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ANNUAL REPORT



MISSION

- ⦿ To stimulate public awareness and action as well as develop closer working ties with Peoples’ Organizations (POs), Non-Governmental
- ⦿ Organizations (NGOs) and other public interest groups on issues related to the Asian Development Bank
- ⦿ To develop a cohesive framework and overall strategy in coordination with partner NGOs, Community-Based Organizations (CBOs) and Peoples Organizations (POs) for the campaign on the ADB
- ⦿ To sharpen the public debate on and understanding of the Bank’s growth-oriented development paradigm and top-down development strategies
- ⦿ To influence the Bank to adopt poverty reduction-focused and grassroots-based policies for sustainable development
- ⦿ To critique the development models adopted by the Bank
- ⦿ To assist and build capacities of CSOs and movements (including local communities) through Forum networks to fight for equitable social and environmental justice, democratic governance, and safeguards in Bank’s projects

VISION

- ⦿ Democratic governance and equitable social, gender and environmental justice enjoyed/flourishing through Asia and the Pacific region
- ⦿ Enhance the capacities of Civil Society Organizations and movements in the Asia Pacific to amplify their struggles against ADB policies, projects, and programs that threaten people’s lives, the environment, and their communities



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MESSAGE FROM THE INTERNATIONAL CONVENER

2019 saw nature sadly take away Mr. Isagani R. Serrano, “Gani” to all of us, a loss so deep not just for the Forum but for a large cross-section of civil society in the region. My own moments with him during my visits to Manila were embellished with lively conversations ranging from Mining in Mindanao to surrogate motherhood in India. My deep condolences to the more near and dear.

NGO Forum on ADB’s role is becoming more critical than ever as it enables voices of the weak from the ground levels to reach the highest strata of political and economic decision making while civil society spaces are rapidly shrinking in most of the countries in the region. This year cases about ADB and AIIB funded projects were brought to light and Forum network members assisted impacted communities in getting the justice that they deserve.

The efforts to the support grassroots groups to articulate their concerns and seek remedial action from Banks have brought about the importance of linking local to global and has helped local groups to enhance their capacity for evidence gathering and reporting violations in the policy. However, we recognise that given the large number of projects and more intermediary and indirect financing through private sector mechanisms, this is going to be an ever-increasing challenge for us.

Some of the efforts over the year have been successful in raising these concerns at various national and international forums. This has made decision-makers to engage civil society organizations more explicitly in their policy formulation and this is particularly demonstrated in the network’s efforts in pushing for decarbonizing the banks and nations that are extremely relevant and crucial.

Forum’s further foray into issues of gender, public health, and social protection is an important and welcome development which needs to be fostered given the rising concerns. There is also a growing concern on the ESG aspects of corporations which would assume importance in the years to come as governments are moving project implementation to facilitating private sector in these tasks.

I would like to thank all members of the forum for their diverse efforts in enabling communities to ensure that their rights are respected. I deeply value the continued support of the former IC members and the active contribution of comembers in strengthening the efforts of the Forum.



**1 ASIAN
DEVELOPMENT
BANK**

PROJECT MONITORING

Water Resources Development Investment Program - Tranches 1 and 2: Upper Elahera Canal - Sri Lanka

The Asian Development Bank (ADB) has approved the Water Resources Development Investment Program - Tranches 1 and 2: Upper Elahera Canal (Project Numbers 47381-001, 47381-002, 47381-005), in Sri Lanka. The said project had caused environmental destruction and serious safeguard violations including the construction of a 1.7 km access road inside the Beligama forest which is part of the Knuckles conservation forest.

Center for Environmental Justice (CEJ) communicated to the Bank through the office of the project officer and raised the following issues:

1. Environmental destruction caused by the project.
2. Malgovernance of the ADB project
3. Serious environmental safeguard violations.
4. Sinohydro Corporation Ltd (the contractor of the project) not following the conditions set during the project approval to protect the environment.

Kolkata Environmental Improvement Investment Project (KEIIP) - India

NGO Forum on ADB and the Indian Social Action Forum (INSAF) met with ADB's South Asia Regional Department (SARD) last 18 September 2019 to discuss the issues concerning the Kolkata Environmental Improvement Investment Project (KEIIP).

The project has 3 tranches that were supposed to improve access to water supply and sanitation. KEIIP is Category B, both on the environment and involuntary resettlement.

5. Dumping of debris and soil to the river-side and constructed another 1 km of the road across non approved stretch.
6. Sinohydro Corporation Ltd. has violated the Fauna and Flora Protection ordinance Forest Ordinance No 16 of 1907 (amended) and the National Environmental Act No 47 of 1980(amended).

Also, the project is located in a legally protected area. Thus NGO Forum and CEJ had demanded the following:

- Make sure that the project follows environmental and social safeguards in line with the ADB safeguard policy statement 2009 and act against the violators.
- Resolve the conflict of interest issue in the project implementation which has led to the corruption of the governing procedure and ensure proper governance.
- Make a monitoring visit and find the safeguard and other policy violations in the project and make sure that it does not make policy violations which will trigger Accountability Mechanism.

INSAF raised the following issues during the meeting:

- More than 300 small shopkeepers are temporarily displaced due to the pending construction to facilitate the sewerage and drainage line along the Mahatma Gandhi Road.
- The shopkeepers do not have an adequate source of income as of the moment and are unable to access loans as they have no standing assets.
- The Entitlement Matrix was not explained

nor shared as a leaflet to the affected persons (APs). The consultation merely focused on the timeframe of the construction.

- ADB should ensure that the APs will have adequate support (additional to the compensation of daily loss) for rehabilitating their shops once the project construction phase is completed?

Several correspondences also took place between NGO Forum on ADB, INSAF, and the Bank.

Accelerating Infrastructure Investment Facility in Himachal Pradesh - India

NGO Forum on ADB together with Building and Wood Workers' International (BWI) and All Himachal PWD-IPH & Contractual Workers Union (AHPWDIPHCU) filed a complaint to the ADB regarding the Accelerating Infrastructure Investment Facility in Himachal Pradesh, India, with project number 47083-002, and the contractor was Infrastructure Leasing & Financial Services (IL&FS).

The project has resulted in labor violations, including-

1. Absence of employment contracts
2. Forced overtime without pay
3. Forced weekend work
4. No social security coverage for the workers and their families
5. Violation of the right to



6. No specific facilities for women workers
7. Gross negligence on occupational health and safety (OHS) and first-aid facilities

The project has also violated rules laid out in the ADB Social Protection Strategy, which guarantees compliance with core labor standards and minimum legal protections. The Social Protection Strategy also requires all ADB-funded projects to have a ground-level grievance mechanism, however, this project never had such a mechanism.

The project's goal was to alleviate poverty and provide an important infrastructure link

between people and markets. Instead, the project has caused major problems to more than one hundred affected workers, leaving them with months of unpaid back wages and other legal benefits. As of February 2019, the project owes the affected workers a total of 22 million Indian rupees.

A complaint was also filed to the ADB Accountability Mechanism Office, Special Project Facilitator last 30 May 2019 by the affected workers regarding this project.

This issue was also brought to the attention of president Takehiko Nakao during the ADB Annual Meeting in Nadi, Fiji.



Affected communities of the
ity in Himachal Pradesh - India



BD funded project Accelerating Infrastructure Investment Facility
met with Bank officials to raise their concerns.

Tanahu Hydropower Project - Nepal

Indigenous communities affected by the Tanahu Hydropower Project in Nepal have filed complaints with the independent watchdogs of the ADB and the European Investment Bank (EIB) -- two co-financiers of the project -- requesting an independent mediation process.

The communities have allegedly failed to uphold free, prior, and informed consent (FPIC) and inadequate compensation for loss of lands and livelihoods.

The project was supposed to expand access to clean and sustainable energy in Nepal but instead, it threatens to

submerge land, community forest, communities, public structures, and cremation sites, etc. The dam will also regulate the river flow downstream. Thus, the project will have the following environmental and social impacts.

At least 32 affected families or landowners organized under the Directly Inundation Affected Peoples Collective Rights Protection Committee have called for 'land for land' and 'house for house' compensation, re-survey of land left out during the Detailed Measurement Survey of the project, and free, prior and informed consent in the project process, among their ten

demands, they have submitted to the ADB and the EIB.

The Tanahu Hydropower Project is being developed by Tanahu Hydropower Limited, which is fully owned by the Nepal Electricity Authority. The project will construct a 140-meter high concrete dam with a reservoir about 25 kilometers long on the Seti River in Tanahu District in western Nepal. The Sino Hydro Corporation constructed affiliated facilities for the project. The ADB, the EIB, and the Japan International Cooperation Agency (JICA) have provided funding to the project.

Wind Power Generation Project - Sri Lanka

NGO Forum on ADB and Center for Environmental Justice (CEJ) brought the Bank's attention to another project in Sri Lanka, this time to the Wind Power Generation Project, a US\$ 200 million project which aims to provide increased access to a clean and reliable power supply by 2025.

The project is said to address environmentally sustainable growth and inclusive economic growth. A total of 39 wind turbines will be erected in the Mannar District area, located in the Northern Province of Sri Lanka. The outputs of this investment project are:

- Wind power generation capacity increased;
- System reactive power management improved and;
- The capacity of CEB in project engineering design review and supervision strengthened.

down, which may bring into question the economic viability of the project.

The following recommendation was made: An independent evaluation is conducted on the cumulative impacts and specifically the negative impacts on the bird migration in future development ambitions to 300 MW (current 100MW project + future 200 MW addition) in this highly sensitive location. The ADB should conduct a further study on the cost-effectiveness of the turbine shut down option (including the cost on biodiversity loss), which might be the only option if the project will go ahead as it is.



The proposed project is category A for the Environment and B for involuntary resettlement.

The following issues were raised to the Bank's Board of Directors:

- On the issue of cumulative impacts and bird migration: ADB wrote that a Collision Risk Assessment was conducted from June – March 2016. However, local biodiversity experts suggest that birds return flight of mass migration is usually between March – April. This period has not been covered in this assessment. Local bird experts including the Ceylon Bird Club are therefore concerned about the accuracy of findings in the current report on the issue of bird mass migration.
- On the issue of the turbine shut down: As a migratory measure, it is proposed to have an emergency shut down during the bird migration. However, this may result in the generation loss during the shut-

ADB ANNUAL MEETING

The 2019 ADB Annual Meeting took place in Nadi, Fiji. From 1-5 May 2020. NGO Forum on ADB was able to organize 2 Panels -

Impact of ADB's Energy Policy and the Paris Agreement. ADB's energy policy is based on three pillars: promoting energy efficiency and renewable energy; maximizing access to energy for all; and promoting energy sector reform, capacity building, and governance. Together with other multilateral development banks, ADB has pledged to help developing member countries meet the Paris Agreement by further mobilizing public and private finance to help countries reduce greenhouse gas emissions and adapt to climate change. The panel also discussed concerns related to ADB-supported energy projects in some developing member countries. The speakers also highlighted the urgency of transitioning into renewable energy and promoting energy efficiency consistent with the principles of the Paris Agreement. The discussions also noted ADB's increased financing for renewable energy and energy efficiency and its support to its member countries to fulfill their nationally determined contributions to reduce emissions and adapt to the impacts of climate change. ADB will be undertaking a review of its Energy Policy 2009 in consideration of technological advances and its recently approved Strategy 2030.

Unpacking the Delivery of ADB's Safeguard Policy Statement. ADB's Safeguard Policy Statement (SPS) promotes the sustainability of project outcomes by protecting the environment and people from projects' potential adverse impacts. The forum discussed issues and concerns related to the implementation of SPS in ADB-supported projects. Panelists highlighted challenges with national instruments, environmental laws, and social safeguard mechanisms of selected borrowing countries, which are not always able to uphold ADB's SPS standards. The session also highlighted ADB's efforts to strengthen the

implementation of the SPS by adding more safeguard staff positions and supporting safeguard learning centers and other capacity development activities. The panel also noted that ADB's Independent Evaluation Department is currently undertaking a review of the SPS that will consider its implementation effectiveness.

The Forum also played an active role in the following sessions -

Discussions on ADB Strategy 2030's Operational Priorities. Around 140 civil society organization (CSO) representatives attended the discussions on draft Operational Plans to operationalize ADB's new Strategy 2030. Approved in 2018, the new corporate strategy aims to sustain efforts to eradicate extreme poverty and expand its vision of a prosperous, inclusive, resilient, and sustainable Asia and the Pacific. The new corporate strategy is aligned with major global commitments and focuses on seven key operational priorities. The meeting began with an overview of each of the following operational priorities:

- addressing remaining poverty and reducing inequalities;
- accelerating progress in gender equality;
- tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability;
- making cities more livable;
- promoting rural development and food security;
- strengthening governance and institutional capacity;
- fostering regional cooperation and integration.

The presentations were followed by break-out discussions on the operational priorities, which were facilitated by chiefs of relevant thematic and/or sector group. The small-group sessions provided an opportunity for CSOs to seek clarification and share suggestions on the draft Operational Plans for the



NGO Forum on ADB contingents during the 52nd ADB Annual Meeting in Nadi, Fiji



Ann Perreras, NGO Forum on ADB Policy Coordinator during the panel on Unpacking the Delivery of ADB's Safeguard Policy Statement.



Rayyan Hassan, NGO Forum on ADB Executive Director explaining the plight of an impacted community by the Tanahu Hydropower Project funded by the ADB during the panel on Unpacking the Delivery of ADB's Safeguard Policy Statement.

seven operational priority areas, which will be approved in September 2019.

Meeting between CSOs and ADB Senior Management.

More than 130 representatives of civil society organizations (CSOs) and NGOs from various parts of Asia and the Pacific, assembled for the yearly meeting with the ADB President Takehiko Nakao.

