

SOCIAL WATCH  
PHILIPPINES 2005  
REPORT



# Race for Survival

Hurdles on the road  
to meeting  
the MDGs in 2015

**Race for Survival** Hurdles on the road to meeting the MDGs in 2015

# SOCIAL WATCH PHILIPPINES 2005 REPORT

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# Foreword

EVENTS of the past five years since 189 member countries of the United Nations (UN) committed to fulfill the Millennium Development Goals (MDGs) have underscored the urgency of meeting those objectives. As democracy was taking a beating in both the First and Third World with the thrust of governments to meet the challenges of terrorism, many of the goals that brought together the nearly 200 heads of state in New York City in that autumn, just a year shy of 9/11, have suffered from attrition.

They have been sidelined in the course of the frenzied preoccupation with physical security—as if the more encompassing concept of human security would not be better served if the MDGs were given prime attention; the goals have been sidelined as countries struggled to keep up with the unwinnable race against debt and thus put “fiscal health” above their citizens’ physical and mental health; and in many instances, they have been sidelined by sheer benign neglect, the bane of all those lofty ideals regularly churned out by development experts in and out of the UN, but never quite pursued as fervently as necessary.

This September, the UN hosts another session right in 9/11’s ground zero, New York City, to allow its members to take stock of their progress in meeting the MDGs. To be sure, the forum and its side meetings will be filled with much debate, as expert after expert tries to assess why exactly the process of meeting the MDGs, for all their urgency, have not proceeded as quickly as hoped for. There will be excuses raised, particularly for the failure of some to meet segments of the Millennium Declaration—but also valid reasons for the poorest ones, i.e., the sheer impossibility of channeling resources for creating jobs, health, education and the environment without genuine substantial debt relief.

The Philippines, which takes pride in being one of the UN’s most faithful members, has been busy with its own stock-taking since two years ago. The government has so far released two reports tracking its progress in meeting the MDG commitments, mostly with a positive tone. Yet some other concerned citizens and experts are doing their independent validation, and Social Watch Philippines is one of them. This report summarizes the latest attempt of Social Watch to track the Philippine progress. It has harnessed independent experts, people’s organizations and nongovernment organizations, and sectoral representatives to make an honest assessment not only of the commitments under the MDG, but also those made in two key forums convened by the UN 10 years ago—the World Summit on Social Development in Copenhagen, and the Beijing Women’s Conference; as well as the Geneva 2000 World Summit on Social Development or Copenhagen+5.

More than anything else, preparing this report is at the heart of our mandate: Social Watch Philippines is part of the Social Watch network, which was formed in 1995 precisely to monitor state compliance with obligations promised by governments in UN summits and declarations. Primarily, its strongest advocacies are in ending poverty the soonest, giving flesh to social justice, and conserving the environment through sustainable development. In a word, as someone once observed, Social Watch tries to keep governments honest, in the course of making its own independent monitoring and validation. It is a complicated task, as the reader will quickly understand in the overview of this report. There are endless debates, even among the most well-meaning experts, about data gathering and interpretation, as seen in the past year’s furious questions on the government’s reformulation of poverty incidence and definitions on joblessness. That even multilateral institutions at one point joined the debate reflects the seriousness of the matter.

Beyond the issue of honesty and data integrity, the real implication of having expertly-handled, comprehensive and timely data, is the final goal: getting millions out of poverty when it still counts. And that can only happen, as in a race, when the rules are clear and unchanging, the laps clearly marked, and the finish line is not movable. Meeting the MDGs on paper, by a trick or two in formulations, may seem a work of genius, but in the end, it is a most self-defeating exercise. A state of hunger, disease, or wretchedness, cannot be disguised in any way to look better: it can and must only be redressed, and the first step for doing so is an honest admission of the problem and an understanding of what it takes to solve it.

We in Social Watch, in solidarity with social activists and nongovernmental organizations (NGOs) doing similar work elsewhere, hope that this humble product of our work will help shine a light on the Philippine situation, if only because the race is quick and ruthless, and one cannot be led astray from the urgent goal by any self-deluding cheering squad waving a flag by the wayside. Indeed, as the findings of this assessment bear out, never before has the truism been more compelling, that to a child, there is no tomorrow. And if a child cannot wait, we cannot lose time tripping over wrong guideposts. We hope this report quickens the pace of the runner, yet keeps it focused on real victory all the time.

**LEONOR M. BRIONES**

Co-convenor, Social Watch Philippines

# Contents

Foreword .....	iii
Abbreviations .....	vi
Looking to 2015 .....	1
Financing the Philippine MDGs: Debt for Development.....	15
A Report on Beijing Plus 10: Celebrating Gains, Facing New Challenges .....	17
Empowering Education .....	29
Sewing the Life of a Woman .....	30
Ensuring Environmental Sustainability .....	33
Political Economy of Rivers .....	40
Fighting Back: Citizens Response to Development Aggression .....	41
Will Job Generation Impact on Environment? .....	53
Luklukan Sur Learning the Hard Way .....	64
Local situation does not merit international standards.....	66
Destroying the sensitive island of Rapu-rapu .....	67
Marinduque mining disaster .....	69
Quezon Tragedy .....	71
Saving Visayas: Issues, Initiatives and Innovations in Environmental Management .....	73
Nature Exploitation and Protection in Mindanao .....	89
Townfolks Oppose Entry of Mining, Forms Multi-Sectoral Alliance.....	92
A Federation of Lianga Nay Organizations takes an Anti-Mining Stand .....	93
Saving Biodiversity .....	95
Impact of Coastal Resource Management Initiatives to the Community .....	98
A green patch in Davao's blue waters .....	105
Introduction to Statistical Annex.....	109
List of Tables .....	111

# Abbreviations

A&D – Alienable and Disposable	COA – Commission on Audit
ACDA – Alliance of Community Development Advocates	COLONEFAR – Coastal-Lowland-Near Upland-Far Upland
ACEF – Agricultural Competitiveness Enhancement Fund (ACEF)	CONVERGENCE – Community-Centered Area Development
ADB – Asian Development Bank	CPUE – Catch per Unit Effort
ADZ – Area Development Zones	CSO – Civil Society Organization
AER – Action for Economic Reforms	CWEC – Casecnan Water and Energy Consortium
AFMA – Agricultural and Fisheries Modernization Act	DAO – DENR Administrative Order
ALMMOKAM – Alyansa ng Mangingisdang Moro sa Katimugang Mindanao	DAR – Department of Agrarian Reform
AMD – Acid Mine Drainage	DENR – Department of Environment and Natural Resources
AoA – Agreements on Agriculture	DENR – Department of Environment and Natural Resources
APFFI – Alliance of Philippine Fishing Federations Inc.	DepEd – Department of Education
APIS – Annual Poverty Indicators Survey	DILG – Department of Interior and Local Government
ARB – Agrarian Reform Beneficiaries	DND – Department of National Defense
ARMM – Autonomous Region in Muslim Mindanao	DOE – Department of Energy
BAC – Bugkalot Association of Casenan	DOF – Department of Finance
BAI – Bureau of Animal Industry	DOH – Department of Health
BBGC – Barangay Bayan Governance Consortium in Mindano	DSWD – Department of Social Welfare and Development
BDP - Barangay Development Planning	ECC – Environmental Compliance Certificate
BEAN – Bicol Environment Advocacy Network	ECOP – Employers’ Confederation of the Philippines
BFAR – Bureau of Fisheries and Aquatic Resources	EFA – Education For All
BNFR – Bohol Network for Farmers’ Rights	EIA – Environmental Impact Assessment
BOC – Bureau of Customs	EMB – Environmental Management Bureau
BOT – Build Operate Transfer	EMC-Eastern Mindanao Corridor
BPA – Beijing Platform for Action	ESCAP – Economic and Social Commission on Asia and the Pacific
BRC – Bicol Regional Development Council	FADs – Fish Aggregating Devices
BRTTF - Banaue Rice Terraces Task Force	FAO – Fisheries Administrative Order
BSP – Bangko Sentral ng Pilipinas	FARMC – Fisheries and Aquatic Resource Management Councils
CADC – Certificate of Ancestral Domain	FDC – Freedom from Debt Coalition
CADC / CALC – Certificate of Ancestral Domain/ Land Claim	FDI – Foreign Direct Investments
CARAGA – Surigao del Norte, Surigao del Sur, Agusan del Norte, Agusan del Sur	FDP – Fishery Development Plan
CB-CRM – Community-Based Coastal Resources Management	FIES – Family Income and Expenditure Survey
CBFM – Community-Based Forest Management	FIRMED – Fishery Integrated Resource Management for Economic Development
CBO – Community Based Organization	FLGA – Forestland Leasehold Agreements
CEPF – Critical Ecosystem Partnership Fund	FMMR – Fort Magsaysay Military Reservation
CHED – Commission on Higher Education	FMU – Forest Management Unit
CLEC – Coastal Law Enforcement Council	FP – Family planning
CLET – Composite Law Enforcement Team	FPE – Foundation for Philippine Environment
CLUP – Comprehensive Land Use Plan	FRMP – Fisheries Resources Management Project
CMIPP – Casecnan Multipurpose and Irrigation and Power Project	GATS – General Agreement on Trade in Services
	GATT-UR – GATT-Uruguay Round
	GDP – Gross Domestic Product

- GEF – Global Environmental Facility  
 GIS – Geographic Information System  
 GMO – Genetically Modified Organisms  
 GNP – Gross National Product  
 GO – Government Organizations  
 GPS – Global Positioning Systems  
 GTNLC – General Tinio National Livestock Center  
 HRCP – Hybrid Rice Commercialization Program  
 HUTASAKAB – Hugpong Tagdumala sa Santuaryo sang Kadagatan sa Bohol  
 HYV – High yielding varieties  
 ICC – Investment Coordinating Committee  
 ICPD – International Conference on Population and Development  
 IFMA – Integrated Forest Management Agreement  
 IIRR – International Initiative for Rural Reconstruction  
 IMR – Infant Mortality Rate  
 INECAR – Institute for Environmental Conservation and Research  
 IP – Indigenous People  
 IPADE – Instituto de Promoción y Apoyo al Desarrollo  
 IPRA – Indigenous Peoples Rights Act  
 IRDC – Ibalong Resources Development Corporation  
 IRTCHO – Ifugao Rice Terraces and Cultural Heritage Office  
 ISO – International Standard Organization  
 ISSA – Institute for Social Studies and Action  
 IWS – Institute for Women’s Studies  
 JMP – Joint Management Plan  
 KALIKASAN – Kalikasan Federation Inc  
 KALMADA – Kalipunan ng Maliliit na Mangingisda sa Manila Bay  
 LANDSAT – Land Satellite  
 LGUs – Local Government Units  
 LMP – League of Municipalities of the Philippines  
 M&E – Monitoring and Evaluation  
 MAEP – Multi-Sectoral Alliance for Environmental Protection  
 MAV – Minimum Access Volume  
 MDGs – Millennium Development Goals  
 MEA – Multilateral Environmental Agreement  
 MFFA – Mahiratag-San Agustin Federation of Fisherfolks and Farmers Association  
 MGB – Mines and Geosciences Bureau  
 MMC – Marine Management Committee  
 MMR – Maternal mortality ratio  
 MMT – Multipartite Monitoring Team  
 MNLF – Moro National Liberation Front  
 MPA – Marine Protected Areas  
 MPA – Marine Protected Area  
 MPSA – Mineral Production Sharing Agreement  
 MSAG – Multi-Sectoral Action Group  
 MSU – Mindanao State University  
 MTPDP – Medium-Term Philippine Development Plan  
 NAMRIA – National Mapping and Resource Information Authority  
 NAMRIA – National Mapping Resource and Information Authority  
 NAPC – National Anti-Poverty Commission  
 NCCA – National Commission on Culture and Arts  
 NCIP – National Commission for Indigenous People  
 NCRFW – National Commission on the Role of Filipino Women  
 NDHS – National Demographic and Health Survey  
 NEDA – National Economic Development Authority  
 NFA – National Forest Assessment  
 NFR – NGOs for Fisheries Reform  
 NGO – Nongovernment organizations  
 NIA – National Irrigation Administration  
 NIACDEV – Northern Iloilo Alliance for Coastal Development  
 NPC – National Power Corporation  
 NSCB – National Statistics Coordinating Board  
 NSO – National Statistics Office  
 NTM – Non Tariff Measures  
 ODA – Official Development Assistance  
 ODS – Ozone Depleting Substances  
 OFWs – Overseas Filipino Workers  
 ONCC – Office of Northern Cultural Communities  
 ORAGON – One Region Accelerating Growth through Optimum Use of Natural Resources  
 PA21 – Philippine Agenda 21  
 PADC – Peoples Alternative Development Center  
 PCARRD – Philippine Council for Agriculture, Forestry and Natural Resources Research and Development  
 PENRO – Provincial Environment & Natural Resources Office  
 PLA – Pasteurland Leasehold Agreements  
 PNOG – Philippine National Oil Company  
 PO – Peoples Organizations  
 POEA – Philippine Overseas Employment Administration  
 PPA – Power Purchase Adjustment  
 PPGD – Philippine Plan for Gender Responsive Development  
 PRA – Participatory Rural Appraisal  
 PRDCI – Panay Rural Development Center Inc.  
 PRFR – Penaranda River Forest Reserce  
 PRONET – Provincial Network of Resource Managers in Sarangani  
 PRRM – Philippine Rural Reconstruction Movement  
 PSSD – Philippine Strategy for Sustainable Development  
 QLI – Quality of Life Index  
 QRs – Quantitative Restrictions

- RA – Republic Act  
 RDC – Regional Development Council  
 RISE – Responsible Ilonggos for Sustainable Energy  
 RMC – Resource Management Cooperative  
 SACI – Sapu Cove Integrated  
 SAGMEC – Southern Agusan Mining and Exploration Company  
 SBMA – Sarangani Bangsa Moro Affiliates  
 SCAD – Sustainable Coastal Area Development  
 SEAFDEC/ AQD – Southeast Asian Fisheries Development Center / Aquaculture Department  
 SEARICE – Southeast Asia Initiatives of Community Empowerment  
 SIA – Social Impact Analysis  
 SIAD – Sustainable Integrated Area Development  
 SIMCARRD – SIAD Initiatives in Mindanao Convergence for Asset Reform and Regional Development  
 SITMO – Save the Ifugao Terraces Movement  
 SMB – Sarado Manila Bay  
 SOCSKSARGEN – South Cotabato, Sultan Kudarat, Sarangani-General Santos  
 SOMIS – National Social Development Management Information System  
 SONA – State of the Nation Address  
 SPSFC – Sapu Padidu Small Fishers Cooperative  
 SRDP-PIPESRA – Sustainable Rural Development Project-Program of Infrastructure and Promotion of the Economic Sector in Rural Areas  
 SRI – System of Rice Intensification  
 STDs – Sexually Transmitted Diseases  
 SWS – Social Weather Stations, Inc.  
 TBAs – Traditional Birth Attendants  
 TESDA – Technical Education and Skills Development Authority  
 TLA – Timber License Agreement  
 TSP – Total Suspended Particulates  
 TVET – Technical-Vocational Education Training  
 UCD – Umma Center for Development  
 UCRMP – Upland and Coastal Resources Management Project  
 UN – United Nations  
 UNDP – United Nations Development Program  
 UNESCO – United Nations Educational, Scientific, and Cultural Organization  
 UNFPA – UN Fund for Population Activities  
 UPCWS – University of the Philippines Center for Women’s Studies  
 UPPAK – Ugnayang Pamayanan para sa Kalikasan at Kabuhayan  
 VAW – Violence Against Women  
 WELD – Women and Equality for Leadership Development  
 WHO – World Health Organization  
 WTO – GATT – World Trade Organization – General Agreement on Tariff and Trade



# LOOKING TO 2015

## Social Watch Philippines

**T**his year is significant for the Philippines and the rest of the member countries of the United Nations. As they all look forward to 2015, the 189 member countries of the UN need to make an honest assessment of where they stand on commitments they had promised to deliver.

For purposes of this review, the commitments referred to here focus on those made in the two summits convened by the UN in 1995, the World Summit on Social Development in Copenhagen and the Beijing Women Conference,<sup>1</sup> the Geneva 2000 World Summit on Social Development or Copenhagen+5,<sup>2</sup> and the Millennium Development Goals (MDGs) of the 2000 Millennium Summit.<sup>3</sup>

Social Watch, a worldwide network of social activists and NGOs, was formed in 1995 to monitor

state compliance with these promised obligations. Since 1996 it has been publishing a yearly report which is accepted as a major input in the deliberations of the UN Commission on Social Development.

<sup>1</sup> The Copenhagen Social Summit made 10 commitments to address world poverty, unemployment and social breakdown. The Beijing Women Conference committed to achieve gender equality and promote women empowerment.

<sup>2</sup> The Geneva 2000 World Summit on Social Development or Copenhagen+5 was convened to review progress from 1995 and to agree on further initiatives, emphasizing the role of broad partnerships.

<sup>3</sup> In the Millennium Summit in 2000 at the UN in New York governments pledged to achieve 8 millennium development goals (MDGs) by 2015 reckoned from the 1990 baseline: (1) eradication of extreme poverty and hunger; (2) universal primary education; (3) gender equality and women empowerment; (4) reduction of child mortality; (5) reduction of maternal mortality; (6) combating HIV/AIDS, malaria, and other diseases; (7) ensuring environmental sustainability; and, (8) global partnership.

The Social Watch reports monitor progress and reversals, analyze why these are happening, and make both visionary and practical recommendations.

Social Watch Philippines is part of the global Social Watch network and, like its counterparts in other countries, does monitoring and regular assessments at the country level. Results feed into advocacies for needed changes in policies and programs. Social Watch stands for social and environmental justice and advocates ending poverty the soonest.

To best capture the complexities of monitoring, Social Watch Philippines uses a simplified instrument called the Quality of Life Index, or QLI. This is a set of alternative indicators developed by the Action for Economic Reforms (AER) and Social Watch Philippines to monitor progress at the local level, across regions and provinces in the country. The index has been tested and was found to be strongly correlated with other poverty and welfare measures, making it a good alternative where no other indicator is available.

The QLI is also consistent with existing national and international statistical systems and can be computed easily, using indicators that are regularly generated by government agencies. It can be applied at both national and local levels. Moreover, since the index is based on outcomes rather than means in achieving development goals and excludes income variables, the QLI complements existing poverty measures that are based solely or partly on income.

The Quality of Life Index has been rigorously tested and recognized by the international Social Watch movement. Now renamed as the Capability Index, the QLI is up for wider adoption in the Social Watch 2005 report.

### A word on data

Social Watch Philippines relies on official statistics despite the many problems attending those numbers. It also makes extensive use of case studies to make up for what numbers don't reveal when describing local realities of poverty and inequality.

Among the tools that government uses to monitor the poverty situation and social development are the Annual Poverty Indicators Survey (APIS) and the triennial Family Income and Expenditures Survey (FIES). FIES data on income and poverty measures can be disaggregated only by region and by province. Beyond this level, no other poverty statistics have been generated officially.

The implementation of the National Social Development Management Information System (SOMIS) was endorsed by the Philippine government to monitor the 20/20 commitments. It reflects the three core development goals for the Asian region identified by the UN (ESCAP) Economic and Social Commission on Asia and the Pacific in 1999: poverty alleviation, expansion of productive employment and social integration.

The SOMIS depends on the data collection activities of different statistical bodies and agencies, and is contingent on varying schedules of monitoring. Because of limitations posed by the annual collection of data, the SOMIS will not always reflect current statistics, much less regional and country realities. At best, the SOMIS serves as a repository for progress reports that can be used in fine-tuning government policies and programs intended to achieve the MDGs.

Social watching is hampered by the lack of information concerning the true poverty situation and the particular circumstances of the poor. Gaps in poverty analysis often result in deficient planning and poor targeting. The problem gets more apparent as one goes down to sub-national levels. In reality, there is very little information on the poverty situation in the provinces down to municipalities and *barangays* across the country. A recurring reason is limited local capacity to collect and process information on a regular basis. Moreover, existing income and poverty measures may not be uniformly applicable, or are difficult to replicate on the national scale.

In the course of its nationwide consultations, Social Watch Philippines gathered the following observations related to data gathering and the interpretation of results:

(1) Cultural norms and practices directly affect the indicators. Raised in one Mindanao consultation was the observation that dietary patterns varied in many parts of the country; hence, the indicators for hunger and nutrition could not be uniformly treated. Cultural definitions accounted for variances in interpretation. Areas identified as having problems related to hunger were notably areas where the dietary intake of vegetables was poor. Health conditions will also differ because of these dietary patterns. Farmers in Northern Luzon eat more vegetables than those in Mindanao. The Visayans eat vegetables sparingly, preferring the culturally derived preference for dried fish. Root crops are the staple food of farmers in Mindanao, again setting the tone for variances in interpreting indicators. Yet the tools do not factor in these cultural nuances in food consumption.

