



ANNEX C1: Twinning Fiche

Project title: Strengthening Circular Economy in the Philippines

Beneficiary administration: Environmental Management Bureau (EMB) of the Department of Environmental and Natural Resources (DENR) of the Government of the Philippines.

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EU funded project

TWINNING TOOL

1. Basic Information

1.1 Programme: ACT-61024 – GREEN ECONOMY PROGRAMME IN THE PHILIPPINES

1.2 Twinning Sector: Environment

1.3 EU funded budget: max EUR 3 550 000

1.4 Sustainable Development Goals (SDGs): SDG 5 (Gender equality); SDG 8 (Decent work and economic growth); SDG 9 (Industry Innovation and Infrastructure); SDG 7 (Affordable and clean energy); SDG 13 (Climate action); SDG 14 (Life below water); SDG 15 (Life on land).

2. Objectives

2.1 Overall Objective(s): The Twinning contributes to support the transition to a green, low carbon, and circular economy in the Philippines.

2.2 Specific objective: The specific objective of the Twinning is to enhance the capacity of the Environmental Management Bureau (EMB) of the Department of Environment and Natural Resources (DENR) to promote an enabling environment and a systems-oriented, integrated approach in the implementation of circular economy in waste related policies and programmes, and relevant investments.

2.3 The elements targeted in strategic documents i.e. National Development Plan/Cooperation agreement/Association Agreement/Sector reform strategy and related Action Plans

2.3.1 EU-Philippines relations

EU-Philippines relations are anchored in the Partnership and Cooperation Agreement and reflect the shared common interests in a rules-based international order, trade and investment, regional and global security, as well as stability and economic development.

The Multi-Annual Indicative Programme of the EU for the Philippines, for the period 2021-2027, supports the implementation of the green and digital transition in the Philippines, enhancing sustainable connectivity, contributing to creating green jobs for both women and men, and opening new opportunities for sustainability-driven investments.

The Government of the Philippines has taken considerable steps towards a suitable policy framework on green and circular economy policies, with the adoption of the Philippine Action Plan for Sustainable Consumption and Production (2020-2040), the Philippine Biodiversity Strategy and Action Plan (2015-2028), the National Solid Waste Management Strategy, a National Plan of Action on Marine Litter, the Green Jobs Act of 2016 (R.A. 10771), the Extended Producer Responsibility regulation, the Supreme Court Mandanas ruling (devolving more budget to LGUs), the Zero Waste to Nature Roadmap and core areas of the National Climate Change Action Plan (2011-2028) as well as the Philippines Energy Plan (2020-2040). These commitments help tackle the consequences of a linear economic model which produces large amounts of waste in a country which generates about 2.7 million tons of plastic waste each year, an estimated 20% of which ends up in the ocean. The environment and natural capital require proper waste management, including of dumpsites, and pollution with harmful chemicals (Persistent Organic Pollutants).

Within this Framework, the EU and the Philippines have scaled up their commitment to advance the green transition with the signature of the EU-Philippines Green Economy Partnership (GEPP, EUR 60 mln, 2023-2028), a political commitment made at the high level. This commitment implements the Global Gateway agenda of the EU in the Philippines.

2.3.2 Philippines Policy Priorities

The Philippines' policy priorities are defined in the Philippine Development Plan (PDP 2023–2028). In this plan, environmental-related policy priorities are woven with broader economic goals to ensure sustainable progress. Collaborations between central and local governments, alongside private sector investments are seen as integral to achieving environmentally sustainable domestic growth and improved environmental quality. The government aims to enhance collaborations to promote sustainable and green investments important for a sustainable economic transformation. The interconnectivity of various ecosystems is also considered critical in development planning to safeguard biodiversity and ecological processes.

The PDP commits the Government to ensuring increased compliance with mandatory regulations in the environmental sector and the adoption by the private sector of flexible methods to offset and compensate the ecological and social impacts of their operation and production, including extractive industries, and to improve social and environmental standards in line with corporate responsibility requirements.

The PDP further highlights the importance of empowering LGUs to prevent degradation of natural environments, resource depletion, loss of biodiversity and reduced quality of life. Strategies to leverage private sector investments in green technologies are planned, generating green jobs and fostering a competitive environment for public-private partnerships.

The PDP underlines the critical role of partnerships and the need to foster a more competitive and enabling environment for public private partnerships (PPPs). As investments are challenged by high energy and logistic costs, the Plan underscores the importance of easing regulatory and administrative burdens to foster an enabling business environment for investments compliant with Environmental, Social, Governance standards (ESG).

3. Description

3.1 Background and justification:

3.1.1: EU-Philippines Green Economy Partnership

The Twinning project is part of the [EU-Philippines Green Economy Partnership](#) (GEPP, EUR 60 mln, 2023-2028)¹, a political commitment made at the high level by the EU and the Philippines.

The Financing Agreement of the “Green Economy Programme in the Philippines” (hereinafter, GEPP) has the **Overall Objective** to support an inclusive and green recovery by unlocking the potential, the delivery and operationalisation of the circular economy aiming in particular at the reduction of plastic waste, increased energy efficiency and renewable energy deployment, and promoting and implementing climate change mitigation measures.

¹ The Twinning grant would extend beyond this deadline subject to an extension of the implementation period of the Financing Agreement of the GEPP.

It also has four Specific Objectives:

- SO1: Improved circular waste economy and climate change policies and reduced GHG emissions.
- SO2: Enhanced practices of circular waste economy by the Local Government Units in collaboration with the private sector and the civil society sector, with focus on youth and gender equality.
- SO3: Enhanced engagement of the private and financial sectors into circular, waste-reduction economy.
- SO4: Increased energy efficiency and renewable energy deployment

Under the leadership of the DENR, the GEPP engages closely with the DENR's Environmental Management Bureau, the Department of Science and Technology (DOST), the Department of Interior and Local Government (DILG), the Department of Trade and Industry (DTI) and the Department of Energy (DoE), the Climate Change Commission, the National Economic Development Authority and the Department of Finance. 40 local government units (LGUs) are involved in project implementation, alongside university research/innovation centres, business incubators, CSOs, women's and indigenous people's organisations, all regarded as key stakeholders in a circular waste economy. Technical implementation is supported by GIZ, UNDP Philippines, Expertise France and the IFC.

