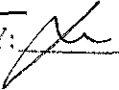




'11 MAY 10 P 4 :06

COMMITTEE REPORT NO. 34

RECEIVED BY: 

Submitted jointly by the Committees on Climate Change; Ways and Means;
and Finance on MAY 10 2011.

Re : Senate Bill No. 2811

Recommending its approval in substitution of Senate Bill No. 2558.

Sponsors : Senators Legarda, Recto, Drilon and Enrile

Mr. President:

The Committees on Climate Change; Ways and Means; and Finance to
which was referred Senate Bill No. 2558, introduced by Senator Enrile,
entitled:

**“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”**

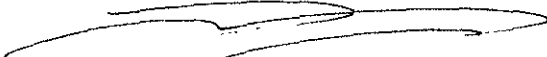
have considered the same with the recommendation that the attached bill,
Senate Bill No. 2811, prepared by the Committees, entitled:

**“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 approved in substitution of Senate Bill No. 2558 with Senators Enrile, Legarda, Recto and Dilon as authors thereof.

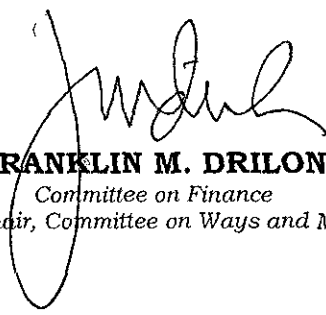
Respectfully submitted:

Chairs:



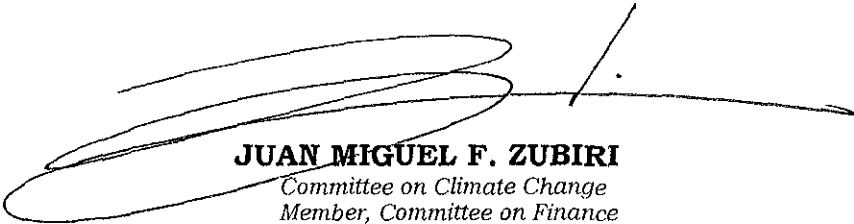
LOREN B. LEGARDA
Committee on Climate Change
Member, Committee on Finance

RALPH G. RECTO
Committee on Ways and Means
Member, Committee on Finance



FRANKLIN M. DRILON
Committee on Finance
Vice-Chair, Committee on Ways and Means

Vice-Chair



JUAN MIGUEL F. ZUBIRI
Committee on Climate Change
Member, Committee on Finance

Members

MIRIAM DEFENSOR SANTIAGO

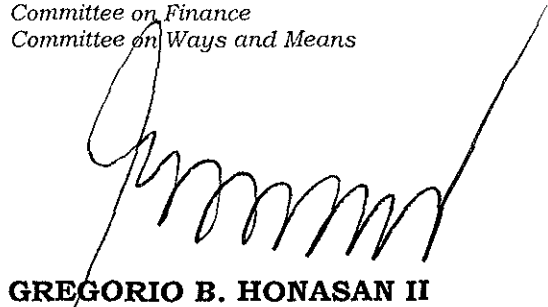
Committee on Finance
Committee on Ways and Means


EDGARDO J. ANGARA

Committee on Climate Change
Committee on Finance
Committee on Ways and Means

FRANCIS "CHIZ" G. ESCUDERO

Committee on Finance
Committee on Ways and Means


GREGORIO B. HONASAN II

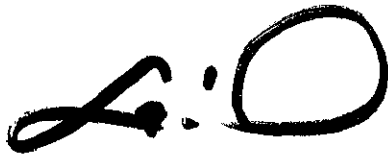
Committee on Climate Change
Committee on Finance
Committee on Ways and Means

TEOFISTO L. GUINGONA III

Committee on Finance
Committee on Ways and Means


FERDINAND R. MARCOS, JR.

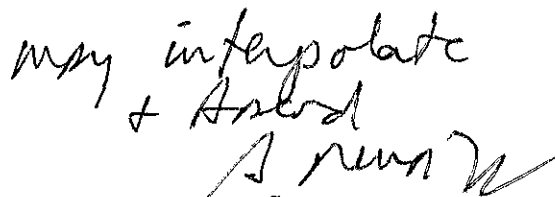
Committee on Climate Change
Committee on Finance



MANUEL "LITO" M. LAPID
Committee on Finance
Committee on Ways and Means

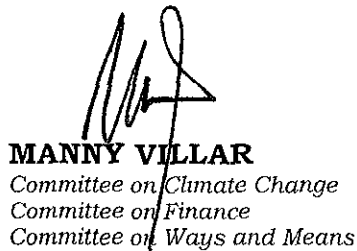
FRANCIS N. PANGILINAN

Committee on Climate Change
Committee on Finance
Committee on Ways and Means



SERGIO R. OSMEÑA III

Committee on Finance
Committee on Ways and Means

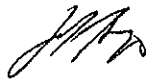

MANNY VILLAR
Committee on Climate Change
Committee on Finance
Committee on Ways and Means

RAMON "BONG" REVILLA, JR.

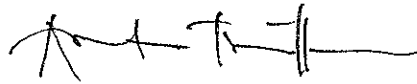
Committee on Finance
Committee on Ways and Means

PIA S. CAYETANO

Committee on Finance
Committee on Ways and Means



JOKER P. ARROYO
Committee on Finance
Committee on Ways and Means

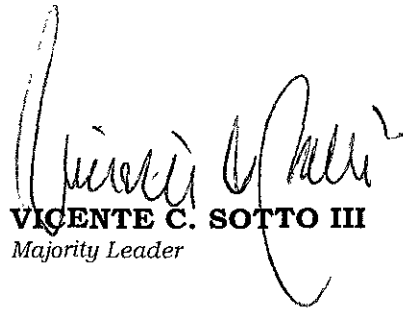


ANTONIO "SONNY" F. TRILLANES IV
Committee on Ways and Means

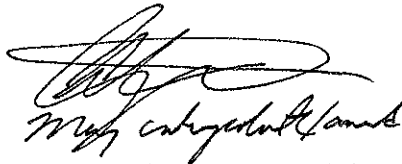
EX-OFFICIO MEMBERS:



JINGGOY EJERCITO-ESTRADA
President Pro-Tempore



VICENTE C. SOTTO III
Majority Leader



ALAN PETER "Compañero" S. CAYETANO
Minority Leader

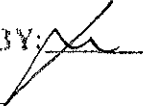
Hon. JUAN PONCE ENRILE

Senate President
Senate of the Philippines
Pasay City

'11 MAY 10 P 4:06

SENATE

S. B. NO' 2811

RECEIVED BY: 

