Validation Workshop

Assessment of the Sustainable Finance Ecosystem in the Philippines: State of Play of Financing a Just Transition

Sommerset Central Salcedo, Makati City | November 26, 2024 | 09:00 am to 12:00 pm

November 2024

1. Study Background:

The **Assessment of the Sustainable Finance Ecosystem in the Philippines: State of Play of Financing a Just Transition** is a research study that aims to present the current status of the Philippine sustainable finance ecosystem through mapping the climate transition dynamics in the country, from the perspective of just transition, and by subsequently understanding how public and private financial sector actors can contribute to these transitions.

The study explores the following aspects:

- Sectors and economic activities most affected by the climate transition in the Philippines, the associated socio-economic impacts within these sectors, and consequently the financing needs or requirements to deliver just transition for these sectors;
- Financial sector actors providing services to the sectors and economic activities most affected by the climate transition in the Philippines, including their existing sustainable finance initiatives and the extent of social considerations within these; and
- Public sector incentive mechanisms and funds directed toward driving just transition.

To meet the abovementioned objectives, the Study did various mappings in the different sections based on data and information gathered through desk research and key informant interviews (KIIs), where possible, with representatives from the various agencies of the Philippine government, including financial sector regulators; representatives from the sectors most affected by climate transition dynamics identified in the Study; and representatives from financial sector associations and financial institutions, including development finance actors.

The Study is divided into five sections:

- **Section I** on introduction to the Study and context-setting;
- **Section II** on climate transition dynamics in the Philippines, including those of three key sectors namely Energy, Transport, and Agriculture;
- **Section III** on Philippines financial sector actor mapping, including their existing financial instruments and options on sustainability and transitions;
- **Section IV** on regulatory and policy environment that enables financing just transition or social considerations in transitions; and
- **Section V** on gaps and recommendations identified by the Study.

For the purposes of the Validation Workshop, **only selected portions of the Study** shall be presented, placing utmost priority on areas where validation as well as further input are necessary.

About the Project

This project is organized by the International Labour Organization (ILO) with financial support of the European Union and the Ministry of Foreign Affairs of Finland.

The ILO embodies a profound commitment to enhancing labour rights, social justice, and decent work. It emphasizes the interconnectedness of environmental sustainability, decent work, and social justice amid the triple planetary crises. Leveraging the Just Transition Guidelines, the ILO advocates for a just transition that fosters inclusive and environmentally sustainable economies, that leaves no one behind. Through its Social Finance Programme, the ILO engages with the financial sector to enable it to contribute to decent work and social justice.