The GEPP is a priority programme of the [EU Global Gateway](#) strategy, the EU's strategy to promote sustainable investment. As such, it serves as a one-stop-shop to bring together European and Philippine public and private actors to accelerate the green economy transition, by sharing green expertise, green technology and by promoting investments which sustain inclusive economic growth.

In the Financing Agreement of the GEPP, it is foreseen that the Twinning will support the delivery of two of the four objectives of the GEPP, notably:

- SO1 Improved circular waste economy and climate change policies and reduced GHG emissions, and
- SO2: Enhanced practices of circular waste economy by the Local Government Units in collaboration with the private sector and the civil society sector, with focus on youth and gender equality.

According to the same Financing Agreement, the Twinning will contribute to the achievement of two Outputs of the Green Economy Programme. These are:

- Output 1.1. Improved capacity of the stakeholders at central government level for policy dialogue and policy-making;
- Output 2.2 Enhanced capacities of interested Local Government to address their identified challenges in the Circular Plastic Economy transition.

Within this framework, during the preparation of the Twinning, the DENR expressed interest to use the opportunity of the Twinning to focus on strengthening the institutional and operational capacities of the EMB, and its localised offices, to support decision making and the implementation and enforcement of policies related to circular economy. The Twinning will therefore support an exchange of expertise and practices related to the following broad areas:

- Informing and shaping policy development by highlighting the advantages of circular alternatives over traditional linear waste management strategies.
- Incorporating environmental considerations into strategic planning and policy-making, ensuring that circular economy principles are integrated into waste management policies at the strategic level.

- Assessment of potential environmental, financial and economic impacts of circular economy -related projects and development of mitigation strategies that align with circular economy objectives.
- Assessing cumulative impacts and interactions between policies, offering a holistic view of how waste management strategies can be optimized to reduce environmental footprints and enhance circularity across sectors and regions.
- Influencing the design phase of circular economy projects, encouraging the incorporation of sustainable practices that align with circular economy principles.
- Assessment of options in circular economy projects to minimise waste generation, reduce waste at source, recover resources and recycle.
- Strengthening sustainability and circularity criteria in investments.
- Strengthening the involvement of stakeholders, the engagement of communities and the awareness of circular economy issues, leading to improved understanding of circular economy initiatives in the waste sector.
- Monitoring the environmental effects of plans and programs, enabling adaptive management and integration of new circular economy opportunities.
- Development of learning tools specific to various stakeholders in cooperation with specialised training institutions to be identified jointly with the EMB.

The EU and EU Member States (EU MS) have extensive experience in environmental management and the implementation of policies supportive of the transition to a greener and more circular economy and can share useful reference frameworks with the Philippines in the implementation of the environmental policy targets set out in the PDP, relevant national and local legislation, as well as international commitments.

3.1.1 Mission and Functions of EMB

The mission of the EMB is to restore, protect, and enhance environmental quality towards good public health, environmental integrity, and economic viability. As a line bureau of the DENR, the EMB formulates plans, programs, and appropriate environmental quality standards for the prevention and control of pollution and for the protection of the environment, ensuring their implementation. EMB is mandated by DENR to implement five environmental laws, namely:

- Presidential Decree 1586 (June 11, 1978) - Establishing an Environmental Impact Assessment System;
- Republic Act No. 6969 (October 26, 1990) - Toxic Substances and Hazardous and Nuclear Waste Control Act of 1990;
- Republic Act No. 8749 (June 23, 1999) - Philippine Clean Air Act of 1999;
- Republic Act No. 9275 (March 22, 2004) – Philippine Clean Water Act.
- Republic Act No. 9003 (January 26, 2001) - Ecological Solid Waste Management Act, amended into the Extended Producer Responsibility Act (EPRA) of 2022. The EPRA requires obliged enterprises (OEs), by themselves or collectively, with or without a Producer Responsibility Organization (PRO) to prepare and register with the National Solid Waste Management Commission their EPR Programs to reduce and/or recover for reuse, recycling, treatment, or proper ecological disposal the plastic packaging waste that they release or released to the domestic market.

Important to mention are the DENR's Pollution Adjudication Board (PAB) Resolution Nos. 1 and 2, series of 2025. These resolutions strengthen enforcement of EPRA (RA 11898) establishing clear, graduated penalty schedules for plastic pollution violations, setting out a distinction between "struggling" firms (Resolution 2) and those ignoring the law (Resolution 1).

The EMB has the following functions:

- EMB advises the DENR Secretary on matters relating to Environmental Management, formulate plans and policies and sets appropriate environmental quality standards for the prevention, control of pollution and protection of the environment.
- EMB exercises direct supervision over its regional offices in the implementation of plans and programs. Both central and regional offices of the bureau discharge staff and regulatory functions, issuing permits clearances and monitoring compliance to laws.
- EMB issues permits, clearances Under RA 8749, RA 9003, RA 9275, RA 6969 and PD 1586 and monitors compliance with said laws. Important functions under PD 1586 are related to the issuance of Environmental Compliance Certificates (required for Environmentally Critical Projects (ECP) or Environmentally Critical Areas (ECAs) projects) and, for non ECP projects or projects not in ECAS, of the application of environmental safeguards. The EMB also provides recommendations to LGUs on integrating outcomes of Environmental Impact Assessments (EIA) in decision making locally.
- At the LGU (Local Government Unit) level, the EMB includes EMB's regional offices to which it provides capacity building, technical assistance, and regulatory guidance in the implementation of national environmental legislation. Support focuses on training LGU Environment Officers (ENROs) in waste analysis (WACS), developing Solid Waste Management (SWM) plans, operating Materials Recovery Facilities (MRFs), managing permits, and monitoring compliance through online systems, ensuring LGUs effectively tackle pollution and promote sustainable practices.
- The EMB develops and implement research and development programmes in support of Environmental and Compliance Monitoring amongst other functions.
- The DENR-EMB's role is also to ensure that companies adhere to environmental laws and minimize negative impacts on the environment. Both conduct regular monitoring of projects to ensure compliance with the EIA process and Environmental Compliance Certificate's requirements. Under EO18 establishing Green Lanes to expedite permits for strategic investments, the EMB focuses on environmental compliance for green projects.
- The EMB's process includes public participation to ensure that affected communities and stakeholders are considered during the development of projects.
- The DENR-EMB is also expected to play a role in future legislation related to strategic environmental assessment and environmental impact assessment referred to above.
- The Director of the EMB heads the National Ecology Center (NEC), the technical arm of the National Solid Waste Management Commission (NSWMC) that provides training, research, and information services on ecological solid waste management. It implements RA 9003 and the EPR Act of 2022.

