

# Republic Act No. 10174

**An Act establishing the people's survival fund to provide long-term finance streams to enable the government to effectively address the problem of Climate Change**

## Files:

 [Republic Act 10174](#)

**Republic of the Philippines  
Congress of the Philippines  
Metro Manila**

**Fifteenth Congress**

**Second Regular Session**

**Begun and held in Metro Manila, on Monday, the twenty-fifth day of July, two thousand eleven.**

## **REPUBLIC ACT NO. 10174**

**An Act establishing the people's survival fund to provide long-term finance streams to enable the government to effectively address the problem of Climate Change, amending for the purpose Republic Act No. 9729, Otherwise known as the "Climate Change Act of 2009" and for other purposes.**

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 2 of Republic Act No. 9729, otherwise known as the "Climate Change Act of 2009", is hereby amended to read as follows:

“SEC. 2. Declaration of Policy. – It is the policy of the State to afford full protection and the advancement of the right of the people to a healthful ecology in accord with the rhythm and harmony of nature. In this light, the State has adopted the Philippine Agenda 21 framework which espouses sustainable development, to fulfill human needs while maintaining the quality of the natural environment for current and future generations.

Towards this end, the State adopts the principle of protecting the climate system for the benefit of humankind, on the basis of climate justice or common but differentiated responsibilities and the Precautionary Principle to guide decision-making in climate risk management. As a party to

the United Nations Framework Convention on Climate Change (UNFCCC), the State adopts the ultimate objective of the Convention which is the stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system which should be achieved within a time frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened and to enable economic development to proceed in a sustainable manner. As a party to the Hyogo Framework for Action, the State likewise adopts the strategic goals in order to build national and local resilience to climate change-related disasters.

Recognizing the vulnerability of the Philippine archipelago and its local communities, particularly the poor, women, and children, to potential dangerous consequences of climate change and global warming such as increasing temperatures, rising seas, changing landscapes, increasing frequency and/or severity of droughts, fire, floods and storms, climate-related illnesses and diseases, damage to ecosystems, biodiversity loss that affect the country's environment, culture, and economy, the State shall cooperate with the global community in the resolution of climate change issues, including disaster risk reduction. 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 potential benefits of climate change. It shall also be the policy of the State to incorporate a gender-sensitive, pro-children and pro-poor perspective in all climate change and renewable energy efforts, plans and programs. 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 contest of sustainable development.

Further recognizing that climate change and disaster risk reduction and management are closely interrelated and effective disaster risk reduction and management will enhance adaptive capacity to climate change, climate variability and extreme climate events, the State shall integrate disaster risk reduction into climate change programs and initiatives.

Cognizant of the need to ensure that national and sub-national government policies, plans, programs and projects are founded upon sound environmental considerations and the principle of sustainable development, it is hereby declared the policy of the State to systematically integrate the concept of climate change in various phases of policy formulation, development plans, poverty reduction strategies and other development tools and techniques by all agencies and instrumentalities of the government.

SEC. 2. Section 3 of Republic Act No. 9729 is hereby amended to read as follows:

Definition of Terms. – For purposes of this Act, the following shall have the corresponding meanings:

(a) 'Adaptation' refers to the adjustment in natural or human systems in response to actual or expected climatic stimuli or their effects, which moderates harm or exploits beneficial opportunities.

(b) 'Adaptive capacity' refers to the ability of ecological, social or economic systems to adjust to climate change including climate variability and extremes, to moderate or offset potential damages and to take advantage of associated opportunities with changes in climate or to cope with the consequences thereof.

(c) 'Anthropogenic causes' refer to causes resulting from human activities or produced by human beings.

(d) 'Climate Change' refers to a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity.

(e) 'Climate Finance' refers to resources that have been allocated or may be utilized towards the climate change adaptation and mitigation requirements of the country and its vulnerable communities.

(f) 'Climate Variability' refers to the variations in the average state and in other statistics of the climate on all temporal and spatial scales beyond that of individual weather events.

(g) 'Climate Risk' refers to the product of climate and related hazards working over the vulnerability of human and natural ecosystems.

(h) 'Disaster' refers to a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts which exceed the ability of the affected community or society to cope using its own resources.

(i) 'Disaster Risk Reduction and Management (DRRM)' refers to the systematic process of using administrative directives, organizations, and operational skills and capacities to implement strategies, policies and improved coping capacities in order to lessen the adverse impacts of hazards and the possibility of disaster. Prospective Disaster Risk Reduction and Management refers to risk reduction and management activities that address and seek to avoid the development of new or increased disaster risks, especially if risk reduction policies are not put in place.

