



## NEWS ROUNDUP

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By: Llanesca Pantí

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## **MALAYA BUSINESS INSIGHT**

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By: Angela Celis

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## **MANILA BULLETIN**

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By: Climate Reality Project Philippines

Climate-vulnerable countries have lost an estimated 525 billion USD over the past two decades due to climate change limiting economic growth, hampering development gains, and making it harder for communities to thrive. This daunting reality is compounded by rising external debt—a total of 686.3 billion USD in 2020 for 55 vulnerable economies.

## **MANILA STANDARD**

### **[UN warns vs. health risks caused by climate change](#)**

Climate change poses a health threat through increasing weather disasters and extreme heat, the UN said Thursday, calling for better warning systems that could be weaved into public health policy.

### **[World's 'rooftops' caving in because of climate change](#)**

UN Secretary-General António Guterres last week called on the world to "stop the madness" of climate change as he visited the Everest region in Nepal where melting glaciers are putting entire communities at risk of extinction.

## **NIKKEI ASIA**

### **[Japan's green transition bonds find 'more open-minded' investors](#)**

By: Mitsuru Obe

Transition bonds have been a niche financing tool for helping heavy industries transition to net-zero. This market will soon get a big boost from the Japanese government, which is preparing to issue the world's first sovereign transition bonds.

## **SUNSTAR**

### **[Climate action urged to stop Cebu submersion](#)**

By: Honey I. Cotejo and Cherry Ann T. Lim

Six areas in Cebu and seven other areas in the country could be submerged by 2050 due to the continued rise in sea levels, an environmental group warns, as it urges the Philippine government to pass laws on nature-based solutions and future-proofing coastlines instead of those that could potentially increase the country's greenhouse gas (GHG) emissions, blamed for the warming that has accelerated the global rise in sea levels.

## **THE MANILA TIMES**

### **[\[Opinion\] Shielding children from the impact of climate change](#)**

Last August, the United Nations Committee on the Rights of the Child (CRC) issued a call for governments to step up measures to protect children from the impact of climate change.

### **[PH, Japan sign P570-M deal on maritime defense, disaster response](#)**

By: Catherine S. Valente

The Philippines has secured P570 million worth of agreement from Japan for its maritime security and disaster response in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

**Information and Knowledge Management Division**

## CNN

### [Japan to support PH in decarbonization, energy plans - PM Kishida](#)

Japan will continue to contribute to and support the Philippines in its plans to decarbonize and reach a "Net Zero" target.

In his address before a special joint session of the Philippine Congress on Saturday, visiting Japanese Prime Minister Fumio Kishida said Tokyo will persistently support the economic and social development of the country in line with the Marcos administration's "Build Better More" program.

"Japan is one of the largest investors in the Philippines on a private-sector basis. Public-private partnerships and investments in companies that contribute to decarbonization are also underway," Kishida said in Japanese.

He also said the Japan will introduce cooperation among Asian countries towards plans on the environment.

"Regarding climate change, which the Marcos administration also attaches great importance to, we are deepening cooperation on energy transition through the realization of the 'Asia Zero Emissions Community (AZEC)' concept," he said.

"We will hold the AZEC summit meeting, and will work with participating countries to pursue the common goal of 'Net Zero' via various pathways for energy transitions according to each country's circumstance," Kishida added.

In his speech, Kishida also put a spotlight on Manila and Tokyo's long history, emphasizing a bilateral relationship that has "overcome difficult times."

"A half century has passed. Exchanges between our two countries have deepened, and today, the relationship between Japan and the Philippines is stronger than ever," he said.

"I hope to work with President Marcos and other ASEAN leaders to ensure that the 'golden friendship' between Japan and ASEAN will be a 'golden opportunity' that leads to the next generation," the prime minister added.

Kishida arrived in Manila on Friday for a two-day official visit.

**GMA**

**[PH Congress convenes in special joint session for Japan PM Kishida address](#)**

By: Llanesca Pantí

The House of Representatives and the Senate of the Philippines respectively adopted a resolution on Saturday convening the Philippine Congress in a special joint session to receive and hear the message of Japan Prime Minister Fumio Kishida

This developed after the respective houses of Congress adopted House Concurrent Resolution 17 and Senate Concurrent Resolution 15 via a voice vote.

“Japan and the Philippines share the universal values of freedom and democracy and broad cooperation in trade and investment, agriculture and rural development, tourism, education, human resources development, scientific and technological cooperations, health and sanitation, defense and security, disaster preparedness and climate change mitigation,” Senate Concurrent Resolution 15 read.

“Japan and the Philippines are reliable partners in the region and enjoy excellent bilateral relations. The Congress, in behalf of the Filipino people, warmly welcome Prime Minister Kishida,” the Resolution added.

Kishida is expected to address the Philippine Congress in a joint session at 11 am today.

Ahead of Kishida’s address to the Philippine Congress, he had a bilateral meeting with Philippine President Ferdinand Marcos, Jr. wherein the two leaders announced that the Philippines and Japan have begun talks on Reciprocal Access Agreement between its respective military forces.

During the same meeting, the Philippines and Japan also inked an Official Security Assistance grant aid worth 600 million yen or P235.5 million.

Under the pact, Japan will provide the Philippines with a coastal radar system meant to improve the Philippine Navy’s defense awareness capability.

The Philippines and Japan both have sea disputes with China, with China claiming sovereignty on islands located in the Philippines and Japan’s exclusive economic zones as provided by the United Nations Convention on the Law of the Seas (200 nautical miles off territorial sea).

