



SWITCH TO ENERGY-EFFICIENT LIGHTS TO BRING PHILIPPINES BILLION-DOLLAR WINDFALL

MANILA, PHILIPPINES (26 September 2009) – Around 2,000 poor households in Manila's Tondo district have received free energy-saving compact fluorescent lamps (CFLs) in exchange for their incandescent bulbs, marking the start of a nationwide campaign to save on fuel costs and mitigate climate change.

Under the "Switch to CFL" program – the first of its kind in Asia – 13 million CFLs will be distributed nationwide in the coming months, as part of a larger drive to make the Philippines incandescent bulb-free by 2010.

For each light bulb that is replaced, families can expect to save 4,000 pesos (US\$ 85) on their electricity bills over the 10-year lifespan of the CFLs.

"This groundbreaking campaign will not only save families money. It will also save the Philippines five billion pesos (over US\$ 100 million) in fuel costs each year – around 50 billion pesos (over US\$ 1 billion) over the coming decade," said Philippines' Energy Secretary Angelo Reyes.

Incandescent bulbs are inefficient. Only 20% of the electricity used by an incandescent bulb produces light, while the remaining 80% is wasted as heat. In contrast, CFLs use most of their electricity input to produce light.

While an average incandescent bulb's life is only about 800 hours, the high-quality CFLs used in the program will have a life of 10,000 hours, with a 2-year warranty.

The program will reduce national carbon dioxide emissions by 300,000 tons a year, allowing the Philippines to receive approximately 300,000 tons of certified emission reduction (carbon market) credits annually, a further boost to state coffers.

"This project shows how the people of the Philippines, and the world, can benefit through such investments – making this the first country in Asia to access carbon credits from a program like this," said Neeraj Jain, Country Director of the Asian Development Bank's (ADB's) Philippines Country Office.

The Philippine Energy Efficiency Project (PEEP), which includes the CFL replacement program, is made possible through a loan agreement between ADB and the Philippine government. In addition, ADB is working on a carbon credit purchase agreement with the Philippine government.

The project will also retrofit government office buildings and public lighting systems with other efficient lighting options, create a lamp waste management facility, establish an energy service company that will provide financial and technical support to companies planning to reduce energy consumption, and initiate a 'green building' rating system.

"Eighteen non-government organizations and church groups have come together to support this initiative because we believe that each one of us can be a part of the solution to present-day climate change and energy challenges," said Cates Maceda, co-convener of the Switch Movement. "Switching to CFL is one simple yet concrete step that can generate long-term benefits for the country."

ADB, based in Manila, is dedicated to reducing poverty in the Asia and Pacific region through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, it is owned by 67 members – 48 from the region. In 2008, it approved \$10.5 billion of loans, \$811.4 million of grant projects, and technical assistance amounting to \$274.5 million.

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