

## **“Convergence for Resilience”**

*Keynote Address of Climate Change Commissioner Emmanuel M. de Guzman at the CCC Week  
2015 Business Summit*

SMX MOA, Pasay City  
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*Esteemed colleagues in the public and private sectors*

*Friends, ladies and gentlemen:*

I am pleased to address you to today on the most defining issue of our time that is climate change. I am encouraged to know that business sector that you represent here today is one with the government in confronting head on the many complex challenges the changing climate poses before us. I look forward to bringing to Paris COP 21 your voice and your commitment to climate action through your Manila Declaration.

There is no more urgent and more fitting time for the private and public sectors to converge in finding innovative solutions to combat climate change than now.

Our theme “Multiple Pathways, One Direction” may convey myriad viewpoints, varying interests, and priority focuses, but there is only one certain direction where all our efforts should lead to, and this is our vision of a resilient world, our goal of a sustainable future for all.

As we thread the path of resilience for all aspects of our national life, we need to consider the context in which we are moving on.

*First, climate and disaster risks abound and prevail in our midst.*

Global economic losses from disasters, mostly triggered by climate, weather and water related hazards, now averages to US\$300 billion each year. Our concern is that with the positive economic growth and investment in our country, including from the private sector, large volumes of capital continue to flow into hazard-prone areas, which lead to significant increases in the value of exposed economic assets.

The growing prevalence of climate and disaster risks throughout the country is a problem that we must all continue to address effectively if we are to preserve our development gains and achieve our sustainable development goals.

Although our country has made significant headway in socio-economic development pursuits, by and large our people remain vulnerable to the adverse impacts of climate change.

In the 2013 Climate Risk Index, the Philippines ranked first among ten most affected countries. In this year's Climate Change Vulnerability Index of Maplecroft, the Philippines ranked 8<sup>th</sup> among 32 countries extremely at risk of climate change impacts.

We continue to experience significant losses to disasters mostly triggered by natural hazards. In the year 2013 when Supertyphoon Haiyan struck us, the country topped the roster of countries most affected by disasters in terms of human lives lost, with a total annual death toll of 8,382, and similarly in terms of annual economic loss as a percentage of GDP, recorded at 5%, or about 12.4 billion US dollars in disaster losses.

Inevitably, our country has become the face of climate vulnerability, and a fitting starting point for mobilizing global climate action on the road to Paris COP21 and beyond.

*Second, our investment in disaster risk reduction and climate change adaptation must benefit all with special preference for the poor, the weak and the vulnerable.*

Every tragedy that visits us conveys the urgency and importance of implementing to the fullest our laws, our national policy frameworks, and our national and local plans on climate change and disaster risk reduction and deliver the intended benefits to our society.

As our cities become more complex and densely populated with rapid urbanization, as our rural livelihoods remain vulnerable to weather extremes and variability, and as our ecosystems continue to decline, reducing disaster risk and adapting to climate change are critical development strategies for building the country's resilience.

Our country has as strong policy framework for risk governance. The passage of landmark legislation on disaster and climate risk management -- the *Climate Change Act of 2009*, as amended by the *People's Survival Fund of 2012*, and the *Philippine Disaster Risk Reduction and Management Act of 2010* -- has institutionalized and mainstreamed disaster risk reduction and climate change adaptation in development policies, plans and programs, as well as in public funding.

The United Nations Office for Disaster Risk Reduction considers these laws, together with many other laws of the land that promote the protection of the environment, as legislation exemplars worthy of emulation by other countries.

However, the full implementation of these laws continues to be a challenge as it entails at all levels a strong political will, cooperation and coordination among agencies and stakeholders concerned, resources as well as resourcefulness.

*Third, we must all be mindful that we are embarking on a post-2015 era of development pursuits.*

In response to the challenges of the era, the community of nations adopted three international development frameworks to guide national development agenda setting. These are the *Sendai Framework for Disaster Risk Reduction*, the *2030 Agenda or Sustainable Development*, and the *Paris Climate Change Agreement* that we look forward to in the next few weeks.

Adopted only last March, the *Sendai Framework for Disaster Risk Reduction*, aims to curb disaster mortality and economic losses substantially. The Framework highlights the importance of an inclusive approach to preventing and reducing risk and the critical roles the public and private stakeholders play. It cites the lack of regulation and incentives for private disaster risk reduction investment as an underlying risk driver and calls for business to integrate disaster risk into their management practices. Similarly, it states that addressing the underlying disaster risk factors through disaster risk informed public and private investments are more cost-effective than primary reliance on post-disaster response and recovery, and contribute to sustainable development.

Similarly, the *2030 Agenda or Sustainable Development* presents a comprehensive framework for development pursuits for the next 15 years with 17 global goals that succeeded the Millennium Development Goals. Meanwhile, the Paris Climate Change Agreements will also present enormous challenges to us as a developing country as we join the international community in advancing not only adaptation, but also mitigation with our INDC.

Last November 10, 2015, the Top Leaders Forum became venue for the launch of the UNISDR ARISE: Private Sector Alliance for Disaster Resilient Societies. On this note, I congratulate the global business sector for successfully launching the project.

ARISE further highlights the integral role of the private sector in the carrying out of the Sendai Framework by integrating disaster risk efforts and resiliency into the overall business solutions through seven work streams namely disaster risk management strategies, investment metrics, benchmarking and standards, education and training, legal and regulatory, urban risk reduction & resilience, and insurance.

