

A bank for green energy

Initiatives from the Development Bank of the Philippines

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The role of national development banks and financial institutions is critical in promoting ESTs and thus bringing about significant changes in the national environmental performance. The financing mechanisms and methods adopted by these agencies vary from agency to agency and from country to country. This article explains how the Development Bank of the Philippines (DBP) is carving a niche for itself in promoting, developing and utilizing new and renewable energy technologies in the country.

Introduction

For about a decade now, the Development Bank of the Philippines (DBP) has been a major player in an arena in which other financial institutions in the Philippines have opted to play supporting roles.

DBP owns the distinction of being the first financial institution in the country to provide financing for the development and utilization of new and renewable energy (NRE) technologies. And this strategic support to NRE projects remains a major thrust and activity in the Bank.

DBP's pioneering involvement in green energy is yet another dimension in its vigorous efforts to be a catalyst for environmental protection and sustainable development in the Philippines.

The green energy alternative

The trend towards the use of NRE started with a growing awareness of the damaging effects that current energy usage patterns and resources have inflicted on the environment. It is common knowledge now that fossil fuels such as oil and coal are depletable and that their use also degrades the ecosystem. "Green energy" thus provides an environment-friendly option precisely because it is environmentally benign and renewable, and has no harmful effects on either people or the ecosystem.

The adoption of NRE technologies in the Philippines is particularly appropriate, given its vast renewable energy sources, including solar, hydropower, biomass, wind, and geothermal resources. The economic and financial considerations associated with these technologies and resources are also favourable in many applications in the country, including the supply of electricity and thermal energy services in

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