In one Northern Luzon consultation, participants from the province of Ifugao contested the government's inclusion of their province in the list of the 15 poorest provinces in the country, suggesting a need for redefining the notion of poverty and welfare.

(2) Using income as the unit of poverty measure will not give the true picture at the grassroots level. In many upland indigenous communities, a more acceptable measure of wealth is ownership of noncapital goods, such as livestock and poultry, rather than income. Such communities also have relatively easier access to basic survival needs such food and shelter.

(3) The deteriorating peace and order conditions have a direct effect on the indicators for poverty, health and education. In the Mindanao consultation, it was learned that armed conflict in several provinces have worsened problems of access to basic social services. Hence, the data gathered will not present the true picture and sweeping conclusions will fail to show the true face of poverty in the conflict areas.

### Contrasting views of the future

Ten years gone by since the Copenhagen and Beijing summits and the Philippines is still struggling to deliver on its social commitments. The government would be compromising long-term sustainability by not investing enough in the development of our human resources. Then our country



might wake up to a scenario nobody wants: a generation of malnourished, less educated, less healthy Filipinos, living in insecure environments. Instead of social cohesion we may have a society more divided by 2015.

The table below shows contrasting projections of Social Watch Philippines and the government with respect to chances of achieving minimum entitlements due the poor.

### Declining poverty, rising hunger

Poverty incidence has declined by 15.5 percentage points in 15 years, from 40.2 percent in 1990 to 24.7 percent now. Over 21 million Filipinos are still poor today.

MDG Targets	Official Assessment	SWP Assessment	
		Overall Prospects	Prospects for the Poorest Regions & Provinces
Poverty	High	Less Likely	Unlikely
Hunger/Nutrition	Medium	Unlikely	Very Unlikely!
Safe water	High	Access, Yes	Unlikely
		Quality, No!	
Educ: Participation	Medium	Likely	Less Likely
Educ: Survival	Low	Unlikely	Unlikely
Educ: Gender	High	Parity, Yes	Parity
		Equality, No!	Equality, No!
Child Mortality/IMR	High	Less Likely	Unlikely
Maternal Health	Medium	Unlikely	Very Unlikely!
HIV / AIDS	High	Likely	Growing Threat
Environment	?	Less Likely	Unlikely
On Slum Dwellers	?	Less Likely	Unlikely

Official figures are, however, contested, particularly the drop of almost three percent from 27.5 percent in 2001. The government has been criticized for reducing poverty through statistics, changing the methodology by lowering the poverty line and reducing family size from 6 to 5 members. The Asian Development Bank (ADB) itself asserts that the new methodology resulted in a lower poverty headcount and trends adjustment. The ADB believes poverty had worsened from 2000 to 2003.

Unemployment is another contested area. Unemployment went up from 10.4 percent in 2003 to 11.3 percent in January 2005. As high as these rates already are, many still believe that figures were massaged to hide the reality of massive unemployment and underemployment. The new method of determining rate now uses week instead of quarter as time reference and basis for trending.

Statistics compiled by the Employers Confederation of the Philippines (ECOP) indicate that employment in the formal sector contracted sharply, losing almost a million jobs from 1999 to 2003. These statistics point to the growing 'informalization' of labor, indicating the declining quality of jobs. Despite government claims of respectable economic growth, joblessness persists with corresponding impact on the poverty level.

The country's high population growth of 2.34 percent annually, rising from 60.7 million in 1990 to 85.5 million in 2005, has been complicating the efforts to reduce poverty and arrest the environmental decline.

Rural poverty has not improved at all, and in some provinces even worsened. Living conditions for the growing urban poor are not much better off either. Already, more than half of Filipinos are city inhabitants and their numbers are expected to rise by 2015.

Inequality continues to fester. The Gini coefficient hovers at 0.48. The income ratio of the richest one-fifth to the poorest one-fifth was 16 to 1 in year 2000 compared to 13 to 1 in 1990. Average household income has declined by 10 percent, from P175,000 to P144,000. Household spending also went down by 8 percent in parallel with shrinking incomes. The poor continue to be denied access to resources, like land and capital. Instead of land redistribution, the trend is displacement for the poor and landlord buyback.

The economy, among the most liberalized in Asia but dominated by large foreign and local corporations, is in deep crisis. The country is debt-trapped, in perennial trade deficit and unable to raise sufficient revenues to finance its budget. The national debt has reached up to US\$65 billion. Consolidated public sector debt is US\$107 billion.

Debt service eats up 85 percent of government revenues and, if off-budget debt payments are included, could run up to 51 percent of government expenditures for 2005.

Economic growth had been steady in 15 years, except during the 1997 Asian crisis. But it is a lopsided, narrow, inequitable and jobless growth.

The Philippines has been underinvesting in basic education, at levels generally below 3 percent of GNP and lower than most neighboring countries in Southeast Asia. United Nations Educational, Scientific and Cultural Organization (UNESCO) recommends an expenditure level of at least 6 percent of GNP.

The same is true for health. According to World Health Organization (WHO), the Philippines ranks among the last (161<sup>st</sup>) in health spending and 126<sup>th</sup> in overall health level. It spends far less than other middle-income countries, and thus is unable to create comparable health conditions.

A World Bank study of 10 Asia-Pacific countries in 1993 shows that the Philippines has the second lowest both in per capita health expenditure and health spending as percentage of gross domestic product (GDP).<sup>4</sup>

Here's where the budget peso roughly goes: 33 centavos to debt service; 32 centavos to salaries of government employees; 12 centavos to basic education; 1.3 centavos to health; between 10 and 20 centavos lost to corruption.

A recent study presented at the 9<sup>th</sup> National Convention on Statistics estimated that it will take 41 years for the average poor Filipino to break away from poverty. This casts serious doubts on the government's assertion that poverty can be reduced by half by 2015.<sup>5</sup>

In mid-2004, the ADB reported that about 12 million Filipinos were trapped in extreme poverty and surviving on less than one dollar a day. The Philippine incidence of extreme poverty was lower than the Asian average of 21.4 percent. But it was the highest in Southeast Asia after Laos' 30.4 percent and Cambodia's 34.2 percent.<sup>6</sup>

The Social Weather Stations, Inc. (SWS) revealed that hunger rose to record levels in Metro

<sup>4</sup> Philippine Institute for Development Studies, 1998. Health Care Financing Reform: Issues and Updates. *PIDS Policy Notes # 98-06*.

<sup>5</sup> Jose Ramon Albert and Paula Monina Collado, "Profile and Determinants of Poverty", paper presented during the 9<sup>th</sup> National Convention on Statistics, EDSA Shangrila Hotel, Metro Manila, Oct. 4-5, 2004.

<sup>6</sup> "Hunger stalks 15% of Pinoy households," PDI research, *Philippine Daily Inquirer*, Oct. 5, 2004  
"Arresting Jobless and Industry-less Growth," Rene E. Ofereo, Opinion Section, Yellow Pad column, *BusinessWorld*, May 30, 2005, p. S1/4; www.ger.ph

Manila and Mindanao in 2004. Nationwide, 11 percent of household heads surveyed said their family had nothing to eat at least once in the last three months, two percentage points higher than the previous year. In March 2005 this rose to 13 percent or an estimated 2.1 million families. Overall incidence of hunger since SWS began monitoring it in 1998 registered a record high of 16.1 percent in March 2001. Hunger incidence in Mindanao rose to 16 percent, the highest in the country. In the Visayas, it doubled to 13 percent from 6 percent in September 2003.<sup>7</sup>

Chronic poverty in Mindanao may be explained by the failure of export crop production to bring progress to the island. Agribusiness companies in Mindanao have brought benefits to only a few agribusiness capitalists and landed families. Half of all Mindanao provinces belong to the country's 25 poorest provinces. At least half the population, in most of these provinces, lives below the poverty threshold.<sup>8</sup>

The government admits to a low probability of meeting the target of 50 percent reduction on malnutrition, as evidenced by: (a) chronic dietary energy deficiency affecting particularly young children, and pregnant and lactating mothers; (b) protein energy under-nutrition among preschool and school children; and (c) micronutrient deficiencies particularly in Vitamin A, iron and iodine among a large group of the population across ages.<sup>9</sup>

The Department of Environment and Natural Resources (DENR) says that close to 25 million Filipinos (33 percent of the total population) do not have access to clean potable water and only 26.25 million (35 percent) have access to water for sanitation.<sup>10</sup> This explains the vulnerability of the poor to water-borne diseases, like diarrhea, a leading cause of infant and child mortality.<sup>11</sup>

In some provinces only 30 percent or less of households have access to safe drinking water. Half of the provinces will not meet the target of improved access.

### Progress and regress in education

There is hardly any improvement in school access, survival and learning outcome. Elementary participation rate has remained virtually stagnant

over the last three years. An estimated 10 percent of children 6-12 years old are out of the school system. Cohort survival and completion rates improved marginally while dropout rates at both elementary and secondary levels remain high at 7.19 percent and 12.82 percent respectively.

Survival, more than participation, remains the bane of the education sector. A World Bank study noted that "for every 1,000 entrants to Grade I, 312 do not complete elementary schooling, 249 finish the six-year elementary at an average of 9.6 years due to repetition, and only 439 finish elementary in six years." Even more alarming, of the "688 who complete elementary schooling, only seven graduates score at least 75 percent in achievement tests in English, Science and Math, which is the standard for mastery of required competencies."<sup>12</sup> Despite rising school attendance, there has been no impact on functional literacy.

Based on the UNESCO Education For All (EFA) Development Index—a composite measure based on enrollment ratio, literacy rate, gender-specific survival rate up to grade 5—the Philippines ranked 44th, falling below Thailand, Vietnam, Indonesia and China. In quality of education as measured by survival rate, the Philippines fared no better than some of the poorest countries in Africa, like Burkina Faso and Ethiopia.

The Philippines is one of the few developing countries which have achieved basic parity between boy and girl children in school access, retention and achievement. Girls have consistently out-performed boys in gross and net primary enrolment rate, cohort survival to grade 6, repetition and dropout rates and in learning achievement. This has been observed throughout the 1990s and holds true generally for both rural and urban areas.

Gender disparity is reflected more in gender biases in the school system and especially in mass media, which engender violence and sexual harassment.

### Progress and regress in health

According to the National Demographic and Health Survey (NDHS)<sup>13</sup> 2003 statistics, infant mortality rate (IMR) has declined from 34 deaths per 1,000 live births in 1990, to 29 deaths in 2000. But 40 out of 1,000 children born in the Philippines die before their fifth birthday.

Mortality levels in urban areas are much lower than those in rural areas. The Philippines has

<sup>7</sup> "Low real income, more equal distribution" by Solita Collas-Monsod, *Philippine Daily Inquirer*, Sept. 4, 2004.

<sup>8</sup> "Food for all: Can we achieve it? (Hunger stalks the country's food basket)", de la Rosa, B. *Philippine Daily Inquirer*, Oct. 10, 2004.

<sup>9</sup> Herrin, et al., 1993 as quoted by Manasan, et al., 1996.

<sup>10</sup> Lacuarta, Gerald G. "25M Pinoys have no access to clean water – DENR" *Philippine Daily Inquirer*, March 26, 2003.

<sup>11</sup> *Philippine Health Statistics*, Department of Health, 1998.

<sup>12</sup> Cited in the Education For All (EFA) plan, DepEd, August 2004

<sup>13</sup> *Ibid.*



among the highest maternal mortality rates (172 deaths per 100,000 live births) and infant mortality rates (36 deaths per 1,000 live births) in the world. In 2000, 60 percent of pregnancies in the Philippines were considered high-risk due to poor health conditions and narrowly spaced childbirth. The 1998 (NDHS)<sup>14</sup> revealed that the risk of a Filipino woman dying from complications related to pregnancy or childbirth is 1 in 100. The 1998 NDHS statistics also show that women in the Autonomous Region in Muslim Mindanao (ARMM) and Northern Mindanao face nearly double the risk, with the maternal mortality ratio (MMR) at 200 and 300 in those areas respectively.

The high infant and maternal mortality rates in many parts of the country are the result of the lack of access to quality health care services and facilities, particularly for those in the rural areas and those in large urban poor communities. Most births are attended by traditional birth attendants (TBAs) or *hilots*, many of whom lack the knowledge and skills to ensure safe and healthy deliveries. For 1994, Department of Health (DOH) statistics on deliveries showed the following: 38 percent of births were delivered by *hilots*; 31 percent by doctors and 29 percent by midwives. Moreover, 40 percent of women of child-bearing age died of complications related to pregnancy.<sup>15</sup>

The MMR is estimated at 172 per 100,000 live births. Social Watch Philippines and others have consistently asserted that this figure masks the depth of the social problem in many parts of the country where the figures are much higher, according to the Population Commission and UN Food on Population Activities (UNFPA).

A fact sheet of the Population Commission and the UNFPA, released in time for the 10<sup>th</sup> year of the International Conference on Population Development (ICPD)<sup>16</sup>, revealed that 10 Filipino women or an estimated 3,650 women die everyday from pregnancy-related causes.

In the 1998 NDHS, maternal deaths were estimated to be 14 percent of all deaths among women 15-49 years old. Major causes identified are post-partum hemorrhage, eclampsia, obstructed labor and complications from abortions.

Regional disparities in access to maternal care have been noted. The number of women receiving prenatal care from a health professional registered highest in Western Visayas (93.4 percent) and in the NCR (92.1). In ARMM, pre-natal care is available only to 49.9 percent of women. Only 56 percent of deliveries were attended by skilled health professionals. Among the regions ARMM registered the lowest percentage of birth delivered by a health professional (21.7 percent) and births delivered in a health facility (10.7 percent).

The Philippines exports many doctors, nurses and caregivers yearly, yet many women and children in rural areas die without seeing a doctor. The average hospital bill is three times the average monthly income<sup>17</sup> despite the Generics Act of 1988 which intended to provide safe and effective but affordable drugs to low-income households. Prices of drugs and pharmaceutical products are the highest in Asia, 250 percent to 1,600 percent higher than neighboring Indonesia, Malaysia, India, Bangladesh and Sri Lanka.<sup>18</sup>

Many women's groups have criticized the government for renegeing on its commitment to support women's reproductive health.

### Failing to arrest environment decline

The rehabilitation of our environment has seen little progress since 1990. The Philippines continues to face serious challenges in urban air and water pollution, natural resource degradation, and declining quality of coastal and marine resources. The Philippines is among the richest in the world in biodiversity but its rate of deforestation is one of the highest. Laws intended to arrest, if not reverse, the

<sup>14</sup> NDHS data cited in the *Philippine Progress Report on the Millennium Development Goals*, January 2003.

<sup>15</sup> Department of Health, 1994. *Investing in Equity in Health: The Ten-Year Public Investment Plan for the Health Sector (1994-2004)*.

<sup>16</sup> In Rina Jimenez-David's column in the *Philippine Daily Inquirer*, July 16, 2004.

<sup>17</sup> DOH, 1999 *Updates: Philippine Health Statistics*

<sup>18</sup> "Fighting the high cost of health," Feria, Monica. *Philippine Graphic*, September 27, 1999.

decline have been failing.

Based on the environmental sustainability index developed by Yale and Columbia University the Philippines ranked 117<sup>th</sup> of 142 countries studied. In environmental quality (water, air, biodiversity), the Philippines ranked third to the last.

Liberal policies have led to the relaxation of investment rules and compliance with environmental standards. The government is in self-denial, insisting that the natural resources are underexploited despite mounting evidence of overexploitation and abuse. It has opened the door wide to extractive industries, especially mining, which the government sees as a solution to the country's fiscal crisis.

There's no shortage of environmental policy and legislation; however, attempts to integrate sustainable development principles into policies and programs have failed to bring about a fundamental shift away from what many believe to be an unsustainable path of development.

Equity and justice are at the core of the environment problem, expressed in unequal access and use and control of the natural resources, and in the vulnerability of the poor to environmental hazards and disasters.

### Problems of financing commitments

As early as 2002, Social Watch Philippines and many others had warned about an impending fiscal crisis owing to increasing budget deficit and unsustainable public debt. The debt level is more than 130 percent of GDP and a third of the national budget goes to servicing its interest alone. After repeated denials, President Gloria Macapagal-Arroyo admitted to the problem two years later.

The country's budget history is a story of consistent and accumulating deficit rather than

balance. An alarming trend of continuing deficits has been noted since 1998. Among the many factors cited is the Asian crisis. More basic, however, are the structural defects in the fiscal structure. Revenues have been dormant since the post-Marcos years, prompting the passage of the Tax Law in 1986, with amendments in 1988, 1994, 1997 and 2000. The first half of the 1990s under the Ramos administration also saw much of the government's commitment to bilateral and multilateral arrangements, highlighted by the accession to the World Trade Organization-General Agreement on Tariff Trade (WTO-GATT). The lowering of custom duties, following liberalization, seriously affected tax collection. Privatization and sale of public assets, which explain much of the surplus in 1996 and 1997, saved the day somewhat, though only temporarily.

At the start of the new millennium, tax effort went down to its lowest levels. To maintain spending levels, the government incurred deficits that are also the highest in fiscal history (*see Table below*).

For 2004 and 2005, the target deficits are P197.8 billion (4.3% of GDP) and P184.5 billion (3.6 percent of GDP). As part of keeping government targets, revenue enhancement and austerity measures are being implemented. With revenues going down and the demand increasing, the government engaged in deficit financing, thus increasing indebtedness.

The Philippine debt problem has been around for more than three decades. A look at the country's history of indebtedness is provided on the next page.

Figures will show that since 1997, public debt had surpassed the country's economic output. As of September 2004, public debt was around 130 percent of the GDP.

The national government accounts for more than half of the public debt (58 percent), with

NATIONAL GOVERNMENT FISCAL POSITION, 1999-2003					
(In Million Pesos)					
	1999	2000	2001	2002	2003
Revenues	478,502	514,762	563,732	567,141	626,630
Expenditures	590,160	648,974	710,755	777,882	826,498
Surplus/(Deficit)	-111,658	-134,212	-147,023	-210,741	-199,868
Financing	181,698	203,815	175,235	264,158	286,823
Change-In-Cash	38,984	3,810	-22,229	-1,706	25,767
Budgetary	70,040	69,603	28,212	53,417	86,955
Non-Budgetary	-32,563	-62,420	-50,441	-55,123	-61,188
Coll. (BIR & BOC) subject to holding period	1,507	-3,373	0	0	0
Tax Effort (Tax as % of GDP)	14.50%	13.90%	13.30%	12.50%	12.50%

Source: Bangko Sentral ng Pilipinas (BSP) and Department of Finance (DOF)

<b>Marcos era</b>	<ul style="list-style-type: none"> <li>Mainly external debt, which grew 13 times from 1970 to 1986</li> </ul>
<b>Aquino (post-EDSA) administration</b>	<ul style="list-style-type: none"> <li>External debt grew from US\$28 billion to US\$35 billion by end-1991, despite servicing US\$18 million;</li> <li>Domestic debt grew while access to foreign debt contracted despite Aquino honoring all the dictatorship's debts;</li> <li>Outstanding debt stood at US\$44 billion, for both domestic and external.</li> </ul>
<b>Ramos administration</b>	<ul style="list-style-type: none"> <li>Debt grew to US\$53 billion by 1998, despite implementation of the Brady Securitization Plan in 1993;</li> <li>Some temporary minimal relief was experienced with the decline in interest payments from 1993-1996.</li> </ul>
<b>Estrada administration</b>	<ul style="list-style-type: none"> <li>Borrowings equivalent to those of Aquino and Ramos (12 years) combined, and done in 3 years' time.</li> <li>The Estrada administration borrowed a total of P725 billion (US\$16 billion).</li> </ul>
<b>Macapagal-Arroyo</b>	<ul style="list-style-type: none"> <li>Borrowing for the first three-years of their administration almost surpassed those of Ramos, Aquino and Estrada combined;</li> <li>The Arroyo administration borrowed a total of P1.2 trillion (US\$21.8 billion).</li> </ul>

Source: Freedom from Debt Coalition, October 2004.<sup>19</sup>

National Government Debt Payment, including Principal Amortization vs. the Education and Health Budget (amounts in billions of pesos and dollars where indicated).							
Years	Interest payments	Debt service including Principal Amortization	Education budget	Health budget	Interest payments as %age of NG Budget	Education as %age of NG Budget	Health as %age of NG Budget
1998	99.8 (US\$2.5)	164.5 (US\$4.2)	106.9 (US\$2.7)	13.5 (US\$0.3)	18.6%	19.9%	2.5%
1999	106.1 (US\$2.6)	205.4 (US\$5.1)	110.6 (US\$2.7)	15.0 (US\$0.4)	18.3%	19.1%	2.6%
2000	140.9 (US\$2.8)	227.8 (US\$4.6)	116.8 (US\$2.3)	14.7 (US\$0.3)	20.6%	17.1%	2.1%
2001	181.6 (US\$3.5)	277.2 (US\$5.4)	121.5 (US\$2.4)	13.6 (US\$0.3)	25.9%	17.4%	1.9%
2002	185.9 (US\$3.5)	358.0 (US\$6.8)	125.4 (US\$2.4)	14.5 (US\$0.3)	25.0%	16.9%	2.0%
2003	226.4 (US\$4.2)	470.0 (US\$8.7)	129.0 (US\$2.4)	12.4 (US\$0.2)	28.4%	16.0%	1.6%
2004	271.5 (US\$4.9)	581.3 (US\$10.6)	133.3 (US\$2.4)	12.9 (US\$0.2)	31.4%	15.5%	1.5%
2005	301.7 (US\$5.5)	645.8 (US\$11.7)	135.5 (US\$2.5)	12.9 (US\$0.2)	33.2%	14.9%	1.4%

Source: Various Department of Budget and Maanagement Publications, Budget of Expenditures and Sources of Financing and National Expenditure Program 2005

<sup>19</sup> Paper presented by Lidy Nacpil, Freedom from Debt Coalition (FDC) Secretary General, at the "Forum on Debt for Congressional Staff", October 28, 2004.

government-owned and -controlled corporations largely accounting for the remaining half. The distinction between sources becomes irrelevant, however, especially when public corporations perform badly. In such event, the national government assumes the liability.

