



INVESTING IN CLIMATE RESILIENCE

RISK RESILIENCY AND SUSTAINABILITY PROGRAM





Coastal Zones

- Most of the Filipinos living in coastal areas face multiple climate hazards of increased storm surges, sea level rise and salt-water intrusion and increased coastal flooding
- Warming and acidifying oceans, combined with reef destruction from dynamite fishing

Rural Landscapes

- 3 of 4 poor Filipinos live in rural areas, including growing peri-urban areas, and most of them depend on ecosystem-based activities
- Increased temperature and rainfall variability is expected to reduce rural landscape productivity

Cities

- Large populations and assets are concentrated in cities
- About 45% of the urban population live in informal settlements



**The PH
faces
numerous
climate
risks that
amplify the
cost of
development**



The Philippines has demonstrated a strong commitment to- and continued leadership on a comprehensive reform agenda for delivering climate adaptation and resilience

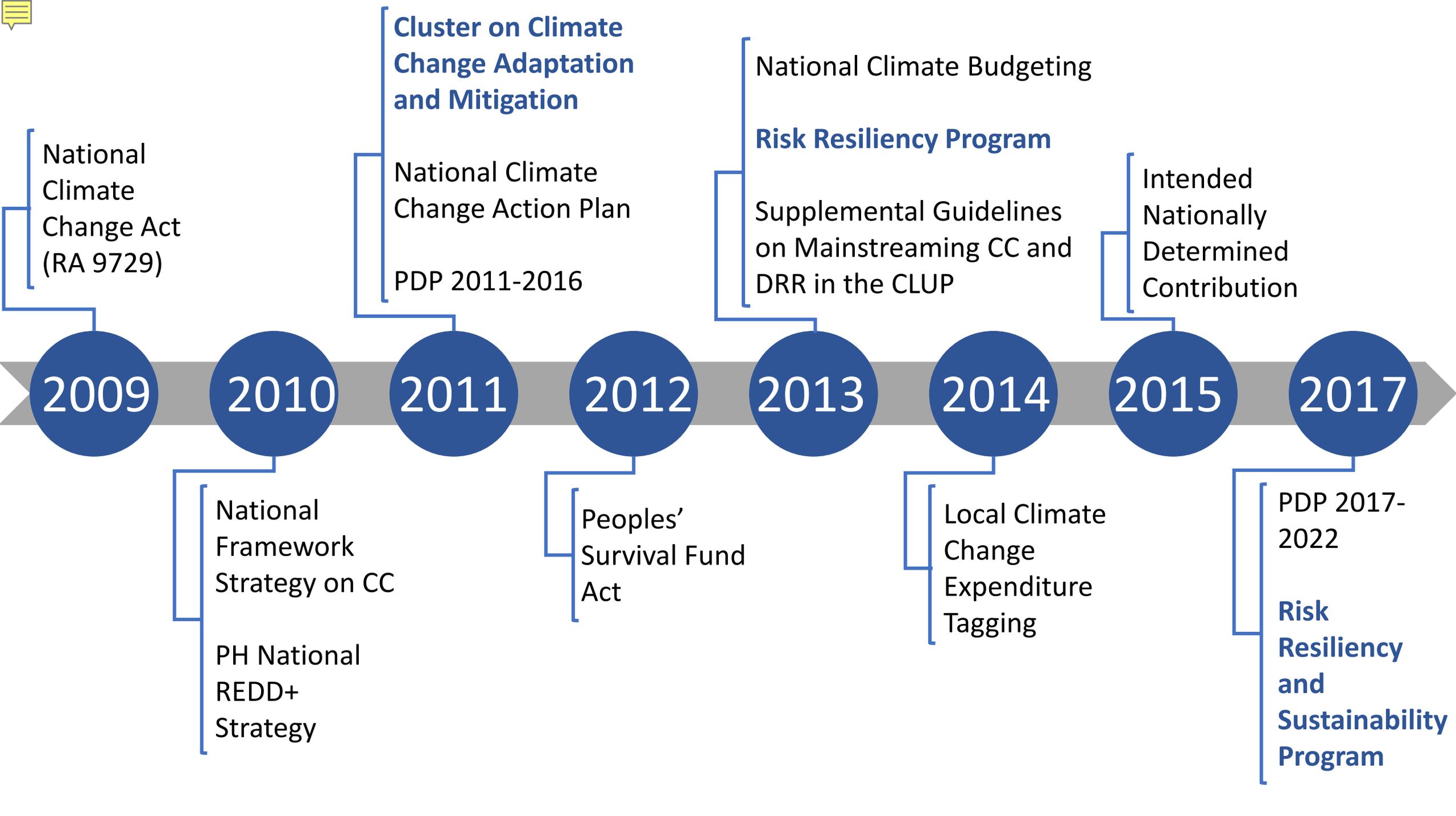


Mainstreaming climate change priorities in planning and financing



Strengthening alignment of plans and quality implementation through convergence

Awareness and support for strong climate action through consensus building and leveraging



2009

National Climate Change Act (RA 9729)

