

Gender and Financing for Climate Change Mitigation and Adaptation in the Philippines

A Pro-poor and Gender-
sensitive Perspective

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Objectives of the Case Study

- The study aims to critically review the financing regime for climate change mitigation and adaptation in the Philippines from the perspective of the rural poor and women.
- It calls for the adoption of a holistic, pro-poor and gender-sensitive framework in mobilising funds for mitigation and adaptation.
- The primary objective would be to ensure that the financial costs of mitigating and adapting to climate change risks are fairly distributed according to the “polluter pays” and ability-to-pay principles.

Outline of Presentation

- Introduction
- Gendered analysis of climate change mitigation and adaptation
- Climate change impacts in the Philippines
- Filipino rural women's and government responses to climate change challenges
- Critical review of national government proposals to finance climate change mitigation and adaptation
- Initial thoughts on the way forward

Gender Perspective in Climate Change Mitigation and Adaptation

- Climate change will have more severe impacts on women because of gendered norms and women's weaker socio-economic status vis-à-vis men.
- In the aftermath of climate change-induced natural disasters, women's insecurity increases more than men's.
- Climate change particularly affects food, water, and health, which are the bases of women's livelihoods and socio-economic responsibilities.

Gender Perspective in Climate Change Mitigation and Adaptation

- Women tend to contribute less to GHG emissions (e.g. agriculture).
- Women are consistently underrepresented in policy- and decision-making processes around climate change at the local, national and global levels

Climate Change Impacts in the Philippines

- Though the Philippines is a relatively minor emitter of GHGs it has a high vulnerability to climate change risks due to:
 - its location and geography;
 - its economic dependence on climate-sensitive agriculture and fisheries, agro-industry and tourism; and
 - its developing country status and worsening poverty problem

Climate Change Impacts in the Philippines

- Climate change scenarios for the Philippines predict adverse environmental and socio-economic consequences including:
 - greater frequency and intensity of heat waves, droughts, floods and typhoons;
 - altered ecosystems;
 - reduced output and productivity of the agriculture, fishery and forestry sector and, in turn, livelihood losses and food insecurity;
 - diminished water supplies; and
 - heightened incidence of certain diseases.

Climate Change Impacts on Filipino Rural Women

- Women manage, control and own lesser resources – especially land – than men. Thus, when harvests collapse either because of floods or droughts, women have fewer assets to sell to cope with the situation.
- Women are the main borrowers in agricultural households because they have greater access to micro-credit and are under stronger pressure to bridge resource gaps. Hence, more women than men fall into chronic indebtedness related to climate-induced crop failures.
- When food shortages arise from poor harvests linked to weather problems, women are the last to eat in their households, prioritising the food needs of male household members and children over their own.

Filipino Rural Women's Responses to Climate Change Challenges

- The key agricultural adaptation techniques include:
 - Practice crop diversification
 - Plant crop varieties that are resistant to droughts, floods and pests
 - Plant fruit trees and root crops
 - Cultivate at higher levels
 - Practice contour farming
 - Plant bamboo to prevent soil erosion
 - Construct temporary drainage or canals

Filipino Rural Women's Responses to Climate Change Challenges

- Financial coping mechanisms include:
 - Engage in off-farm work
 - Wives and other members of the family look for other sources of income in the country and abroad
 - Take out loans from money lenders, relatives and friends
 - Sell off livestock
 - Seek government financial assistance
 - Rent out, sell or pawn farm lots
 - Reduce food consumption

Filipino Rural Women's Responses to Climate Change Challenges

- Amihan members in the provinces of Rizal, Pampanga, Quezon and South Cotabato are engaged in organic farming initiatives, integrated pest management programmes, agro-forestry and tree-planting projects.
- Amihan realises that agricultural strategies to alleviate and adjust to climate change are only one part of the answer: awareness-building, community organisation and political engagement are equally critical.

Filipino Rural Women's Responses to Climate Change Challenges

- In their advocacy, Amihan comprehends the analytical importance of establishing the dynamic links between neo-liberal economic policies, climate change and people's – especially women's – livelihoods.
- Amihan calls for government support through the provision of subsidised organic seeds, fertilisers and pesticides; access to affordable agricultural technologies; dissemination of agro-forestry techniques; provision of low-interest farm credit and crop insurance schemes specifically targeted at small farmers; and the implementation of genuine agrarian reform programme.

Philippine Government Response to Climate Change Challenges

- The primary government response to climate change has been to establish organisational mechanisms such as the Presidential Taskforce on Climate Change (PTFCC). Yet organisational capacities to assess and respond to mitigation and adaptation needs remain weak.
- Climate change policies have a disproportionate focus on mitigation, especially on the promotion of renewable energy.
- While land use, particularly agriculture, is the foremost source of GHG emissions in the country, very little has been done on mainstreaming an ecologically-friendly land use policy.

Philippine Government Response to Climate Change Challenges

- Adaptation measures remain woefully inadequate and are geared more towards disaster risk reduction, e.g. large-scale infrastructure projects, rather than protecting agricultural and coastal livelihoods, building food security and ensuring people's access to basic needs.
- In short, there is a disconnect between current government policies for climate change mitigation and adaptation and the priorities and needs articulated by poor rural women.