The burden of incurring a large debt stock is directly manifested by way of servicing maturing loans. The national government automatically appropriates such payment, a policy that citizens movements have consistently opposed.

In the last five years, 23.6 percent of the budget was allocated to interest payments. Counting the principal, the proportion of the budget that went to debt service averaged 35.2 percent. Meanwhile, other budget items have been crowded out, including critical services and infrastructure.

Declining tax effort, increasing demands from the populace, and a large debt stock. The Philippines had sunk into a vicious cycle of borrowing to be able to pay off its debts and keep the government afloat. In 2002, it was noted that while the budget for debt service is only P185.8 billion, actual cash disbursements on debt service expenditures reached P1.3 trillion (Commission on Audit (COA) 2002 Annual Financial Report). In 2002, COA reported that the actual income or revenue earned by government totaled P601.8 billion as against total debt service disbursements of P1.3 trillion. Obviously, debts were serviced by more borrowings!

With debt payments squeezing the national budget, meager funds can only be put to social development. In the last five years, the share of social development to the entire budget has gone down from 33 percent in 1999 to 29 percent in 2003. The conclusion drawn is, while social sector budgets had to deal with cuts, the automatically-appropriated debt payment is the only one significantly increasing in nominal as well as real terms.

The Philippines is among those economies that has claim to being globally integrated, trading goods with the rest of the world last year to the tune of 85 percent of Gross National Product (GNP), and compared to the years before accession to the WTO in 1994, the value of our trade doubled during the last decade (from 48 percent of GNP in 1990). Enhancing trade with the world had been a preoccupation. To date, the country has 41 bilateral trade and economic agreements, mostly signed in the last decade.

The country's trade balance remains in perennial deficit. Opening up has not alleviated its balance of payment position which has been deteriorating over the years. The promised benefits

of free trade hyped by its advocates during the debates at the Senate in 1994 never came. Citizens movements, especially the peasant groups, and those belonging to the textile and garments industry, now question the wisdom of membership in the WTO. They claim that domestic products have been marginalized and swamped by imported goods; local production and livelihoods have collapsed, and many have been thrown out of their jobs.

The country has given up a lot by way of protection in return for so little. The government even exceeded required commitments and failed to utilize the breathing space allowed within WTO rules. Compliance was way beyond what was committed, particularly on measures that addressed the following disciplines: non-imposition of additional non tariff measures (NTM); conversion into tariff, or the tariffication of NTM and quantitative restrictions (QRs); commitment to the minimum access volume (MAV) schemes; tariff reductions; and reduction in subsidies

On the contrary, the government's commitment to strengthen affected sectors was deficient and in some cases non-existent. The government's Action Plan for GATT-Uruguay Round (GATT-UR) Adjustment Measures (1994) as well as other pledges envisioned remain to be fulfilled.<sup>20</sup> In contrast to the ease and haste with which the government moved to liberalize the economy, its internal commitments, and adoption of "enhancement" measures generally failed.

Budget constraint was the ready excuse for the absence of support measures. The appropriation for agriculture, agrarian reform and natural resources in the last two decades only managed to take between 3-8 percent of the budget. Curiously, the budget of the sector was highest in the years before 1994 at 6.3 percent. The period after WTO (1995-2000) saw the sector maintain its portion of the budget on the average, but it later started to show a decline. The peak amounted to P41 billion in 1997 (8 percent), and expectedly so since it was during that year that the government decided to carry out the action plan. The most recent years (2001-2004) were the lowest, with the sector's share of the budget falling to an average of 4.2 percent.

Other sectors whose scope of function includes services and activities with bearing on enhancing competitiveness of the domestic economy also needed their budgets augmented. Consider how the budget for water resources

<sup>20</sup> Those contained in the Medium-Term Philippine Development Plan (1994-2000 and 1998-2004).

development, which includes water supply and irrigation systems, declined from 2 percent in 1980 to a fraction of a percent average between 2000-2004; the budget for communications, roads and other transportation services also began with 19.6 percent (1980), then slipped to an 8 percent average between 2000 and 2004.

Special funds created for the purpose were also ineffective if not wasted. The Agricultural Competitiveness Enhancement Fund (ACEF), established in 1996, came into operation only in 2001 and has yet to benefit those who need them most—the small farmers and fisherfolks. It is very vulnerable to capture by commercial operators who have much to begin with. The Agriculture and Fisheries Modernization Act (AFMA) started with a promise of P20 billion in addition to the Department of Agriculture’s current allotment, but until now it remains a mere promise.<sup>21</sup>

The government has failed to prevent dumping, along with rampant smuggling which is killing many local industries. Traditional exports like food and produce, and garment and textiles are on the brink of collapse. Even in manufactured goods, the country is losing the battle. And we have yet to feel the full effect of China’s integration into the global economy.

The move to reverse tariffs by 1.5 percent from 6 percent to 7.5 percent would have been

commendable had the damage not been done. Social Watch suggested a 7.5 percent average tariff is still too low compared to the country’s WTO-bound tariff for 2004 of 29.7 percent.

The country would be better off if the government desists from carrying out more of its unilateral liberalization program and starts a comprehensive review process. Much in the GATT -WTO has yet to be resolved, especially in matters surrounding the Agreements of Agriculture (AoA), and new areas such as the Trade in Services (GATS). WTO has yet to discuss the subsidies given to sectors, both by developed and developing countries. Other concerns, specifically those raised in the Doha Round are still unattended.

Social Watch believes that it is time for the government to review the country’s policy on trade and economic liberalization, considering the widespread perception that it has brought more harm than good to the country.

Financial flows into the country have dwindled. The Philippines is widely seen as a poor investment choice. Since the 1997 crisis, investments had been cautious and slow. For good or ill, foreign rating agencies have consistently pictured the country as an investment risk. Last year, \$545 million worth of investment fled the country owing to continuing political uncertainties.

Portfolio capital or short- term investments appear heavily in our payment’s imbalance (see table below). After massive exodus during the 1997 crisis, a substantial part came back in 1999, registering a net portfolio inflow of US\$6.8 billion, from a low of US\$80

<sup>21</sup> AFMA was a budget trick, that is, it reflected projects and programs being given funds but behind it was attribution to existing and already implemented projects (from a participant who used to be with the Department of Agriculture, testimony made at the TDC Forum on Subsidies for the Fisheries Sector, November, 2004).

Investments Flows, 1998-2003						
	1998	1999	2000	2001	2002	2003
Investments, Net (US\$ M)	1,672	8,628	1,660	2,192	2,855	-545
Growth Rate (%)	119	416	-81	32	30	-119
Net Direct Investments	1,592	1,754	1,453	1,142	1,733	161
Net Portfolio Investments	80	6,874	207	1,050	1,122	-706

Source: Bangko Sentral ng Pilipinas (BSP)

OVERSEAS FILIPINO WORKERS' REMITTANCES, 1997-2003 (In US\$ Thousand)							
	1997	1998	1999	2000	2001	2002	2003
TOTAL	5,741,835	7,367,989	6,794,550	6,050,450	6,031,271	7,189,243	7,639,955
Sea Based	257,612	274,549	846,209	926,677	1,093,349	1,226,182	1,294,140
Land Based	5,484,223	7,093,440	5,948,341	5,123,773	4,937,922	5,963,061	6,345,815

Source: Bangko Sentral ng Pilipinas

What is Left of the Budget Minus Mandatory, Non-Developmental Expenses				
Mandatory Expenses	2004		2005	
	Amount	%/Budget	Amount	%/Budget
Personal Services	286,420,140	33.1	289,250,112	31.9
INTEREST PAYMENT	271,531,000	31.4	301,692,000	33.2
Net Lending	5,500,000	0.6	7,600,000	0.8
Allocation to Local Government Units	148,325,024	17.2	155,900,000	17.2
Subtotal	711,776,164	82.3	754,442,112	83.1
Total Proposed Budget	864,763,579	100	907,589,726	100.0
Discretionary Sum	152,987,415	17.7%	153,147,614	16.9%

million the year before. In 2000-2002, portfolio investment again dropped. For 2003, the country suffered further as net portfolio investment registered a US\$706-million deficit (outflow of investments).

Foreign direct investments are not in better shape either. From a net investment high of US\$1.7 billion in 2002, it fell to US\$161 million in 2003. Even with tax holidays and other fiscal incentives, the country was unable to lure the same level of investment as in previous years.

In what Social Watch considers acts of desperation, the government is making steps toward changing the Constitution in order to be "competitive". Government has put away all stops on liberalization of the mining sector despite opposition from indigenous peoples and a broad range of sectors. A 10-year strike ban has been considered.

The Overseas Filipino Workers (OFWs) have been the country's savior. Their annual remittances are estimated to be between \$7 billion and \$14 billion (US\$ 7.6 billion in 2003), a huge amount of "free" money, in contrast to tied Official Development Assistance (ODA). Inflows from OFWs drive consumption and create an illusion of a thriving economy. Rising demand in construction, particularly the real estate business, may be largely due to these inflows.

National government finances have not always been as dismal as they are now. In fact, fiscal surpluses were attained in 1996 and 1997, with tax effort at 17 percent of GDP.<sup>22</sup> It was after the 1997 crisis that everything fell. However, the crisis cannot be the excuse and will not explain the large budget deficit, running to P200 billion in 2003 and an

expected P197 billion in 2004.

The drop in tax effort at 12.4 percent of GDP is a combination of factors. Foremost are implementation and collection issues that allowed tax evasion and avoidance to reach rampant levels. The decline in revenue is also due to the ongoing market liberalization program that rapidly reduced tariffs beyond GATT-WTO allowed levels. A third reason would be rigidities brought about by some provisions under the Tax Reform Program of 1997, particularly concessions to favored sectors and professions.

Borrowing has thus substituted for the more difficult task of revenue collection. In the last three years, the current administration borrowed P1.2 trillion, exceeding the combined borrowings of the preceding 10 years. This increased the national government debt stock to P3.4 trillion. Debt payments this year amounted to P535 billion (interest and principal), accounting for 42 percent of the 2004 budget. Taking away the other mandatory expenses, such as those for personnel, allocation to LGUs, and net lending to government corporations, little is left for new programs and expenses with developmental objectives.

The liabilities of Government Owned and Controlled Corporations (GOCCs) have been assumed by the national government. These contingent liabilities amount to as much as P3 trillion.<sup>23</sup> The biggest transfer for the year, apart from contingents, come from the state-run National Power Corporation amounting to P500 billion. This is part of the reform of the power sector, a move that would restore the company's financial viability

<sup>22</sup> Of course, lot of help came from the Ramos administration's privatization efforts. It was also during this time that infrastructure projects were contracted out under the Build-Operate-Transfer (BOT) program.

<sup>23</sup> World Bank (2004). *Philippines- Improving Government Performance: Discipline, Efficiency and Equity in Managing Expenditure*, Manila.

Public Sector Debt, 1998-2005		
Year	Amount in billions P (US\$ equivalent)	As % of GDP
1998	2,952.00 (US\$75.6)	110.70
1999	3,666.00 (US\$90.9)	123.20
2000	4,397.00 (US\$87.9)	131.10
2001	4,411.00 (US\$85.8)	120.10
2002	5,163.00 (US\$98.4)	128.30
2003	5,391.00 (US\$99.8)	126.00

Source: Ben Diokno (2004)

and make it attractive to private investors.

The public sector debt — that is, debt by the national government, government owned and controlled corporations, and local government units — now amounts to P5.9 trillion pesos (US\$107 billion). This is equivalent to 130 percent of the GDP, as of September 2004. By any measure, the level is unsustainable and could cause the breakdown of the economy at any point.<sup>24</sup>

The administration hopes to avert the situation through renewed efforts in both revenue generation and cutback in spending. Eight (8) bills were prepared for legislative deliberations, hoping to bring in P83 billion in new revenues.

Yet the anticipated amount will not be enough to cover for the deficit (P184 billion), to say nothing about providing for the needs of the growing population. Moreover, financing for achieving the Millennium Development Goals by 2015 requires an additional spending of P244 billion, an amount that we clearly do not have.<sup>25</sup>

Urgent solutions must address the debt problem. The campaign for debt relief, conversion and swaps, moratorium and selective repudiation has been going on for years, alongside many bills pending in Congress. Notable among these proposed measures are the repeal of Presidential Decree No. 1177 or the Automatic Appropriations Act, and the Audit of Public Sector Debt. The repeal law is sought to allow the country to get a hold over the budget, specifically for allocation to basic services and other priorities. The debt audit intends to determine accountabilities, assess the utilization

of debts, and apply justice as necessary.

While Official Development Assistance (ODA) has been declining, aid absorption has not improved either. Last year, the government was able to use P77 billion (US\$1.4 billion). Of this P12 billion (16 percent) went to the agriculture, natural resources and the agrarian reform sector, P34 billion to infrastructure projects, i.e. power, water, transportation and communication, and the rest to community development and industry.

ODA requires counterpart, i.e. local funds to be shelled out by the government to show ownership and commitment over the loan. The counterpart funds run to 30 percent of the loan amount, and with the existing budget constraint, government more often than not has to cancel commitments.

ODA conditionality is another problem. Bilateral and multilateral assistance is designed in such a way that it serves donors' interests. All the bilateral and multilateral loans come with policy strings, like structural adjustment or liberalization. Donor terms run across all stages of the project or program, from design to implementation and evaluation. Aid plowback is most pronounced in procurement of goods and services from donor countries.

Aid appears cheap and readily available, and is often mistaken for free money, which it is not. These loans add to the debt stock.

Repayment obligations have been catching up in recent years and developing countries like the Philippines have run out of revenues to service these debts.

The country's debt experience is replete with accounts of corruption. Huge sums ended up in private pockets and funded infrastructure of questionable value. A patent case is the idle Bataan Nuclear Power Plant which we have been paying for with tax money and will do so until 2007. The government religiously devotes a large part of the national budget to appease the creditors.

Resource mobilization and allocation to ensure

<sup>24</sup> Shared by experts and economists from varying institutions, including the multilateral banks and rating's agencies Standard and Poor, Fitch and Moody. A debt default is the least of all the concern, foremost of which the dwindling resources devoted to government programs and basic services, instead, is automatically appropriated to pay for debt.

<sup>25</sup> Manasan, Rosario (2004). *Financing the Millennium Development Goals: How much would the MDGs cost?*, presentation in a forum sponsored by the National College of Public Administration and Governance (NCPAG).

ODA Loans Performance				
ODA Loans Disbursement Rate- By Sector/Sub-sector				
Sector/Sub-sector	Disbursement			
	(US\$ Million)		(PhP Million)	Rate
	Target	Actual	Actual	(%)
<b>Agriculture, Natural Resources and Agrarian Reform</b>	248	232	12,737.45	93.5
Agriculture and Agrarian Reform	176	150	8,267.05	85.4
Environment and Natural Resources	72	81	4,470.40	113.3
<b>Industry and Services</b>	24	55	3,045.35	233.9
<b>Infrastructure</b>	777	630	34,638.45	81.1
Energy, Power and Electrification	106	68	3,740.55	64.1
Communication	4	3	151.25	68.1
Social Infrastructure	41	23	1,268.30	56.5
Transportation	468	410	22,554.95	87.7
Water Resources	158	126	6,923.40	79.8
<b>Social Reform and Community Development</b>	193	153	8,410.60	79.3
Education and Manpower Devt	83	52	2,839.10	61.9
Health, Population and Nutrition	31	26	1,405.80	83.3
Social Welfare and Community Devt	22	24	1,302.40	109.1
General Social Devt	57	52	2,863.30	91.1
<b>Project Total</b>	1,241	1,070	58,831.85	86.2
<b>Program Total</b>	338	338	18,564.70	100.0
<b>Grand Total</b>	1,578	1,407	77,396.55	89.2

Source: 12<sup>th</sup> Annual ODA Review, NEDA-Project Monitoring Staff.  
Exchange Rate Used: 1US\$ = PhP55

the attainment of the Millennium Development Goals and specific targets by 2015 remains the primary concern. The pattern of social spending is worrisome.

A study conducted by Dr. Rosario Manasan for the United Nations Development Program (UNDP) revealed that the country needs a total of P221 billion to meet half the targets for basic education, health and water supply and sanitation (using high cost assumptions of schedules up to 2008, without budget reform).<sup>26</sup> Social Watch suggests that resources be matched with an order of priorities in order to increase the chances of meeting MDG commitments.

Financing for the MDG cannot be sourced

alone from current revenues. It would be impossible with present generating capacity to produce the P221 billion and spread over 2008, through the 2009-2015 period. As it is, the deficit is being financed with borrowing, and by government projections. This will not stop until 2010.

An alternative would be to look into the country's debt and payments. As a first step, it would be prudent for the government and creditors to make the budget respond to the needs of the populace. Since the 1983 debt crisis, the country was not able to shake off the specter of a debt overhang. Appropriations for debt service must give way.

To finance the MDGs we need to consider the following measures: debt conversions and debt swaps with proceeds dedicated to MDG programs; debt write-offs and cancellation of unproductive and

<sup>26</sup> Manasan, R. (2002). **Analyzing Government Spending for Human Poverty Reduction, 1995-2000**, in Gonzales (ed.) *Investing in People*, Presidential Task Force on the 20/20 Initiative, DAP.

National Government Spending Pattern, 2000-2005 (In Millions of Pesos)						
Items	2000	2001	2002	2003	2004	%age of the Budget FY 2004
Economic Services	167,216	141,236	151,255	164,108	155,924	18.0%
Social Services	212,982	217,217	230,495	235,568	248,252	28.7%
Defense	36,208	32,782	38,907	40,645	43,191	5.0%
General Services	122,526	120,019	132,878	134,944	140,365	16.2%
Net Lending	2,634	7,023	2,626	5,500	5,500	0.6%
Debt Service	140,894	181,601	185,861	230,697	271,531	31.4%
Total	682,460	699,878	742,022	811,462	864,763	100.00%

Source: Benjamin Diokno (2004)

odious debts; debt restructuring, and the renegotiation of terms, specifically relief and moratorium, to lengthening the maturities and lowering interest charges.

To complement such initiatives, the government needs to carry out the following measures:

One, plug the government income leakages. Leakages due to corruption and inefficiencies in tax administration are estimated to be between a low of P48 billion per year and a high of P250 billion per year. Estimated leakages for 2000 from corporate income tax alone already amount to P57 billion, which is more than enough to cover the financing gap for the MDGs.

Two, earmarking revenue to priority social development concerns. Government needs to put revenues where it counts and earmarking revenues to cover basic social expenses.

Three, rationalizing the pork barrel by prioritizing its use for the MDGs. Recent budget issuances giving guidelines for the allocation and use of special purpose funds are in the right direction. The government only needs to couple the said issuances with monitoring and audit schemes to assure that it was spent for the identified purpose and sector. Special purpose funds can cover at least half of the gap (PhP20 to 22 billion estimate).

Four, realigning the National Budget by increasing the allocation for social development spending to 20 percent of the total, in line with the government commitment to the 20/20 initiative – increasing the share of social development to at least 20 percent of total ODA in line with the 20/20 commitment of the donor community; increasing the grant component of ODA from 15 percent to at

least 30 percent of total ODA; 100 percent grant priority for human development projects (in basic education, primary health care, water, child development, etc.); and converting ODA loans estimated at P30 Billion for health and education into grants. Along this line, Congress can call for an ODA audit.

### Conclusion

Government must realize that commitments are less about targets and more about honoring human rights obligations and commitments to social and environmental justice. Development policy must be reoriented from a human rights perspective.

Government must be held to account for the disastrous outcomes of its liberalization, privatization and deregulation policies. A comprehensive public review is in order. Curbing corruption is urgent.