(j) 'Gender mainstreaming' refers to the strategy for making the concerns and experiences of women as well as those of men an integral dimension of the design, implementation, monitoring, and evaluation of policies and programs in all political, economic, environmental or ecological and societal spheres so that women and men benefit equally and inequality is not perpetuated. It is the process of assessing the implications for women and men of any planned action, including legislation, policies, or programs in all areas and at all levels.

(k) 'Global Warming' refers to the increase in the average temperature of the Earth's near-surface air and oceans that is associated with the increased concentration of greenhouse gases in the atmosphere.

(l) ‘Greenhouse effect’ refers to the process by which the absorption of infrared radiation by the atmosphere warms the Earth.

(m) ‘Greenhouses gases (GHG)’ refers to constituents of the atmosphere that contribute to the greenhouse effect including, but not limited to, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride.

(n) ‘Mainstreaming’ refers to the integration of policies and measures that address climate change into development planning and sectoral decision-making.

(o) ‘Mitigation’ in the context of climate change, refers to human intervention to reduce anthropogenic emissions sources and enhance removals by sinks of all GHG, including- ozone-depleting substances and their substitutes.

(p) ‘Mitigation potential shall refer to the scale of GHG reductions that could be made, relative to emission baselines, for a given level of carbon price (expressed in cost per unit of carbon dioxide equivalent emissions avoided or reduced).

(a) ‘Sea level rise’ refers to an increase in sea level which may be influenced by factors like global warming through expansion of sea water as the oceans warm and melting of ice over land and local factors such as land subsidence.

(r) ‘Vulnerability’ refers to the degree to which a system is susceptible to, or unable to cope with, adverse effects of climate change, including climate variability and extreme climate events. Vulnerability is a function of the character, magnitude, and rate of climate change and variation to which a system is exposed, its sensitivity, and its adaptive capacity.

SEC. 3. Section 4 of Republic Act No. 9729 is hereby amended to read as follows:

“SEC. 4. Creation of the Climate Change Commission. – There is hereby established a Climate Change Commission, hereinafter referred to as the Commission.

Thu Commission shall be an independent and autonomous body and shall have the same status as that of a national government agency. It shall be attached to the Office of the President.

The Commission shall be the lead policy-making body of the government, which shall be tasked to coordinate, monitor and evaluate the programs and action plans of the government in order to ensure the mainstreaming of climate change into the national, sectoral and local development plans and programs pursuant to the provisions of this Act.

The Commission shall be organized within sixty (80) days from the effectivity of this Act.”

SEC. 4. Section 5 of Republic Act No. 9729 is hereby amended to read as follows.

Composition of the Commission. – The Commission shall be composed of the President, of the Republic of the Philippines who shall serve as the Chairperson, and three (3) Commissioners to

be appointed by the President, one of whom shall be appointed as Vice Chairperson of the Commission.

The Commission shall have an advisory board composed of the following:

- (a) Secretary of the Department of Agriculture;
- (b) Secretary of the Department of Budget and Management;
- (c) Secretary of the Department of Energy;
- (d) Secretary of the Department of Environment and Natural Resources;
- (e) Secretary of the Department of Education;
- (f) Secretary of the Department of Finance;
- (g) Secretary of the Department of Foreign Affairs;
- (h) Secretary of the Department of Health;
- (i) Secretary of the Department of Interior and Local Government;
- (j) Secretary of the Department of National Defense, in his capacity as Chair of the National Disaster Risk Reduction and Management Council;
- (k) Secretary of the Department of Public Works and Highways;
- (l) Secretary of the Department of Science and Technology;
- (m) Secretary of the Department of Social Welfare and Development;
- (n) Secretary of the Department of Trade and Industry;
- (o) Secretary of the Department of Transportation and Communications;
- (p) Director-General of the National Economic and Development Authority, in his capacity as Socioeconomic Planning Secretary and Chair of the Philippine Council for Sustainable Development (PCSD);
- (q) Director-General of the National Security Council;
- (r) Chairperson of the Philippine Commission on Women;
- (s) Chairperson of the National Youth Commission;

- (t) President of the Sangguniang Kabataan National Federation;
- (u) President of the League of Provinces;
- (v) President of the League of Cities;
- (w) President of the League of Municipalities;
- (x) President of the Liga ng mga Barangay;
- (y) Representative from the academe;
- (aa) Representative from the business sector; and
- (aa) Representative from nongovernmental organizations.

