

## **DB told: Loans for 'Yolanda' rehab will overburden PH, give grants instead**

Tuesday 26 November 2013, by [InterAksyon.com](http://InterAksyon.com) (Date first published: 21 November 2013).

MANILA - An international group of civil society organizations is strongly opposing the US\$500 million reconstruction loan that the Asian Development Bank is extending to the Philippines for the survivors of super typhoon Yolanda.

In the aftermath of the super typhoon, ADB has also earmarked US\$23 million grant assistance for immediate relief on top of the said emergency loan for rehabilitation of devastated areas.

NGO Forum on ADB, in a letter to President Takehiko Nakao, said: "It is insensitive and detrimental to the Bank's image to offer a loan with unclear terms and conditionalities, instead of a larger grant, to a government that is already overburdened in helping its deeply affected people."

"If the ADB does want to help then we suggest that the Bank to increase its grant allocation that would accelerate relief and rehabilitation efforts, as well as institutionalize programs on disaster preparedness and climate change adaptability of millions of Filipinos," NGO Forum on ADB executive director, Rayyan Hassan said.

According to Ricardo B. Reyes, convener of NGO Forum's Philippine Working Group, "while the national government is keen on considering the soft loans being offered, in the past it is always the Filipino people who carry the brunt of repaying these foreign loans out of their hard-earned money."

NGO Forum on ADB highlighted the public statement made by Finance Secretary Cesar Purisima that the government has fiscal space to deal with the relief and rebuilding efforts in Central Visayas, which was devastated by super typhoon Yolanda (international name: Haiyan).

The consolidated network of civil society organizations across Asia reminded the ADB president of the outpouring support and international aid from more than 30 donors to the Philippines. It added that "it is clear that a number of agencies and institutions around the globe are granting assistance and not offering loans for the rehabilitation of the affected areas and rebuilding communities."

NGO Forum on ADB said the Yolanda aftermath also exposed the limitations of ADB's short-sighted vision on climate financing and climate change adaptation. Until now, it noted, the ADB does not have a clear climate change policy with regard to its lending portfolio.

Citing a report from Carbon Dioxide Information Analysis Center, the Forum raised the issue of a long overdue resolution on seeking "climate justice" especially with big players like China and United States contributing 100% and 75% share of carbon dioxide emissions respectively as of 2010.

The civil society network extended its support to the developing countries and civil society organizations for continuing the pressure in COP 19, Warsaw, Poland - the Conference of Parties on Climate Change - for the world's developed nations to claim their moral responsibility on the matter.

NGO Forum on ADB continues to emphasize the need for a strong oversight of all ADB Yolanda grant components by the civil society to ensure transparency and accountability. "These funds should go

to the rightful beneficiaries to help them rebuild their lives and uplift their quality of lives and dignity," it said.

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