

SIXTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
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SENATE
S. B. No. 2893

RECEIVED BY: *J*

INTRODUCED BY SENATOR SONNY M. ANGARA

**AN ACT
GRANTING INCENTIVES TO INDIVIDUALS AND ENTERPRISES FOR THE
CREATION OF GREEN JOBS AND APPROPRIATING FUNDS FOR THE
PURPOSE**

EXPLANATORY NOTE

Sustainable development in today's economic environment can play a crucial role for the country's economic growth. Recently, various initiatives in more efficient and environmentally sustainable business models have been increasing globally. During the 2014 United Nations Climate Summit, UN Secretary-General Ban Ki-Moon announced that the human, environmental and financial cost of climate change is fast becoming unbearable. To address such looming emergency, more than 100 world leaders have vowed to take bolder actions to mitigate the perils caused by climate change. More ambitious policies to fight climate change are therefore expected to come from countries all over the world.

The Philippines' fervent commitment to address climate change issues is manifested by its being signatory to the United Nations Framework Convention on Climate Change (UNFCCC) ratified on August 2, 1994 and the Kyoto Protocol, which was ratified on November 20, 2003. Article 3 of the Convention declares that states that have aligned themselves with the mandates set forth "should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities".

The 1987 Constitution itself stipulates that "The State shall protect and advance the right of the people to a balanced and healthful ecology in accord with the rhythm and harmony of nature."

Evidence shows that the effects of climate change have recently created an imbalance in our country's ecology. According to the National Statistical Coordination Board¹, the number of typhoons in the country drastically increased from 27 typhoons during the period of 2003-2003 to 39 typhoons in 2004-2007. It has also been observed that the typhoons in the country are getting stronger in the past two decades. Typhoon signal no. 4 is a fairly recent category. Between 1947-2006, three out of five strongest cyclones that have occurred in the Philippines happened in the past decade and seven out of the 20 deadliest typhoons occurred from 1990-2006. The total damages brought about by typhoons increased by 408% from 2003-2006.

¹Evidences of Climate Change in the Philippines
http://nap.psa.gov.ph/headlines/statsspeak/2009/030909_rav_climatechange.asp

It is indeed crucial for our government to form policies geared towards greener jobs since the country's location is a hotspot for disasters caused by climate change that adversely affects the country especially in agriculture and food security. People also fail to acknowledge the extreme effects climate change and environmental degradation have on work and business conditions that lead to health risks for workers and damaged facilities for businesses.

Thus, this bill recognizes the labor sector as a primary social economic factor in promoting sustainable development. It shall require the government to strengthen the capacity of workers and businesses to mitigate the adverse impacts of climate change and continue to create opportunities for employment through the improvement of our business climate and working conditions.

The bill provides incentives to individuals and companies for the purpose of encouraging individuals to engage in green jobs and for business enterprise to generate and sustain green jobs. The Department of Labor together with various offices shall create a national green jobs human resource development plan on the development of the labor force. Furthermore, the Secretary of the Department of Labor and Employment will be delegated to be an additional member of the Climate Change Commission.

Therefore, the immediate passage of this bill is earnestly sought.



SENATOR SONNY M. ANGARA

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

1 **SECTION 1. Short Title.** – This Act shall be known as the "Philippine
2 Green Jobs Act".

3
4 **SECTION 2. Declaration of Policy.** – It is the declared policy of the State
5 to:

- 6 a) Affirm labor as a primary social economic force in promoting
7 sustainable development;
8
9 b) Afford full protection to labor, local and overseas, organized and
10 unorganized, and promote full and productive employment and equality
11 of employment opportunities for all; and
12
13 c) Promote the rights of the people to a balanced and healthful ecology in
14 accord with the rhythm and harmony of nature.

15 The State shall identify needed skills, develop training programs, and train
16 and certify workers for jobs in a range of industries that produce goods and
17 render services for the benefit of the environment, conserve natural resources for
18 the future generation, and ensure the sustainable development of the country
19 and its transition into a green economy. In recognition of the participation of
20 individuals and business enterprises in jobs creation, the State shall provide
21 incentives therefor.

22
23 **SECTION 3. Coverage.** This Act shall apply to all business enterprises
24 unless otherwise provided herein.

25
26 **SECTION 4. Definition of Terms.** – As used in this Act:

- 27
28 a) *Business enterprises* refers to establishments engaged in the
29 production, manufacturing, processing, repacking, assembly, or sale of
30 goods and/or services, including service-oriented enterprises. It shall
31 include self-employed or own-account workers;
32

- 1 b) *Climate change* refers to a change in climate that can be
2 identified by changes in the mean or variability of its properties and
3 that persists for an extended period typically decades or longer,
4 whether due to natural variability or as a result of human activity;
5
6
7
8 c) *Green jobs* refer to employment that contribute to preserving or
9 restoring the quality of the environment, be it in the agriculture, industry
10 or services sector. Specifically, BUT NOT exclusively, this include jobs
11 that help to protect ecosystems and biodiversity, reduce energy,
12 materials and water consumption through high efficiency strategies,
13 de-carbonize the economy, and minimize or altogether avoid
14 generation of all forms of waste and pollution. *Green jobs are decent*
15 *jobs that are productive, respect the rights of workers, deliver a fair*
16 *income, provide security in the workplace and social protection for*
17 *families, and promote social dialogue.*
18
19 d) *Green economy* refers to one which is low-carbon and resource-
20 efficient, and results in generation of green jobs and in improved
21 human well-being and social equity, while significantly reducing
22 environmental risks and ecological scarcities;
23
24 e) *Green goods and services* refer to goods and services that benefit
25 the environment or conserve natural resources, and may include
26 research and development, installation and maintenance services;
27
28 f) *Green technologies* refer to the development and application of
29 products, equipment and systems used to conserve the environment
30 and natural resources;
31
32 g) *Sustainable development* refers to development that meets the needs
33 of the present without compromising the ability of the future
34 generations to meet their own needs.
35