Prepared by the Committees on Climate Change; Ways and Means; and Finance; with Senators Enrile, Legarda, Recto and Drilon as authors thereof

**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:

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

3 **"TITLE I**

4 **PRELIMINARY PROVISIONS**

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

1 “Towards this end, the State adopts the principle of
2 protecting the climate system for the benefit of humankind, on
3 the basis of climate justice or common but differentiated
4 responsibilities and the Precautionary Principle to guide
5 decision-making in climate risk management. As a party to the
6 United Nations Framework Convention on Climate Change
7 **(UNFCCC)**, the State adopts the ultimate objective of the
8 Convention which is the stabilization of greenhouse gas
9 concentrations in the atmosphere at a level that would prevent
10 dangerous anthropogenic interference with the climate system
11 which should be achieved within a time frame sufficient to allow
12 ecosystems to adapt naturally to climate change, to ensure that
13 food production is not threatened and to enable economic
14 development to proceed in a sustainable manner. As a party to
15 the Hyogo Framework for Action, the State likewise adopts the
16 strategic goals in order to build national and local resilience to
17 climate change-related disasters.

18 Recognizing the vulnerability of the Philippine archipelago
19 and its local communities, particularly the poor, women, and
20 children, to potential dangerous consequences of climate
21 change **AND GLOBAL WARMING** such as **INCREASING**
22 **TEMPERATURES**, rising seas, changing landscapes, increasing
23 frequency and/or severity of droughts, fires, floods and storms,
24 climate-related illnesses and diseases, damage to ecosystems,
25 biodiversity loss that affect the country’s environment, culture,

1 and economy, the State shall cooperate with the global
2 community in the resolution of climate change issues, including
3 disaster risk reduction. It shall be the policy of the State to
4 enjoin the participation of national and local governments,
5 businesses, nongovernment organizations, local communities
6 and the public to prevent and reduce the adverse impacts of
7 climate change and, at the same time, maximize the
8 **POTENTIAL** benefits of climate change. It shall also be the
9 policy of the State to incorporate a gender-sensitive, pro-
10 children and pro-poor perspective in all climate change and
11 renewable energy efforts, plans and programs. In view thereof,
12 the State shall strengthen, integrate, consolidate and
13 institutionalize government initiatives to achieve coordination in
14 the implementation of plans and programs to address climate
15 change in the context of sustainable development.

16 Further recognizing that climate change and disaster risk
17 reduction **AND MANAGEMENT** are closely interrelated and
18 effective disaster risk reduction **AND MANAGEMENT** will
19 enhance [climate change] adaptive capacity **TO CLIMATE**
20 **CHANGE, CLIMATE VARIABILITY AND EXTREME CLIMATE**
21 **EVENTS**, the State shall integrate disaster risk reduction into
22 climate change programs and initiatives.

23 Cognizant of the need to ensure that national and sub-
24 national government policies, plans, programs and projects are
25 founded upon sound environmental considerations and the

1 principle of sustainable development, it is hereby declared the
2 policy of the State to systematically integrate the concept of
3 climate change in various phases of policy formulation,
4 development plans, poverty reduction strategies and other
5 development tools and techniques by all agencies and
6 instrumentalities of the government.”

7 **SEC. 2.** Section 3 of R. A. No. 9729 is hereby amended to read as
8 follows:

9 “SEC. 3. *Definition of Terms.* – For purposes of this Act,
10 the following shall have the corresponding meanings:

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

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

21 (c) “Anthropogenic causes” refer to causes resulting from
22 human activities or produced by human beings.

23 (d) “Climate Change” refers to a change in climate that
24 can be identified by changes in the mean and/or variability of

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

6 (E) "CLIMATE FINANCE" IS THE ALLOCATION OF
7 PUBLIC RESOURCES TOWARDS THE CLIMATE CHANGE
8 ADAPTATION AND MITIGATION REQUIREMENTS OF THE
9 COUNTRY AND VULNERABLE COMMUNITIES, THROUGH
10 FRAMEWORKS, MECHANISMS AND PROCESSES THAT ARE
11 EQUITABLE, ACCOUNTABLE, TRANSPARENT, AND ARE IN
12 LINE WITH THE NATIONAL DEVELOPMENT GOALS.

13 [(e)] (F) "Climate Variability" refers to the variations in the
14 average state and in other statistics of the climate on all
15 temporal and spatial scales beyond that of individual weather
16 events.

17 [(f)] (G) "Climate Risk" refers to the product of climate and
18 related hazards working over the vulnerability of human and
19 natural ecosystems.

20 [(g)] (H) "Disaster" refers to a serious disruption of the
21 functioning of a community or a society involving widespread
22 human, material, economic or environmental losses and
23 impacts which exceed the ability of the affected community or
24 society to cope using its own resources.

1 [(h)] (I) “Disaster risk reduction **AND MANAGEMENT**
2 **(DRRM)**” refers to the **SYSTEMATIC PROCESS OF USING**
3 **ADMINISTRATIVE DIRECTIVES, ORGANIZATIONS, AND**
4 **OPERATIONAL SKILLS AND CAPACITIES TO IMPLEMENT**
5 **STRATEGIES, POLICIES AND IMPROVED COPING**
6 **CAPACITIES IN ORDER TO LESSEN THE ADVERSE IMPACTS**
7 **OF HAZARDS AND THE POSSIBILITY OF DISASTER.**
8 **PROSPECTIVE DISASTER RISK REDUCTION AND**
9 **MANAGEMENT REFERS TO RISK REDUCTION AND**
10 **MANAGEMENT ACTIVITIES THAT ADDRESS AND SEEK TO**
11 **AVOID THE DEVELOPMENT OF NEW OR INCREASED**
12 **DISASTER RISKS, ESPECIALLY IF RISK REDUCTION**
13 **POLICIES ARE NOT PUT IN PLACE** [concept and practice of
14 reducing disaster risks through systematic efforts to analyze
15 and manage the causal factors of disasters, including through
16 reduced exposure to hazards, lessened vulnerability of people
17 and property, wise management of land and the environment,
18 and improved preparedness for adverse events].