More and stronger popular mobilizations are necessary to get government to change policy and deliver on its promises. The Global Call to Action against Poverty (GCAP) is one opportunity for raising the level of public awareness and mass action.

Statistics and their contested interpretation are a continuing concern for social watchers and activists. Disaggregating national figures by gender and location reveals the different realities of poverty and exclusion. Here Social Watch Philippines has shown leadership and this should continue.

Social Watch Philippines must continue engaging local governments to translate social and environmental commitments into local development plans, budgets, and investment priorities. Success stories and lessons must be documented and spread around to serve as examples to be emulated.

# Financing the Philippine MDGs: Debt for Development

By Jessica Reyes Cantos\*

The provision of goods and services that will advance the country's MDG score requires special resources other than what is usually allotted in the annual budget. In the absence of budget reform, early estimates by Manasan (2002) puts the additional budgetary requirement for basic social services at P221 billion (US\$4.5 billion) between 2002-2008 to keep pace with the targets. The national budget, used here as an indication of government's capacity to undertake development programs, failed miserably in responding to the task. Two points are worth noting:

**Weak Government Budget.** The national government budget in general has been contracting since the Asian crisis in 1997, and the fall was carried over to the new millennium. In absolute figures, the public purse appears to have grown, from P682 billion in 2000 to P907 billion in 2005. During this period, the budget grew by an average of 7.85 percent annually. This would have been tolerable if not for the reality of inflation and population growth. Inflation in the same period posted a 5.3 percent average, thus effectively reducing the growth in the budget to 2.55 percent, the latter figure reflecting real growth. Moreover, if population were accounted for, so that we are looking into budget per capita growth during the period, the 2.55 percent will have to be reduced to 0.25 percent with population growing at 2.3 percent on average.

Thus shown, the national budget barely grew in the first five years of the 21st century. Already at very poor levels (P7,500 per Filipino), clearly the government did nothing to effect changes in the expense system, particularly in increasing budgetary capacity. But how could it, when tax collections was also at its worst in the years cited, sinking to a mere 11.5 percent tax effort last year. Needless to say, if the current budget situation cannot even bear the cost of providing minimum basic service, then so much for upgrading or keeping with the country's MDG promises.

**Crowding out by the debt service.** There is more to the budget than mere size. Allocation patterns have also been revealing, showing skewed priorities. Despite propoor pronouncements, the budget for basic social services has been receiving

less relative to other item. The education sector fetched 17 percent of the budget in 2000, yet rolled down to 14 percent this year (2005). Similarly, the budget for health services, patently deficient at 2 percent in 2000, had worsened to 1 percent of the 2005 budget. The same story goes for all other allocations in public good, services, infrastructures and all.

A spending squeeze is in force, from the effect of the deficits first; consequently, by the increasing amounts allocated to debt servicing. Already at 21 percent in 2000, interest payments continued to swell and eventually crowded out social and economic concerns. For the current year, debt service took 33 percent of the national budget.

At this point, the customary government response to the problems raised above is to increase the budget pie, that is, collection efforts would have to be enhanced and additional levies collected. But this approach can only do so much, especially when still tied to the deficit. At best, additional revenues will only plug the deficit come 2010, but provide no new money for additional or new programs. Likewise, the threat of ever-increasing debt payments due primarily to exchange rate fluctuations puts at constant risk any gain achieved. In fulfilling the MDG promise, again behind in schedules as it is, the best-case scenario come 2010 is government would have raised the bar of service to minimum-decent levels. But then the extent of the demand would surely have widened by that time.

Official Development Assistance (ODA) is half-in, half-out of the ambit of the MDG financing-cum-national budget problem. From a supply point of view, and as expressed by donors in the recently held Philippine Development Forum, the window of opportunity has narrowed. And literally, on the aid for the country: multilateral and bilateral agencies will soon be withdrawing on the level of support that is now available, while those who will continue to stay have things other than the MDG in mind. Just the same, ODA is available and remains an important source of MDG finance.

Current aid level stands at around P500 per Filipino (US\$9). The figure could be more if not for

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the fact that the ability to tap in is contingent on the government's ability to raise a counterpart fund. Thus, on government commitments included in the 2005 budget, there are P26 billion in loan and grants requiring P10 billion counterfunding, most of which will go to infrastructure development (civil works); and the rest as operational and technical expenses. It is not clear whether the government's use of ODA is strategic in the sense that it fills the development finance gap left by the budget constraint. What is apparent is the fact that donors have a lot to say in determining the nature and outcome of the projects. In view of the latter, ODA can work for the attainment of MDGs if donors themselves are convinced that money should be directed to human development investments.

The country, as with the whole developing world, also awaits the realization of a promise to tap the current trading regime into facilitating the progress of MDGs. Still, the international economic institutions that came to propose the idea have yet to explain how trade liberalization and greater economic integration will contribute to the fight. Consider the Doha Development Agenda, whose program is to put the "development" dimension into the present multilateral trading system. Yet the new round of talks stay much the same, conquered and dominated by developed countries. Moreover, the World Trade Organization (WTO) continues to ignore the evidence that unbalanced and unfair trade, instead of reducing poverty, had served to induce it. The Philippines has doubled its trade volume, from 48 percent of the GDP in 1990 to 85 percent of GDP in 2003, but all the same had been incurring deficits; that is, trade has been unfavorable to the country ever since. Many sectors in the economy – the agriculture, manufacturing and other business have been taken out, and jobs lost to foreign competition.

Foreign direct investments (FDI), also seen as a "source" of finance for the MDGs, suffers as much ambiguity as the trade proposal. Its power rests on the welfare effects of FDI in general, and with this leads to one conclusion, that is, to allow and attract the most foreign inflows into the economy. Against Asian neighbors, however, the country is out-bidder and out-staged. China, India, Malaysia, Thailand and Indonesia have been extending invitations to the same investors. Worse, their efforts are successful. The country is seeing the lowest levels of FDI since liberalization in the early 90s, and this continues to slide.

Leap of Faith and Fate. Regular budgets, grants and aid notwithstanding, the Philippine government will be neglecting its pledge if the country fails to

reach the MDG standards. Philippine reports are to note, very appreciative of their own "efforts", and optimistic of the trends captured by official statistics. Poverty levels have gone down, and other indicators had improved. Interestingly, these observations contradict the absence of actual social programs, allocations, or their delivery. Likened to a test, it seems that the government passed without doing anything.

Alternative indicators abound, however, and direct testimonies yield a contrary situation. For example, hunger is prevalent in the countryside; poverty levels reach to half the population in many regions; quality of schooling is heavily compromised, etc. Here, it is worth reiterating that budget allocations and even ODA redirections had been remiss of the social and developmental needs of Filipinos.

It should dawn on government that it has to make budgetary amendments now to resolve a budding social crisis. Priorities must be revised, and scarce resources realigned. One way would be to reduce the military budget that continues to retain significant amounts away from productive activities and services (P45 billion in 2005). The other is to reduce significantly the amount for debt service. This alternative deserves resolution since it is at the core of the budgetary problem.

Reducing the debt stock and debt payments by means of restructuring, and other forms of relief (from simple rescheduling terms and payments to cancellation) is very possible. In the present context, the motivation is provided by the need to accomplish the MDGs; and ending the debt problem is paramount. Creditors and international financial institutions recognize the debt- and-death conjuncture, and debtor countries like the Philippines should take advantage of it.

A debt bargain could finance the MDGs sufficiently, and get rid of the debt problem, partial or in full, most conveniently. The Philippines will pay P645 billion in debt just for this year. This amount is more than adequate to put basic social services delivery going, and the whole MDG program on track till 2015. What is stopping the government and creditor institutions then?

To summarize, financing the MDGs is a must and sourcing it is a huge problem. The country is fiscally in the red. The people have been taxed enough, traditional and "alternative" sources are not forthcoming, and debt service is too much. But debt itself could be a major source if used for MDGs. Bottom line: creditors should give way to people's needs, and debt should not stand in the way of development.

# A Report on Beijing Plus 10: Celebrating Gains, Facing New Challenges

The following is a condensed version of the Report of Philippines NGOs entitled Beijing Plus 10: Celebrating Gains, Facing New Challenges coordinated by Jeanne Frances Illo and Rosalinda Pineda Ofreneo. The Report was supported by a grant from the United Nations Population Fund, Social Watch and the Women's Studies Association of the Philippines.

**Condensed by Ma. Victoria R. Raquiza\***

## Introduction

Women from 75 organizations came together in 2004 to take stock of the life of the Filipino woman 10 years after the UN Fourth World Conference on Women in Beijing. Earlier in the year, the University of the Philippines (UP) Center for Women's Studies (UPCWS) and the Department of Women and Development Studies of the UP College of Social Work and Community Development organized an NGO-academe workshop to provide a preliminary assessment of the status of women, especially in preparation for the Asia-Pacific NGO Forum which was held in Bangkok in July 2004. In August of that same year, these two offices linked up with the Institute for Social Studies and Action (ISSA) and the National Commission on the Role of Filipino Women (NCRFW) to cosponsor the National GO-NGO Consultation on the Beijing Platform for Action (BPA) in time for the UN Economic and Social Commission for Asia and the Pacific (ESCAP).<sup>1</sup>

While these two initiatives helped provide a substantive reading of the status of Filipino women 10 years after Beijing, there was a sense among the women involved for the need of an assessment independent of the Philippine government's. Such a perspective was seen as valid on several levels: (1) at the international level, an NGO Report to the UN Commission on the Status of Women and General Assembly Sessions could provide an assessment of the gains and gaps from an unadulterated citizen's perspective (2) at the local level, an independent NGO report was critical, especially in light of major differences in approach between the government and women NGOs to the BPA areas of concern. In particular, the issue of women's health was a sore point, with many women critical of the Philippine government's positioning in relation to reproductive rights and services.

The process of hammering out a coherent and comprehensive NGO assessment of the BPA in the context of the Philippines also helped provide a venue for women to come together and to negotiate a policy analysis that highlights their areas of convergence – and divergence. The principle of inclusiveness among the women facilitated the space for each one to contribute to the process, and to “negotiate differences as far as possible and respect diversity when inevitable.”<sup>2</sup>

As such, the Beijing + 10 Celebrating Gains, Facing New Challenges Report of NGOs speaks to various audiences: principally the Philippine NGO community, a fount of aspirations and policy agenda for fundamental change; the government, whom it engages and who will hopefully respond to the Report; and an international audience, where Philippine NGO inputs can help shape the empowerment discourse for women in developing countries.

## The Process

The Report comprises a series of short reports on each of the 12 areas of concern of the BPA. The report for each area of concern:

- Frames the review within the discussion of the particular BPA area, the Philippine Plan of Action to implement the BPA, and NGO agenda and priorities;
- Analyzes the context of compliance (or lack of it) in terms of macro and sector-specific trends or changes that have occurred since 1995. Of particular interest are shifts in political and policy commitments that have affected programs, ser-

<sup>1</sup> Ofreneo, Rosalinda and Jeanne Frances I. Illo. 2005. "Introduction." Philippine NGO Beijing+10 Report, p.1.

<sup>2</sup> Ibid., p. 2.

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vices, and budgets in certain sectors, as what happened in the area of women's health;

- Tracks the changes in women's lives, paying attention to the diversity among women's situations. Whenever possible, sweeping statements about how Filipino women and girls fared during the decade following the Beijing Conference were avoided. Instead, references are offered to how changes have been experienced by women according to resource status, location (urban or rural), ethnicity, region and points of diversity. In some areas, however, there is little information that can make such a nuanced reading possible;

- Critically analyzes government compliance with the BPA, noting both gains and gaps, and stressing the importance in some cases of collaboration between government and NGOs;

- Celebrates the various contributions of NGOs to the implementation of the BPA, stressing some of the exemplary practices that promote women's empowerment;

- Explores the lessons from the past decade of BPA implementation, and the challenges or emerging issues that face both government and NGOs.<sup>3</sup>

Of course, as with any NGO initiative, the Report can only speak in behalf of those who participated in this project. Given the breadth and diversity of the Philippine women's movement, especially those who also engaged the Beijing + 10 review process, it is important to recognize that there are other legitimate NGO voices outside this report. From the perspective of the women behind this project, these other voices and perspectives are welcome additions to the rich diversity and vibrancy of the Philippine women's movement.

This paper is a condensed version of the "Beijing + 10: Celebrating Gains, Facing New Challenges Report of NGOs, with focus on three major areas of concern: women in poverty, women and education, and women and health. Social Watch-Philippines participated in this initiative consistent with its mandate to monitor the outcome and impact of the Beijing processes – part of its abiding commitment to promote women's empowerment. In this, Social Watch recognizes the importance of the Beijing Conference in facilitating such empowerment.

<sup>3</sup> Ibid., pp. 2-3.

<sup>4</sup> Narito, Zone, Marivic Raquiza, Aurora Regalado, Jocelyn Cajiuat, Daryl Leyesa, and Rosalinda Pineda Ofreneo. 2005. "Women and Poverty." Philippine NGO Beijing+10 Report. February 2005. p. 1.



### Women and poverty

At the level of policy rhetoric, there is a wealth of official documentation that gives priority to an anti-poverty agenda, including one for poor women. These are the following: the Philippine Plan for Gender-Responsive Development, 1995-2025 (which provides the policy platform for addressing the issues of women in poverty), the Framework Plan for Women, 2001-2004 (which focused on three areas of concern: women's economic empowerment, protecting and advancing women's rights and advancing gender-responsive governance), the Philippine Agenda 21, 1996, (which focused on sustainable development and identified poverty reduction as a priority), and the Medium-Term Philippine Development Plan (MTPDP) 1993-1998 (which called for structural reforms to make local enterprises globally competitive through liberalization and deregulation of trade and investments, among others). The government also created the National Anti-Poverty Commission (NAPC) to "oversee, coordinate and monitor the poverty reduction efforts of the entire Philippine government"<sup>4</sup> and to promote the development of microfinance that will improve the asset base of households and expand the access of the poor to savings. Women are represented in the Commission. According to the Report, "only last year, the Macapagal-Arroyo Administration drew up a 10-point agenda, described as BEAT-THE-ODDS, which supposedly gives priority to the following: a balanced budget, education for all, automated elections, transport all over the country, conclusion of the peace process with all rebel groups, opportunities for employment, decentralized development,

the decongestion of Metro Manila, promotion of Subic Bay Freeport in Zambales and Clark in Pampanga; cutting of the 34-percent poverty incidence by half (17 percent) by 2010; and the creation of 6 to 10 million jobs<sup>5</sup>.

**Government compliance with the BPA Strategic Objective A1: Review, adopt and maintain macroeconomic policies and development strategies that address the needs and efforts of women in poverty.**

The Report emphasizes that "Despite the plethora of policy pronouncements against poverty, poverty incidence remains high and is, in fact, one of the highest in South East Asia."<sup>6</sup> Across administrations, the government's development agenda continues to be grounded on standard structural adjustment prescriptions that have promoted indiscriminate trade liberalization, privatization and deregulation. Expansion of the private sector in the delivery of essential services (e.g. power, water, transportation), reduction of public investment in social services (health, education, welfare) and strategies favoring foreign investment characterize government strategy.

The Medium-Term Philippine Investment Plan, 2005-2010, indicates where resources will be channeled in the next few years: P2.2 trillion to infrastructure for transport (bridges and roads), power (power generation and transmission projects) and water (construction of potable water supplies nationwide), which is open to foreign and local investments amounting to P400 million a year. Other than merely stating that it plans to generate 6 to 10 million jobs, "the MTPIP does not prioritize investment in the social sector (like education and health)."<sup>7</sup>

Other laws passed have proven detrimental to the poor and to women: the Agriculture and Fisheries Modernization Act of 1997, which purports to modernize agriculture, pushes high-technology agriculture (e.g. agrochemicals and pesticides) which threatens subsistence agriculture, food security and the health of agricultural workers. Sustained exposure to chemicals and pesticides has led to respiratory illness and skin diseases among a significant number of farmers, many of them women. The High-Value Crops Development Act of 1995 provides incentives to agribusiness corporations (e.g. tax exemptions) which are into export crop production (e.g. cut flowers, vegetables, bananas, and pineapples). According to the Report, "this has resulted in land conversion (from subsistence to export-oriented crops), affecting the food

production of farmers, especially women engaged in subsistence agriculture. Commercial fishing is also favored by the Philippine Fisheries Code of 1998 over securing the livelihood of small and marginal fisherfolk."<sup>8</sup>

Globalization, with its negative impacts on the industry sector (particularly manufacturing) and on agriculture (where there has been a decline), has resulted in layoffs of many workers, and consequently, in the swelling of the urban poor population. In October 2004, unemployment rose to 10.9 percent (affecting about 3.9 million people) and underemployment was at 16.9 percent (about 6.07 million people). In actual terms, this translates to almost one of three Filipino workers being either unemployed or underemployed. The Report revealed that "except in 1999 and 2000, the rates of unemployment among women have been consistently higher by about 3 percentage points compared to men since 1996, indicating gender discrimination in the labor market."<sup>9</sup>

**Filipino women across sectors**

**Women in Agriculture and Fisheries**

The face of poverty in the Philippines is that of a rural woman. Rural poverty is mostly caused by lack of access to productive resources. That land distribution has benefited only a few women is reflected by available data, which show that only 34.8 percent of total agrarian reform beneficiaries (ARBs) and 37.9 percent of holders of individual patents and certificates of land ownership agreements are women. Women are also discriminated against in the provision of government services and trainings. Data from the Department of Agriculture show that from 1996-2001, women accounted for only 27.6 percent of total rice-farmer-recipient, 35.3 percent of corn-farmer-recipient and 7.2 percent of livestock-operator-recipient.

As the Report states, "in the fisheries sector, women's work is largely invisible. Of the total employed, only 8.2 percent consisted of women, going down further to 6.3 percent in 2002. While men fishers are primarily involved in catching fish, women are very much engaged in pre- and post-fishing activities. They undertake 50 to 70 percent

<sup>5</sup> Villanueva, Marichu. 2005. "2.2-T RP Development Program." The Philippine Star. 9 January 2005.

<sup>6</sup> Narito, Z., M. Raquiza, A. Regalado, J. Cajiua, D. Leyesa, and R. Pineda Ofreneo. 2005. "Women and Poverty." Philippine NGO Beijing+10 Report. February 2005. p. 2.

<sup>7</sup> Ibid., p. 2.

<sup>8</sup> Ibid., p. 2.

<sup>9</sup> Ibid., p. 4.

of local fish processing and marketing. They also mend nets and tend the fishing equipment, among others.... yet they hardly appear in official statistics."<sup>10</sup>

#### Indigenous Women/Muslim Women

Disaggregating the poverty situation across regions and provinces would reveal that "poverty incidence is on the uptick, particularly in the Autonomous Region of Muslim Mindanao, Central Mindanao and virtually stagnant for Western Mindanao,"<sup>11</sup> according to the Report. The Muslims (or Moros as they prefer to call themselves) bear the brunt of socioeconomic marginalization, landlessness, poor access to social services and development aggression. Some traditions and practices in Muslim communities have worsened the condition and position of women and girls. The never-ending armed conflict in Mindanao, which continues to eat up scarce resources, has intensified the sufferings of the locals, especially women and children.

The Cordillera region, home to a significant population of indigenous peoples, also "has one of the highest poverty incidences (42.5 percent),"<sup>12</sup> according to the Report. The liberalization of agriculture and mining, the introduction of monoculture and the way tourism is promoted, have damaged the environment and sustainable livelihood, and led to the conversion of land to high-value crops at the expense of staple crops and the displacement of indigenous communities from their ancestral domain; as well as increased out-migration and informal sector community among poor women.<sup>13</sup> Apart from worsening poverty, social exclusion and discrimination of indigenous peoples also occur from official



SOCIAL WATCH PHILIPPINES

development planning processes that are blind to the specific needs and interests of these peoples.

#### Migrant women workers

The Philippines is now the second biggest labor-sending country in the world. Statistics obtained by the Report from the Philippine Overseas Employment Administration (POEA) reveal that of the roughly "7.8 million Filipinos abroad: 2.9 million are permanent residents, 3.4 million are migrant workers, and 1.5 million are irregular aliens. In 1992, the feminization of migration was once again underscored when 69 percent of migrants comprised women, up from 54 percent in 1996, but most of whom were domestic helpers, caregivers and entertainers."<sup>14</sup>

According to the Report, the main factors that encourage more and more women to work abroad are:

- 1) official migration policies in which recruitment of women is actively promoted through various government units, in collaboration with recruitment agencies,
- 2) growing poverty that has resulted in landlessness and rural impoverishment, pushing more rural women to seek livelihood abroad,
- 3) lack of opportunities for local employment that would enhance women's skills, and help them attain better jobs and a more secure future for them and their families,
- 4) the demand for the qualities of Filipino women in many developed countries,
- 5) the tendency in destination countries to relegate domestic work to hired help, and
- 6) normalization of prostitution in the sex industry, often disguised as "entertainment" work.<sup>15</sup>

#### Women in the informal sector

As industry and agriculture are in the doldrums, the service sector picks up the slack in terms of employment provision. Within the service sector,

<sup>10</sup> In Formanes, Belinda. 2004. "The Impact of AFTA on Small Men and Women Producers in the Philippines." Unpublished report.

