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**How well has the National Climate Budget supported the 2011-2028
National Climate Change Action Plan? (Or, why a Task Force El Nino?)**

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How well has the National Climate Budget supported the 2011-2028 National Climate Change Action Plan? (Or, why a Task Force El Nino?)¹

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Abstract

The paper explores how well the National Climate Budget (NCB), starting in 2016, has supported the climate reform agenda articulated in the National Climate Change Action Plan 2011-2028 (NCCAP), now on its 14th year. It observes that the NCB, as appropriated, grew from P175 billion in 2016 to P457.4 billion in 2024, or by 161%, with a sharp increase of P174.8 billion, or 60.3%, occurring between 2022 and 2023. However, the sharp increase in 2023 is accounted for by just two agencies - DPWH and DOTR - whose incremental climate budgets account for 98% of the increase, or P146 billion and P24 billion respectively. Moreover, the share of NCB in the primary budget was only 7.3% on average over the period, and never higher than 10% in any one year, raising doubts about a “whole-of-government” approach to addressing climate change risks and impacts. Among the seven NCCAP strategic priorities, *Water Sufficiency* accounts for the greatest share at an average of 63.9% of the climate budget every year. Yet recurring El Nino events, which are known to exacerbate water scarcity, continue to require the activation of an ad-hoc mechanism to “ensure the country’s readiness to fight the effects of the El Nino phenomenon”. A deeper dive into the items for *Water Sufficiency* indicates a budget that is almost totally allocated to flood control and other construction works of DPWH; allocations to strengthen the regulatory environment and better manage the supply and demand of water resources are negligible in comparison. Prospects for advancing water security and mitigating El Nino impacts are discussed.

1. Introduction

Executive Order 53, issued in January 2024, reactivates and reconstitutes the *Task Force El Nino*, created under E.O. 16 (s. 2001), the third time a task force has been convened in the last decade.² Its objective is to ensure the country’s readiness to fight the effects of the 2023-2024 El Nino, which was expected to persist until the second quarter of 2024.³ The Task Force, co-led by the Secretaries of National Defense and Science and Technology, and joined by the Secretaries of Environment and Natural Resources, Agriculture, Health, and Economic Planning as members, is

¹ This paper extends Monsod [2022]. It also updates an earlier version was submitted to the Philippine Center for Economic Development (PCED) in July 2024. Thanks are due to Joyce Rivera for excellent help in data processing. All errors in the use and interpretation of data and information are mine alone.

² An Inter-agency task force was convened to address the 2015-2016 El Nino, and again in 2019 under Memorandum Order No. 38 (s. 2019).

³ Although formally reconvened in January 2024, the reconstitution of the Task Force was announced in May 2023. See <https://www.pna.gov.ph/articles/1201436>

mandated to, among others, revise and update the “Strategic El Nino National Action Plan”⁴ to serve as “the comprehensive disaster preparedness and rehabilitation plan for the El Nino phenomenon”, and then monitor the implementation of the identified short- and long-term solutions, especially in the critical areas of water security, food security, energy security, health and public safety. Water security is an immediate concern; the Task Force is directed to coordinate and expedite the completion of all ongoing water infrastructure projects – which are “intended to cushion or mitigate the effects of El Nino” – not later than the end of April 2024.

Although there is still no consensus in the global scientific community about the impact of climate change on the frequency or strength of El Niño (or La Niña) events,⁵ recurring El Nino events are expected to exacerbate expected climate change impacts in the Philippines, including the impact of projected increases in temperature and changes in the seasonal distribution of rainfall (e.g. longer dry days, water scarcity in the dry season).⁶ Drought and El Nino will exacerbate the “1st order impacts on food, health, power, water supply and sanitation” of rising temperature because of “magnified water evaporation, evapotranspiration and losses of groundwater recharge”, for instance [CCC 2017: 10, 11]. Combined episodes of reduction of rainfall and drought will magnify landslide-related loss of lives and properties “because of the loss of organic matter (create surface sealing phenomenon)” [ibid]. This means that actions to advance climate change adaption and/or resilience building can (and should) serve to reduce El Nino risk as well, and vice versa.

Indeed, the *Task Force’s* critical areas of water, food, energy security and health overlap with, or are covered by 4 out of the 7 strategic priorities of the 2011-2028 National Climate Change Action Plan (NCCAP). To recall, the NCCAP is coordinated by the Climate Change Commission (CCC) chaired by the President and is the “lead policy document guiding the climate agenda at all levels of government.” The NCCAP was formulated following the Climate Change Act of 2009 (RA 9729) which also provided for the articulation of the National Framework Strategy on Climate Change 2011-2022 (NFSCC).⁷ The NFSCC identified adaptation as the ‘anchor strategy’ and mitigation as a “function” of adaptation to be pursued “whenever applicable”. The NCCAP, in turn, operationalized the NFSCC into two ultimate outcomes – (i) “the enhanced adaptive capacity of communities,

⁴ This seems to refer to the 2023 National Action Plan (NAP) which is mentioned in fourth paragraph of the EO, whose goal is the mitigate and address the impacts of the 2023-2024 El Nino (accessed at https://pubfiles.pagasa.dost.gov.ph/climps/climateforum/special_lecture.pdf). The 2023 NAP is not the same as the Roadmap to Address the Impact of El Niño or RAIN which was developed for the 2015-2016 El Nino by an Inter-agency Task Force headed by the NEDA (<https://neda.gov.ph/tag/roadmap-to-address-the-impact-of-el-nino/>). Some quarters suggested that RAIN be updated to fight the 2023-2024 El Nino (see <https://businessmirror.com.ph/2023/04/12/solon-fight-el-nino-via-updated-rain/>).

⁵ <https://environment.uw.edu/news/2024/01/el-nino-shows-us-the-true-face-of-climate-change/>, <https://www.imperial.ac.uk/grantham/publications/climate-change-faqs/what-is-el-nino/>

⁶ [CCC 2017: 10, 11]

⁷ Information on the Climate Change Act, NFSCC and NCCAP may be downloaded from <https://niccdies.climate.gov.ph/>

resilience of natural ecosystems, and sustainability of built environment to climate change” and (ii) “a successful transition to climate-smart development – and seven strategic priorities: *Food Security, Water Sufficiency, Ecological and Environmental Stability, Human Security, Climate-Smart Industries and Services, Sustainable Energy* and *Knowledge and Capacity Building* (Figure 1). Each strategic priority came with detailed activities and outputs organized into three 6-year phases – 2011 to 2016, 2017 to 2022, and 2023 to 2028 – meant to inform and/or be integrated into, concurrent Philippine Development Plans (PDP).⁸ Lead government agencies and coordinating government agencies were identified per strategic priority and a whole-of-government and -society approach was expected:

“It shall be the policy of the State to enjoin the participation of national and local governments, businesses, nongovernment organizations, local communities and the public to prevent and reduce the adverse impacts of climate change and, at the same time, maximize the benefits of climate change... In view thereof, the State shall strengthen, integrate, consolidate and institutionalize government initiatives to achieve coordination in the implementation of plans and programs to address climate change in the context of sustainable development.” [RA 7279, Section 2]

Importantly, mechanisms to support the implementation of the NCCAP were installed. Since 2015 there has been Climate Change Expenditure Tagging, or CCET, a climate finance information system designed to “provide line and oversight agencies with the means to plan, prioritize and monitor the national climate change response allocation and performance”. CCET was motivated by a 2013 Climate Public Expenditure and Institutional Review which found that the government’s development plans were only “partially” aligned with the NCCAP, and that unless this and other “missing elements” in the institutional framework were addressed, the country’s climate reform agenda could not be properly executed nor realized [WB 2013].⁹ By requiring national government agencies to actively identify which expenditure items in their proposed annual budgets contribute to climate change adaption or mitigation, it was expected that programs/activities/projects (PAPs) would be better aligned with NCCAP strategic priorities, thereby strengthening and accelerating the implementation of the agenda across sectors and levels of government. Operationally, agencies determine whether PAPs are climate responsive in whole or in part, and tag/code the PAP using a prescriptive positive list of 247 activities relevant to the strategic priorities of the NCCAP.¹⁰ DBM

⁸ Outcomes, outputs, activities for 2011-2028, including lead agencies and coordinating agencies, are laid out in Annex A of the NCCAP which may be accessed here: <https://niccdies.climate.gov.ph/action-plans/national-climate-change-action-plan>

⁹ World Bank [2013]. *Getting a Grip on Climate Change in the Philippines. Executive Report*. Washington, DC: World Bank.