At least one (1) of the sectoral representatives shall come from the disaster risk reduction community.

The representatives shall be appointed by the President from a list of nominees submitted by their respective groups and endorsed by the Commission. They shall serve for a maximum term of six (6) years: Provided, however, That such appointment, may be terminated by the President on the basis of the withdrawal of endorsement by or recommendation of the sector they represent. Appointment to any vacancy shall be only for the unexpired term of the predecessor.

Ex officio members of the advisory board may appoint their respective permanent alternate representatives who shall have the rank of an Undersecretary.”

SEC. 5. Section 6 of Republic Act No. 9729 is hereby amended to read as follows:

Meetings of the Commission. – The Commission shall convene every first or last. Monday of every third month, or as often as it may deem necessary.

In the event that the Chairperson cannot preside the meeting, the Vice Chairperson shall undertake such function; Provided, however, That a resolution or decision shall be approved by the majority of the three (3) Commissioners: Provided, further, That the Chairperson may vote any decisions of the Commission within thirty (30) days from receipt of the same”

SEC. 6. Section 7 of Republic Act. No. 9729 is hereby amended to read as follows:

“SEC. 7. Qualifications, Tenure, Compensation and Removal of Commissioners.– The Commissioners must be Filipino citizens, residents of the Philippines, at least thirty (30) years of age at the time of appointment, with proven experience on climate change and of proven honesty and integrity. The Commissioners shall be experts in climate change by virtue of their educational background, training and experience: Provided, That at least, one (1) Commissioner shall be female: Provided, further, That in no case shall the

Commissioners come from the same sector: Provided, finally, That in no case shall any of the Commissioners appoint representatives to act on their behalf.

The Commissioners shall hold office for a period of six (6) years, and may be subjected to reappointment: Provided, That no person shall serve for more than two (2) consecutive terms: Provided, further, That, in case of a vacancy, the new appointee shall fully meet the qualifications of a Commissioner and shall hold office for the unexpired portion of the term only: Provided, furthermore, That in no case shall a Commissioner be designated in a temporary or acting capacity: Provided, finally, That any Commissioner may be removed from office before the expiration of his/her term for cause or due to incapacity and in accordance with due process required by pertinent laws.

The Vice Chairperson and the Commissioners shall have the rank and privileges of a Department Secretary and Undersecretary, respectively. They shall be entitled to corresponding compensation and other emoluments and shall be subject to the same disqualifications.”

SEC. 7. Section 9 of Republic Act No. 9729 is hereby amended to read as follow;

“SEC. 9. Powers and Functions of the Commission. – The Commission shall have the following powers and functions:

- (a) Coordinate and synchronize climate change programs in consultation with national government agencies and other stakeholders;
- (b) Formulate a Strategic Framework on Climate Change to serve as the basis for a program for climate change planning, research and development, extension, and monitoring of activities on climate change;
- (c) Exercise policy coordination to ensure the attainment of goals sat in the strategic framework and program on climate change;
- (d) Recommend legislation, policies, strategies, programs on and appropriations for climate change adaptation and mitigation and other related activities;
- (e) Recommend key development investments in climate-sensitive sectors such as water resources, agriculture, forestry, coastal and marine resources, health, and infrastructure to ensure the achievement of national sustainable development goals;
- (f) Create an enabling environment for the design of relevant and appropriate risk-sharing and risk-transfer instruments;
- (g) Create an enabling environment that shall promote broader multi-stakeholder participation and integrate climate change mitigation and adaptation;
- (h) Formulate strategies for mitigating GHG emissions, anthropogenic sources and enhance removal by sinks;

- (i) Coordinate and establish a close partnership with the National Disaster Risk Reduction and Management Council in order to increase efficiency and effectiveness in reducing the people's vulnerability to climate-related disasters;
- (j) In coordination with the Department of foreign Affairs, represent the Philippines in the climate change negotiations, constitute and lead the Philippine panel of negotiators to the UNFCCC and the formulation of official Philippine positions on climate change negotiation issues, and decision areas in the international negotiation arena;
- (k) Formulate and update guidelines for determining vulnerability to climate change impacts and adaptation assessments and facilitate the provision of technical assistance for their implementation and monitoring;
- (l) Coordinate with local government units (LGU's) and private entities to address vulnerability to climate change impacts of regions, provinces, cities and municipalities;
- (m) Facilitate capacity building for local adaptation planning, implementation and monitoring of climate change initiatives in vulnerable and marginalized communities and areas;
- (n) Promote and provide technical and financial support to local research and develop merit programs and projects in vulnerable and marginalized communities and areas;
- (o) Oversee the dissemination of information on climate change, local vulnerabilities and risks, relevant laws and protocols and adaptation and mitigation measures;
- (p) Establish a coordination mechanism with the concerned government agencies and other stakeholders to ensure transparency and coherence in the administration of climate funds taking into consideration the official Philippine position in international negotiations; and
- (q) Perform such other functions as may be necessary for the effective implementation of this Act."