Financing the Philippine Response to Climate Change Challenges – Existing Sources of Finance

- Existing sources of climate change finance in the Philippines include:
 - national government spending, subsidies and incentives;
 - national private sector spending;
 - foreign direct investment (FDI);
 - international debt; and
 - official development assistance (ODA) from bilateral donors.

Financing the Philippine Response to Climate Change Challenges – PTFCC Strategic Framework

- PTFCC's (2007) preliminary Philippine Climate Change Strategic Framework highlights:
 - the need to tap ODA and technical assistance,
 - explore market-based incentives (e.g. tradable emission permits),
 - develop targeted subsidies, and
 - introduce other lending schemes.

Financing the Philippine Response to Climate Change Challenges – SBN 1890

- The revised Senate Bill No. 1890 (“An Act Establishing the Framework Programme for Climate Change”) promotes mainstreaming of climate change mitigation and adaptation in all government agencies by calling them to allocate funds for the implementation of climate change programmes from their existing budgets.
- It encourages government-owned and controlled financial institutions to formulate and identify loans and financing mechanisms to support local climate change plans.

Financing the Philippine Response to Climate Change Challenges – SBN 1890

- The revised SBN1890 also empowers local government units (LGUs) to raise revenues through:
 - enactment of tax ordinances;
 - allocation of funds from the Internal Revenue Allotment;
 - utilisation of the Calamity Fund for emergency disaster response;
 - utilisation of shares in the development of national wealth;
 - loans, grants and donations;
 - privatisation of local government-owned enterprises;
 - adoption of user fees for environmental services;
 - public-private partnership schemes;
 - credit financing schemes;
 - the proceeds from the sale of government properties; and
 - incomes raised from inter-LGU cooperation for the purpose.

Financing the Philippine Response to Climate Change Challenges – A Critical Review

- The Philippine government's strategies fail to make the range of connections between climate change financing and overall development financing:
 - Lack of recognition that fund availability for government spending on climate change is determined by existing government budget priorities, particularly the payment of public debts
 - Reluctance to impose national carbon and other pollution taxes which would have dual objectives of curbing GHG emissions and raising public funds for adaptation

Financing the Philippine Response to Climate Change Challenges – A Critical Review

- Current financing proposals, e.g. Clean Development Mechanism (CDM), manifest an inordinate reliance on market-based solutions that exclude the poor:
 - CDM approval process is cumbersome and costly, rendering small-scale projects with strong poverty alleviation impacts unviable and making it difficult for poor communities to participate
 - Introduction of user fees for environmental services could have regressive distributional impacts, preventing the rural poor and women from accessing such services

Financing the Philippine Response to Climate Change Challenges – A Critical Review

- The design and implementation of the Philippines' financial policy interventions on climate change are characterised by an overall failure to consult the rural poor and women's groups:
 - While the PTFCC's Philippine Climate Change Strategic Framework is undergoing consultation, women's groups are not among the stakeholders
 - Government discussions around SBN 1890 exclude the National Commission on the Role of Filipino Women

The Way Forward – Proposals for the International Community

- Study and implement innovative, non-debt creating multilateral financing mechanisms, e.g. Climate Change Fund.
- Rich, industrialised countries must provide compensatory and reparative finance to developing countries to fund climate change mitigation and adaptation efforts.
- Cancel (unconditionally) the financial debts being claimed from poor countries to free up resources for mitigation and adaptation.

The Way Forward – Proposals for the Philippine Government

- Situate financing for climate change mitigation and adaptation within the broader context of development financing and development goals.
- Involve the rural poor and women in policymaking around financing for climate change and provide a space for them to express their needs and priorities.
- Apply gender budgeting lenses in mobilising and disbursing funds related to climate change mitigation and adaptation.

The Way Forward – Proposals for the Philippine Government

- Conduct a debt audit. The findings could be used to seek for the cancellation of the country's external debts or to push for a moratorium on debt payments in order to make available resources for financing mitigation and adaptation.
- Formulate and implement progressive national and/or local carbon taxes. Funds generated could be earmarked for financing climate change adaptation measures.

The Way Forward – Proposals for the Philippine Government

- Direct domestic investments and FDI towards mitigation and adaptation, especially in areas with strong gender equality and poverty reduction impacts, e.g. agriculture, through the provision of subsidies and incentives.
- In partnership with the private sector, develop and provide insurance schemes and low-interest credit programmes specifically targeted at small-scale farmers to protect them against weather-related agricultural losses as well as to finance mitigation and adaptation technologies.

The Way Forward

- Marshalling funds for climate change mitigation and adaptation is at core a political issue.
- Any effective, long-term response to the climate crisis necessitates transformations in production and consumption patterns.
- The seeds of change lie within rural and coastal communities and women's organisations that are already facing up to the challenges and risks posed by climate change through a wide range of actions: agricultural adaptation, awareness-building, community organisation and political advocacy.