2010

National Framework Strategy on CC
PH National REDD+ Strategy

2011

Cluster on Climate Change Adaptation and Mitigation
National Climate Change Action Plan
PDP 2011-2016

2012

Peoples' Survival Fund Act

2013

National Climate Budgeting
Risk Resiliency Program
Supplemental Guidelines on Mainstreaming CC and DRR in the CLUP

2014

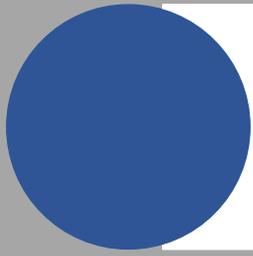
Local Climate Change Expenditure Tagging

2015

Intended Nationally Determined Contribution

2017

PDP 2017-2022
Risk Resiliency and Sustainability Program



Risk Resiliency Program (RRP)

- GoP formulated the Risk Resiliency Program as convergence budgeting program of the CCAM-DRR.
- Provided an opportunity to bring together under a convergence program, and scale up, climate change actions by NGAs.
- Platform for both increasing and more efficient channeling of funding for climate adaptation and disaster risk reduction from government, private, bilateral and multilateral sources.

Risk Resiliency Program

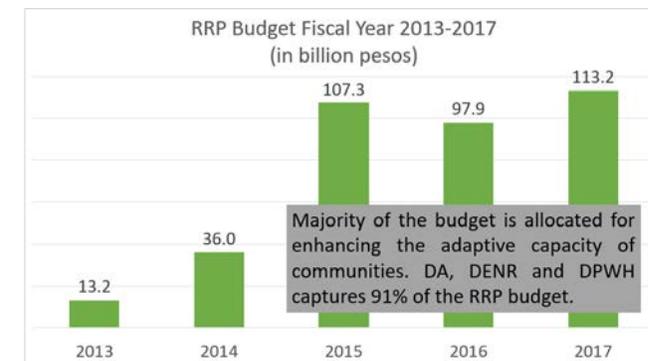
Objective: Strengthen the resiliency of natural ecosystems and the adaptive capacity of vulnerable groups and communities to short and long term risks and disasters particularly in the 18 MRBs

Cluster Program Outcome 1
Enhanced resiliency of natural systems

Cluster Program Outcome 2
Improved environmental quality for cleaner and healthier environment

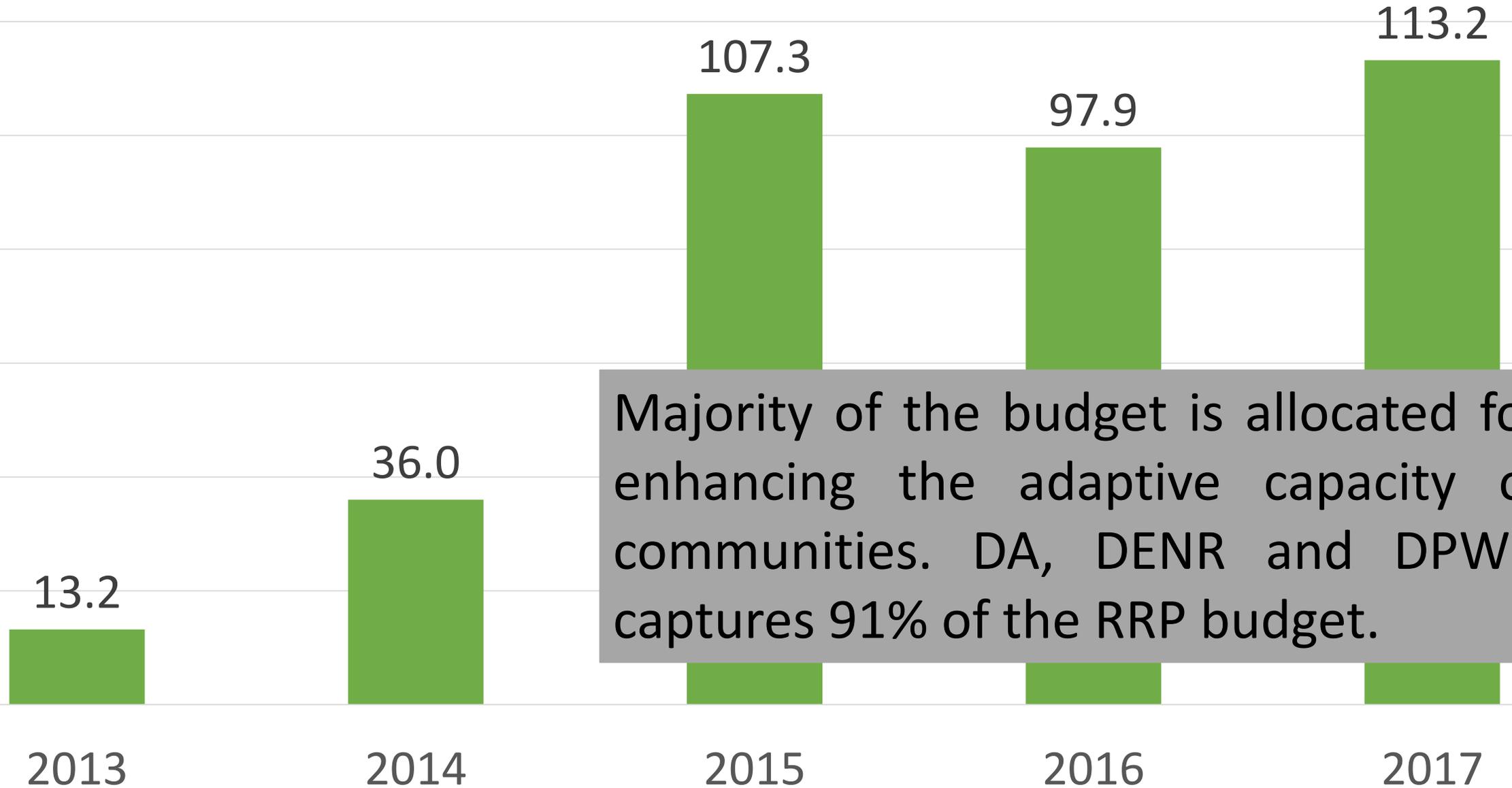
Cluster Program Outcome 3
Improved adaptive capacity of communities