19 [(i)] (K) “Gender mainstreaming” refers to the strategy for
20 making women’s as well as men’s concerns and experiences an
21 integral dimension of the design, implementation, monitoring,
22 and evaluation of policies and programs in all political,
23 economic, **ENVIRONMENTAL OR ECOLOGICAL** and societal
24 spheres so that women and men benefit equally and inequality
25 is not perpetuated. It is the process of assessing the

1 implications for women and men of any planned action,
2 including legislation, policies, or programs in all areas and at all
3 levels.

4 [(j)] (L) “Global Warming” refers to the increase in the
5 average temperature of the Earth’s near-surface air and oceans
6 that is associated with the increased concentration of
7 greenhouse gases in the atmosphere.

8 [(k)] (M) “Greenhouse effect” refers to the process by which
9 the absorption of infrared radiation by the atmosphere warms
10 the Earth.

11 [(l)] (N) “Greenhouse gases (GHG)” refers to constituents of
12 the atmosphere that contribute to the greenhouse effect
13 including, but not limited to, carbon dioxide, methane, nitrous
14 oxide, hydrofluorocarbons, perfluorocarbons and sulfur
15 hexafluoride.

16 [(m)] (O) “Mainstreaming” refers to the integration of
17 policies and measures that address climate change into
18 development planning and sectoral decision-making.

19 [(n)] (P) “Mitigation” in the context of climate change,
20 refers to human intervention to reduce anthropogenic emissions
21 sources and enhance removals by sinks of all GHG, including
22 ozone- depleting substances and their substitutes.

1 [(o)] (Q) "Mitigation potential" shall refer to the scale of
2 GHG reductions that could be made, relative to emission
3 baselines, for a given level of carbon price (expressed in cost per
4 unit of carbon dioxide equivalent emissions avoided or reduced).

5 [(p)] (R) "Sea level rise" refers to an increase in sea level
6 which may be influenced by factors like global warming through
7 expansion of sea water as the oceans warm and melting of ice
8 over land and local factors such as land subsidence.

9 (S) **"VULNERABLE AND MARGINALIZED GROUPS" ARE**
10 **GROUPS OR COMMUNITIES WHO FACE HIGHER EXPOSURE**
11 **TO DISASTER RISK AND AGGRAVATED POVERTY**
12 **INCLUDING, BUT NOT LIMITED TO, CHILDREN, ELDERLY,**
13 **DIFFERENTLY-ABLED PEOPLE, AND INDIGENOUS PEOPLES.**

14 [(q)] (T) "Vulnerability" refers to the degree to which a
15 system is susceptible to, or unable to cope with, adverse
16 **EFFECTS** of climate change, including climate variability and
17 **EXTREME CLIMATE EVENTS**. Vulnerability is a function of
18 the character, magnitude, and rate of climate change and
19 variation to which a system is exposed, its sensitivity, and its
20 adaptive capacity."

21 **SEC. 3.** Section 4 of R.A. No. 9729 is hereby amended to read as
22 follows:

23 **"TITLE II**
24 **CLIMATE CHANGE COMMISSION**

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

4 “The Commission shall be an independent and
5 autonomous body and shall have the same status as that of a
6 national government agency. It shall be attached to the Office of
7 the President.

8 “The Commission shall be the [sole] **LEAD** policy-making
9 body of the government, which shall be tasked to coordinate,
10 monitor and evaluate the programs and action plans of the
11 government [relating to climate change] **IN ORDER TO ENSURE**
12 **THE MAINSTREAMING OF CLIMATE CHANGE INTO THE**
13 **NATIONAL, SECTORAL AND LOCAL DEVELOPMENT PLANS**
14 **AND PROGRAMS** pursuant to the provisions of this Act.

15 “The Commission shall be organized within sixty (60) days
16 from the effectivity of this Act.”

17 **SEC. 4.** Section 5 of R. A. No. 9729 is hereby amended to read as
18 follows:

19 “SEC. 5. *Composition of the Commission.* – The
20 Commission shall be composed of the President of the Republic
21 of the Philippines who shall serve as the Chairperson, and three
22 (3) Commissioners to be appointed by the President, one of

1 whom shall [serve as the] **BE APPOINTED AS** Vice Chairperson
2 of the Commission.

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

5 (a) Secretary of the Department of Agriculture;

6 **(B) SECRETARY OF THE DEPARTMENT OF BUDGET**
7 **AND MANAGEMENT;**

8 [(b)] (C) Secretary of the Department of Energy;

9 [(c)] (D) Secretary of the Department of Environment and
10 Natural Resources

11 [(d)] (E) Secretary of the Department of Education;

12 **(F) SECRETARY OF THE DEPARTMENT OF**
13 **FINANCE;**

14 [(e)] (G) Secretary of the Department of Foreign Affairs;

15 [(f)] (H) Secretary of the Department of Health;

16 [(g)] (I) Secretary of the Department of the Interior and
17 Local Government;

18 [(h)] (J) Secretary of the Department of National Defense,
19 in his capacity as Chair of the National Disaster **RISK**

1 **REDUCTION AND MANAGEMENT** [Coordinating]
2 Council;

3 [(i)] (K) Secretary of the Department of Public Works and
4 Highways;

5 [(j)] (L) Secretary of the Department of Science and
6 Technology;

7 [(k)] (M) Secretary of the Department of Social Welfare and
8 Development;

9 [(l)] (N) Secretary of the Department of Trade and
10 Industry;

11 [(m)] (O) Secretary of the Department of Transportation
12 and Communications;

13 [(n)] (P) Director-General of the National Economic and
14 Development Authority, in his capacity as **SOCIO-ECONOMIC**
15 **PLANNING SECRETARY AND** Chair of the Philippine Council
16 for Sustainable Development (**PCSD**);

17 [(o) (Q)] Director-General of the National Security Council;

18 [(p)] (R) Chairperson of the [National] **PHILIPPINE**
19 Commission [on the Role of] **ON** [Filipino] Women;

20 (S) **CHAIRPERSON OF THE NATIONAL YOUTH**
21 **COMMISSION;**

- 1 [(q)] (T) President of the League of Provinces;
- 2 [(r)] (U) President of the League of Cities;
- 3 [(s)] (V) President of the League of Municipalities;
- 4 [(t)] (W) President of the Liga ng mga Barangay;
- 5 [(u)] (X) Representative from the academe; [and]
- 6 [(v)] (Y) Representative from the business sector; and
- 7 [(w)] (Z) Representative from nongovernmental
- 8 organizations

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

11 “The representatives shall be appointed by the President
12 from a list of nominees submitted by their respective groups
13 **AND ENDORSED BY THE COMMISSION. THEY SHALL**
14 **SERVE FOR A MAXIMUM TERM OF SIX (6) YEARS;**
15 **PROVIDED, HOWEVER, THAT SUCH APPOINTMENT MAY BE**
16 **TERMINATED BY THE PRESIDENT ON THE BASIS OF THE**
17 **WITHDRAWAL OF ENDORSEMENT BY OR**
18 **RECOMMENDATION OF THE SECTOR THEY REPRESENT.**

19 [They shall serve for a term of six (6) years without
20 reappointment unless their representation is withdrawn by the
21 sector they represent.] Appointment to any vacancy shall be
22 only for the unexpired term of the predecessor.

