

ADB & THE PHILIPPINES' ENERGY CRISIS

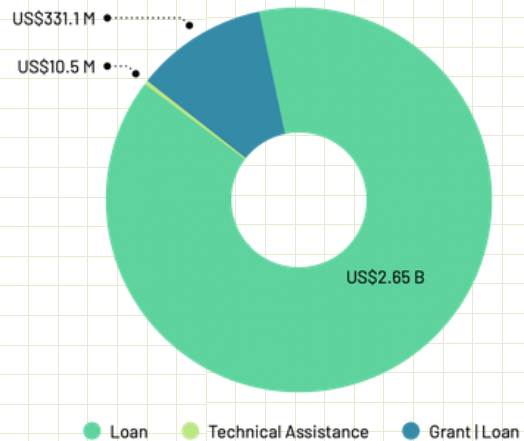
HOW ADB'S POWER SECTOR REFORMS LEFT FILIPINOS HOLDING THE BILL

Every month, millions of Filipino families make impossible choices just to keep the lights on.

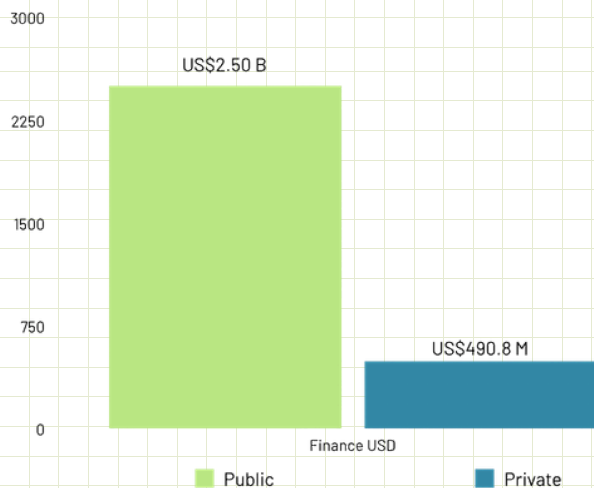
The Philippines has some of Southeast Asia's highest electricity prices, yet blackouts and unreliable power remain common. More than half of the country's electricity still comes from coal – exposing communities to pollution, climate disasters, and unstable fuel prices. At the center of this decades-long crisis is the Asian Development Bank (ADB).

For years, the ADB has financed and influenced the country's energy sector – supporting privatization policies and coal projects that critics say helped lock the Philippines into an expensive and fossil fuel-dependent energy system.

ADB Financing in Philippine Energy



Where the Money Went



ADB FINANCING CAME MOSTLY AS DEBT

USD 2.99 BILLION TOTAL FINANCING

ADB'S INFLUENCE WENT BEYOND FINANCING

ADB AND THE PRIVATIZATION OF PHILIPPINE ENERGY

In 2001, the Philippines passed the **Electric Power Industry Reform Act (EPIRA)**, a law that privatized the country's power sector.

What many Filipinos do not know is that the law was tied to a USD 300 million ADB loan under the Power Sector Restructuring Program. Critics say the loan effectively made privatization a condition for funding.

Communities and energy advocates argue that ADB-backed reforms contributed to soaring electricity prices, weakened public accountability, greater corporate control of the energy sector, and deeper dependence on coal.

ADB-FINANCED COAL PROJECTS

Long before “energy transition” became a global agenda, the ADB financed coal projects in the Philippines despite strong community opposition.

- **Masinloc Coal Plant (Zambales)**

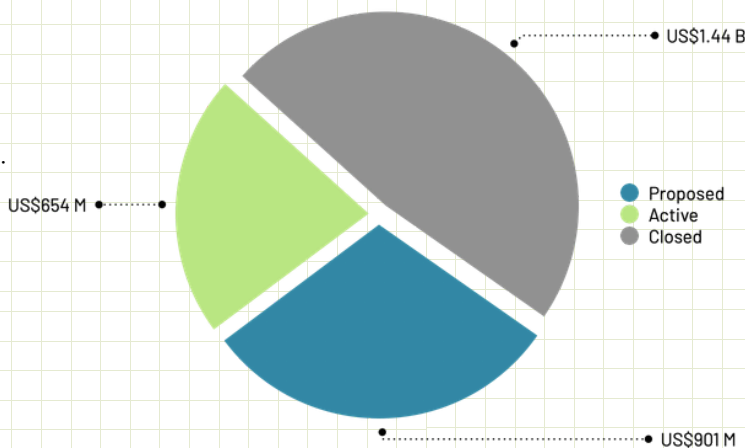
Residents raised concerns over pollution and health impacts for years. Studies later detected toxic substances such as mercury, arsenic, and lead in ash samples linked to the plant.

- **Visayas Baseload Power Project (Cebu)**

ADB also financed this 200-megawatt coal plant, linked to studies estimating thousands of premature deaths associated with coal pollution.

Although these projects are decades old, their impacts continue today – from pollution and health risks to the country’s ongoing dependence on coal under the privatized energy system supported by ADB-backed reforms.

Closed Projects, Lasting Consequences



ADB’S ENERGY TRANSITION MECHANISM UNDER FIRE

Today, the ADB presents its Energy Transition Mechanism (ETM) as a solution for retiring coal plants but affected communities say they are still excluded from decision-making.

The only Philippine coal plant publicly identified for retirement under the ETM is the Mindanao Coal-Fired Power Plant in Misamis Oriental – where residents have long reported polluted air and water, displacement, and respiratory illnesses.

Critics warn the ETM risks becoming a debt-financed corporate bailout rather than a genuinely just transition. Civil society groups also warn that loopholes allowing fossil gas and ammonia co-firing could extend fossil fuel dependence instead of ending it.

“*This extends fossil fuel dependency and puts corporate financial incentives over and above reparations for affected community members.*”

– *Ellenor Bartolome*
Philippine Movement for Climate Justice

WHAT COMMUNITIES ARE DEMANDING FROM ADB

Civil society groups and affected communities are calling on the ADB to -



End all financing for coal, oil, and fossil gas



Guarantee transparent and meaningful community consultations



Provide reparations for affected communities



Ensure the full decommissioning of coal plants



Invest in affordable, publicly accountable renewable energy systems

For many Filipinos, the energy crisis is no longer just about electricity prices or power shortages – it is about justice and accountability. Communities say the ADB cannot continue presenting itself as a climate solution while ignoring the social, environmental, and economic harms linked to the energy system it helped build.