36 **SECTION 5. Incentives.** – An incentive scheme is hereby created for the
37 purpose of encouraging individuals to engage in green jobs and business
38 enterprises to operate and sustain green jobs in accordance with the national
39 green jobs human resource development plan to be formulated by the dole as
40 provided under section 6 (a) hereof.
41

42 Notwithstanding any laws to the contrary, the Department of Finance
43 (DOF) shall exclusively determine the fiscal incentives that can be made
44 available for activities such as skills training and research and development
45 (R&D) in pursuit of supporting the green economy, and/or the development and
46 use of green technologies and practices, and/or the production of green goods
47 and provision of green services, which may include the following: additional
48 deduction of labor expense and duty-free importation of capital equipment.
49

50 The Department of Finance, in coordination with DOLE and other relevant
51 agencies, shall prepare the necessary rules and regulations and operational
52 standards for the availment of the above-mentioned incentives and ensure its
53 effective implementation.

54 **SECTION 6. Role of Agencies. -**

- 55 a) The Department of Labor and Employment (DOLE) shall, in coordination
56 with other government agencies, formulate a national green jobs human

1 resource development plan on the development, enhancement and
2 utilization of the labor force, both in the private and public sectors. The plan
3 shall have the primary objective of enabling and sustaining the transition
4 into a green economy and the generation of green jobs towards more
5 employment and equal opportunities and the promotion of social justice and
6 workers' welfare. It shall include programs, projects, and activities
7 pertaining to basic, higher and technical vocational education and training,
8 database that identifies and links green job opportunities with private and
9 public entities, and information on knowledge and skill requirements of a
10 green economy.

11
12 The DOLE, in coordination with the Philippine Statistics Authority (PSA),
13 shall also maintain a database of green careers, professions and skills. It
14 shall facilitate skills training assessment and certification, career advocacy,
15 provide productivity and livelihood training, and extend technical assistance
16 to enterprises to ensure labor law compliance.

- 17
18 b) The Department of Finance (DOF) shall administer the grant of incentives
19 as discussed in Section 5 to qualified individuals and business enterprises
20 engaged in registered strategic activities, and shall maintain a database on
21 the same.
- 22
23 c) The Department of Environment and Natural Resources (DENR) shall
24 establish and maintain a climate change information management
25 system and network as reference in the formulation of strategies and
26 approaches to develop potential green jobs.
- 27
28 d) The Department of Education (DepEd) shall implement faculty, facility and
29 curriculum development for primary and secondary education in support of
30 the knowledge and skills requirement of a green economy.
- 31
32 e) The Commission on Higher Education (CHED) shall develop and
33 implement curriculum and related standards and instructional materials in
34 support of the green economy.
- 35
36 f) the Technical Education and Skills Development Authority (TESDA) shall
37 formulate the necessary training regulations for the implementation of skills
38 training, program registration and assessment and certification in support of
39 the requirements for skilled manpower of the green economy.
- 40
41 g) The National Economic and Development Authority (NEDA) shall ensure
42 the mainstreaming of green jobs concern in development plans.
- 43
44 h) The Department of Trade and Industry (DTI) shall develop a special
45 business facilitation program for individuals and business enterprises that
46 create green jobs.
- 47
48 i) The Professional Regulation Commission (PRC) shall encourage the
development of qualifications framework that can facilitate the recognition of

1 knowledge, skills, and competencies of professionals working in the green
2 economy.

3
4 j) Any provision in their respective charters to the contrary notwithstanding,
5 government financial institutions (GFIs) shall, in consultation with the
6 *Bangko Sentral ng Pilipinas* (BSP), provide preferential financial packages
7 to individuals and business enterprises that create green jobs.

8
9 k) The Climate Change Commission (CCC), in consultation with concerned
10 agencies, such as the DENR, the DTI, the DOLE, the Department of
11 Agriculture (DA), the Department of Energy (DoE), the Department of
12 Interior and Local Government (DILG), and the Department of Science and
13 Technology (DOST), shall develop and administer appropriate standards for
14 the assessment and certification of green goods and services, and green
15 technologies and practices for the purpose of regulating the availment of
16 incentives and ensuring green jobs content.

17 **SECTION 7. Role of the Secretary of Labor and Employment.** –The
18 Secretary of Labor and Employment shall be included as an additional member
19 of the Climate Change Commission constituted under Section 5 of Republic Act
20 No. 9729, as amended.

21 **SECTION 8. Appropriations.** – The amount necessary to carry out the
22 implementation of this act shall be included in the annual General Appropriations
23 Act.

24 **SECTION 9. Implementing Rules and Regulations** - Within one hundred
25 eighty days (180) days from the effectivity of this Act, the Secretary of Labor and
26 Employment, in coordination with concerned agencies as may be deemed
27 necessary, shall formulate the necessary rules and regulations to implement the
28 provisions of this Act.

29 **SECTION 10. Separability Clause.** - Should any provision of this Act be
30 declared unconstitutional, the remainder thereof not otherwise affected shall
31 remain in full force and effect.

32 **SECTION 11. Repealing Clause.** - Section 5 of Republic Act 9729, as
33 amended, is deemed amended or modified by Section 7 of this Act. All other
34 existing laws, presidential decrees, executive orders, proclamations or
35 administrative regulations that are inconsistent with the provisions of this Act are
36 hereby repealed, amended or modified accordingly.

37 **SECTION 12. Effectivity.** - This Act shall take effect fifteen (15) days
38 following the completion of its publication in the *Official Gazette* or two (2)
39 newspapers of general circulation.

40 Approved,