Mr. Nakao underscored the contribution of the CSOs in development projects particularly in targeting the poor and marginalized through grassroots participatory approaches. This was followed

by a question and answer that covered issues related to climate change, safeguards in ADB projects, and implementing ADB's new Strategy 2030.

Improving Project-Level Grievance Redress Mechanisms and Accountability.

Forum on ADB pointed out that it is significant that project information should be made available to the stakeholders. Besides, most MDB's are often not effective at the local level. It has been a real challenge to ensure that local grievance redress mechanisms (GRMs) have worked effectively; this will

be a bigger challenge for an FI client to ensure. The Forum network recommended the following:

- Meaningfully accessible for local communities
- Ensure complainants protection from backlash and retaliation
- Ensure remedial response

Other side meetings. Forum and its network members were also able to meet with local civil society organizations in Fiji, and the World Bank Inspection Panel Chair.



Emma Bacon from Australian People for Health, Education and Development Abroad (APHED) asks the ADB regarding their commitment to stop funding projects that has asbestos.



Impacted community members of the ADB funded Accelerating Infrastructure Investment Facility in India talks about their struggles during the Bank's 52nd annual meeting.

ASIA CLEAN ENERGY FORUM (ACEF)



NGO Forum on ADB took the streets their demand to stop funding fossil fuels during the Asia Clean Energy Forum (ACEF).

This year, the ADB had the 14th Asia Clean Energy Forum (ACEF) from 17 - 21 June 2019. NGO Forum on ADB along with its member partners demands the ADB to meaningfully act on the urgency of climate crisis in the Asia - Pacific.

The Forum also demanded that the Bank should be the standard-bearer for other MDBs, and it should adopt stringent measures following the 1.5-degree pathway.

During the week-long event, Forum on ADB organized a press conference on 20 June, together with the Center for Energy, Ecology, and Development (CEED), Philippine Movement for Climate Justice (PMCI), and Sanlakas.

In the press conference, the group pointed out that despite its professed commitment to 'clean energy', ADB's energy legacy remains to be its funding of fossil fuels, especially coal. The group also emphasized that with expanding energy markets and investments unparalleled in any region of the world, Asia holds now in balance the world's future on climate change. Asia is a region that is home to many climate-vulnerable countries but also hosts governments welcoming dirty energy projects which further worsen the climate crisis.

Also, CSOs urged the ADB to start pursuing distributed renewable energy systems because it maximizes energy

access and advances energy democracy. It is designed on the principle of not harm the environment, supports local economies, and contributes to the health and well-being of all people. By investing in distributed renewable energy systems, essentially this also contributes to fulfilling ADB's commitment to improving governance and meet the Bank's stated objective of ensuring energy access for all.

The day after the press conference, a mobilization was conducted outside the ADB HQ in Ortigas, Manila. Groups exposing the Bank's "clean energy" myth. As well as, to be true to their legacy of getting out of the business of dirty energy.

DECARBONIZE ADB RESEARCH PRESENTATION

Forum on ADB with the Center for Energy, Ecology, and Development (CEED) conducted research on how to “decarbonize” the energy lending portfolio of the ADB. The research also serves as an input in the ongoing evaluation of the 2009 ADB Energy Policy.

Following the completion of the paper, a public research presentation on the “Decarbonizing ADB Paper” was conducted last 20

August 2019 at the 11.11.11 Office in Quezon City, Philippines.

The objective of the research presentation is to get feedback and recommendation on the key findings on the paper before its publication.

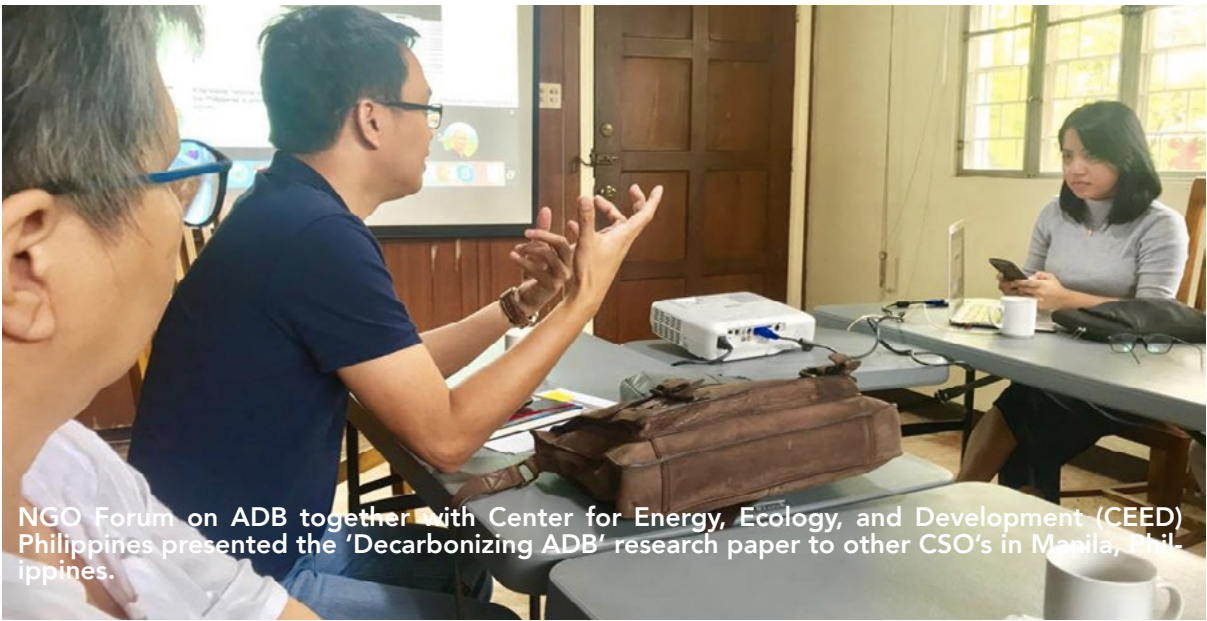
The event was attended by CSOs based in Manila.



Center for Energy, Ecology, and Development (CEED) executive director Gerry Arances talks about better alternatives to fossil fuels during the CSO press conference, ACEF 2019.



Ann Perreras, NGO Forum on ADB Policy Coordinator talks about the harm of funding fossil fuels during the CSO press conference, ACEF 2020.



NGO Forum on ADB together with Center for Energy, Ecology, and Development (CEED) Philippines presented the 'Decarbonizing ADB' research paper to other CSO's in Manila, Philippines.

BANK ENGAGEMENTS

The year 2019 has been a busy year pushing significant policies to the ADB. Although there have been several Bank engagements, the following are the highlights -

COMPLIANCE REVIEW PANEL (CRP) UPDATES.

A meeting with CRP Chair Dingding Tang took place last 19 March 2020. The meeting discussed different important topics, one is the regional workshop on Financial Institutions in Shanghai, China from 20 - 21 May 2019. This is in line with the recently approved technical assistance (TA) on developing an Accountability Mechanism (AM) Framework for financial intermediaries.

The Office of the Compliance Review Panel (OCRP) updated the initial program that they have circulated to the participants. Also, they have received a request to alter the design of the program and to lessen the use of PowerPoint presentations.

As such there will only be 3 main presentations focusing on the following:

- ADB safeguards on FIs;
- Presentation on the draft AM framework itself; and
- Presentation from China's Ministry of Environment on greening the Belt Road Initiative (BRI).

Due to the estimated volume of participants pegged

at 250, OCRP mainly invited various banks and FIs in the People's Republic of China (PRC) who are expected to be the main users for the said AM framework. Most of the Multilateral Development Banks (MDBs) will also be there and a few international or regional INGOs have also been invited.

The Forum has requested a copy of the draft AM framework and for it to be shared. However, the consultant which will draft the said framework is yet to be hired by OCRP but they are hoping that the draft can be shared by mid - May or earlier.

Another topic that was discussed was the commitment given by the China Banking and Insurance Regulatory Commission (CBIRC) to the ADB that safeguards mechanism and AM framework will be implemented across Chinese banks and will take into account the Equator Principles.

GLOBAL CHARTER FOR UNIVERSAL SOCIAL PROTECTION. Forum and the Asia Europe People's Forum (AEPF) sent out the Charter for Social Protection. A meeting soon followed with select ADB Board of Directors. Key points were raised which includes the following:

- The ADB should take a much stronger position about social protection:

- There is a disconnect (in context with ADB projects) regarding the number of jobs versus the quality of jobs available as current indicators only look at the number of jobs created, but not their quality, length of contracts, and standards.
- A good entry point for the possible adaptation of the charter is the review being made on the Bank's strategy 2030 Operational Guidelines, especially on Poverty and Social Protection, and Gender, as well as some of its policy reviews
- There is a need to start the discourse about social protection as soon as possible at the ADB and State level
- There is a need for the Bank to adopt the charter (both in management and in projects) at the project level

In the course of the conversation Forum on ADB cited several bad projects due to the absence of social protection (India and Uzbekistan), lack of indicators to quantify violations.

The Forum network recommended that the Bank should re-visit the ADB-International Labour Organization (ILO) Memorandum of Understanding and ensure its operationalization. The Bank should also take an active

role in scaling up the social protection issues in line with ILOs centennial celebration. The charter should also actively promote the charter in the Strategy 2030, meetings, policy reviews, and every possible avenue.

HIRING PROCESS FOR COMPLIANCE REVIEW PANEL CHAIR.

Forum on ADB along with Accountability Counsel, USA, Bank Information Center USA, SOMO, Netherlands, and Urgewald, Germany engaged the ADB Board Compliance Review Committee (BCRC) regarding the hiring process of the Compliance Review Panel (CRP) Chair.

The group urged the BRCR to involve external stakeholders, especially civil society in its hiring process for CRP members, as it has done so for many years.

Throughout various complaints filed at the CRP over the years, CRP is the most critical structure in ADB, designed to ensure accountability and remedy for communities who are harmed or will be potentially harmed by ADB-financed activities.

To properly perform its work and be recognized as legitimate, the CRP must be independent. This in turn requires Panel members to be independent, which is enhanced not only by maintaining pre-employment cooling-off periods and post-employment bars, a practice already

in place at the ADB, but also by including independent external stakeholders, especially civil society, in the selection process.

Furthermore, this would help ensure that CRP members are free from undue influence, including from management, governments, and clients.

NGO FORUM ON ADB COMMENTS: SAFEGUARD COMPLIANCE AND ACCOUNTABILITY MECHANISM FRAMEWORK (AMF).

The Forum and Accountability Counsel, engaged the ADB and the AIIB to convey the idea that for the AMF to work effectively it has to be able to learn from each case and make the necessary reforms to strengthen implementation.

The group also emphasized the importance of 'lessons learned' and 'feedback loops' built into the AMF system to help reform the structure will be critical to bringing diverse types of FI's to compliance.

The group also brought to light their observation on the ADB and AIIB that the Grievance Redress Mechanisms are often not effective at the local level. For MDBs it has been a real challenge to ensure that local GRMs have worked effectively; this will be a bigger challenge for an FI client to ensure.

Therefore the Forum and Accountability counsel recommended the following-

In the project level, GRMs should be -

- Meaningfully accessible for local communities
- Ensure complainants protection from backlash and retaliation
- Ensure remedial response

Also, local communities have no way of assessing whether FI subprojects are indeed FIs and what policies and mechanisms are entailed in their operations. From a community perspective, the following information has to be provided pre-project approval -

- Area and scale of the project
- A clear description of the project cycle, construction, environmental and social impacts
- A clear assessment of project benefits sharing, compensations, and allocations
- A clear understanding of rights, privileges, and redress mechanisms for communities in cases of violations.

Lastly, the group highlighted that all of the languages needs and ensuring that poor and vulnerable groups such as women, children, and people with disabilities are made aware of all project related information.



2 ASIAN INFRASTRUCTURE INVESTMENT BANK

PROJECT MONITORING

Beijing Air Quality Improvement and Coal Replacement Project



A gas meter installed by the AIIB funded Beijing Air Quality Improvement and Coal Replacement Project.

Forum on ADB together with the communities affected by the Beijing Air Quality Improvement and Coal Replacement Project communicated with the Asian Infrastructure Investment Bank's (AIIB) to request for the affordability component of switching from coal to gas which was the basis in determining the cost for the villagers under the Beijing Air Quality Improvement and Coal Replacement Project.

There was contention on the affordability of the said Project and was one of the key issues

raised during the 2018 meeting. The Forum would want to study further on what was the basis used by AIIB and the Beijing Gas to determine its cost.

Some of the villagers do not have adequate information pertaining to the Project. The AIIB might differ in opinion on this regard, thus the Forum and concern CSOs wanted to further evaluate this vis - a - vis the response of the villagers that were interviewed.

Bhola Integrated Power Plant (Bhola IPP)

The Coastal Livelihood and Environmental Action Network (CLEAN), Bangladesh Working Group on External Debt (BWGED) and the NGO Forum on ADB filed a formal complaint to the AIIB about its stand-alone project Bhola IPP, approved 9 February 2018. The project aimed to build a Combined Cycle Power Plant of 220/225 Megawatt in the Kutba Union, Bhola District, Bangladesh. The project would entail natural gas and high-speed diesel as its core fuel source. The AIIB had categorized it as B

as per its Environmental and Social Framework, ESF. The project construction period is earmarked for 20 Months (April 2018- December 2019) with a production life estimated for 30 years. This is a private sector-led stand-alone financed project of the AIIB with NBBL as its borrower. NBBL, the borrower is a subsidiary of Sapoori Palonji Infra. NBBL sought a loan of USD 60 million from AIIB to construct this power plant in Bhola after getting a 22-year selling agreement from Bangladesh Power Development Board. The Bhola IPP power

plant is the third gas power plant to be built in the area.

