

# Public Expenditure Framework and Assessment of the Drivers of Deforestation and Forest Degradation in the Philippines



Regional Knowledge Exchange : "REDD+ Financing"

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# Public Expenditures Framework of the Philippines

Program, Projects and Activities are Focus on the following Key Results Areas:

- Transparent , Accountable and Participatory Governance;
- Poverty Reduction and Empowerment of the Poor and Vulnerable;
- Rapid, Inclusive, and Sustained Growth;
- Just and Lasting Peace and Rule of Law; and
- Integrity of the Environment and Climate Change Adaptation and Mitigation.

# **Climate Change is an overarching issue that poses challenges and present opportunities for attaining Inclusive Growth and Alleviating Poverty**

**5<sup>th</sup> most affected from 1994-2013 in terms of long-term climate risk index**

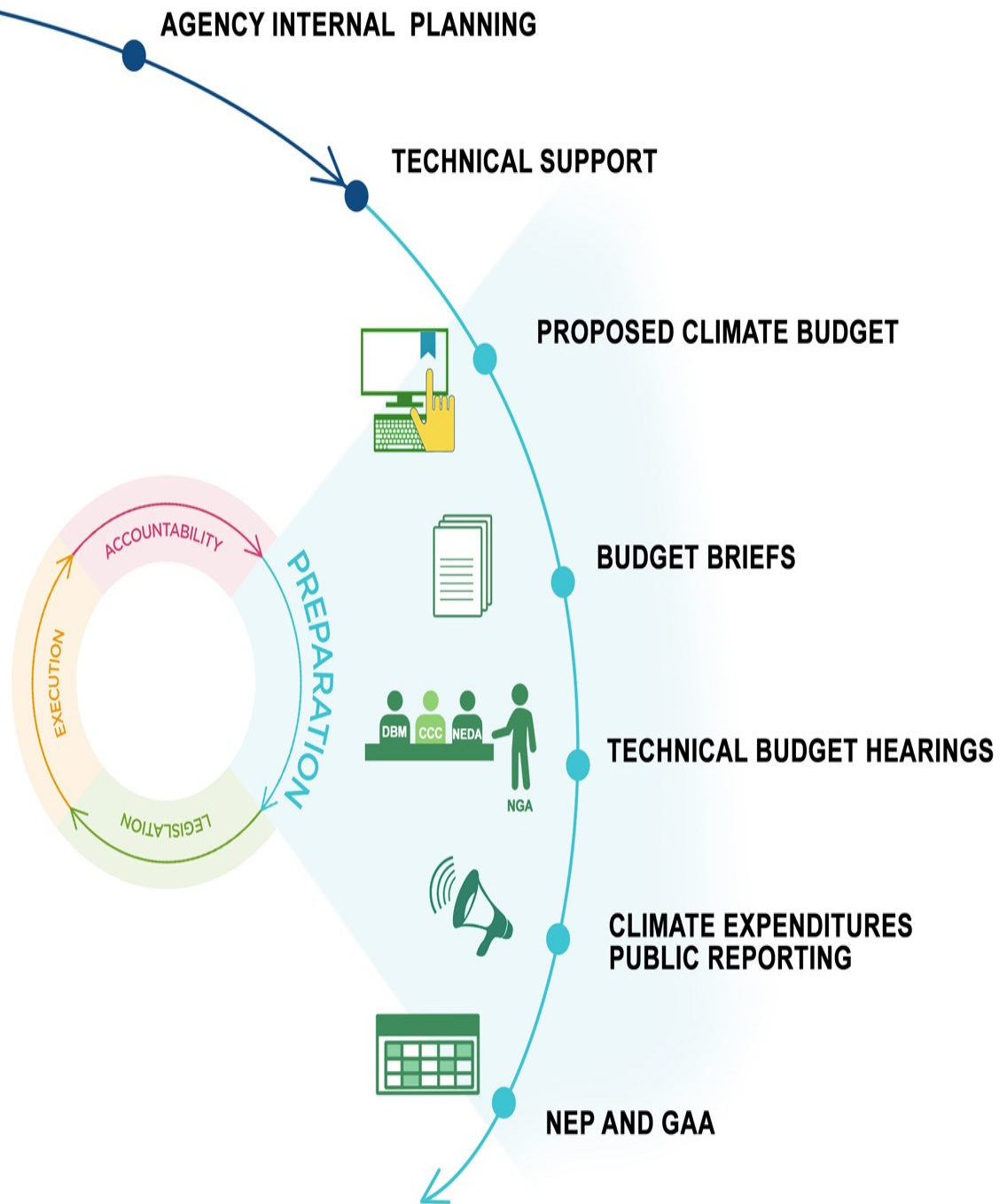
**1<sup>st</sup> in the list of countries most affected by extreme weather events**