- Climate change expenditure tagging system facilitated monitoring of budget resources allocated to climate adaptation and resiliency – large “adaptation and resilience” investments from DPWH, DENR, DA.
- Created heightened awareness and consensus across NGAs and LGUs on the need for action on climate change – Technical Budget Hearing for RRP in 2015.

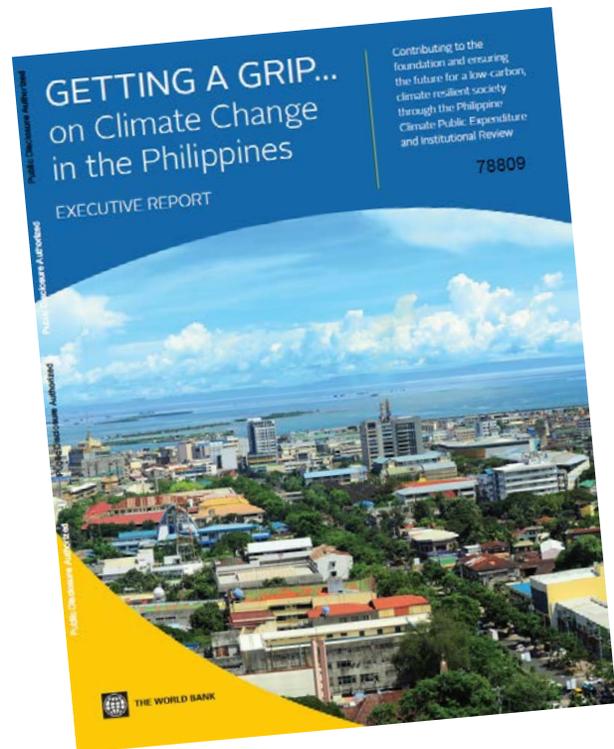


RRP Budget Fiscal Year 2013-2017

(in billion pesos)



Majority of the budget is allocated for enhancing the adaptive capacity of communities. DA, DENR and DPWH captures 91% of the RRP budget.



- **Insufficient institutional capacity, including limited access to knowledge, and the complexity of planning tools have hindered efficient execution of the climate reforms and action.**
- **Existing monitoring and evaluation (M&E) systems have cumbersome reporting requirements, and the lack of climate indicators limits their usefulness.**
- **LGUs are action-oriented, but sources of funding are fragmented and their available amounts are limited.**
- **Strengthen the Budget Planning and Execution Framework for Managing Climate Programs, Activities, and Projects.**
- **Strengthen Monitoring and Evaluation in the Departments and LGUs.**

Risk Resiliency Program

Objective: Strengthen the resiliency of natural ecosystems and the adaptive capacity of vulnerable groups and communities to short and long term risks and disasters particularly in the 18 MRBs

Cluster Program
Outcome 1
Enhanced
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Cluster Program
Outcome 2
Improved
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Cluster Program
Outcome 3
Improved
adaptive capacity
of communities

Opportunities for improvement

- More effective use of climate change criteria to prioritize investments, to modify designs, and target vulnerable areas, landscapes and communities to minimize the impacts of climate change
- Enhance convergence within agencies and across agencies
- Establish clear targets, consistent strategy and an effective MIS-oversight mechanism