Bhola IPP has committed the following violations-

- Lack of Information Disclosure and Meaningful Consultation
- Coercion, Fraud, and Intimidation on Land Acquisition
- Environmental Impact and Livelihood Loss

Aside from the ones stated above, there was also policy violation on the safeguards policy of the bank.



Water logging in Bhola caused by the AIIB-funded Bhola IPP power plant.



NGO Forum on ADB looking at a grievance mechanism poster installed in Bhola.

BANK ENGAGEMENT

CSOs CALL FOR SPACE IN THE 4TH AIIB ANNUAL MEETING

Forum on ADB along with CSOs around the world communicated with the AIIB to request effective and open CSO participation in the AIIB Annual Meeting in Luxembourg, from 12 – 13 July 2019.

In the call, the group mentioned last year's opening address of Pres. Jin Liqun in last year's Annual Meeting in Mumbai, India, where he emphasized that the quality of projects is the priority of the Bank and that one of the things that AIIB ensures is that projects are also accepted by the local people.

Consistent with this recognition from the Bank, the group urged the bank to consider allowing "open public spaces" for civil society to engage in dialogue with AIIB on its path of investment and development during this year's Annual Meeting. The following suggestion was given -

- Open discussion through CSO – led panel sessions on key topics of mutual interest;
- Freedom to organize and set side - meetings with Project Team Leaders (PTLs) and other key officials from the AIIB Operations and Management; and
- Maintain the formal session on the civil society

dialogue with Management, with more time for deeper question and answer sessions on key topics.

Forum pointed out that affording greater transparency and open space for discourse, the Bank can further ensure its commitment of focusing on better quality of projects being implemented on the ground.

The group also requested for a CSO - led panel sessions where NGO Forum on ADB is proposing to convene at least 2 civil society – led panels within the official program of the Annual Meeting. The following topics were selected based on their relevance to civil society and with the concerns of the project affected persons at heart, as well as AIIB's current policy reform processes.

- The coherence of Environmental and Social Framework (ESF) Delivery concerning AIIB's Policy on Public Information (PPI) and Project Affected Peoples' Mechanism (PPM) through the lens of selected AIIB projects.
- Transition to Just Renewable Energy. There is growing interest in energy-related infrastructure finance, especially regarding the Belt and Road Initiative. In this context, a deep dive is necessary for unpack-

ing AIIB's Energy Sector lending, review projects approved to date, and discuss how AIIB can become Paris compliant.

CSOs REQUEST FOR A MEANINGFUL DIALOGUE IN THE ANNUAL MEETING

After the Forum requested space during the AIIB annual meeting, it was followed by a communication to CSOs request for a meaningful dialogue in the said meeting. This communication initiative was led by Forum member Urgewald.

The group pointed out that it is quite striking that CSOs from regional member states are encountering hurdles to have meaningful interaction with AIIB Senior- or Mid-level Management.

The group then suggested topics for the requested meeting:

- Implementation and review of the ESF.
- Policy gaps arising from significant concerns about AIIB-funded projects
- Timely and accessible information on projects for affected communities and civil society

The group also highlighted the cross-cutting issue of the lack of timely and accessible information, in particular relating to the time-bound disclosure of information re-

lating to social and environmental impacts of projects on affected communities. The lack of or slow response to project queries and the low quality of project documents being disclosed also pose significant risks in ensuring that likely adverse harm will be avoided, if not mitigated.

Lastly, the group expressed their concern about the rushed technical amendments to the ESF concerning information disclosure, which was undertaken without public notice or consultation, and the likely ramifications of their implementation.

AIIB CLIMATE ADVOCACY

The Forum on ADB network communicated to the AIIB before its Annual General Meeting in Luxembourg, and call on the bank to make

explicit plans to address the climate crisis, including alignment with the Paris Agreement on climate change.

The AIIB is lagging behind other financial institutions. In contrast to other MDBs, and it has not yet made public a plan for how it will address the climate crisis. Despite claiming to be a "green" bank, there is little evidence of how the AIIB is seeking to ensure that its policies and operations support efforts to address climate change, rather than undermining them. The failure of the Environmental and Social Standard (ESS) to exclude funding for coal and its emphasis on reliance on natural gas is of deep concern.

The implications of the lack of a coherent climate plan are

evidenced in the AIIB's portfolio. There is only 8% of the AIIB's total investments have gone towards renewable energy, a figure vastly outstripped by its investments in fossil fuels, currently at a fifth of the total portfolio. This translates into almost 60 percent of AIIB's energy sector investments going towards fossil fuels and just a fifth going to renewable energy. This figure excludes funding through financial intermediaries (FIs), which would boost the fossil fuel total still further. The AIIB needs to take a proactive stance and ramp up its support for renewable energy as well as for energy access, prioritizing the needs of energy-poor communities. This should include support for decentralized renewable energy, clean cooking solutions, and support for the





Protest during the AIIB annual meeting in Luxembourg, Luxembourg.

communities living in the so-called 'last mile', far away from the grid— steps proven to also address gender inequality.

CSOs around the world calls on the AIIB to make explicit its goals and targets for ensuring the AIIB upholds its commitment to being "green" and addressing climate change by the following:

- Develop a climate change action plan, with clear and ambitious goals and targets for how the AIIB will align its policies and operations with the Paris Agreement and its goal to limit global warming to 1.5°C. This should be done in collaboration with stakeholders, including civil society.
- Rule out any financing for coal, including ensuring that none of AIIB's investments increases coal use, whether for power generation or industrial uses and associated facilities, such as transmission lines and railways or ports primarily meant for the transportation of coal.
- Set out a road map for shifting investments from fossil fuels to renewable energy by 2020, including matching the World Bank's commitment to end financing for upstream oil and gas. This should include an institutional wide cap on all greenhouse gas and carbon emissions financed by the AIIB.
- Implement an exclusion list, including mitigation

measures linked to false climate solutions causing extensive social and environmental harm, such as 'clean coal technology', carbon capture and storage, large hydropower dams, and geothermal projects.

- Close the fossil fuel loopholes in FI lending, including requiring all FI clients to track and disclose coal and other fossil fuel investments; not investing in clients with more than 5% portfolio exposure to coal; and investing only in FI clients who commit to developing a portfolio decarbonization plan within a year of investment, which aims to achieve emissions reductions in line with targets set under the Paris

Agreement.

- Commit to investment in energy access and scaling up decentralized renewable energy, clean cooking solutions, and innovative business models to provide access and control for "last mile" communities. The AIIB should set ambitious energy access targets at the portfolio and individual investment level.

AIIB FINANCIAL INTERMEDIARY LETTER

Select Forum network members, with Recourse, wrote a follow-up letter to the office of AIIB Pres. Jin Liqun last 13 September 2019 to draw the Bank's attention to concerns associated with the AIIB's investments via financial intermediaries (FIs), and to request that the AIIB institute urgent reforms to manage the heightened social and environmental risks associated with this hands-off form of investing. The letter follows the initial letter dated 18 January 2018.

To date, around 10 percent of the overall AIIB investment portfolio is supporting FIs - a figure which has risen dramatically in the last two years. The AIIB's equity strategy makes clear that FI lending will become an increasingly significant part of the AIIB's aim to mobilize funding from the private sector and institutional investors. At the same time as the AIIB's FI portfolio is growing, there is an important opportunity to

ensure the standards governing its implementation are fit for purpose: the forthcoming review of the AIIB's Environmental and Social Framework (ESF) provides the chance to make sure that the AIIB is following best practice and is taking on board lessons from other peer institutions on FI lending.

The communication also mentioned that while investing in FIs can help mobilize funds and attract private capital for economic development, this form of third-party or 'hands-off' lending also comes with significant risks - in particular around clients' adherence to environmental and social (E&S) safeguards.

The group also pointed out the experiences to date with the AIIB's FI investments. Civil society groups have been working with local communities to monitor certain AIIB FI investments, including the IFC Emerging Asia Fund, the India Infrastructure Fund (now renamed North Haven), and the National Investment and Infrastructure Fund. Several common concerns arise from the analysis of these projects:

- Lack of information disclosure: The AIIB does not include information about sub-projects funded through any client FIs on its website. No information at all is publicly available on the sub-projects supported by the two Indian FIs, for example.

- Exposure to fossil fuels: though the AIIB aims to be a 'green' bank, there is a significant risk of FI investments ending up backing fossil fuels, as evidenced in the case of the IFC Emerging Asia Fund.
- Delegation of control to FI clients/co-financiers: the AIIB delegates decision-making around risk classification and E&S management entirely to the FIs in which it invests. Such lack of oversight can exacerbate problems and can lead to risks being ignored or overlooked, as has happened at the IFC.

Such issues with implementation arise in part because of policy gaps. To date, the AIIB has not disclosed any documents that reveal how it assesses, prepares, and finalizes potential FI investments. The AIIB must adopt a systematic and transparent approach to its FI lending. As mentioned, the forthcoming review of the AIIB's ESF provides an ideal opportunity both to address these gaps and to ensure that AIIB staff are equipped with the guidance they require to ensure FI investments do not harm.

AIIB ANNUAL MEETING

Though the Forum was not able to be physically present during the 4th AIIB Annual Meeting, pushing for the network advocacy continues.

In a press release published by different local and international media outfit, NGO Forum on ADB called on the Beijing-based Asian Infrastructure Investment Bank (AIIB) to stop providing funds to coal-fired power plants, saying the multilateral lender

was working against its own climate change mitigation goals.

In a statement, the NGO Forum on ADB demanded that the AIIB produce an action plan “with clear and ambitious goals” that align with the Paris Agreement and the international drive to limit global warming to 1.5 degrees Celsius above pre-industrial levels.

The Forum network cited the research by the Bank Information Center Europe, where the AIIB has lent \$1.6 billion for fossil fuel-related initiatives but only \$660 million for renewable energy.

AIIB should provide funds for energy projects that sustainably help people, especially by scaling up support for decentralized renewable electricity and clean cooking solutions.



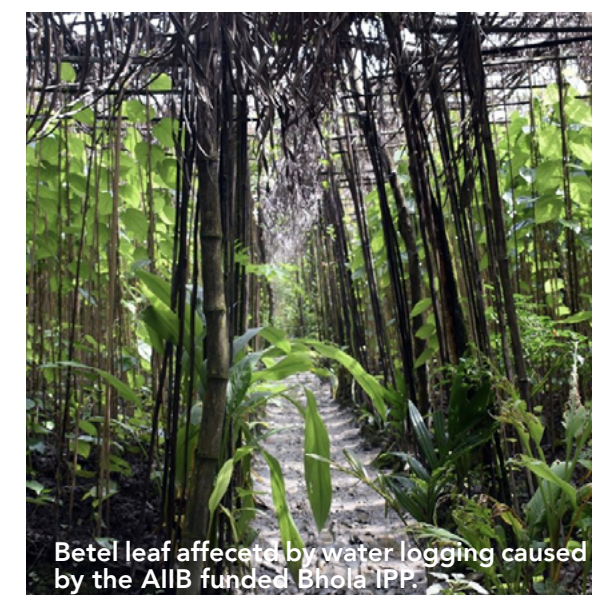
BHOLA COMMUNITY VISIT



A grievance mechanism poster in Bhola.



Waste water directly being dumped in the river in Bhola.



Betel leaf affected by water logging caused by the AIIB funded Bhola IPP.

Forum on ADB and select network members conducted a site visit to Bhola, an island in the Barisal district, Bangladesh.

The team was able to check the validity of the complaints being raised by the affected communities. The project amounting to USD60 million is a construction of a greenfield 220 MW (net capacity) dual-fuel (gas as primary fuel and high-speed diesel as back-up fuel) combined cycle power plant.

Affected communities have raised an issue about lack of meaningful consultation, misrepresentation, landowners were pressured to sell, information disclosure, neglected, wrong and complicated translation, unplanned construction creates flooding, destruction of Paan farms, waste pollution, decline on fish varieties, risk of oil spillage, grazing land being destroyed, among others.



3 FORUM ANNUAL MEETING

This year's Forum Annual Meeting (FAM) took place in Dhaka, Bangladesh, from 29-30 September 2019.

The objective of FAM this year was to actualize the next steps in broadening the Forum's mandate as agreed in the FAM 2018.

- Discussion points are -
- Expanding Forum's Mandate
 - Strategy and Structure of the Forum and
 - Synchronizing Local movements with National and International level advocacy. We will share the detailed agenda and

schedule with you very soon.

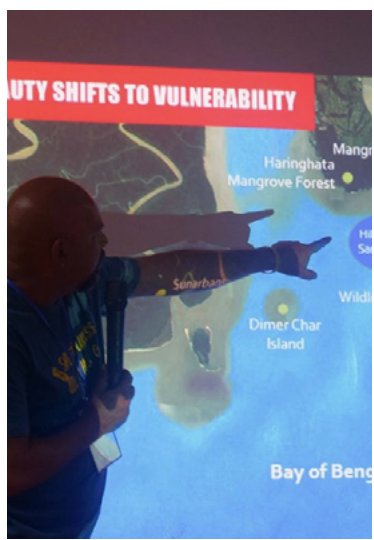
The activity started with updates regarding the commitments the FAM made in the previous year and was concluded with a new set of commitments.

Progress reports were also made regarding the advocacy of network members. Project monitoring reports include the following-

- China financed Barisal Coal power plant
- China Exim Bank Financed Kaliwa Dam
- IFC financed Airport Up-

- grade Project
- Ring Road Project
- China Financed Union Development Project
- Kolkata Environmental Improvement Investment Program (KEIIP)
- Tanahu Hydropower Project, Nepal
- Northern Province Fisheries Development Project
- Bhola IPP
- ADB projects in central Asia
- ADB project in Tajikistan

The meeting successfully ended with FAM 2020 mapping.



UNPACKING ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT PRACTICES ON THE GROUND: DEEP DIVE SESSION

From 30 September to 1 October 2020, the Forum on ADB network conducted the Unpacking Environmental and Social Impact Assessment Practices on the Ground: Deep Dive Session.

