



MEMORANDUM

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

All Bureau Directors

The Officer-in-Charge
Mines and Geosciences Bureau

FROM : **The Director**
Legislative Liaison Office

SUBJECT : **INVITATION TO THE COMMITTEE MEETING RE: "THE LOSS AND DAMAGE FUND BOARD ACT" FROM THE COMMITTEE ON WAYS AND MEANS OF THE HOUSE OF REPRESENTATIVES**

DATE : 31 July 2024

In reference to the electronic mail received, the Committee on Ways and Means of the House of Representatives is inviting the Department to a meeting on **05 August, 2024 (Monday), at 10:00 A.M. at Conference Rooms 1 & 2, Ramon V. Mitra Building** for the first deliberation on the Unnumbered Substitute Bill to House Bills No. 10602, 10603, and 10612, entitled "AN ACT GRANTING JURIDICAL PERSONALITY AND LEGAL CAPACITY TO THE BOARD OF THE FUND FOR RESPONDING TO LOSS AND DAMAGE DUE TO CLIMATE CHANGE," authored by Reps. Chatto, Limkaichong et al.

In this regard, may we invite a representative to participate in the meeting and share comments and insights on the proposed legislation. Kindly send the position paper and recommendations/suggestions on or before **02 August 2024 at 5:00 PM** via email at denrll@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, 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
MEMO NO. 2024 - 674



CWM INVITATION ON AUGUST 05, 2024

1 message

House Committee on Ways And Means <committee.waysandmeans@house.gov.ph>

Wed, Jul 31, 2024 at
9:57 AM

To: Office of the DENR Secretary <osec@denr.gov.ph>, DENR Legislative Liaison Office <denrlo@denr.gov.ph>

Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

July 31, 2024

SEC. MA. ANTONIA YULO-LOYZAGA

Department Secretary

Department of Environment and Natural Resources

Dear *Secretary Yulo-Loyzaga*:

The **Committee on Ways and Means** will have a meeting on the date, time, and place indicated hereunder:

Date : **August 05, 2024 (Monday)**
Time : **10:00 AM**
Place : **Conference Rooms 1 & 2**
RVM Building, House of Representatives
Agenda : **USB to HBs 10602, 10603, and 10612**
RE: The Loss and Damage Fund Board Act

In this regard, we invite you to participate in the meeting and share your views, comments, and recommendations on the abovementioned concern.

If you cannot attend the scheduled meeting, please send a representative on your behalf, with written authorization designating the concerned officer as your duly authorized representative.

For confirmation of your attendance or any inquiry on the matter, please get in touch with the Committee Secretariat at telephone nos. 89314955 (DL) or 89315001 (TL) Loc. 7643 or Irene Revilla at 09171061399.

Thank you and we look forward to your cooperation.

Very truly yours,

JOEY SARTE SALCEDA

Chairperson, Committee on Ways and Means

For the Chairman:

AGENDA

**Committee on Ways and Means
August 05, 2024 (Monday) at 10:00 A.M.
RVM Conference Rooms 1 & 2**

- I. CALL TO ORDER**
- II. CHAIRPERSON'S MESSAGE**
- III. AUTOMATIC REFERRAL**

From the Committee on Climate Change

FIRST DELIBERATION on the Unnumbered Substitute Bill to House Bills No. 10602, 10603, and 10612, entitled "AN ACT GRANTING JURIDICAL PERSONALITY AND LEGAL CAPACITY TO THE BOARD OF THE FUND FOR RESPONDING TO LOSS AND DAMAGE DUE TO CLIMATE CHANGE," authored by Reps. Chatto, Limkaichong et al.

Tax Provision:

Sec. 5. Tax Exemptions. – x x x

Guests/Resource Persons:

- | | |
|---|---|
| 1. Rep. Edgar M. Chatto | Author/Chairperson,
Com. on Climate Change |
| 2. Sec. Ralph G. Recto | Department of Finance |
| 3. Sec. Enrique A. Manalo | Department of Foreign Affairs |
| 4. Sec. Amenah Pangandaman | Department of Budget and Management |
| 5. Sec. Arsenio M. Balisacan | National Economic and Dev't Authority |
| 6. Sec. Ma. Antonia Yulo-Loyzaga | Department of Env't and Natural Resources |
| 7. Sec. Robert E.A. Borje | Climate Change Commission |
| 8. Sec. Mark Llandro "Dong" L. Mendoza | Presidential Legislative Liaison Office |
| 9. Comr. Atty. Romeo Lumagui, Jr. | Bureau of Internal Revenue |
| 10. Comr. Bienvenido Y. Rubio | Bureau of Customs |
| 11. Exec. Dir. Mark Lester Aure | National Tax Research Center |

- IV. OTHER MATTERS**
- V. ADJOURNMENT**

(Sgd) TEEJAY WAINU E. HERNANDEZ
Legislative Committee Secretary

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2 attachments

 **AGENDA AUGUST05'24 (auto ref).pdf**
72K

 **CCC Sub-Bill_Loss-and-Damage_with-tax-provision_v2.pdf**
74K

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
Third Regular Session

HOUSE BILL NO. _____

Introduced by Representatives **EDGAR M. CHATTO, JOCELYN SY LIMKAICHONG, FERNANDO T. CABREDO, JOSE MANUEL F. ALBA, ANNA VELOSO-TUAZON, CHRISTIAN TELL A. YAP, JOSE FRANCISCO B. BENITEZ, MARIA RACHEL J. ARENAS, JOEY SARTE SALCEDA, EMIGDIO P. TANJUATCO, LORETO ACHARON, STEVE CHIONGBAN SOLON, GLONA G. LABADLABAD, and MA. THERESA V. COLLANTES**

AN ACT
GRANTING JURIDICAL PERSONALITY AND LEGAL CAPACITY TO THE BOARD OF THE FUND FOR RESPONDING TO LOSS AND DAMAGE DUE TO CLIMATE CHANGE

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

1 **SECTION 1. *Short Title.*** – This Act shall be known and referred to as
2 “The Loss and Damage Fund Board Act.”

