to 15% of their gross income reported in their latest regulatory disclosure.
27 The collected penalty shall accrue to the CCRF.

28
29 (b) **Climate denialism.** — Climate denialism refers to the public denial or dismissal
30 of anthropogenic climate change, in a manner deliberately intended to mislead or
31 intentionally misstating facts, contrary to scientific consensus. Any business engaged in
32 climate denialism shall be held liable for the disinformation perpetuated, by issuing a
33 public retraction and sanctioned with a penalty in an amount equivalent to 15% of their
34 gross income reported in their latest regulatory disclosure. The collected penalty shall
35 accrue to the CCRF.

36
37 (c) **Emission Penalty** - Based on data collated by the reporting facility for businesses'
38 GHG emissions established by this Act, an emission penalty shall be applied pursuant to
39 Section 12 of this Act for breaching the threshold for acceptable emissions which are also
40 aligned with the country's nationally determined contributions. The threshold shall be
41 established after due consultation among the PAG-ASA, the Climate Change Reparations
42 Board, and the Climate Change Commission. All collected penalties shall be remitted to
43 the CCRF.

1 (d) **SLAPP Suits.** — Strategic lawsuit against public participation (SLAPP) refers to
2 an action whether civil, criminal or administrative, brought against any person, institution
3 or any government agency or local government unit or its officials and employees, with
4 the intent to harass, vex, exert undue pressure or stifle any legal recourse that such
5 person, institution or government agency has taken or may take in the enforcement of
6 environmental laws, protection of the environment or assertion of environmental rights.
7 This Act shall prohibit SLAPP Suits and shall penalize such suits filed, with damages
8 equivalent to 15% of the gross income of the petitioner and entity at whose instance and
9 for whose benefit the SLAPP Suit was filed.

10
11 Fines and penalties under this Act shall accrue to the CCRF. In addition to the
12 fines, the court has power to order the closure or suspension of business until such time
13 that proper environmental safeguards are put into place and the government is assured
14 of the compliance mechanism by the business: *Provided*, That an establishment liable for
15 a third offense shall suffer permanent and immediate closure.

16
17 This paragraph shall be without prejudice to the immediate issuance of an *ex parte*
18 order for such closure or suspension or cessation of operations during the pendency of
19 the case upon *prima facie* evidence that there is an imminent threat to life, public health,
20 safety or general welfare, or to biodiversity.

21
22 If the offender is a juridical person, the president, manager, directors, trustees,
23 or the officials directly related to the operations shall suffer the penalty herein provided.

24
25 **SEC. 22. Potential Loss of Employment.** — The Secretary of the Department
26 of Labor and Employment is authorized to establish a compensation and reemployment
27 scheme for employees of businesses that will be affected by any suspension or
28 permanent cessation of business activities as a result of the implementation and
29 enforcement of this Act. The Board can help determine the scope of the relief package
30 for the employees.

31
32 **SEC. 23. Coordination with Various Sectors.** — In order to fully implement
33 this Act, nongovernment organizations, community leaders, indigenous peoples, civic
34 society, the academe, and youth organizations, the private and corporate sectors, and
35 other concerned stakeholder groups shall be consulted and shall work in close
36 coordination with corporations.

37
38 **SEC. 24. Joint Congressional Oversight Committee.** — A Joint Congressional
39 Oversight Committee is created in order to monitor the implementation of this Act. The
40 Committee shall be composed of five (5) Senators and five (5) members of the House of
41 Representatives, selected respectively by the Senate President and the Speaker of the
42 House. The Committee shall be co-chaired by one (1) member from the Senate and the
43 House of Representatives, selected separately by their peers who are also members of
44 the Committee.

1
2 **SEC. 25. Appropriations.** – An amount of **Fifty Million Pesos**
3 **(P50,000,000.00)** shall be appropriated for the initial implementation of this Act.
4 Thereafter, the amount necessary to effectively carry out the provisions of this Act shall
5 be included in the General Appropriations Act.
6

7 **SEC. 26. Implementing Rules and Regulations.** – The Climate Change
8 Commission, Commission on Human Rights, and the Securities and Exchange
9 Commission, shall issue the Implementing Rules and Regulations within ninety (90) days
10 from the effectivity of this Act.
11

12 **SEC. 27. Separability Clause.** – If any of the sections or provisions of this Act
13 is held invalid, all other provisions not affected thereby shall remain valid.
14

15 **SEC. 28. Repealing Clause.** – All laws, decrees, orders, resolutions, instructions,
16 rules and regulations, and other issuances or parts thereof which are inconsistent with
17 the provisions of this Act are hereby repealed, amended, or modified accordingly.
18

19 **SEC. 29. Effectivity.** – This Act shall take effect fifteen (15) days after its
20 publication in the *Official Gazette* or in a newspaper of general circulation.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
Second Regular Session

House Bill No. **10478**



**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO,
JOCELYN P. TULFO, AND ERWIN T. TULFO**

AN ACT INSTITUTING POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES

EXPLANATORY NOTE

Article II, Section 16 of the 1987 Philippine Constitution mandates the State to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature. In so doing, Section 2 of Republic Act No. 9729, otherwise known as the "Climate Change Act of 2009", sets forth that the State shall strengthen, integrate, consolidate and institutionalize government initiatives to achieve coordination in the implementation of plans and programs to address climate change in the context of sustainable development.

In 2022, the Philippines topped the World Risk Index as the nation facing the most significant threat from disasters. The Index estimated that the annual economic damages due to climate change could amount to 13.6 percent of the country's gross domestic product.

The repercussions of climate change, such as rising sea levels, increased frequency of typhoons, extreme weather events, and higher temperatures can cause various disasters like floods, landslides, and erosion. These hazards not only deplete the country's natural resources but also inflict substantial damage on infrastructure as well as lead to loss of lives and livelihoods.¹


¹ "Philippines Climate Change Country Profile", USAID, Accessed 7 May 2024, https://www.usaid.gov/sites/default/files/2023-11/USAID-%20Philippines-Climate-Change-Country-Profile_0.pdf


Currently, the country has been suffering from intense drought, one of the slow-onset effects of climate change. Climate-sensitive sectors, including agriculture, energy, water, health and public safety, have been adversely affected, leading to food, energy, and water insecurity.² As of March 2024, El Niño has triggered drought in at least 37 areas, a dry spell in 22 areas, and dry conditions in 12 areas within the country.³


Further, the Philippines has been recently experiencing a sort of heat wave in areas under the "danger" classification, with temperatures ranging from 42°C to 45°C. Local government units and school heads, with express approval of the Department of Education,⁴ has deemed it necessary to suspend in-person classes due to extreme heat that may compromise the health and safety of learners, teachers, and non-teaching personnel. Sustained exposure to high temperatures can cause heat exhaustion and stroke that could lead to death. As of April this year, a total of 34 cases of heat-related illness, with six (6) death claims, have been reported to the Department of Health.⁵ The heat wave is also putting pressure on power supplies in Luzon, which accounts for three-quarters of economic output, with reserves thinning after 13 power plants had shut down this April.⁶

This proposed legislative measure seeks to institute policies and systems to address climate change. Salient provisions of the bill include the establishment of a Climate Change Reparations Fund and a Climate Change Reparations Board, a framework for business accountability amid the effects of climate change, and the penalization of certain acts such as greenwashing, climate denialism, breaching the threshold for acceptable emissions, and the filing of SLAPP suits.

In view of the foregoing, the urgent passing of this bill is earnestly sought.


RALPH WENDEL P. TULFO
Representative
2nd District of Quezon City


JOCELYN P. TULFO
Representative
ACT-CIS Partylist


ERWIN T. TULFO
Representative
ACT-CIS Partylist

² "CCC: Brace against the effects of El Niño", *Philippine Information Agency*, 23 Feb. 2024, <https://pia.gov.ph/press-releases/2024/02/23/ccc-brace-against-the-effects-of-el-nino>

³ Arceo, Acor, "Philippines' warm and dry season starts at tail end of El Niño", *Rappler*, 22 Mar. 2024, <https://www.rappler.com/nation/weather/pagasa-declares-start-philippines-warm-dry-season-summer-march-2024/>

⁴ Department of Education, *Guidelines on the Cancellation or Suspension of Classes and Work in Schools in the Event of Natural Disasters, Power Outages/Power Interruptions, and Other Calamities*, DepEd Order No. 037, Series of 2022, 1 Sept. 2022

⁵ Abanto, Rowegie, "DOH verifying 6 deaths due to intense heat", *ABS-CBN News*, 30 Apr. 2024, <https://news.abs-cbn.com/regions/2024/4/30/dagupan-cooks-in-49-degree-sizzler-after-hitting-51-c-920>

⁶ Morales, Neil Jerome, "Heat wave in Southeast Asia closes schools, triggers health alerts", *Reuters*, 29 April 2024, <https://www.reuters.com/world/asia-pacific/philippines-dangerous-heat-prompts-shift-online-classes-power-crunch-2024-04-29/>

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS
Second Regular Session

House Bill No. **10478**

**INTRODUCED BY REPRESENTATIVES RALPH WENDEL P. TULFO,
JOCELYN P. TULFO, AND ERWIN T. TULFO**

1 **AN ACT INSTITUTING POLICIES AND SYSTEMS TO ADDRESS CLIMATE**
2 **CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL**
3 **MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE**
4 **COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY,**
5 **PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND**
6 **REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES**
7

8 *Be it enacted by the Senate and the House of Representatives of the Philippines in Congress*
9 *assembled:*
10

11 **SECTION 1. *Short Title.*** – This Act shall be known and referred to as “The Climate
12 Accountability (CLIMA) Act”.

13
14 **SEC. 2. *Declaration of Policy.*** – It is the declared policy of the State to protect and
15 advance the right of the people to a balanced and healthful ecology in accordance with
16 the rhythm and harmony of nature; to protect and promote the right to health, and
17 dignified life; and to instill health consciousness among them.