¹⁰ The National CCET Typology Code Manual is available at <https://niccdies.climate.gov.ph/climate-finance/ccet>. Please also refer to Annex 1 for more detail on the Philippine version of the CCET.

and/or CCC have published reports on the National Climate Budget for FY 2015 (GAA), 2016 (GAA), 2021 (NEP, GAA) and 2022 (NEP).¹¹

Figure 1: National Climate Change Action Plan Strategic Priorities, Intermediate and Immediate outcomes 2011-2028

Ultimate Outcomes	Enhanced adaptive capacity of communalities, resilience of natural ecosystems and sustainability of built environment to climate change				Successful transition towards climate smart development		
Strategic Priorities	Food Security	Water Sufficiency	Ecological and Environmental Stability	Human Security	Climate Smart Industries and Services	Sustainable Energy	CC Knowledge and Capacity Development
Intermediate Outcomes	Availability, stability, accessibility, Safe and healthy food ensured amidst climate change.	Water resources sustainably managed and equitable access ensured.	Enhanced resilience and stability of natural systems and communities.	Reduced risks of the population from climate change and disasters.	Climate-resilient eco-efficient and environment- friendly industries and services developed, promoted and sustained.	Sustainable renewable energy and ecologically efficient technologies adopted as major components of sustainable development.	Enhanced knowledge on and capacity to address climate change.
Immediate Outcomes	Enhanced CC resilience of agriculture & fisheries production & distribution systems Enhanced resilience of agricultural & fishing communities from climate change	Water governance restructured towards integrated water resources management in watersheds and river basins. Sustainability of supplies and access to safe water ensured. Knowledge and capacity for CC adaptation in the water sector enhanced.	Ecosystems protected, rehabilitated, and ecological services restored.	CCA and DRR practiced by all sectors at the national and local levels Health and social sector delivery systems are responsive to climate change. CC-adaptive human settlements and services developed, promoted & adopted.	Climate-smart industries and services promoted, developed and sustained. Sustainable livelihood and jobs created from climate-smart industries and services Green cities and municipalities developed, promoted and sustained.	Nationwide energy efficiency and conservation promoted and implemented Sustainable renewable energy development enhanced Environmentally sustainable transport promoted and adopted Energy systems and infrastructure climate-proofed, rehabilitated and improved.	Knowledge on the science of climate change enhanced. Capacity for CC adaptation and mitigation at the national and local level enhanced. CC knowledge management established and accessible to all sectors at the national and local levels.

Source: CCC 2017, p. 15

There is also a Results-Based Monitoring and Evaluation System (RBMES) that was launched in 2017. The RBMES is designed to measure the progress of the NCCAP in order to “inform policy-making, organizational learning, and adaptive programmatic management based on the evidence from the conduct of monitoring and evaluation”, and “inform the updating of the NCCAP based on evidence produced by the monitoring and evaluation exercise.” A NCCAP Monitoring and Evaluation Report 2011-2016 Report was published in October 2020.¹²

Much work was put into setting up the NCCAP and its supporting mechanisms, and El Nino-related are clearly covered. Why then the need for a separate and ad-hoc task force to plan, monitor and coordinate actions to mitigate and address the impacts of the latest El Nino? To help answer this question, this paper examines the National Climate Budget (NCB) for the period 2016 to 2024, as a whole and by strategic priority, with special focus on Water Sufficiency. It checks how well national government agencies have lined up behind the NCCAP, and behind action areas critical to El-Nino-related challenges, and what a Task Force could possibly be compensating for, if anything.

¹¹ The 2021 and 2022 reports, published by CCC, are available at <https://niccdies.climate.gov.ph/climate-finance/ccet>. The 2015 and 2016 reports were published by DBM in tandem with the CCC.

¹² Available at <https://niccdies.climate.gov.ph/action-plans/nccap-monitoring-and-evaluation>

The following are observed:

- i. The NCB (as appropriated) grew from 175 billion in 2016 to 457.4 billion in 2024, or by 161%, with a sharp increase of 60.3% occurring between 2022 and 2023. Obligations grew more, from 137.1 billion in 2016 to 568.9 billion in 2023; in 2022 and 2023, appropriations were overutilized by 153% and 122.5%, respectively. The share of the NCB in the primary NG budget has been only 7.3% on average over the period, and never higher than 10% in any one year. Not a convincing signal of a ‘whole-of-government approach’ to climate change action.
- ii. The sharp increase in appropriations in 2023 (and the overutilization in 2022 and 2023) is due to two agencies - DPWH and DOTR - whose incremental climate budgets account for 98% of the increase, or P146 billion and P24 billion respectively. The climate budgets of some other agencies critical to the NCCAP have in fact been decreasing (e.g. DENR), or have been significantly underutilized (i.e. DA), over the period.
- iii. Among the 7 NCCAP strategic priorities, *Water Sufficiency* accounted for 63.9% of the total NCB, on average, followed by *Sustainable Energy* and *Food Security*; four others split the remaining 11%. However, about 96.5% of the items under this priority are tagged as DPWH flood control and other construction works. In contrast, there are relatively insignificant amounts tagged for policy and governance reforms to improve the management water supply and demand management does not appear to have been attended to. These were programmed for 1st and 2nd phases of the NCCAP and were supposed to have been completed before 2022.
- iv. Sequencing and timeliness are crucial to effective climate change adaptation, and, consequently, to reducing El-Nino-related risks. It is not surprising therefore that the latter does not seem to have curtailed. Perhaps the country could have been better prepared for the 2023-2024 El Nino had more attention been paid to the NCCAP over the last decade.

In the next two sections, we discuss the National Climate Budget as a whole and by strategic priority. The fourth section is a deep dive into allocations supporting Water Sufficiency and what these say about the need for a Task Force. The fifth section discussed institutional shortfalls and prospects for mitigating anticipated El Nino impacts and advancing water security in the medium term. The sixth section closes.