1 [“Only the *ex officio* members of the advisory board shall
2 appoint a qualified representative who shall hold a rank of no
3 less than an Undersecretary.”] **EX OFFICIO MEMBERS OF**
4 **THE ADVISORY BOARD MAY APPOINT THEIR RESPECTIVE**
5 **PERMANENT ALTERNATE REPRESENTATIVES WHO SHALL**
6 **HAVE THE RANK OF AN UNDERSECRETARY.**

7 **SEC. 5.** Section 6 of R. A. No. 9729 is hereby amended to read as
8 follows:

9 “SEC. 6. *Meetings of the Commission.* – The Commission
10 shall meet once every three (3) months, or as often as may be
11 deemed necessary by the Chairperson. The Chairperson may
12 likewise call upon other government agencies for the proper
13 implementation of this Act.

14 **IN THE ABSENCE OF THE CHAIRPERSON, THE**
15 **COMMISSION MAY CONVENE WITH THE PRESENCE OF ALL**
16 **THREE (3) COMMISSIONERS, TO BE PRESIDED BY THE**
17 **VICE CHAIRPERSON.**

18 **THE COMMISSION, BY A MAJORITY VOTE AMONG**
19 **THE THREE (3) COMMISSIONERS, SHALL DECIDE ON ANY**
20 **MATTER FOR RESOLUTION; PROVIDED, HOWEVER, THAT**
21 **THE CHAIRPERSON MAY VETO ANY DECISION OF THE**
22 **COMMISSION WITHIN THIRTY (30) DAYS FROM ITS**
23 **APPROVAL.**

1 **ANY DECISION TRANSLATED INTO AN ISSUANCE OR**
2 **POLICY INSTRUMENT APPROVED IN THE MANNER**
3 **PRESCRIBED IN THIS SECTION SHALL BE SIGNED BY AT**
4 **LEAST TWO (2) COMMISSIONERS AND SHALL BE**
5 **APPROVED BY THE CHAIRPERSON IN ORDER TO TAKE**
6 **EFFECT.**

7 **SEC. 6.** Section 7 of R. A. No. 9729 is hereby amended to read as
8 follows:

9 “SEC. 7. *Qualifications, Tenure, Compensation* **AND**
10 **REMOVAL** of Commissioners. – The Commissioners must be
11 Filipino citizens, residents of the Philippines, at least thirty (30)
12 years of age at the time of appointment, with [at least ten (10)
13 years of] **PROVEN** experience on climate change and of proven
14 honesty and integrity. The Commissioners shall be experts in
15 climate change by virtue of their educational background,
16 training and experience: *Provided*, That at least one (1)
17 Commissioner shall be female: *Provided, further*, That in no case
18 shall the Commissioners come from the same sector: *Provided*,
19 *finally*, That in no case shall any of the Commissioners appoint
20 representatives to act on their behalf.

21 “The Commissioners shall hold office for a period of six (6)
22 years, and may be subjected to reappointment: *Provided*, That
23 no person shall serve for more than two (2) consecutive terms:
24 *Provided, further*, That in case of a vacancy, the new appointee
25 shall fully meet the qualifications of a Commissioner and shall

1 hold office for the unexpired portion of the term only: *Provided,*
2 *[finally]* **FURTHERMORE**, That in no case shall a Commissioner
3 be designated in a temporary or acting capacity; **PROVIDED,**
4 **FINALLY, THAT ANY COMMISSIONER MAY BE REMOVED**
5 **FROM OFFICE BEFORE THE EXPIRATION OF HIS/HER**
6 **TERM FOR CAUSE AND IN ACCORDANCE WITH DUE**
7 **PROCESS REQUIRED BY PERTINENT LAWS.**

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

13 **SEC. 7.** Section 9 of R. A. No. 9729 is hereby amended to read as
14 follows:

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

17 [(a) Ensure the mainstreaming of climate change, in
18 synergy with disaster risk reduction, into the national, sectoral
19 and local development plans and programs;]

20 [(b)} (A) Coordinate and synchronize climate change
21 programs **IN CONSULTATION WITH** national government
22 agencies and other stakeholders;

1 [(c)] (B) Formulate a **STRATEGIC** Framework on
2 Climate Change to serve as the basis for a program for climate
3 change planning, research and development, extension, and
4 monitoring of activities on climate change;

5 [(d)] (C) Exercise policy coordination to ensure the
6 attainment of goals set in the **STRATEGIC** framework [strategy]
7 and program on climate change;

8 [(e)] (D) Recommend legislation, policies, strategies,
9 programs on and appropriations for climate change adaptation
10 and mitigation and other related activities;

11 [(f)] (E) Recommend key development investments in
12 climate- sensitive sectors such as water resources, agriculture,
13 forestry, coastal and marine resources, health, and
14 infrastructure to ensure the achievement of national
15 sustainable development goals;

16 [(g)] (F) Create an enabling environment for the design of
17 relevant and appropriate risk-sharing and risk-transfer
18 instruments;

19 [(h)] (G) Create an enabling environment that shall
20 promote broader multi-stakeholder participation and integrate
21 climate change mitigation and adaptation;

1 [(i)] (H) Formulate strategies [on] **FOR** mitigating GHG
2 **EMISSIONS** [and other] from anthropogenic [causes of climate
3 change] **SOURCES AND ENHANCE REMOVALS BY SINKS;**

4 [(j)] (I) Coordinate and establish a close partnership with
5 the National Disaster **RISK REDUCTION AND MANAGEMENT**
6 [Coordinating] Council in order to increase efficiency and
7 effectiveness in reducing the people’s vulnerability to climate-
8 related disasters;

9 [(k)] (J) In coordination with the Department of Foreign
10 Affairs, represent the Philippines in the climate change
11 negotiations **AND LEAD THE PHILIPPINE PANEL OF**
12 **NEGOTIATORS TO THE UNFCCC AND THE FORMULATION**
13 **OF OFFICIAL PHILIPPINE POSITIONS ON CLIMATE CHANGE**
14 **NEGOTIATION ISSUES AND DECISION AREAS IN THE**
15 **INTERNATIONAL NEGOTIATION ARENA;**