18
19 The State shall protect climate systems for the benefit of its citizens and generations
20 yet to be born, on the basis of the precautionary principle, climate justice, common but
21 differentiated responsibilities, and just transition. In this context, the State shall enjoin
22 the participation of businesses to prevent and reduce the adverse impacts of climate
23 change in the context of sustainable development. Towards this end, the State adheres
24 to the United Nations Guiding Principles on Business and Human Rights (UNGPBHR)

1 as a basis for the establishment of minimum standards of behavior for corporate
2 interests operating in the Philippines and in all territories over which the Philippines
3 has sovereignty or jurisdiction.

4
5 **SEC. 3. *Definition of Terms.*** – For the purposes of this Act, the following terms shall
6 be defined as:

- 7
- 8 (a) *Adaptation* refers to the adjustment in natural or human systems in response to
9 actual or expected climatic stimuli or their effects, which moderates harm
10 and/or exploits beneficial opportunities;
 - 11 (b) *Anthropogenic causes* refer to causes resulting from human activities or produced
12 by human beings;
 - 13 (c) *Business* refers to a natural or legal person, including State-owned enterprises,
14 transnational corporations and business enterprises of transnational character,
15 other business enterprises, and joint ventures, whether individual or aggregate
16 entities, undertaken by a natural person or a legal person duly incorporated
17 under the Revised Corporation Code of the Philippines or the corresponding
18 relevant corporate establishment legislation in other countries. For the purposes
19 of this Act, “business” shall mean businesses that reported a gross income of
20 more than One Hundred Million Pesos (PhP100,000.000.00) in the previous tax
21 year, or carbon majors, regardless of amount of gross income;
 - 22 (d) *Business relationship* refers to any relationship between businesses to conduct
23 business activities, including those activities conducted through affiliates,
24 subsidiaries, agents, suppliers, partnerships, joint venture, beneficial
25 proprietorship, or any other structure or contractual relationship as provided
26 under the domestic law of the State, including activities undertaken by electronic
27 means;
 - 28 (e) *Carbon majors* refer to the businesses that are multinational or state-owned
29 producers, traders, and refineries of crude oil, natural gas, coal, and cement, that

1 significantly contribute to global greenhouse gas emissions without taking
2 climate accountability, and therefore primarily drive climate change;

3 (f) *Climate accountability* refers to the responsibility of and corresponding need for
4 reparation from carbon majors significantly responsible for climate change. A
5 climate accountability regime establishes a governance mechanism for ensuring
6 that climate targets are met through robust regulation and progress reporting.
7 The accountability of carbon majors as defined in this Act shall range from
8 negligence to causation based on emissions thresholds;

9 (g) *Climate change* refers to a change in climate that can be identified by changes in
10 the mean and/or variability of its properties and that persists for an extended
11 period typically decades or longer, now mainly driven by anthropogenic
12 activities since the 1800s;

13 (h) *Climate Change Victims/Survivors* refer to (a) people or communities who suffered
14 harm, including physical or mental injury, emotional suffering, or economic or
15 property loss, or impairment of their human rights as a result of climate-related
16 loss and damage; or (b) those communities affected by slow or rapid-onset
17 events of such magnitude, that cannot be avoided either by mitigation (avoiding
18 and reducing greenhouse gas emissions) or adaptation (adjusting to current and
19 future climate change impacts); or who have been, or are likely to be, severely
20 affected by climate change, while at the same time having inadequate human,
21 social, and economic capital for climate change adaptation, including relocation;

22 (i) *Greenhouse gases (GHG)* refer to constituents of the atmosphere that contribute to
23 the greenhouse effect including, but not limited to, carbon dioxide, methane,
24 nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride;

25 (j) *Intergovernmental Panel on Climate Change (IPCC)* refers to the intergovernmental
26 body of the United Nations responsible for assessing the science related to
27 climate change;

28 (k) *Loss and Damage* refers to the harms resulting from the adverse effects of climate
29 change, including extreme weather events and slow onset events, such as sea
30 level rise. This includes economic or non-economic harms to life, livelihoods,

1 ecosystems, or cultural heritage, and can involve tangible or non-tangible
2 property, possessions, cultural identity, sacred places or objects, human health,
3 among other things;

4 (l) *Mitigation*, in the context of climate change, refers to human intervention to
5 address anthropogenic emissions by sources and removals by sinks of all GHGs,
6 including ozone-depleting substances and their substitutes;

7 (m) *Nationally determined contribution* refers to the Philippines' nationally determined
8 contribution (NDC), as a climate action plan to cut emissions and adapt to
9 climate impacts, undertaken and communicated pursuant to Article 3 of the
10 Paris Agreement;

11 (n) *Paris Agreement* refers to an international treaty on climate change adopted by
12 the Parties, including the Philippines, to the United Nations Framework
13 Convention on Climate Change (UNFCCC) at the twenty-first session of the
14 Conference of Parties of the UNFCCC in December 2015 and duly deposited
15 with the United Nations Secretary-General as its Treaty Depository which aims
16 to strengthen the global response to the threat of climate change, in the context
17 of sustainable development and efforts to eradicate poverty, and will be
18 implemented to reflect equity and the principle of common but differentiated
19 responsibilities (CBDR) and respective capabilities, in light of different national
20 circumstances;

21 (o) *Reparations* refer to the amends for a tort or injury inflicted, especially, in the
22 context of this bill, compensation, relocation, and rehabilitation and recovery for
23 victims/survivors of climate loss and damage;

24 (p) *Vulnerability* refers to the degree to which a system is susceptible to, or unable to
25 cope with, adverse effects of climate change, including climate variability and
26 extremes. Vulnerability is a function of the character, magnitude, and rate of
27 climate change and variation to which a system is exposed, its sensitivity, and
28 its adaptive capacity.

29
30
31

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

CHAPTER II
FRAMEWORK FOR BUSINESS ACCOUNTABILITY

21
22
23
24

SEC. 4. *Due Diligence Standard of Care in the Conduct of Business.* – Businesses in the conduct of their activities shall do no harm. To this end, these businesses are mandated to undertake the following throughout their value chain, among others:

- 25
26
27
28
29
30
- (a) Businesses must take proactive steps to find out facts about possible climate harms their operations may cause and to prevent and address them;
 - (b) Businesses must proactively adopt measures to shift away from their business-as-usual activities exacerbating climate change impacts, strategically reduce their GHG emissions, and to uphold human rights; and
 - (c) Taking into account existing and prospective vulnerabilities, businesses must address potential impacts of their activities, and to have stringent risk management efforts.

Businesses must undertake measures that are in reasonable proportion to the nature and scope of the business activities, their ability to influence, the severity of the violation that can typically be expected, and the nature of and causal contribution to such harms.

A business shall be held accountable for negligence emanating from the businesses' role in exacerbating extreme weather events or slow-onset events where they exceed established thresholds for GHG emissions.

SEC. 5. *Responsibilities.* – Businesses have the responsibility to update their conduct and policies in accordance with the UNGPBHR. Moreover, they have the following tasks and responsibilities under the law:

- (a) Climate related financial disclosures – Businesses shall disclose to the Securities and Exchange Commission (SEC) climate-related financial disclosures and the

1 names of those who authorized the climate-related financial transactions. This
2 shall include opportunities and risks from climate impacts, climate policies, and
3 new technologies;

4 (b) Measurement of GHG emissions – Businesses shall measure and analyze their
5 GHG emissions, throughout their value chains, to comply with the standards
6 based on the most recent scientific evidence and reports of the IPCC;

7 (c) Prevention of human rights abuses – Businesses must ensure, throughout their
8 value chains, that in the conduct of their operations and activities, efforts must
9 be made not just to counter the adverse impacts of climate change, but also to
10 ensure the protection of human rights. Businesses shall respect, protect, and
11 promote the human rights of communities, including the right to life, liberty,
12 and property, freedom of movement, right of public participation, and the right
13 to self-determination of indigenous cultural communities. In accordance with
14 the UNGPBHR, businesses have the responsibility to respect human rights
15 especially in the context of climate change, and should avoid harming these
16 rights by taking proactive steps to identify, prevent, mitigate, and address
17 adverse impacts with which they are involved;

18 (d) Monitoring of people who experience the impacts of climate change – Due
19 diligence must be undertaken by businesses to address the adverse climate
20 change-related human rights impacts they may cause or contribute through its
21 own activities, or which may be directly linked to its operations, products, or
22 services by its business relationships. This can be achieved through on-the-
23 ground assessments of adverse impacts through stakeholder participation.

24
25 Stakeholder consultations should be held on a regular basis with reports
26 released on a quarterly schedule.

27
28 For projects that require the consent of the communities in which infrastructure
29 is constructed, the business must proactively pursue the compliance with and

1 adherence to the provisions of Republic Act No. 8371, otherwise known as "the
2 Indigenous People's Rights Act of 1997".

- 3 (e) Reporting – Businesses shall submit a report of their findings and initiatives to
4 address the issues mentioned under Sections 4, 5, and 6 of this Act. The report
5 shall include initiatives that were taken in the context of business relationships,
6 such as, entities in its value chain, and any other non-state or state entity directly
7 linked to the business operations, products, or services. The report shall also
8 include an assessment of vulnerabilities, and whether efforts have been made to
9 address the possible impacts of climate change through internal or external
10 corporate policy decisions or whether the business utilizes renewable energy.
11 The report must also include mitigation and adaptation efforts, energy efficiency
12 particularly with regard to equipment inventory, waste reduction, and the
13 utilization and construction of green infrastructure to support the work of the
14 corporation.

15
16 The report shall be filed by the business with the Climate Change Commission
17 (CCC) and the SEC, and shall be made available on all their platforms for
18 download and distribution to the public at any time.