SEC. 8. Section 11 of Republic Act No. 9729 is hereby amended to read as follows:

"SEC. 11. National Strategic Framework and Program on Climate Change. – The Commission shall, within six (6) months from the effectivity of this Act, formulate a National Strategic Framework on Climate Change. The Framework shall serve as the basis for climate change planning, research and development, extension, monitoring of activities, and climate financing, to protect vulnerable and marginalized communities from the adverse effects of climate change.

The Framework shall be formulated based on climate change vulnerabilities, specific adaptation needs, and mitigation potential, and in accordance with the international agreements.

The Framework shall be reviewed every three (3) years, or as may be deemed necessary. The review of the Framework shall involve a participatory and interactive process."

SEC. 9. Section 12 of Republic Act No. 9729 is hereby amended to read as follows:

“SEC. 12. Components of the National Strategic Framework and Program on Climate Change. – The Framework shall include, but not limited to, the following components:

- (a) National priorities;
- (b) Impact, vulnerability and adaptation assessments;
- (c) Policy formulation;
- (d) Compliance with international commitments;
- (e) Research and development;
- (f) Database development and management;
- (g) Academic programs, capability building and mainstreaming;
- (h) Advocacy and information dissemination;
- (i) Monitoring and evaluation; and
- (j) Gender mainstreaming.”

SEC. 10. Section 15 of Republic Act No. 9729 is hereby amended to read as follows:

“SEC. 15. Role of Government Agencies. – To ensure the effective implementation of the framework strategy and program on climate change, concerned agencies shall, perform the following functions:

- (a) The Department of Education (DepED) shall integrate climate change into the primary and secondary education curricula and/or subjects, such as, but not limited to, science, biology, sibika, history, including textbooks, primers and other educational materials, basic climate change principles and concepts;
- (b) The Department of the Interior and Local Government (DILG) and Local Government Academy, in coordination with the National Economic and Development Authority and other concerned agencies, shall facilitate; the development and provision of a capacity-building program for LGUs in climate change, including the provision of necessary and appropriate technology. The program shall include socioeconomic, geophysical, policy, and other content necessary to address the prevailing and forecasted conditions and risks of particular LGUs. It shall likewise focus on women and children, especially in the rural areas, since they are the most vulnerable;

(c) The Department of Environment and Natural Resources (DENR) shall oversee the establishment and maintenance of a climate change information management system and network, including on climate change risks, activities and investments, in collaboration with other concerned national government agencies, institutions and LGUs

(d) The Department of Foreign Affairs (DFA) shall review international agreements related to climate change and make the necessary recommendation for ratification and compliance by the government on matters pertaining thereto;

(e) The Philippine Information Agency (PIA) shall disseminate information on climate change, local vulnerabilities and risk, relevant laws and protocols and adaptation and mitigation measures;

(f) The Department of Finance (DOF) shall coordinate with the Commission on matters concerning fiscal policies related to climate change and monitor and report measures involving climate finance;

(g) The Department of Budget and Management (DBM) shall undertake the formulation of the annual national budget in a way that ensures the appropriate prioritization and allocation of funds to support climate change-related programs and projects in the annual program of government;

(h) The Department, of Science and Technology (DOST), through the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA), shall promote, assist and, where appropriate, undertake scientific and technological research and development, projections and analysis of future climate scenarios, including activities relative to observation, collection, assessment and processing of climate-related data such as, but not limited to, rainfall, sea-level-rise, extreme climate events, rise in temperatures, and records of severe droughts monitored over long periods of time, in coordination with LGUs in priority/target monitoring sites, for the benefit of agriculture, natural resources, commerce and industry and in other areas identified to be vital to the country's development; and

(i) Government financial institutions, except Bangko Sentral ng Pilipinas (BSP) shall, any provision in their respective charters to the contrary notwithstanding, provide preferential financial packages for climate change-related projects. In consultation with the BSP, they shall, within thirty (30) days from the effectivity of this Act, issue and promulgate the implementing guidelines therefor.”