Defense Secretary Gilbert Teodoro earlier said the key security pact with Japan would boost defense cooperation amid concerns over escalating tensions in the South China Sea, mainly Chinese aggression against Philippine vessels and Filipino fisherfolk.

'Go beyond military matters'

Senate Minority Leader Aquilino “Koko” Pimentel III, for his part, said Kishida should go beyond military matters in securing allyship with the Philippines.

“I will be extremely disappointed if the Japanese Prime Minister will only talk about military matters. The Philippines should not be 'militarized' by other countries as if they are preparing and volunteering the Philippines to be the next battleground,” Pimentel said in a statement.

“We should never allow that to happen, especially those of us who consider the Philippines as our one and only home, and not a practice battlefield for the big powers' war games. Hence, I expect and want to hear more about how Filipino producers, manufacturers, and entrepreneurs can access the Japanese market because the Japanese people want to help the Filipino People by patronizing our products. Trade, not aid!,” he added.

Pimentel said that although offers of financial assistance, grants, and concessions on relevant and productive areas are welcome, he wants to know if the Japanese government has grand plans to invest in the Philippines and subsequently create decent paying jobs for Filipinos with transfer of technology.

Bush being precedent

Back in October 2003, then United States President George Bush also addressed the Philippine Congress in a joint session to express US support to the Philippines' anti-terrorism efforts, including those against Abu Sayyaf and Jemaah Islamiyah.

It was just seven months after the United States waged a war on Iraq and its then leader Saddam Hussein to eradicate terrorist groups, including the perpetrators of the September 11, 2001 attacks in World Trade Center in New York that killed over 2,000 people.

Likewise, Bush then also expressed support to the Philippine government's efforts to strike a peace agreement with the former separatist group Moro Islamic Liberation Front (MILF).

The Philippine government finally secured the said peace deal with the MILF in 2014 under the Comprehensive Agreement on the Bangsamoro during the administration of then President Benigno Aquino III.

## **MALAYA BUSINESS INSIGHT**

### **PH far from hitting greenhouse gas emission reduction target**

By: Angela Celis

The full implementation of the government's Nationally Determined Contribution (NDC) program for the transport sector will lead to the achievement of the NDC unconditional commitment, but still far from the overall target of 75 percent emissions reduction by 2030, according to a report published by the World Bank.

An NDC is a climate action plan to cut emissions and adapt to climate impacts. Each party to the Paris Agreement is required to establish an NDC and update it every five years. Countries set targets for mitigating the greenhouse gas (GHG) emissions that cause climate change and for adapting to climate impacts.

The Philippines signified in its NDC to lower economy-wide GHG emissions by 75 percent for the period 2020 to 2030.

Out of this 75 percent, 7.71 percent will be through unconditional actions with the remaining 72.29 will be conditional.

"An accelerated, more ambitious decarbonization program is needed, following an Avoid-Shift-Improve (ASI) framework, that is, avoiding motorized transportation activity, shifting transportation activity to less emissions-intensive modes, and/or improving the efficiencies and emissions performance of vehicles and fuels," according to the World Bank's Philippines Country Climate and Development Report: Background Paper on Transport.

The government's NDC program for the transport sector includes the retirement of old public utility vehicles, development of mass transit system, the full-scale deployment of a motor vehicle inspection program, development of Non-Motorized Transport (NMT), development of high-capacity urban rail and bus rapid transit and inter-regional rail, electrification of vehicle fleets, and improvement of new standards to Euro 6 engines.

The report pointed out the transportation sector takes up the biggest share of total final energy consumption in the Philippines. The sector also has the second highest growth rate in final energy consumption.

As a result, the transport sector accounts for 13 percent of economy-wide GHG emissions and the largest source of urban pollution.



“ASI measures to accelerate decarbonization, based on the readiness and the local context of the Philippines, include scaling up mass transit development with fleets electrified using renewable energy, expanding the development of NMT, promoting inter-regional rail development, encouraging telecommuting and the development of compact cities,” the paper said.

According to the report, a simulation of the full implementation of these accelerated decarbonization measures plus the government NDC program will lower transport-related GHG emissions from the business-as-usual scenario cumulative emissions of 401.7 million tons of CO<sub>2</sub>e (MtCO<sub>2</sub>e) to 326.8 MtCO<sub>2</sub>e for the period of 2020-2030.

“However, this will not enable the sector to achieve its NDC target for the sector (estimated at 100.4 MtCO<sub>2</sub>e cumulative for the same period), more so achieve net zero emissions. This shows that the NDC target is very challenging to achieve, even with an aggressive vehicle electrification scenario coupled with 100 percent renewable electricity (estimated cumulative 298.8 MtCO<sub>2</sub>e),” the paper said.

“To achieve net-zero emission from land transport by 2050, the Philippines needs to completely decarbonize the sector by converting all land transport to electric vehicles (EV) and utilizing 100 percent renewable energy in power generation, or use of biofuels for non-EVs. Avoid-type measures (for example, telecommuting and compact city development) will also play a very important role in achieving net zero target by slowing down the growth of transport demand and reduce the cost of shifting to 100 percent EV and/or biofuels and full decarbonization of the power grid,” it added.

The paper said enhancing institutional set-up and capacity to implement low carbon transport programs is important to the success of achieving a low carbon pathway for the sector.

“Overlapping mandates among government agencies, lack of proper budgetary planning and weak implementation capacity have resulted in slow implementation of the government’s NDC program,” the paper said.