19
20 To help businesses with their reportorial requirements, this Act shall establish a
21 reporting facility for GHG emissions of businesses, and a threshold for
22 acceptable emissions established. Such a reporting facility will be lodged with
23 the Philippine Geophysical Atmospheric and Astronomical Services
24 Administration (PAGASA).

1 **SEC. 6. Adoption of the Precautionary Principle.** – This Act shall adopt Rule 20 of
2 the Rules of Procedure for Environmental Cases, where:

3
4 (a) **Applicability.** – When there is a lack of full scientific certainty in establishing a
5 causal link between human activity and environmental effect, the court shall
6 apply the precautionary principle in resolving the case before it.

7
8 The constitutional right of the people to a balanced and healthful ecology shall be
9 given the benefit of the doubt.

10
11 (b) **Standards for application.** – In applying the precautionary principle, the
12 following factors, among others, may be considered: (1) threats to human life or
13 health; (2) inequity to present or future generations; or (3) prejudice to the
14 environment without legal consideration of the environmental rights of those
15 affected.

16
17 The business and the PAGASA, which monitors GHG emissions, shall also be
18 obliged to disclose whether or not the cause and effect have not yet been scientifically
19 established.

20
21 **SEC. 7. Incentives.** – Businesses which observe their due diligence standard of care
22 and which contribute to the transition to clean energy as set out in the Philippines'
23 Nationally Determined Contribution (NDC) and other mechanisms and roadmaps shall
24 be recognized by the government through a tax credit regime. This shall be rationalized
25 in the IRR upon the passage of the bill.

26
27 **SEC. 8. Who May File.** – Any real-party-in-interest, or the climate change
28 victims/survivors may seek redress for any harm caused by non-compliance of the
29 business entity with its obligations under Sections 4 to 6 or commission of any
30 prohibited acts under this Act. Minors, generations yet unborn, and biodiversity may

1 likewise be allowed as litigants which should be represented by a legal guardian, in
2 compliance with Administrative Matter No. 09-6-8-SC, or the "Rules of Procedure for
3 Environmental Cases". The petitions may be filed with the Regional Trial Court
4 exercising jurisdiction on the business address of the corporation, the residence of the
5 complainant/s, or any location where the impact is felt.

6
7 The filing of a petition in the domestic courts shall be without prejudice to the seeking
8 of appropriate administrative recourse or international redress.

9
10 **SEC. 9. Citizen Suit.** – For the purpose of enforcing the provisions of this Act or its
11 implementing rules and regulations (IRR), any real party in interest may file the
12 appropriate civil, criminal, and administrative suit against any of the following:

- 13
14 (a) Any person who violates or fails to comply with the provisions of this Act or its
15 IRR; or
16 (b) Any public officer with respect to orders, rules, and regulations inconsistent with
17 this Act.

18
19 **SEC. 10. Adoption of the "Polluter Pays" Principle.** – Carbon majors or polluters
20 shall pay for the damage they caused to the environment, as may be provided under
21 relevant environmental and natural resource management laws, such as, but not
22 limited to:

- 23
24 (a) Presidential Decree No. 705 or the "Revised Forestry Code of the Philippines";
25 (b) Presidential Decree No. 856 or the "Code on Sanitation of the Philippines";
26 (c) Presidential Decree No. 979 or the "Marine Pollution Decree of 1976";
27 (d) Presidential Decree No. 1152 or the "Philippine Environmental Code";
28 (e) Presidential Decree No. 1219 or "The Coral Resources Development and
29 Conservation Decree";

- 1 (f) Republic Act No. 6969 or the "Toxic Substances and Hazardous and Nuclear
2 Wastes Control Act of 1990";
- 3 (g) Republic Act No. 7076 or the "People's Small-Scale Mining Act of 1991";
- 4 (h) Republic Act No. 7586 or the "National Integrated Protected Areas Systems Act
5 of 1992", as amended by Republic Act No. 11038;
- 6 (i) Republic Act No. 7942 or the "Philippine Mining Act of 1995";
- 7 (j) Republic Act No. 8048 or the "Coconut Preservation Act of 1995";
- 8 (k) Republic Act No. 8041 or the "National Water Crisis Act of 1995";
- 9 (l) Republic Act No. 8371 or "The Indigenous Peoples' Rights Act of 1997";
- 10 (m) Republic Act No. 8435 or the "Agriculture and Fisheries Modernization Act of
11 1997";
- 12 (n) Republic Act No. 8550 or "The Philippine Fisheries Code of 1998";
- 13 (o) Republic Act No. 8749 or the "Philippine Clean Air Act of 1999";
- 14 (p) Republic Act No. 9003 or the "Ecological Solid Waste Management Act of 2000";
- 15 (q) Republic Act No. 9136 or the "Electric Power Industry Reform Act of 2001";
- 16 (r) Republic Act No. 9147 or the "Wildlife Resources Conservation and Protection
17 Act";
- 18 (s) Republic Act No. 9072 or the "National Caves and Cave Resources Management
19 and Protection Act";
- 20 (t) Republic Act No. 9003 or "The Ecological Solid Waste Management Act";
- 21 (u) Republic Act No. 9168 or the "Philippine Plant Variety Protection Act of 2002";
- 22 (v) Republic Act No. 9275 or "The Philippine Clean Water Act of 2004";
- 23 (w) Republic Act No. 9367 or the "Biofuels Act of 2006";
- 24 (x) Republic Act No. 9513 or the "Renewable Energy Act of 2008";
- 25 (y) Republic Act No. 9729 or the "Climate Change Act of 2009", as amended by
26 Republic Act No. 10174;
- 27 (z) Republic Act No. 10121 or the "Philippine Disaster Risk Reduction and
28 Management Act of 2010";
- 29 (aa) Republic Act No. 7611 or the "Strategic Environmental Plan (SEP) for Palawan
30 Act";

1 (bb) Republic Act No. 9483 or the "Oil Pollution Compensations Act of 2007"; and
2 (cc) Republic Act No. 11285 or "An Act Institutionalizing Energy Efficiency and
3 Conservation, Enhancing the Efficient Use of Energy, and Granting Incentives to
4 Energy".
5

6 The polluter is not allowed to shift the burden of evidence for the damage caused by
7 the pollution.
8

9 The rights and causes of action that are created under this Act shall be without
10 prejudice to other causes of actions under existing laws. In estimating the amount of
11 and accountability for damage, attribution science can be used as a complementary
12 framework in lieu of proof of actual damage.
13

14 **SEC. 11. *Application of the Doctrine of Last Clear Chance.*** - The Doctrine of Last
15 Clear Chance shall be applied to this Act whereby carbon majors' knowledge of their
16 significant contribution to climate change compels them to substantially reduce
17 greenhouse gas emissions to be faithful to their duty of care. Failure to do so implicates
18 them in exacerbating and thus makes them accountable for significantly contributing
19 to the climate crisis.
20

21 **SEC. 12. *Attribution Science.*** - Attribution science looks at how climate change
22 exacerbates an extreme event or makes it more frequent. In extreme event attribution,
23 real-time analyses may be conducted immediately after an extreme weather event to
24 determine whether climate change had played a role in it. This is carried out first by
25 examining archival data, and then running two simulation models: (1) where
26 greenhouse gas emissions are kept constant, and (2) where actual greenhouse gas
27 emissions are factored in. Attribution science shall be viewed alongside factors such as
28 exposure and underlying vulnerability, which put communities at risk.
29

1 The adjudication of cases under this Act, therefore, shall make use of attribution
2 science as one of its bases for ruling. The adjudication shall build on existing
3 understandings of the climate-related events most substantially affected by human
4 influence on the climate. Establishing a threshold for greenhouse gas emissions beyond
5 which corporations will be found liable shall be the principal basis for prosecuting and
6 penalizing corporations.

7
8 **CHAPTER III**
9 **LOSS AND DAMAGE MECHANISMS**
10

11 **SEC. 13. *Establishment of the Climate Change Reparations Fund.*** - The Climate
12 Change Reparations Fund (CCRF) is hereby created as a special fund in the Bureau of
13 Treasury for the financing of the claims approved by the Climate Change Reparations
14 Board (CCRB). The CCRF shall be used to respond to claims made by Climate Change
15 Victims/Survivors. Claims may take the form of the following, among others:

- 16
17 (a) Compensation for economic and non-economic harms;
18 (b) Technology transfers;
19 (c) Capacity building;
20 (d) Financial support;
21 (e) Relocation; and
22 (f) Recovery and Rehabilitation measures.

23
24 The amount of Fifty Million Pesos (PhP50,000,000.00) shall be initially allotted as the
25 opening balance of the CCRF under the General Appropriations Act (GAA): *Provided,*
26 That the balance of the CCRF may be increased as the need arises: *Provided, further,* That
27 the CCRF shall not be used to fund personal services and other operational services of
28 the Board: *Provided, furthermore,* That the balance of the CCRF including the amount
29 appropriated in the GAA which shall form part of the funds shall not revert to the
30 general fund: *Provided, finally,* That the Board shall submit to the Congress and the

1 Department of Budget and Management (DBM) an annual narrative and financial
2 report on the utilization of the CCRF.

3
4 The CCRF may be augmented by donations, endowments, grants, and contributions,
5 which shall be exempted from donor's tax and be considered as allowable deductions
6 from the gross income of the donor, in accordance with the provisions of the National
7 Internal Revenue Code of 1997, as amended. The CCRF shall also serve as the repository
8 for funds generated by international and other mechanisms created for loss and damage
9 finance.

10
11 **SEC. 14. *Establishment of the Climate Change Reparations Board.*** – There is hereby
12 created an independent quasi-judicial body to be known as the CCRB, hereinafter
13 referred to as the Board, which shall be attached to the Commission of Human Rights
14 (CHR). The CCRB shall administer the CCRF.