3.2 Ongoing reforms:

- In 2023, the Office of the President issued Executive Order 18 (EO18)² establishing Green Lanes for Strategic Investments, to raise the competitiveness of the country in attracting foreign direct investments. The EO targets investments for (1) Highly Desirable Projects, (2) Foreign Direct Investments (FDIs), and (3) Projects or activities under the Strategic Investment Priority Plan (SIPP). While the Bureau of Investments (BOI) of the Department of Trade and Industry (DTI) is in the lead on the implementation of EO18, the EO establishes Green Lanes across all government agencies including Local Government Units.
- In 2024, Guidelines on Sustainable Finance Taxonomy were issued to guide the increase capital flows to sustainable activities, prevent greenwashing, and to support a just transition. The Guidelines will assist decision making on funding and investments, and will provide a framework

² <https://boi.gov.ph/executive-order-no-18/>

to evaluate the environmental and social impact of economic activities. Work is underway to integrate circular economy into the Taxonomy.

- The Environmental Impact Assessment (EIA) System in the Philippines, officially referred to as the Philippine EIS System (PEISS), was established under [Presidential Decree \(PD\) 1586](#) on 11 June 1978. Section 4 of PD 1586 provides that no person, partnership or corporation shall undertake or operate any declared environmentally critical project or area without first securing an Environmental Compliance Certificate (ECC). Full implementation of the PEISS transpired after the issuance of [Presidential Proclamation 2146](#) in 1981 where the technical definition of Environmentally Critical Projects (ECPs) and Environmentally Critical Areas (ECAs) was provided.
- To strengthen this system, House Bill 6367 "Environmental Assessment System" is under consideration, aiming to create a system that requires both a Strategic Environmental Assessment for large plans and an Environmental Impact Assessment (EIA) for specific projects. According to the Bill, projects with significant environmental risks, such as large factories, major infrastructure, and mining operations, would need to obtain a certificate of proponent's environmental commitment (CPEC) from the Department of Environment and Natural Resources (DENR), to ensure that the project will follow environmental protection measures. The Bill will complement the Philippine Ecosystem and Natural Capital Accounting System (PENCAS) Act providing a comprehensive framework for evaluating and managing various ecosystems and their services. Both legislative measures aim to enhance environmental governance in the Philippines.

3.3 Linked activities:

The Twinning contributes to the implementation of the GEPP. The GEPP provides:

- Policy support to the national government, on policies and legislation related to environmental waste and circular economy, including the extended producer responsibility; it supports the coordination and development of a green economy platform, which is highly relevant to promoting a better environment for businesses working in the circular economy sector. This component is implemented in partnership with the GIZ;
- Support to Local government Units (to 20 advanced LGUs and in general terms to other 40 LGUs) on policy implementation, green procurement, and mobilisation of green Public Private Partnerships. This component is implemented in partnership with UNDP;
- Support to the private sector, aimed to promote integration of circular economy in business operations, plastic waste reduction, investments and job creation, through direct engagement with Micro, Small, Medium Enterprises and the provision of innovation grants. This component is implemented in partnership with Expertise France and the Global Green Growth Institute;
- Support to the Department of Energy on regulatory issues and investment promotion, fostering the adoption of renewable energy and more energy efficiency. This component is implemented in partnership with the IFC.

European and local chambers of commerce engage closely in the implementation of the GEPP. Other key Development Partners active in the circular economy field are the World Bank and the ADB, as well as other actors actively involved in multi-stakeholder platforms such as the National Plastic Action Partnership (NPAP), established by the Government of the Philippines, as part of the Philippines's official access to the [Global Plastic Action Partnership](#) (GPAP) in 2023. NPAP brings together key changemakers from various sectors. The GEPP is an active contributor to the NPAP.

The EU further supports circular economy and sustainable consumption and production objectives in the Philippines under the [EU Switch Asia Programme](#) through [grant projects](#) at country level and policy support to the Philippines as member of the ASEAN, including on EPR. ASEAN has committed to transition to the Circular Economy to support resilient economies, sustainable growth, and resource efficiency, through the [2021 ASEAN Circular Economy Framework](#). This is complemented by national

policy and action plans in ASEAN Member States, including in the Philippines. Leading businesses and organisations in the Philippines and in the ASEAN region have started to benefit from the adoption of Circular Economy practices in sectors as diverse as hospitality, building materials, agri-food, textiles, and recycling and resource recovery.

3.4 List of applicable *Union acquis*/standards/norms:

In the EU, transition to a circular economy is crucial for reducing pressure on natural resources, halting biodiversity loss, achieving climate neutrality by 2050, and building a more resilient and competitive Europe. Due for adoption in 2026, the Circular Economy Act aims to establish a Single Market for secondary raw materials, increase the supply of high-quality recycled materials and stimulate demand for these materials within the EU. The Act will contribute to the ambition laid out in the [Competitiveness Compass](#) to make the EU the world leader in the circular economy by 2030. The Circular Economy Act will build on the [second Circular Economy Action Plan](#), reinforcing and broadening its measures to accelerate Europe's shift to a resource-efficient, low-waste and climate-neutral economy.

Adopted in March 2020, the [second Circular Economy Action Plan](#) is one of the main building blocks of the [European Green Deal](#), Europe's agenda for sustainable growth. The action plan includes initiatives addressing the entire life cycle of products, including how products are designed, as well as ensuring that waste is prevented and that used resources are kept in the EU economy for as long as possible. It introduces legislative and non-legislative measures targeting areas where action at the EU level brings real added value. Most of the legal acts foreseen under the second Circular Economy Action Plan have been adopted and entered into force.