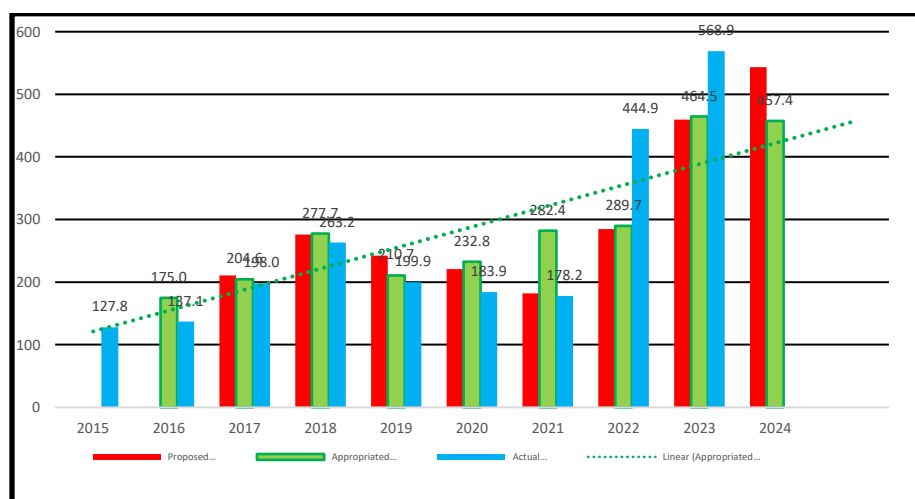
2. The National Climate Budget 2016 to 2024

To gauge how well the climate reform agenda has received planning and budgetary support from assigned agencies, the NCB from 2016 to 2024 is examined in three ways. First, we look at how

absolute levels of the NCB since 2016, as legislated (or appropriated) from 2016 to 2024, and as utilized (or obligated) from 2016 to 2023. Second, we examine the **share** of the NCB relative to the **primary** budget of the national government (NG), as appropriated, that is, NG appropriations net of interest payments.¹³ Finally, we consider the level and share of the NCB among the most relevant subset of national government agencies – specifically, agencies directly under the control of the Executive only, i.e., excluding Congress, the Judiciary, BARMM and the Constitutional Fiscal Autonomy Group (CFAG), as well as Budgetary Support to Government Corporations (BSGC) and Allocations to LGUs (ALGU). The BSGC and ALGU are excluded since the CCET system does not extend to the corporate budgets of government corporations and local government tag their CCEs separately.

Figure 2 shows how the NCB has fared from 2016 to 2024 as appropriated (green bars) and utilized (blue bars). The absolute level of appropriations increased from P175 billion in 2016 to P457.4 billion in 2024, a growth of about 161% during the period. This is driven by a large increase in appropriations (60.3%) occurring in 2023. Figure 2 also shows that between 2016 and 2023, the actual utilization of funds by agencies – the amounts that were obligated – was slightly less than what was appropriated – about 84% of appropriations were obligated on average – except in 2022 and 2023, when obligations were greater than appropriations (by 53% and 22.5%, respectively). The jumps in utilization in 2022 and 2023, and in appropriations in 2023, were not-across-the-board however, but due to two agencies, DPWH and DOTR (presented shortly).

Figure 2. Climate Change Expenditures, FY 2015 to 2024 (in billions, nominal)

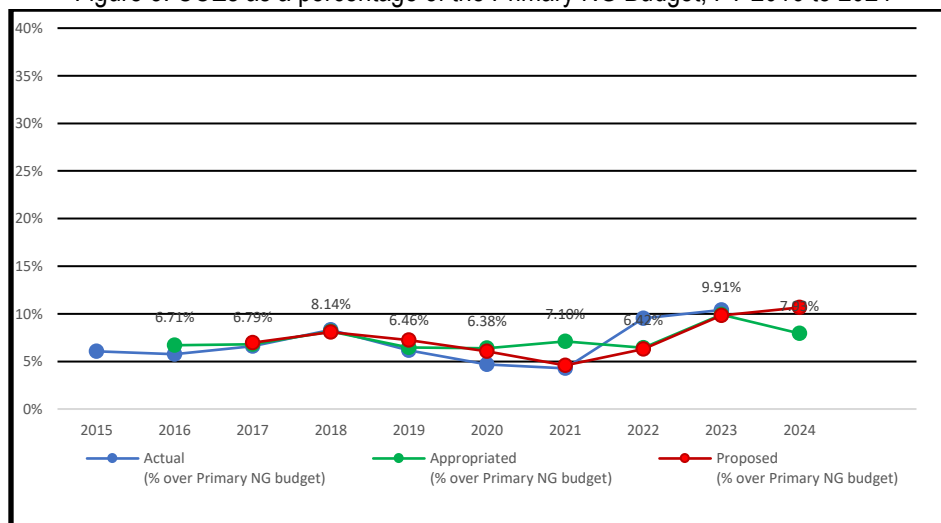


Base data: CCC (<https://niccdies.climate.gov.ph/climate-finance/ccet>) and DBM (BESF, with disaggregated data directly supplied for various years)

¹³ It is assumed here that the primary budget (net of interest payments) better reflects fiscal policymakers. Using the primary budget as reference departs from the analysis of DBM and CCC ([2015] and [2016]) which examines CC expenditures against the total national government budget, including interest payments [Monsod 2022].

Notwithstanding the increases in absolute levels, the NCB has not fared well as a **share** of the primary budget. Specifically, as appropriated, the share of the NCB has not breached 10% and has been at 7.3% on average (Figure 3). This does not seem to support a claim of a “whole-of government” approach in support of the NCCAP.

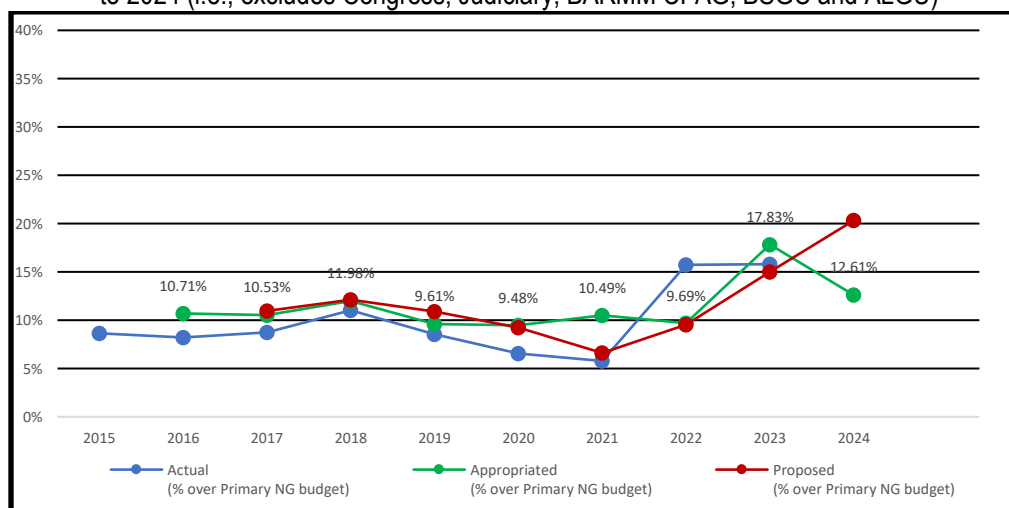
Figure 3. CCEs as a percentage of the Primary NG Budget, FY 2016 to 2024



Base data: As stated for Figure 2

The small share of the NCB does not change even when considering only the agencies in the Executive*, arguably the most relevant operational units for climate change action (Figure 4). For this subset of agencies, the NCB has claimed an average of 11.4% of their annual appropriations over the period. In 2023, the share rose to 17.8%. In 2024, it fell back down to 12.6%.

