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SENATE  
P.S. Res. No. 1732

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Introduced by SENATOR LOREN LEGARDA

**RESOLUTION**

**DIRECTING THE COMMITTEES ON CLIMATE CHANGE AND WAYS AND MEANS TO LOOK INTO THE VIABILITY OF ESTABLISHING CARBON PRICING MECHANISMS IN THE COUNTRY TO ENSURE ITS COMPLIANCE WITH THE TARGETS FOR GREENHOUSE GAS EMISSION REDUCTIONS SET IN THE COUNTRY'S INTENDED NATIONALLY DETERMINED CONTRIBUTIONS UNDER THE PARIS CLIMATE CHANGE AGREEMENT**

WHEREAS, Article II Section 16 of the 1987 Constitution provides 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;

WHEREAS, under its Intended Nationally Determined Contributions submitted in 2015 to the United Nations Framework Convention on Climate Change, the Philippines committed to the reduction of its greenhouse gas emissions (GHG) by 70% relative to its business-as-usual scenario of 2000-2030, with the decline in emissions coming from the energy, transport, waste, forestry and industry sectors;

WHEREAS, to encourage and promote investments in renewable energy and bring down GHG emissions, there is a growing clamor worldwide for the implementation of carbon pricing legislation, such as emissions trading systems or carbon taxes, with producers of carbon emissions forced to pay for their activities;

WHEREAS, in light of the developing country status of the Philippines and the pursuit of energy security, there is a need to ensure that the introduction of carbon pricing legislation is part of a wholistic approach to pricing that takes into account the impact and cost-effectiveness of other policy instruments that discourage the emission of GHG as well as policies which may inadvertently encourage emissions;

WHEREAS, to address concerns that energy and transportation costs are expected to rise under a carbon pricing regime, a revenue-neutral carbon tax or emissions trading system that returns to the taxpayers all the revenue that is generated from the mechanism (i.e. through tax refunds) may be a viable option to offset costs;

WHEREAS, such policy mechanisms to be considered include cash transfers, the reduction of income taxes, distribution of tax credits, increased government support to social security, and subsidies to energy efficiency improvements and other public services;

WHEREAS, to address competitiveness concerns, the policy may allocate emission allowances, free of charge, to selected energy-intensive sectors that need to remain competitive in the global market;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED for the Committees on Climate Change and Ways and Means to look into the viability of establishing carbon pricing mechanisms in the country to ensure its compliance with the targets for greenhouse gas emission reductions set in the country's Intended Nationally Determined Contributions (INDC) under the Paris Climate Change Agreement

Adopted,



LOREN LEGARDA  
Senator