- The [Ecodesign for Sustainable Products Regulation \(ESPR\)](#) entered into force in July 2024. It is the cornerstone of the Commission's approach to more environmentally sustainable and circular products.
- The [Directive empowering consumers for the green transition](#) from March 2024 ensures that consumers are provided with better information at the point of sale on the durability and reparability of goods and the consumer's legal guarantee rights.
- The [Directive on repair of goods](#) establishing the 'right to repair' entered into force in July 2024.
- The review of the Industrial Emissions Directive resulted in the adoption of the [Industrial and Livestock Rearing Emissions Directive \(IED 2.0\)](#). Integrating circular economy practices and resource efficiency in the Best Available Techniques, it began to apply from August 2024.
- In March 2023, the Commission submitted a proposal for a Directive on substantiating [green claims](#).
- The new [Regulation on Packaging Waste \(PPWR\)](#) entered into force in February 2025. Replacing the previous Directive, it harmonises national measures further - strengthening the internal market - notably for secondary raw materials, manufacturing, recycling and reuse.
- A new [Batteries Regulation](#) was adopted in July 2023, ensuring that batteries placed on the EU market are sustainable and circular throughout their whole life cycle.
- In March 2022, the [EU strategy for sustainable and circular textiles](#) was adopted.
- A new Regulation on [end-of-life vehicles](#) was proposed in 2023.
- A new Regulation on [waste shipments](#) entered into force in May 2024, aiming to ensure that the EU does not export its waste challenges.
- The Commission has [evaluated the Directive on Waste Electrical and Electronic Equipment \(WEEE\)](#). The Commission will use the evaluation findings to inform a proposal to revise the WEEE Directive, as part of the upcoming Circular Economy Act.

- Restrictions on intentionally added [microplastics](#) and measures on unintentional release of microplastics: A REACH restriction was adopted in 2023.
- The Commission also proposed [a Regulation on Microplastics](#) in 2023.

In order to monitor implementation and progresses towards a circular economy and ensure that policies are effective, in 2023, the Commission revised the [Circular Economy Monitoring Framework](#).

3.5 Components and results per component

The mandatory results of the Twinning are structured around **three components**. It is to be noted that the policy environment in the Philippines is very dynamic. For this reason, this Fiche is not meant to be prescriptive. It is equally important to clarify that coordination, synergy and regular finetuning with the GEPP programme will be expected during implementation.

Moreover, while the EMB is the lead of each Component, with DENR as co-beneficiary, the involvement of other government and public institutions engaging in the GEPP will be sought during the implementation.

Component 1 – Integration of circular economy principles strengthened in projects likely to have significant environmental impacts and to raise critical waste risks.

Lead: Environmental Management Bureau (EMB); **Co-beneficiary:** Department of Environment and Natural Resources (DENR);

Scope and rationale of the component: This component aims to strengthen the capacity of the EMB to assess potential environmental, financial and economic impacts of circular economy related projects, with particular focus on waste management and manage relevant risks. This component will accompany ongoing and forthcoming reforms, by providing EMB with comparative insights and practical references that can inform internal reflections, procedural refinements and inter-institutional decision making.

Mandatory Results (MR) for Component 1:

MR1 Expertise and best practices exchanged on the assessment of potential environmental, financial and economic impacts of waste-related projects and on the development of mitigation strategies that align with circular economy objectives

Under this MR, the Twinning will facilitate structured exchanges between EMB and relevant EU Member State authorities on impact assessment aspects of projects related to waste management, including those classified as environmentally critical, or projects located in environmentally critical areas. Peer-to-peer activities will enable EMB to benchmark current Philippine practices against international experience and to identify practical options for improving consistency, transparency and effectiveness of such assessments across regions.

Indicatively, the exchanges should focus on:

- Improving specific metrics of economic, financial, environmental, and social impacts of waste projects/initiatives where circular economy solutions can add value and can strengthen alignment with net-zero and environmental protection targets.
- Assessing priority waste streams and non-compliance hot spots, strengthening risk mitigation measures, enforcement strategies, progress tracking.
- Review, streamline and strengthen MERV processes (Monitoring, Evaluation, Reporting, and Verification) of waste and broader circular economy projects;

MR2 - Expertise and best practices on incorporating environmental and socio-economic considerations into strategic planning and policymaking, ensuring that circular economy principles are integrated into waste management policies at the strategic level;

This Mandatory Result addresses the need to ensure adequate environmental and socio-economic considerations at the strategic level and their translation into implementation and enforcement measures, considering the diversity of needs and operators across country.

Indicatively, exchanges should focus on:

- Planning considerations and processes, including capacity development of the National Ecology Center (NEC) and other EPR stakeholders, aimed to strengthen clarity of roles, coordination protocols, evaluation workflows, reporting standards;
- The development of a Manual of Operations for the National Ecology Center (NEC) and other EPR stakeholders, defining roles, coordination protocols, program evaluation workflows, and reporting standards;
- Value chain analysis and assessment methodologies to identify stages of the value chain with high environmental footprint and where adequate waste management and circular interventions can deliver maximal environmental benefits (including critical waste);
- Strengthening compliance to and enforcement of EPR legislation;
- Design a risk-based inspection framework, prioritising high-impact or high-risk Obligated Enterprises verification/validation methodologies for recovery claims and compliance reporting.
- Development of tools enabling benchmarking of national circular economy practices against international standards.

Component 2 – Fostering a more efficient and business-friendly environment for the implementation of strategic and high impact projects mobilising investments for sustainable development, and the integration of circular economy considerations in the process.

Lead: Environmental Management Bureau (EMB); **Co-beneficiaries:** Department of Environment and Natural Resources (DENR).