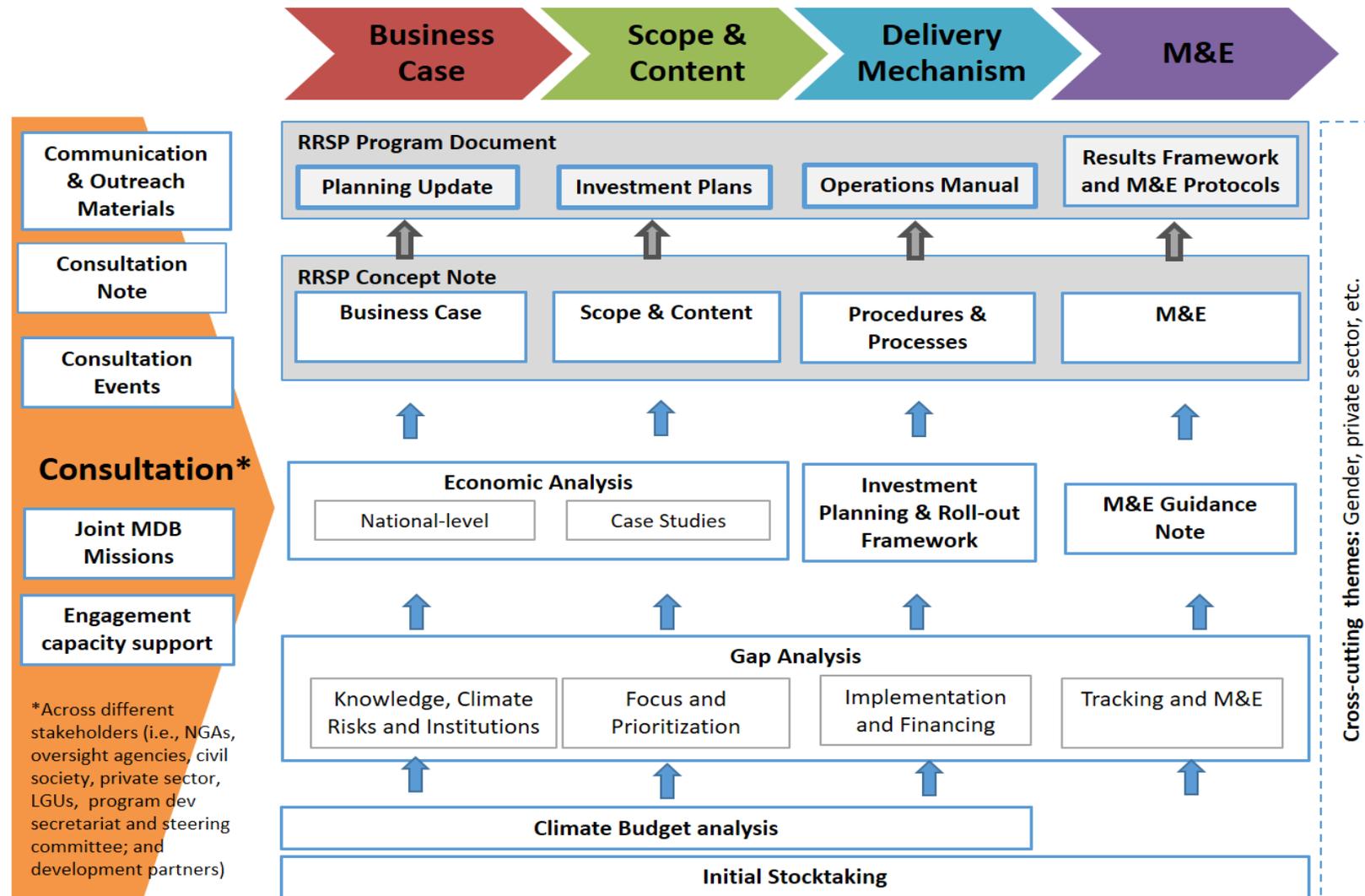
Improving the RRP through the Risk Resiliency and Sustainability Program (RRSP)

...will serve as a national convergence framework that will improve the response to climate and disaster risks through better adapted and more resilient ecosystems, infrastructure and livelihoods in vulnerable areas across the Philippine landscape, and implemented through a phased approach.

...will help to operationalize the RRP through focus on (i) strengthening the incentives for NGAs and LGUs to develop interventions that enhance resilience; (ii) areas with high climate risk and vulnerability; (iii) linking resilience outcomes to budget & finance; (iv) quality and design of resilience interventions.

...will add value: (i) alignment of budget and activity planning with specific and measurable indicators; (ii) quality of design and implementation of activities (including convergence, local participation and sustainability of investments); (iii) increased volume of financing for adaptation investments.

Developing the RRSP





Key Design Elements

- i) Use of risk and resiliency selection criteria as a basis for identifying and designing investment needs,
- ii) Targeting of investments to ensure a focus on designated vulnerable provinces and watersheds, and within those areas, on ecosystems and communities that are particularly vulnerable to the impacts of climate change,
- iii) Engagement of LGUs through cost-sharing arrangements, as the primary implementers of investment activities,
- iv) Technical backstopping and capacity building by NGAs to build LGU ownership and enhanced sustainability of the investments,
- v) Central role for Regional Development Councils (RDC) in the approval process of investments to facilitate local level collaboration/ convergence with Watershed Management Authorities (where existing), and other LGU-NGA interventions,
- vi) Implementation of an RRSP- MIS system that *inter alia* would report on progress and enhance program oversight, based on a set of Key RRP Performance Indicators (KPIs) linked to sectoral and NCCAP objectives.

