



13 April 2021

**Mr. Emmanuel Herbosa**  
President and CEO  
Development Bank of the Philippines

and the bank **Management**

Dear Sir,

Greetings from Withdraw from Coal (WFC).

We, the civil society, faith, and environmental advocacy groups belonging to WFC, first reached out to the Development Bank of the Philippines (DBP) to learn more about the Bank's policies on financing coal and other climate and sustainability initiatives. We have since been engaged in fruitful conversations by the Bank's representatives, who shared that DBP has put in place a policy restricting its financial support to coal as early 2017, on top of many more commendable efforts to promote renewable energy and other sustainable technologies.

We write to urge DBP to publicly disclose this policy on coal, and become one of the first banks in the Philippines to have a clear position against this destructive energy source. By doing so, the Bank would be sending a clear message that environmentally responsible investment decisions by financial institutions are indeed possible and viable. Moreover, it would be a step forward in freeing Filipinos from high electricity prices and inconvenience of an unstable grid that is dominated by coal and limited by the concept of baseload power generation.

As a state-owned bank, a public policy on coal would also solidify standing commitments by different government bodies to advance clean energy for all. This includes the marching orders of President Duterte to fast-track the development of renewable energy in his State of the Nation Address in 2019, as well as the recent implementation of a moratorium on new coal projects by the Department of Energy.

We also believe that by publicizing such trailblazing policy, the bank will be well on its way to becoming the gold standard in climate and sustainability action. DBP is already pursuing many commendable efforts to align to climate ambitions and promote an ecologically supportive development path for the Filipino people - a most notable one among which is its application for accreditation by the Green Climate Fund (GCF).



The GCF is a climate finance infrastructure which civil society has, for years, tirelessly engaged to ensure that it would benefit Filipinos, in line with the principle of climate justice. As a country extremely vulnerable to impacts of rising global temperatures despite historically contributing a much smaller amount of carbon emissions than nations in the developed world, it is crucial for the Philippines to be able to access financial resources that will allow it to implement climate solutions and reduce dependence on carbon-intensive industries. As such, we are very much ready to rally behind DBP in its bid to be among the first Filipino banks to access GCF.

We are concerned, however, that its history of coal exposure from 2010 - 2016 would pose challenges to the progress of DBP's accreditation process. There has been increasing pressure from civil society groups opposing the GCF accreditation of known financiers of coal and other fossil fuels, challenging the application of the likes of Sumitomo Mitsui Banking Corporation (SMBC), as an example. Upon facing grave resistance from environmental and climate justice groups, SMBC was forced to move to withdraw its application in 2020. It reapplied in March 2021, after news broke on the bank's serious deliberation to cease all new coal lending.

As it is an imperative to urgently build the Philippines' climate resilience and strengthen its mitigation efforts, it is in the best interest of Filipinos to be granted immediate access to GCF. Publicizing its coal policy, we believe, will help reduce risks of civil society opposition to this process, despite existing public records of DBP's involvement with coal.

DBP has already vowed to withdraw from coal internally, years before any other local bank was able to follow suit with a similarly ambitious commitment. The Rizal Commercial Banking Corporation promised in December 2020 to no longer fund coal, yet it, to date, is still in the process of crafting and finalizing its policy. We strongly urge DBP to consider being the herald to a new phase for sustainable finance and the Philippine energy landscape by publicly declaring its intention to leave coal behind.

Sincerely,

**Bishop Gerardo Alminaza**  
Diocese of San Carlos  
Co-Convenor, Withdraw from Coal

**Gerry Arances**  
Executive Director  
Center for Energy, Ecology, and  
Development