Scope and rationale: This component aims to strengthen EMB's contribution to the creation of a predictable, transparent and environmentally sound investment climate in the Philippines, which integrates high sustainability standards including those related to circularity. The component responds to the growing importance of fast-tracking mechanisms for priority investments and their alignment to environmental protection and circular economy objectives; the increased demand from companies for regulatory clarity, advisory support and early guidance on environmental compliance, including circularity; the need to mobilise innovation, research and knowledge partnerships to support the implementation of environmental standards and safeguards which comply with circular economy

objectives. Through structured exchanges with EU Member State administrations and public bodies, EMB will be supported in refining its practices and strengthening inter-institutional coordination. The component is designed to strengthen existing regulatory procedures, by improving predictability and coherence in the interaction between environmental regulation and investment facilitation mechanisms.

MR1 – Compliance assessment strengthened for high impact projects submitted to fast tracking approvals (e.g. Green Lane initiative), with potential waste implication and potential to support circular economy objectives for which EMB has an institutional mandate

Under this Mandatory Result, the Twinning should for example facilitate exchanges between EMB and EU Member State authorities on:

- Assessing environmental compliance for strategic and high-impact projects, e.g. those subject to fast-tracking procedures, with potential impact on the environment, including in terms of waste generation, and in view of facilitating their contribution to circular economy objectives.
- Necessary capacity strengthening on the screening of investment projects, for the environmental dimension falling within EMB competence, including those subject to fast-track approval frameworks;
- Strengthening risk-based approaches to the screening, and monitoring, of high-impact investments with waste implications;
- Strengthening of coordination between environmental authorities and investment promotion bodies, exploring practical options for improving internal workflows and coordination mechanisms as well as EMB's interactions with investors, private sector and civil society actors.
- Benchmarking EMB's role within the Green Lane initiative including in terms of efficiency and robustness of environmental oversight, with a focus on waste risk management and adherence to circular economy standards.

MR2 – Tax incentives for environmentally compliant investments strengthened

This Mandatory Result focuses on the interface between environmental compliance and fiscal or investment incentives, in line with the Philippines' efforts to promote sustainable and environmentally responsible investments. Through exchanges with EU Member State administrations, the Twinning should support EMB in:

- Examining international approaches and EU experience linking environmental performance to eligibility for tax incentives or other investment benefits.
- Integration of environmental standards, compliance certification and monitoring into incentive schemes strengthening conditions and interest for waste management and circular economy promotion in the waste economy, without creating additional administrative burdens.
- Strengthening coherence between regulation and circular economy incentive frameworks.

MR3 – Advisory services to companies and project implementers enhanced on their adherence to environmental laws, minimization of negative environmental impacts and adoption of alternative circular economy solutions.

Under this Mandatory Result, the Twinning will support EMB in exchanging experience with EU Member State administrations on the provision of advisory and guidance services to companies and project developers. The exchanges could for example focus on:

- Early-stage advisory mechanisms to help companies and project developers understand regulatory requirements related to EPR and circular economy, more broadly;
- Development of guidance tools and communication practices that promote voluntary compliance and preventive approaches to reducing environmental risks and impacts.
- Complementarity of advisory services and regulatory enforcement, to improve compliance outcomes and reduce administrative burden for both regulators and project implementers, with no prejudice to regulatory independence.

Component 3 – Sustained Institutional and Technical Capacity of national and regional EMBs offices in the implementation and enforcement of EPR legislation and circular economy.

Lead: Environmental Management Bureau (EMB); **Co-beneficiaries:** Department of Environment and Natural Resources (DENR).

This component aims to ensure the long-term sustainability and institutionalisation of the knowledge and practices exchanged under Components 1 and 2. The component places particular emphasis on training, institutional learning, and applied tools, for dissemination during and after the end of the project. It is designed as a consolidating component, ensuring that insights and practices exchanged under the Twinning are progressively embedded into EMB's organisational systems and working methods, at the central and local level. It addresses the need to:

- embed new knowledge and practices related to EPR and circular economy within EMB structures and processes.
- reduce disparities in capacity between national and regional offices.

MR1 – Based on identified training gaps, at least one specific curriculum is developed, tested and institutionalised to sustain long term capacity development in the areas under Component 1 and Component 2

Under this Mandatory Result, the Twinning will support EMB in identifying training gaps related to the implementation and enforcement of EPR and circular economy policies. Based on specific needs identification within the areas of priorities of Component 1 and 2, it is envisaged that the Twinning could facilitate:

- exchanges of best practices on competency-based training for environmental regulators;
- development of modular training curricula addressing regulatory, technical and procedural aspects of EPR and circular economy frameworks for dissemination under EMB-lead.
- testing of the training curricula within relevant public administrations.
- supporting institutionalisation.

MR2 – Cooperation with research institutions of the EU and the Philippines established, to promote exchanges and co-creation of innovative solutions, technology and knowledge supporting the implementation of circular economy in the waste sector;

This Mandatory Result aims to foster cooperation between EMB and EU research institutions in support of EPR and circular economy frameworks implementation, including compliance monitoring. Indicatively, the Twinning could facilitate exchanges on:

- Models of collaboration between environmental authorities and research institutions.
- Support to the development of EU-PH partnerships strengthening the evidence-base for EPR and circular economy implementation, as well as innovation, including in compliance monitoring.
- Identifying cooperation modalities that are institutionally sustainable and strategic to support the EMB's mandate as well as the delivery of mutual (EU-PH) circular economy policy objectives;
- Contributing to launching sustainable forms of cooperation that can continue beyond the Twinning and contribute to EMB's long-term capacity to address emerging circular economy challenges in the waste economy.

3.6 Means/input from the EU Member State Partner Administration(s)*:

The implementation of the project requires one Project Leader (PL) with responsibility for the overall coordination of project activities and one Resident Twinning Adviser (RTA) to manage implementation of project activities, Component Leaders (CL) and pool of short-term experts (STEs) within the limits of the budget. It is essential that the project team has sufficiently broad expertise to cover all areas included in the project description.

The proposals submitted by EU Member States shall be detailed enough to adequately respond to the Twinning Fiche while remaining concise and focused on the strategy and methodology, indicating the sequencing and the timetable, the quality of the expertise to be mobilised and clearly showing the administrative structure and capacity of the Member State entities.

Proposals are not expected to contain a fully elaborated project description but to demonstrate how the overall and specific objectives, and the mandatory results, will be achieved.

The interested Member State(s) shall include in their proposal the CVs of the designated Project Leader (PL) and the Resident Twinning Adviser (RTA), as well as the CVs of the potentially designated Component Leaders (CLs).

