On Part III

The Philippines supports the Chairs' and Co-facilitators’ objective of delivering a more workable text, which will benefit from serious streamlining and structuring. The options proposed by parties are many but reveal common sub-elements and common ground. In this line, we recommend structuring options based on a coherent arrangement of sub-elements, taking lessons also from existing MEAs. For example, for III.1 Financial resources:

From whom:
- obligations of all parties, obligations in relation to developing countries

From what
- Qualifiers of sources

How,
- Is it public and private or innovative financing?

Financial mechanism
- How;
- From what;
- Governance;
- For what/Purposes; and
- For whom.
On Part III

The Philippines supports the proposals by Ecuador and Brazil as to the identification and disentangling of sub-elements and their logical flow. These align with our proposal at the CG2 meeting yesterday.

Financial mechanism, once established to consider the following:
- For whom: categories of developing countries, support Indonesia
- How: dedicated/existing/hybrid fund
- From what: sources
- For what: purposes, interlinkages with other MOI; and
- Governance.

Along this line, we see opportunities for restructuring. For example, 1) switching par 5 (governance) and par 6 (fund), 2) options 1 and 2 not mutually exclusive, do not adequately allow for hybrid options, which were supported by several delegations.

#END
On Part III, para 5

The Philippines supports OP5 as a minimum. We also believe it is important also to establish a subsidiary body in the form of a committee to guide the Governing Body. Along these lines, the Philippines is generally supportive of OP5 alt, bis-quinquies, particularly on the initial Resource Mobilization goal, assessment of developing countries’ needs, transparency and the periodic review. The concept of an initial Resource Mobilization goal aligns with our proposal of support for early action activities to kickstart the implementation of the instrument. The adverse effects of plastic pollution are being felt now. We hear the concerns about a need for an assessment of available funds and financial flows and gaps in private investment. And we can positively consider any text proposals on these.

The Philippines would support a simple para on each party’s provision of resources for national activities with all necessary flexibilities in accordance with national circumstances and capacities. We believe the components of this para have to be disentangled. For example, although we support catalyzing private funding and investment, these should be distinguished from the general commitment to provide financial resources for national activities. Thus, we would support streamlining of this para. We are also positively considering proposals on the placement of this para in relation to para 4 on support for developing countries. There is merit in raising the profile and importance of cooperation in terms of financing in an international instrument.

The Philippines supports working with OP2 alt, adding language from OP2 on grant or concessional terms. We do not support some elements in OP 2, such as voluntary basis for the contribution of developed country parties. We think this para is key to operationalizing CBDR, is among the principles that we reaffirm through UNEA Resolution 5/14 considering proposals on the placement of this para in relation to para 4 on support for developing countries. There is merit in raising the profile and importance of cooperation in terms of financing in an international instrument.

#END
On Part III, 1. Financing mechanism and resources

On finance:

The Philippines supports OP0 Alt 2 but we are flexible on the placement. Although OP0 is found in the more recently concluded Minamata Convention, we believe the language in OP0 Alt 2, which as pointed out by other delegations is in the CBD and CCD, is more precise and cognizant of the relationship among the pillars of sustainable development, and the their relationship with the capacities of developing countries to address plastic pollution.

#END
On Part III, 1. Financing mechanism and resources

*On finance:*

The Philippines supports a hybrid approach – the Mechanism can consist of at least these two funds that can complement each other. The need for a tailored fund is highlighted by our country’s experience with existing funds requiring co-benefits and synergies with other environmental concerns that are not in accordance with our own priorities and needs.

To speak to concerns about the interim fund within an existing arrangement becoming permanent like the GEF for the CBD, we can consider addressing this by providing for it to be time-bound, subject to review, and limited in its purpose.

Our current thinking is that there is a place for both to work simultaneously similar to the experience under the UNFCCC. The existing arrangement could also mobilize funding that we hear is already available towards challenges needing immediate action. We believe that this flexibility will resonate with both contributors and recipients.