The activity was composed of three modules, namely -

- Why do we need to conduct an ESIA?
- ESIA Tools and Methods in Practice

- ESIA Reporting and Articulation
- Also, there were group activities and exercises that probe the importance of ESIA in different lenses. The following topics were also discussed in the said activity -
- Experiences in ESIA reporting that are not successful, What are the operational limitations? What are the structural limitations?

- The fundamental differences between 'a naming and shaming' ESIA report, and a policy advocacy approach for an ESIA report
- Key technologies, which can be used for better reporting for the above objectives.

The activity ended with reflections coming from the participants.





4 OTHER ACTIVITIES

ASIA-EUROPE PEOPLE'S FORUM (AEPF) NEPAL CONFERENCE

The Forum took part in this year's Asia-Europe People's Forum (AEPF) Universal Social Protection and Labour: AEPF International Conference by the Thematic Cluster, last 4-6 April 2019, in Kathmandu, Nepal.

The conference of the Social Justice Cluster had four sessions -

- What is the situation in Asia and Europe concerning economic and social rights?
- Productive transformation of the economy and the future of work.
- The sector of re-production and its value creation
- Global Charter for Social Protection Rights

In the closing session, the declaration from the social justice cluster was readout. It forwarded the following urge for meaningful social protection leading to social justice.

1. Re-define labor and to 'free' it from the capital, since the logic of accumulation and profit maximization are not compatible with the transition towards a more sustainable way of life
2. Generate new economic thinking based on the priority of reproduction, a crucial issue to connect different struggles and movements,
3. Counter emergence of rentier class by the democratization of economic life, a condition of social justice
4. Establish and promote regional and global learning centers for education and generation of new knowledge needed to enrich our social movements based on empirical evidence
5. Establish and strengthen campaigns and networks among the people of the regions, engage in the political and social dialogue, based on strong

trade unions, on the discussion on how to create the changes we need and want, for greater solidarity for united struggles, movements, people to people cooperation and coordination

6. Fight against climate warming, the crossing of the planetary boundaries and we struggle in favor of the Global North paying its climate debts to the developing world. We must build bridges to the climate justice movement as climate destruction will be the most important political factor for the future, therefore, we must link our arguments with this movement. The climate debt most probably can be said to be the biggest social injustice to emerge in the future, and the term "climate debt" builds a bridge there to an ongoing struggle, and
7. Realize and materialize the global charter for social protection rights.



Asia-Europe People's Forum (AEPF) Universal Social Protection and Labour: AEPF International Conference in Kathmandu, Nepal.

SOUTH ASIA IAM/CSO WORKSHOP

The workshop "Development Projects and Accountability," took place last 26 September 2019 in Dhaka, Bangladesh. It was organized by IAMs of the World Bank Group, Green Climate Fund, United Nations Development Programme, and Asian Development Bank, in collaboration with NGO Forum on ADB, Coastal Livelihood and Environmental Action Network (CLEAN), Accountability Project, and Accountability Counsel

The 2-day meeting included a panel presentation on the IAMs, presentations by CSOs on their experience

engaging the IAMs, plenary discussions, and individual meetings.

Agenda included the following -

- How to File a Complaint session.
- Accountability in FCV countries
- Project-level grievance mechanisms and barriers to reaching the IAMs
- The shift to private-sector-led projects and use of financial intermediaries
- How to build the capacity of complainants to engage in dispute resolution on a more equal footing.



Mr. Dingding Tang during the Development Projects and Accountability participants in Dhaka, Bangladesh.

REVIEW OF THE WORLD BANK INSPECTION PANEL'S TOOLKIT

NGO Forum on ADB along with other CSOs around the world expressed disappointment that three important measures—monitoring, dispute resolution, and extending the overly restrictive time limit on eligibility—were not approved within the initial timeline of the review, and urge the Board to use the additional time to ensure these measures are adopted.

The group calls on the Board to reinstate the Panel's position as a leader by ensuring that all remaining recommendations below are implemented:

1. The Panel should be authorized to monitor all instances of non-compliance to ensure that harm is remedied.
2. The Panel should have a dispute resolution function similar to the CAO's.
3. The cut-off date for filing complaints should be extended to at least two years following project completion or loan closure, whichever comes later.

The communication ended with an appeal that in the wake of the Inspection Panel's 25th anniversary, the group hopes that the Board will renew its interest in ensuring that the Panel has the basic tools it needs to provide meaningful redress and institutional accountability.

ASIA'S COAL ADDICTION PUTS A CHOKEHOLD ON ITS AIR POLLUTED CITIES

Forum on ADB took part in a research conducted by Michael Taylor of the Thomson Reuters Foundation.

The research is about the worsening pollution enveloping Asia. The study claims that Nine out of 10 people breathe polluted air, according to the World Health Organization (WHO), a problem that impacts more cities in Asia than anywhere else in the world.

Burning fossil fuels is a large contributor to air pollution, which kills about 7 million people prematurely each year. Green campaigners and energy experts say Asia's growing demand for coal-fired power is one key cause of that pollution.

Rayyan Hassan stated in the research that "We have cases in the Philippines where people are suffering respiratory diseases because of coal-power plants and coal ash from which they will never recover"

The research also discussed ADB's 2009 energy policy which states that the bank can still consider coal projects in rare cases where the power provides energy access to the poor and uses advanced technologies.

ACTION AGAINST BANK OF CHINA

March 21, Forum together with Asian Peoples' Movement on Debt and Development (APMDD), and the Legal Rights and Natural Resources Center- Kasama sa Kalikasan (LRC-KSK/Friends of the Earth-Philippines) joined the global protests

calling on Bank of China to withdraw financing from the controversial Batang Toru Dam in North Sumatra.

If built, the dam would likely doom the newly discovered Tapanuli orangutan to extinction, as well as jeopardize the livelihoods of local communities that depend on the natural flow of the river.

Actions were simultaneously coordinated across Spain, Belgium, the U.K., Ghana, Kenya, Mozambique, South Africa, Togo, Hong Kong, Philippines, South Korea, the U.S, and Indonesia at Bank of China locations.

Where there were no local Bank of China branches, activists raised their concerns to the local Chinese Embassy.



NGO Forum on ADB in front of the Bank of China HQ in Manila, Philippines during the Action Against the Bank of China to withdraw financing from the controversial Batang Toru Dam in North Sumatra.

EXPLAINER VIDEO ABOUT SOCIAL PROTECTION

The Forum and the Asia-Europe People's Forum (AEPF) produced an explainer video about Social Protection.

The video defines what social protection and why we need it. The second part of the video is about NGO Forum on ADB and AEPF's call on civil society organizations to refer to these principles when campaigning for universal social protection systems, by all and for all.

The NGO Forum on ADB and AEPF also calls on parliamentarians globally to advocate for and legislate universal, comprehensive, and effective social protection systems. The cluster calls on them to monitor States' implementation of their social protection programs and systems, in particular, effective oversight on resources and

budgets.

The NGO Forum on ADB and AEPF also calls on the governments to take this Charter as a guideline for social policies and to support all initiatives, politically and financially, aimed at achieving the principles of this Charter.

SOLIDARITY STATEMENT FOR NARMADA STRUGGLE AGAINST WORLD BANK

NGO Forum on ADB, a civil society network of over 250 organizations across Asia expresses its deep concern at the growing humanitarian crisis in Narmada valley, Central India, where thousands of families are being evicted without rehabilitation for the Sardar Sarovar Dam and Power (Narmada dam financed by World Bank). Forum on ADB also expressed their solidarity and deep concern for the health of the inspiring leader of the move-

ment Medha Patkar, who was into indefinite fasting.

The Narmada dam has been financed by World Bank violating all forms of social and environmental safeguarding, leading to over 32,000 families facing displacement and awaiting rehabilitation. The Forum strongly believes that the Narmada Bachao Andolan has been pivotal in triggering multilateral development banks (MDBs) to adopt safeguard policies and accountability mechanisms, and continues to be an inspiration to social movements globally on the art of non-violent struggle.

SOUTH-SOUTH COOPERATION INTEGRATED ENERGY PLANNING MEETING

Last December 2-3, 2019, a small group of organizations working on integrated ener-



gy planning and the role of international development finance met in Bangkok in December 2019. South-south IEP Energy Planning Meeting aims to broaden the conversation to a larger group of key organizations working on IEPs in countries across Africa, Asia, and Latin America.

The meeting demonstrated the potential for CSOs from different countries to learn from each other. Some countries may have commonalities due to similar geographies and renewable energy potential. Common challenges that all countries grapple with, such as social impacts of energy planning, financing, and pricing, can also allow for the exchange of experiences and shared learning.

Considering the type of energy development relevant for community development in different country contexts can broaden the debate and incorporate cross-sectoral aspects, such as the role of energy for agriculture or health care. As such, conversations around IEP can bring together a broader community beyond groups working on renewable energy. The purpose of a broader conversation beyond is to allow CSO groups to find relevant entry points and share their experiences.

These are some of the questions that can guide these exchanges.

This preparation work should lay the groundwork for a broader meeting, anticipated in June 2020. ACCESS volunteered for Kenya to host the next South-South Cooperation gathering in Kenya.

LETTER REGARDING THE ARREST OF MOHIT VALECHA

NGO Forum on ADB wrote a letter to the Central Urban Department, Delhi State Government, India condemning the arrest of National Hawker Federation (NHF) Youth Working President Monitor

Mohit Valecha.

The network deems that the arrest was undemocratic and is against the Hawker's Act of 2014.

NGO Forum on ADB demanded the soonest release of Mr. Valecha as well as the withdrawal of the charges filed against him.

Forum on ADB also strongly demands that the Delhi State Government should put a stop to the eviction of street vendors in India.

UN CLIMATE CHANGE CONFERENCE COP 25

The UN Climate Change Conference COP 25 took place last 2 – 13 December 2019, it took place under the Presidency of the Government of Chile and was held with logistical support from the Government of Spain.

Full implementation of the MDB Adaptation Building Blocks framework will not occur until 2023-2024 and did not include anticipated criteria for determining whether projects are Paris-aligned.

Forum also attended the Big Shift Strategy meeting, as part of the agenda the group has a section on regional perspectives – the key moments and opportunities in 2020, how Big Shift resonates in the region, and the strategic way for Big Shift to work in the region.

APPEAL FOR CONCERTED ACTION ON THE CLIMATE CRISIS

The network along with other organizations around the world communicated with Bangladesh Prime Minister Sheikh Hasina. First, to congratulate PM Hasina for being elected as Chairperson of the Climate Vulnerable Forum (CVF), Second, to express the sincerest gratitude for adopting a resolution declaring a "Planetary Emergency" in Parliament, making Bangladesh the first country in the world to do so. Third, the group conveyed concerns over the decision of reducing Value Added Tax (VAT) from imported coal up to 2025, by 10% to reduce the cost of electricity generated from coal power plants. Fourth, to remind PM Hasina that the decision to expand coal and other fossil fuel in Bangladesh, which is one of

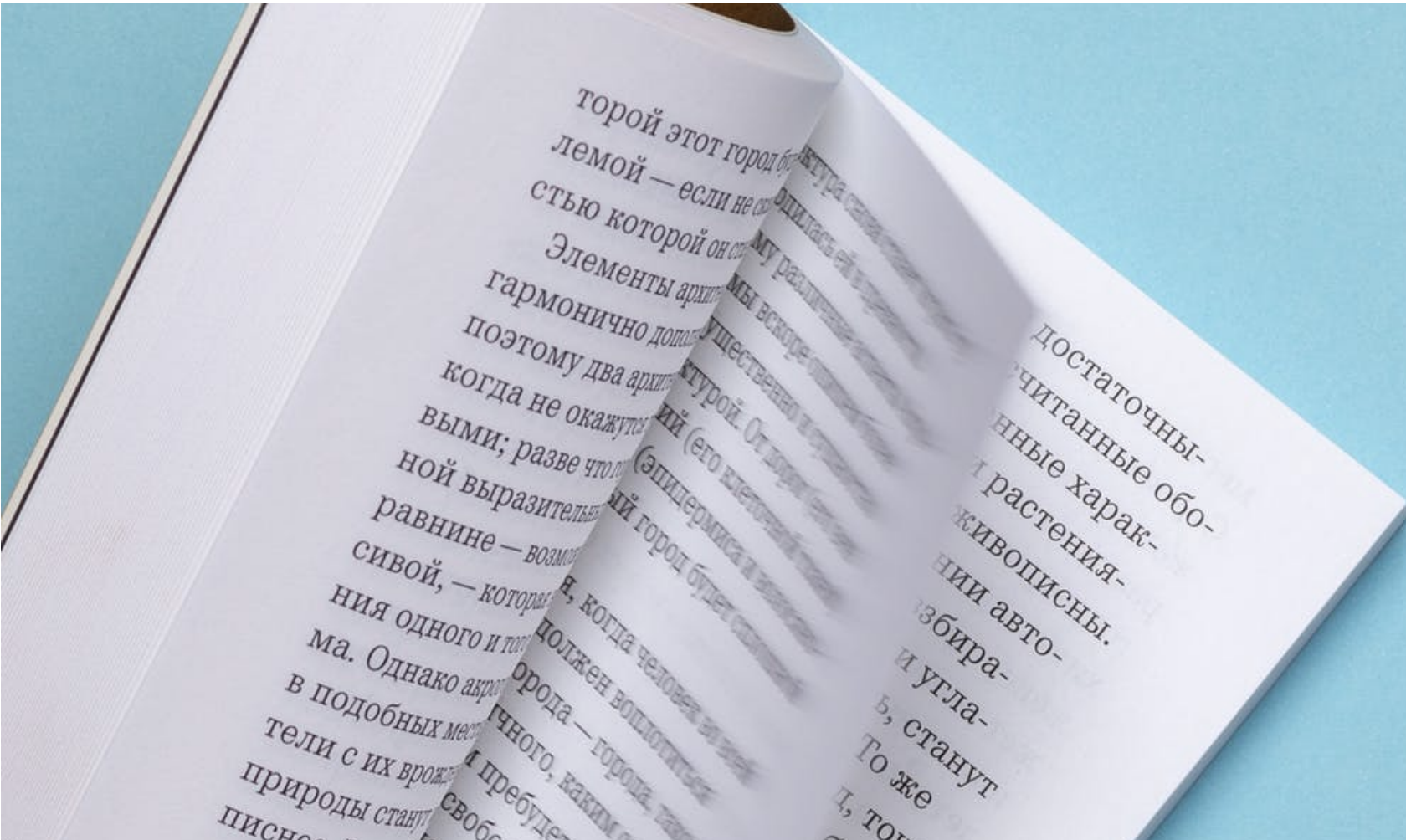
the Most Vulnerable Countries due to climate change, is contradictory to the spirit of the nation's commitments in NDC as well as the international consensus of limiting global temperature rise to 1.5 degree Celsius through Paris Agreement.