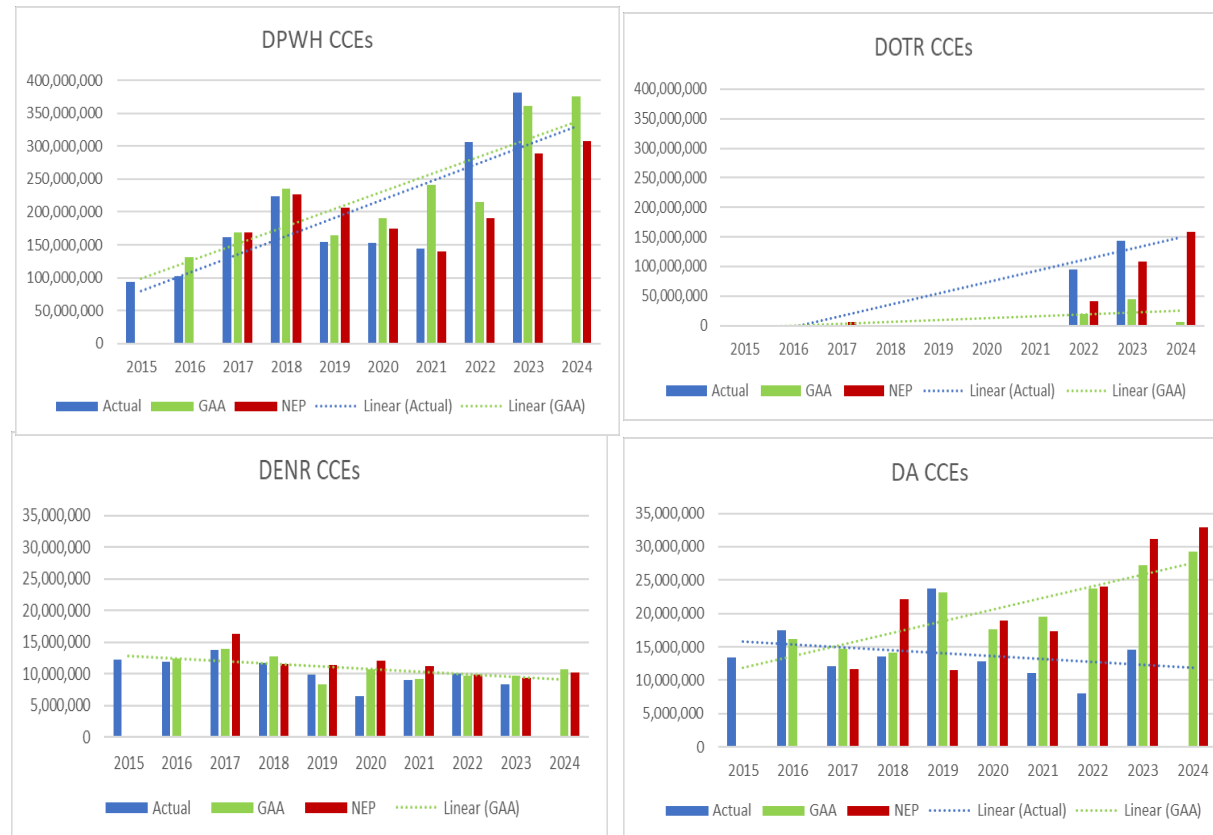
Figure 4. CCEs as a percentage of the budget of national government agencies in the Executive, FY 2016 to 2024 (i.e., excludes Congress, Judiciary, BARMM CFAG, BSGC and ALGU)



Base data: As stated for Figure 2

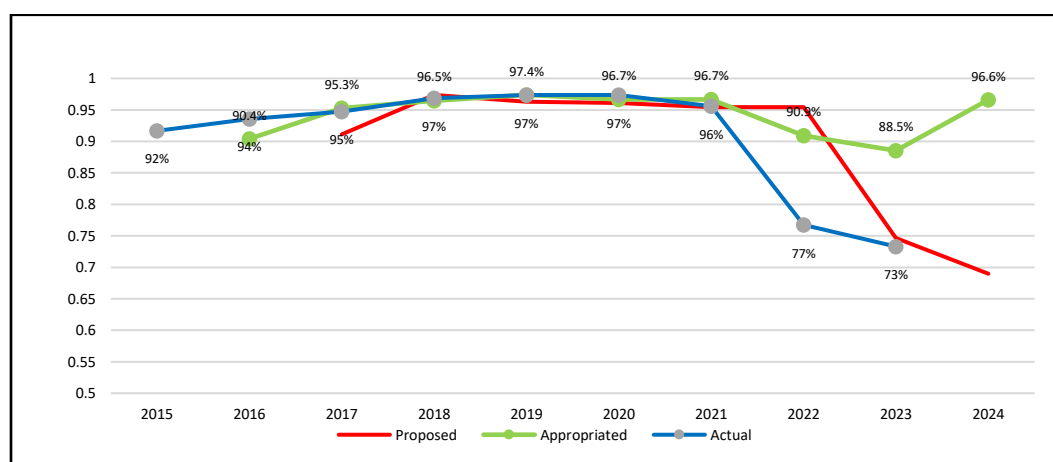
As mentioned, the sharp increase in appropriations in 2023 (or in utilization in 2022 and 2023) was not a signal of a general improvement in CCE allocations. Rather, it was driven by sharp increases in the CCEs of two agencies: DPWH and DOTR (Figure 5). In fact, between 2016 and 2023, the CCEs of some agencies critical to the NCCAP decreased (such as for DENR, as indicated by the green dotted line), or were significantly underutilized (such as by DA, as indicated by the deviation between the green and blue dotted lines.)

Figure 5. CCE trends for DPWH, DOTR, DENR and DA, FY 2015 to 2024 (in '000s, nominal)



An overall share of 7.3% (or even 11.4%) does not, on its face, provide much support to the claim of a whole-of-government approach. However, one piece of good news is that the expenditures tagged in the NCB have been predominantly classified as climate change adaptation (Figure 6). Climate change adaptation has claimed between 88.5 and 97.4 percent of total CCEs appropriated over the period, or an average of 94.0% (thus, climate change mitigation has claimed the balance of 6.0%, on average), consistent with state policy of adaptation as the “anchor strategy”.¹⁴ That said, the share of adaptation CCEs obligated has been decreasing since 2021, dropping by 20 percentage points from 96% in 2021 to 73% in 2023.

Figure 6. CC Adaptation as a percent of total NCB, FY 2015 to 2024



Base data: As stated for Figure 2

3. *The NCB and strategic climate action priorities*

Disaggregating the NCB by strategic priority of the NCCAP indicates very uneven support across priorities. Water Sufficiency consistently claimed the biggest share, at an average of 63.9%, followed by Sustainable Energy at 15.6% and Food Security at 9.2% (Figure 7 and Table 1). What remains for the four other strategic priorities is just 11.2%, divided as follows: Climate Smart Industries and Services (4.7%), Ecosystem and environmental stability (3.7%), Human Security (1.9%) and Knowledge and Capacity (0.9%).

¹⁴ Many adaptation activities are known to have significant mitigation co-benefits of course (for instance, the restoration of terrestrial or marine forests). However, the CCET system does not separately identify those types of expenditures.

