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Headline: PH gets board seat in new global climate fund

Byline: Nestor Corrales

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Maria Antonia Yulo-Loyzaga —MALACANANG PHOTO

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The Philippines has obtained a seat in the board of the historic Loss and Damage Fund (LDF), a financing facility created under the auspices of the United Nations to help vulnerable countries cope with the increasingly costly and damaging impacts of climate disasters, Environment Secretary Maria Antonia Yulo-Loyzaga said on Thursday.

"We are very fortunate and we are very lucky, through the hard work, of course, and the vision of the President, we have garnered a seat on the board of the [LDF]," the environment chief said at a Palace briefing.

She said the Philippines was also vying for the hosting of the LDF board in the country, which was necessary to give the fund a legal personality.

However, delegates to the recently concluded UN Climate Change Conference (COP28) in Dubai agreed to let the World Bank initially host the fund for four years, despite strong resistance from developing countries due the multilateral lender's high costs, slow procedures and the American government's influence on the institution.

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Loyzaga said the Philippines would have a term sharing with Pakistan for three terms, with Manila sitting two years as full member for 2024 and 2026, and a year as an alternate member in 2025.

Former Finance Undersecretary Mark Joven would be representing the Philippines in the board that would be composed of at least 23 country representatives, she said.

Loyzaga noted that rich countries have pledged about \$700 million to the LDF.

"So, that [LDF] will hopefully be made operational as soon as possible and we hope that we will be able to access it with some greater efficiency than the other funds that are available," she said.

According to the COP28 presidency, the LDF reached around \$792 million in pledges during the talks in Dubai, or still way short of the \$100 billion a year that developing nations have said was needed to cover losses from natural disasters and rising seas.

Among the countries that have promised to contribute to the initial phase of the fund included Germany and the United Arab Emirates, host of COP28, with \$100 million each; United Kingdom, \$50.5 million; United States, \$17.5 million, and Japan, \$10 million, while member states of the European Union were to provide at least \$245 million.

Last year, the United Nations Environment Program (Unep) highlighted that the LDF must tackle the gaps that current climate finance institutions, such as the Green Climate Fund, do not fill, pointing out that combined adaptation and mitigation fund flows in 2020 fell at least \$17 billion short of the \$100 billion pledged by rich nations to developing countries.

In a video message, President Marcos said he was pleased to hear that the Philippines has secured a membership in the LDF board.

"This will give the voice in the management of all funding that is available around the world to mitigate and adapt to the effects of climate change," he said.

The President added that he was also hopeful that the Philippines would host the LDF board in Manila, citing that the country was vulnerable to the effects of climate change.

"This is a good development that we will keep working to make sure that the Philippines has a very strong voice when it comes to all the issues of climate change, of which we are severely affected," he said.

According to the "Climate Finance in Asia" report released last year by Oxfam, a group of nongovernment organizations involved in fighting poverty and injustice around the world, the Philippines ranked 10th among 18 Asian countries studied in terms of vulnerability and preparedness to climate change.

Excluding China, it said that these countries were collectively responsible for only 15 percent of global emissions, but were among the most adversely affected by climate change.

According to Loyzaga, the Philippines would continue to put pressure on making the fund-raising mechanism for the LDF mandatory and not voluntary.

"Well, we have to work with what is on the table," she said, adding that what was put on the agenda was the word "voluntary."

Loyzaga admitted that there were concerns to make the mechanism mandatory.

"I believe this is something that is not just the Philippines' role, but all the countries that are climate vulnerable ... they must continue the pressure, we must continue the pressure to articulate," she said.

Asked when the Philippines and other nations affected by the impact of climate change would be able to access the LDF funds, Loyzaga said "the idea is there must be urgency."

"So, we hope within 2024 there will be some progress in terms of the organization and the guidelines that will be made available to those that need to access the fund," she said.

"Each country should be able to identify what its specific needs are and avail [themselves] of those resources according to their needs," Loyzaga added.

Aside from the LDF, she said the Philippines has been receiving climate-related funds from the United States, Japan, United Kingdom, Canada and Australia.

The LDF was approved on the first day of COP28 in Dubai, a year after participants in last year's edition of the climate convention agreed to its establishment.

The Unep describes loss and damage as the negative consequences that arise from the unavoidable risks of climate change, such as rising sea levels, prolonged heat waves, desertification, the acidification of the sea and extreme events, such as bushfires, species extinction and crop failures.

As the climate crisis unfolds, it said these events would happen more frequently, and the consequences would become more severe. —WITH A REPORT FROM AFP

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