16 [(l)] (K) Formulate and update guidelines for determining
17 vulnerability to climate change impacts and adaptation
18 assessments and facilitate the provision of technical assistance
19 for their implementation and monitoring;

20 [(m)] (L) Coordinate with local government units (LGUs)
21 and private entities to address vulnerability to climate change
22 impacts of regions, provinces, cities and municipalities;

1 [(n)] (M) Facilitate capacity building for local adaptation
2 planning, implementation and monitoring of climate change
3 initiatives in vulnerable **AND MARGINALIZED** communities and
4 areas;

5 [(o)] (N) Promote and provide technical and financial
6 support to local research and development programs and
7 projects in vulnerable **AND MARGINALIZED** communities and
8 areas;

9 [(p)] (O) Oversee the dissemination of information on
10 climate change, local vulnerabilities and risks, relevant laws
11 and protocols and adaptation and mitigation measures; [and]

12 **(P) ESTABLISH A COORDINATION MECHANISM**
13 **WITH THE CONCERNED GOVERNMENT AGENCIES AND**
14 **OTHER STAKEHOLDERS TO ENSURE TRANSPARENCY AND**
15 **COHERENCE IN THE ADMINISTRATION OF CLIMATE FUNDS**
16 **TAKING INTO CONSIDERATION THE OFFICIAL PHILIPPINE**
17 **POSITION IN INTERNATIONAL NEGOTIATIONS; AND**

18 (Q) PERFORM SUCH OTHER FUNCTIONS AS MAY BE
19 NECESSARY FOR THE EFFECTIVE OPERATION AND
20 IMPLEMENTATION OF THIS ACT.

21 **SEC. 8.** Section 11 of R. A. No. 9729 is hereby amended to read as
22 follows:

1 “SEC. 11. **NATIONAL STRATEGIC** Framework [Strategy]
2 and Program on Climate Change. – The Commission shall, within
3 six (6) months from the effectivity of this Act, formulate a
4 **NATIONAL STRATEGIC** Framework [Strategy] on Climate
5 Change. The Framework shall serve as the basis for climate
6 change planning, research and development, extension,
7 monitoring of activities, **AND CLIMATE FINANCING**, to protect
8 vulnerable **AND MARGINALIZED** communities from the adverse
9 effects of climate change.

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

13 “The Framework shall be reviewed every three (3) years, or
14 as may be deemed necessary. **THE REVIEW OF THE**
15 **FRAMEWORK SHALL INVOLVE A PARTICIPATORY AND**
16 **INTERACTIVE PROCESS.”**

17 **SEC. 9.** Section 12 of R. A. Act No. 9729 is hereby amended to read
18 as follows:

19 “SEC. 12. *Components of the* **NATIONAL STRATEGIC**
20 *Framework [Strategy] and Program on Climate Change.* – The
21 Framework shall include, but not limited to, the following
22 components:

23 (a) National priorities;

- 1 (b) Impacts, vulnerability and adaptation assessments;
- 2 (c) Policy formulation;
- 3 (d) Compliance with international commitments;
- 4 (e) Research and development;
- 5 (f) Database development and management;
- 6 (g) Academic programs, capability building and
- 7 mainstreaming;
- 8 (h) Advocacy and information dissemination;
- 9 (i) Monitoring and evaluation; and
- 10 (j) Gender mainstreaming.”

11 **SEC. 10.** Section 15 of R. A. No. 9729 is hereby amended to read as
12 follows:

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

17 (a) The Department of Education (DepED) shall integrate
18 climate change into the primary and secondary education
19 curricula and/or subjects, such as, but not limited to, science,
20 biology, sibika, history, including textbooks, primers and other
21 educational materials, basic climate change principles and
22 concepts;

23 (b) The Department of the Interior and Local Government
24 (DILG) and Local Government Academy, **IN COORDINATION**

1 **WITH THE NATIONAL ECONOMIC DEVELOPMENT**
2 **AUTHORITY AND OTHER CONCERNED AGENCIES,** shall
3 facilitate the development and provision of a [training]
4 **CAPACITY-BUILDING** program for LGUs in climate change,
5 **INCLUDING THE PROVISION OF NECESSARY AND**
6 **APPROPRIATE TECHNOLOGY.** The [training] program shall
7 include socioeconomic, geophysical, policy, and other content
8 necessary to address the prevailing and forecasted conditions
9 and risks of particular LGUs. It shall likewise focus on women
10 and children, especially in the rural areas, since they are the
11 most vulnerable;

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

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

23 (e) The Philippine Information Agency (PIA) shall
24 disseminate information on climate change, local vulnerabilities

1 and risk, relevant laws and protocols and adaptation and
2 mitigation measures; [and]

3 (F) THE DEPARTMENT OF FINANCE (DOF) SHALL
4 COORDINATE WITH THE COMMISSION ON MATTERS
5 CONCERNING FISCAL POLICIES RELATED TO CLIMATE
6 CHANGE AND MONITOR AND REPORT MEASURES
7 INVOLVING CLIMATE FINANCE;

8 (G) THE DEPARTMENT OF BUDGET AND
9 MANAGEMENT (DBM) SHALL UNDERTAKE THE
10 FORMULATION OF THE ANNUAL NATIONAL BUDGET IN A
11 WAY THAT ENSURES THE APPROPRIATE PRIORITIZATION
12 AND ALLOCATION OF FUNDS TO SUPPORT CLIMATE
13 CHANGE-RELATED PROGRAMS AND PROJECTS IN THE
14 ANNUAL PROGRAM OF GOVERNMENT;

15 (H) THE DEPARTMENT OF SCIENCE AND
16 TECHNOLOGY (DOST), THROUGH THE PHILIPPINE
17 ATMOSPHERIC, GEOPHYSICAL AND ASTRONOMICAL
18 SERVICES ADMINISTRATION (PAGASA), SHALL PROMOTE,
19 ASSIST AND, WHERE APPROPRIATE, UNDERTAKE
20 SCIENTIFIC AND TECHNOLOGICAL RESEARCH AND
21 DEVELOPMENT, PROJECTIONS AND ANALYSIS OF FUTURE
22 CLIMATE SCENARIOS, INCLUDING ACTIVITIES RELATIVE
23 TO OBSERVATION, COLLECTION, ASSESSMENT AND
24 PROCESSING OF CLIMATE-RELATED DATA SUCH AS BUT