Figure 7. Shares of NCCAP Strategic Priorities in the NCB, GAA 2016 to 2024

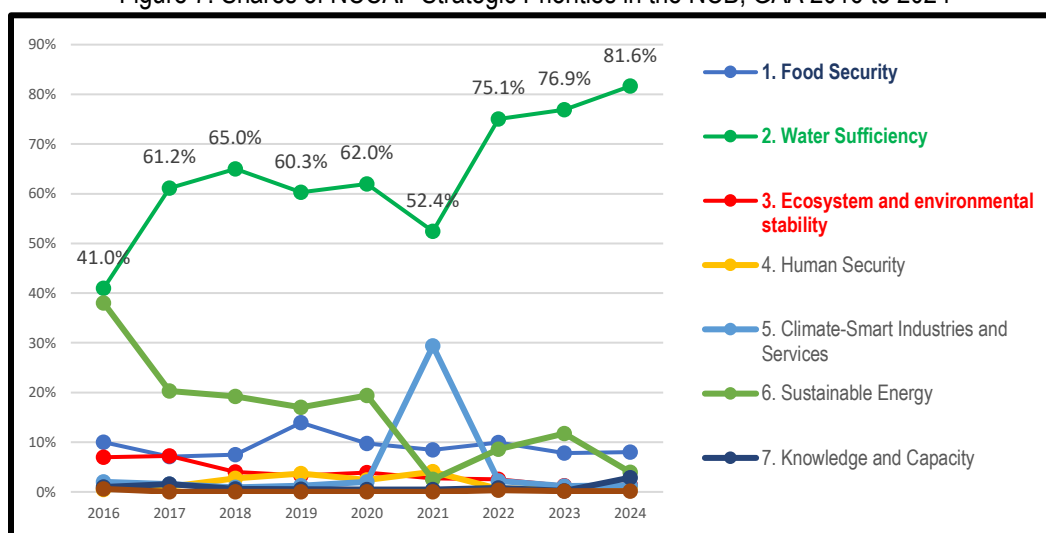
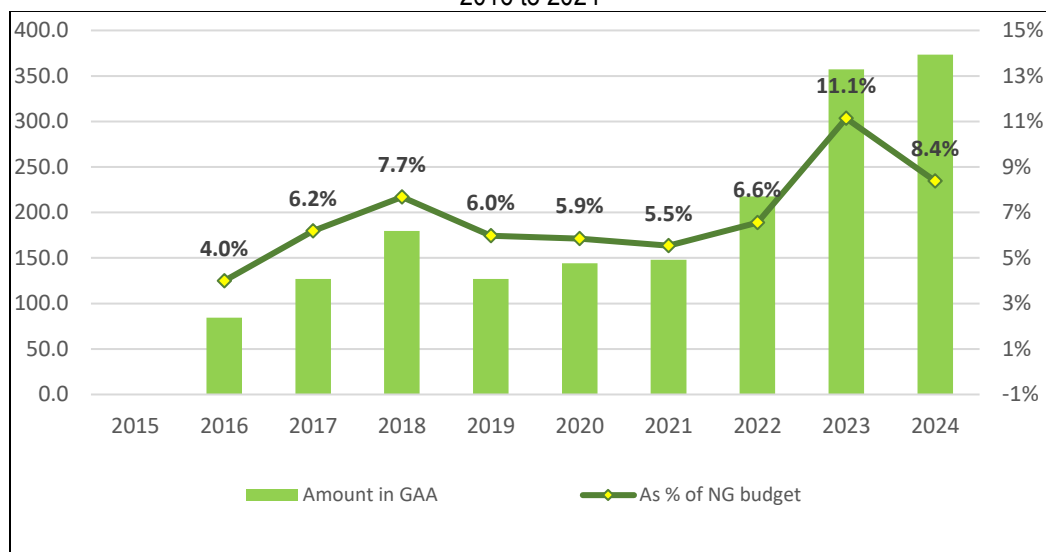
Base data: CCC (<https://nccddies.climate.gov.ph/climate-finance/ccet>)

Table 1: Shares of NCCAP Strategic Priorities in the NCB, GAA 2016 to 2024

Strategic Priority	2016	2017	2018	2019	2020	2021	2022	2023	2024	Ave
1. Food Security	10.0%	7.1%	7.5%	13.9%	9.8%	8.4%	9.9%	7.8%	8.0%	9.2%
2. Water Sufficiency	41.0%	61.2%	65.0%	60.3%	62.0%	52.4%	75.1%	76.9%	81.6%	63.9%
3. Ecosystem and environmental stability	7.0%	7.2%	4.0%	3.3%	3.9%	2.7%	2.5%	1.2%	1.4%	3.7%
4. Human Security	0.5%	1.0%	2.7%	3.7%	2.4%	4.1%	0.6%	0.8%	1.0%	1.9%
5. Climate-Smart Industries and Services	2.0%	1.6%	0.9%	1.3%	2.0%	29.4%	2.2%	1.2%	1.3%	4.7%
6. Sustainable Energy	38.0%	20.3%	19.2%	17.0%	19.4%	2.5%	8.6%	11.7%	4.0%	15.6%
7. Knowledge and Capacity	1.0%	1.6%	0.6%	0.5%	0.5%	0.4%	0.8%	0.2%	2.9%	0.9%
8. Cross-cutting	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.2%	0.1%	0.1%

While examining shares, it is important to remember that the budget tagged for Water Sufficiency is reckoned to an NCB that has never breached 10% of the primary budget during the period. Thus, the average 63.9 % share of the NCB claimed by Water Sufficiency translates to only about 6.8% of the primary budget, on average (Figure 8). Actual NCB amounts tagged for each strategic priority over the years are presented in Annex 2.

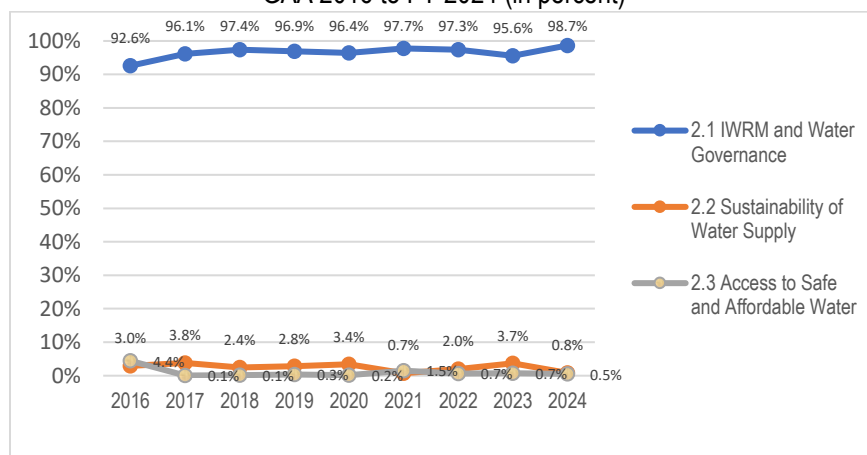
Figure 8. Budget Tagged for Water Sufficiency in billions (nominal) and as a % of NG budget, 2016 to 2024



There is a presumption that the ordering of strategic priorities reflects an implicit ranking consistent with adaptation as the anchor strategy. That is, Food Security, Water Sufficiency and Ecosystem and Environmental stability are expected to be the top three areas for adaptation action. However, the NCB ranks Food Security a far third in terms of share, and Ecosystem and Environmental stability two rungs lower than that. This raises questions regarding the consistency of agencies' climate change annual plans with the prioritization set by the NCCAP.