The communication also indicated the group's recommendations indicated below -

- Withdraw the approvals of Coal and other fossil fuel-based power plants
- Cancel all subsidies and tax exemptions offered for coal and other fossil fuels
- Pay the highest attention and ambitious targets of generating power from renewable energy from 10% to 100% by 2050 and take necessary actions to hit the target urgently.
- Provide adequate subsidies for home-based renewable energy systems to encourage households to initiate solar systems in urban areas in addition to those in rural households.
- Initiate necessary policy and programs to install two-way electricity meters for residential, commercial, and industrial energy consumers so that individual citizens can contribute to national power generation.



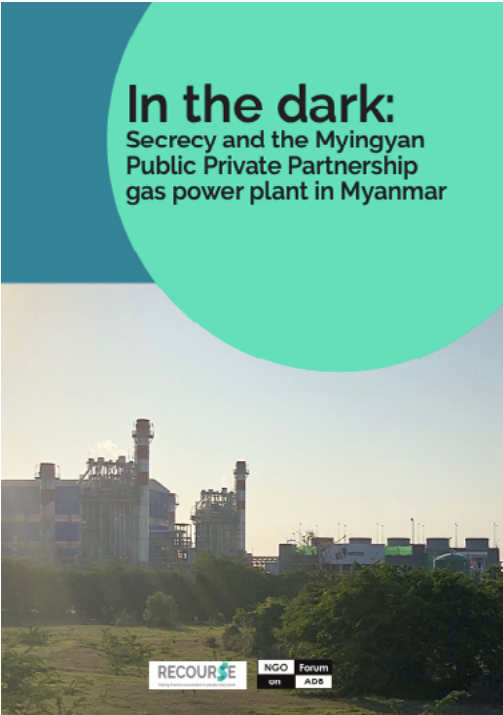
COP 25 in Madrid, Spain.



5 PUBLICATIONS



Dangerous Distractions: Why the Asian Infrastructure Investment Bank must help turn the tide on fossil fuels in Bangladesh



In the dark: Secrecy and the Myingyan Public Private Partnership gas power plant in Myanmar



Do No Harm: Recommendations for the review of the Asian Infrastructure Investment Bank's Environmental and Social Framework



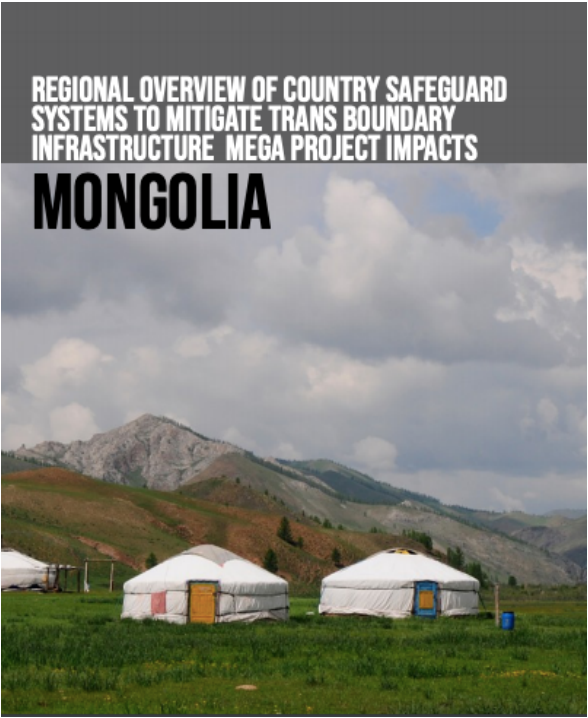
Regional Overview of Country Safeguard Systems to Mitigate Trans boundary Infrastructure Mega Project Impacts : Indonesia



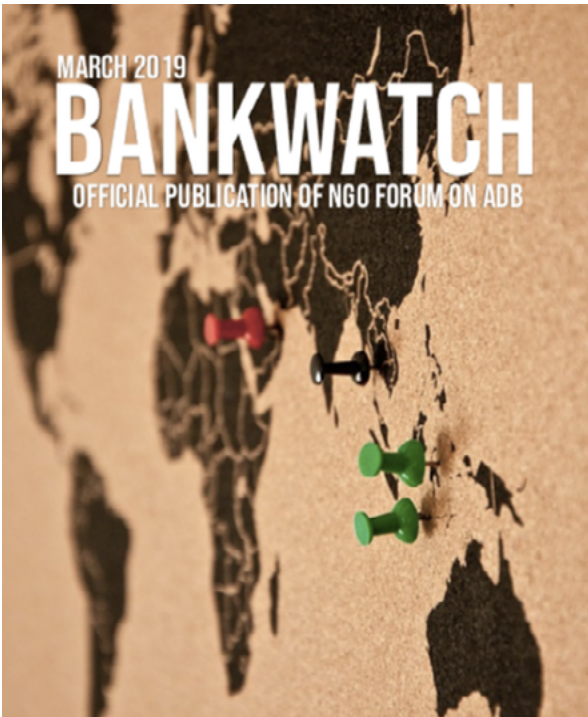
Regional Overview of Country Safeguard Systems to Mitigate Trans boundary Infrastructure Mega Project Impacts : Sri Lanka



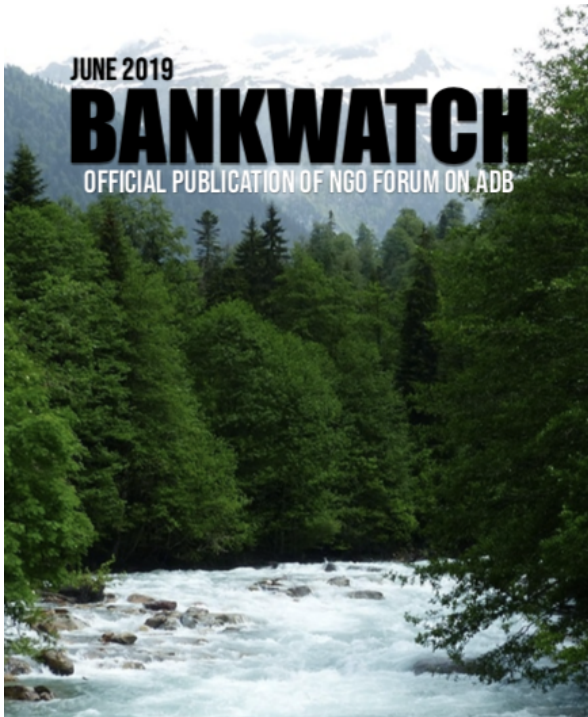
Regional Overview of Country Safeguard Systems to Mitigate Trans boundary Infrastructure Mega Project Impacts : Myanmar



Regional Overview of Country Safeguard Systems to Mitigate Trans boundary Infrastructure Mega Project Impacts : Mongolia



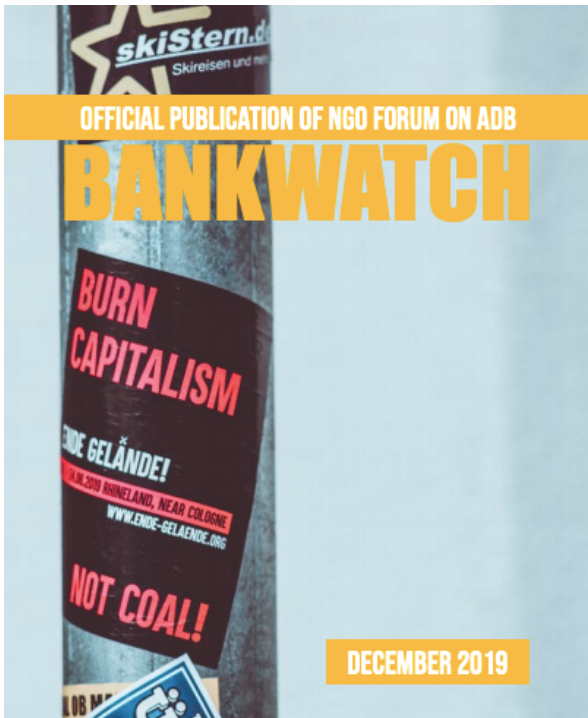
BANKWATCH MARCH



BANKWATCH JUNE



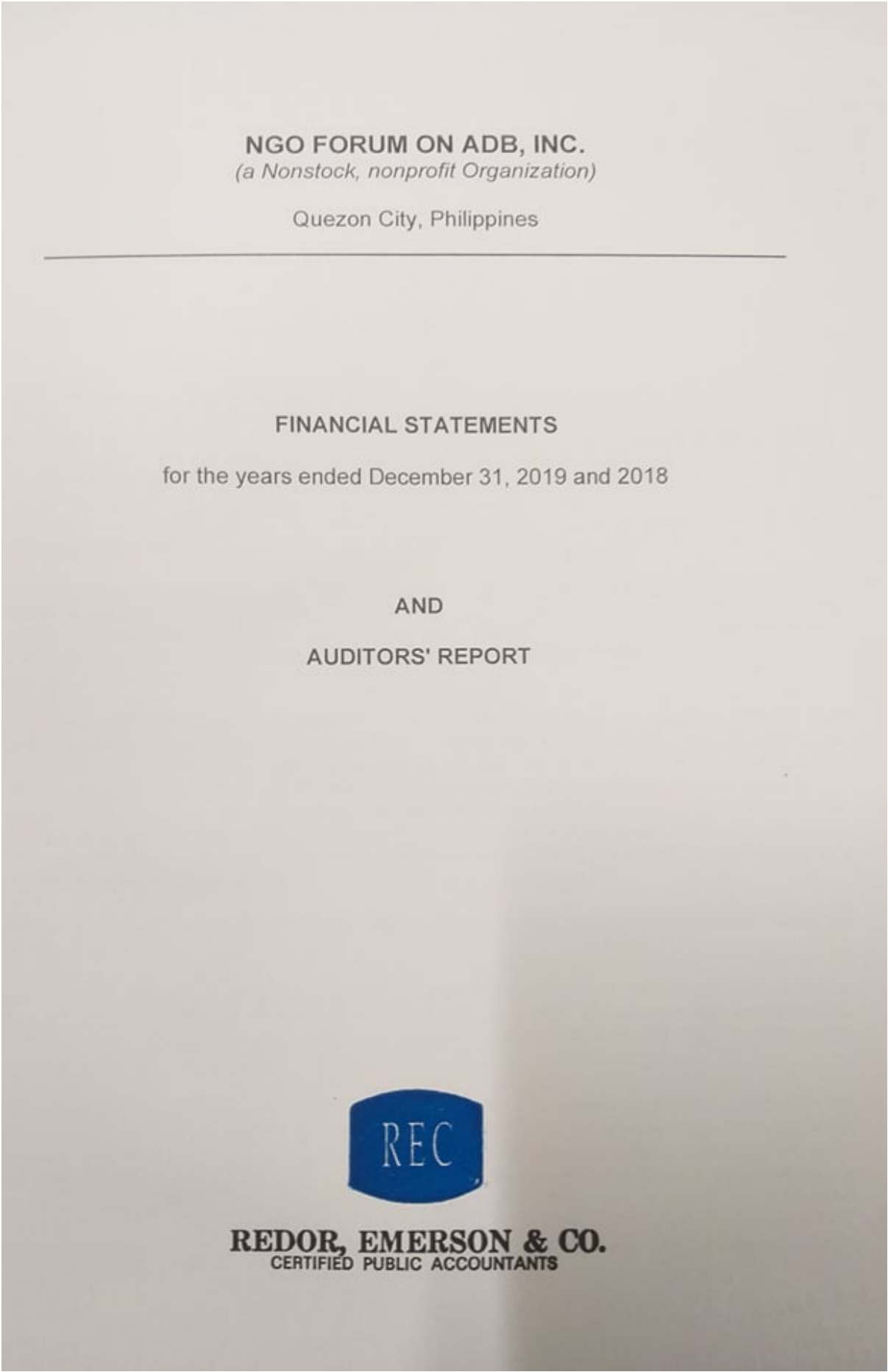
BANKWATCH SEPTEMBER

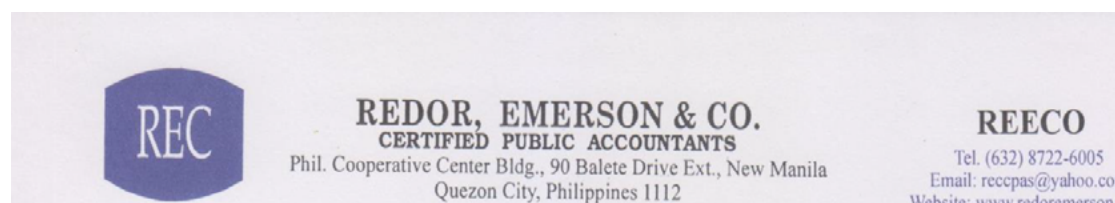


BANKWATCH DECEMBER



6 FINANCE





PRC/BOA Certificate of Registration No. 015
(valid until January 15, 2022)

The Board of Trustees and General Membership NGO FORUM ON ADB, INC.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of **NGO FORUM ON ADB, INC.** (a *nonstock, nonprofit organization*), which comprise the statement of financial position as at December 31, 2019 and 2018 and the related statement of financial activities and fund balances, statement of revenues, expenses, and changes in fund balances of restricted funds, and statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **NGO FORUM ON ADB, INC.** as at December 31, 2019 and 2018, and its financial performance and cash flows for the years then ended in accordance with Philippine Financial Reporting Standards for Small and Medium-sized Entities (SMEs).