3
4 **SEC. 2. *Declaration of Policy.*** – It is the policy of the State to protect
5 and advance the right of the people to a balanced and healthful ecology in
6 accord with the rhythm and harmony of nature.

7
8 As a party to the United Nations Framework Convention on Climate
9 Change (UNFCCC) and the Paris Agreement, the State lauds the creation of
10 the Loss and Damage Fund (Fund) under the Decision 2/CMA.4 of the
11 Conference of Parties serving as the meeting of Parties to the Paris Agreement
12 (CMA) and during the 27th Conference of Parties (COP) to the under Decision
13 2/CP.27 of the COP, and its operationalization during the 28th COP under COP
14 Decision 1/CP.28 and CMA Decision 5/CMA.5. The State resolutely welcomes
15 its establishment to finance and assist the most vulnerable developing
16 countries’ response and recovery from losses and damages caused by climate
17 change.

18
19 In recognition of the role that the State must take to advance climate and
20 disaster risk resilience, it shall be the policy of the State to take a whole of
21 government approach in creating concrete solutions and actions.
22

1 To further unlock opportunities in accelerating access to climate finance
2 and investments which are critical for future-proofing the economy and ensuring
3 sustainable and inclusive growth for all Filipinos, the State supports the hosting
4 of the Loss and Damage Fund Board (Board) in the Philippines. Towards this
5 end, the State recognizes the need to grant juridical personality and legal
6 capacity to the Board to enable it to discharge its roles and functions.
7

8 **SEC. 3. *Juridical Personality and Legal Capacity of the Loss and***
9 ***Damage Fund Board.*** – The Board, as the governing body of the Fund
10 established by the COP and CMA, shall be granted juridical personality with full
11 legal capacity to:

- 12
- 13 (a) Contract;
 - 14 (b) Acquire and dispose of immovable and movable property;
 - 15 (c) Institute legal proceedings;
 - 16 (d) Negotiate, conclude, and enter into a hosting arrangement with the
17 World Bank as interim trustee and host of the Fund's secretariat;
18 and
 - 19 (e) Undertake related or necessary activities to carry out the purpose
20 for which the Board was created.
- 21

22 **SEC. 4. *Privileges and Immunities.*** – The Board, as an international
23 organization, shall enjoy the status, immunities, and privileges granted under
24 the host country agreement entered into with the Government of the Republic
25 of the Philippines (GOP).
26

27 **SEC. 5. *Tax Exemptions.*** - The property, operations, and transactions
28 of the Fund and its Board shall be exempt from the payment of all taxes, duties,
29 and other charges imposed by the GOP and local authorities. The Fund and its
30 Board shall also be exempt from any obligation for the payment, withholding or
31 collection of any tax or duty.
32

33 The Fund and its Board shall be exempt from the payment of all taxes,
34 duties, and other charges imposed by the GOP and local authorities, except
35 charges for storage, transport and services supplied, on the importation of
36 equipment, machinery, motor vehicles, and materials intended for use in the
37 board meeting. The same shall be processed in the manner and under existing
38 procedures applied by the Department of Finance in similarly situated cases.
39

40 The non-Filipino Fund officials and invited experts and observers shall be
41 exempt from the payment of income tax on salaries, stipends, emoluments,
42 indemnities, and sickness and accident benefits, received from the Fund,
43 regardless of currency used. The GOP retains its rights to tax its own nationals.
44 They shall likewise not be subject to taxes on their local purchases in the
45 quantity as appropriate for the duration of the board meeting.
46

1 The non-Filipino Fund officials and invited experts and observers shall be
2 exempt from the payment of all taxes, duties, and other charges imposed by
3 the GOP and local authorities, except charges for storage, transport and
4 services supplied, on the importation of personal effects in the quantity as
5 appropriate for the duration of the Board meeting.
6

7 Goods released tax-free and duty-free pursuant to this Act and under the
8 host country agreement between the GOP and the Board shall be subject to
9 applicable taxes and duties if sold, transferred, or exchanged in the Philippines
10 to non-exempt persons or entities, computed based on the value of the goods
11 at the time of the importation pursuant to existing rules and regulations.
12

13 **SEC. 6. Repealing Clause.** – All laws, decrees, orders, rules and
14 regulations and other issuances or parts thereof which are inconsistent with the
15 provisions of this Act are hereby repealed, amended, or modified accordingly.
16

17 **SEC. 7. Effectivity.** – This Act shall take effect immediately upon its
18 publication in the *Official Gazette* or in a newspaper of general circulation.
19
20

21 *Approved,*