15
16 The Board shall be composed of five (5) members, who shall possess the following
17 qualifications:

- 18
19 (a) Must be of known probity, competence, and integrity;
20 (b) Must have a deep and thorough understanding and knowledge of climate
21 change, environmental law, and/or ecosystems science;
22 (c) At least two (2) members must be members of the Philippine Bar who have been
23 engaged in the practice of environmental law or human rights for at least ten (10)
24 years;
25 (d) At least two (2) members must be climate scientists or recognized experts who
26 have a technical proficiency of climate science and the subfield of climate
27 attribution science; and
28 (e) At least one (1) representative from and chosen by the civil society engaged in
29 human rights and climate justice issues.

30

1 The Board shall organize itself within thirty (30) days from the completion of
2 appointment of all three (3) members and shall thereafter organize its Secretariat.

3
4 **SEC. 15. *Appointment to the Board.*** - The President shall appoint the Chairperson
5 and the members of the Board: *Provided*, That human rights organizations,
6 environmental organizations, and indigenous peoples' rights, women's rights, youth's
7 rights, and people with disabilities' rights advocates may submit nominations to the
8 President for the civil society representative: *Provided, further*, That the members of the
9 Board cannot be removed without justifiable cause.

10
11 **SEC. 16. *Term of Office.*** - The members of the Board shall serve for three (3) years:
12 *Provided*, That for the first appointees, the Chairperson and two (2) members, shall hold
13 office for three (3) years, while two (2) members shall hold office for two (2) years:
14 *Provided, further*, That appointment to any future vacancy shall only be for the unexpired
15 term of the predecessor: *Provided, finally*, That there shall be no reappointment and in
16 no case shall any member serve for more than seven (7) years.

17
18
19 **SEC. 17. *Functions of the Board.*** - The Board shall have the following powers and
20 functions:

- 21
- 22 (a) Receive, evaluate, process, and investigate applications for claims under this Act;
 - 23 (b) Issue *subpoena ad testificandum* and *subpoena duces tecum*;
 - 24 (c) Enjoin any and all acts involving or arising from any claims pending before it,
25 which, if not restrained forthwith, may cause further or irreparable damage to
26 any of the parties to the claim or seriously affect social and economic stability;
 - 27 (d) Hold any person in contempt, directly or indirectly, and impose appropriate
28 penalties therefor;
 - 29 (e) Administer the CCRF;
 - 30 (f) Approve with finality all eligible claims under this Act;

- 1 (g) Deputize appropriate government agencies to assist the Board in order for it to
2 effectively perform its functions;
- 3 (h) Exercise administrative control over its Secretariat;
- 4 (i) Promulgate such rules as may be necessary to carry out the purposes of this Act,
5 including rules of procedure in the conduct of its proceedings, with the Revised
6 Rules of Court of the Philippines having suppletory application; and
- 7 (j) Perform such other duties, functions, and responsibilities as may be necessary to
8 effectively attain the objectives of this Act.
- 9

10 In any proceeding before the Board, the rules of evidence prevailing in the courts of
11 law or equity shall not be controlling but applied suppletorily, and it is the spirit and
12 intention of this Act that shall govern. The Board shall use every and all reasonable
13 means to ascertain the facts in each case speedily, objectively, and without regard to
14 technicalities of law or procedure, all in the interest of due process and social justice.

15

16 In any proceeding before the Board, the parties may be represented by a legal
17 counsel.

18

19 The findings of fact of the Board shall be conclusive and binding on the parties and
20 its decision or order shall be deemed final and executory.

21

22 **SEC. 18. *Resolution of Claims.*** – The Board shall be convened, with an attendance of
23 a majority, to resolve all claims.

24

25 **SEC. 19. *Compensation.*** – The Chairperson and members of the Board shall be
26 entitled to compensation in accordance with the Salary Standardization Law.

27

28 **SEC. 20. *Secretariat of the Board.*** – The Board shall be assisted by a Secretariat,
29 without prejudice to the hiring of additional personnel as determined by the Board, to
30 accommodate the volume of required work.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

The Secretariat shall assist the Board with its functions and perform other duties as may be assigned by the Board.

The Chairperson of the Board shall appoint a Board Secretary who shall head the Secretariat for the duration of the existence of its Board. There shall be a Technical Staff Head to be assisted by five (5) legal officers and three (3) climate scientists, and an Administrative Staff Head assisted by three (3) administrative support staff.

CHAPTER IV
FINAL PROVISIONS

SEC. 21. Penal Provisions. – Businesses shall be held liable for any observed adverse impacts on the climate through the exercise of their work. This is anchored on Section 32 of the Civil Code of the Philippines which provides for the liability for damages of any public officer or employee, or any private individual, who directly or indirectly obstructs, defeats, violates, or in any manner impedes or impairs the rights and liberties of another person. The violation of the human right to the environment entitles the victims thereto for damages from the perpetrators of such damage.

(a) *Greenwashing.* – Greenwashing refers to the conveyance of false information on the environmental soundness of their products, operations, and services. Acts of greenwashing include, but are not limited to, outright false statements, understating impacts, omitting trade-offs, absence of proof backing up claims, vague or overbroad claims, false third-party certifications, and the like. Any act of greenwashing shall be restrained, and the culpable business engaged in greenwashing shall be fined an amount equivalent to fifteen percent (15%) of their gross income reported in their latest regulatory disclosure. The collected penalty shall accrue to the CCRF.

1
2 (b) *Climate denialism.* – Climate denialism refers to the public denial or dismissal of
3 anthropogenic climate change, in a manner deliberately intended to mislead or
4 intentionally misstating facts, contrary to scientific consensus. Any business
5 engaged in climate denialism shall be held liable for the disinformation
6 perpetuated, by issuing a public retraction and sanctioned with a penalty in an
7 amount equivalent to fifteen percent (15%) of their gross income reported in their
8 latest regulatory disclosure. The collected penalty shall accrue to the CCRF.

9
10 (c) *Emission Penalty.* – Based on data collated by the reporting facility for businesses’
11 GHG emissions established by this Act, an emission penalty shall be applied
12 pursuant to Section 12 of this Act for breaching the threshold for acceptable
13 emissions which are also aligned with the country’s nationally determined
14 contributions. The threshold shall be established after due consultation among
15 the PAGASA, the CCRB, and the CCC. All collected penalties shall be remitted to
16 the CCRF.

17
18 (d) *SLAPP Suits.* – Strategic Lawsuit Against Public Participation (SLAPP) refers to
19 an action whether civil, criminal, or administrative, brought against any person,
20 institution, or any government agency or local government unit or its officials and
21 employees, with the intent to harass, vex, exert undue pressure, or stifle any legal
22 recourse that such person, institution, or government agency has taken or may
23 take in the enforcement of environmental laws, protection of the environment, or
24 assertion of environmental rights. This Act shall prohibit SLAPP suits and shall
25 penalize such suits filed, with damages equivalent to 15% of the gross income of
26 the petitioner and entity at whose instance and for whose benefit the SLAPP suit
27 was filed.

28
29 Fines and penalties under this Act shall accrue to the CCRF. In addition to the
30 fines, the court has the power to order the closure or suspension of business until
31 such time that proper environmental safeguards are put into place and the

1 government is assured of the compliance mechanism by the business: *Provided,*
2 That an establishment liable for a third offense shall suffer permanent and
3 immediate closure.

4
5 The paragraph shall be without prejudice to the immediate issuance of an *ex parte*
6 order for such closure or suspension or cessation of operations during the
7 pendency of the case upon *prima facie* evidence that there is an imminent threat
8 to life, public health, safety or general welfare, or biodiversity.

9
10 If the offender is a juridical person, the president, manager, directors, trustees, or
11 the officials directly related to the operations shall suffer the penalty herein
12 provided.

13
14 **SEC. 22. *Potential Loss of Employment.*** - The Secretary of the Department of Labor
15 and Employment is authorized to establish a compensation and reemployment scheme
16 for employees of businesses that will be affected by any suspension or permanent
17 cessation of business activities as a result of the implementation and enforcement of this
18 Act. The Board can help determine the scope of the relief package for the employees.

19
20 **SEC. 23. *Coordination with Various Sectors.*** - In order to fully implement this Act,
21 non-government organizations, community leaders, indigenous peoples, civic society,
22 the academe, and youth organizations, the private and corporate sectors, and other
23 concerned stakeholder groups shall be consulted and shall work in close coordination
24 with corporations.

25
26 **SEC. 24. *Joint Congressional Oversight Committee.*** - A Joint Congressional
27 Oversight Committee is created in order to monitor the implementation of this Act. The
28 Committee shall be composed of five (5) Senators and five (5) Members of the House of
29 Representatives, selected respectively by the Senate President and the Speaker of the
30 House. The Committee shall be co-chaired by the Senate President and the Speaker of

1 the House. The Committee shall be co-chaired by one (1) member from the Senate and
2 the House of Representatives, selected separately by their peers who are also members
3 of the Committee.

4
5 **SEC. 25. Appropriations.** – An amount of Fifty Million Pesos (PhP50,000,000.00) shall
6 be appropriated for the initial implementation of this Act. Thereafter, the amount
7 necessary to effectively carry out the provisions of this Act shall be included in the
8 General Appropriations Act.

9
10 **SEC. 26. Implementing Rules and Regulations.** – The CCC, CHR, and the SEC shall
11 issue the Implementing Rules and Regulations within ninety (90) days from the
12 effectivity of this Act.

13
14 **SEC. 27. Separability Clause.** – If any provision or part of this Act is held
15 unconstitutional or invalid, the other provisions or parts thereof not affected thereby
16 shall continue to be in full force and effect.

17
18 **SEC. 28. Repealing Clause.** – All laws, decrees, resolutions, instructions, rules and
19 regulations, and other issuances or parts thereof which are inconsistent with the
20 provisions of this Act are hereby repealed, amended, or modified accordingly.

21
22 **SEC. 29. Effectivity.** – This Act shall take effect fifteen (15) days after its publication
23 in the Official Gazette or in a newspaper of general circulation.