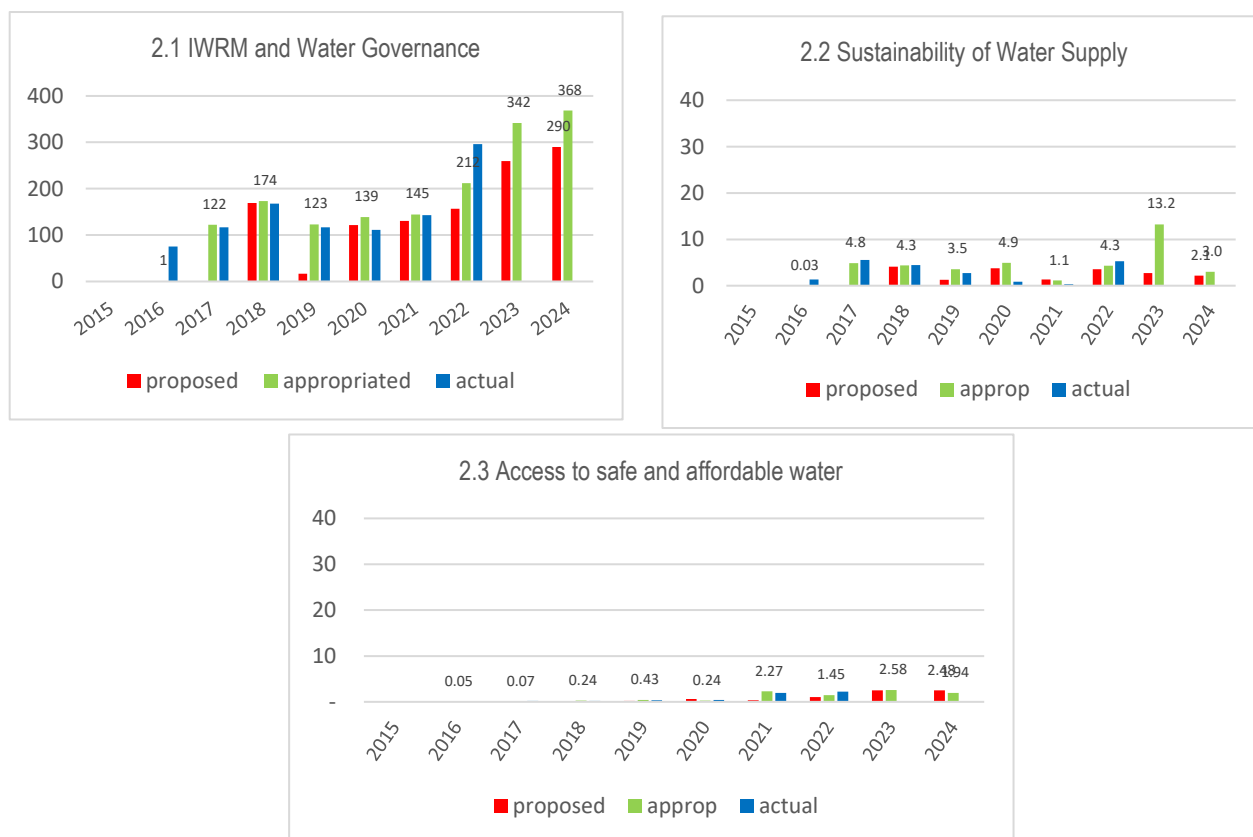
More importantly, the large share to Water Sufficiency may give the impression that the government has been devoted to addressing the risk of water scarcity, a key concern of the Task Force El Nino. However, it turns out that, on average, about 96.5 percent of the NCB for Water Sufficiency (WS) is actually allocated to one output area, "2.1 Integrated Water Resource Management (IWRM) and Water Governance" (Figure 9), leaving the other two output areas – "2.2 Sustainability of Water Supply", and "2.3 Access to Safe and Affordable Water" – with just about 3.5% of the total. This means that appropriations for output 2.1 have been about 38 times larger than that for output 2.2, and nearly 3 more times greater than that for output 2.3. These stark differences are presented in Figure 10.

Figure 9. Breakdown of the Water Sufficiency Climate Budget by Outcome Area, GAA 2016 to FY 2024 (in percent)



Base data: CCC (<https://niccdies.climate.gov.ph/climate-finance/ccet>)

Figure 10. Climate Budgets per Water Sufficiency outcome area, in billions (nominal), 2016 to 2024
[Note: be mindful of the y-axes which are not uniformly scaled]



The problem is that Output 2.2 (“Sustainability of Water Supply”) involves activities such as the “conduct of water resource supply and demand analysis under various hydrologic conditions and climate scenarios”, or the “review and modification of management processes of existing water supply systems and users to consider potential impacts of climate change”, which were programmed for completion in either the 1st or 2nd phases of the NCCAP (that is, in 2011-2016 or 2017-2022) (Table 2). That very little has been tagged in their direction supports anecdotal reports that these activities have not received the necessary resources and equipment to get things done. Unfortunately, these activities are also central to the improved management of, and resilience to, El Nino-related risks.

Table 2 Sample Activities, Outputs and Time Frame for NCCAP Output 2.2 Sustainability of Water Supply

Activities	Outputs	2011-16	2017-22	2023-28
1. Conduct water resource supply and demand analysis under various hydrologic conditions and climate scenarios				
a. Analyze application in Philippine conditions of simulation and decision tools for assessing water resource adaptations to climate change, focusing on water supply and demand analysis.	studies of water balance in critical watersheds and river basins conducted.	X		
b. study "low cost, no regrets" adaptation measures and technologies under various hydrologic conditions, supply-demand conditions, and policy scenarios for surface and groundwater systems.	low cost, no regrets CCA measures and technologies identified and studied.	X	X	
2.. Review and modify, as appropriate, management processes of existing water supply systems and users to consider potential impacts of climate change.				
a. Develop policy and guidelines for water conservation, allocation, recycling and reuse	policies and guidelines developed and implemented	X		
b. study and adopt centralized wastewater treatment systems to improve quality in highly urbanized and densely populated areas	centralized wastewater treatment facilities built	X	X	X
c. Rehabilitate infrastructures (water leaks)	non-revenue water and water losses reduced	X		
d. Identify alternative water sources (surface water) and demand mgmt. especially for urbanized areas that rely of reservoirs and are prone to recurrent/severe drought	alternative sources of water identified and implemented (e.g. mandatory rainwater harvesting, water conservation and rationing during drought periods, etc.)	X	X	
e. Review of NWRB standards for water allocation	NWRB standards revised considering climate change impacts to water and CC projections	X		
f. Adopt flood plain management and flood hazard reduction by establishing flood plain zones and new operating rules during flood periods (as modular or incremental adaptation measure)	adaptive and integrated flood plain zone management developed and implemented	X		
g. Develop and implement monitoring networks for hydrologic trend analysis, forecasting, and detecting shifts in trends of precipitation and streamflow	monitoring networks established and implemented	X		

Source: NCCAP [CCC 2010b] p. 72

Furthermore, the CCEs tagged for Output 2.1 have been overwhelmingly for DPWH programs/projects involving the construction and/or improvement of flood control, slope protection, drainage systems, revetments, and the like, or the construction of various highways, roads, bridges assured to be more resilient to climate change and climate variability. In 2022, for example, tagged DPWH projects amounted to P211.58 billion, and accounted for 99.9% of the P211.7 billion NCB appropriations for Output 2.1 (Table 3). In contrast, programs/projects relating to improved sector governance *per se*, such as the “streamlining of existing water resources management and institutional structure and policies” or the “development and networking of government database on water resources and users” – did not get any allocations in 2022. Arguably, these programs are fundamental and more critical to addressing water stress and achieving water sufficiency in the longer term. Note that these were originally programmed for implementation and completion in the 1st phase of the NCCAP.

Table 3 Sample of CCEs for Water Sufficiency, Output 2.1, “IWRM and Water Governance”,
GAA FY2022 (in ‘000s)

Agency	PAP	Typology	2022 GAA ^a (vs. Obligataed)	Sequence ^b
		Review and streamline existing water resources management and institutional structure and policies		1
DENR-NWRB	Water Resources Supply and Demand Assessment	Develop policy and guidelines for water conservation, allocation, recycling and reuse	11,000 (7400)	1
	Water Resources Supply and Demand Assessment	Develop guidelines for implementing Integrated Water Resources Management (IWRM) and climate change adaptation at the local, watershed and river basin level	(7400)	1
		Develop guidelines for rain water collection, such small water impoundments, retarding basins, mini dams to address water shortage and flooding		1
PAGASA	Opn and maintenance of the flood forecasting and warning system for dam operation	Study "low cost, no regrets" adaptation measures and technologies under various hydrologic conditions, supply-demand conditions, and policy scenarios for surface and groundwater systems	14,352	1, 2
NRCP	Devt, integration and coord of the National Research System for Basic Research	Conduct vulnerability assessments in communities, cities, and sectors that are at risk to present or future flooding	(3496)	1
		Define areas not suitable for large water infrastructure development and settlements based on vulnerability assessment		1
DOST	Support to the harmonized national S&T agenda	Monitor networks for hydrologic trend analysis, forecasting and detecting shifts in trends of precipitation and stream flow	(3307)	1
		Develop and network government database on water resources and users		1

DPWH Osec	Construction/improvement of flood control, slope protection, drainage systems, revetments...	Incorporate climate change and climate variability in design standards for flood control and drainage systems	128,821,465 (204,717,101)	1, 2
DPWH Osec	Construction of highways, roads, bridges	Improve resilience of infrastructure (bridges, water supply, community infra, water storage, coastal defense, etc.) to account for climate change and climate variability related extreme weather ... that could increase flood risks in infrastructure	82,767,505 (91,187,621)	1, 2, 3

Source: Annex 3. Notes: Total NCB appropriations for Output 2.1 was P211.7 billion; ^b Sequence 1: 2011-16, 2: 2016-2022, 3: 2023-28

In short, it does not look like the strategic sequencing of the NCCAP has been supported by the NCB. Unfortunately, sequencing and timeliness is crucial to effective climate change adaptation; it is a long- term endeavor. Reducing the potency of the risks associated with the recurring El Nino is likewise a long-term endeavor.