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, the Code of Ethics for Professional Accountants in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

REDOR, EMERSON & CO.
Certified Public Accountants

**The Board of Trustees and General Membership
NGO FORUM ON ADB, INC.**
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Auditor's Responsibilities for the Audit of the Financial Statements

Our Objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

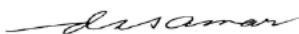
Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Organization to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our opinion.

REDOR, EMERSON & CO.
Certified Public Accountants

The Board of Trustees and general membership
NGO FORUM ON ADB, INC.
Page 3

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


MARIA DULCENEA S. SAMAR
Partner
CPA Certificate No.: 081257
Taxpayer Identification No. 123-206-811-000
PTR No. : 9419135
January 10, 2020
Quezon City, Metro Manila

March 16, 2020

NGO FORUM ON ADB, INC.
(A Non-Stock, Non-Profit Organization)

STATEMENT OF FINANCIAL POSITION
(in Philippine pesos)

December 31,	Notes	2019	2018
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	3,643,810.15	1,140,738.01
Accounts receivable	7	487,599.22	192,475.12
TOTAL CURRENT ASSETS		4,131,409.37	1,333,213.13
PROPERTY AND EQUIPMENT - Net	8	14.50	18,030.16
OTHER ASSETS			
Miscellaneous deposits/prepayment		149,136.20	514,613.19
TOTAL ASSETS		4,280,560.07	1,865,856.48
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payables	9	3,943,699.20	2,905,077.24
FUND BALANCES			
General fund		(1,934,735.70)	(1,970,173.45)
Restricted funds	17	2,271,583.06	912,923.52
Property and equipment fund	8	14.50	18,030.16
TOTAL FUND BALANCES		336,861.86	(1,039,219.77)
TOTAL LIABILITIES AND FUND BALANCES		4,280,560.07	1,865,856.48
See Accompanying notes to financial statements			

NGO FORUM ON ADB, INC.
(A Non-Stock, Non-Profit Organization)

STATEMENT OF FINANCIAL ACTIVITIES AND FUND BALANCES
(in Philippine pesos)

Years ended December 31,	Notes	GENERAL FUND	RESTRICTED FUNDS	EQUIPMENT FUND	2019	2018
REVENUES						
Grants/other donations		10,933.79	14,485,950.89	-	14,496,884.68	7,822,363.68
Interest Income		2,176.68	-	-	2,176.68	151,402.88
Return expense		3,089.20	-	-	3,089.20	-
Foreign exchange gain/loss		19,238.07	-	-	19,238.07	176,086.85
TOTAL REVENUES		35,437.74	14,485,950.89	-	14,521,388.63	8,149,853.41
LESS: EXPENSES						
Information Management	11	-	1,389,483.20	-	1,389,483.20	1,122,362.86
Research/Policy Analysis and Publication	12	-	3,652,648.64	-	3,652,648.64	3,766,503.57
Advocacy Support and Network Building	13	-	5,275,403.53	-	5,275,403.53	7,675,863.36
Capability Building and Internship	14	-	32,235.16	-	32,235.16	-
Personnel	15	-	2,164,926.82	-	2,164,926.82	2,086,620.34
Organizational Expenses	16	-	612,594.00	-	612,594.00	711,424.98
Depreciation	8	-	-	18,015.66	18,015.66	23,199.67
TOTAL EXPENSES		-	13,127,291.35	18,015.66	13,145,307.01	15,385,974.78
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES		35,437.74	1,358,659.54	(18,015.66)	1,376,081.62	(7,236,121.37)
ADD: Fund balance beginning,		(1,970,173.44)	912,923.52	18,030.16	(1,039,219.76)	6,196,901.61
FUND BALANCES, December 31		(1,934,735.70)	2,271,583.06	14.50	336,861.86	(1,039,219.76)
See Accompanying Notes to Financial Statements						

NGO FORUM ON ADB, INC.
(A Non-Stock, Non-Profit Organization)
STATEMENT OF CASH FLOW
(in Philippine Pesos)

Years ended December 31,	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Deficiency of revenues over expenses	1,376,081.62	(7,236,121.37)
Add (Deduct)		
Depreciation expense	18,015.66	23,199.67
Changes in assets and liabilities:		
Decrease (Increase) in Accounts Receivable	(295,124.10)	195,967.81
Miscellaneous deposits/Prepayment	365,476.99	366,541.81
Increase (Decrease) in Accounts Payable	1,038,621.87	310,204.12
Net cash used in operating activities	2,503,072.04	(6,340,207.96)
<hr/>		
Cash flow from office acquisition	-	-
NET DECREASE IN CASH	2,503,072.04	(6,340,207.96)
<hr/>		
CASH AND CASH EQUIVALENT BALANCE		
Beginning of year	1,140,738.01	7,480,945.87
END OF YEAR	3,643,810.15	1,140,738.01
See accompanying Notes to Financial Statements		

NGO FORUM ON ADB, INC.
(A Non-Stock, Non-Profit Organization)

ANGES IN FUND BALANCES OF RESTRICTED FUNDS
(in Philippine pesos)

Year ended December 31,	Notes	11,11,11 COALITION	BOTH ENDS	C.S. MOTT FOUNDATION	EUROPEAN CLIMATE FOUNDATION	HEINRICH BOLL FOUNDATION	OXFAM ASIA	OXFAM HONGKONG	2019 TOTAL
REVENUES									
Grants/other donations		2,912,533.74	802,480.00	6,586,740.00	2,160,827.50	530,544.05	447,685.60	1,045,140.00	14,485,950.89
TOTAL REVENUES		2,912,533.74	802,480.00	6,586,740.00	2,160,827.50	530,544.05	447,685.60	1,045,140.00	14,485,950.89
LESS: EXPENSES									
Information Management	11								
Salaries & benefits		102,000.00	-	508,037.98	38,415.00	249,660.22	47,566.60	146,319.60	1,091,999.40
Website/webhosting & other expenses		183,250.69	-	87,770.61	-	-	-	21,462.50	292,483.80
Other Contracted Services		-	-	5,000.00	-	-	-	-	5,000.00
Sub-total		285,250.69	-	600,808.59	38,415.00	249,660.22	47,566.60	167,782.10	1,389,483.20
Research/Policy Analysis and Publication	12								
Salaries & benefits		150,000.00	-	1,919,699.70	49,713.00	-	28,800.00	192,091.54	2,340,304.24
Foreign travel & other expenses		-	-	867,382.40	-	-	-	-	867,382.40
Publication		326,887.00	-	118,075.00	-	-	-	-	444,962.00
Sub-total		476,887.00	-	2,905,157.10	49,713.00	-	28,800.00	192,091.54	3,652,648.64
Advocacy Support and Network Building	13								
Policy review		412,117.22	919,090.00	458,225.29	-	294,491.04	-	394,928.20	2,478,851.75
Salaries & benefits		102,000.00	64,480.00	538,664.70	38,415.00	127,506.50	47,566.60	174,187.20	1,092,810.00
Forum annual meeting		899,654.36	-	56,870.27	-	-	-	-	956,524.63
NGO campaign at ADB annual meeting		389,269.47	82,039.45	27,370.50	-	248,191.48	-	-	746,870.90
Network Building		-	-	346.25	-	-	-	-	346.25
Sub-total		1,803,041.05	1,065,609.45	1,081,467.01	38,415.00	670,189.02	47,566.60	569,115.40	5,275,403.53
Capability Building and Internship	14								
Skillsshare workshop		32,235.16	-	-	-	-	-	-	32,235.16
Personnel	15								
Salaries & benefits		177,000.00	-	1,085,635.01	41,862.57	115,915.00	58,758.75	215,557.82	1,694,729.15
Legislated benefits		-	-	201,264.47	-	-	-	-	201,264.47
Other contracted services		19,500.00	11,500.00	112,000.00	-	-	-	-	143,000.00
Medical benefits		-	-	125,933.20	-	-	-	-	125,933.20
Sub-total		196,500.00	11,500.00	1,524,832.68	41,862.57	115,915.00	58,758.75	215,557.82	2,164,926.82

NGO FORUM ON ADB, INC.
(A Non-Stock, Non-Profit Organization)

ANGES IN FUND BALANCES OF RESTRICTED FUNDS
(in Philippine pesos)

Year ended December 31,	Notes	11,11,11 COALITION	BOTH ENDS	C.S. MOTT FOUNDATION	EUROPEAN CLIMATE FOUNDATION	HEINRICH BOLL FOUNDATION	OXFAM ASIA	OXFAM HONGKONG	2019 TOTAL
Organizational Expenses	16								
Office rent		63,000.00	42,000.00	147,000.00	-	-	-	-	252,000.00
Audit fees & other expenses		32,104.00	10,696.00	55,177.76	-	-	-	-	97,977.76
Utilities		61,945.37	13,087.55	5,874.87	-	-	-	8,889.60	89,797.39
Local transportation		9,588.50	7,591.20	43,713.23	-	-	-	-	60,892.93
Postage and communication		-	-	29,060.19	-	1,021.45	-	2,061.71	32,143.35
Office & equipment supplies		-	-	9,958.27	-	-	-	16,724.00	26,682.27
Repairs & maintenance		-	-	22,951.00	-	-	-	-	22,951.00
Taxes, licenses & other expenses		-	-	14,311.79	-	-	-	1,646.10	14,311.79
Bank charges		50.00	-	1,787.10	-	-	-	-	3,483.20
Reproduction of materials		-	-	1,862.31	-	-	-	-	1,862.31
Representation allowance		-	-	492.00	-	-	-	-	492.00
Miscellaneous		-	-	10,000.00	-	-	-	-	10,000.00
Sub-total		166,687.87	73,374.75	342,188.52	-	1,021.45	-	29,321.41	612,594.00
TOTAL EXPENSES		2,960,601.77	1,150,484.20	6,454,453.90	168,405.57	1,036,785.69	182,691.95	1,173,888.27	13,127,291.35
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES		(48,068.03)	(348,004.20)	132,286.10	1,992,421.93	(506,241.64)	264,993.65	(128,728.27)	1,358,659.54
ADD (DEDUCT)									
Fund balance, beginning		284,995.61	-	-	-	627,927.91	-	-	912,923.52
FUND BALANCES (DEFICIENCY), December 31, 2019		236,927.58	(348,004.20)	132,286.10	1,992,421.93	121,686.27	264,993.65	(128,728.27)	2,271,583.06

See Accompanying Notes to Financial Statements

NGO FORUM ON ADB, INC.
(A Non-Stock, Non-Profit Organization)

NOTES TO FINANCIAL STATEMENTS
(In Philippine Pesos)
December 31, 2019 and December 31, 2018

1. GENERAL INFORMATION

The NGO Forum on ADB, Inc. is a nonstock, nonprofit organization involved in conducting scientific and other researches as the means of assisting charitable organizations in understanding the work of the Asian Development Bank (ADB); developing closer working ties with other Asian Non-governmental Organizations/Peoples Organizations (NGOs/POs) and other public interest groups regarding advocacy work related to the ADB; stimulating public awareness and action on issues related to the ADB; and sharpening public debate and understanding of the basic issues on ADB's growth-oriented development model and centralized top-down development. Its operations are principally funded by grants and donations from foreign and local institutions and groups as well as individuals. The Organization was incorporated with the Philippine Securities and Exchange Commission on May 28, 2001.

The Organization leases and maintains its office at 85-A Masikap Ext., Barangay Central, Diliman, Quezon City, Philippines. It has 6 regular staff as of December 31, 2019 and December 31, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements of the Organization have been prepared on the historical cost basis. The financial statements are presented in Philippine Peso, which is the Organization's functional currency, and all values represent absolute amounts except when otherwise indicated.

Statement of Compliance

The financial statements of the Organization as at and for the year ended December 31, 2019 were prepared in accordance with the PFRS for Small Entities (the "Framework") as approved by Financial Reporting Standards Council, Board of Accountancy, and Securities and Exchange Commission (SEC).

The Section 29 (Transition to the Framework) of Philippine Financial Reporting Standards for Small Entities has been applied earlier than its mandatory effective date of January 1, 2019, as allowed by the standard itself and the existing SEC rules and regulations.

Financial Reporting Framework

The following sections are the updated accounting standards from the International Accounting Standards Board and adopted to the Financial Reporting Standards Council (FRSC) effective January 1, 2019.

Section 3 – Financial Statement Presentation

Section 5 – Accounting Policies, Estimates and Errors

Section 6 – Basic Financial Instruments

Section 12 – Property, Plant and Equipment

Section 15 – Leases

Section 16 – Provision and Contingencies

Section 18 – Revenue

Section 21 – Impairment of Assets

Section 22 – Employee Benefits

Section 23 – Income Tax

Section 24 – Foreign Currency Translation

Section 25 – Events after the End of the Reporting Period

Section 29 – Transition to the Framework

The adoption of the above sections, upon which the Organization has opted to adopt, did not have any significant effect on the Organization's financial statements. These, however, require additional disclosures on the Organization's financial statements.