Targeting of Investments

Criteria applied:

- i. High susceptibility or exposure to a single or multiple climate hazards (storm surge; rain-induced landslides; flooding; strong winds; drought)
- ii. High poverty incidence
- iii. Government priority

Selection of 10 provinces for focus of the RRSP

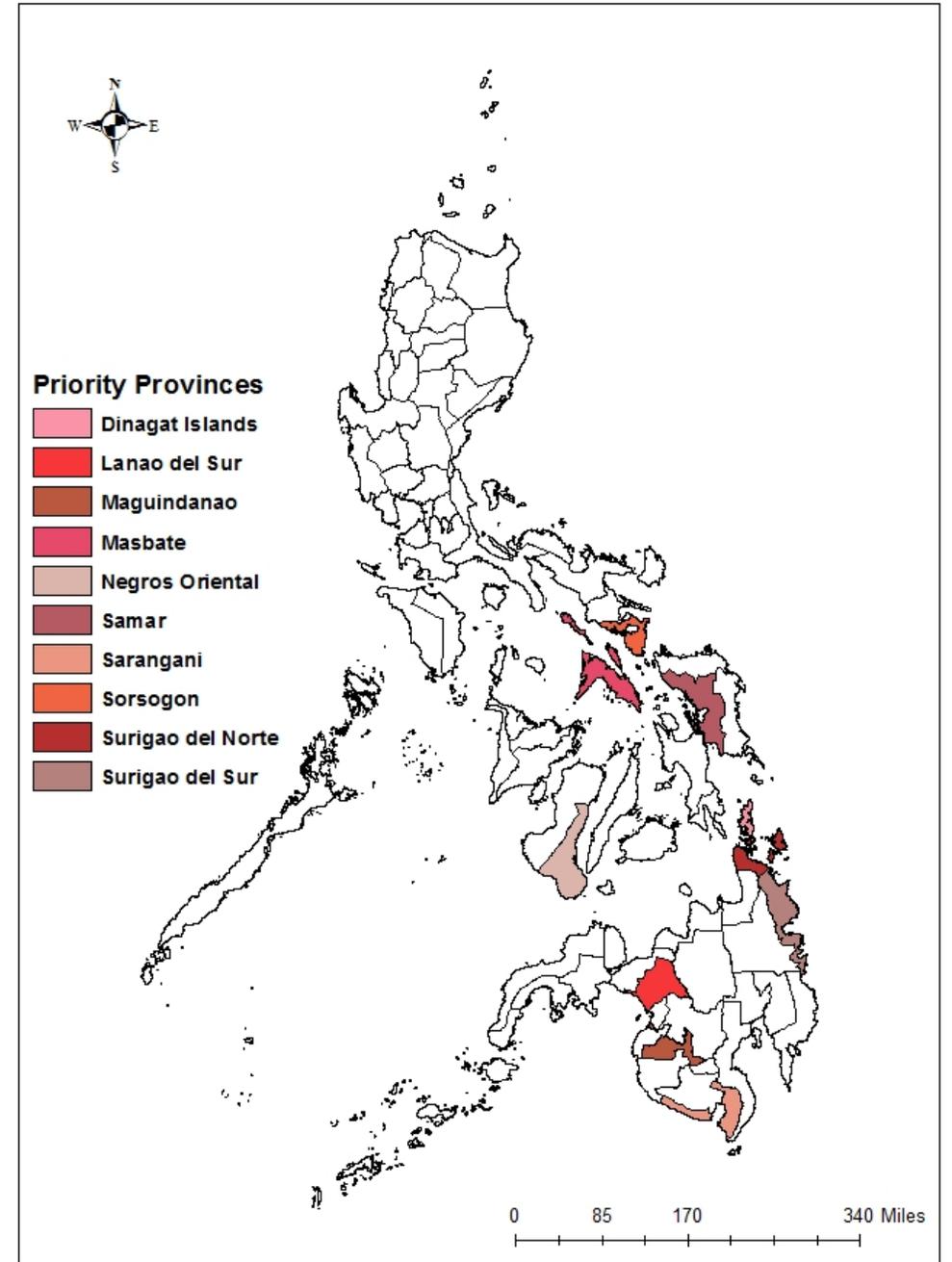
Province	RIL, Flooding & Drought Hazard ^{b/}	Coastal Flooding & Storm Surge ^{c/}	Poverty Incidence ^{d/}	Total Score	Rank	DA Special Area for Ag. Dev't (SAAD)	DENR Green Economy Site	Major River Basin	DENR Special Area for Development	Potential Convergence
Western Samar	5	5	5	15	1	Yes			2016	Yes
Negros Oriental	3	5	5	13	4	Yes		Yes	2017	Yes
Sarangani	2	5	5	12	8	Yes		Yes	2016	Yes
Maguindanao	3	3	5	11	10	Yes		Yes	2016	Yes
Lanao del Sur	3	1	5	9	27	Yes		Yes	2016	Yes
Surigao del Norte ^{a/}	2	3	4	9	27		Yes		2017	Yes
Surigao del Sur ^{a/}	1	3	4	8	32		Yes		2017	Yes
Dinagat ^{a/}	2	1	4	7	45		Yes		2017	Yes

^{a/} Eleven (11) government agencies, including DA, have committed to contribute programs for the communities in closed mining areas in CARAGA.