4. *Closing remarks*

This paper examines the National Climate Budget for the period 2016 to 2024 and the extent to which it has supported the National Climate Change Action Plan, with special focus on Water Sufficiency as a strategic priority. The special focus is motivated by the recent reconstitution of a *Task Force El Nino*, mandated to update/revise a comprehensive disaster preparedness and rehabilitation plan for the El Nino phenomenon and monitor the implementation of identified solutions, especially in the areas of water security, food security, energy security, health and public safety. Using the CCET, the paper seeks to verify if shortcomings in the NCCAP rollout may have warranted the formation of a new Task Force.

Although there was an absolute increase in appropriations tagged as part of the NCB between 2016 and 2024, the NCB amounted to only 7.3% of the primary budget, on average, and never higher than 10% in any one year - hardly enough to claim that the NCCAP receives a ‘whole-of-government’ level of support. The distribution of the NCB across strategic priorities has also been very uneven (as it has been since 2015), with the Water Sufficiency priority accounting for 63.9% of the NCB on average. However, 96.5% of the NCB to Water Sufficiency is claimed by DPWH construction works (flood control, slope protection, drainage systems, revetments, and the like, as well as highways, roads, bridges), while critical measures intended to improve water supply and demand management, indeed sector governance in the overall, have not received attention.

How much better prepared for El Nino could the country be today if only the NCCAP 2011-2028 was taken seriously over the last decade? It is hard to say. What is known however is that last-minute, stop gap measures will never be sufficient to effectively prepare for anticipated impacts of climate

change. Climate change adaptation is a long-term endeavor which the State already foresaw as early as 2009 when it legislated RA 9729.

Rather than re-invent the wheel, or even write yet another action plan, perhaps the Task Force will invigorate relevant agencies into taking a second (or third) look at the NCCAP and the CCET. The latter is a useful monitoring tool after all. The Legislature, as well could consider requiring NCCAP lead/coordinating agencies for Water Sufficiency, Food Security, Ecosystem and Environmental Stability and other strategic priorities, to present a consolidated report of their respective strategic priorities, detailing the status of the “Actions” and “Outputs” of the NCCAP, for at least its first two cycles ending in 2022.

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Annex 1 The Philippine CCET¹⁵

Climate budget tagging is a “government-led process of identification, measurement and monitoring of climate-relevant public expenditures” [WB 2021].¹⁶ Introduced internationally in 2012, it builds on previous budget tagging initiatives for other complex development challenges, such as gender or poverty, which require whole-of-government or, at least, cross-sectoral interventions. The Philippines, which has long practiced gender mainstreaming in public sector budgets, was one of the earliest adopters, along with Nepal, Cambodia, and Indonesia; 19 national and subnational governments had developed climate budget tagging methodologies in 2021. In adopting the CCET, the government of the Philippines anticipated that it would improve the alignment of the strategic priorities of the National Climate Change Action Plan (NCCAP) with public expenditures as well as support the implementation of the country’s Intended Nationally Determined Contribution (INDC).

The Philippine version of the CCET consists of “policy-based definitions of CC response, a common method for tagging CC expenditure, a process of reviewing and reporting on results, and the assignment of roles and responsibilities to NGAs [National Government Agencies]” [CCC and DBM, June 2016] Definitions are adopted from the NCCAP, which classifies climate change response as either adaptation (CCA) or mitigation (CCM); a list of CC responsive actions relevant to the strategic priorities of *Food Security* (FS), *Water Sufficiency* (WS), *Ecological and Environmental Stability* (EES), *Human Security* (HS), *Climate-Smart Industries and Services* (CSIS), *Sustainable Energy* (SE) and *Knowledge and Capacity Development* (KCD) has been typologized.¹⁷ The national level CCET covers both recurrent and investment budgets of central government agencies, as well as *transfers* to government owned and/or controlled corporations (GOCCs), although it does not cover the entire corporate budgets of GOCCs. Local government units (LGUs) are encouraged to undertake CCET but are not obligated to do so.

Tagging is performed by agencies and involves (i) determining whether agency Programs, Activities and Projects (PAPs) are climate responsive, (ii) if climate responsive, whether the entire PAP or only specific components are climate responsive, i.e., if at least one objective is a CCA or CCM, then the entire program or project budget is considered as a CCE, but if only specific components are involved, then only the budgets of those specific components are considered CCE; and (iii) classifying and coding the PAP - that is, eligible expenditures must map into a prescriptive positive list of 247 climate-relevant activities, which may be updated periodically [DBM 2015, WB 2021]. The final list of CCE is submitted to the DBM while a quality review and assurance (QAR) form is submitted to the Climate Change Commission which reviews the agency tagging.

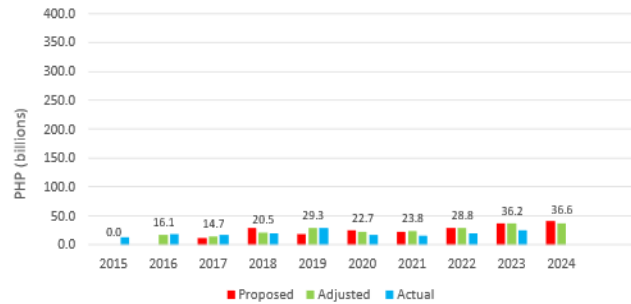
¹⁵ This draws heavily from Section II of Monsod [2022].

¹⁶ The rest of this paragraph draws heavily from WB [2021].

¹⁷ The typology of activities is contained in Annex B of DBM-CCC Joint Memorandum Circular 2015-01, Revised Guidelines for Climate Change Expenditure Tagging (CCET) amending JMC No. 2013-01, as well as in the National CCET Typology Code Manual, available at <https://niccdies.climate.gov.ph/climate-finance/ccet>

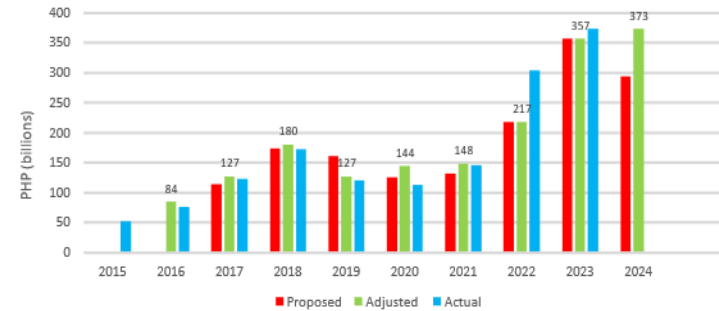
Annex 2: Climate Budget Tagged Per Strategic Priority, 2015 to 2024

Budget Tagged for Food Security
(2015-2024)



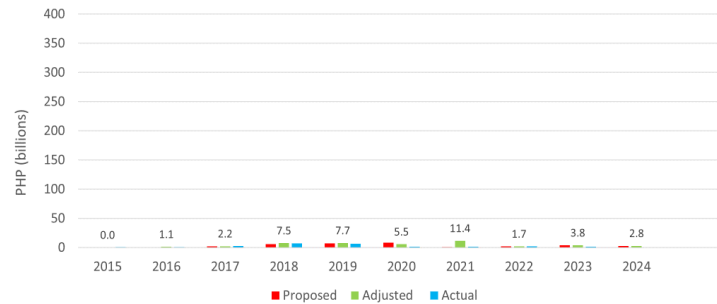
NCCAP Priority # 1

Budget Tagged for Water Sufficiency
(2015-2024)