Section 3, "Financial Statement Presentation", explains fair presentation of financial statements, what compliance with the PFRS for Small Entities requires, and what a complete set of financial statement is. This section prescribes the basis for presentation of general purpose financial statements for SMEs to ensure comparability both with the entity's financial statements of previous periods and with the financial statements of other entities. It sets out overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their content.

Section 5, "Accounting Policies, Estimates and Errors", provides guidance for selecting and applying the accounting policies used in preparing financial statements. It also covers changes in accounting estimates and corrections of errors in prior period financial statements.

Section 6, "Basic Financial Instruments", deals with recognizing, measuring and disclosing basic financial instruments and is relevant to all entities. An entity shall recognize a financial

asset or a financial liability only when the entity becomes a party to the contractual provisions of the instrument. When a financial asset or financial liability is recognized initially, an entity shall measure it at the transaction price unless the arrangement constitutes, in effect, a financing transaction.

Section 12, "Property, Plant and Equipment", prescribes the accounting treatment for property equipment so that users of the financial statements can discern information about an entity's investment in its property and equipment and the changes in such investment. The principal issues in accounting for property and equipment are the recognition of the assets, the determination of their carrying amounts and the depreciation charges and impairment losses to be recognized in relation to them. An entity shall measure an item of property and equipment at initial recognition at its cost. The cost of an item of property and equipment is the cash price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the cost is the present value of all future payments.

Section 15, "Leases" applies to agreements that transfer the right to use assets even though substantial services by the lessor may be called for in connection with the operation or maintenance of such assets. This section does not apply to agreements that are contracts for services that do not transfer the right to use assets from one contracting party to the other. Its objective is to prescribe, for lessees and lessors, the appropriate accounting policies and disclosure to apply in relation to leases.

Section 16, "Provision and Contingencies", outlines the recognition of provision only when: (a) the entity has an obligation at the reporting date as a result of a past event; (b) it is probably (i.e. more likely than not) that the entity will be required to transfer economic beliefs in settlement; and (c) the amount of the obligation can be estimated reliably. Its objective is to ensure that appropriate recognition criteria and measurement bases are applied to provisions, contingent liabilities and contingent assets and that sufficient information is disclosed in the notes to enable users to understand their nature, timing and amount.

Section 18, "Revenue", prescribes the accounting treatment of revenue arising from certain types of transactions and events. The primary issue in accounting for revenue is determining when to recognize revenue. Revenue is recognized when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably. This section identifies the circumstances in which these criteria will be met and, therefore, revenue will be recognized. It also provides practical guidance on the application of these criteria. An entity shall measure revenue at the fair value of the consideration received or receivable.

Section 21, "Impairment of Assets", prescribes the procedures that an entity applies to ensure that its assets are carried at no more than their recoverable amount if its carrying amount exceeds the amount to be recovered through use of or sale of the asset. If this is the case, the asset is described to be impaired and the standard requires the entity to recognize an impairment loss.

Section 22, "Employee Benefits", deals with accounting and reporting by the plan to all participants as a group. It does not deal with reports to individual participants about their retirement benefit rights. An entity shall recognize the cost of all employee benefits to which its employees have become entitled as a result of service rendered to the entity during the reporting period: (a) as a liability (b) as an expense. This section shall be applied in the financial statements of retirement benefit plans where such financial statements are prepared.

Section 24, "Foreign Currency Translation", prescribes accounting for transactions and balances denominated in foreign currencies that are different from the entity's functional currency and use of presentation currency different from the entity's functional currency.

Section 25, "Events after the End of the Reporting Period", defines events after the end of the reporting period and sets out principles for recognizing, measuring and disclosing those events. Events after the end of the reporting period and the date when the financial statements are authorized for issue. Its objective is to prescribe: (a) when an entity should adjust its financial statements for events after the reporting period; and (b) the disclosures that an entity should give about the date when the financial statements were authorized for issue and about events after the reporting period. It also requires that an entity should not prepare its financial statements on a going concern basis if events after the reporting period indicate that the going concern assumption is not appropriate.

Section 26, "Related Party Disclosures", requires an entity to include in its financial statements the disclosures necessary to draw attention to the possibility that its financial position and profit or loss have been affected by the existence of related parties and by transactions and outstanding balances with such parties. An entity shall disclose key management personnel compensation.

Section 29, "Transition to the Framework", applies to a first-time adopter of this Framework regardless of whether its previous accounting framework was full PFRS or PFRS for SMES.

The significant sections and practices of the Organization are set forth to facilitate the understanding of the financial statements:

Financial Assets

Financial assets include Cash and Receivables.

2a. Cash

Cash includes cash on hand; cash in banks and petty cash fund. Cash on hand as of the end of the period were deposited intact. Cash in banks are deposits held at call with banks. The Organization reconciles the books and bank balances regularly as part of its cash monitoring and internal control measures. Petty Cash Fund is used for small payments not covered by checks.

2b. Receivables

Advances

Cash advances were made to officers and personnel who are assigned in the field to carry out program objectives of the various projects of the Organization. Such advances were liquidated against program/project related expenses. The balance represents unliquidated advances as of balance sheet date.

Receivables-Others

These represent amount collectible from individuals and organizations other than those classified as advances.

2c. Other Current Assets

Other current assets include prepayments and deposits which are valued at the lower of cost or net realizable value.

2d. Property and Equipment

Property and equipment are measured initially at its cost. Property and equipment, after initial recognition are stated at cost less any accumulated depreciation and any accumulated impairment losses.

The initial cost of property and equipment, comprises its purchase price and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the costs of initial delivery and handling, installation and assembly, and testing of functionality.

The following costs are not costs of an item of property and equipment, and the entity recognized them as an expense when they are incurred: cost of opening a new facility, administration and other general overhead costs and borrowing costs.

For financial reporting purposes, duties and taxes related to the acquisition of property and equipment are capitalized. For income tax reporting purposes, such duties and taxes are treated as deductible expense in the year these charges are incurred.

For financial reporting purposes, depreciation is computed using the straight-line method over the estimated useful lives of the assets.

If there is an indication that there has been a significant change since the last annual reporting date in the pattern by which an entity expects to consume an asset's future economic benefits, the entity shall review its present depreciation method and, if current expectations differ, change the depreciation method to reflect the new pattern. The entity shall account for the change as a change in an accounting estimate.

Factors such as a change in how an asset is used, significant unexpected wear and tear, technological advancement, and changes in market prices may indicate that the residual value or useful life of an asset has changed since the most recent annual reporting date. If such indicators are present, an entity shall review its previous estimates and, if current expectations differ, amend the residual value, depreciation method or useful life as a change in an accounting estimate.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property and equipment is recognized in profit or loss when the item is derecognized (unless leases requires otherwise on a sale and leaseback) such gain is not recognized as revenue.

Financial Liabilities

Financial liabilities are recognized initially at fair value.

Financial liabilities are recognized when the Organization becomes a party to the contractual provisions of the instrument.

Financial liabilities include Payable - Accrued Expenses and Other Payables.

2e. Payables**Reimbursable Expenses**

Other Payables include payables to staff and other entities arising from various reimbursements.

Accrued Expenses

These represent amount owed to individuals and organization which are payable within the normal accounting cycle or on demand. Included in this account are expenses contracted and incurred during the current year but will be paid in the succeeding year.

2f. Other Liabilities***Current Statutory Liabilities***

These accounts represent government-required personnel contributions and taxes withheld against salaries. These are intended to be remitted to the respective agencies.

Funds Held in Trust

This account refers to deposits to the Organization's bank accounts which are intended for other individuals or organizations. It is credited when cash is deposited and debited when disbursement is made to the intended party.

Financial Instruments***Date of Recognition***

The Organization recognizes a financial asset or a financial liability in the balance sheet when it becomes a party to the contractual provisions of the instrument.

Initial Recognition of Financial Instruments

All financial assets are initially recognized at fair value.

Determination of Fair Value

For all other financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include net present value techniques, comparison to similar instruments for which market observable prices exist, options pricing models, and other relevant valuation models.

Impairment of Financial Assets

The Organization assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred). The carrying amount of the asset is reduced through use of an allowance account and the amount of loss is charged to the statement of income. Interest income continues to be recognized based on the original effective interest rate of the asset. Loans, together with the associated allowance accounts, are written off when there is no realistic prospect of future recovery and all collateral has been realized. If, in a subsequent year, the amount of the estimated impairment loss decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in profit or loss, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of such credit risk characteristics as industry, past-due status and term.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently. The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Organization to reduce any differences between loss estimates and actual loss experience.

The Organization first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If it is determined that no objective evidence of impairment exists for an individual asset with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is on continues to be recognized are not included in a collective assessment or impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the statements of income, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

Derecognition of Financial Assets and Financial Liabilities

Financial assets

A financial asset (or, where applicable a part of financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Organization retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a pass through arrangement; or
- the Organization has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b)

has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

A financial liability is derecognition when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the balance sheet.

Impairment of Non-Financial Assets

The Organization assesses as at reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Organization makes an estimate of the asset's recoverable amount. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use or its net selling price and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Impairment losses are recognized in the statements of income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statements of income unless the asset is carried at revalued amount, in which case the reversal is treated as revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value on a systematic basis over its remaining useful life.

2g. Provisions and Contingencies

Provisions are recognized when the Organization has a present obligation, either legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the

obligation can be estimated reliably. When the Organization expects reimbursement of some or all of the expenditure required to settle a provision, the entity recognizes a separate asset for the reimbursement only when it is virtually certain that reimbursement will be received when the obligation is settled.

The amount of the provision recognized is the best estimated of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent liabilities and assets are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liabilities, if any, are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are disclosed only when an inflow of economic benefits is probable.

2h. Due To (From)

The Due to (From) account represents the net amount of payable-to over receivable-from other funds of the Organization.

The interfund receivable(payable) accounts resulted from transactions among the various funds of the Organization. These accounts exist only in individual fund balances while these are non-account in the consolidated financial statements.

2i. Fund Balances

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in accordance with the principles of fund accounting. Fund Accounting is an accounting concept widely used by non-profit organizations. Fund Accounting is defined as a system of recording resources whose use may be limited by donors, granting agencies, governing boards, management, or by law. To keep the books and records in a way that gave recognition to the restrictions set by the donors, some NPOs kept a series of separate funds for a variety of specific purposes. Each fund considered of a self-balancing set of assets, liabilities and net asset accounts.

Fund Accounting assumes that the Organization receives funds under various terms and conditions and may be grouped in various ways based on their intent and purpose and restrictions set by donors and management. It is an accountability or stewardship concept, used principally by NGOs that are legally responsible for seeing that certain funds or assets are used only for specified purposes.

Total fund balances comprise of Operational Fund and Property and Equipment Fund.

Operational Fund

This includes funds received from various funding agencies which are intended for various activities and projects.

Property and Equipment Fund

Property and Equipment Fund represents the transactions pertaining to property and equipment of the Organization. Acquisitions from projects were charged against the respective program/project item where the properties are intended to be used. A corollary entry was made to present the property and equipment as Asset and credited to Property and Equipment Fund. Depreciation was computed on a straight-line method over the estimated useful life of the properties and was charged against the Property and Equipment Fund. The Property and Equipment Fund represents the carrying value of the properties and equipment.

2j. Revenue and Cost Recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Organization and the amount of revenue can be reliably measured. However, when an uncertainty arises about the collectability of an amount already included in the revenue, the uncollectible amount, or the amount in respect of which recovery has ceased to be probable, is recognize as an expense, rather than as an adjustment of the amount of revenue originally recognized.

Grants

Grant received are recognized upon receipt. These are considered restricted project funds when specifically restricted by the respective donors.

Donations

These comprised cash donations and contributions that are intended for general purpose determined by management from time to time.

Project Contributions

These are contributions from other organizations in implementing development projects.

Interest Income

Interest income is recognized as the interest accrues.

Other sources

Other sources include incidental income.

2k. Expenses

Direct expenses were charged against the respective program/project/activity. Common/indirect expenses were charged based on the Organization's policy of cost allocation.

2l. Employees' Compensation and Other Benefits

Short-term Benefits

The Organization recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Organization to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses and other non-monetary benefits, if any.

2m. Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership. Operating lease payment are recognized as expense in the statement of income on a straight-line basis over the lease term.

2n. Events After the End of the Reporting Period

Post-year-end events up to the date of the auditor's report that provide additional information about the Organization's position at the balance sheet date (adjusting events) are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

2o. Related Party Disclosures

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (1) individual owning, directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with, the Organization; (2) associates; and (3) individuals owning, directly or indirectly, an interest in the voting power of the Organization that gives them significant influence over the Organization and close members of the family of any such individual.

The key management personnel of the Organization and post-employment benefits plans for the benefit of the Organization's employees, if any, are also considered to be related parties.

The Organization's related parties include the Organization's Key Management. The compensation of the key management personnel of the Organization pertains to the usual monthly salaries and government mandated bonuses; there are no other special benefits paid to management personnel.

3. MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**Judgments**

The preparation of the Organization's financial statements in conformity with Financial Reporting Framework in reference to the Philippine Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts reported in the Organization's financial statements and accompanying notes. The estimates and assumptions used in the Organization's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Organization's financial statements. Actual results could differ from such estimates, judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Determining Functional Currency

Based in economic substance of underlying circumstances relevant to the Organization, the functional currency has been determined to be the Philippine Peso, which is the currency of

the primary economic environment in which the Organization operates and is the currency that mainly influences the prices of the products and services and the cost of providing such products and services.

Repairs and maintenance

Repairs and maintenance incurred by the Organization have not resulted in an increase in the future economic benefit of its property and equipment, therefore charged to operations.

Estimates

In the application of the Organization's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following represents a summary of the significant estimates and judgments and related impact and associated risks in the Organization's financial statements.

