

[EXECUTIVE ORDER NO. 320, June 25, 2004]

**DESIGNATING THE DEPARTMENT OF ENVIRONMENT AND
NATURAL RESOURCES AS THE NATIONAL AUTHORITY FOR
CLEAN DEVELOPMENT MECHANISM**

WHEREAS, climate change is a growing global concern that is causing damages to the ecosystems and resulting in natural calamities such as El Niño and La Niña, especially for low-lying vulnerable countries with fragile ecosystems like the Philippines;

WHEREAS, the United Nations Framework Convention on Climate Changes (UNFCCC) and the Kyoto Protocol, both signed and ratified by the Philippines with the Department of Environment and Natural Resources as the focal agency, provide for the reduction in the emission of harmful gases in the atmosphere like carbon dioxide and methane, known as "greenhouse gases";

WHEREAS, the Kyoto Protocol created the Clean Development Mechanism (CDM), whereby projects that will prevent or absorb greenhouse gases may be established in developing countries like reforestation, use of renewable energy, etc., with the carbon emission to be prevented or sequestered to be purchased by developed countries in compliance with the provisions of UNFCCC and Kyoto Protocol;

WHEREAS, participation by the Philippines in the CDM will provide numerous benefits in terms of foreign investment in CDM projects, employment and income opportunities, establishment of ecologically-friendly projects that will contribute to healthier environment, technology transfer and income from carbon purchases by the developed countries; and

WHEREAS, the Marrakesh Accord, adopted in Marrakesh, Morocco in November 2001, provides for the setting up of a National Authority for CDM in participating countries that will act as the focal point for CDM matters and approving authority for CDM projects.

NOW, THEREFORE, I, GLORIA MACAPAGAL - ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby designate the Department of Environment and Natural Resources (DENR) as the National Authority for Clean Development Mechanism (CDM).

SECTION 1. Powers and Functions. The National Authority for Clean Development Mechanism shall have the following powers and functions:

- a. Formulate and develop a national Clean Development Mechanism policy.
- b. Develop the criteria, indicators, standards, systems and procedures,