The Philippines is one of the mega-biodiverse countries, one of the most vulnerable to climate change, and faces special challenges with respect to plastic pollution as an archipelagic state under the UNCLOS. These challenges and vulnerabilities have their intersections and yet could benefit from immediate targeted actions.

As we raised on the first day of INC-4, the current text could benefit from restructuring and streamlining by identifying sub-elements and components and presenting options under these. This will help us disentangle the discussions on the fund, its sources and contributors, its purposes, its recipients, and its governance.

For example, a dedicated fund within an existing arrangement also does not necessarily expand the sources of financing. These concepts have to be addressed separately. The dichotomy presented by the two options also does not adequately allow for a hybrid approach.

We like some elements from both options: 1) on the fund: both new and existing; 2) on the purpose: Option 1 OP 6 Alt2 on enabling activities and OP6 bis on early action; Option 2 OP6 alt on the Plastics Implementation Fund, Remediation Fund; 3) on the sources: we are open to hearing about how the fund/s within the Mechanism could catalyze financial flows from the private sector. Thank you.
On Part III, 1. Financing mechanism and resources, para 9

On pollution fee:

The Philippines has serious reservations about both a global and national plastic pollution fee. While we believe in operationalizing the polluter pays principle, and share the goal of expanding the sources of financing to the private sector, our thinking is that there are less draconian ways to do this without risking neglecting a just transition.

We already are discussing the many possible economic instruments to shift patterns of production and consumption that can be used in Part II.

As to EPR, we support mandating EPR schemes in the instrument, which is in line with our national legislation but strongly prefer that it be discussed in Part II for greater coherence. Along these lines, we would support just general language in Part III on catalyzing private financing as an umbrella term, and we can positively consider including an open-ended indicative list.

On Part III, 1. Financing mechanism and resources, para 10

On financial flows:

The Philippines supports financing from all sources with appropriate flexibilities for developing countries in line with CBDR. However, the PH has concerns about the ambiguity of “finance flows”, whether increasing it or making it consistent with a pathway towards ending plastic pollution.

We take lessons from the UNFCCC and its Paris Agreement (PA), and our challenges in determining what these encompass. Many nights have been spent debating what these mean under the PA.

We supported “aligning financial flows” with the KM-GBF within the specific context of mainstreaming and harmful subsidies as set out in the Paulson Report. Thus, we support more discussion and will consider additional or alternative language for greater certainty. We also support providing for flexibilities for developing countries by recognizing national circumstances and capacities.

On Part III, 2. Capacity-building, technical assistance and technology transfer

On capacity-building, technical assistance, and technology transfer:

The Philippines supports strong language on Capacity-Building, Technical Assistance and Technology Transfer (CBTATT) as a key part of international cooperation to ensure a just
transition. We are positively considering adding scientific cooperation, although this may be better placed in or linked with a standalone provision on scientific research.

We support a binding obligation on the part of developed countries to provide these to developing countries, and flexible language for South-South cooperation in line with the CBDRC principle.

If this paragraph is to be dedicated to an obligation of or encouragement to all states to provide CBTTTA, then such expansion of sources of CBTTTA should be matched by an expansion of recipients of CBTTTA.

We support recognition of particular needs and circumstances of environmentally vulnerable developing countries and geographically disadvantaged states including archipelagic states. This is important to ensure that CBTTTA is context-appropriate, country-driven, based on and responsive to national needs, fosters country ownership. Along these lines, we can support separate paragraphs on obligations of developed countries’ obligations, and encouragement to all parties.

We also support Technology Transfer, including relevant marine technology, on fair and most favorable terms, including on preferential and concessional terms where Mutually Agreed Terms, which is in line with CBDRC. Otherwise, this instrument will add nothing to the status quo of market forces which equates to bare Mutually Agreed Terms.

On subsidiary bodies:

The Philippines supports the establishment of at least 2 Bodies in this instrument, 1) a scientific, technical, and socio-economic body, and 2) an implementation body.

Language on these can be kept simple and general to not prejudge discussion on obligations. Existing MEAs can guide us in providing this language. What we can leave to the COP’s discretion are further details on their functions in line with the obligations.

#END