24
25 *Approved,*

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. _____
(In substitution of House Bill No. 9609)

Introduced by Representatives **EDGAR M. CHATTO, JOCELYN SY LIMKAICHONG, FERNANDO T. CABREDO, ANNA VICTORIA VELOSOTUAZON, CHRISTIAN TELL A. YAP, JOSE MANUEL F. ALBA, FRANCISCO "KIKO" B. BENITEZ**

AN ACT
TO INSTITUTE POLICIES AND SYSTEMS TO ADDRESS CLIMATE CHANGE, ESTABLISHING THE NECESSARY INSTITUTIONAL MECHANISMS FOR THE PROTECTION OF MOST VULNERABLE COMMUNITIES FROM LOSS AND DAMAGE IN THE COUNTRY, PROVIDING FOR CORPORATE AND STATE ACCOUNTABILITIES AND REPARATIONS FOR VIOLATION THEREOF, AND OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Parabukas: The Bill, or its IRR, may be able to draw from the forthcoming opinion of the International Court of Justice on the obligations of States in respect of climate change.

- This opinion is expected to provide guidance on States obligations to ensure the protection of the climate system, and the legal consequences for States where their acts and omissions have caused significant harm to the climate system and other parts of the environment, with respect to vulnerable States and peoples of the present and future generations affected by the adverse effects of climate change (United Nations General Assembly Resolution 77/276 adopted 29 March 2023).
- As of April 2024, 91 written statements have been filed in connection with these advisory proceedings, including one from the Philippines.

CHAPTER I
GENERAL PROVISIONS

SECTION 1. Short Title. – This Act shall be known and referred to as “The Climate Accountability (CLIMA) Act.”

SEC. 2. Declaration of Policy. – It is the declared policy of the State to protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature, and shall protect and promote the right to health, dignified life, of the people and instill health consciousness among them.

The State shall protect climate systems for the benefit of its citizens, and generations yet to be born, on the basis of the precautionary principle, climate justice, common but differentiated responsibilities, and just transition. In this context, the State shall enjoin the participation of businesses to prevent and reduce the adverse impacts of climate change in the context of sustainable development. Towards this end, the State adheres to the United Nations Guiding Principles on Business and Human Rights as a basis for the establishment of minimum standards of behavior for corporate interests operating in the Philippines and in all territories over which the Philippines has sovereignty or jurisdiction.

SEC. 3. Definition of Terms. – For the purposes of this Act, the following terms shall be defined as:

- (a) **Adaptation** refers to the adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm and/or exploits beneficial opportunities;
- (b) **Anthropogenic causes** refer to causes resulting from human activities or produced by human beings;
- (c) **Business** refers to a natural or legal person, including State-owned enterprises, transnational corporations and business enterprises of transnational character, other business enterprises, and joint ventures, whether individual or aggregate entities, undertaken by a natural person or a legal person duly incorporated under the Revised Corporation Code of the Philippines or the corresponding relevant corporate establishment legislation in other countries. For the purposes of this Act, “business” shall mean businesses that reported a gross income of more than ₱100,000,000.00 in the previous tax year, or carbon majors, regardless of amount of gross income.
- (d) **Business relationship** refers to any relationship between businesses to conduct business activities, including those activities conducted through affiliates, subsidiaries, agents, suppliers, partnerships, joint venture, beneficial proprietorship, or any other structure or contractual relationship as provided under the domestic law of the State, including activities undertaken by electronic means;

- (e) **Carbon majors** refer to the businesses that are multinational or state-owned producers, traders, and refineries of crude oil, natural gas, coal, and cement, that significantly contribute to global greenhouse gas emissions without taking climate accountability, and therefore primarily drive climate change;
 - (f) **Climate accountability** refers to the responsibility of and corresponding need for reparation from carbon majors significantly responsible for climate change. A climate accountability regime establishes a governance mechanism for ensuring that climate targets are met through robust regulation and progress reporting. The accountability of carbon majors as defined in this Act shall range from negligence to causation based on emissions thresholds;
 - (g) **Climate change** refers to a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, now mainly driven by anthropogenic activities since the 1800s;
 - (h) **Climate Change Victims/Survivors** refer to (a) people or communities who suffered harm, including physical or mental injury, emotional suffering, or economic or property loss, or impairment of their human rights as a result of climate-related loss and damage; or (b) those communities affected by slow or rapid-onset events of such magnitude, that cannot be avoided either by mitigation (avoiding and reducing greenhouse gas emissions) or adaptation (adjusting to current and future climate change impacts; or who have been, or are likely to be, severely affected by climate change, while at the same time having inadequate human, social and economic capital for climate change adaptation, including relocation;
 - (i) **Climate-related financial transactions** – Manila Observatory suggested to define this term as to whether it involves any transaction that has GHG emission, then it could potentially cover the whole business operations.
 - (j) **Climate risk** refers to the product of climate and related hazards working over the vulnerability of human and natural ecosystems; **(Aksyon Klima)**
- DENR:** Include the following in the definition of terms:
- a. Climate systems
 - b. Climate justice
 - c. Common and differentiated principles
 - d. Just transition
- (k) **Greenhouse gases (GHG)** refer to constituents of the atmosphere that contribute to the greenhouse effect including, but not limited to, carbon

dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride.

- (l) **Intergovernmental Panel on Climate Change or IPCC** refers to the intergovernmental body of the United Nations responsible for assessing the science related to climate change;
- (m) **Loss and Damage** refers to the harms resulting from the adverse effects of climate change, including extreme weather events and slow onset events, such as sea level rise. This includes economic or non-economic harms to life, livelihoods, ecosystems, or cultural heritage, and can involve tangible or non-tangible property, possessions, cultural identity, sacred places or objects, human health, among other things;
- (n) **Mitigation**, in the context of climate change, refers to human intervention to address anthropogenic emissions by sources and removals by sinks of all GHGs, including ozone-depleting substances and their substitutes;
- (o) **Nationally determined contribution** refers to the Philippines' nationally determined contribution ("NDC"), as a climate action plan to cut emissions and adapt to climate impacts, undertaken and communicated pursuant to Article 3 of the Paris Agreement;
- (p) **Paris Agreement** refers to an international treaty on climate change adopted by the Parties, including the Philippines, to the United Nations Framework Convention on Climate Change (UNFCCC) at the twenty-first session of the Conference of Parties of the UNFCCC in December 2015 and duly deposited with the United Nations Secretary-General as its Treaty Depository which aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty, and will be implemented to reflect equity and the principle of common but differentiated responsibilities (CBDR) and respective capabilities, in light of different national circumstances;
- (q) **Rapid onset event** refers to a single, discrete event with a clearly identifiable beginning and/or end and that occur or reoccur in a matter of days or even hours at a local, national, or regional scale; (**Aksyon Klima**)
- (r) **Reparations** refer to the amends for a tort or injury inflicted, especially, in the context of this bill, compensation, relocation, and rehabilitation and recovery for victims/survivors of climate loss and damage;

DENR: The other provisions of the Bill use the term Compensation. It is proposed to reconcile these provisions. Compensation is not defined in the Definition of Terms.

As to the definition of "Reparations", "compensation" is not popular with developed countries or the private sector, which may create a negative reaction or barrier to claims under the context of this bill.

For example, another term that may be considered is "cash for emergency assistance" or equivalent. Or we can just use the term Loss and Damage.

- (s) ***Slow onset event*** refers to risks and impacts associated with increasing temperatures, desertification, loss of biodiversity, land and forest degradation, glacial retreat and related impacts, ocean acidification, sea level rise, and salination; (**Aksyon Klima**)
- (t) ***Vulnerability*** refers to the degree to which a system is susceptible to, or unable to cope with, adverse effects of climate change, including climate variability and extremes. Vulnerability is a function of the character, magnitude, and rate of climate change and variation to which a system is exposed, its sensitivity, and its adaptive capacity.

DENR: As to the second sentence in the definition of "Vulnerability":

- This was an old definition by IPCC and refers to the physical outcome of climate change. Since the AR5, this has been replaced by the risk concept, and vulnerability is one major component, including the system's social, economic, physical, and technological characteristics even before being exposed to the hazards.

CHAPTER II

FRAMEWORK FOR BUSINESS ACCOUNTABILITY

DENR: Suggested to amend to "Climate Accountability for Business".

- Suggested to determine what corporations can be responsible for in general and what the limits to their responsibility are.
- What emissions are corporations responsible for?
- What should be included in their sphere of influence: just the emissions in their own factories/ production sites or also the ones made by their contractors and other actors in the supply chain?

SEC. 4. *Due Diligence Standard of Care in the Conduct of Business* –

Businesses in the conduct of their activities shall do no harm. To this end, these businesses are mandated to undertake the following throughout their value chain, among others:

DENR: It is suggested that the “due diligence” standard of care in the context of climate accountability be defined.

- On the sentence, “Businesses in the conduct of their activities shall do no harm.”
- DENR proposed to clarify what “shall not harm” means.
- It is proposed to mean “*that businesses should harness their positive contribution and minimize the adverse impacts of business activities on the right to development and to overcome the adverse impacts of climate change.*”

(a) Businesses must take proactive steps to find out facts about possible climate harms their operations may cause and to prevent and address them;

DENR: It is proposed that the bill specify climate harms being referred e.g., sea level rise, and flooding.

It is also proposed to provide parameters for determining the impact of business operations on the environment and communities. Please note that the EIA process is an existing tool that should be considered in this provision.

(b) Businesses must proactively adopt measures to shift away from their business-as-usual activities exacerbating climate change impacts, strategically reduce their GHG emissions, and to uphold human rights; and

DENR: It is suggested that we clarify what “proactive” means. Parameters or qualifications should be provided. GHG emissions and short-lived climate pollutants.

(c) Taking into account existing and prospective vulnerabilities, businesses must address potential impacts of their activities, and to have stringent risk management efforts.