<sup>11</sup> See Social Watch Philippines, 2004. "Civil Society Report on the Status of Millennium Development Goals in the Philippines. Quezon City.

<sup>12</sup> In Chavez-Malaluan, Jenina Joy. n.d. "The Challenge of Poverty Eradication in the Philippines." Unpublished paper.

<sup>13</sup> See Josef, Jennifer C. 1999. "Women of the Highlands and Survival in the Margins." In J. I. Ilo and R. Pineda Ofreneo, eds. *Carrying the Burden of the World: Women Reflecting on the Effects of the Crisis on Women and Girls*. Quezon City: Center for Integrative and Development Studies, University of the Philippines. pp. 85-98.

<sup>14</sup> See Philippine Overseas Employment Administration, 2003. "Stock Estimate of Overseas Filipinos as of December 2003." [www.poea.gov.ph](http://www.poea.gov.ph).

<sup>15</sup> Narito, Z., M. Raquiza, A. Regalado, J. Cajiuat, Daryl Leyesa, and Rosalinda Pineda Ofreneo. 2005. "Women and Poverty." Philippine NGO Beijing+10 Report. February 2005. p. 5.

however, many workers are found in the informal sector (at 20 million or 65 percent of total employed in 2003) – this according to data from the National Statistics Office (NSO).<sup>16</sup> Women comprise almost half of those in the informal sector and are found in the following areas: home-based work (subcontract work in garments, and the like); microenterprise (e.g. small grocery stores), ambulant vending of food and other wares in the urban setting, domestic work and/or laundry work, and agricultural work. They combine their domestic chores with income-generating work that is usually meager and is marked by a lack of social protection.



### Women Industrial Workers

The Report states that 80 percent of more than 900,000 workers in 62 export processing zones are women, and are concentrated in the electronics industry (which comprises three-fourths of Philippine exports). Being contractual workers, many of these women have no job security and become vulnerable to occupational hazards (e.g. sexual harassment, occupational health safety). With the closure of many garment firms, especially with the termination of the Multi-Fiber Agreement in 2004 and the nonresumption of the Philippine quota, women in the garments industry now face job uncertainty. Since the mid-1990s, the garments industry has been declining owing to stiff competition in both the global and local markets.

Trade unions have weakened in the last decade or so, since many trade union members have lost regular work under the onslaught of globalization. Women's participation in trade unions has also declined from 59.6 percent in 1996 to 34.2

percent in 2000. The Report noted that women's share of union leadership "plummeted from 35 percent in 1998 to 25.6 percent in 2000."<sup>17</sup>

### 2005 budget allocation: anti-poor, anti-women

The 2005 national budget stands at P907.6 billion – much bigger than last year's budget of P865 billion. As has been the case for several years now, debt service enjoys the biggest budgetary allocation at 33 percent (or P301.7 billion). This represents 81 percent of government revenues in 2004. "Given the bulk of debt servicing, very little remains for other allocations."<sup>18</sup> Compare this to education (which under the Philippine Constitution should have the largest share), which gets only P135 billion. A decline in the budget for health has been noted, "from an already low of 3 percent in 1997 to 1.9 percent in 2002—a truly shameful development."<sup>19</sup> In truth, a large part of health costs are borne by clients themselves. Culturally, since women primarily bear the responsibility of caring for the sick in the family and community, it is their pockets that are emptied. Often, if funds are not enough, women have had to resort to borrowing.

The Report states that the Department of Social Welfare and Development, which takes care of women living in poverty and in especially difficult circumstances (e.g. rape survivors, child abuse victims and other forms of gender violence), gets not even half of one percent of the national budget. Despite the government claim that it has set up daycare centers in 89 percent of the country's 41,943 barangays, "child care continues to be problematic as these centers only provide a few hours of learning for preschool children, if at all."<sup>20</sup>

The target share of 5 percent of the national budget for gender and development programs (more popularly known as the Gender and Development (GAD) budget) has yet to be substantially realized. In 2001, at least 132 agencies submitted GAD plans amounting to P2.8 billion – way below the projected target. But in November 2004, "while the number of submissions had risen to 162

<sup>16</sup> In National Statistics Office. 2004. "Labor Force Statistics." April 2004. [www.census.gov.ph](http://www.census.gov.ph).

<sup>17</sup> See National Commission on the Role of Filipino Women. 1998. "Fact Sheet No.3, 1998" Manila:NCRFW.

<sup>18</sup> Narito, Z., M. Raquiza, A. Regalado, J. Cajjuat, D. Leyesa, and R. Pineda Ofreno. 2005. "Women and Poverty." Philippine NGO Beijing+10 Report. February 2005. p. 5.

<sup>19</sup> See National Commission on the Role of Filipino Women. 2004. "State of the Filipino Women Report. 2001-2003." Manila:NCRFW. p. 44.

<sup>20</sup> Narito, Z., M. Raquiza, A. Regalado, J. Cajjuat, D. Leyesa, and R. Pineda Ofreno. 2005. "Women and Poverty." Philippine NGO

agencies, the total gender budget went down to P2 billion due to budgetary restrictions in the context of a looming fiscal crisis."<sup>21</sup>

It must be noted that a major reason for the lack of resources for development is pervasive corruption in government. "Estimates of income leakages due to corruption and inefficiencies range from a low of P48 billion per year, to a high of P250 billion,"<sup>22</sup> the Report revealed.

Lack of funds for social spending generally translates into limited access of poor children to quality education and health care, among others. As usual, women of poor families will bear the burden of scrounging for resources to ensure the health and well-being of their families. As the Report states, limited social welfare and GAD budgets will constrain women's efforts to address gender-based violence and promote women's interests through institutional mechanisms.

### **A.2. Revise laws and administrative practices to ensure women's equal rights and access to economic resources**

There are 23 laws that promote women's empowerment, but most of these support women in the formal labor sector. Only three laws support microenterprises for women in the informal sector: the first provides credit assistance, the second is geared towards strengthening small- and medium-scale enterprises (also known as the Magna Carta for Small Enterprises), and the third establishes microfinance as a strategy for poverty reduction. Despite these laws, none have brought relief to women in poverty. Implementation has been hamstrung by stringent requirements, or by interest charges that negatively affect poor women's access to these programs.

### **A.3. Provide women with access to savings and credit mechanisms and institutions.**

Microfinance was introduced in the Philippines in 1993, as part of the government's anti-poverty programs. In recent times, however, the discourse has shifted from providing credit to the poor to ensuring institutional financial viability. Some practitioners even assert that "their operations do not, and cannot... serve the ultra-poor."<sup>23</sup> Others also claim that microfinance should cater only to the "entrepreneurial poor" because not everyone can be an entrepreneur. All this implies that many poor women are excluded from the radar of microfinance providers, such as new agrarian reform beneficiaries who be need credit in order to finance their business.

While pushing a social development agenda, the government is likewise encouraging privatization and further commercialization through Executive Order 38, which limits the affordable credit that government agencies can provide to the ultra-poor. The EO has also allowed microfinance institutions (MFIs) to issue skyrocketing interest rates, especially since there are hardly any countervailing measures to curb such abuse.

By end-2003 some one million borrowers, mostly women, had availed themselves of credit through MFIs. Despite this, gender concerns were not reflected in the core business of the providers, nor in their policies, standards, and norms governing microfinance.

### **A.4. Develop gender-based methodologies and conduct research to address the feminization of poverty (BPA 1995).**

Women and Poverty Studies: Despite numerous studies on women and poverty in the last decade, a gender-responsive framework for macro-studies on poverty still has to be generated. In using the household as the unit of analysis, studies have to go beyond gender disaggregation of data, and look at the gender dynamics within the family in order to have a better grasp of the situation of both women and men.

Women and Microfinance: While indicators to measure financial sustainability have been developed by MFIs, indicators that will measure poverty alleviation, women's empowerment and the impact of microfinance on women still need to be developed. Moreover, MFIs should use sex-disaggregated data in their recording and information systems.

Monitoring Poverty Indicators: Inconsistencies in government data on poverty have raised the need to adjust the methodology for poverty assessment. Caution has to be taken, however, against simply painting a picture that is more "politically palatable."<sup>24</sup>

### **Some gains and NGO initiatives**

Various NGOs and networks have conducted sustained advocacy campaigns on issues of trade

<sup>21</sup> NCRFW. 2004. "State of the Filipino Women Report. 2001-2003."

<sup>22</sup> Narito, Z., M. Raquiza, A. Regalado, J. Cajjuat, D. Leyesa, and R. Pineda Ofreneo. 2005. "Women and Poverty." Philippine NGO Beijing+10 Report. February 2005. p. 3.

<sup>23</sup> Miranda, Marcia. 2004. "Microfinance Policy Review." Microfinance Towards Financial Sustainability, Poverty Reduction and Women's Empowerment. Research report submitted to the National Commission on the Role of Filipino Women by PUNLA sa Tao Foundation. Manila.

<sup>24</sup> Narito, Z., M. Raquiza, A. Regalado, J. Cajjuat, D. Leyesa, and R. Pineda Ofreneo. 2005. "Women and Poverty." Philippine NGO Beijing+10 Report. February 2005. p. 6.

liberalization, privatization and deregulation and its negative impact on the poor, especially on women. Social movements have critiqued corporate-driven globalization defined by the developed countries through multilateral bodies like the World Trade Organization. The free-market economic reforms pushed by the International Monetary Fund- World Bank are directed at (1) boosting the investment climate through the elimination of trade and investment regulations, and (2) reducing government deficits through cuts in spending, usually with social services bearing the deepest budgetary cuts. The Women's March Against Poverty and Globalization, a huge network of women of various shades in the political spectrum, have sought to dramatize the link between local poverty experienced by women and structural and global issues that reinforce and reproduce poverty.

In 2003, the National Rural Women's Congress was born, gathering some 300 women NGOs, and it pushed for the rights of rural women to: "1) landownership under the agrarian reform program; 2) ownership of ancestral land on the part of indigenous women; 3) fishery and coastal resources; 4) safe and potable water, food security, and basic services; 5) representation in the management of and implementation of gender and development programs, and 6) reproductive health and freedom from violence."<sup>25</sup> In particular, the passage of the Anti-Trafficking Law in 2003, advocated by migrant and women's groups, is a step forward for the protection of women as it provides for stiff penalties. It also mandates that certain provisions be provided to the trafficked persons (e.g. emergency shelter, counseling, free medical, psychological and legal services, livelihood and skills-training, and educational assistance). NGOs have achieved gains from years of community organizing to form partnerships with grassroots and locally-based people's organizations towards food self-sufficiency. The Report then cites concrete examples of specific NGO projects that have met these objectives.

### Concluding Remarks

Macro-economic policies and programs need to be challenged, since all evidence points to increasing poverty and deepening vulnerability for women today. The Report states that NGOs "should strengthen their role as critics of corporate-driven globalization and advocate for policy reforms"<sup>26</sup> (e.g. debt, indiscriminate trade liberalization, privatization of public utilities, and cutbacks in social services crucial to the well-being of women and their

families). As importantly, "good governance must be demanded from policymakers, especially in addressing the issue of wide-scale corruption."<sup>27</sup>

Alternative anti-poverty strategies must be pursued at national and local levels "to generate models that can inspire and be replicated."<sup>28</sup> It is important for these strategies to be culturally-sensitive so that indigenous and Muslim women become significant partners in these processes. Finally, a women's perspective and a gender framework must be integrated in these anti-poverty strategies. To quote the last phrase of the Report, "In the current context of deteriorating standards of living, rising costs, high unemployment levels, a gargantuan national debt burden and runaway fiscal deficit, the collective voice and action of poor women is critical, now more than ever, not only in combating deepening poverty and social exclusion, but also in giving hope for the future."<sup>29</sup>

### Women and education

Education is an important goal by itself and is also a means for women to access various opportunities for empowerment and gain equal status with men. The 1995 Beijing Platform for Action (BPA) outlines six strategic objectives to ensure women's empowerment through education and training:

- 1) equal access to education,
- 2) eradication of illiteracy among women,
- 3) access to vocational training, science and technology, and continuing education,



<sup>25</sup> Ibid., p. 4.

<sup>26</sup> Ibid., p. 5.

<sup>27</sup> Ibid., p. 8.

<sup>28</sup> Ibid., p. 8.

<sup>29</sup> Ibid., p. 8.

4) nondiscriminatory education and training,  
5) adequate resources for education reform,  
and  
6) lifelong education and training for girls and women.<sup>30</sup>

To promote its implementation, the BPA urged governments to incorporate the various elements of these objectives in their development programs.

The Philippine Plan for Gender-Responsive Development (PPGD), 1995-2025, outlines the government's long-term agenda, priorities and strategies for attaining women's empowerment and gender equality, as well as its commitments to the BPA.

## **Government compliance with the BPA**

### **B1. Ensure equal access to education.**

### **B4. Develop nondiscriminatory education and training.**

The PPGD seeks the mobilization of educational institutions to promote gender equality. Educational institutions are encouraged to lead in raising gender consciousness and out of the school communities. Except for certain areas of the country, the issue is not so much "equal access" to education by gender, as it is access to education for females and males particularly in rural and remote areas, the quality of education available, and sexism in the educational system.

The Department of Education (DepEd), the Commission on Higher Education (CHED) and the Technical Educational and Skills Development Authority (TESDA) have been tasked to fulfill the BPA commitments in basic education, higher education and technical-vocational education and training (TVET), respectively. As the Report states, "Among the main efforts are the training of teachers and personnel on GAD issues to eliminate gender stereotyping in textbooks and instructional materials and raise teachers' awareness of gender issues."<sup>31</sup>

At the basic education level, however, sexism still persists in curricular and instructional materials, and in relations between teachers and their supervisors, compounded by the ever-declining quality of education. Gender biases are still manifested consciously or unconsciously, in the practices, language used and classroom strategies of many teachers. Moreover, efforts to combat sexual harassment and violence against girls still need to be stepped up.

Teaching exemplars that integrate nonsexist and gender-fair concepts have been prepared in all learning areas of the revised basic education

curriculum and have been distributed to all pilot schools. Implementation and integration of these in the ongoing teacher training programs still have to be assessed.

There is a proliferation of teacher training and retooling programs, especially the areas of Technology and Livelihood, Science and Mathematics. But as the Report observes, "It is not clear however whether these initiatives have incorporated the GAD core messages."<sup>32</sup> Furthermore, the effectiveness and impact of such training programs as a whole have yet to be measured and evaluated.

At the tertiary education level, among the measures to address gender issues is the integration of GAD, specifically violence against women (VAW), in the medical curriculum of colleges. While such is already integrated in a few colleges, efforts are ongoing to replicate this in all medical schools. CHED is pushing for the production of gender-responsive curricula, textbooks, instructional materials and teaching strategies.

Another government institution helping develop the GAD capacity of academic and research institutions is the Philippine Council for Agriculture, Forestry and Natural Resources Research and Development (PCARRD), which has started a program to mainstream gender in the agriculture and resources development networks. The government, through the NCRFW (National Commission on the Role of Filipino Women) has been collaborating with various NGOs and academic institutions to establish Gender Resource Centers in selected regions.<sup>33</sup>

Many of these initiatives, however, are still limited in scope, confined mainly to universities and colleges that have strong Women's Studies programs or active GAD advocates. Feminist research methodology has been slowly gaining greater acceptance in a number of campuses. These institutions are few, and in most campuses feminism and Women's Studies remain at the margin.

Sobritchea and Guerrero (1999) have noted that "financial support for Women's Studies programs has intensified in recent years"<sup>34</sup>, drawn

<sup>30</sup> Reyes, Zenaida Q. and Jeanne Frances I. Illo. 2005. "Education and Training of Women." Philippine NGO Beijing+10 Report. February 2005. p. 1.

<sup>31</sup> Reyes, Zenaida Q. 2004. "Institutional Policies in Human Rights Education in the Philippines." A research report submitted to the Philippine National University Research Center. May 2004.

<sup>32</sup> Ibid., p. 2.

<sup>33</sup> Ibid., p. 3.

<sup>34</sup> Sobritchea, Carolyn I. and Sylvia Guerrero. 1999. "Women's Studies in the Philippines: 25 Years of Development and Challenge." A paper presented during the International Conference on Building Women's Studies Curriculum in the Philippines. 14-16 July 1999. INNOTECH, Quezon City.

mainly from private foundations, private universities and international aid agencies. But given the cuts in the national budget, government resources for such programs in state colleges and universities are very likely to be drastically slashed, if not totally withdrawn.

**B2. Eradicate illiteracy among women.**  
**B6. Promote lifelong education and training for girls and women.**

Statistics show increasing literacy rates among the younger generations, despite regional disparities and the steadily deteriorating quality of education. Since 2000 the DepEd has supported the training of some public school teachers in implementing a Reading Literacy Program, with the goal of totally eradicating illiteracy among children by 2015. But as the Report states, "These initiatives, however, still fail to solve the problem of illiteracy of older women in the rural areas – the highest among the age cohorts."<sup>35</sup>

The DepEd has reportedly addressed this problem through the holding of functional educational and literacy programs in 10 of the country's sixteen regions. Some regions combine female functional literacy classes with maternal and child health as core content. The DepEd also claims to have alternative nonformal educational programs for indigenous communities. But the Report has misgivings about this: "If reports were to be believed, the government has systems in place to eradicate illiteracy of vulnerable groups of women and girls. However, there is little information on how these programs are being run, what their core messages are regarding gender issues, and how they are affecting women and girls in the communities."<sup>36</sup>

**B3. Improve women's access to vocational training, science and technology, and continuing education.**

TESDA, through its Women's Center, provides women-friendly facilities, such as a day care area and nursery and space for NGO networking. It conducts training in technical skills, social skills and entrepreneurship, research and advocacy. It also offers career guidance and job placement assistance. TESDA has more women graduates in "women's" trades than in mainstream, nontraditional courses such as welding, general electronics and air-conditioning. It also runs community-based training programs which, in 2004, served 20 depressed areas, trained 9,023 women and out-of-school youth, assisted 1,089 women through its

microfinancing program, and aided 55 "entrepinay" organizations through trade fairs and exhibits.<sup>37</sup>

Enrolment figures for TESDA, however, reveal only 150,000 students a year – a mere 10 percent of total TVET enrolment. Private schools account for 90 percent of the total enrolment statistics. Little is known about the programs of the private technical and vocational schools, or how these institutions deal with gender issues.

**B5. Allocate sufficient resources for and monitor the implementation of education reforms.**

Because of the small budget, commitment to education is still rhetoric. In fact, there are two alarming trends: the basic education budget is growing too slowly relative to the population growth rate; while funds for state institutions of higher education and TESDA, have been declining. These suggest a withdrawal of support for education by the current administration.<sup>38</sup>

**Women and Health**

Women's health is a priority issue of the BPA, as reflected in the five strategic objectives for women and health. Reproductive health rights of women and gender equity concerns are considered integral to women's advancement and national development. The BPA calls on governments, NGOs and civil society groups to take strategic action on "inequalities and inadequacies in and unequal access to health care and services."<sup>39</sup>



<sup>35</sup> Reyes, Z. Q. and J. F. Illo. 2005. "Education and Training of Women." Philippine NGO Beijing+10 Report. February 2005. p. 3.

<sup>36</sup> Ibid., p. 3.

<sup>37</sup> In Government-NGO Consultative Workshop on Beijing +10 Review, 22-23 August 2004.

<sup>38</sup> Reyes, Z. Q. and J. F. Illo. 2005. "Education and Training of Women." Philippine NGO Beijing+10 Report. February 2005. p. 3.

<sup>39</sup> Guerrero, Sylvia H. 2005. "Women and Health." Philippine NGO Beijing+10 Report. February 2005. p. 1.

While the 2004 Report to the Nation of the NCRFW notes gains made in the areas of women's economic empowerment, the upholding of women's and girl's human rights and the strengthening of gender-responsive governance, it admits that the country faces a major setback in the critical areas of reproductive and sexual health rights. As of 2003, the fertility rate of Filipino women aged 15-49 years rated at 3.5 (higher than that in other Asian countries), while the women's desired fertility rate was 2.7. Statistics from the 2001 State of the Philippine Population Report reveal that 20 percent of married women had unmet needs in family planning. The reproductive health program, according to the Population Commission, is "moderately implemented and operationalized."<sup>40</sup>

Changes in administration have adversely affected the program and, to a large extent, the conservative bias of the current Arroyo administration has been held mainly responsible for this lack of continuity. For example, the Reproductive Health Care Act of 2002, which seeks to establish an integrated national policy and program on reproductive health, "was not passed into law because of the powerful lobby from the Catholic Church and prolife advocates."<sup>41</sup> The Church, especially since the rise to power of Gloria Macapagal Arroyo in 2001, has gained more influence over government policies and programs concerning population and reproductive health.