“Some actions needed to address these bottlenecks include institutionalization of low carbon transport programs to ensure annual budgetary allocation for implementation, strengthening overall institutional set-up particularly rationalizing the mandates and functions of government agencies and improving inter and intra government coordination, improving inhouse capacity of government agencies and strengthening monitoring, evaluation, reporting and verification of the implementation progress and achievement of low transport programs,” it added.

To Implement a low carbon transport program and achieve the country's NDC, the World Bank report said the government would need to make full use of private sector efficiency and access to capital and technology.

“Encouraging greater private sector investments in low carbon transport initiatives requires improving the overall enabling environment for public-private partnerships such as proper project preparation including risk identification and distribution between the private and public sectors, enhancing government capacity to manage fiscal costs and contingent liabilities, and deepening domestic capital markets to finance green investments,” it said.

## MANILA BULLETIN

### [Citynet lauds Muntinlupa LGU for climate action policies](#)

By: Jonathan Hicap

Citynet, “the largest association of urban stakeholders committed to sustainable development in the Asia Pacific region,” recognized Muntinlupa City’s efforts to address climate change.

Muntinlupa was given the Sustainable Development Goal (SDG) Award on City Climate Action Category by CityNet at the conclusion of its 43rd Executive Committee Meeting in Suwon City, South Korea.

"With great gratitude, the City Government of Muntinlupa humbly accepts this SDG Award. Much needs to be done but we know that we are on the right and perfect direction--to create a smart, resilient city that complements an ecologically-balanced environment gearing towards our transition to a low carbon future," said Mayor Ruffy Biazon.

According to Biazon, Muntinlupa led the way among counterpart local government units in the country in the institutionalization of Energy Efficiency and Conservation (EEC) by enacting its own Local Energy Code and developing a Local Energy Efficiency Plan.

This approach has, in turn, provided the city the necessary policy framework for energy efficient technologies, practice of energy conservation measures, and tapping and investing in renewable energy.

Biazon also recognized the city's commitment to come up with programs, projects, and policies supportive of both the Philippine Energy Efficiency and Conservation Act and the United Nations SDGs.

"While we need to address challenges on stakeholders' engagement, limited financial capacity, and dynamics on social and behavioral change among our constituents, we want to make EEC a way of life of each and every Muntinlupeño," he said.

Muntinlupa has been a member of CityNet, the global network of cities working together for sustainable development, for more than 20 years.

On the agenda of the meeting in Suwon City are urgent concerns of cities in the Asia Pacific Region such as housing, urban development, and climate change.

## [ELEVENTH HOUR: Wins and losses for climate finance at the recent Marrakech talks](#)

By: Climate Reality Project Philippines

Climate-vulnerable countries have lost an estimated 525 billion USD over the past two decades due to climate change limiting economic growth, hampering development gains, and making it harder for communities to thrive. This daunting reality is compounded by rising external debt—a total of 686.3 billion USD in 2020 for 55 vulnerable economies.

Despite already struggling to repay their existing debts, climate-vulnerable countries will need to spend more than 2.4 trillion USD every year starting in 2030 to address climate change and transform their energy systems. In developing countries like the Philippines, the climate crisis is a debt crisis. Without urgent climate action and debt reform, the cost of capital and debt will continue to rise to unsustainable levels.

In this context, climate advocates participated in the 2023 Annual Meeting of the World Bank and the International Monetary Fund in the hopes of finding a path forward to address the intertwined climate and debt crises.

Here are a few highlights from the conference, including stories of wins and losses in our call for global finance architecture that is aligned with our climate goals:

### World Bank's new vision-mission

On October 12, the World Bank's Board of Governors endorsed the new vision of the World Bank: To create a world free of poverty on a livable planet. The bank also adopted a new mission to end extreme poverty and boost shared prosperity.

This is an excellent starting point but these moves should be underpinned by policies aligned with the 1.5 degrees Celsius goal of the Paris Agreement. In several dialogues during the conference, civil society actors reiterated the need to implement a comprehensive and robust policy that bans all direct and indirect financing of fossil fuel development, infrastructure, and promotion.

Building new fossil fuel infrastructure is not only a waste of resources. It may also leave Global South nations with expensive assets stranded by the net-zero transition. We emphasized that the World Bank must further acknowledge the impacts of its energy investments, especially in reducing electricity costs as a means to vitalize economies.

However, in a town hall discussion with civil society organizations, the World Bank President, defended the institution's continuous funding of fossil gas projects, citing its supposed role as a transition fuel to replace coal in baseload generation for underserved communities.

What he failed to recognize is that the rapidly changing energy landscape is demanding a move away from the outdated baseload model towards a more agile and responsive approach, powered by clean energy and energy storage technologies. A more flexible electricity grid, combined with demand response efforts, clean energy, and energy storage, is more resilient and affordable than a grid that heavily relies on baseload power.

The World Bank simply cannot illustrate climate change as a mere "trade-off" because climate-resilient and the low carbon transition safeguards economic and social development.

#### Making debt work for climate

The V20 Finance Ministers, a dedicated, action-oriented, solutions-driven platform of finance ministers of 68 climate-vulnerable countries, emphasized that "aligning the financial system to serve the most vulnerable is not only pivotal for those least responsible and most exposed to the climate crisis but also imperative for global shared prosperity and stability."

In its 11th Ministerial Dialogue last October 15, attended by IMF Managing Director Dr. Kristalina Georgieva, officials of the World Bank and other multilateral development institutions, and the finance ministers and high-level representatives of the V20, G7, and G20 countries, the group urged the immediate alignment of the global financial system with climate science and climate policy through the Accra-Marrakech Agenda while advancing other critical reform solutions in the Bridgetown Initiative 2.0.