DENR: It is suggested that we clarify when do we consider the efforts are stringent. Define the parameters.

Businesses must undertake measures that are in reasonable proportion to the nature and scope of the business activities, their ability to influence, the severity of the violation that can typically be expected, and the nature of and causal contribution to such harms.

DENR: Please clarify/specify what “ability to influence” means. Please also indicate when do you consider measures reasonable. When do you consider violation severe?

A business shall be held accountable for negligence emanating from the businesses’ role in exacerbating extreme weather events or slow-onset events where they exceed established thresholds for GHG emissions.

DENR: This is one provision where we need to determine how do we establish the causal connection. Attribution? Which established thresholds are being referred to? Are these the target GHG emissions reduction in the NDCs, for example?

SEC. 5. Responsibilities. – Businesses have the responsibility to update their conduct and policies in accordance with the United Nations Guiding Principles on Business and Human Rights. Moreover, they have the following tasks and responsibilities under the law:

- (a) Climate related financial disclosures – Businesses shall disclose to the Securities and Exchange Commission (SEC) climate-related financial disclosures and the names of those who authorized the climate-related financial transactions. This shall include opportunities and risks from climate impacts, climate policies and new technologies;
- (b) Measurement of GHG emissions – Businesses shall measure and analyze their GHG emissions, throughout their value chains, to comply with the standards based on the most recent scientific ~~evidence~~ methodologies and reports of the IPCC; **(DENR)**
- (c) Prevention of human rights abuses – Businesses must ensure, throughout their value chains, that in the conduct of their operations and activities, efforts must be made not just to counter the adverse impacts of climate change, but also to ensure the protection of human rights. Businesses shall respect, protect, and promote the human rights of communities, including the right to life, liberty and property, freedom of movement, right of public participation, and the right to self-determination of indigenous cultural communities. In accordance with the United Nations Guiding Principles on Business and Human Rights, businesses have the responsibility to respect human rights especially in the context of climate change, and should avoid harming these rights by taking proactive steps to identify, prevent, mitigate, and address adverse impacts with which they are involved;
- (d) Monitoring of people who experience the impacts of climate change – Due diligence must be undertaken by businesses to address the adverse climate change-related human rights impacts they may cause or contribute through its own activities, or which may be directly linked to its operations, products or services by its business relationships. This can be achieved through on-the-ground assessments of adverse impacts through stakeholder participation.

Stakeholder consultations should be held on a regular basis with reports released on a quarterly schedule.

For projects that require the consent of the communities in which infrastructure is constructed, the business must proactively pursue the

compliance with and adherence to the provisions of Republic Act No. 8371, or "The Indigenous People's Rights Act of 1997".

- (e) Reporting – Businesses shall submit a report of their findings, and initiatives to address the issues mentioned under Sections 4, 5, and 6 of this Act. The report shall include initiatives that were taken in the context of business relationships, such as, entities in its value chain, and any other non-state or state entity directly linked to the business operations, products or services. The report shall also include an assessment of vulnerabilities, and whether or not efforts have been made to address the possible impacts of climate change through internal or external corporate policy decisions, or whether the business utilizes renewable energy. The report must also include mitigation and adaptation efforts, energy efficiency particularly with regard to equipment inventory, waste reduction, and the utilization and construction of green infrastructure to support the work of the corporation.

The report shall be filed by the business with the Climate Change Commission and the Securities and Exchange Commission, and shall be made available on all their platforms for download and distribution to the public at any time.

To help businesses with their reportorial requirements, this Act shall establish a reporting facility for GHG emissions of businesses, and a threshold for acceptable emissions established. Such a reporting facility will be lodged with the Philippine Geophysical Atmospheric and Astronomical Services Administration (PAG-ASA).

Aksyon Klima: Proposed that the Sustainability Reporting Guidelines under the SEC be aligned with the provisions of Section 5.

- Under the SEC Memorandum Circular 4, publicly-listed companies must comply by reporting, among numerous details, the following information: climate-related financial disclosures; measurement of GHG emissions (Scope 1 and Scope 2); measures for prevention of human rights abuses; and monitoring of people who experience climate change impacts, specifically through stakeholder consultations. While these are thematically included in Section 5 ("Responsibilities") under the proposed legislation, the current SEC guidelines do not cover the entire value chain, in contrast to what is specified under the CLIMA Bill.
- Therefore, enhancing the Sustainability Reporting Guidelines, which is currently undergoing revisions by SEC, with these provisions of the bill would be suitable not only to streamline reporting processes, but also to strengthen corporate transparency and accountability in aid of the pursuit of climate-aligned sustainability.

DENR: How will the govt monitor the compliance of businesses with the performance of their responsibilities? Who will review the report?

- This reporting could be made part of the Environmental Sustainability and Governance Reports being submitted by businesses to the Security Exchange Commission. As of Oct 2023 the SEC has already issued guidance to incorporate Sustainability and Climate-related Opportunities and Risks Exposures (SCORE) into the proposed revision of the ESG Report following international standards of reporting climate-related disclosures.

SEC. 6. Adoption of the Precautionary Principle. – This Act shall adopt Rule 20 of the *Rules of Procedure for Environmental Cases*, where:

- (a) **Applicability.**—When there is a lack of full scientific certainty in establishing a causal link between human activity and environmental effect, the court shall apply the precautionary principle in resolving the case before it.

The constitutional right of the people to a balanced and healthful ecology shall be given the benefit of the doubt.

- (b) **Standards for application.**—In applying the precautionary principle, the following factors, among others, may be considered: (1) threats to human life or health; (2) inequity to present or future generations; or (3) prejudice to the environment without legal consideration of the environmental rights of those affected.

The business and the PAGASA, which monitors GHG emissions, shall also be obliged to disclose whether or not the cause and effect have not yet been scientifically established.

DENR: This may require support for PAGASA to do this function. PAGASA has only one piece of equipment in the Science Garden to monitor GHG emissions, which is currently not functional. However, businesses can do a greenhouse gas inventory based on the kind of industry or sector they operate in.

SEC. 7. Incentives. — Businesses which observe their due diligence standard of care and which contribute to the transition to clean energy as set out in the Philippines' Nationally Determined Contribution (NDC) and other mechanisms and roadmaps shall be recognized by the government through a tax credit regime. This shall be rationalized in the IRR upon the passage of the bill.

Manila Observatory: Clarify whether mere compliance with the due diligence standard of care under Section 4 would or would not be eligible for incentives under this Bill.

- Mere compliance with Section 4 should not merit incentives because it is the baseline of diligence.
- Reexamine whether existing laws providing incentives for pursuing clean or renewable energy are already sufficient.

DENR: Who will determine that businesses observe due diligence standards?

SEC. 8. *Who may file.* – Any real party in interest, or the climate change victims/survivors may seek redress for any harm caused by non-compliance of the business entity with its obligations under Sections 4 to 6 or commission of any prohibited acts under this Act. Minors, generations yet unborn, and biodiversity can, likewise, be allowed as litigants which should be represented by a legal guardian, in compliance with A.M. No. 09-6-8-SC, or the “Rules of Procedure for Environmental Cases”. The petitions may be filed with the regional trial court exercising jurisdiction on the business address of the corporation, the residence of the complainant/s, or any location where the impact is felt.

DENR: The bill should state who will determine the Climate Change Victims/Survivors (CCV/S), and how they will be determined.

The filing of a petition in the domestic courts shall be without prejudice to the seeking of appropriate administrative recourse or international redress.

SEC. 9. *Citizens suits.* – For the purpose of enforcing the provisions of this Act or its implementing rules and regulations, any real party in interest may file appropriate civil, criminal, and administrative suits against any of the following:

- (a) Any person who violates or fails to comply with the provisions of this Act or its implementing rules and regulations; or
- (b) Any public officer with respect to orders, rules and regulations inconsistent with this Act.

SEC. 10. *Adoption of the Polluter Pays Principle.* – Carbon majors or polluters shall pay for the damage they caused to the environment, as may be provided under relevant environmental and natural resource management laws such as, but not limited to:

DENR: It is suggested that we include human well-being (e.g. effects of pollution on health and cost of care).

- (a) Presidential Decree No. 705 or the “Revised Forestry Code of the Philippines”;
- (b) Presidential Decree No. 856 or the “Code on Sanitation of the Philippines”;
- (c) Presidential Decree No. 979 or the “Marine Pollution Decree of 1976”;
- (d) Presidential Decree No. 1152 or the “Philippine Environmental Code”;
- (e) Presidential Decree No. 1219 or “The Coral Resources Development and Conservation Decree”;
- (f) Republic Act No. 6969 or the “Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990”;
- (g) Republic Act No. 7076 or the “People’s Small-scale Mining Act of 1991”;

- (h) Republic Act No. 7586 or the "National Integrated Protected Areas Systems Act of 1992" as amended by Republic Act No. 11038;
- (i) Republic Act No. 7942 or the "Philippine Mining Act of 1995";
- (j) Republic Act No. 8048 or the "Coconut Preservation Act of 1995";
- (k) Republic Act No. 8041 or the "National Water Crisis Act of 1995";
- (l) Republic Act No. 8371 or "The Indigenous Peoples' Rights Act of 1997";
- (m) Republic Act No. 8435 or the "Agriculture and Fisheries Modernization Act of 1997";
- (n) Republic Act No. 8550 or "The Philippine Fisheries Code of 1998";
- (o) Republic Act No. 8749 or the "Philippine Clean Air Act of 1999";
- (p) Republic Act No. 9003 or the "Ecological Solid Waste Management Act of 2000";
- (q) Republic Act No. 9136 or the "Electric Power Industry Reform Act of 2001";
- (r) Republic Act No. 9147 or the "Wildlife Resources Conservation and Protection Act";
- (s) Republic Act No. 9072 or the "National Caves and Cave Resources Management and Protection Act";
- (t) Republic Act No. 9003 or "The Ecological Solid Waste Management Act";
- (u) Republic Act No. 9168 or the "Philippine Plant Variety Protection Act of 2002";
- (v) Republic Act No. 9275 or "The Philippine Clean Water Act of 2004";
- (w) Republic Act No. 9367 or the "Biofuels Act of 2006";
- (x) Republic Act No. 9513 or the "Renewable Energy Act of 2008";
- (y) Republic Act No. 9729 or the "Climate Change Act of 2009" as amended by Republic Act No. 10174;
- (z) Republic Act No. 10121 or the "Philippine Disaster Risk Reduction and Management Act of 2010";
- (aa) Republic Act No. 7611 or the "Strategic Environmental Plan (SEP) for Palawan Act";
- (bb) Republic Act No. 9483 or the "Oil Pollution Compensations Act of 2007";
and
- (cc) Republic Act No. 11285 or "An Act Institutionalizing Energy Efficiency and Conservation, Enhancing the Efficient Use of Energy, and Granting Incentives to Energy".