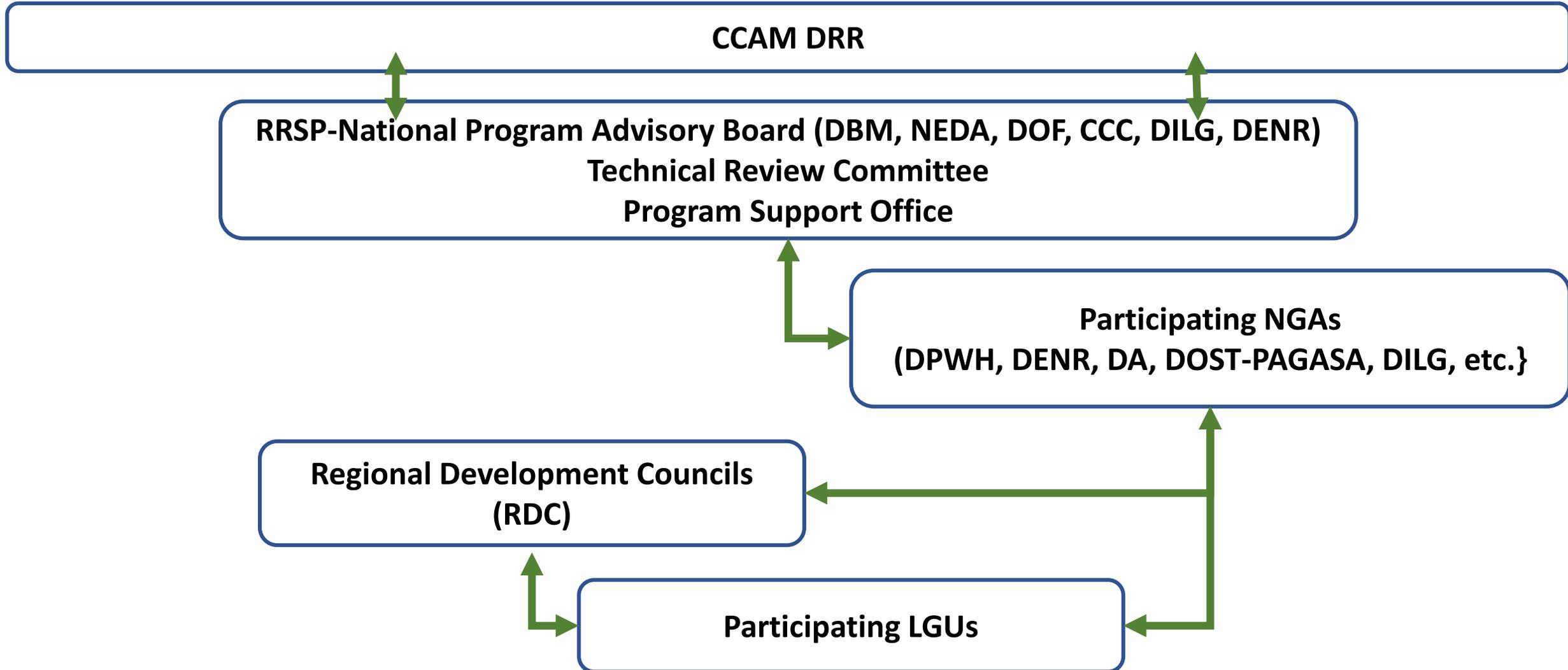
^{b/} Combined rain-induced landslides (RIL), flooding & drought hazards: Very High (VH) = 5; High (H) = 4; Moderate (M) = 3; Low (L) = 2; Very Low (VL) = 1