Climate-vulnerable economies need to find ways to pay for the changes that need to be made to deal with climate change. We can't just cut spending, because that would hurt people and economies. Instead, we need to find new ways to raise money to make the changes they need to make without having to go into too much debt.

The V20 Finance Ministers called for the global financial system to move from conventional austerity-based approaches to resource mobilization-driven approaches that prioritize climate action, help countries overcome costly capital hurdles to low-

carbon and climate-resilient investments, provide pre-arranged and trigger-based funds, and enable debt sustainability.

### Financing loss and damage

Financing future loss and damage caused by climate change could amount to 150 billion and 300 billion USD per year by 2030. It is critical to create a loss and damage fund that is fair, inclusive, fast, and responsive to the needs of communities that need it most.

As the United Nations Framework Convention on Climate Change (UNFCCC) Loss and Damage Fund take shape in the lead-up to the 2023 United Nations Conference of the Parties (COP 28), governments and climate advocates from vulnerable nations emphasized in Marrakech the role of the IMF in addressing loss and damage.

Given the IMF's mandate to maintain global financial stability and its macroeconomic expertise, the V20 Finance Ministers stressed the need for the IMF to integrate loss and damage into its surveillance functions, lending toolkit, and capacity development activities.

The Climate Reality Project Philippines, in particular, underscored that one good option to ensure the scale and access for the loss and damage fund is through an IDA-like window for Loss and Damage that can support delivery into social and financial protection systems.

### Giving vulnerable groups more seats at the table

Another critical point of discussion in the conference in Marrakech was the need to transform the IMF's governance structure to better represent its membership. Dr. Georgieva, herself, acknowledged this and talked about adding a third Chair for Africa to the IMF Executive Board and the possibility of making the V20 an official IMF group, alongside G7, G20, and G24.

"The V20 nations, while collectively accounting for more than one-fifth of the world's population and 44.7% share of IMF programs, find themselves underrepresented with just 5.3% of the institution's votes. V20 ministries have considerable expertise that the IMF should benefit from given country experiences regarding the interconnections of climate, debt, and development," shared Ken Ofori-Atta, V20 Chair and Ghana Minister for Finance.

While the official recognition of V20 in the IMF is still up in the air, Ivan Machado Oliveira, Deputy Secretary of the Finance Ministry of Brazil, the chairperson of the G20, invited the V20 to have a seat as a guest to the G20 Sustainable Finance Working Group.

All roads now lead to COP28

The World Bank and IMF meetings in Marrakech offered a glimpse of hope, but more needs to be done to address the intertwined climate and debt crises.

For climate vulnerable countries like ours, merely surviving the climate crisis is not enough; the aim is to thrive in a rapidly warming climate.

We look forward to COP28, where more discussions about the future of climate action will take place

## **MANILA STANDARD.**

### **UN warns vs. health risks caused by climate change**

Climate change poses a health threat through increasing weather disasters and extreme heat, the UN said Thursday, calling for better warning systems that could be weaved into public health policy.

“Climate change threatens to reverse decades of progress towards better health and well-being, particularly in the most vulnerable communities,” the United Nations’ World Meteorological Organization said.

The WMO said climate information was not sufficiently integrated into health service planning.

“Scientific know-how and resources can help redress the balance, but are not sufficiently accessible or utilised,” it said.

The WMO’s annual State of Climate Services report said tailored climate information was needed to support the health sector to tackle more extreme weather and poor air quality, shifting infectious disease patterns and food and water insecurity.

The report weeks ahead of the Nov. 30 to Dec. 12 COP28 climate summit in Dubai.

The WMO said abnormally high heat causes the greatest mortality of all extreme weather but health decision makers in only half of the countries affected can access warning services.

Between 2000 and 2019, the estimated deaths due to heat were approximately 489,000 per year, it said, adding: “the impacts are underestimated as heat-related mortality could be 30 times higher than what is currently recorded.”

WMO chief Petteri Taalas struck a more somber note.

“Practically the whole planet has experienced heatwaves this year,” he said.

“The onset of El Nino in 2023 will greatly increase the likelihood of breaking temperature records further, triggering more extreme heat in many parts of the world and in the ocean.”



Taalas said closer collaboration would boost the impact of climate science and health services so the health sector gets support “at a time when unprecedented changes to our climate are having an increasing impact.”

Less than a quarter of health ministries have a health surveillance system which uses weather information to monitor climate-sensitive health risks.

Countries with limited early warning coverage have disaster mortality which is eight times higher than countries with substantial to comprehensive coverage, according to the WMO report.

And the number of medium- or large-scale disaster events “is projected to reach 560 a year – or 1.5 each day – by 2030,” the agency said.

The report highlighted the usefulness of early warning systems for extreme heat, pollen monitoring and satellite surveillance for climate-sensitive diseases.

“The climate crisis is a health crisis, driving more severe and unpredictable weather events, fuelling disease outbreaks, and contributing to higher rates of noncommunicable diseases,” said World Health Organization chief Tedros Adhanom Ghebreyesus.

“By working together to make high-quality climate services more accessible to the health sector, we can help to protect the health and well-being of people facing the perils of climate change.”

The report said far more hydrometeorological investments needed to be designed to support health outcomes.

“In the wake of the global COVID-19 pandemic, all countries have experienced the social and economic losses and damages which can occur when the health of society is compromised,” the WMO said.

“More must be done to prepare the health community for future shocks and pressures they may experience due to climate variability and the damaging effects of climate change.”