The Twinning project will be implemented through close co-operation between the partners aiming to achieve the mandatory results in sustainable manner.

The set of proposed activities will be further developed with the Twinning partners when drafting the initial workplan and successive rolling workplan every three months, keeping in mind that the final list of activities will be decided in cooperation with the Twinning partner. The components are closely inter-linked and need to be sequenced accordingly.

3.6.1 Profile and tasks of the PL:

The Project Leader (PL) shall be a senior staff member of an EU Member State public administration. The PL will be responsible for the overall management of the Twinning project, the coordination of activities performed, and for ensuring the overall quality and coherence of the services provided. The PL will have the overall responsibility for the implementation of all Twinning activities and for ensuring that the mandatory results are achieved in line with the agreed work plan.

Profile

- University degree in environmental sciences, environmental engineering, public administration, law, economics, or another relevant discipline, or equivalent professional experience of a minimum of 8 years.
- Minimum 3 years of experience in the design, or implementation or management of public-sector reforms in the field of circular economy or environmental management, and sustainable development.
- Demonstrated knowledge of sustainable waste management and/or circular economy policies and practices in the EU.
- Demonstrated experience in inter-institutional coordination and management of relevant cooperation projects;
- Extensive experience working with different levels of government (national, regional and/or local) is an asset;
- Strong analytical, collaborative, coordination and leadership skills;
- Fluency in written and spoken English;
- Adequate computer literacy.

Tasks

- Overall direction, supervision, guidance and monitoring of the Twinning project.
- Mobilisation of the necessary expertise to support the efficient and timely implementation of project activities.
- In close coordination with, and under the overall guidance of the European Union Delegation (EUD) to the Philippines, lead operational and policy-level dialogue in support of the project objectives.
- In cooperation with the PL counterpart, signing and submission of interim, quarterly and final project reports prepared with the support of the Resident Twinning Advisor (RTA).
- Formal signing of project work plans and any subsequent updates.
- Ensuring the timely and satisfactory achievement of the project's mandatory results.
- Provision of strategic, legal and technical advice when required, including to the EUD;
- Co-chairing the Project Steering Committee meetings together with the beneficiary counterpart.

3.6.2 Profile and tasks of the RTA:

The Resident Twinning Advisor (RTA) will be responsible for the day-to-day implementation of the Twinning project. The RTA will be based full-time within the Environmental Management Bureau (EMB) premises for the entire duration of the project.

The RTA will ensure detailed planning and preparation of activities, supervise and coordinate short-term experts, oversee training activities and study visits, and manage the implementation of the project components in line with agreed objectives, timelines and budgets. The RTA will work in close cooperation with the Beneficiary Country (BC) Project Leader and the RTA counterpart.

The RTA shall be supported by a **Permanent RTA Assistant** and a **Permanent Language Assistant**, working in close collaboration with the beneficiary administration. The assistants will support project administration, logistics, coordination of expert missions, organisation of meetings, seminars and training activities, project record-keeping, and translation/interpretation as required.

Profile

- University degree in environmental sciences, public administration, environmental law, sustainable development or another relevant discipline, or equivalent professional experience of a minimum of 8 years.
- Minimum 3 years of experience in the design, or implementation or management of public-sector reforms related to circular economy policies and their application to the waste sector.
- Track record in the design or implementation of Extended Producer Responsibility (EPR) or related policies is an important asset
- Proven track record of working in the coordination and management of projects involving different levels of government and public institutions.
- Problem-solving attitude and result orientation.
- Excellent analytical and organisational skills.
- Excellent interpersonal, mediation and facilitation skills.
- Adaptability and openness to working in a different cultural and administrative context.
- Proficiency in written and spoken English.
- Excellent computer literacy.

The following will also be considered an asset:

- Previous experience in EU-funded projects and/or Twinning projects.
- Experience in Southeast Asia or comparable institutional contexts.

Tasks

- Overall on-site supervision and coordination of all project activities in line with the approved work plans and timelines.
- Technical and administrative planning and organisation of project activities.
- Supervision and coordination of Component Leaders and short-term experts.
- Day-to-day technical advice and support to EMB staff involved in the project.
- Permanent coordination with the RTA counterpart within EMB.
- Monitoring of project implementation and timely proposal of corrective measures when needed.
- Contribution to the preparation of interim and final reports under the responsibility of the PL.
- Liaison with the EUD project manager, including preparation of technical inputs (e.g. briefing notes, key messages, speaking points) for policy dialogue and communication or visibility activities.

3.6.3 Profile and tasks of Component Leaders:

Three (3) Component Leaders will be designated to coordinate activities related to the achievement of the mandatory results under each of the three project components. They will be identified by the PL and RTA during project implementation and agreed with the Beneficiary Administration and the EUD project manager prior to contracting.

For each component, the Beneficiary Administration will appoint a counterpart Component Leader who will serve as the permanent interlocutor of the EU Member State Component Leader.

Profiles

- University degree in environmental sciences, public administration, environmental law, engineering or another relevant discipline, or equivalent professional experience of a minimum of 8 years;
- Minimum 3 years of experience in the design, or implementation or management of public-sector reforms in the field of sustainable production and/or environmental management and/or circularity.
- At least 3 years of professional experience in areas relevant to the component concerned (C1: circular economy and EPR; C2: sustainability driven investment regulation and standards; C3: capacity building and capacity development in the field of circularity and sustainable waste management).
- Proven track record in the design or implementation of EPR in the EU is an asset.
- Proven track record of working in projects involving different levels of government and public institutions.
- Problem-solving attitude and result orientation.
- Excellent analytical and organisational skills.
- Excellent interpersonal, mediation and facilitation skills.
- Adaptability and openness to working in a different cultural and administrative context.
- Proficiency in written and spoken English.
- Excellent computer literacy.

Tasks

- Coordination, guidance and monitoring of activities under the assigned component.
- Supervision of short-term experts contributing to the component.
- Conducting or overseeing analytical work related to the component area.
- Contribution to the design and delivery of training, workshops and peer-learning activities.
- Provision of technical advice and support to the beneficiary administration in the context of the component.
- Practical guidance to EMB staff in the execution of tasks related to the component.
- Contribution to project reporting (interim and final), mission reports and technical notes.
- Regular liaison with the PL, RTA and their beneficiary counterparts.