Evaluation of asset impairment

The Organization assesses the impairment of assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The factors that the Organization considers important which could trigger an impairment review include significant changes in asset usage, significant decline in assets' market value and obsolescence or physical damage of an asset. If such indications are present and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Organization is required to make estimates and assumptions that may affect property and equipment.

Estimating useful lives of property and equipment

If there is an indication that there has been a significant change since the last annual reporting date in the pattern by which an entity expects to consume an asset's future economic benefits, the entity shall review its present depreciation method and, if current expectations differ, change the depreciation method to reflect the new pattern. The entity shall account for the change as a change in an accounting estimate.

Factors such as a change in how an asset is used, significant unexpected wear and tear, technological advancement, and changes in market prices may indicate that the residual value or useful life of an asset has changed since the most recent annual reporting date. If such indicators are present, an entity shall review its previous estimates and, if current expectations differ, amend the residual value, depreciation method or useful life. The entity shall account for the change in residual value, depreciation method or useful life as a change in an accounting estimate.

Depreciation is computed on a straight-line method over the estimated useful lives of the assets as follows:

Category	Number of Years
Office furniture and equipment	3 to 5

Fair Value of Property and Equipment

The Property and Equipment is stated at revalued amount based on the fair value of the property. The valuation was made on the basis of the fair market value determined by referring to the character and utility of the property, and comparable property which has been sold recently in the locality where the property is located. Management believes that the basis of the fair value is reasonable.

Financial Assets and Liabilities

The Organization requires certain financial assets and liabilities to be at fair value, which requires use of extensive accounting estimates and judgments. While significant components of fair value measurement were determined using verifiable objective evidence (i.e. interest and vitality rates), the amount of changes in fair value would differ if the Organization utilized different valuation methodologies. Any changes in fair value of these financial assets and liabilities would affect directly the statements of income and equity, as appropriate.

Impairment of Non-financial Assets

The Organization assesses the value of the property and equipment which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, and require the Organization to make estimates and assumptions that can materially affect the financial statements. Future events could cause the Organization to conclude that property and equipment and other long-lived assets are impaired. Any resulting impairment loss could have a material adverse impact on the Organization's financial condition and results of operations.

The preparation of the estimated future cash flows involves significant judgment and estimations. While the Organization believes that its assumptions are appropriate and reasonable significant changes in these assumptions may materially affect the Organization's assessment of recoverable values and may lead to future additional impairment charges.

Revenue recognition

The Organization's revenue recognition policies require the use of estimates and assumptions that may affect the reported amounts of revenues and receivables. Differences

between the amounts initially recognized and actual settlements are taken up in the accounts upon reconciliation. However, there is no assurance that such use of estimates may not result to material adjustments in future periods.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial Risk Management Objectives and Policies

The main purpose of the Organization's principal financial instruments is to fund its operational and capital expenditures. The Organization's risk management is coordinated and in close operation with the Board of Trustees, and focuses on actively securing the Organization's short to medium term cash flows.

The Organization's activities expose it to liquidity risk the Organization's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Organization. The policies for managing specific risks are summarized below.

Management of Financial Risk

Regulatory Framework

The operations of the Organization are also subject to the regulatory requirements of SEC. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions.

Financial Risk

The Organization is also exposed to financial risk through its financial assets and financial liabilities. The most important component of the financial risks is liquidity risk.

Liquidity Risk

Liquidity or funding risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from either the inability to sell financial assets quickly at their fair values; or counterparty failing on repayment of contractual obligation; or inability to generate cash inflows as anticipated.

The Organization maintains cash to meet its liquidity requirements and the Organization maintains adequate highly liquid assets in the form of cash, and other receivables to assure necessary liquidity.

The Organization monitors its cash flow position and overall liquidity position in assessing its exposure to liquidity risk. The Organization maintains a level of cash deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows.

Credit risk

The Organization's credit risk is primarily attributable to its receivables. Credit risk is managed primarily through credit reviews and an analysis of receivables on continuous basis. There is no objective evidence yet to set provision for impairment.

Credit risk is the risk that one party to a financial instrument will fail to discharge and obligation and cause the other party to incur a financial loss.

Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts.

Market Risk

Market risk is the risk of change in fair value of financial instruments from fluctuation in foreign exchange rates (currency risks) and market interest rates (interest rate risk).

- a. Foreign Currency Risk arises from the change in the value of financial assets and liabilities particularly foreign currency cash and other foreign currency denominated financial assets and liabilities. To mitigate exposure to foreign currency risk, non-PHP cash inflows are also monitored regularly.
- b. Interest Rate Risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is not exposed to significant interest rate risk because it has no financial asset subject to such risk.

5. TAXATION

Income tax

The Organization, as a non-stock, non-profit corporation, is exempt from income tax pursuant to Section 30 (G) of the National Internal Revenue Code of the Philippines. Such however, does not apply to income of whatever kind and character derived from the use of its properties real or personal, or any of its activities conducted for profit, regardless of dispositions made of such income.

6. CASH AND CASH EQUIVALENTS

This is accounted for as follows:

	2019	2018
Cash on hand - peso	15,000.00	23,395.24
Cash on hand - Euro (Eur 200.00)	11,452.00	-
Cash in bank - peso accounts	269,111.89	196,522.24
-US\$ accounts (\$ 52,685.46 in 2019 and \$11,932.24 in 2018)	2,639,541.54	629,115.52
- Euro accounts (Eur 12,376.96 in 2019 and Eur 4,836.68 in 2018)	708,704.72	291,705.01
TOTAL	3,643,810.15	1,140,738.01

7. ACCOUNTS RECEIVABLE

This consists the following:

	2019	2018
Accounts/Staff advances	336,600.97	164,709.74
Other receivables	150,998.25	27,765.38
TOTAL	487,599.22	192,475.12

8. PROPERTY AND EQUIPMENT

These are accounted for as follows:

	2019	2018
Equipment, furniture and fixtures cost		
Balance at beginning of the year	286,330.01	286,330.01
Additions (disposals)	-	-
Balance at end of year	286,330.01	286,330.01
Accumulated depreciation		
Balance at beginning of year	268,299.86	245,100.19
Depreciation	18,015.66	23,199.67
Disposals	-	-
Balance at end of year	286,315.52	268,299.86
Net book value, end of year	14.50	18,030.16

9. ACCOUNTS PAYABLE

This consists the following:

	2019	2018
Staff	315,020.27	979,999.67
Unreleased checks/withdrawals	72,711.78	579,647.11
Other payables	3,555,967.15	1,345,430.46
TOTAL	3,943,699.20	2,905,077.24

10. LEASE AGREEMENT

In December 2018, the Organization renewed its lease agreement in 85-A Masikap Street Extension, Quezon City to Ms. Lorena A. Alcorido for the office and premises it presently occupies. The lease agreement was for a term of one year from January 1, 2019 to December 31, 2019 renewable upon mutual agreement of both parties.

11. INFORMATION MANAGEMENT

This consists the following:

	2019	2018
Salaries and benefits	1,091,999.40	817,583.31
Website/webhosting and other expenses	292,483.80	230,461.39
Other contracted services	5,000.00	74,318.16
TOTAL	1,389,483.20	1,122,362.86

12. RESEARCH/POLICY ANALYSIS & PUBLICATION

This consists the following:

	2019	2018
Salaries and benefits	2,340,304.24	2,211,561.18
Foreign travel and other expenses	867,382.40	878,866.39
Publications	444,962.00	676,076.00
TOTAL	3,652,648.64	3,766,503.57

13. ADVOCACY SUPPORT AND NETWORKING BUILDING

This consists the following:

	2019	2018
Policy review	2,478,851.75	5,031,545.50
NGO Campaign at ADB annual meeting	1,092,810.00	616,915.31
Forum annual meeting	956,524.63	1,090,130.00
Network Building	746,870.90	-
Salaries and benefits	346.25	368,017.01
Other contracted services	-	569,255.54
TOTAL	5,275,403.53	7,675,863.36

14. CAPABILITY BUILDING AND INTERNSHIP

This consists the following:

	2019	2018
Skillshare workshop	32,235.16	-

15. PERSONNEL

This consists the following:

	2019	2018
Salaries and benefits	1,694,729.15	1,688,236.00
Legislated benefits	201,264.47	158,407.14
Other contracted services	143,000.00	133,000.00
Medical Benefits	125,933.20	106,977.20
TOTAL	2,164,926.82	2,086,620.34

16. ORGANIZATIONAL EXPENSES

This consists the following:

	2019	2018
Office rent	252,000.00	228,826.00
Audit fees/expenses	97,977.76	68,991.00
Utilities	89,797.39	97,648.84
Local transportation	60,892.93	65,204.88
Postage & communication	32,143.35	102,661.15
Office and equipment supplies	26,682.27	105,316.50
Repairs & maintenance	22,951.00	12,352.00
Taxes, licenses and other expenses	14,311.79	13,522.01
Bank charges	3,483.20	693.17
Reproduction of materials	1,862.31	2,823.43
Representation allowance	492.00	-
Miscellaneous	10,000.00	13,386.00
TOTAL	612,594.00	711,424.98

17. RESTRICTED FUNDS

The Organization is a custodian of funds for humanitarian project consistent with its organizational objectives. These funds are specifically intended to finance designated projects and accordingly, are accounted for separately from its general-purpose fund. These are carried as restricted funds until such time that the project has been completed. The balances of these funds will revert to the grantor/donor or in certain instances, to the Organization's general or other similar purpose funds once the project is completed.

The balances (deficiency) of these funds are accounted for as follows:

	2019	2018
European Climate Foundation	1,992,421.93	-
Oxfam Asia	264,993.65	-
11.11.11 Coalition	236,927.58	284,995.61
C.S. Mott Foundation	132,286.10	-
Heinrich Boell Foundation	121,686.27	627,927.91
Oxfam Hongkong	(128,728.27)	-
Both Ends	(348,004.20)	-
TOTAL	2,271,583.06	912,923.52

18. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements of the Organization for years ended December 31, 2019 and 2018 were approved by the board of trustees and authorized for issue on March 16, 2020 and April 10, 2019 respectively.

MANY THANKS TO
OUR PARTNERS



OXFAM Asia



European Climate Foundation



11.11.11 Coalition



C.S. Mott Foundation



Heinrich Boell Foundation



Oxfam Hongkong



Both Ends



A Tribute to our Gani

Gani has a brilliant mind, a will so strong, firm and determined. He has been a voice of reason in politics since the Marcos regime up until the present. With a heart that is consistently kind, compassionate, generous, and gentle even in situations of extreme difficulty.

Gani proved that you could be a visionary and leader who cared for people.

Gani was a leading thinker on the role of civil society not only in the Philippines but globally. His 1995 address during First World Assembly of CIVICUS in 1995 in Mexico City has become a classic. Entitled Humanity in Trouble but Hopeful, Gani invoked the song Imagine of John Lennon and challenged all of us to work for a better world[1]. He described the euphoria then among civil society organizations: "The emergence of civil society as a worldwide force, embodying the voices from below, is now duly recognized by states and the corporate community. Many of the heresies of yesteryears attributed to them have landed in the official rhetoric and policy. Global civil society has arrived, and at a time when its voice was most needed."

Gani did not stop at making commentaries about our troubled world. He acted on this knowledge and became a leader of many organizations and movements that challenged the status quo, that have worked hard and continued to work hard so another world would be possible.

Gani will surely be missed.

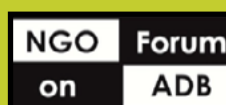
POST SCRIPT

The NGO Forum on ADB over the last year has maintained pressure on the ADB to ensure that energy lending portfolio shifts towards clean energy especially RE. Looking back at the results its evident that ADB is doing more investments in RE and has somewhat reduced fossil fuel power generation projects (only 1 gas power plant approved in 2019 and no coal). In terms of fossil fuel investment, ADBs distribution and transmission are mostly for gas transport and use, and a complete phasing out for ADB from fossil fuel may mean phasing out from gas. Based on the data, the Forum is looking to push ADB to address energy access needs as a key area in it's COVID19 recovery pathway. In terms of base load power generation the Forum has observed that AIIB is keen on investing in large hydro and geothermal projects (no coal or fossil gas approved in 2020) which do have a very heavy cost on the environment and society.

On Safeguards delivery and due diligence the ADB still continues to fall short of its policy objectives. In the projects cited above, the issues and concerns stem from lack of adequate project information and poor consultations at the early stages of the project. These issues continue to remain unaddressed by the ADB in 2019. The current IED evaluation of the ADB Safeguards echo Forum's project advocacy findings that – country safeguards systems are not adequate to deliver ADB safeguards, FI sub-projects are falling short of ADB Safeguards standards, and issues surrounding gender and vulnerable group impacts especially indigenous peoples are not being addressed meaningfully by the bank. On the AIIB end, the fundamental problem in the projects observed are around lack of transparency. The AIIB still does not indicate adequate project information in it's website, which has direct impact on AIIBs Safeguard delivery.

This entails that NGO Forum on ADB and the broader civil society working on AIIB should have a much deeper engagement with AIIB HQ on issues of compliance, portfolio distribution, transparency, and accountability. The next two years Asia will be focused on the COVID19 recovery agenda; to this end, the Forum will monitor whether the ADB and AIIB initiatives are addressing the needs of the vulnerable most impacted by the pandemic. To this end ensuring that regional MDB funds are moving to decentralized access is critical; this includes access to energy for poor communities for heating, cooking, health care and vaccination. In order to ensure that communities are at the center of the recovery plans; the Forum intends to build on it's last two years of consolidating its South South Cooperation on IEP. The Forum will look to step up coordination efforts in Mekong, South Asia, South East Asia and Central Asia and further bridge the knowledge sharing with Africa and Latin American civil society. I hope with a renewed vigor and purposes the network will continue to adapt, innovate and strengthen itself to carry on the work ahead.

Mr. Rayyan Hassan
Executive Director
NGO Forum on ADB



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