## World's 'rooftops' caving in because of climate change

UN Secretary-General António Guterres last week called on the world to “stop the madness” of climate change as he visited the Everest region in Nepal where melting glaciers are putting entire communities at risk of extinction.

Nepal has lost almost a third of its ice volume in 30 years, with glaciers melting 65 percent faster in the last decade than in the previous one.

“The rooftops of the world are caving in,” the UN chief said, warning that the “disappearance of glaciers altogether” looms even larger.

“Glaciers are icy reservoirs—the ones here in the Himalayas supply fresh water to well over a billion people. When they shrink, so do river flows,” he added.

Glaciers high in the Himalayas feed large river systems and sustain crops, livestock and local economies in a region that is home to over 1.8 billion people.

However, with rising global temperatures on the back of climate change, glacial snow ice compressed over centuries is melting faster than ever—not only in the Himalayas, but also in crucial areas such as Antarctica and Greenland.

Guterres warned that in the future, major Himalayan rivers like the Indus, the Ganges and Brahmaputra, could have massively reduced flows and in combination with saltwater, decimate delta regions.

“That spells catastrophe: Low-lying countries and communities erased forever,” he said.

Guterres said his mission to the Everest region was to “cry out from the rooftop of the world.”

“Stop the madness,” he said, underscoring the need to end the age of fossil fuel to protect people on the frontlines of climate change induced destruction.

“We must act now to... limit global temperature rise to 1.5°C, to avert the worst of climate chaos. The world can't wait,” he warned.

The UN chief is on an official visit to Nepal at the invitation of the government.

## NIKKEI ASIA

### [Japan's green transition bonds find 'more open-minded' investors](#)

By: Mitsuru Obe

Transition bonds have been a niche financing tool for helping heavy industries transition to net-zero. This market will soon get a big boost from the Japanese government, which is preparing to issue the world's first sovereign transition bonds.

Over the next 10 years, the Japanese government is going to issue a total of 20 trillion yen (\$133 billion) in transition bonds on the fledgling market, which has seen \$7 billion raised since 2020. Japan hopes that what it calls "GX bonds" (green transformation bonds) will catalyze public and private spending worth as much as 150 trillion yen (\$1 trillion) to realize the deployment of technologies such as hydrogen supply networks, carbon capture and utilization, synthetic fuels and small nuclear reactors. The total issue will exceed the primary market for corporate bonds and equities in Japan, which amounts to 15 trillion yen a year.

"The strength of global demand for green and transition bonds is such that I think we will see international participation, because they are all looking for places," said Sean Kidney, CEO of the Climate Bonds Initiative, a London-based nonprofit advising on policy and climate engagement. "We could easily place 25% of the sovereign GX bonds with international investors," he said, stating his personal opinion.

Most of these energy technologies are still in the development stage: They look good in theory but don't yet work in practice, due to higher costs than existing technologies such as renewables. "The skepticism has been high, but I would say there's more open-mindedness, more willingness to look now to see what the precise plans are," said Nathan Fabian, the chief sustainable systems officer at Principles for Responsible Investment, a U.N.-backed group promoting social and environmental responsibility among investors.

Investors are concerned about the risk of overpromise and underdelivery, or "transition washing." Fabian said: "Intention to deceive is not common. Intentional misinformation is not the main issue. The main issue is hopeful commitments without a clear plan of how to get there."

Green transition bonds are issued with assurances from third-party verifiers. This process is supposed to ensure that projects financed with transition bonds have solid plans for reducing emissions. "But the risk of green or transition washing cannot completely be eliminated," warned Masato Kikuchi, who works on sustainable solutions

at SMBC Nikko Securities. "Transition bonds do carry such risks. If such risks materialize, it is possible that it would affect the entire (transition bond) market and raise the hurdle for new issuance."

Atsuko Kajiwara, the head of the group for evaluating sustainable finance at the Japan Credit Rating Agency, a third-party verifier of Japanese government transition bonds, says that changes in project timelines, including deployment, are part of any technology project and that third-party verifiers retain communications about any course shifts and then have them be disclosed in reports annually. She adds that issuers are made to promise that they will promptly report any problems to the verifier and disclose them to investors in an appropriate fashion.

She adds that the verifier's job is to offer investors a third-party opinion, not to take responsibility for the value of the securities it verifies.

The green transition bond initiative is spearheaded by Japan's Ministry of Economy, Trade and Industry, whose guidance led Japan's postwar economic development.

The fact that the ministry has embarked on such a mission underscores the scale of the challenges facing the nation's manufacturing industry. The challenges are illustrated by the rise of Tesla, a little-known company 10 years ago that is now worth more than the two largest traditional automakers -- Toyota and Volkswagen -- combined, and by that of China, which overtook Japan as the world's largest auto exporter this year. China, unlike Japan, is a major exporter of electric vehicles.

"This shows the opportunities of being at the forefront of those transition markets," said a senior official of a global climate group. "The flip side of that is that if you don't have a plan, you're going to be shut out of these markets."

Manufacturing is widely considered to be one of the areas where Japan could best contribute to decarbonization, but that potential is not reflected in share prices yet, said Teppei Yamaga, head of net-zero strategy at Nomura Asset Management. "Fortunately, Japan's stock market is booming and is attracting investor attention. Investors are more prepared to listen to stories from Japanese issuers" than in the past, Yamaga said.

The energy shift has major implications for financial services as well. Banks are now redefining their role as financing the future economy in addition to today's companies. Fabian of Principles for Responsible Investment warned: "If they don't want to make money in a low-carbon world, I think their shareholders will have very serious doubts

about their capacity to govern their companies. At some point, they need to start to make this switch."