3.6.4 Profile and tasks of other short-term experts:

To provide the full range of expertise required for the implementation of the Twinning project, additional short-term experts (STEs) will be mobilised as needed.

These experts will be identified by the PL and RTA during project implementation and agreed with the Beneficiary Administration and the EUD project manager prior to contracting. The specific profiles and tasks of short-term experts will be defined based on the evolving needs of the project and the requirements of specific activities.

Short-term experts may cover, inter alia, expertise in:

- EU legislation relevant to circularity and waste management.

- Environmental standards and compliance requirements for public and private sector projects and investments (advice, monitoring).
- Financial models promoting sustainability and environmental compliance.
- Alignment of projects and investments to circular economy principles.
- Research, innovation and sustainability assessment frameworks.
- Environmental governance and national–local coordination.
- Training, capacity building, dialogue facilitation and harmonisation of approaches to circular economy and waste management.
- Sectors analyses, reporting, presentation of recommendations.

4. Budget

Maximum Budget available for the Grant: EUR 3 550 000 max

5. Implementation Arrangements

- 5.1 The implementing agency responsible for tendering, contracting and accounting is:
European Union Delegation to the Philippines
30/F Tower 2, RCBC Plaza, 6819 Ayala Avenue, Makati City 1200, Philippines

5.2 Institutional framework

The Twinning will be led by the Environmental Management Bureau (EMB) of the Department of the Environment and Natural Resources (DENR). The EMB will be the coordinating body for the relations with other government institutions involved in the implementation of the Twinning and in the GEPP. The Twinning partners will have a dedicated steering mechanism but will also be integral part of the GEPP steering and working structures to ensure coordination and impact-oriented implementation.

5.3 Counterparts in the Beneficiary administration:

The PL and RTA counterparts will be staff of the Beneficiary administration and will be actively involved in the management and coordination of the project.

5.3.1 Contact person:

Engr. Marivic E. Yao / EMB Assistant Director

5.3.2 PL counterpart

Atty. Michael Drake P. Matias / EMB Director

5.3.3 RTA counterpart

Ms. Maria Delia Cristina M. Valdez / Chief of Solid Waste Management Division

6. Duration of the project

The implementation period of the action is 36 months maximum. The overall execution period of the Twinning contract is 39 months. It starts on the date the Contracting Authority notifies the conclusion of the signature procedure and ends three months after the end of the implementation period.

The above duration of the Twinning is subject to the conclusion of an extension of the Financing Agreement of the Green Economy Programme under which the Twinning is financed.

7. Management and reporting³

7.1 Language

The official language of the project will be English. All formal communications regarding the project, including interim and final reports, shall be produced in the language of the contract.

7.2 Project Steering Committee

A project steering committee (PSC) shall oversee the implementation of the project. The main duties of the PSC include review of the progress and achievements *via-à-vis* the mandatory results/outputs chain (from mandatory results/outputs per component to impact), as well as updating of the workplans, ensuring good coordination among the actors. Other details concerning the establishment and functioning of the PSC are described in the Twinning Manual.

7.3 Reporting

All reports shall have a narrative section and a financial section. They shall include as a minimum the information detailed in section 5.5.2 (interim reports) and 5.5.3 (final report) of the Twinning Manual. Reports need to go beyond activities and inputs. Two types of reports are foreseen in the framework of Twinning: interim reports and final report. An interim report shall be presented for discussion at each meeting of the PSC. The narrative part shall primarily take stock of the progress and achievements *via-à-vis* the mandatory results and provide precise recommendations and corrective measures to be decided by to ensure the further progress.

8. Sustainability

It is the objective of the Twinning partner to institutionalise the deliverables of the Twinning. It is part of the strategy to generate and disseminate knowledge. The results will be sustained by the Beneficiary through the institutionalisation and integration of the Twinning deliverables in the institutions' regular functions and will not entail the mobilisation of additional budget as a condition for sustainability.

9. Crosscutting issues

The Twinning provides an opportunity to emphasise gender-responsiveness of Circular economy strategies and EPR frameworks, taking into consideration that women are overrepresented in MSMEs and informal waste sectors and their views and stake need to be taken on board in decision making and economic opportunities. On this, the Twinning will coordinate with the broader effort made at the level of the GEPP Financing Agreement to promote inclusion and equitable representation of stakeholders in decision making.

The Twinning will seek to emphasise the importance of traditional ecological knowledge and the integration of communities' rights in circular initiatives reinforcing just transition principles—where no group is left behind in the shift to a circular, low-carbon economy.

EPR compliance and investment standards are important to hold producers accountable for the impact of their operations and adherence to ethical labour practices. The Twinning will integrate rights-based approaches safeguarding the stakeholders throughout the green value chain.

The project's environmental and climate objectives are inherently linked to its circularity focus. By promoting resource efficiency, waste reduction, and sustainable production, the Twinning will support climate change mitigation and environmental protection.

Capacity-building for government authorities at the central and the local level will ensure regional coverage and inclusion.

³ Sections 7.1-7.3 are to be kept without changes in all Twinning fiches.

10. Conditionality and sequencing

n.a.

11. Indicators for performance measurement

Please ref to *Annex C1a. Levels of an Intervention Logic*.

12. Facilities available

The Environmental Management Bureau (EMB) of the Department of the Environment and Natural Resources (DENR), as the main beneficiary of the Twinning, will host the EUMS experts as well RTA Assistants and will ensure the provision of adequate offices accommodation, international telephone line, internet access, printer, projectors for workshops and photocopier to the RTA, RTA's Assistants and the MS experts.