SEC. 11. Section 16 of Republic Act No. 9729 is hereby amended to read as follows:

“SEC. 16. Coordination with Various Sectors. – In the development and implementation of the National Climate Change Action Plan, and the local action plans, the Commission shall consult and coordinate with the nongovernment organizations (NGOs), civic organizations, academe, people's organizations, the private and corporate sectors and other concerned stakeholder groups.”

SEC. 12. Section 17 of Republic Act No. 9729 is hereby amended to read as follows:

“SEC. 17. Authority to Receive Donations and/or Grants. – The Commission is hereby authorized to accept grants, contributions, donations, endowments, bequests, or gifts in cash, or in kind from local and foreign sources in support of the development and implementation of climate change programs and plans; Provided, That in case of donations from foreign governments, acceptance thereof shall be subject to prior clearance and approval of the President of the Philippines upon recommendation of the Department of Finance: Provided, further, That such donations shall not be used to fund personal services expenditures and other operating expenses of the Commission.

The proceeds shall be used to finance:

- (a) Research, development, demonstration and promotion of technologies;
- (b) Conduct of assessment of vulnerabilities to climate change impacts, resource inventory, and adaptation capability building;
- (c) Advocacy, networking and communication activities in the conduct of information campaign; and
- (d) Conduct of such other activities reasonably necessary to carry out the objectives of this Act, as may be defined by the Commission.”

SEC. 13. Insert and renumber Sections 18, 19, 20, 21, 22, 23, 24 and 25 in Republic Act No. 9729 to read as follows:

“SEC. 18. Creation of the People’s Survival Fund. – A People’s Survival Fund (PSF) is hereby established as a special fund in the National Treasury for the financing of adaptation programs and projects based on the National Strategic Framework.”

“SEC. 19. Sources of the Fund. – The amount of One billion pesos (P1,000,000,000.00) shall be appropriated under the General Appropriations Act (GAA) as opening balance of the PSF. Thereafter, the balance of the PSF from all sources including the amount appropriated in the GAA for the current year shall not be less than One billion pesos (P1,000,000,000.00): Provided, That the balance of the PSF may be increased as the need arises, subject to review and evaluation by the Office of the President and the Department of Budget and Management (DBM) of the accomplishments of the Commission and other concerned LGUs: Provided, further, That the PSF shall not be used to fund personal services and other operational expenses of the Commission: Provided, furthermore, That the balance of the PSF including the amount appropriated in the GAA which shall form part of the fund shall not revert to the general fund: Provided, finally, That the Commission shall submit to Congress and the DBM a semi-annual physical/narrative and financial report on the utilization of the PSF.

The PSF may be augmented by donations, endowments, grants and contributions, which shall be exempt from donor’s tax and be considered as allowable deductions from the gross income of the donor, in accordance with the provisions of the National Internal Revenue Code of 1997, as amended.”

“SEC. 20. Uses of the Fund. – The fund shall be used to support adaptation activities of local governments and communities such as, but not limited to, the following:

- (a) Adaptation activities, where sufficient information is available to warrant such activities, in the areas of water resources management, land management, agriculture and fisheries, health, infrastructure development, natural ecosystems including mountainous and coastal ecosystems;
- (b) Improvement of the monitoring of vector-borne diseases triggered by climate change, and in this context improving disease control and prevention;
- (c) Forecasting and early warning systems as part of preparedness for climate-related hazards;
- (d) Supporting institutional development, for local governments, in partnership with local communities and civil society groups, for preventive measures, planning, preparedness and management of impacts relating to climate change, including contingency planning, in particular, for droughts and floods in areas prone to extreme climate events;
- (e) Strengthening existing; and where needed, establish regional centers and information networks to support climate change adaptation initiatives and projects;
- (f) Serving as a guarantee for risk insurance needs for farmers, agricultural workers and other stakeholders; and
- (g) Community adaptation support programs by local organizations accredited by the Commission.

The fund shall be supplementary to any annual appropriations allocated by relevant government agencies for climate change-related programs and projects and by LQUs. The fund shall encourage counterpart funding arrangements among local governments, community organizations, the private sector, and other entities.”

