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REPUBLIC OF THE PHILIPPINES )  
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SENATE

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INTRODUCED BY SENATOR JOSEPH VICTOR G. EJERCITO

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**RESOLUTION**

**EXPRESSING THE SENSE OF THE SENATE TO URGE THE CLIMATE CHANGE COMMISSION TO ESTABLISH A MULTI-ACTOR PARTNERSHIP (MAP) ON THE ENHANCEMENT OF CLIMATE AND DISASTER RISK FINANCING AND INSURANCE (CDRFI) TO STRENGTHEN THE ECONOMIC RESILIENCY OF THE PHILIPPINES IN THE FACE OF CLIMATE CHANGE**

**WHEREAS**, by virtue of Republic Act No. 9729 otherwise known as the "Climate Change Act of 2009", as amended by Republic Act No. 10174 or the People's Survival Fund Law, the government recognized the vulnerability of the Philippine archipelago and its local communities, to potentially dangerous consequences of climate change and global warming;

**WHEREAS**, the Climate Change Act of 2009 declared as the policy of the State to enjoin the participation of national and local governments, businesses, nongovernmental organizations, local communities and the public to prevent and reduce the adverse impacts of climate change and, at the same time, maximize the potential benefits of climate change;

**WHEREAS**, the Global Climate Risk Index 2021 Report identified the Philippines as the 4<sup>th</sup> most affected country over the last two decades in terms of Climate Risk Index. The Philippines is also included in the second category of countries which are affected by extreme events on an ongoing basis;

**WHEREAS**, the Philippines is highly vulnerable to impacts of climate change, severely affecting its environment, agriculture, food security, health sectors, and the economy as a whole;

**WHEREAS**, the 6th Assessment Report (2021) of the Intergovernmental Panel on Climate Change (IPCC) indicates that while the number of tropical cyclones in the Philippines may not increase, the intensity of such, certainly will;

**WHEREAS**, several other studies have shown that slow-onset events (SOE) observed in the Philippines such as increasing trends in sea level rise, sea surface

temperature, and extreme event occurrences are consistent with the increasing global trends;

**WHEREAS**, based on a study by the Asian Development Bank on the economics of climate change, the country stands to lose 6% of its GDP annually by 2100 if it disregards climate change risks;

**WHEREAS**, the Department of Finance have indicated that the Philippines is expected to incur PHP 177 billion (USD 3.6 billion) per year in losses to public and private assets due to natural disasters, including typhoons. Subsequently, in the next 50 years the country has a 40% chance of experiencing a loss exceeding PHP 989 billion, and a 20% chance of experiencing a loss exceeding PHP 1,525 billion;

**WHEREAS**, Micro, Small, and Medium Enterprises (MSME) are highly vulnerable to climate change and increasingly threatened in their productivity, leading to severe ripple effects for those dependents on MSMEs and known effects to the wider economy. In the absence of financial protection measures such as insurance, it is often only the public funding that can be utilized to cushion MSMEs' financial losses;

**WHEREAS**, Climate and Disaster Risk Financing and Insurance (CDRFI) is an innovative and viable mechanism that a vulnerable country in terms of climate change risks such as the Philippines can use as a tool to maintain and strengthen fiscal stability and economic resilience in the face of climate change;

**WHEREAS**, CDRFI creates the fiscal space for MSMEs by ensuring that necessary resources are available to respond to and be used to recover from potential losses thereby effectively mitigating the financial shocks from damages and losses due to rapid and slow onset impacts of climate change;

**WHEREAS**, the Senate of the Philippines recognizes the country's need for Climate and Disaster Risk Financing (CDRFI), in order to: (1) Maintain and enhance socio-economic resilience and human development; (2) To strengthen national productivity; and (3) To reduce pressure on public spending ex post disaster to maintain fiscal stability and financial stability;

**WHEREAS**, to ensure effective operationalization of CDRFI, a whole-of-government and a whole-of-nation approach is needed. As such, it is necessary to establish a multi-actor partnership for CDRFI which include representatives from the national government agencies concerned, Congress of the Philippines, local government units at all levels, and non-government actors such as cooperatives, civil society and people's organizations;

**NOW, THEREFORE, BE IT RESOLVED BY THE SENATE**, as it is hereby resolved to strongly support the establishment of a multi-actor partnership on the Climate and Disaster Risk Financing and Insurance (CDRFI) to strengthen the economic resiliency of the Philippines in the face of climate change.

**RESOLVED FURTHER,** To strongly urge the Climate Change Commission to spearhead the establishment of a multi-actor partnership on the Climate and Disaster Risk Financing and Insurance (CDRFI) to strengthen the economic resiliency of the Philippines in the face of climate change.

*Adopted,*

A handwritten signature in black ink, appearing to read 'J. Ejercito', with a horizontal line extending to the left.

**JOSEPH VICTOR G. EJERCITO**