^{c/} Coastal hazard: H = 5; M = 3; L = 1

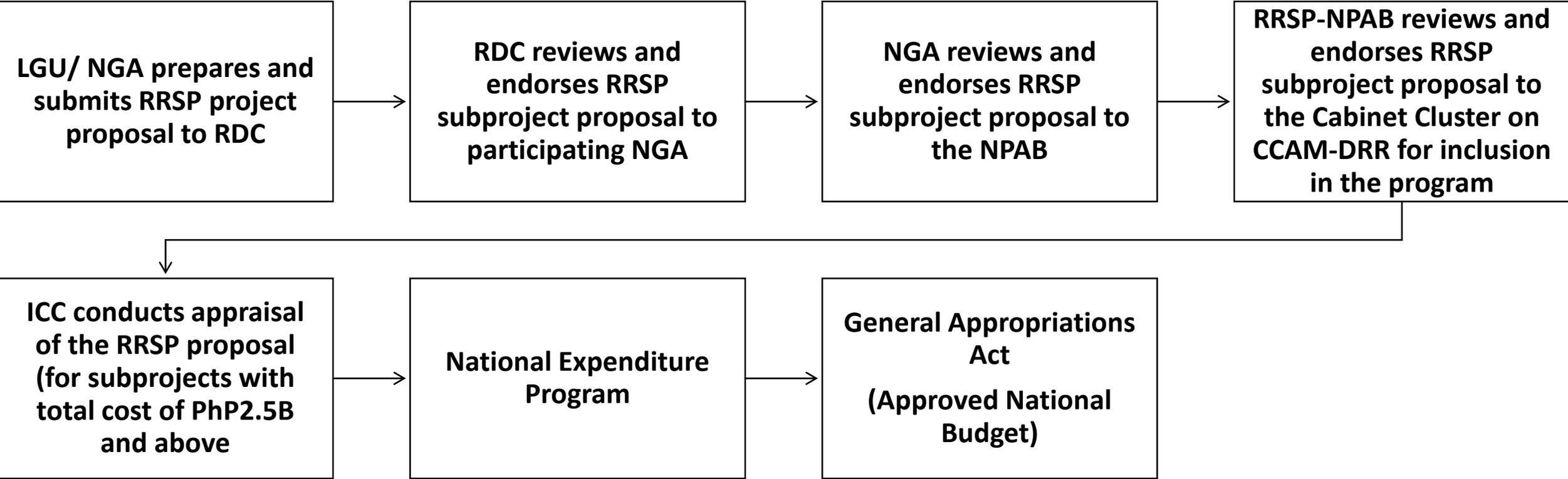
^{d/} Poverty incidence: Cluster 1 (VH) = 5; Cluster 2 = 4; Cluster 3 = 3; Cluster 4 = 2; Cluster 5 (VL) = 1



Institutional Setup



Operational Cycle



Criteria for RRSP investments

Investments should be designed to ensure:

- **Relevance** –relevant to the RRSP’s goal of increasing risk resiliency of ecosystems and communities to the impacts of climate change; and contribute to one or more of the RRSP outcomes
- **Importance** –a felt need of the beneficiary LGUs;
- **Urgency** –immediate and lasting results especially in terms of alleviating the plight of poor and vulnerable communities being impacted by climate change;
- **Viability** –viable in the medium- and long-term from economic, social and environmental viewpoints.

Criteria for RRSP Investments

Investment selection and design criteria would be as follows:

- Reduced impact of disasters and extreme weather events (investment contributes directly to reducing risk to natural resource degradation and/or contributes directly to strengthening the resiliency of the natural resource base);
- Improved ecosystem stability and adaptive capacity of the biophysical systems to quickly bounce back in the face of climate-induced and hazard-based disasters;
- Investment contributes directly to reducing risk to persons and communities from natural and man-made disasters;
- Increased coping capacity of people;

Overall Goal of Program

Goal / Impact statement:

- Enhanced resilience of target communities to climate risks in prioritized landscapes.

Impact indicators:

- i. No. and % reduction in the loss of life due to climate-related risk
- ii. % reduction in the total value of property damage, assets and losses due to climate-related risks
- iii. % recovery of LGUs revenues after 2 years
- iv. Risk Resilience Index (measured in % terms, with higher % reflecting higher degree of resilience)

Monitoring and Evaluation

- Results framework provides basis for tracking progress of the program.
- NGAs responsible for M&E of RRSP subprojects following their MIS procedures, and according to a set of key indicators.
 - Role of LGUs in reporting to be confirmed by specific agency
- NGAs report to RRSP program advisory board on progress against key indicators as part of budget approval process.
- RRSP program support office to maintain RRSP-MIS System
 - Provide quarterly update reports to CCAM-DRR

Resilience Investments



RRSP Investments: Process

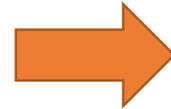
Regional Consultations

- Regional Development Councils; Local Government Units
- 8 Provinces



National-Agency Consultations

- DPWH; DA; HLURB, DILG; DENR; PAGASA;



Menu of potential resilience investments for RRSP

- Planned in PIPs, AIPs
- Unplanned but desired by provinces

Identification of key investment areas

- Build on existing interventions
- Focus on convergence
- Use proposed implementing arrangements



RRSP Investments: Regional Consultations

Assessment of current and projected climate hazards at provincial level

Identification and assessment of resilience projects using simplified adaptation pathway analysis, multi criteria analysis, and qualitative economic assessment