“SEC. 21. The People’s Survival Fund Board. – There is hereby created a People’s Survival Fund Board, hereinafter referred to as the PSF Board, which shall be lodged under the Commission. It shall be composed of the following:

- (a) Secretary of the Department of Finance as Chair;
- (b) Vice Chairperson of the Commission;
- (c) Secretary of the Department of Budget and Management;
- (d) Director-General of the National Economic and Development Authority;
- (e) Secretary of the Department of the Interior and Local Government;
- (f) Chairperson of the Philippine Commission on Women;

(g) A representative from the academe and scientific community;

(h) A representative from the business sector; and

(i) A representative from the NGOs: Provided, That the organizations of the academe and scientific community, business and NGO representatives of the PSF Board are disqualified from accessing the fund during their term, as set by the Commission, and a year after their tenure in the PSF Board shall have been terminated or completed. The said representatives shall be identified and designated as such by the Commission.”

“SEC. 22. Powers and Functions of the PSF Board. – The PSF Board, which shall convene at least twice a year, shall have the following powers and functions:

(a) Promulgate policies that will maintain the fiduciary character of the Board;

(b) Provide overall strategic guidance in the management and use of the fund including, but not limited to, the development of funding windows for various adaptation activities, including counterpart funding arrangements, and guidelines for project assessment, approval and evaluation;

(c) Develop social, financial and environmental safeguards to be used in project implementation;

(d) Identify additional sources for the fund;

(e) Issue final approval of projects for the use of the fund;

(f) Adopt a conflict of interest policy to ensure that board members will not vote on projects if they have a direct stake therein; and

(g) Ensure an independent third party evaluation and auditing of activities supported by the fund, taking into consideration the principles of transparency and accountability, and government accounting and auditing roles and regulations.”

“SEC 23. Role of the Commission in the Utilization of the People’s Survival Fund. –

The Climate Change Office, headed by the Vice Chairperson of the Commission, shall evaluate and review the project proposals, and, with the concurrence and endorsement of a majority of the climate change Commissioners appointed by the President, recommend approval of project proposals to the PSF Board based on the policies, guidelines, and safeguards, agreed by the PSF Board. The Commission shall utilize the expertise of relevant government agencies in its advisory board and the national panel of technical experts in the project appraisal, monitoring and evaluation process. The Commission shall not be a project implementor.

The Commission shall formulate mechanisms that ensure transparency and public access to information regarding funding deliberations and decisions.

The Commission shall develop guidelines to accredit local organizations seeking to access the fund. Organizations will be accredited based on criteria such as organizational independence, track record in the community and/or field of expertise, financial management, and participatory practices.”

“SEC. 24. Prioritization of Fund Allocation. – The Commission shall develop criteria to prioritize use of the fund based on, but not limited to, the following:

- (a) Level of risk and vulnerability to climate change;
- (b) Participation of affected communities in the design of the project;
- (c) Poverty reduction potential;
- (d) Cost effectiveness and attainability of the proposal;
- (e) Identification of potential co-benefits extending beyond LGU territory;
- (f) Maximization of multi-sectoral or cross-sectoral benefits;
- (g) Responsiveness to gender-differentiated vulnerabilities; and
- (h) Availability of climate change adaptation action plan.”

“SEC. 25. Community Participation. – To ensure transparency and participation of vulnerable and marginalized groups in the adaptation projects to be supported by the fund, community representatives and/or NGO counterparts may participate as observers in the project identification, monitoring and evaluation process of the Commission.”

SEC. 14. The succeeding sections shall be renumbered accordingly.

SEC. 15. – If, for any reason, any section or provision of this Act is declared as unconstitutional or invalid, the other sections or provisions hereof shall not be affected thereby.

SEC. 16. Repealing Clause. – All laws, ordinances, rules and regulations and other issuances or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 17. Effectivity Clause. – This Act shall take effect after fifteen (15) days following its complete publication in at least two (2) national newspapers of general circulation.

Approved,

(Sgd.) FELICIANO BELMONTE  
JR.  
*Speaker of the House  
of Representatives*

(Sgd.) JUAN PONCE  
ENRILE  
*President of the Senate*

This Act which is a consolidation of Senate Bill No. 2811 and House Bill No. 6235 was finally passed by the Senate and the House of Representatives on June 6, 2012.

(Sgd.) MARILYN B. BARUA-  
YAP  
*Secretary General*  
*House of Representatives*

(Sgd.) EMMA LIRIO-  
REYES  
*Secretary of the Senate*

Approved: **AUG 16 2012**

(Sgd.) BENIGNO S. AQUINO III <i>President of the Philippines</i>
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