1 NOT LIMITED TO RAINFALL, SEA-LEVEL-RISE, EXTREME
2 CLIMATE EVENTS, RISE IN TEMPERATURES, AND
3 RECORDS OF SEVERE DROUGHTS MONITORED OVER
4 LONG PERIODS OF TIME, IN COORDINATION WITH LOCAL
5 GOVERNMENT UNITS IN PRIORITY/TARGET MONITORING
6 SITES, FOR THE BENEFIT OF AGRICULTURE, NATURAL
7 RESOURCES, COMMERCE AND INDUSTRY AND IN OTHER
8 AREAS IDENTIFIED TO BE VITAL TO THE COUNTRY'S
9 DEVELOPMENT; AND

10 [f] (I) Government financial institutions, **EXCEPT THE**
11 **BANGKO SENTRAL NG PILIPINAS (BSP)**, shall, any provision
12 in their respective charters to the contrary notwithstanding,
13 provide preferential financial packages for climate change-
14 related projects. In consultation with the [Bangko Sentral ng
15 Pilipinas] BSP, they shall, within thirty (30) days from the
16 effectivity of this Act, issue and promulgate the implementing
17 guidelines therefor.

18 [The Commission shall evaluate, recommend the approval
19 of loans and monitor the use of said funds.]”

20 **SEC. 11.** Section 16 of R. A. No. 9729 is hereby amended to read as
21 follows:

22 “SEC. 16. *Coordination with Various Sectors.* – In the development and
23 implementation of the National Climate Change Action Plan, and the local
24 action plans, the Commission shall **CONSULT AND** coordinate with the

1 nongovernment organizations (NGOs), civic organizations, academe, people's
2 organizations, the private and corporate sectors and other concerned
3 stakeholder groups.”

4 **SEC. 12.** Section 17 of R. A. No. 9729 is hereby amended to read as
5 follows:

6 “SEC. 17. *Authority to Receive Donations and/or Grants.* –

7 The Commission is hereby authorized to accept grants,
8 contributions, donations, endowments, bequests, or gifts in
9 cash, or in kind from local and foreign sources in support of the
10 development and implementation of climate change programs
11 and plans: Provided, That in case of donations from foreign
12 governments, acceptance thereof shall be subject to prior
13 clearance and approval of the President of the Philippines upon
14 recommendation of the [Secretary of Foreign Affairs]

15 **DEPARTMENT OF FINANCE:** Provided, further, That such
16 donations shall not be used to fund personal services
17 expenditures and other operating expenses of the Commission.

18 “The proceeds shall be used to finance:

19 (a) Research, development, demonstration and promotion
20 of technologies;

21 (b) Conduct of assessment of vulnerabilities to climate
22 change impacts, resource inventory, and adaptation capability
23 building;

1 (c) Advocacy, networking and communication activities in
2 the conduct of information campaign; and

3 (d) Conduct of such other activities reasonably necessary
4 to carry out the objectives of this Act, as may be defined by the
5 Commission.”

6 **SEC. 13.** Insert and re-number Sections 18, 19, 20, 21, 22, 23, 24,
7 and 25 in R. A. No. 9729 after a new Title III to read as follows:

8 **“TITLE III**

9 **THE PEOPLE’S SURVIVAL FUND**

10 **“SEC. 18. CREATION OF THE PEOPLE’S SURVIVAL**
11 **FUND.-A PEOPLE’S SURVIVAL FUND, HEREINAFTER**
12 **REFERRED TO AS THE FUND, IS HEREBY ESTABLISHED AS**
13 **A SPECIAL TRUST FUND FOR THE FINANCING OF**
14 **ADAPTATION PROGRAMS AND PROJECTS BASED ON THE**
15 **NATIONAL STRATEGIC FRAMEWORK.”**

16 **“SEC. 19. SOURCES OF THE FUND.- THE FUND SHALL**
17 **BE SOURCED FROM PUBLIC SOURCES, FOREIGN OR**
18 **LOCAL, INCLUDING BUT NOT LIMITED TO THE**
19 **FOLLOWING:**

20 **(A) TEN PERCENT (10%) FROM CASH DIVIDENDS**
21 **DECLARED BY ALL GOVERNMENT-OWNED AND**
22 **CONTROLLED CORPORATIONS;**

23 **(C) FIVE PERCENT (5%) OF THE PROCEEDS FROM**
24 **THE SALE OF CERTIFIED OR VERIFIED**

1 **EMISSIONS REDUCTION CARBON CREDITS**
2 **GENERATED FROM DOMESTIC ACTIVITIES;**
3 **(C)TEN PERCENT (10%) OF THE MONIES COLLECTED**
4 **UNDER REPUBLIC ACT 8794, OTHERWISE KNOWN**
5 **AS THE MOTOR VEHICLE USER'S CHARGE,**
6 **THEREBY AMENDING SECTION 7 THEREOF.**

7 **A ONE-TIME ALLOCATION IN THE AMOUNT OF FIFTY**
8 **MILLION PESOS (P50,000,000.00) IS HEREBY ALLOTTED**
9 **FROM THE PRESIDENT'S CONTINGENCY FUND AS SEED**
10 **MONEY FOR THE FUND.**

11 **THE FUND MAY RECEIVE PRIVATE DONATIONS.**
12 **DONATIONS TO THE FUND SHALL BE EXEMPT FROM**
13 **DONOR'S TAX AND THE SAME SHALL BE CONSIDERED AS**
14 **ALLOWABLE DEDUCTIONS FROM THE GROSS INCOME OF**
15 **THE DONOR, IN ACCORDANCE WITH THE PROVISIONS OF**
16 **THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS**
17 **AMENDED."**

18 **"SEC. 20. USES OF THE FUND.- THE FUND SHALL BE**
19 **USED TO SUPPORT ADAPTATION ACTIVITIES OF LOCAL**
20 **GOVERNMENTS AND COMMUNITIES SUCH AS, BUT NOT**
21 **LIMITED TO THE FOLLOWING:**

22 **(A)ADAPTATION ACTIVITIES, WHERE SUFFICIENT**
23 **INFORMATION IS AVAILABLE TO WARRANT SUCH**
24 **ACTIVITIES, IN THE AREAS OF WATER**
25 **RESOURCES MANAGEMENT, LAND**
26 **MANAGEMENT, AGRICULTURE AND FISHERIES,**