Japan has been alarmed by what it sees as too rapid a shift, which could undermine energy security, hurt growth and invite a political backlash. It has called for a more phased approach that takes into consideration differences in countries' industrial mixes and availability of renewable resources and allows technologies to play a part.

"Japan is an industrial powerhouse. Transition is perfect for Japan. I want Japan to be the global exporter of solutions to industry," said Kidney of the Climate Bonds Initiative. "We can't wait to be perfect." He also stressed the need to simultaneously increase investment in mature technologies such as renewables. "Anything that gets emissions down fast must be tried."

The Ministry of Finance is responsible for the actual marketing and sale of green transition bonds, a type of Japanese government bond. For starters, it will raise 1.6 trillion yen in several tranches in the current fiscal year, through next March.

The government will decide which projects to finance and how it will report about their progress, then have the details examined by third-party verifiers before issuing bonds early next year.

Other details that need to be sorted out include the bonds' durations, issuance schedule and coupon rates.

Sovereign green bonds -- a relatively recent phenomenon -- tend to be small and low in liquidity but have attracted investment because of their positive social impacts, clearer usage of proceeds and higher transparency.

Green bonds issued by Japanese local governments, which have implicit government guarantees, may serve as guides in terms of pricing. Over the last 12 months, such green bonds have enjoyed a small premium -- a "greenium" -- of 1 to 2 basis points (0.01% to 0.02%) over regular bonds with a comparable duration.

"Sovereign green bonds have been sold at a greenium recently. We hope that GX bonds will also have a greenium," said Fumihiko Kajikawa, who oversees the economy ministry's policy on climate financing, at a recent symposium hosted by the London Stock Exchange Group.

As of the end of December, foreign ownership of Japanese government bonds stood at just 6.5%. "Overseas interest in GX bonds will ultimately depend on coupon rates," said SMBC Nikko's Kikuchi. Coupon rates for Japanese government bonds have been kept low by the Bank of Japan's policy of yield curve control, with the latest 10-year bonds carrying a coupon rate of 0.8% and 20-year notes 1.5%. Kikuchi predicts that low coupon rates will limit the attraction of Japan's green transition bonds to foreign investors.

Ultimately, however, whether the bonds will attract foreign investors will depend on how they are constructed, including reporting arrangements, said Fabian of Principles for Responsible Investment. "If it is not clear and not similar to investors' objectives, then it will continue to be a domestic investment," he said.

## SUNSTAR

### [Climate action urged to stop Cebu submersion](#)

By: Honey I. Cotejo and Cherry Ann T. Lim

Six areas in Cebu and seven other areas in the country could be submerged by 2050 due to the continued rise in sea levels, an environmental group warns, as it urges the Philippine government to pass laws on nature-based solutions and future-proofing coastlines instead of those that could potentially increase the country's greenhouse gas (GHG) emissions, blamed for the warming that has accelerated the global rise in sea levels.

In September, the Philippine Atmospheric, Geophysical and Astronomical Services Administration or Pagasa said the sea level in the Philippine Sea had risen by about 12 centimeters, or about five inches, over the past two decades. This is much higher than the global average of 101.2 mm or four inches as of 2022.

Lawyer Rose-Liza Eisma-Osorio, vice president of Oceana Philippines, an ocean preservation group, said this is alarming and a relevant topic to discuss, as it could serve as an existential threat, especially to the country's low-lying islands.

"This is an important issue to highlight because we are considered one of the most vulnerable countries in terms of climate change. One of these biggest threats is sea level rise. We need to recognize this existential threat, especially for low-lying islands, and implement urgent measures for climate adaptation," Eisma-Osorio told SunStar Cebu on Oct. 14, 2023.

"Based on the 2019 Intergovernmental Panel on Climate Change (IPCC) Special Report on the Ocean and Cryosphere in a Changing Climate (SROCC), global mean sea levels will most likely rise between 0.95 feet (0.29 meter) and 3.61 feet (1.1 meter) by the end of this century," Eisma-Osorio said.

"These are the most dire sea level rise projections ever made by the IPCC if nothing changes in the way we behave or governments will not act. This may not sound too much, but that was four years ago, and as already noted, sea level rise is accelerating. As an archipelagic country, this will do more harm than good," she warned.

Sea level rise is an increase in the world's ocean level due to global warming effects, or the long-term heating of Earth's surface due to human activities, primarily fossil fuel burning, which increases heat-trapping greenhouse gas levels in Earth's atmosphere.

The melting of glaciers and ice sheets due to warming, and the expansion of seawater as it warms, cause the sea levels to rise.

### Dangerous gas

The primary greenhouse gas emitted as a result of human activities is carbon dioxide, according to the United States Environmental Protection Agency (EPA).

Carbon dioxide enters the atmosphere through the burning of fossil fuels (coal, natural gas and oil), solid waste, trees and other biological materials, and also as a result of some chemical reactions, such as cement production, the EPA said.

Another GHG is methane, emitted during the production and transport of fossil fuels, by the decay of organic waste in municipal solid waste landfills, and from livestock and other agricultural practices, the EPA said.

The EPA also cites nitrous oxide, emitted during agricultural, land use and industrial activities, and during wastewater treatment, as well as fluorinated gases emitted from household, commercial, and industrial applications and processes as greenhouse gases.

### Pro GHG

Eisma-Osorio pointed to the country's slow progress in curbing GHG and cutting down on the use of coal and fossil fuels as the primary factors in the Philippines' rapid sea level growth.