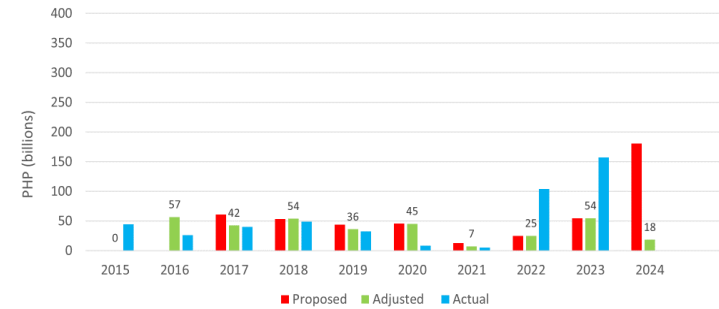
NCCAP Priority # 2

Budget Tagged for Human Security
(2015-2024)



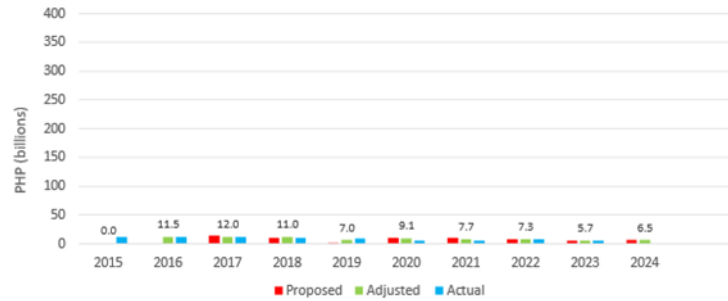
NCCAP Priority # 4

Budget Tagged for Sustainable Energy
(2015-2024)



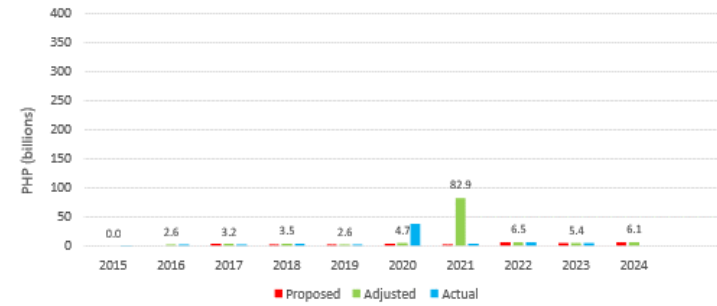
NCCAP Priority # 6

Budget Tagged for Ecosystem and Environmental Sustainability (2015-2024)



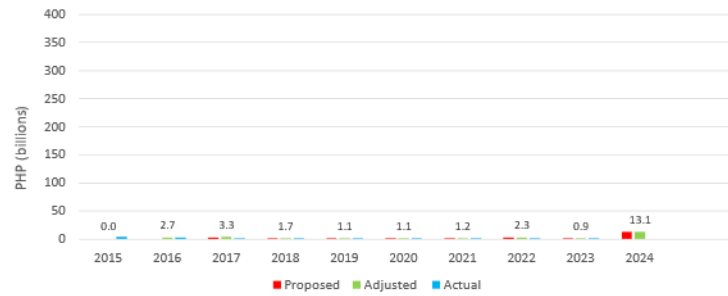
NCCAP Priority # 3

Budget Tagged for Climate Smart Industries and Services (2015-2024)



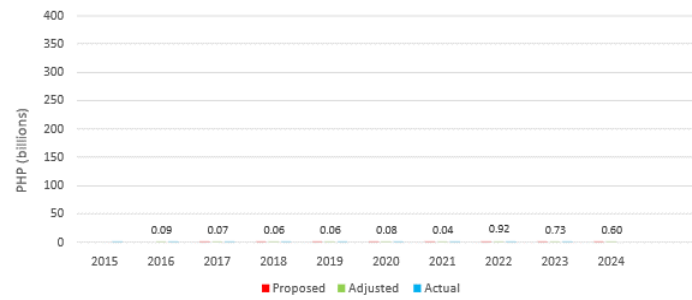
NCCAP Priority # 5

Budget Tagged for Knowledge and Capacity Building (2015-2024)



NCCAP Priority # 7

Budget Tagged for Cross Cutting Interventions (2015-2024)



NCCAP Priority # 8

**Annex 3 Sample of climate change expenditures tagged for Water Sufficiency,
Output Area 2.1 IWRM and Water Governance, GAA GY 2022**

Agency	PAP	Typology	2022 GAA (Obligated)	Sequence *
		Review and streamline existing water resources management and institutional structure and policies		1
DENR-NWRB	Water Resources Supply and Demand Assessment	Develop policy and guidelines for water conservation, allocation, recycling and reuse	11,000 (7400)	1
	Water Resources Supply and Demand Assessment	Develop guidelines for implementing Integrated Water Resources Management (IWRM) and climate change adaptation at the local, watershed and river basin level	(7400)	1
		Develop guidelines for rain water collection, such small water impoundments, retarding basins, mini dams to address water shortage and flooding		1
PAGASA	Opn and maintenance of the flood forecasting and warning system for dam operation	Study "low cost, no regrets" adaptation measures and technologies under various hydrologic conditions, supply-demand conditions, and policy scenarios for surface and groundwater systems	14,352	1, 2
NRCP	Devt, integration and coord of the National Research System for Basic Research	Conduct vulnerability assessments in communities, cities, and sectors that are at risk to present or future flooding	(3496)	1
		Define areas not suitable for large water infrastructure development and settlements based on vulnerability assessment		1
DOST	Support to the harmonized national S&T agenda	Monitor networks for hydrologic trend analysis, forecasting and detecting shifts in trends of precipitation and stream flow	(3307)	1
		Develop and network government database on water resources and users		1
		Conduct Integrated Water Resource Management (IWRM) and climate change adaptation and DRR training for vulnerable communities		1, 2, 3

PCSD	Advocacy, Comms and Education	Develop gendered and accessible knowledge products and IEC materials that include local and indigenous knowledge on water resources management, climate change impacts on water resources and adaptation best practices	7,429 (6866)	1, 2, 3
SUC-Caraga	Auxiliary Services	Develop gendered and accessible knowledge products and IEC materials that include local and indigenous knowledge on water resources management, climate change impacts on water resources and adaptation best practices	(50)	1,2,3
PAGASA	Flood forecasting and hydro-meteorological services; establishment of integrated HDMS	Improve early warning information and alert systems to increase readiness to extreme flood risks	50,671 (64,298)	
SUC-Davao	Construction and Installation of DNSC-DJAL Water System; ECAN M&E system	Monitor impact of climate change and climate variability as part of water resource management	15,000	
PCSD	ECAN M&E System	Monitor impact of climate change and climate variability as part of water resource management	3,607 (3601)	
DPWH Osec	construction/improv. of flood control, slope protection, drainage systems, revetments...	Incorporate climate change and climate variability in design standards for flood control and drainage systems	128,821,465 (204,717,101)	1, 2
DPWH Osec	various highways, roads, bridges	Improve resilience of infrastructure (bridges, water supply, community infra, water storage, coastal defense, etc.) to account for climate change and climate variability related extreme weather ... that could increase flood risks in infrastructure	82,767,505 (91,187,621)	1, 2, 3
		Rehabilitate of degraded watersheds and forest areas		1, 2, 3

Source: CCC (<https://niccdies.climate.gov.ph/climate-finance/ccet>)

* Note: Sequence 1: 2011-16, 2: 2016-2022, 3: 2023-28