Protect VIP

c/o Protect Verde Island Passage (Protect VIP) GERARD C. ARANCES Center for Energy, Ecology, and Development info@ceedphilippines.com 132 Matahimik Street, Barangay UP Village Diliman, Quezon City 1101

15 November 2022

MR. NOBUMITSU HAYASHI

Governor Japan Bank for International Cooperation 4-1 Ohtemachi 1-chome, Chiyoda-ku, Tokyo 100-8144, Japan

Re: DAR cease and desist order over AG&P Linseed Field Corporation LNG import terminal in Batangas City

Mr. Hayashi:

The Philippines is home to the Amazon of the Oceans, the Verde Island Passage (VIP). Nestled at the heart of Southeast Asia's Coral Triangle, VIP houses over 300 coral species and about 1,736 shore fish species all within a 10-kilometer area - making it the most biodiverse marine habitat in the world. VIP is identified as a high-priority conservation area for corals, reef fishes, mollusks, mangroves, seagrasses, and cetaceans. It is a source of livelihood and sustenance for millions of Filipinos, and a hotspot for tourists wanting to be one with nature.

Unfortunately, the Amazon of the Oceans is under threat from a fleet of proposed new liquefied natural gas power plants and terminals - including JBIC-backed Atlantic Gulf & Pacific Co.'s (AG&P's) LNG import terminal in Batangas. We, the Protect Verde Island Passage (Protect VIP) network, have been highly concerned of the environmental destruction posed by the project, and the hazards it inflicts on the livelihood and sustenance of millions of Filipinos. We have repeatedly raised concerns about environmental and social impacts of this and other fossil gas projects in the VIP. Now, a government body affirms that violations have been made by its developer.

We are writing to inform you about the recent decision of the Philippine Department of Agrarian Reform (DAR) to issue a cease and desist order (CDO) against AG&P for illegal development activities, which include the premature conversion of lands in Barangays Ilijan and Dela Paz without a permit. Both barangays are located in Batangas, where the firm wants to build its liquified natural gas (LNG) import terminal.

The DAR order dated 8 August 2022 stated that there is "an urgent need to stop the development in the area or else construction will continue to the detriment of the complaints being affected in the area." This came after the agency itself conducted its own ocular inspection and investigation.

However, AG&P continues to violate environmental laws – the continued construction despite failure to secure coconut tree-cutting permits from the Philippine Coconut Authority; failure to secure tree-cutting permits from DENR; and failure to secure a land conversion order from the Department of Agrarian Reform (DAR). These acts violate the conditions of the Environmental Compliance Certificate (ECC) that the DENR issued AG&P for the project, which should already warrant the suspension and/or cancellation of such under Philippine environmental protection statutes.

We now implore the JBIC, which has investments in the Batangas LNG import terminal, to withdraw its support from the project and adhere to its environmental and social standards. Under the JBIC Guidelines for Confirmation of Environmental and Social Considerations - Part II 1-4, "projects must comply with laws and regulations, and standards relating to environmental and social considerations established by the governments governing the project site (including both national and local governments). They must also conform to policies and plans relating to environmental and social considerations established by the governments governing the project site."

We urge that JBIC do the right thing, and pull back its support for the Batangas LNG import terminal, which will open up the country to the massive supply of expensive LNG and lock the coal-dependent country into a bleak fossil future. By withdrawing its investment in AG&P's dirty gas terminal, JBIC will be one step closer to its goal of only supporting projects that will truly benefit communities as well as the international economy.

Attached with this letter is a copy of the CDO issued by the DAR for your reference.

Signed,

Fr. Edu Gariguez Protect VIP Network

Tom Buitizon Bukluran ng Mangingisda ng Batangas

Hanna Mazo

EcoSILAK - Youth for VIP