Nikka Oquias, Oceana's legal and policy specialist, said that aside from the continued support for non-renewable energy, the Senate had prioritized bills that could instead increase GHG emissions, such as proposals to boost the waste-to-energy (WTE) and liquefied natural gas (LNG) industries.

WTE is used to describe various technologies that convert non-recyclable waste into usable forms of energy, including heat, fuels and electricity.

In May, the Senate passed on second reading Senate Bill 2267, which mandates establishing a national energy policy and regulating framework for facilities using WTE technologies.

The body also pushed for investments in the LNG industry, which it claimed was "good for the country's national energy security," at least in the short and medium term, noting



that the output from the country's only indigenous source of natural gas, the Malampaya gas field located off Palawan, had been decreasing over the past four years.

### Cebu submerged

A study conducted by the New Jersey-based science organization Climate Central in 2019 identified eight areas in the Philippines — Roxas City, northwestern Metro Manila, parts of Bulacan, City of Manila, southwestern Metro Manila, Zamboanga City, Iloilo City and some parts of Cebu — that could be submerged by 2050 due to the continued rise in sea levels.

In Cebu, the organization pinpointed particularly Barangay Mabolo and the South Road Properties in Cebu City; Barangays Tipolo, Guizo and Opao in Mandaue City; and Tianguue Road in Lapu-Lapu City, among other areas.

The research also found that around 250 million people around the world currently live on land below current annual flood levels, and 110 million live below the high tide line.

A similar study by Tufts University in Massachusetts stated that the inundation from sea level rise would have significant consequences for the Philippines.

According to the study, the low estimate for sea level rise, one meter, would affect 7,000 square kilometers in 2,490 barangays, impacting an estimated 1.8 million people; the high estimate for sea level rise, two meters, would affect nearly 8,000 square kilometers in 2,730 barangays, impacting an estimated 2.3 million people; and catastrophic three-meter sea level rise would affect over 15,000 square kilometers in 5,387 barangays, and impact an estimated 3.4 million people.

### Greenbelt zones

Eisma-Osorio said the government should encourage all national government agencies (NGAs) and local government units (LGUs) to prioritize investments in nature-based solutions instead of doing the opposite, such as cutting down trees to pave the way for more highways, and increasing the resiliency of coastal communities that are the most vulnerable in terms of the impacts of sea level rise, which is compounded by extreme storms and weather conditions.

Oquias emphasized the importance of establishing coastal greenbelts zones, or strips of mangroves and beach forest species fronting coastlines measuring 100 meters

designed to mitigate the impacts of climate change, like sea level rise, among other environmental threats.

The greenbelt zones are intended to reduce energy from wind waves and swell waves by 13 to 66 percent to protect coastal communities from storm surges and flooding, a timely reminder ahead of the 10th anniversary of super typhoon Yolanda (Haiyan) that killed 6,352 people and damaged or destroyed over one million homes in the country on Nov. 8, 2013.

Storm surges whipped by winds reaching 315 kilometers per hour caused most of the deaths.

“Oceana is pushing for the Coastal Greenbelt or Integrated Coastal Management Bill in Congress. It has been approved in the lower house, and we hope it will be passed by the Senate soon,” said Eisma-Osorio.

#### Storm surge

In a study conducted in 2009, researchers Susmita Dasgupta, Benoit Laplante, Siobhan Murray and David Wheeler of the Center for Global Development said climate change would intensify storm surges elevated by a rising sea level as warmer oceans likely strengthen cyclone activity.

These storm surges created by large tropical cyclones can strike crowded coastal regions with devastating force and kill millions of people.

According to the United Nations, storm surges in 2009 brought by climate change killed over 80,000 people and affected the livelihoods of over seven million across the globe that year.

In Asia, the Philippines is among the vulnerable countries to storm surges because it is an archipelago.

Tragic proof of this is the five- to seven-meter storm surge that hit Samar and Leyte islands that killed thousands during the onslaught of super typhoon Yolanda.

68 vulnerable

Project Nationwide Operational Assessment of Hazards (Noah) of the Department of Science and Technology identified 68 areas in the Philippines vulnerable to a storm surge in 2013.

In Cebu, these include the towns of Alegria, Balamban, Bantayan, Daanbantayan, Ginatilan, Madridejos, Malabuyoc, Samboan and Santa Fe.

Former Pagasa director for the Visayas Oscar Tabada then advised Cebuanos not to be complacent, saying they recorded a storm surge during typhoon Ruping on Nov. 13, 1990, in Catmon, Danao City and Talisay City.

The 2023 Noah update showed that only Lapu-Lapu City had the risk of experiencing a storm surge at two percent or inundation of one meter, particularly within Barangays Cawhagan, Pangan-an, Sabang and San Vicente.

Not only Philippines

Marine Conservation Philippines program manager Soren Knudsen said the rise of sea levels is a global problem caused by increasing developments and urbanization, adding the world should invest massively in reforestation and rapidly progress towards nuclear power to defeat global warming.

“This too is the case for many heavily developed areas around the world. You see it in New York (NYC’s buildings collectively weigh 1.68 trillion pounds), and in Indonesia, they are already moving the capital from Jakarta because of the sinking of the land,” said Knudsen.

“Pinning the blame for climate change on the Philippine nation or any past or current actions or inactions would not be fair. We too are also to blame, obviously, but it is a global problem, not a local problem,” he explained.

Eisma-Osorio added the community could contribute to finding solutions, such as practicing energy conservation measures, supporting the government’s initiatives for renewable energy, or undertaking measures as simple as proper waste disposal and avoiding the use of single-use plastics.

