



# PMR East Asia and Pacific Regional Webinar on Carbon Pricing - from Readiness to Implementation

## Philippines

May 19, 2021

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# Outline of the PMR's support

The overall objective of the project is to assist the Government of the Philippines in determining the most effective and feasible Carbon Pricing Instrument (CPI) options to support the implementation of the energy and transport aspects in the Philippines' NDC mitigation component; and to develop the accompanying implementation and financial plans to implement those identified CPIs and their combination.

## SUMMARY INFORMATION

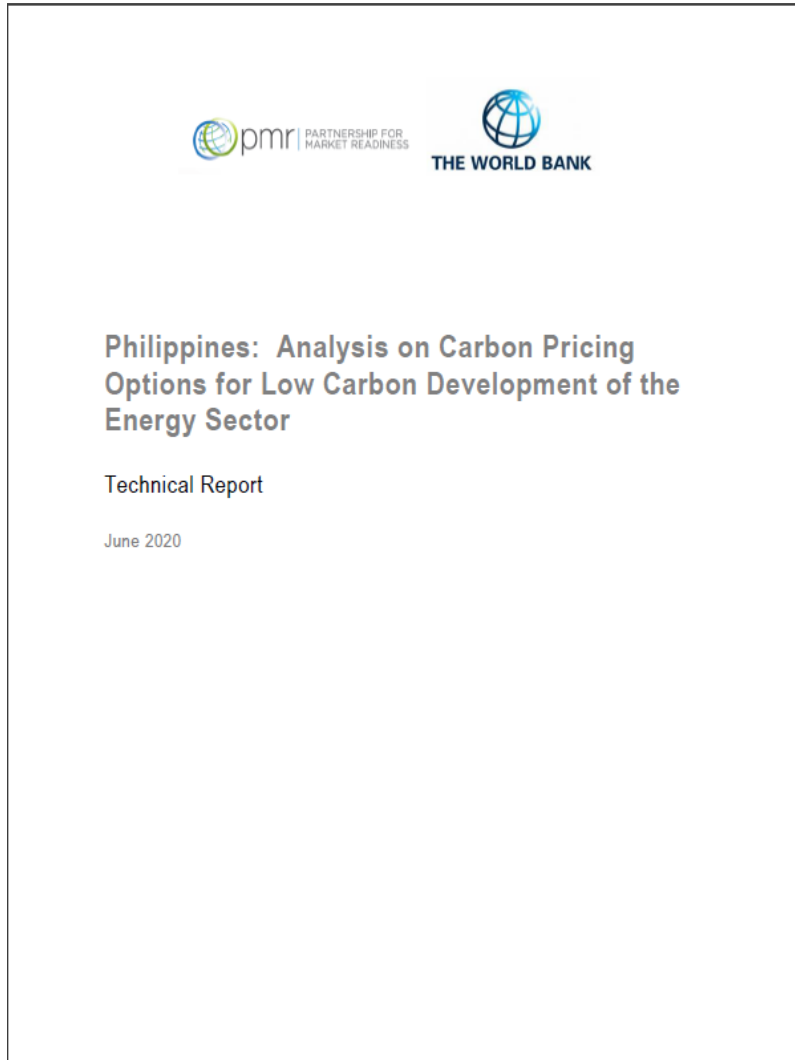
Technical Partner	Republic of the Philippines
Implementing Agency	Department of Finance
Grant Amount (USD)	500,000.00

**Component 1.** Identify carbon pricing instruments for the energy and transportation sectors, and analyze how the country's NDC mitigation targets could be met through CPIs, and develop a plan to implement those instruments;

**Component 2.** Support capacity building of the target groups in the public and private sectors, facilitation of the stakeholder consultations, and enhancement of the public awareness on the carbon pricing to improve understanding on the effectiveness of carbon pricing instruments for the country's attainment of the mitigation objectives

**Component 3.** Support the Project Management Unit (Project Coordinator).

# Achievements to date



- Options & Analytics Paper
- Energy and Transportation Sectors Economic Modelling
- Technical Report: ***Philippines: Analysis on Carbon Pricing Options for Low Carbon Development of the Energy Sector (2020)***
  - The CPI Report allowed the Philippines to articulate needed investments for low carbon transition and market instruments necessary to attract such investments for low carbon technologies and projects.
  - It outlined policy gaps needed for the country to successfully implement a CPI.
- Provided assistance for developing the Philippines' First NDC target submissions.
  - Helped us properly craft what our country can afford in terms of conditional and unconditional targets.

# CPI's role in the country's decarbonization goals

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- The Philippines' GHG emissions are currently a minor contributor to global warming at **approximately 0.33%** of the world's share of GHG emissions.
- Due to high climate vulnerability, we appreciate the need for action nationally and locally to tackle the climate crisis, and we intend to show leadership in this area.
- Renewable energy has been a key priority following the **2018-2040 Philippine Energy Plan** and other polices.
- A number of carbon pricing measures have been proposed in Congress at various points, including ETS. However, there are concerns about further increases in energy costs.
- Based on the PMR CPI Technical Report, we support the establishment of **an intensity-based ETS primarily focused on the power sector**, that can be expanded to other emitters like large industrial facilities.