Assessment of potential impacts of climate hazards

Mapping of key provincial climate hazards

Investment portfolio: Masbate

Adaptation pathway	Total Cost of Investment (Php)	Rating	Benefits (Ratio: 0-5 5=highest)	Benefit-Cost Ratio (+1, 1 or +1)
OPTION 1				
Pathway 1				
Risk and vulnerability assessment for the 3 islands	5,000,000	5	5	1
Impact study on agriculture and fisheries	2,000,000	5	5	1
Impact study on hydrological and hydraulic water services	3,000,000	5	5	1
Formulate FLUP and integrate in the e-CLUP	18,000,000	5	5	1
Total Cost	28,000,000			
Pathway 2				
Expand the coastal and marine ecosystem management program	7,800,000	4	4	1
Climate Field School for Farmers and Fishers	850,000	4	4	1
Capacity development on CCA/CCET	1,300,000	4	4	1
Expand/ redesign and identify new integrated SWIP, rain collector (includes construction)	190,000,000	4	4	1
Total Cost	199,350,000			
OPTION 2				
Pathway 1				
Risk and vulnerability assessment for the 3 islands	5,000,000	5	5	1
Impact study on hydrological and hydraulic water services	3,000,000	5	5	1
Expand the coastal and marine ecosystem management program	7,800,000	4	4	1
Expand/ redesign and identify new integrated SWIP	190,000,000	4	4	1
Formulate FLUP and integrate in the e-CLUP	18,000,000	5	5	1
Pathway 2				
Impact study on agriculture and fisheries	2,000,000	5	5	1
Climate Field School for farmers and fishers	850,000	4	4	1
Capacity development on CCA/CCET	1,300,000	4	4	1

Key Investment Areas and RRSP Result Areas

Investment Areas	RRSP Result Areas			
	Strengthened and effective RRSP “enabling” environment at national and target subnational levels	Enhanced management, stability and resilience of key ecosystems in target areas	Reduced vulnerability of physical assets through prioritized protective and resilient infrastructure	Increased adaptive and coping capacities through sustainable and resilient livelihoods of vulnerable agricultural, fishing, and upland communities
Enhancing Climate Information Services for Decision-Making	X			
Enhancing coastal protection in selected areas of the Philippines	X	X	X	
Integrated Water Resources Management	X	X	X	X
Social Enterprise Development, Entrepreneurship and Innovation	X			X

Key Investment Areas and RRSP Result Areas

Investment Areas	Objective	Estimated cost \$ US M
Enhancing Climate Information Services for Decision-Making	To deliver a comprehensive package of climate information services to targeted provinces in the Philippines	19.66
Enhancing coastal protection in selected areas of the Philippines	To reduce the risk of coastal flooding in targeted areas of the Philippines	57.1
Integrated Water Resources Management	To plan and develop water resources for sustainable supplies, and to reduce economic losses from floods through increased resilience in targeted areas of the Philippine.	250.41
Social Enterprise Development, Entrepreneurship and Innovation	To increase the adaptive and coping capacities of vulnerable and marginal communities through development of sustainable and climate resilient livelihoods	68.45
Total		395.62

Financing Strategy

Process established for financing resilience through the of the Risk Resiliency and Program (RRP).

- i. Development of a guidance document for national government agencies (NGAs) on the national priorities for resilience and procedures for participating in the RRP;
- ii. Identification of NGA programs, activities and projects (PAPs) that contribute to resilience and submission of these for inclusion in the RRP;
- iii. Development of an annual budget for the RRP;
- iv. Financing of PAPs included in the RRP through government budget.

Financing Strategy

The government, led by DOF, have identified a number of additional funding sources for resilience:

- Dedicated domestic special purpose funds for climate and disaster resilience such as the People's Survival Fund (PSF) and Local Disaster Risk Reduction and Management Fund (LDRRMF);
- Overseas development assistance (grants and loans); international climate finance sources such as the Green Climate Fund (GCF) and Global Environmental Facility (GEF);
- Private sector investments including green bonds.

Risks and Risk Mitigation Measures

Risk	Risk Mitigation Measures	Risk Rating
<p>Inadequate capacity to develop PAPs that contribute to resilience outcomes.</p>	<ul style="list-style-type: none"> • Training was provided to NGA and LGU representatives on determining resilience outcomes. • Use of criteria for screening PAPs for the RRSP, for example the efficacy criteria, will help to ensure that as PAPs are being developed in order to respond to the climate risks. • Adaptation policy pathways tool was introduced for assisting in the development of strategies of adaptation and resilience. Government staff were trained on the use of the tool, and it was applied during the process of selecting provincial level climate resilience investments. 	<p>Moderate</p>
<p>Results from M&E are not used to improve the design and implementation of resilience PAPs.</p>	<ul style="list-style-type: none"> • Development of a results framework for the RRSP and embedding this in the M&E systems of the participating NGAs and LGUs is important for helping to ensure that the results of implementation of resilience PAPs are used as inputs (positive feedback) in the design of resilience interventions. • Government staff participated in training on the M&E system, and are leading the development of the M&E operational manual. 	<p>Moderate</p>

Risks and Risk Mitigation Measures

Risk	Risk Mitigation Measures	Risk Rating
Participation of NGAs and LGUs in the program is low.	<ul style="list-style-type: none">• Financing for NGAs• Cost-sharing arrangements with LGUs• RRSP builds on existing systems of government, in order to improve the mainstreaming of the program within government.	Low
Finance required for resilience investments does not materialize.	<ul style="list-style-type: none">• Reflecting RRSP as a budget line item in the NGA budgets helps to ensure that there would be funding through the GAA for resilience investments.• The budget for RRSP also helps the government to plan and coordinate funding (private, ODA) for resilience.	Moderate