The government's health agenda is implemented by the Department of Health (DOH). In 1998, DOH issued a landmark policy directive which represented a major shift in the reproductive health and population programs of the Philippines in the last three decades. "From a narrow and conventional concept of fertility regulation and maternal health, reproductive health broadened and encompassed all aspects of sexuality and reproductive health needs throughout the life cycles of women and men."<sup>42</sup> As the International Conference on Population and Development (1984) put it, reproductive health is "a state of complete physical, mental and social well-being, and not merely the absence of disease or infirmity in all matters relating to the reproductive system and all its functions and processes..."<sup>43</sup> This broadened concept recognizes the importance of fundamental conditions that affect women's sexual development, health and child-bearing and includes their economic, social, cultural and educational environments.

## **Government Compliance with the Strategic Objectives of the BPA**

### **C1. Increase women's access throughout the life cycle to appropriate, affordable and quality health care, information and related services**

The Philippine health care system was devolved as early as 1991, following the passage of the Local Government Code, to ensure more accessible health services. Supported by 40 percent of total national government revenues, Local Government Units (LGUs) were given the responsibility of providing primary and secondary referral services, fiscal planning and management, and health outreach functions.

Integration of health services was intended to improve quality and reach. For sexual and reproductive health cases, this meant encouraging greater use of related services such as family planning, maternal and child health, education and counseling on sexual health. Adverse effects of devolution on rural health services in terms of delivery (particularly in safe motherhood and family planning), financing (some LGUs cut back on priority health areas) and the availability of qualified health personnel (and as a consequence, the quality of reproductive health care) were, however, noted. Changes in local leadership have also resulted in the disruption of programs, sometimes resulting in budget cuts in controversial areas such as family planning and sexually transmitted diseases (STDs).

An unintended consequence of devolution was the "disruption of technical linkages between the rural health units at the municipal level and the secondary referral facilities at the district and provincial levels."<sup>44</sup>

### **C2. Strengthen preventive programs that promote women's health**

The Report explained gains thus:

In 2000, foreign-funded health programs and projects under the DOH were unified and five-year projects now involve LGUs in comprehensive population, family planning, safe motherhood and child survival programs. Family planning (FP)

<sup>40</sup> Commission on Population. 2001. "Time to Act: Needs, Options, Decisions." State of the Philippine Population Report. Manila: POPCOM.

<sup>41</sup> Guerrero, S. H. 2005. "Women and Health." Philippine NGO Beijing+10 Report. February 2005. p.1

<sup>42</sup> Ibid., p. 2.

<sup>43</sup> This definition of reproductive health is contained in the Program of Action of the 1995 International Conference on Population and Development.

<sup>44</sup> Lakshminarayanan, Rama. 2003. "Decentralization and its Implications for Reproductive Health: The Philippine Experience." *Reproductive Health Matters* 11(21): 96-107.

programs have also been refocused to make FP available to all men and women of reproductive age. Adolescent sexuality and reproductive health issues have also been added, tapping NGOs as partners. Government and other foreign donors have supported school-and community-based campaigns on adolescent sexuality concerns, and the delivery of services through clinics and similar centers. In 2002 it was noted that some 122,166 teenagers gave birth—almost 78 percent for the first time.<sup>45</sup>

### **C3. Undertake gender-sensitive initiatives that address sexually-transmitted diseases, HIV/AIDS, and sexual and reproductive health issues**

According to the Report: "The DOH has identified the prevention and management of RTIs and HIV/AIDS as one of the priority areas in reproductive health. The Philippine AIDS Prevention and Control Act of 1998 also aims to promote public awareness of HIV/AIDS. A major project of DOH with UNFPA which crosscuts gender concerns specifically includes the prevention and management of STD/RTIs and the prevention of HIV/AIDS."<sup>46</sup>

### **C4. Promote research and disseminate information on women's health**

Academic institutions such as the UP Center for Women's Studies (UPCWS) and NGOs lead efforts to promote information advocacy and research on women's health. As the Report revealed, "Foreign donor agencies such as the UNFPA, the Packard Foundation and the Ford Foundation continue to support research, publications, information, education and communications programs on women's reproductive health."<sup>47</sup>

### **C5. Increase resources and monitor follow-up for women's health**

According to the Report, the government "has not fully met the strategic objective of increasing resources for health. Health accounted for only 2.08 percent of total government expenditures in 2001." It notes that "From 2001 to 2003, the government either did not release budgets or diverted budgets for family planning (especially artificial contraceptives) to other health programs. In 2003, about 50 million pesos were released to the Couples for Christ Medical Foundation

for natural family planning programs. All in all, the budget for family planning during the year shrank from P144 million to P40.7 million."<sup>48</sup>

A midterm progress report two years into the DOH-UNFPA project on reproductive health shows that "some 49 percent of all service delivery points in the nine provinces are now providing basic reproductive health care services of family planning, maternal health, and STD/HIV/AIDS prevention as a package."<sup>49</sup>

### **Gains, gaps and losses at a glance**

Gains:

- "Continued NGO militancy against the government's macroeconomic policies," particularly advocacy on the macro context of poverty and economic issues like globalization, unfair trade, and structural adjustment programs.

- "Working on shared issues" in spite of differing approaches, many women's groups have come together, creating powerful networks that have produced positive gains, such as the passage of pro-women legislation.

- "Offering some good practices," the past decade has seen the flourishing of good practices from women NGOs and community women's groups particular in the areas of capacity-building of women leaders, the establishment of innovative economic, health, and anti-VAW initiatives, environmental schemes and the like.

- "More women-friendly policy environment," especially as a result of relentless NGO advocacy which has been most evident in the areas of violence against women and children (VAWC) and institutional mechanisms for women.

- "Advances in gender mainstreaming." Certain policies added muscle to the gender mainstreaming efforts of the NCRFW, such as the adoption of the Philippine Plan for Gender-Responsive Development and the Framework Plan for Women.

- "Greater women's political participation" particularly in law-mandated bodies, peace monitoring groups, and similar councils. Women's elective positions, however marginal, are increasing.

- "Some support for women's agenda" as a result of GAD policies of government, the advocacy of women's movement activists, and the setting up of Women's Studies Programs in many areas and institutions of higher learning. Forms of support include the passage of women or GAD codes, mechanisms, and programs in a few provinces, towns and cities.

- "Some improvements in service delivery," albeit small, toward securing social protection for

<sup>45</sup> NCRFW. 2004. "State of the Filipino Women Report. 2001-2003."

<sup>46</sup> Guerrero, S. H. 2005. "Women and Health." Philippine NGO Beijing+10 Report. February 2005. p. 3.

<sup>47</sup> Ibid., p. 4.

<sup>48</sup> Ibid., p. 4.

<sup>49</sup> Ibid., p. 4.

informal sector workers (many of whom are women) and provision of credit resources for women, to name a few.

- "Improvement in some aspects of women's and girls lives", such as increased access to education by girls (and boys), more households with potable water, and a wider variety of jobs available to young, educated women (and men).

The Report, however, tempers the gains by stating that none of these comes as "unqualified success."

### Gaps and losses

- "Pro-women policies and programs are undermined by government's adherence to economic and trade liberalization, privatization, deregulation, aggressive exportation of labor, and anti-people environment policy."

- "The persistent fiscal crisis has likewise eroded GAD efforts and social sector budgets and inroads that were made to improve people's well-being."

- "Continuing destruction of the Philippine environment" is compromising the safety and security of everyone, but more particularly the livelihood base of women in rural areas and in indigenous communities.

- "Weak or lack of political will to implement pro-women policies" which, for example, has resulted in budgets not being allocated, released, or in the case of women's health, re-directed. Lack of monitoring or lack of sex-disaggregated data has also undermined the implementation of pro-women policies.

- "Retreat from support for women's reproductive health programs" is probably the most notable loss that the women's cause has suffered in the past four or five years, with the current government reneging on its commitment to support women's reproductive health.

- "Lack of political influence by NCRFW" has hampered its ability to influence the overall development agenda of government.

- "Limited coverage of women's programs," which is generally micro in scale and focus, offers limited chances of sustainability. The Report states that microfinance has become commercialized and rarely is connected to the structural problems affecting poor women.

- "Some retreats or losses in the life of women and girls are noted," particularly in the following areas: the persistence of high maternal mortality rates; the total fertility rates continuing to exceed women's desired fertility; low-quality education which compromises the future of girls and boys and the continuing poor fit between education and employment, and the de-skilling of women working overseas. Sexism continues, especially in media, the workplace, and others, while indigenous women and rural women continue to be exposed to the military and development aggression.<sup>50</sup>

<sup>50</sup> A more detailed discussion of the gaps, gains and losses can be found in Illo, Jeanne Frances I. and Rosalinda Pineda Ofreneo. "Synthesis and Conclusions". Philippine NGO Beijing+10 Report. February 2005. pp. 1-3.



## Empowering Education

By Kalayaan Pulido Constantino

**M**ARILYN Soriano and Nena Umenga live along the train tracks of Manila City. Graduating from high school was out of their reach, and for both, studying at the Institute for Women's Studies has transformed their world. In 2002, the Institute for Women's Studies (IWS) launched an education program for grassroots women. It offered a series of three-to five-day courses on gender, leadership and ecology for free. So far, about 300 women from different communities in Metro Manila – including Marilyn and Nena – have finished all the offered courses within a year.

Marilyn chairs the Nagkakaisang Mga Dukha ng Riles, an organization fighting for the right of poor families to have a home. She is small and slender, but her voice is strong and clear. Learning about women's rights—particularly about their right to be free from violence—resonated deep within her. Her mother was a battered woman, and she and her four siblings were also abused. It is a wound that has never healed, and she cries when she talks about it. She never married because of those memories. The IWS courses have had an immense impact on her life. "Malaking bagay ito para sa akin. Natutunan ko na nararapat pantay ang babae at lalaki. Kung alam ko lang nun, baka natigil ang karahasan [This is important to me. I learned that man and woman have equal rights. If I knew then what I know now, I might have stopped the vio-

lence]," she sighs.

Her IWS education has empowered her. "Mas malakas ang loob mo pag may alam ka. Pag wala kang alam, wala kang tapang labanan ang karahasan [You are stronger when you have knowledge. When you know nothing, you don't have the courage to fight violence]," she says. She remembers her mother's and her siblings experience at the hands of their father, and she is driven to help women in the same situation. Using her knowledge of the law and the legal system as taught in the IWS courses, she has helped battered women in her community find safety and shelter and get child support. It has strengthened her voice. "Ngayon, mas malakas ang loob ko humarap kahit kanino, makipag-usap sa mga malalaking tao, pati kay Mayor [Now, I can face anyone, talk even to powerful people, even the mayor]," she smilingly adds.

Nena is 55 and looks a decade younger. She has a beautiful smile, and kindness shines in her eyes. She has always had a great desire to study, but never had the opportunity. She graduated from elementary with second honors and wanted very much to finish high school, too. But they were poor, and her parents needed her help in raising the younger children. She was not able to attend her elementary graduation because they did not have the money to buy the required white dress and

black shoes. Besides, her father explained to her that as a woman all she needed to know was to read and write.

A widow, Nena is proud to have worked hard and succeeded in having her three children graduate from high school. Her eldest has just finished a two-year computer programming course. Now she has time for herself, and she is very happy with the opportunity given by IWS to study. "Tumaas ang pagtingin ko sa sarili ko [My self-esteem has risen]," she says quietly.

Her experience at the Institute has given her the courage to do things she has never done before. She confesses to be a shy and retiring person who found it hard to speak in front of other people. "Dati di ako kumikibo, Nahihya akong magsalita sa harap ng mga kasama ko. Pero ngayon, nahanap ko ang boses ko [I used to be very quiet. I couldn't speak even in front of my

friends. But now, I have found my voice]," she says with a smile.

Together, Marilyn and Nena have formed an organization called Women and Equality for Leadership Development (WELD) in their community. According to Marilyn, "Interasadong mag-aral ang mga nasa komunidad, walang nagbibigay ng panahon sa kanila [People in the community want to study, but no one is helping them]." They want to reach out to more women and share what they have learned from IWS. They hope that by coming together, women can discuss their concerns and deepen their understanding of the women's situation in the community. For them, fighting for their home and their rights as women is indivisible. As Nena puts it, "Pag maayos ang tirahan, mas maayos din and sitwasyon ng mga kababaihan [When all's well with the home, the situation and well-being of women is also positive]."

## Sewing The Life of a Woman

By Cynthia Esquillo

It is late Sunday afternoon. Merlie is outside the house, sewing a costume patterned after a cartoon character. Her husband arrives home from a week-long contractual construction work, his skin darkened by the sun and the bulging veins in his arms showing years of physical hard work. His "pasalubong" for his family consists of cut mixed vegetables (the traditional ingredients for pinakbet) which can be bought for P20. A half hour later, one of the sons would be grating coconut for the "ginataang gulay" (vegetables cooked with coconut milk) which they would share for dinner.

A mother of 10, a grandmother of 15, and a teacher of 21 children. Sum them up and that is the age of Merlie. Sum them up and that totals her life experiences as a woman in constant struggle with the day-to-day challenge of poverty.

She got married at the tender age of 15, so young that she thought marriage was the way to register her discontent with her parents' failure to support her education. For other parents who give priority to the education of male children, this sadly "validates" the "correctness" of their fear—that female children are homebodies and would marry anyway. Merlie would later prove them wrong.

Her family lives in a rough concrete dwelling she and her husband built with the help of a few neighbors. The scorching summer heat penetrates

the thin GI sheet roofing, but two or three trees provide perfect shade and breeze, as well as fuel, when they run out of Liquefied Petroleum Gas (LPG), which now costs a staggering P380.00.

Merlie is soft-spoken, her calm voice telling of a character where the water runs deep. When she talks, she looks far, her mind traveling quickly and steadily, organizing the words in the best way she could. No wonder she seldom hurts. She does not nag. She would rather take specific actions than complain. When her husband suffered a stroke and was unable to work for three years, she carried the burden of sustaining the family's needs all by herself and did not complain.

She is skilled in making various forms of handicraft. She worked as a sewer in a garment factory for two years. At home, she accepted sewing jobs, toiling over an old sewing machine. After working in the factory, she did subcontracting jobs in making stuffed toys for exports in the early 90's. She had a group of women working on every piece of the stuffed toy, but she did the most intricate and finishing part.

When the contracting company slowly went out of business, she worked for the handicraft projects initiated and supervised by the nuns near her home. She did embroidery work of all forms, from cards glued with embroidered designs to



ramie, soft threads and vines. She worked at home and this gave her time to look after her children as well. On the average, she would then earn P230 per day, which she would budget tightly with priorities for food and other basic necessities.

Of that meager income, she was able to send most of her children to high school. At a time when she simultaneously had two high school children, one elementary and one college child studying, she needed P200 for their daily expenses. Though the older children had alternately obtained contractual jobs and were contributing to the family income, they still had to make ends meet by cutting down on food costs. But at least, the children completed secondary education.

Now, 21 years after marrying, Merlie would not contemplate retiring. If she stops working, she feels she will stop breathing. She uses all her skills to earn a living, yet life remains difficult for them. She has in fact developed poor lungs and her arched back is proof of long hours of handicraft work.

Meanwhile, they continue to make do with what they have. They seldom go to the market and simply buy cheap cooked food with lots of broth or sauce, enough to give rice a little taste. They survive on coffee and pandesal (bun) in the morning, sardines mixed with vegetables during other meals. They get to eat meat only once or twice a month. Thankfully, the backyard vegetable garden is a source of green leafy vegetables and often relieves them of spending hard-earned money.

With priority given to food, they often sacrifice weeks of disconnected electricity. The youngest son

had to stop going to high school because of the demand for baon (in money or food) and pamasaha (fare), not to mention the school projects and occasional fees to pay even in public schools. Most of her children dream of continuing their education after high school, but only one has made it to college — thanks to a scholarship program in the state university.

When she's sick, Merlie goes to the nuns and NGO friends to get free medicines and check-up. Imagine, then, the majority who are not part of any organized group and have no access to whatever agency: They would simply die.

Merlie, meanwhile, will not simply give up and let poverty conquer her hopes. Never mind if the government has not been true to its promise of improving her life and those of millions of other Filipinos. She will move on. She has found the strength of organization in pushing for their welfare and rights. Their unified action has brought them success in accessing resources for the good of the community. And for as long as she lives, she knows she must not stop working. The patience and the sharpness of the eyes will continue to insert the thread of persistence into the small hole of the needle. With the same skill, she will continue to sew her life and connect it to the web of the whole even if it takes, what seems to be, several lifetimes.

Cynthia Esquillo, a mother of three, is a member of Sarilaya, a grassroot women's organization that promotes socialist feminism and ecology in the Philippines.

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# Ensuring Environmental Sustainability

By Isagani R. Serrano\*

**G**OAL 7 of the Millennium Development Goals (MDGs) is about ensuring environmental sustainability. It covers the following targets:

1. Integrate the principles of sustainable development into country policies and programs; reverse loss of environmental resources;
2. Reduce by half the proportion of people without sustainable access to safe drinking water; and

3. Achieve significant improvement in the lives of slum-dwellers.

## At a glance

The table below sums up where the Philippines stands with respect to environmental quality. Most indicators point upwards or downwards when they should be pointing in the opposite desired direction.

A summary of environmental quality derived from the World Bank's Philippines Environmental Monitor 2004:

Indicators	General Trends, Status, Comments
<b>BROWN ENVIRONMENT</b>	
<b>Air pollution in Metro Manila &amp; urban centers</b>	
Ambient TSP level in MM, Cebu, Davao, Baguio	Declining particulate concentrations in urban centers but annual averages still exceed national standards. Nonconventional and area sources like biomass burning and re-suspended dust need controlling
No. of highly polluting vehicles on Metro Manila (MM) roads	Declining; rising production of cleaner motorcycles and vehicles; rapid increase in motor vehicles points to urgent need for public transport and transport management
<b>River and coastal water quality</b>	
% population with access to sanitation and sewage	Access to sanitation rising slowly. Urban access to piped sewerage in MM is very low (8%), investments in sewerage are inadequate.
Contamination of ground water	Total coliform contamination increasing with domestic wastewater accounting for majority of the pollution load.
% industrial waste treated	More waste treated but total production as well as illegal solid, toxic/hazardous waste, dumping is rising
<b>Solid hazardous waste</b>	
Solid and hazardous waste generated	Rising with population while services are not keeping up with demand
% of waste recovered for recycling	More LGUs practicing ecowaste management; level of composting and recycling is rising
% of residual waste disposed of in environmentally sound manner	Open dumping and burning continue as main means of disposal
<b>Mining Pollution</b>	
No. of closed/abandoned mines	20 sites surveyed for rehabilitation and revegetation
Mercury levels in surrounding and downstream water bodies	Rising mercury pollution resulting from artisanal mining. Better management of mining sites and handling of waste needed.

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<b>GREEN ENVIRONMENT</b>	
<b>Forest cover</b>	
% of forest cover	Total forest cover improving but forest protection and rehabilitation need expanding.
Annual rate of reforestation	Slowing in recent years
Open access areas	Increasing forest areas under management or comanagement
<b>Critical habitats and biodiversity</b>	
No. of rare, threatened and endangered wildlife species	One of the highest rates of biodiversity loss in the world. Shrinking habitat along with commercial exploitation in spite of more areas under protection
Soil erosion and flooding	Increasing soil erosion and flooding. Deforestation and land conversion continue to add to the problem.
Yield/hectare (mt/ha)	Static yield/hectare decreasing despite inputs. Increasing deforestation from logging, natural disasters and residential development.
<b>BLUE ENVIRONMENT</b>	
<b>Water supply</b>	
Water supply (in per capita availability/year)	National water demand expected to outstrip supply.
Water demand in major cities (in MCM/year)	Critical seasonal shortages worsening as demand continues to rise with population and economic growth.
% of population with access to improved water source	Steady improvements in access to improved water source.
<b>Watersheds</b>	
% of watersheds considered degraded	Minor improvements noted.
<b>Coastal and marine resources</b>	
Mangrove cover	Increasing but threats continue. Need to fast track reversion and rehabilitation of abandoned fishponds and salt beds to mangroves.
% of coral reefs in excellent condition	Declining. Destructive fishing, construction, solid and hazardous waste disposal continue to threaten coastal and marine resources. More active participation of LGUs and communities needed.
Sea grass cover	Reclamation and pollution continue to threaten seagrasses. Information, Education, Communication (IEC) on value of seagrasses, coral reefs and mangroves needed. doesnt follow format other SI segments
Fishery production from municipal waters	Going down even with increased fishing effort. Delineation of municipal waters needs to be completed with LGUs taking charge. doesnt follow format other SI segments
<b>GLOBAL ENVIRONMENT</b>	
ODS consumption (in metric tons)	Consumption of ozone depleting substances (ODS) in the Philippines declined to 1422 metric tons by 2003, ahead of international commitments.