**Sea level rise threat to the Ph coastline with 42% of the coastal population and 14% of the total population at risk**

# NATIONAL CLIMATE BUDGETING



Integrating climate response in the budget cycle





FY 2016  
General Appropriations Act

FY 2015  
General Appropriations Act

**140.4**

**billion pesos**

**175.1**

**billion pesos**

**25%**

**233 Programs, Projects, and Activities  
Tagged by 45 National Government Agencies**

# CCET Program and Projects

## **Forest Related CCET**

- Forest Development, Rehabilitation and Protection
- Forestland Management Projects
- Integrated Natural Resources and Environmental Management Projects

## **Other CCET Related Program**

- Clonal Nursery and Production of Quality Planting Materials (QPM) of Premium, Endemic and Indigenous Forest Species for National Greening Program

# National Greening Program (NGP)

## Department of Environment and Natural Resource (DENR)

FY 2016 GAA - DENR

**21.84**  
billion pesos

FY 2016 GAA - NGP

**8.16**  
billion pesos

37.36%

# Climate Change Expenditure Tagging (CCET)



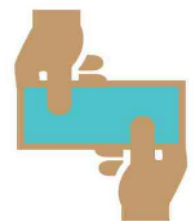
**Informs the Government** by generating and tracking data on the allocation of CC-response expenditures, providing a baseline to evaluate alignment, prioritization, and impact of CC-response public expenditure

**Creates a platform for policy dialogue** between oversight and line agencies in strengthening implementation of sectoral climate action aligned with the NCCAP



**Promotes coherence and convergence** across sector policies and programs by fostering link between the budget and CC policies.

**Facilitates the country's "readiness"** for accessing, administering, and coordinating flows of domestic and international climate finance through enabling the tracking of CC response spending





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# **Assessment of the Drivers of Deforestation and Forest Degradation**

# Key Findings of the Policy Study

## Deforestation

- Upland Agriculture
- Upland Settlements Expansion

## Forest Degradation

- Timber Poaching
- Tree Cutting for Fuelwood/Charcoal



# National Drivers of DD (2012 study)

- **Forest products extraction** – timber, fuelwood, charcoal, non-timber (rattan, bamboo)
- **Agricultural expansion** – kaingin (slash and burn), permanent cultivation, plantations, migration/settlement
- **Infrastructure expansion** – roads, market (sawmill/processing plants), mining, hydropower, tourism

# Operational Recommendations

- Implement Forest Land Use Planning (FLUP)
- Mainstream Co-management of forests & forestland to address open access areas & shared governance
- Improve local forest governance capacities
- Promoting agroforestry systems and other livelihood options through REDD-plus strategies



# Improve Forest Governance



- FLUP
- Creation and capacitation of multi-sectoral steering committee
- Sustainable financial mechanisms, resource and benefit sharing schemes should be developed



# Policy Recommendations

- Legislation of national policy on Co-management of forests and forestlands
- Assessment of CBFM program
- Review of the Chainsaw Act
- Enactment of enabling policies for REDD-plus (safeguards, carbon ownership, benefit-sharing, tenure, establishment of National Multi-stakeholder REDD-plus Council)



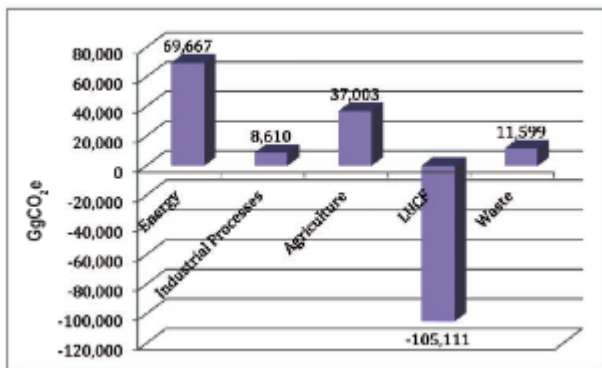
# Status of REDD+ Implementation

## MIDDLE STAGES OF REDD+ READINESS

**INDC:** Conditional 70% based on BAU from 2000-2030

- Including Forest (40%) **SNC:** Net Carbon Sink (-105,111 GgCO<sub>2</sub>e)

Figure 2.1. The Philippine forests are a significant carbon sink



Source: Second National Communications

- National Greening Program (NGP)
- Forest Protection
- Forest Restoration and Rehabilitation



PARIS2015  
UN CLIMATE CHANGE CONFERENCE  
COP21-CMP11

**EbA**

Ecosystem-based  
Adaptation



# Options for a National REDD+ Fund



1. Set up new fund within government-related bodies (NGA, GOCC or GFI)
2. Set up new fund through private or non-government sector, or through Public-Private Partnership (PPP)
3. Set up new government fund using existing mandates governing Natural Resources (e.g. Environmental fund related to water)
4. Insert REDD+ into existing fund related to Natural Resource Management and Climate Change (create a REDD+ sub-fund or window)







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**THANK YOU!**



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