ANNEX C1a: Levels of an intervention logic

Annex C1a : Simplified Logical Framework

	Description	Indicators (indicative)	Sources of verification	Risks	Assumptions (external to project)
Overall Objective	To support the transition to a green, low carbon, and circular economy in the Philippines	<ul style="list-style-type: none"> . Reduction rate of plastic waste leakage to environment . number of national policies / strategies integrating circular economy principles . volume and number of investments aligned with circular economy and environmental compliance standards 	<ul style="list-style-type: none"> . <i>Official administrative and sector monitoring data produced by EMB and relevant national authorities.</i> . <i>GEPP programme monitoring and reporting, and, where available, external analytical reports from international organisations and development partners</i> 	<ul style="list-style-type: none"> . <i>Slower economic growth, external shocks, reduced investor confidence</i> 	<ul style="list-style-type: none"> . <i>circular economy remains a priority in national policies</i> . <i>Economic conditions remain conducive to public and private investments in sustainable and CE projects</i> . <i>Companies and investors continue to show interest in environmentally compliant and circular economy projects</i> . <i>National and LGUs maintain cooperation in implementing environmental and waste management policies</i>
Specific (Project) Objective (s)	To enhance the capacity of the EMB to promote an enabling environment and a systems-oriented, integrated approach in the implementation of circular economy in waste related policies and programmes, and related investments	<ul style="list-style-type: none"> . Number of circular economy-related procedures, tools and guidelines formally adopted and operational within EMB and enforcement rate. . Number of EMB departments/units applying circular economy related tools and methodologies in their regular function . Number of policies, programmes and projects using structured MERV frameworks for circular economy 	<ul style="list-style-type: none"> . Administrative data and monitoring systems of EMB, Twinning Reports, GEPP programme reporting, stakeholders surveys conducted under the Twinning project 	<ul style="list-style-type: none"> . <i>Turnover or uneven capacity amongst stakeholders</i> . <i>Time required to formalise and transition to new procedures and practices</i> . <i>Availability of data;</i> . <i>Timeliness of coordination amongst stakeholders including private sector companies</i> 	<ul style="list-style-type: none"> . <i>Stakeholders actively engage in Twinning activities</i> . <i>Coordination and synergies with other GEPP partners are systematically prioritised</i>

Component 1 Integration of circular economy principles strengthened in projects likely to have significant environmental impact and to raise critical waste risks

C1 - MR 1	Expertise and best practices exchanged on the assessment of potential environmental, financial and economic impacts of waste-related projects, and on the development of mitigation strategies that align with circular economy objectives	<ul style="list-style-type: none"> . Nr of measures identified to address non compliance hot spot . quality and quantitative improvements resulting from MERV system streamlining; 	<i>Twinning Reports and documentation of outputs</i>	<i>Timeliness of processes due to overlapping commitments, busy government agenda, synchronisation with other GEPP components.</i>	All stakeholders are onboard and actively engage-
C1 - MR 2	Expertise and best practices on incorporating environmental and socio-economic considerations into strategic planning and policymaking, ensuring that circular economy principles are integrated into waste management policies at the strategic level	<ul style="list-style-type: none"> . Reported changes in NEC and EMB capacity following capacity building; . Reported improvement in Value Chain Assessment following capacity building . Structured “fine” policy for EPR violations formulated and presented. .Risk based inspection framework for high impact OE verification designed. . Benchmarking of national circular economy policies and practices against international standards facilitated. 	<i>Twinning Reports and documentation of outputs</i>	<i>Timeliness of processes due to overlapping commitments, busy government agenda and processes leading to approvals and adoption of policies and practices</i>	All stakeholders are onboard and actively engage

Component 2: Fostering a more efficient and business-friendly environment for the implementation of strategic and high impact projects mobilising investments for sustainable development, and the integration of circular economy considerations in the process

C2 - MR 2.1	Compliance assessment strengthened for high impact projects submitted to fast tracking approvals, with potential waste implication and potential to support circular economy objectives, for which EMB has an institutional mandate	<p>. Nr of recommendations and actionable measures proposed to ensure circular economy compliance of investment projects applying to fast tracked procedures</p> <p>.</p> <p>. Number of standardised procedures/tools to assess circular economy-compliance in fast-track investment projects assessment developed and percentage of Geen Lane projects assessed using new tools</p> <p>. Average duration of environmental compliance assessment for fast-track projects and level of compliance with circular economy criteria;</p>	- Training materials, curricula and attendance records, EMB internal reports and capacity assessment documents, Twinning Reports and documentation of activities	<i>Timeliness of processes due to overlapping commitments, busy government agenda</i>	- All stakeholders are onboard and actively engage
C2 - MR 2.2	Tax incentive for environmentally compliant investment strengthened	<p>. Number of policy recommendations linking environmental compliance and tax incentive produced</p> <p>. N of recommendations and actions taken to support administrative simplification</p>	same	<i>Timeliness of processes due to overlapping commitments, busy government agenda and internal validation procedures-</i>	All stakeholders are onboard and actively engage

C2 - MR 2.3	Advisory services to companies and project implementers enhanced on their adherence to environmental laws, minimization of negative environmental impacts and adoption of alternative circular economy solutions	. Number of advisory tools/services developed and number of companies receiving advisory support . Evidence of increased compliance identified;	same	<i>Perception of risks and constraints at company level regarding transitioning to circular economy practices-</i>	All stakeholders are onboard and actively engage
Component 3: Sustained Institutional and Technical Capacity of national and regional EMBs offices in the implementation and enforcement of EPR legislation and circular economy.					
C3 - MR 3	Based on identified training gaps, at least one specific curriculum is developed, tested, and institutionalised to sustain long term capacity development	. Number of training curricula developed and tested (min 1); . Number of training sessions delivered integrating that curriculum receiving positive feedback . Percentage of trained staff applying acquired knowledge in their functions . Institutionalisation and roll out	- Training materials, curricula and attendance records, EMB internal reports and capacity assessment documents, Twinning Reports and documentation of activities	<i>. - Timeliness of processes due to overlapping commitments, busy government agenda and internal validation procedures</i>	All stakeholders are onboard and actively engage
MR 3.2	Cooperation with research institutions of the EU and the Philippines established, to promote exchanges and co-creation of innovative solutions, technology and knowledge supporting the implementation of circular economy in the waste sector;	<i>. Number of collaborations supported</i>	same	<i>-availability of financial resources that may be needed to launch joint research</i>	All stakeholders are onboard and actively engage