**A streak of hope**

The forest cover of the Philippines is now objectively established. It’s been a long time since the country assessment was based on raw data. The last time was 1988, and before that, 1969.

After 17 years, we now have a new baseline from which to track progress. Now we can reduce our reliance on straightline projections, guesswork and anecdotal evidence.

We owe this to the two parallel studies on forest resources of the country undertaken by National Mapping Resource and Information Authority (NAMRIA) and the Forest Management Bureau in 2002-2004. NAMRIA acquired LANDSAT coverage of the country for 2002-2003. The Forest Management Bureau conducted the National Forest Assessment with support from the UN Food and Agriculture Organization. Both studies used a common set of

forest categories derived from the Forest Management Bureau's project "Harmonization of Forest-Related Terms and Definitions," supported by the International Tropical Timber Organization.

The results of these studies were first made public by Director Romeo Acosta of the Forest Management Bureau of the Department of Environment and Natural Resources in his paper, "State of the Philippine Forest: the National Forest Assessment of 2003". The paper was presented at the Philippine Forestry Forum on June 2-3, 2005 at the Asian Development Bank.

#### Philippine forest cover change

	1969	1988	2003
Forest area (in hectares)	10,637,000	6,460,600	7,168,400

Counter intuitively, the main finding was positive! The Philippine forest cover as of 2003 was 7.2 million hectares, an increase from 6.5 million hectares from the 1988 forest inventory.

This table, derived from the numbers in Director Acosta's graph, shows a steady decline of

forest cover from the 1969 inventories up till around the time of the 1992 Earth Summit. A slow recovery followed from that point on.

The increase of 700,000 hectares is attributed to natural regeneration and plantings in both public and private lands. There is a significant area of Other Wooded Lands, indicating that lands previously under pasture, grasslands and agriculture are growing tree cover, either by natural regeneration or planting.

The 2003 (National Forest Assessment) NFA said that of the 7.2 million hectares of forests, 91 percent are public forestlands and 9 percent are in A & D lands (alienable and disposable lands).

But there ends the good news. Director Acosta's study also found out that the increase in forest cover did not necessarily mean an improvement in forest quality. In fact, there has been a continuous decline in forest composition and quality, suggesting a failure to arrest loss of biodiversity.

The forest assessment itself needs to be subjected to more extensive and detailed field checking, if only to dispel some counterclaims and suspicion that the satellite data don't quite match realities on the ground.

And now the huge job ahead.

The table below shows the regional distribution of forests.

Regional distribution of forests, by canopy density						
Region	Closed Canopy	Open Canopy	Forest Plantations*	Mangrove (Natural)	TOTAL FOREST	% of Total
ARMM	106,319	96,661	1,580	45,786	250,346	3%
CAR	384,877	246,848	40,595	-	672,320	9%
NCR	-	2,790	-	30	2,820	0%
REGION 01	37,723	117,217	34,710	151	189,801	3%
REGION 02	503,149	604,473	33,621	8,602	1,149,845	16%
REGION 03	226,241	304,215	58,671	368	589,495	8%
REGION 04-A	117,162	161,165	-	11,346	289,673	4%
REGION 04-B	484,866	604,246	48,465	57,567	1,195,144	17%
REGION 05	50,618	90,284	2,075	13,499	156,476	2%
REGION 06	105,873	104,686	49,355	4,600	264,514	4%
REGION 07	2,231	43,026	17,842	11,770	74,869	1%
REGION 08	36,473	410,111	34,483	38,781	519,848	7%
REGION 09	29,652	126,790	3,474	22,279	182,195	3%
REGION 10	107,071	226,400	1,530	2,492	337,493	5%
REGION 11	177,503	240,986	536	2,010	421,035	6%
REGION 12	126,385	218,858	2,641	1,350	349,234	5%
REGION 13	64,729	431,832	-	26,731	523,292	7%
TOTAL	2,560,872	4,030,588	329,578	247,362	7,168,400	
% of total	36%	56%	5%	3%		

The results of the National Forest Assessment 2003 should trigger a rethinking of forest policy and forest land allocation in the country. We need to determine location and modes of management of natural forests with respect to protected areas, production and plantation forest development, and community-based forest management.

The new baseline generated by the 2003 NFA provides a comprehensive basis for forest management planning at all levels, from the national to the unit level. Director Acosta recommends the following measures:

First, delineate the Permanent Production Forests and Permanent Protection Forests, by legislation if necessary, building also on the current work on the Delineation of the Permanent Forest Line.

Second, having delineated (on the map and on the ground) the Permanent Production Forests and Permanent Protection Forests, management plans should be formulated for these blocks of forests. These forest blocks would have to be further subdivided into Forest Management Units (FMUs), and FMU-level plans formulated.

Third, having determined the metes and bounds of production and protection forests, and the corresponding subdivision into FMUs, all existing forest tenurial instruments should be reviewed and aligned with production/protection use classification. Boundaries of these tenured areas may have to be amended, and the management plans likewise reformulated.

Fourth, since a large part of forests are not formally managed, the government should immediately take responsibility. These areas may be awarded to qualified individuals, families, people's organizations, NGOs, corporations, or directly managed by the government at different levels.

Finally, access and transparency. Information must be made available on demand, particularly to local governments to help them formulate and carry out their Comprehensive Land Use Plans. Equal access must also be provided to concerned organized communities and people's organizations, and the private forestry sector. The Department of Environment and Natural Resources (DENR) field offices should have complete information for use in strategic and annual planning.

### Continuing environmental challenge

The Philippines remains to be in deep trouble owing to its failure to arrest and reverse the environmental decline.

Except in some areas which themselves need

more work, the rehabilitation of our environment as a whole has seen little improvement since 1992. Environmental resources are still being lost, and existing laws intended to arrest, if not reverse, this trend have little to show 10 years down the road from the 1992 Earth Summit in Rio.

The country faces three broad environmental challenges: [1] urban air and water pollution; [2] natural resource degradation; and [3] declining quality of coastal and marine resources. These are otherwise known as brown, green and blue agendas.

The first set of challenges, or brown agenda, refers to pollution caused by industrial, urban, transport and energy sources and the measures to address them. Air quality has been declining in Metro Manila and key urban centers. Much of air pollution can be attributed to emissions by motor vehicles now numbering over 4 million. We see a parallel decline in water quality in rivers and coastal waters due in large part to increasing solid and hazardous waste generation and improper management.

The green agenda includes the environmental impact of agriculture, deforestation, land conversion and destruction of protected species and the conservation measures intended to address them. A sound land use plan could help arrest the decline of forest cover, loss of critical habitats and biodiversity, and land degradation. The adoption of sustainable agriculture could also help avert the emerging water crisis, arrest biodiversity decline, dramatically reduce dependence on costly and harmful chemical inputs, improve nutrition and prevent diseases.

The blue agenda refers to all forms of water resources management. Water supply is increas-





ingly unable to meet the needs of a growing population, especially in urban areas. Watersheds, which are being degraded faster than they could be regenerated, badly need policy and management measures. Coastal and marine resources continue to decline despite, or because of the poor implementation of, the fisheries code.

Sustainable access to clean and adequate water is a serious problem overall, but especially in urban and coastal areas. Only 36 percent of the country's river systems can be classified as sources of public water supply. 58 percent of groundwater has been found to be contaminated with coliform and needs treatment. More than a third of illnesses monitored for a five-year period were caused by water-borne sources. Water shortages are common in many areas during dry season.

While poverty is worse in rural areas, living conditions for the rapidly-growing urban poor are not much better. Already, more than half of Filipinos are city inhabitants and with rapid urbanization, we can expect a dramatic increase by 2015. Improvements in the living conditions of the urban poor are linked closely to arresting the decline and restoring the health of our environment.

### **Environment and sustainable development**

To green our country again we may perhaps need only to leave alone our existing forests and mangrove stands (whatever is left of them) and clear-cut areas. They will most likely regenerate on their own since the Philippines is a wet country

anyway.

But such leave-alone strategy assumes a lot. And some of the assumptions might just be outright unrealistic.

The first has to do with justice and fairness in our society. This suggests that poverty and inequality would be reduced significantly within the MDG timeline. Which means that the rich and affluent are willing to do deep cuts and share their wealth, in other words, to shift from their current behavior of unsupportable consumption behavior to more sustainable lifestyles. The poor would then be able to avoid putting further stress on the environment just to survive.

Second assumption: zero population growth. We can argue endlessly from whatever perspective, equity or carrying capacity or from a mix of both, but still a doubling time in one generation, as what happened from 1970 to 2000, is probably just too much for our fragile archipelagic ecosystem to bear.

Third assumption: governance reform. Basic reforms in policies and institutions will have resulted in good governance in general and sound ecological governance in particular. Philippine democracy, already choking in bad governance and corruption, needs more democratizing to really be a means to sustainability.

There's no shortage of policy and legislation on sustainable development in the Philippines.

The attempts to integrate sustainable development principles into policies and programs have not effected a fundamental shift away from an

unsustainable path to development. Environment and social justice—what sustainable development basically means—remains a vision rather than a reality.

The principles of sustainable development were laid down in the Philippine Strategy for Sustainable Development (PSSD) of 1990 and the Philippine Agenda 21 (PA21) of 1996. Those who lobbied hard for PSSD and PA21 are bothered, though, by the inconsistency between these landmark documents and development plans at all levels. The Medium-Term Development Plans (MTPDP) and local development plans are basically plans for growing the economy, not sustainability plans that will deliver social and environmental justice.

Environment ranks low in government's priorities. President Gloria Arroyo's past three State of the Nation Addresses (SONA) had nothing at all to say about environment sustainability. The same goes for the new 10-point agenda reiterated in 2004 SONA. Perhaps, the problem is not so much not having any environment agenda (there's DENR and its programs), as a lack of appreciation at the highest government level of the environmental crisis and its implications on sustainability.

There is an urgent need for a comprehensive assessment of how far the Philippines has complied with the many multilateral environmental agreements (MEAs) it has signed on to, like the conventions on climate change and biodiversity.

The policy-action gap has been widening. Thanks to strong and stubborn lobbying by social/environmental activists, a bundle of laws addressing



urgent environmental issues is now in place. Examples of these are the laws on clean air and water, solid waste management, genetically modified organism (GMO) and biosafety, and so on. Sadly, these laws have been snagged in implementation bottlenecks, financing foremost among them.

And that says nothing about the inherent weaknesses of several of these laws to address inequality issues. The 1992 Rio Declaration already recognized the historical, common and differentiated responsibility of the rich and the poor for the degradation/pollution of the environment. The principle is a recognition of ecological injustice and therefore, payback. And yet, the government seems so gung-ho about running after poor tricycle drivers while letting the rich get away from just taxation of luxury cars.

Power politics threatens to reverse legislative advances already made, as in what might result from a strong lobby to suspend or soften the provision banning incineration in the Clean Air Act. There is also a strong lobby to take the social acceptability clause out of the environmental impact assessment system.

Another long-standing institutional issue that must be addressed: the Department of Environment and Natural Resources (DENR) cannot continue to be an environmental protection agency and a franchiser of exploiters of natural resources at the same time. Our suggestion is for the DENR to stick to regulation and protection of our environment and natural resources.

Merger proposals of natural resource-based agencies, like DENR, the Department of Land Reform and Department of Agriculture, should be put on the immediate agenda. Studies and recommendations along this line during the late 1980s should also be reviewed along with other institutional reform.

Do we need an environmental summit for all these? Perhaps this could dramatize the urgency of action not only on pressing environmental issues. Lack of leadership at the top is very disturbing and could abet the environmental crisis. One more wake-up call probably won't hurt even if many of us have had enough of summits and have grown so cynical of easy and cheap promises that they generate, but are never kept.

Considering the fiscal crisis budget negotiations could be more agonizing and contentious than previous ones. Expect rough sailing for a demand to increase appropriations for the environment sector. We can at least make a stand to resist further reductions in the current level of environmental

spending, though this is far from enough, to begin with.

The planning and budgeting cycle starts in July. The earlier we get engaged the better our chances of getting our agenda into the mainstream and having it adequately funded. We should remind government planners and policymakers about the often-neglected environment agenda. Remember that the environment has never enjoyed high priority in public spending. The DENR budget has always been comparatively lower. The three most recent legislations on solid waste management, clean air and water have yet to be funded, as already mandated.

Charter change is almost certain. We have to be prepared about what sort of change to support or oppose. What's a green charter for us? What's our green bottom line? What are the possibilities of this bottom line getting enshrined in the new charter? Or the chances that what little legislative progress there has been in the past could still be reversed? Expect the neoliberals to push amendments that will do more harm than good to our already much-degraded environment.

Crucial legislation needs to be passed. An environmentally-sensitive land use policy is overdue. We cannot afford not having a comprehensive and long-range plan in light of rapid urbanization. Cities cannot continue to sprawl spontaneously, even if it might be good to see 60 percent or even two-thirds of Filipinos living in urban areas by 2025. City-type human settlements can help free up more space for other land uses, like protection, agriculture and forestry, industry, and so on.

Department Administrative Order (DAO) 17, which defines the boundary of municipal waters reserved for small fishers, must be restored as soon as possible.

On the other hand, certain bad laws need to be modified or nullified. For example, many provisions in existing land laws tend to be contradictory. A useful research project may be the study of conflicting laws affecting land and other natural

resources. Results can be inputted into the advocacy of legislative reforms.

The environment arena is well covered by different groups. There are land justice movements, System of Rice Intensification or SRI/ sustainable agriculture movements, community-based coastal resources management (CB-CRM) networks, anti-mining coalitions, ecological waste movements, and so on. There's no need to create a new movement. Social Watch needs only to develop close links with those groups and encourage them to reorient their work toward the MDGs.

Social Watch may support or help improve advocacy positions already taken by different groups. In any case we should be able to connect those positions to the MDGs.

The success stories in environmental campaigns should be spread across the Social Watch network. Members of our network who have been involved in those campaigns should take the lead. The recent campaigns around solid waste, clean air, clean water, GMOs and the like should make for interesting cases.

What do people know about MDG or MDG 7? Next to nothing, it seems. The level of MDG awareness is apparently low both in government and among ordinary citizens. This, however, does not mean that people are not bothered by the sorry state of the environment and the lack of progress in ensuring environmental sustainability.

To be sure, environmental awareness has risen significantly since the 1992 Rio summit through the combined efforts of environmental activists, NGOs and people's organizations schools, mass media, and government.

Getting everybody to talk MDG might be expecting too much. But we can at least help spread the word around fast if we get mass media to buy into the MDG campaign.

A word of caution. There's so much cynicism about new buzzwords, and overdoing the MDG hype can backfire. As well, in our promotion of the MDG let's mind that MDG is but a minimum and not equivalent to sustainable development.



## Political Economy of Rivers

Isagani R. Serrano

**R**IVERS, like other common property resources, are prone to the tragedy of the commons. Decisions that lead to such tragedies are made from different points, individual as well as institutional, but mostly political.

From the standpoint of ecological economics, rivers function both as source and sink. To be able to perform and sustain that role, rivers must maintain their carrying capacity and exceeding such capacity means death of the river system.

Rivers are not rivers if they don't flow. They link mountains to seas and traverse varied ecosystems, from uplands to lowlands, into the coasts and oceans. Let alone the fact that ancient, even modern, civilizations have been built around river systems.

Many of our rivers still flow but they are dying, if not yet biologically dead already. Their capacity as source has been seriously depleted. As sink they

have absorbed more than enough shit to continue as universal solvent.

Decisions made at any point, from upstream to downstream, collectively affect the whole system. Obviously, small ones, like throwing a bag of plastic, have smaller effects. Big ones, like damming the river, have far-reaching consequences.

Like the decisions that caused river depletion and pollution, decisions that will restore the healthy functioning of our river systems are both personal and political.

Education is central to change, especially education about how we see and value nature. And to bring about quick results, it must be an education oriented to action.

Politicians, should they so decide, can make the big quick changes in the right direction. They must do no less if we want our rivers to be clean again and to keep on flowing.



## Fighting Back: Citizens Response to Development Aggression

By Shubert L. Ciencia<sup>1</sup>

**T**he environment has always been a flashpoint between the state and its citizens. There were the Kalingas and the Chico Dam, the Bataan Nuclear Power Plant which became a major grievance against the Marcos regime, mining operations in Mt. Diwalwal in Mindanao, and the coal-fired power plants in Zambales, Pangasinan and Quezon. These are just some of the big issues. Every day, communities across the Philippines confront environmental issues that threaten to

disrupt their way of life. And most of the time, these communities fight back.

The environment is the cornerstone of sustainable development. Is there enough for everyone? Will the current consumption rate leave just enough for the next generations? Who should pay for the mess we are in now? The cases that will be discussed are all about fighting back. These are the small fisherfolk of Manila Bay and their struggle to protect their dwindling source of livelihood; these are the upland communities of Nueva Ecija who resisted a national project that will uproot them from their communities; and these are the people of Nueva Vizcaya who fought for control of their own resources, and the Ifugaos who are still fighting for them.

The cases highlight key environmental issues in local areas and how citizens confronted these. They provide deep insights on development issues from the perspective of those living in the primary impact zones, and the challenges to be confronted

<sup>1</sup> The author is the Branch Manager of the Philippine Rural Reconstruction Movement (PRRM) in Nueva Ecija. He is also the Coordinator for North and Central Luzon of Social Watch Philippines. The author is grateful to Save the Ifugao Terraces Movement (SITMO) and the PRRM Chapter in Ifugao, Alliance of Community Development Advocates (ACDA) and the PRRM Branch in Nueva Vizcaya, Katipunan ng Malilit na Mangingisda sa Manila Bay (KALMADA) and the PRRM Branch in Bataan, and Outreach Philippines Incorporated who openly and unselfishly shared their personal accounts and gave their generous permission to use their records freely. He is particularly indebted to Florence Manangan, Audy Reginalde, Eduardo and Felina Delfin, and Crispin Tria who took this case study as their own affair. Emeric Mallari also shared with the author the kill-joy work and monotony of traveling great distances during the research part.

in realizing Goal No. 7 of the Millennium Development Goals or MDGs<sup>2</sup> in the Philippines.

### Nueva Vizcaya: The Dams of Casecnan



Source: Philippine Convention and Visitors Corporation website.

Conwap Valley has been home for centuries to the Bugkalots or Ilongots, the handsome and gentle people of the forest. It is part of what remained of their territory that once stretched from Palanan in Isabela to Casiguran, Aurora, and encompassed parts of what are now the provinces of Quirino, Nueva Vizcaya, and Nueva Ecija. History has portrayed the Bugkalots as fierce headhunters. In reality, they peacefully co-exist with other tribes. Headhunting was only done to right a wrong, as a means of survival, and to defend.

Straddling the Conwap Valley are 57,930 hectares of the Casecnan River Watershed Forest Reserve and the Carranglan-Pantabangan Watershed Reserve Pilot Area. By Philippine law, these watersheds are protected areas. They serve as catch basins that feed the headwaters of major river systems that in turn provide water for domestic, industrial and agricultural consumption. Both watersheds also host a rich variety of flora and fauna: 15,000 hectares of old- and secondary-growth virgin forest of indigenous Philippine species like narra, tuai, molave and malaruhat; and endangered and rare animals like the Rufous hornbill, the Philippine deer and eagle, Bleeding Heart pigeon,

wild boar and monkeys, the civet cat, and the gray heron. In fact, species of 77 birds, eight reptiles, and three amphibians are found in the area.

Besides the Bugkalots, communities of migrant families from the Cordillera region like the Ifugaos, Ibalois, Kalanguyas, and Kankanaeys have found refuge in Conwap Valley. They were survivors of giant dams: Pantabangan, Binga, Ambuklao, and Chico. As fate would have it, they will have to learn to live in the shadows of the dams they would like to forget in a place where they have learned to call home.

In November of 1995, amidst strong resistance from communities within the Conwap Valley and local government units of Region II, construction began on the \$500-million Casecnan Multipurpose and Irrigation and Power Project (CMIPP). Two diversion weirs 20-25 meters high and 100-200 meters long were to be built to divert the Casecnan and Taang Rivers, and funnel the river waters at a rate of 455,100 tons per year or 1.6 percent of the Cagayan River's total flow, to the Pantabangan Reservoir through a 6.3-meter wide and 25-kilometer long underground tunnel. The promise of the CMIPP was to stabilize the water supply line for 103,000 hectares of rice land in Central Luzon and to irrigate another 50,000 hectares, and in the process generate 140 megawatts of electric power for the Luzon grid. It was to be operated by the CE Casecnan Water and Energy Consortium (CWEC) through a build-operate-transfer arrangement with the national government.

Opponents of the CMIPP have raised two major issues. The first was the threat posed by the project to the tenurial rights of Conwap Valley residents, particularly the Bugkalots who claim the area as their ancestral land. Experience from previous dam projects has shown that indigenous communities were eventually displaced and expelled from their ancestral lands by encroachment from lowland migrants and subsequent forest resource extraction activities.