The launch, which happens to be the first in Southeast Asia, was pivotal to the success of the efforts as 20 leading companies join the initiative towards disaster resilient and risk informed investment. Hopefully, with the launch of ARISE, there will be a better coherence among the

SDGs, climate change and disaster risk reduction efforts, as Ms. Sandra Wu, co-chair of ARISE mentions.

In this regard, it is incumbent upon us to revisit our policies, our plans and roadmaps, our programs and activities, and to ensure that they all align with these new post-2015 frameworks and that we could contribute meaningfully and effectively to achieving set goals and targets.

### ***Convergence of action in the post-2015 era***

Mindful of the foregoing context, we are all called upon to converge our actions on three fronts:

***First, we need convergence in strengthening people's understanding of climate and disaster risk and enhancing LGU competencies in resilient development planning.***

The Climate Change Commission invites you to be a major partner in this endeavor.

This shall entail the consolidation of all learning, methodologies, and tools acquired through special projects and facilitate their promulgation to benefit more local government units and village communities.

Through convergence, sharing of knowhow, and developing competencies at the local level, we hope to ensure a holistic, science-and-risk-based policy development and planning, that facilitates the development of local climate change action plans, local disaster risk reduction and management plans, comprehensive land use plans, and comprehensive development plans, guided by our long-term national development frameworks, and solidly founded on high resolution local risk profiles, well-studied strategic interventions and investments.

The private business sector must model the way in integrating climate and disaster risk management and business continuity into business models and practices through disaster risk-informed investments and processes, especially in micro, small and medium enterprises. It should also ensure climate and disaster risk awareness and training for their employees and customers. It should also engage in and support research and innovation as well as technological development and standard setting for climate and disaster risk management.

***Second, we need convergence in paving the way for a smooth turn towards a low carbon development pathway and energy resilience.***

Amid climate change, the clear challenge now is to adapt and to mitigate as much as we can, and to move from dirty energy to renewable energy. To heed this challenge, we need to define how we can enhance and make renewable energy more affordable, available, and accessible in local communities and across the country.

As of 2015, power in Luzon, Visayas and Mindanao are still highly dependent and highly dominated by coal energy sources. Currently, the percent share of coal in the Philippines is at a staggering 31.67% of total fuel types used in the country.

Coal is never cheap.

By what measure would anyone say coal as a source of energy is cheap? Have we counted the cost of people's failing health? Have we counted the cost of a polluted air, a ruined environment? Have we counted the cost of humanitarian responses to the adverse impact of a changing climate which is now so remarkable in our land? Costs resulting from our use of dirty energy.

The overall external costs (climate change, health, etc.) from fossil fuels are as high as 9–27 US cent/kWh. These costs are not reflected in the electricity price but need to be paid by the society – in the Philippines and elsewhere in the world. Air pollution costs the Philippine economy USD 1.5 billion annually. Five thousand annual premature deaths may be due to respiratory and cardiovascular diseases from exposure to pollution in Manila alone.

Moreover, prices for coal have more than doubled since 1990 and are expected to further increase. The largest share of the Philippines' coal import comes from Indonesia, which is a factor for high energy insecurity. Coal, oil and gas imports demand a high share of foreign currency which could be used otherwise in the economy.

### *Focusing on Renewable Energy*

We patronize branded products because we believe that it is never a loss if we spend for quality. We know that in the long run, it will be worth all the money. Why can't we do it with renewable energy?

Renewables have zero fuel costs. It reduces the overall electricity price, due to the merit order effect and power subsidies in off-grid areas. It also generates jobs and a major market for investments.

Philippines has an estimated 246,000 megawatts of potential renewable energy resources not utilized. By 2050, the country aims to neutralize the dependence of coal fuel types to zero. Realistically speaking, this is quite a large goal to achieve in such a short period of time, but I

believe that will the convergence and cooperation of all the people in our country we can achieve this goal.

We need to work together in building energy resilience and in increasing resiliency of our energy infrastructure to disasters and climate change impacts. We need to collaborate in taking the path towards energy efficient and low carbon development. We need to collaborate in drawing up a long-term clean energy plan.

***Third, we are all called upon to re-think our paradigms and approaches for development and take part in a social revolution for resilience.***

Utter disregard for the environment and the well-being of present and future generations is a social sin. Progress is not entirely about money and profit. It is more so about humanity, about our home planet. We must rethink the way we view and pursue development.

It is a challenge to all sectors to come together and work together, combining resources, talents and skills towards achieving energy resilience for the country. Public and private sectors, the academia as well as the media must altogether help seek for and speak of innovative solutions.

These times need innovators, game changers, leaders who are visionary, strategic and transformative. And, I believe, such abound in the private business sector. You can make an enduring difference in this the greatest transformation challenge of our time, inevitable like a brewing storm, like an imminent social revolution.

### **Building climate resilience today for a safer world**

In a few weeks, the Philippines joins the community of nations in forging a historic climate agreement in Paris, an agreement that is ambitious, that is based on robust science, that has the right architecture to allow all to achieve our shared objective, that provides direction to a low carbon, climate-resilient global economy, and that will support the climate adaptation efforts of the poorest and most vulnerable countries.

But much is asked from each one of us, and from every Filipino. We are all challenged to do more, to do better and to preserve and sustain our hard-earned development gains. And succeed we must for the sake of our children today, and for the sake of future generations.

Thank you for your kind attention.