



# ON THE PATH TO PROGRESS

## THE PHILIPPINES' COAL TO CLEAN JOURNEY UNLOCKS HEALTH BENEFITS

**Despite its current and historical reliance on coal power, the Philippines is working on reducing emissions from coal-fired power as part of its energy transition.**

The country has already implemented a moratorium on new coal since 2020 and is taking steps to leverage its clean energy potential to deliver affordable electricity and economic development opportunities. Below, we outline the current coal landscape in the Philippines, the steps the country is taking to mitigate the negative impacts of coal generation and the potential this holds for improving the health of the population.

### Coal power and policy in the Philippines

The Philippines currently has 26 coal power plants in operation, totalling to 12GW of installed capacity, and supplying over 50% of the country's electricity. Despite this reliance on coal for power generation, the Philippines has recognised the need to wean itself off the dirtiest fossil fuel, in large part because of coal's detrimental impact on the health of local communities. For example, in 2019, air pollution from coal power production alone resulted in 630 deaths, 1,300 new cases of childhood asthma, 149,000 missed days of work, and an annual cost of US\$165 million.

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Against this backdrop, the Philippines has taken a few significant steps to manage the emissions from coal power and reduce its health burden. The country's most significant environmental law, the Clean Air Act, was passed in 1999 and provides a policy framework for reducing the health impacts of air pollution by setting emissions standards. Such a framework is often a good first step in jurisdictions with coal-dependent electricity systems. Currently, civil society is engaging with the government to update these standards and expand on them in the upcoming revision of the country's Nationally Determined Contribution – a climate plan required under the Paris Agreement.

In 2020, Philippine president Rodrigo Duterte placed a moratorium on new coal projects. Then at COP26 in 2021, the Philippines joined 39 other countries pledging to accelerate their coal-to-clean-energy transitions. Several cities and provinces in the Philippines have made coal phase-out commitments since 2019 and have joined the Powering Past Coal Alliance to demonstrate their ambition on climate and coal phase-out.



*Views from Fort Santiago, Manila, Philippines | Source: Michael Buillerey, Unsplash*

The country has also taken steps to advance the deployment of clean energy. The National Renewable Energy Act of 2008 produced the National Renewable Energy Program, both of which offer financial incentives such as tax breaks and renewable energy certificates. One-stop-shops were set up for energy companies to operate their business, while rules and regulations were amended to relax foreign investment requirements and to provide preferential treatments in the Wholesale Electricity Spot Market.

Other significant policies are the Philippine Energy Plan 2020-2040, the Green Auction Program, and Green Building Codes that set the standards for energy efficiency and sustainability in building infrastructure. In addition, the Department of Energy has launched a vigorous national energy efficiency campaign.

## Coal exit can improve health and economics

The measures outlined above, as well as further action on coal phase-out, can help mitigate the severe health impacts the population is facing from air pollution. This is particularly the case for populations that live close to coal power plants, which experience the negative health effects of burning coal most acutely.

In the region of Mariveles, Bataan, for example, a coal plant built in 2008 has blackened villages with coal dust, covering peoples' homes, farmers' crops, and fishing boats in layers of toxic ash and residue. Residents responded by closing their windows to keep the coal dust and fumes out, but then suffered intensely from heat and the lack of ventilation. Many residents have reported increasing cases of coughing, asthma and symptoms of chronic obstructive pulmonary disease (COPD) since the first plant started operations.

These residents, assisted by NGOs such as Health Care Without Harm, have opposed the existing coal plant because of its adverse health impacts, and are blocking its further expansion.

# Turbulent energy markets and increasingly unstable geopolitical relationships are providing further impetus for the Philippines to reduce their dependence on coal.

The benefits of turning away from coal are not confined to just health, however. The Philippines imports 80% of the coal it burns, making the country highly vulnerable to external price shocks within increasingly volatile global markets. Turbulent energy markets and increasingly unstable geopolitical relationships are providing further impetus for the Philippines to reduce their dependence on coal.

But there are challenges to coal phase-out in the Philippines. Many of the coal power plants (6.5 GW of the 12 GW of installed capacity) are less than ten years old. The country also needs to find alternative sources for the 50% of its electricity demand that is currently met by coal power.

Renewable energy sources are plentiful. They represent a cheap, clean alternative to coal, can stimulate economic growth and at the same time improve public health through pollution reduction. They are also more resilient and secure, as they are not subject to the same global forces.