The polluter is not allowed to shift the burden of evidence for the damage caused by the pollution.

The rights and causes of action that are created under this Act shall be without prejudice to other causes of actions under existing laws. In estimating the amount of and accountability for damage, attribution science can be used as a complementary framework in lieu of proof of actual damage.

SEC 11. *Application of the Doctrine of Last Clear Chance.* — The Doctrine of Last Clear Chance shall be applied to this Act whereby carbon majors' knowledge of their significant contribution to climate change compels them to substantially reduce

greenhouse gas emissions to be faithful to their duty of care. Failure to do so implicates them in exacerbating and thus makes them accountable for significantly contributing to the climate crisis.

DENR: How do we establish their knowledge of significant contribution?

- How do we determine that there is failure?
- Who will determine that there is failure?
- Does a case need to be filed to establish the failure?

SEC. 12. Attribution Science. – Attribution science looks at how climate change exacerbates an extreme event or makes it more frequent. In extreme event attribution, real-time analyses may be conducted immediately after an extreme weather event to determine whether climate change had played a role in it. This is carried out first by examining archival data, and then running two simulation models, one where greenhouse gas emissions are kept constant and another where actual greenhouse gas emissions are factored in. Attribution science shall be viewed alongside factors such as exposure and underlying vulnerability, which put communities at risk.

The adjudication of cases under this Act, therefore, shall make use of attribution science as one of its bases for ruling. The adjudication shall build on existing understandings of the climate-related events most substantially affected by human influence on the climate. Establishing a threshold for greenhouse gas emissions beyond which corporations will be found liable shall be the principal basis for prosecuting and penalizing corporations.

DENR: It is proposed that the Bill define how the methodology of establishing and using attribution science will be made.

- It is proposed that the Bill define how the determination of the threshold for acceptable emissions will be established as the basis for the emission penalty.
 - (1) As the attribution is largely dependent on available knowledge (data and other related information) on the event, the question is, which body will provide this function? Historical data for example, need to be long enough to have a greater confidence on the results.
 - (2) As attribution science itself is still evolving, maybe good to state the importance of using science and evidence-based knowledge, as a general statement, in linking the extreme or slow onset event with climate change.
- This needs to be explained fully. Perhaps for extreme temperature cases this may provide some degree of definitiveness. But for extreme rainfall events, natural variability masked the effect of climate change and attribution may not be well founded. For now, other means of assessment need to be employed instead of relying solely in this kind of approach (which happens to be prescriptive at the same time, if we include in the bill, contradicting the intention of the first sentence in the next paragraph.)

- Another recommendation, is to provide support for research and development, and capacity building towards the improvement of people's skill who are into attribution science.

Parabukas: Proposed a general language for par. 2:

"Attribution science using the best available scientific data and methods may be used for the adjudication of cases under this Act."

Manila Observatory: Accountability and reparations seem independently pursued. We go to courts for accountability of businesses. We go to CCRB for reparations for climate change victims.

- In Section 21, when the litigants, who are real party-in-interest or climate change victims/survivors, pursue a case before the courts, should they win the case, a relief or reparations cannot be directly awarded to them. They will still need to file a claim before the Climate Change Reparation Board. The scenario would not be the same if the litigants are minors, generations yet unborn, or biodiversity.

CHAPTER III LOSS AND DAMAGE MECHANISMS

DENR: Proposed to mandate the development of "probabilistic attribution and causation" to reconcile loss and damage with standard legal notions of harm and liability.

- The idea is that anthropogenic climate change contributed to making the occurrence of a loss or damage-creating climatic event 'more likely,' and this sense of probabilistic causation can be appealed to when upholding an agent's claim for a climate issue.

SEC. 13. *Establishment of the Climate Change Reparations Fund.* –The Climate Change Reparations Fund (CCRF) is hereby created as a special fund in the Bureau of the Treasury for the financing of the claims approved by the Climate Change Reparations Board. The CCRF shall be used to respond to claims made by Climate Change Victims/Survivors. Claims may take the form of the following, among others:

DENR: How will the claims be evaluated? Who will evaluate?

Could we harmonize this with the internationally adopted "Loss and Damage Fund" and name it as such?

- (a) Compensation for economic and non-economic harms;
- (b) Technology transfers;
- (c) Capacity building;

- (d) Financial support
- (e) Relocation; and
- (f) Recovery and Rehabilitation measures.

The amount of Fifty million pesos (₱50,000,000.00) shall be initially allotted as the opening balance of the CCRF under the General Appropriations Act (GAA); Provided, That the balance of the CCRF may be increased as the need arises; Provided, Further, That the CCRF shall not be used to fund personal services and other operational services of the Board; Provided, Furthermore, That the balance of the CCRF including the amount appropriated in the GAA which shall form part of the funds shall not revert to the general fund; Provided, Finally, That the Board shall submit to the Congress and the Department of Budget and Management (DBM) an annual narrative and financial report on the utilization of the CCRF.

The CCRF may be augmented by donations, endowments, grants, and contributions, which shall be exempted from donor's tax and be considered as allowable deductions from the gross income of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended. The CCRF shall also serve as the repository for funds generated by international and other mechanisms created for loss and damage finance, such as the funding arrangements responding to loss and damage associated with the adverse effects of climate change established under Decision 2/CP.27 and Decision 2/CMA.4. (**Aksyon Klima:** CCRF must be specifically stated to be an entity that can access and receive funds through the Loss and Damage Fund.)

Parabukas: Additional discussion may be needed on how the CCRF will differ, in scope and distribution, from existing forms of post-disaster assistance.

- Clarity is needed on whether the CCRF will still be available for individuals and/or communities that have accessed the Quick Response Fund and other Disaster Risk Reduction and Management Funds under RA 10121 (Sec. 22).
- **Disagree** with the designation of the CCRF as the "repository for funds generated by international and other mechanisms created for loss and damage finance". Hence, suggested the following:

"The CCRF may receive and access international climate finance, including from mechanisms created for loss and damage finance, as appropriate."

SEC. 14. Establishment of the Climate Change Reparations Board. – There is hereby created an independent quasi-judicial body to be known as the Climate Change Reparations Board, hereinafter referred to as the Board, which shall be attached to the Commission on Human Rights. The CCRB shall administer the CCRF.

The Board shall be composed of five (5) ~~nine (9)~~ members, who shall possess the following qualifications:

- (a) Must be of known probity, competence, and integrity;

- (b) Must have a deep and thorough understanding and knowledge of climate change, environmental law, and/or ecosystems science;
- (c) At least two (2) must be members of the Philippine Bar who have been engaged in the practice of environmental law or human rights for at least ten (10) years;
- (d) At least two (2) must be climate scientists or recognized experts who have a technical proficiency of climate science and the subfield of climate attribution science; and
- (e) At least one (1) representative from and chosen by civil society engaged in human rights and climate justice issues.

The Board shall organize itself within thirty (30) days from the completion of appointment of all three (3) members and shall, thereafter, organize its Secretariat.

Manila Observatory:

- How the CCRB would ensure accessibility for climate change victims/survivors-claimants, particularly on their capacity to accomplish technical requirements such as documentation and valuation?
- Whether incorporating disqualifications of and/or prohibitions to CCRB members is needed to strengthen the Board's integrity? For example:
 - CCRB members must have no shareholdings in business defined in this Bill;
 - Must have no relatives within fourth (4th) degree of consanguinity and affinity who are directors in businesses defined in this Bill; and
 - May not be selected as director in businesses defined in this Bill for a certain number of years after their term of office in the CCRB.

SEC. 15. Appointment to the Board. – The President shall appoint the Chairperson and the members of the Board; *Provided*, That human rights organizations, environmental organizations, and indigenous peoples' rights, women's rights, youth's rights, and people with disabilities' rights advocates may submit nominations to the President for the civil society representative; *Provided*, Further, That the members of the Board cannot be removed without justifiable cause.

SEC. 16. Term of Office. – The members of the Board shall serve for three (3) years: *Provided*, That for the first appointees, the Chairperson and two (2) members, shall hold office for three (3) years, two (2) members shall hold office for two (2) years; *Provided*, Further, That appointment to any future vacancy shall only be for the unexpired term of the predecessor: *Provided*, Finally, That there shall be no reappointment and in no case shall any member serve for more than seven (7) years.

SEC. 17. Functions of the Board. – The Board shall have the following powers and functions:

- (a) Receive, evaluate, process, and investigate applications for claims under this Act;
- (b) Issue *subpoena ad testificandum* and *subpeona duces tecum*;

- (c) Enjoin any and all acts involving or arising from any claims pending before it, which, if not restrained forthwith, may cause further or irreparable damage to any of the parties to the claim or seriously affect social and economic stability; **Manila Observatory:** This provisional relief may be inconsistent with the nature of proceedings before the CCRB where climate change victims/survivors themselves file claims from the CCRF for loss and damage they incur, and not against any particular business defined in this Bill.
- (d) Hold any person in contempt, directly or indirectly, and impose appropriate penalties therefor;
- (e) Administer the Climate Change Reparations Fund;
- (f) Approve with finality all eligible claims under this Act;
- (g) Deputize appropriate government agencies to assist the Board in order for it to effectively perform its functions;
- (h) Exercise administrative control over its Secretariat;
- (i) Promulgate such rules as may be necessary to carry out the purposes of this Act, including rules of procedure in the conduct of its proceedings, with the Revised Rules of Court of the Philippines having suppletory application; and
- (j) Perform such other duties, functions, and responsibilities as may be necessary to effectively attain the objectives of this Act.