1 RESOURCES MANAGEMENT, LAND
2 MANAGEMENT, AGRICULTURE AND FISHERIES,
3 HEALTH, INFRASTRUCTURE DEVELOPMENT,
4 NATURAL ECOSYSTEMS INCLUDING
5 MOUNTAINOUS AND COASTAL ECOSYSTEMS;

6 (B)IMPROVEMENT OF THE MONITORING OF
7 VECTOR-BORNE DISEASES TRIGGERED BY
8 CLIMATE CHANGE, AND IN THIS CONTEXT
9 IMPROVING DISEASE CONTROL AND
10 PREVENTION;

11 (C)FORECASTING AND EARLY WARNING SYSTEMS
12 AS PART OF PREPAREDNESS FOR CLIMATE-
13 RELATED HAZARDS;

14 (D)SUPPORTING INSTITUTIONAL DEVELOPMENT,
15 FOR LOCAL GOVERNMENTS, IN PARTNERSHIP
16 WITH LOCAL COMMUNITIES AND CIVIL SOCIETY
17 GROUPS, FOR PREVENTIVE MEASURES,
18 PLANNING, PREPAREDNESS AND MANAGEMENT
19 OF IMPACTS RELATING TO CLIMATE CHANGE,
20 INCLUDING CONTINGENCY PLANNING, IN
21 PARTICULAR, FOR DROUGHTS AND FLOODS IN
22 AREAS PRONE TO EXTREME CLIMATE EVENTS.

23 (E)STRENGTHENING EXISTING, AND WHERE
24 NEEDED, ESTABLISH REGIONAL CENTERS AND
25 INFORMATION NETWORKS FOR RAPID
26 RESPONSE TO EXTREME CLIMATE EVENTS;

1 (F) SERVING AS A GUARANTEE FOR RISK
2 INSURANCE NEEDS FOR FARMERS,
3 AGRICULTURAL WORKERS AND OTHER
4 STAKEHOLDERS; AND

5 (G) COMMUNITY ADAPTATION SUPPORT PROGRAMS
6 BY LOCAL ORGANIZATIONS ACCREDITED BY THE
7 COMMISSION.

8 THE FUND SHALL BE SUPPLEMENTARY TO ANY ANNUAL
9 APPROPRIATIONS ALLOCATED BY RELEVANT
10 GOVERNMENT AGENCIES FOR CLIMATE CHANGE-RELATED
11 PROGRAMS AND PROJECTS AND BY LGUs PURSUANT TO
12 THE NEW SECTION 26 OF THIS ACT. THE FUND SHALL
13 ENCOURAGE COUNTERPART FUNDING ARRANGEMENTS
14 AMONG LOCAL GOVERNMENTS, COMMUNITY
15 ORGANIZATIONS, THE PRIVATE SECTOR, AND OTHER
16 ENTITIES.

17 "SEC. 21. THE PEOPLE'S SURVIVAL FUND BOARD.-
18 THERE IS HEREBY CREATED A PEOPLE'S SURVIVAL FUND
19 BOARD, HEREINAFTER REFERRED TO AS THE PSF BOARD,
20 WHICH SHALL BE LODGED UNDER THE COMMISSION. IT
21 SHALL BE COMPOSED OF THE FOLLOWING:

22 (A) SECRETARY OF THE DEPARTMENT OF FINANCE
23 AS CHAIR;

24 (B) VICE-CHAIRPERSON OF THE COMMISSION;

25 (C) SECRETARY OF THE DEPARTMENT OF BUDGET
26 AND MANAGEMENT;

1 (D)DIRECTOR-GENERAL OF THE NATIONAL
2 ECONOMIC AND DEVELOPMENT AUTHORITY;

3 (E)SECRETARY OF THE DEPARTMENT OF INTERIOR
4 AND LOCAL GOVERNMENT;

5 (F) A REPRESENTATIVE FROM THE BUSINESS
6 SECTOR WITH OBSERVER STATUS; AND,

7 (G) A REPRESENTATIVE FROM THE NGOS WITH
8 OBSERVER STATUS; *PROVIDED* THAT THE
9 ORGANIZATIONS OF THE BUSINESS AND NGO
10 REPRESENTATIVES OF THE PSF BOARD ARE
11 DISQUALIFIED FROM ACCESSING THE FUND DURING
12 THEIR TERM, AS SET BY THE COMMISSION, AND A
13 YEAR AFTER THEIR TENURE IN THE PSF BOARD
14 SHALL HAVE BEEN TERMINATED OR COMPLETED.
15 THE SAID REPRESENTATIVES SHALL BE IDENTIFIED
16 AND DESIGNATED AS SUCH BY THE COMMISSION.

17 "SEC. 22. *POWERS AND FUNCTIONS OF THE PSF*
18 *BOARD.* - THE PSF BOARD, WHICH SHALL CONVENE AT
19 LEAST TWICE A YEAR, SHALL HAVE THE FOLLOWING
20 POWERS AND FUNCTIONS:

21 (A) PROMULGATE POLICIES THAT WILL MAINTAIN
22 THE FIDUCIARY CHARACTER OF THE BOARD;

23 (B) PROVIDE OVERALL STRATEGIC GUIDANCE IN
24 THE MANAGEMENT AND USE OF THE FUND,
25 INCLUDING BUT NOT LIMITED TO THE
26 DEVELOPMENT OF FUNDING WINDOWS FOR

1 **VARIOUS ADAPTATION ACTIVITIES, INCLUDING**
2 **COUNTERPART FUNDING ARRANGEMENTS, AND**
3 **GUIDELINES FOR PROJECT ASSESSMENT,**
4 **APPROVAL AND EVALUATION;**

5 **(C) DEVELOP SOCIAL, FINANCIAL AND**
6 **ENVIRONMENTAL SAFEGUARDS TO BE USED IN**
7 **PROJECT IMPLEMENTATION;**

8 **(D) IDENTIFY ADDITIONAL SOURCES FOR THE**
9 **FUND;**

10 **(E) ISSUE FINAL APPROVAL OF PROJECTS FOR**
11 **THE USE OF THE FUND;**

12 **(F) ADOPT A CONFLICT OF INTEREST POLICY TO**
13 **ENSURE THAT BOARD MEMBERS WILL NOT**
14 **VOTE ON PROJECTS IF THEY HAVE A DIRECT**
15 **STAKE THEREIN; AND**