“According to the Center for International Environmental Law, 99 percent of plastics are known to be made from chemicals sourced from fossil fuels. Simple acts like these can go a long way,” Eisma-Osorio said.

## THE MANILA TIMES

### [\[Opinion\] Shielding children from the impact of climate change](#)

Last August, the United Nations Committee on the Rights of the Child (CRC) issued a call for governments to step up measures to protect children from the impact of climate change.

The call, embodied in General Comment 26, was the first time the CRC acknowledged that the climate crisis was endangering the well-being and future of the world's 2.2 billion children and that little is being done to correct the situation.

That particular concern comes into sharp focus as the Philippines celebrates National Children's Month this November.

Climate change impacts everyone on the planet, but children feel it much more than adults. Pollution, deforestation and severe weather events make children susceptible to malnutrition, diseases, stress and other environment-related threats because their biological and psychological coping mechanisms have not fully developed.

Especially vulnerable are children in poverty-stricken areas, those with disabilities, those who belong to Indigenous groups, those in conflict zones, and girls, one report noted.

The problem has reached a point where almost every child on Earth is exposed to at least one climate and environmental hazard, according to Unicef. If nothing is done soon, this number will go up.

Unicef is particularly alarmed about heat waves increasing in frequency and severity. Heat waves and the wildfires they ignited have raged in Europe and North America, "yet another sobering example of the impact of climate change on children," noted Unicef Executive Director Catherine Russell.

At least half a billion youths are already exposed to episodes of scorching temperatures, the Unicef said. And it predicts that heat waves will affect virtually every child on Earth by 2050.

To protect children from the growing impact of heat waves, the agency is calling for "urgent and dramatic emissions mitigation measures to contain global heating —and protect lives."

CRC's General Comment 26 requires UN member-states not only to protect children's rights but to be accountable for violations of those rights as well.

They should also consider children's views in drawing an environmental roadmap and empower the youth to protect themselves from environmental risks.

"The climate crisis is a child rights crisis. Governments must protect the rights of every child, especially boys and girls living in countries that have contributed least to this problem but are enduring the most dangerous floods, storms, and heat," Unicef Philippines Representative Oyunsaikhan Dendevnorov said.

Sadly, the concept of giving primacy to children's rights in formulating a climate adaptation policy ranks low on many governments' scale of priorities.

One study, for example, found that only 42 percent of 183 countries surveyed directly reference children in their emissions mitigation strategy.

"The agendas for children and climate change may be intrinsically connected, yet it is striking how advocates of these two causes are seen as distinct tribes, and their efforts are rarely combined," wrote Laurence Chandy, Unicef director of global insight and policy.

The Philippines ranks first in the East Asia and Pacific region on the Children Climate Risk Index (CCRI), which grades countries based on children's exposure to climate and environmental shocks. That does not bode well for one of the first countries to ratify the CRC in 1990.

Unicef is helping the country fix the situation.

Next year, the agency plans to launch the Safe and Sustainable Climate, Environment and Resilience program, a five-year partnership with the Philippine government to set up the framework for building child-centered climate and disaster-resilient environments.

Such an approach is only fitting since, as one Unicef official put it, "children who are least responsible for climate change are bearing its biggest costs."

In announcing his Climate Action Plan in 2013, the US president at the time, Barack Obama, remarked: "Someday, our children, and our children's children, will look at us in the eye, and they'll ask us, 'Did we do all that we could when we had the chance to deal with this problem and leave them a cleaner, safer, more stable world?'"

We hold the fate of future generations in our hands. We must not fail them.

## [PH, Japan sign P570-M deal on maritime defense, disaster response](#)

By: Catherine S. Valente

The Philippines has secured P570 million worth of agreement from Japan for its maritime security and disaster response in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

The deals were signed after President Ferdinand Marcos Jr. met on Friday with Japanese Prime Minister Fumio Kishida.

"Today, key agreements have been signed that will propel the momentum of our bilateral relations in the coming years, building on the Joint Statement issued on 9 February 2023 following my official visit to Japan," Marcos said in a joint press statement with Kishida.

"Our talks have been wide-ranging covering political, security, defense, trade and investment, development, and people-to-people ties," he added.

Counting on the active framework of defense and security cooperation, Marcos said that there was an Exchange of Notes on the Official Security Assistance (OSA) from Japan to the Philippines.

"This OSA will further enhance the military capacities of our countries, including the Philippines, which shares common security concerns with Japan," he said.

"The OSA grant worth JPY 600 million or around P235 million will help boost the efforts of our Department of National Defense (DND) [by] securing coastal radars for our armed forces to enhance [their] maritime domain awareness capability and maritime security," he added.

The President said that Japan and the Philippines agreed to provide Non-Project Grant Aid (NPGA) to lessen the effects of climate change in the BARMM.

"The grant, worth JPY957 million or \$6 million, will significantly contribute to mitigating the impact of flooding aggravated by climate change in the Bangsamoro region," he said.

The NPGA will cover the Bangsamoro region's acquisition of construction equipment for road network improvement and disaster quick response operation.

Also signed on Friday were the Memorandum of Cooperation on Mining Sector between the Department of Environment and Natural Resources and the Ministry of Economy,

Trade, and Industry of Japan, and the Memorandum of Cooperation in the Field of Tourism between the Department of Tourism and the Ministry of Land, Infrastructure, Transport, and Tourism of Japan.

Marcos thanked Japan for its commitment to supporting the Philippines to attain Upper Middle Income Country status by 2025.

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