In any proceeding before the Board, the rules of evidence prevailing in the courts of law or equity shall not be controlling but applied suppletorily, and it is the spirit and intention of this Act that shall govern. The board shall use every and all reasonable means to ascertain the facts in each case speedily, objectively, and without regard to technicalities of law or procedure, all in the interest of due process and social justice.

DENR: It is proposed that this provision be further reviewed since claims need to be evidence-based and science-informed to be entitled to compensation or reparations.

In any proceeding before the Board, the parties may be represented by a legal counsel.

The findings of fact of the Board shall be conclusive and binding on the parties and its decision or order shall be deemed final and executory.

Parabukas: Clarity is needed in relation to the procedure and process of filing and investigating applications for claims under the Bill.

- Clear delineation between the claims that may be determined by the CCRB and those for adjudication before the RTC.
- Guidance on the requirements for claims within its scope of work must be provided.

Aksyon Klima: The structure and decision-making procedures of the CCRF Board must be specified under the CLIMA Bill.

- CLIMA Bill or its IRR should state whether the CCRF Board should make decisions by consensus or a majority vote, based on its functions under Section 17.
- The language on membership in Section 14, while it intends to have five (5) members, it also states that “at least” for each of the three classifications for representation in the Board (Section 14, items c to e), which could create unnecessary lack of clarity about the body’s composition.

SEC. 18. Resolution of Claims. – The Board shall be convened, with an attendance of a majority, to resolve all claims.

SEC. 19. Compensation. – The Chairperson and members of the Board shall be entitled to compensation in accordance with the Salary Standardization Law.

SEC. 20. Secretariat of the Board. – The Board shall be assisted by a Secretariat, without prejudice to the hiring of additional personnel as determined by the Board to accommodate the volume of required work.

DENR: It is proposed that the Bill identifies the expertise required for the board to perform its functions.

The Secretariat shall assist the Board with its functions and perform other duties as may be assigned by the Board.

The Chairperson of the Board shall appoint a Board Secretary who shall head the Secretariat for the duration of the existence of its Board. There shall be a Technical Staff Head to be assisted by five (5) legal officers and three (3) climate scientists, and an Administrative Staff Head assisted by three (3) administrative support staff.

CHAPTER IV FINAL PROVISIONS

SEC. 21. Penal Provisions. — Businesses shall be held liable for any observed adverse impacts on the climate through the exercise of their work. This is anchored on Sec 32 of the Civil Code of the Philippines which provides for the liability for damages of any public officer or employee, or any private individual, who directly or indirectly obstructs, defeats, violates or in any manner impedes or impairs the rights and liberties of another person. The violation of the human right to the environment entitles the victims thereto for damages from the perpetrators of such damage.

DENR: On the sentence, “Businesses shall be held liable for any observed adverse impacts on climate through the exercise of their work.”

- How do we establish the liability? Who will determine the commission of greenwashing and climate denialism?
- Who will impose the fines and penalties? Who will order closure or suspension?

- Are these penalties in addition to fines and penalties imposed under existing laws?

(a) Greenwashing. – Greenwashing refers to the conveyance of false information on the environmental soundness of their products, operations, and services. Acts of greenwashing include, but are not limited to, outright false statements, understating impacts, omitting trade-offs, absence of proof backing up claims, vague or overbroad claims, false third-party certifications, and the like. Any act of greenwashing shall be restrained, and the culpable business engaged in greenwashing fined an amount equivalent to 15% of their gross income reported in their latest regulatory disclosure. The collected penalty shall accrue to the CCRF.

Parabukas: In other jurisdictions, “greenwashing” penalties are anchored on violations of other laws.

- For example, companies and retailers have been held liable for manipulating emissions tests, failure to report defects in machinery or false claims of product recyclability or recycled and/or organic content.
- Clarity is needed on the definition and scope of greenwashing, and how (and if) this will differ from other forms of prohibited misrepresentation and misreporting under current policies. For example, clarity is needed on if, and how will prohibited greenwashing will differ from:
 - False, Deceptive or Misleading Advertisement (RA 7394 Art. 110)
 - Exceedance of Pollution or Air Quality Standards (RA 8749, Sec. 45), with charges for Gross Violations (Sec. 48)

Aksyon Klima: Requesting clarification as to the specific process of determining an act of greenwashing or climate denialism. Questions:

- Which courts should individuals or groups file a complaint regarding a business’s alleged act of greenwashing or climate denialism?
- Should the scope of the clauses on greenwashing and climate denialism be extended to apply to individuals and non-business organizations?

(b) Climate denialism. – Climate denialism refers to the public denial or dismissal of anthropogenic climate change, in a manner deliberately intended to mislead or intentionally misstating facts, contrary to scientific consensus. Any business engaged in climate denialism shall be held liable for the disinformation perpetuated, by issuing a public retraction and sanctioned with a penalty in an amount equivalent to 15% of their gross income reported in their latest regulatory disclosure. The collected penalty shall accrue to the CCRF.

(c) Emission Penalty - Based on data collated by the reporting facility for businesses’ GHG emissions established by this Act, an emission penalty shall be applied pursuant to Section 12 of this Act for breaching the threshold for acceptable emissions which are also aligned with the country’s nationally determined contributions. The threshold shall be established after due consultation among the PAG-ASA, the

Climate Change Reparations Board, and the Climate Change Commission. All collected penalties shall be remitted to the CCRF.

Parabukas: The DENR is not specified, even as it is mandated by RA 8749 to “review and improve emission standards” for sources of air pollution, including Nitrous oxide from coal-fired and oil-fired sources.

- More clarity is needed on the “acceptable thresholds” in Section 5, 12, and 21 (c), given that these will have significant implications and consequences.
- If fixed standards and/or quantities have not yet been established by the best available science, a process for determining these thresholds may be provided instead, with guidance to ensure that this will be comprehensive, participatory and transparent. These thresholds must also be reviewed periodically, as new data and methods for analysis become available.

(d) **SLAPP Suits.** — Strategic lawsuit against public participation (SLAPP) refers to an action whether civil, criminal or administrative, brought against any person, institution or any government agency or local government unit or its officials and employees, with the intent to harass, vex, exert undue pressure or stifle any legal recourse that such person, institution or government agency has taken or may take in the enforcement of environmental laws, protection of the environment or assertion of environmental rights. This Act shall prohibit SLAPP Suits and shall penalize such suits filed, with damages equivalent to 15% of the gross income of the petitioner and entity at whose instance and for whose benefit the SLAPP Suit was filed.

Fines and penalties under this Act shall accrue to the CCRF. In addition to the fines, the court has power to order the closure or suspension of business until such time that proper environmental safeguards are put into place and the government is assured of the compliance mechanism by the business: *Provided*, That an establishment liable for a third offense shall suffer permanent and immediate closure.

This paragraph shall be without prejudice to the immediate issuance of an *ex parte* order for such closure or suspension or cessation of operations during the pendency of the case upon *prima facie* evidence that there is an imminent threat to life, public health, safety or general welfare, or to biodiversity.

If the offender is a juridical person, the president, manager, directors, trustees, or the officials directly related to the operations shall suffer the penalty herein provided.

SEC. 22. Potential Loss of Employment. – The Secretary of the Department of Labor and Employment is authorized to establish a compensation and reemployment scheme for employees of businesses that will be affected by any suspension or permanent cessation of business activities as a result of the implementation and enforcement of this Act. The Board can help determine the scope of the relief package for the employees.

Manila Observatory: Expand to “workers”, and not only “employees”.

- Since it is the courts that would order the suspension or permanent cessation, this Bill can also state that “the courts should award reliefs to affected workers together with the order of suspension or permanent cessation.”
 - This presents a two-way safeguard – businesses would be further deterred from violating the law and the courts would be more cautious before ordering the suspension or permanent cessation of businesses.

SEC. 23. *Coordination with Various Sectors.* – In order to fully implement this Act, nongovernment organizations, community leaders, indigenous peoples, civic society, the academe, and youth organizations, the private and corporate sectors, and other concerned stakeholder groups shall be consulted and shall work in close coordination with corporations.

SEC. 24. *Joint Congressional Oversight Committee.* – A Joint Congressional Oversight Committee is created in order to monitor the implementation of this Act. The Committee shall be composed of five (5) Senators and five (5) members of the House of Representatives, selected respectively by the Senate President and the Speaker of the House. The Committee shall be co-chaired by one (1) member from the Senate and the House of Representatives, selected separately by their peers who are also members of the Committee.

SEC. 25. *Appropriations.* – An amount of **Fifty Million Pesos (P50,000,000.00)** shall be appropriated for the initial implementation of this Act. Thereafter, the amount necessary to effectively carry out the provisions of this Act shall be included in the General Appropriations Act.

SEC. 26. *Implementing Rules and Regulations.* – The Climate Change Commission, Commission on Human Rights, and the Securities and Exchange Commission, shall issue the Implementing Rules and Regulations within ninety (90) days from the effectivity of this Act.

SEC. 27. *Separability Clause.* – If any of the sections or provisions of this Act is held invalid, all other provisions not affected thereby shall remain valid.

SEC. 28. *Repealing Clause.* – All laws, decrees, orders, resolutions, instructions, rules and regulations, and other issuances or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 29. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in a newspaper of general circulation.