16 **(G) ENSURE AN INDEPENDENT THIRD PARTY**
17 **EVALUATION AND AUDITING OF ACTIVITIES**
18 **SUPPORTED BY THE FUND, TAKING INTO**
19 **CONSIDERATION THE PRINCIPLES OF**
20 **TRANSPARENCY AND ACCOUNTABILITY, AND**
21 **GOVERNMENT ACCOUNTING AND AUDITING**
22 **RULES AND REGULATIONS.**

23 ***“SEC. 23. ROLE OF THE COMMISSION IN THE***
24 ***UTILIZATION OF THE PEOPLE’S SURVIVAL FUND. - THE***
25 ***CLIMATE CHANGE OFFICE, HEADED BY THE VICE***
26 ***CHAIRPERSON OF THE COMMISSION, SHALL EVALUATE***

1 AND REVIEW THE PROJECT PROPOSALS, AND, WITH THE
2 CONCURRENCE AND ENDORSEMENT OF A MAJORITY OF
3 THE CLIMATE CHANGE COMMISSIONERS APPOINTED BY
4 THE PRESIDENT, RECOMMEND APPROVAL OF PROJECT
5 PROPOSALS TO THE PSF BOARD BASED ON THE POLICIES,
6 GUIDELINES, AND SAFEGUARDS, AGREED BY THE PSF
7 BOARD. THE COMMISSION SHALL UTILIZE THE EXPERTISE
8 OF RELEVANT GOVERNMENT AGENCIES IN ITS ADVISORY
9 BOARD AND THE NATIONAL PANEL OF TECHNICAL
10 EXPERTS IN THE PROJECT APPRAISAL, MONITORING AND
11 EVALUATION PROCESS. THE COMMISSION SHALL NOT BE
12 A PROJECT IMPLEMENTOR.

13 THE COMMISSION SHALL FORMULATE MECHANISMS
14 THAT ENSURE TRANSPARENCY AND PUBLIC ACCESS TO
15 INFORMATION REGARDING FUNDING DELIBERATIONS AND
16 DECISIONS.

17 THE COMMISSION SHALL DEVELOP GUIDELINES TO
18 ACCREDIT LOCAL ORGANIZATIONS SEEKING TO ACCESS
19 THE FUND. ORGANIZATIONS WILL BE ACCREDITED BASED
20 ON CRITERIA SUCH AS ORGANIZATIONAL INDEPENDENCE,
21 TRACK RECORD IN THE COMMUNITY AND/OR FIELD OF
22 EXPERTISE, FINANCIAL MANAGEMENT, AND
23 PARTICIPATORY PRACTICES.

24 *SEC. 24. PRIORITIZATION OF FUND ALLOCATION.-*
25 THE COMMISSION SHALL DEVELOP CRITERIA TO

1 **PRIORITIZE USE OF THE FUND BASED ON, BUT NOT**
2 **LIMITED TO THE FOLLOWING:**

- 3 **(A) LEVEL OF RISK AND VULNERABILITY TO**
4 **CLIMATE CHANGE;**
- 5 **(B) PARTICIPATION OF AFFECTED COMMUNITIES**
6 **IN THE DESIGN OF THE PROJECT;**
- 7 **(C) POVERTY REDUCTION POTENTIAL;**
- 8 **(D) COST EFFECTIVENESS AND SUSTAINABILITY OF**
9 **THE PROPOSAL;**
- 10 **(E) IDENTIFICATION OF POTENTIAL CO-BENEFITS**
11 **EXTENDING BEYOND LOCAL GOVERNMENT**
12 **UNIT TERRITORY;**
- 13 **(F) MAXIMIZATION OF MULTI-SECTORAL OR**
14 **CROSS-SECTORAL BENEFITS;**
- 15 **(G) RESPONSE TO GENDER-DIFFERENTIATED**
16 **VULNERABILITIES; AND**
- 17 **(H) AN AGREED CLIMATE CHANGE ADAPTATION**
18 **ACTION PLAN.**

19 **SEC. 24. COMMUNITY PARTICIPATION. – TO ENSURE**
20 **TRANSPARENCY AND PARTICIPATION OF VULNERABLE**
21 **AND MARGINALIZED GROUPS IN THE ADAPTATION**
22 **PROJECTS TO BE SUPPORTED BY THE FUND, COMMUNITY**
23 **REPRESENTATIVES AND/OR NGO COUNTERPARTS MAY**
24 **PARTICIPATE AS OBSERVERS IN THE PROJECT**
25 **IDENTIFICATION, MONITORING AND EVALUATION**
26 **PROCESS OF THE COMMISSION.**

1 **SEC. 25. TRUSTEE - FOR THE SOUND AND**
2 **JUDICIOUS MANAGEMENT OF THE FUND, THE**
3 **COMMISSION, UPON RECOMMENDATION OF THE PSF**
4 **BOARD, SHALL APPOINT A GOVERNMENT FINANCIAL**
5 **INSTITUTION, WITH SOUND TRACK RECORD ON FUND**
6 **MANAGEMENT, AS PORTFOLIO MANAGER AND TRUSTEE**
7 **OF THE FUND, SUBJECT TO GUIDELINES PROMULGATED**
8 **BY THE PSF BOARD. THE TRUSTEE SHALL MANAGE THE**
9 **INVESTMENT OF FUND BALANCES, ACCOUNTING AND**
10 **FINANCIAL REPORTING FOR THE FUND, TAKING INTO**
11 **ACCOUNT THE OBJECTIVES OF TRANSPARENCY,**
12 **EFFICIENCY, FINANCIAL RISK MANAGEMENT AND**
13 **AVAILABILITY OF CASH AS NEEDED FOR THE FUND**
14 **COMMITMENTS AND DISBURSEMENTS, IN ACCORDANCE**
15 **WITH GOVERNMENT ACCOUNTING AND AUDITING RULES**
16 **AND REGULATIONS. THE TRUSTEE SHALL BE**
17 **ACCOUNTABLE TO THE PSF BOARD FOR THE**
18 **PERFORMANCE OF ITS RESPONSIBILITIES, IN**
19 **ACCORDANCE WITH THE TERMS AND CONDITIONS OF**
20 **SERVICE AGREEMENT BETWEEN THE TRUSTEE AND THE**
21 **PSF BOARD.**

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

23 **SEC. 15.** If for any reason, any section or provisions of This Act is
24 declared as unconstitutional or invalid, the other sections or provisions
25 hereof shall not be affected thereby.

1 **SEC. 16.** All laws ordinances, rules and regulations and other
2 issuances or parts thereof, which are inconsistent with this Act are hereby
3 repealed or modified accordingly.

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

7 ***Approved,***