The second environmental issue was based on legal and natural premises. Both Casecnan and the Pantabangan-Carranglan watershed are protected from exploitation by law. Three major fault lines (i.e. the Philippine, Pantabangan and Denip fault lines) that can generate an intensity 7.8 earthquake in the Richter Scale, and five minor fault lines (i.e. the San Juan, Abuyo, Taang, Jurbas and Be-De fault lines), also traverse the project area. Where to dump the more than 800,000 cubic meters of soil that will be extracted from the tunnel work was also a major environmental concern.

<sup>2</sup> Target 11 of Goal 7 of the Philippine government on the MDGs concerns the implementation of national strategies for sustainable development by 2005 and the need to reverse the loss of environmental resources by 2015

Experts also assailed the logic of the CMIPP project because the Casecnan and Taang Rivers' excess water of 22.83 million cubic meters is really only available during the rainy months of June to December.

The campaign against the Casecnan dam started in 1992 when Bugkalot tribal chieftains from Quirino, Nueva Vizcaya and Aurora approached the Philippine Rural Reconstruction Movement's (PRRM) Nueva Vizcaya Branch for assistance. It was a dark and rainy early morning, an omen of the days to come. These chieftains together with PRRM, the then Office of Northern Cultural Communities (ONCC), the Save the Sierra Madre Movement, the Diocese of Bayombong and another local NGO based in Nueva Vizcaya started a series of dialogues with local officials on the project impact. With the campaign peaking in 1993, the Bugkalots and other tribal chieftains submitted a declaration to the provincial legislature of Nueva Vizcaya formally declaring their opposition to the CMIPP project and threatening to revive their headhunting practice to defend their ancestral lands. In a Tulag Tribu held in 1994, all indigenous tribes in Nueva Vizcaya came together to participate in the campaign. Through the Lubong Intayon Salakniban Movement, large mass actions against the CMIPP project were undertaken, sparking congressional hearings.

But the national government and CE CWEC never relented, as they were determined to build their dam at all cost. Promises of jobs and assurances of compliance to the Environmental Compliance Certificate<sup>3</sup> (ECC) were made. Projects and government largesse poured in: dispersal of farm implements and livestock, provision of agricultural technology support and various livelihood projects, construction of access roads and irrigation systems, installation of energy and potable water facilities, provision of educational scholarships. When these failed, other forms of not-so-gentle persuasion were employed.

Pressured from all sides, most Bugkalot leaders finally agreed to negotiate. They would accede to the CMIPP project if the following demands were provided: recognition of their ancestral domain claim; provision of more livelihood projects; giving of priority to Bugkalots in employment

opportunities that would be generated by the CMIPP project; the provision of educational scholarships; construction of vital infrastructure facilities; and the creation of a Bugkalot municipality. Both the national government and CE CWEC agreed to the demands.

The CMIPP project finally started commercial operations in December of 2001 after almost two years of delay and an additional cost of \$150 million. In its wake, it had pitted upland versus lowland communities, civil society organizations versus the government, and finally the gentle people of the forests against their own kind. But the dams of Casecnan is an issue that refuses to die.

The Bugkalots found out late that they have been had. The Certificate of Ancestral Domain Claim (CADC) was awarded to them on February 01, 1996 and their request for an access road has been realized. But the delivery of other promises soon petered out. Five cooperatives were established as conduits for livelihood project under the supervision of the Bugkalot Association of Casenan (BAC) but have closed shop after two years. The livelihood projects also stopped coming. Bugkalots were employed in the first phases of the project, but were later terminated until only 30 remained. The CMIPP explained that they needed skilled workers and the Bugkalots were only needed in the construction phase. The scholarships were discontinued. Equipments were turned over to them but they were not trained to use these. And the Bugkalot municipality remains a promise. The dams have been constructed. The Bugkalots are no longer needed.

Not long after the CMIPP project's commercial operation began, a Citizens' Irrigation and Power Project (IPP) Review Commission urged President Gloria Macapagal-Arroyo in 2002 to rescind the contract with CE CWEC because it was found to be grossly disadvantageous to the government. The Freedom from Debt Coalition (FDC) listed these controversies hounding the project:

- Violation of the amended Build-Operate-Transfer (BOT) law that prohibits granting any subsidies and extending guarantees to any unsolicited proposal. The National Irrigation Administration (NIA) and the National Power Corporation (NPC) have guaranteed to pay for the water and energy products whether these are actually delivered or not.
- Premature approval by the Investment Coordinating Committee (ICC) – the interdepartmental body that approves projects of the national government. The ICC approved the project despite its insufficient technical merits, environmental hazards and lack of a Social Impact Analysis (SIA).

<sup>3</sup> The ECC requires the following: formulation of a watershed management plan, socio-economic monitoring plan, water quality monitoring plan, housekeeping and spoils management plan, and a design and implementation program; creation of an Environmental Guarantee Fund to cover the expenses for the said plans and program; creation of a multipartite monitoring team; and to undertake an annual information and education campaign on the importance of wildlife and diversity.

The project's financial viability is questionable, its hydrological estimates outdated. No appropriate geotechnical studies were conducted. Furthermore, an ECC was issued to the project even without the required Environmental Impact Analysis (EIA).

- Unfair absorption risk by the government.

The NIA has to pay \$72.7 million/year and NPC to pay \$36.4 million/year, whether the water or power are delivered or not. The upgrading cost of P3.5 billion for irrigation facilities and the erection of transmission lines will also be shouldered by NIA and NPC. The national government will reimburse all tax payments of CE CWEC and pay its losses in the event of a natural disaster.

- Possible violation of the constitutional requirement of a 60 percent Filipino ownership in companies engaged in the extraction of the country's natural resources. The CE CWEC is a 100 percent foreign owned company.

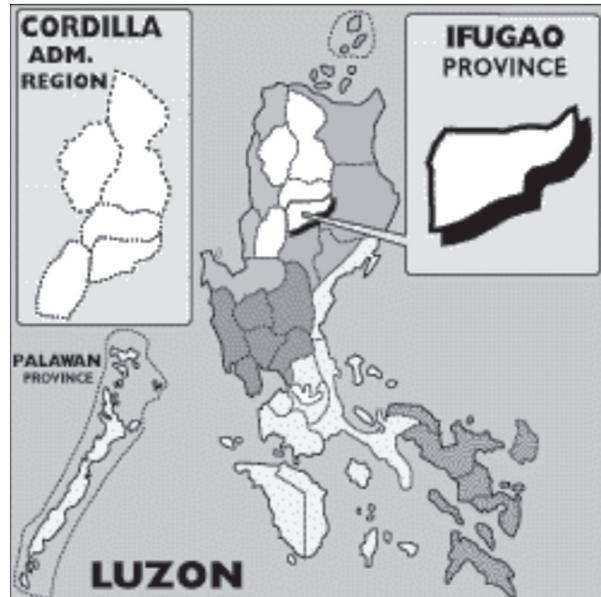
The question now is, are the costs worth the project's benefits? The Department of Agriculture (DA) has scaled down CMIPP's irrigation capacity from 50,000 to 35,000 hectares. At the cost of P718,842.00 to P1,028,571.00 per hectare. The electricity at \$0.16 per kilowatt hour will be the most expensive among all independent power providers in the Philippines and whether delivered or not will be shouldered by consumers through the power purchase adjustment (PPA). No doubt, the cultural, social and environmental costs will be staggering.

Looking back, it has not been a lost cause for the forest people. The campaign has propelled the CMIPP issue into the national consciousness that galvanized various reactions. The pressure forced the CE CWEC to redesign the project and reduce it to a small-dam category. Which means that there will be no submersion and dislocation. This alone is a major victory for the Bugkalots.

Still what is clear for Bugkalots is the government's tyranny in forcing a project that they never wanted. This battle of small communities versus the monolithic national government has been a difficult campaign, and the scars will stay for a long time. But the dams of Casecnan will be remembered less as a symbol of the Bugkalot's defeat than another monument to government failure. It was built at the wrong place, for questionable intentions, and at too high a price.

### Ifugao: conserving a heritage

It has been called the eighth wonder of the world. The stairway to the skies. Dating back to 1,000 BC, it has been hewn by bare hands and



Source: Lakbay Pilipinas website

indigenous knowledge. It was built not by slaves but by voluntary labor and out of necessity. It is a complex system of interconnected ecosystems, architecture, and spirituality. Stretched from end to end, the terraces can circle half the globe. Long the stuff of legends, the Ifugao terraces are in most grave danger, however.

Because of its outstanding universal value as a living cultural landscape, the Ifugao terraces was included in the United Nations Educational, Scientific and Cultural Organization's (UNESCO) World Heritage List in 1995. The specific areas covered are the stone-tiered and amphitheater-like Batad terraces, the pot-like Bangaan terraces, the terraces of Nagacadan in Kiangyan and in Mayoyao, and the terraces of Hungduan, the only municipality of Ifugao to be included in its entirety in the World Heritage List.

The listing could have provided a much-needed push for the preservation of the Ifugao terraces. As a signatory to the *UNESCO Convention Concerning the Protection of the World's Cultural and Natural Heritage*, the Philippine government is obligated to "ensure the identification, protection, conservation, presentation and transmission to future generations of the cultural and natural heritage... (and) shall do this to the utmost of its resources...". In 2001 and almost six years after its listing, however, the Ifugao terraces made it to another list: List of World Heritage in Danger. And, unless immediate and dramatic measures are effected to reverse the terraces' deterioration, it will lose its World Heritage Status. Worse, the terraces

will just rot and crumble, lost forever to the next generations of Filipinos.

The decline of the terraces actually represents what is happening to the province of Ifugao, which is ranked fifth among the Philippines' 15 poorest provinces, with a poverty incidence of 67.1 percent. Nestled on the mighty mountains of the Cordillera, Ifugao is home to the gentle tribes of the Tualis, Ayangans and Kalanguyas. Almost home, unless something is done to stop the exodus of people from the province.

Out-migration because of limited livelihood opportunities is fast becoming a major concern in Ifugao. Around 70 percent of the Ifugaos rely on agriculture as their main source of livelihood. And agriculture for them means mostly one rice cropping every year on an average of 0.15-0.88 hectare. The rice fields are 96 percent terraced, and subsistence swidden farming thrives. Agriculture is a losing proposition, considering a net loss of P0.59 for every peso invested. Rice sufficiency is good for only 5.1 months. As a result, the Ifugaos leave to work elsewhere. Most of the time, they never come back. Not surprising, today, 25-30 percent of the terraces are abandoned.

A result of out-migration is the gradual but steady loss of indigenous knowledge and practices. The *tomonaks*<sup>4</sup> no longer prescribe the pace of agricultural production, the *mumbakis*' importance has diminished, and *ubbo*<sup>5</sup> has been replaced by government largesse and paid labor. Change in the Ifugao way of life has hastened the decay of the terraces, which are now being converted into multiple agricultural use and, in urbanizing and low-elevation areas, into residential and commercial uses. The introduction of modern technology has boosted agriculture that decreased fertility and increased soil acidity. And the *muyong* – privately owned and maintained forest areas that are crucial in maintaining the terraces' ecosystem – is under siege. Fifty years ago, the total rice terraces in Ifugao covered 15,000 hectares. Today, only half of that remain.

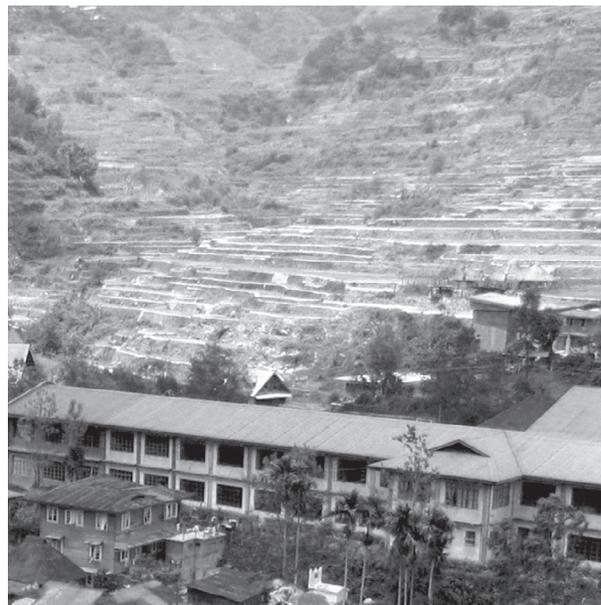
The sorry situation has prompted the formation of the Save the Ifugao Terraces Movement or SITMO, a multisectoral group at the forefront of the campaign to rehabilitate and protect the terraces. Central to SITMO's campaign is the resolution of the Ifugao people's long-standing struggle to secure legal tenure over their ancestral lands, and gain respect for the value of the Ifugao way of life. Along

this line, SITMO is also working to improve the Ifugao people's quality of life, rehabilitate and protect the terraces, and promote an ecocultural tourism program.

Organized on March 11, 2000, SITMO's advocacy for the preservation and protection of the terraces and the Ifugao way of life has spanned three presidencies. During the time of President Fidel V. Ramos, the Ifugao Terraces Commission (ITC) was established to coordinate preservation efforts as a response to the UNESCO World Heritage listing. The ITC facilitated the formulation of a 10-year terraces rehabilitation plan that emphasized on developing the local tourist industry. Millions of pesos were poured on the construction/rehabilitation of access roads and the development of so-called tourist spots. Even the tin roofs of houses near the terraces were painted green to blend with the rice of the terraces.

But little less has been done. The problem was the ITC's mandate: only to coordinate. Actual project implementation was left with the regular departments of the national government. Unfortunately, the real intent of conserving the terraces was forgotten in the mad rush for commercial tourism and infrastructure development. It was this condition that urged a small group of Ifugaos to advocate that development in Ifugao be strongly linked to the conservation of the terraces and the Ifugao way of life.

This was how it was when the short-lived regime of then President Joseph Estrada took up the Ifugao cause. One of the president's first acts was to abolish the ITC and replace it with the



<sup>4</sup> The *tomonaks* and *mumbakis* are indigenous priests who preside over traditional Ifugao rituals.

<sup>5</sup> The *ubbo* is the Ifugao's version of the *bayanihan*.

Banaue Rice Terraces Task Force (BRTTF). And yet again, this task force had a limited project implementation mandate like the ITC. Nevertheless, the ITC watchdog group saw this as another opportunity to push the terraces conservation agenda. They worked with the BRTTF in introducing a land use planning workshop to assist the Ifugao local government units in formulating their comprehensive land use plans (CLUP). The Save the Ifugao Terraces Movement (SITMO) had been organized and was working with the BRTTF on a Geographic Information System (GIS) when President Estrada was replaced by then Vice-President Gloria Macapagal-Arroyo.

Under President Macapagal-Arroyo, the BRTTF suffered the fate of its predecessor. It was also abolished. This time, there was no replacement. From here, the provincial government took over and created the Ifugao Rice Terraces and Cultural Heritage Office (IRTCHO). As recognition of its work, key individual members of SITMO were invited to serve as the technical staff and consultants of IRTCHO.

Through the IRTCHO and a \$75,000 emergency technical cooperation assistance program grant from UNESCO, the 10-year rice terraces master plan was updated to feature a more comprehensive approach based on the principle of integrated area development. Components of natural resource management, sustainable agriculture, basic social services delivery, and renewable energy were integrated and enhanced. A 5-year enhancement plan was then submitted to UNESCO. The IRTCHO was also able to access a P50-million grant from the National Commission on Culture and Arts (NCCA). It also conducted two international workshops: the first one for the stakeholders and a review of the master plan; and the second, for a second master plan review to identify specific projects and produce proposals for funding.

Parallel to and complementing IRTCHO were the SITMO initiatives: comprehensive and integrated community-based models for terraces conservation that were designed and implemented in several Ifugao villages. It has forged partnerships with the Department of Environment and Natural Resources (DENR) in implementing community-based forest management (CBFM) projects, and with the National Commission for Indigenous People (NCIP) in pursuing and protecting the Ifugao people's ancestral domain claims. With PRRM, SITMO engaged in a protracted media campaign to bring the issue of the Ifugao terraces conservation to the national consciousness. It has continually

engaged national and international policymaking and financing bodies, and submitted a 5-year conservation and management program to UNESCO. Just when things were peaking up, however, it was election season again.

Politics has been the bane of SITMO's initiative to conserve the rice terraces, derailing inroads made and pushing back major breakthroughs. Although the newly-elected provincial governor had officially committed to continue the IRTCHO project, no tangible action has been made so far. For SITMO, it might as well start again from scratch.

To address the disruptions caused by politics, SITMO believes that a stronger institution with enlightened Ifugao citizens and civil-society organizations should be created to constantly prod the current and future owners/managers of the terraces on the priceless value of this indigenous legacy.

Despite the obstacles, SITMO is relentless in its work. It envisions the province of Ifugao as a rights and heritage center for all indigenous communities in the Philippines, and the recognition of the terraces and watershed's role in national development, especially for Northeastern Luzon. But for this to happen, the terraces must survive. For the terraces to survive, the Ifugaos should stay. And for them to stay, enough jobs and social services must be there.

Then perhaps, the terraces will live for

**Nueva Ecija: Of Cows and People**



Source: Provincial information website

another thousand years.

THE golden arch of McDonald's and Jollibee's jolly bee have become icons of a good burger. And

Filipinos have grown to love burgers. And fast, as seen in the rising demand for beef over the years. The bad news is, increasing beef production had a negative impact on the environment. For every one quarter-pound hamburger produced, 6 square yards of forests are cleared and 165 pounds of living matter destroyed<sup>6</sup>.

Beef production has pitted cows versus humans. In fact, cows (and cotton) got more aid and subsidies than people in 2000. In the Philippines, the competition has shifted to living space. When then President Ramos signed Presidential Proclamations No. 750, 751, and 752 allocating portions of the Penaranda River Forest Reserve (PRFR) and the Fort Magsaysay Military Reservation (FMMR) in Nueva Ecija for the relocation of the offices and facilities of the DA's National Stock Farm, the nightmare of 136 families began; and the dreams of 1,330 agrarian reform beneficiaries to finally have their own lands after 27 years of struggle were tragically shattered.

The proclamations, signed on February 26, 1996, cover 1,000 hectares of the PRFR and 500 hectares of the FMMR. These are part of a 5,665-hectare area being earmarked by the Department of Agrarian Reform (DAR) for distribution to agrarian reform beneficiaries. It is also the rice granary of nearby communities in Palayan City and General Tinio town. That the relocation site is within the PRFR, one of Nueva Ecija's four major protected watershed areas where the head-waters of the Rio Chico and Tabuating Rivers are located, is another irony.

The project in question, the General Tinio National Livestock Center (GTNLC), aims to further develop the cattle industry through technology research, development, extension and dispersal. It is effected by the national government's plan to develop government-owned prime real estate — in this case the Alabang Stock Farm property — to raise money for the government. It is, indeed, beneficial to the government and the cattle raisers of General Tinio. But not for the people who make their livelihood at the project site.

The GTNLC was officially inaugurated despite strong opposition from affected families. In response, the Pag-asa Multipurpose Cooperative organized a campaign against the GTNLC project. The cooperative was supported by affected communities from Palayan City who organized themselves into the Kalikasan Federation Incorporated

(KALIKASAN), and joined by families from the primary and secondary affected areas in General Tinio who had organized the Ugnayang Pamayanan para sa Kalikasan at Kabuhayan (UPPAK). And they fought back.

On March 25, 1996, at least 218 affected families sent a petition to President Ramos, urging him to suspend the implementation of the GTNLC project because the required EIA has not been conducted and the required ECC has not been issued by the DENR. The petitioners pointed out that Proclamations 750 and 752 which allocated the land area for the national stock farm resettlement require an EIA and the issuance of an ECC before any project development activities can be conducted. The petitioners also complained about the undemocratic process in the GTNLC project implementation and added that farming which they do right in the project site is their only livelihood and that only a few people would actually benefit from the project. Furthermore, the site for the GTNLC project was already appropriated for distribution to agrarian reform beneficiaries by Executive Orders 407 and 448 issued by then President Corazon C. Aquino.

Upon the affected families' request, DAR conducted a survey of the disputed area on June 6, 1996 and recommended the transfer to DAR of the Department of National Defense's (DND) reservation covered by EOs 407 and 408, and the holding of a top-level meeting among the DND, DENR, DAR and DA to decide on the issues raised in the GTNLC project. At the request of the Konfederasyon ng mga Nobo Esihano para sa Kalikasan at Kaayusang Panlipunan or Konped Kalikasan — a provincial federation of NGOs and POs in Nueva Ecija that supported UPPAK and KALIKASAN'S campaign, Peasant Sector Rep. Leonardo Q. Montemayor filed House Resolution 700 directing the House Committees on Ecology, Agrarian Reform, and Agriculture and Food to jointly conduct an inquiry on the negative impact of the GTNLC project. Dialogues were held among the affected communities, DA's Bureau of Animal Industry (BAI), NGOs, and local government units. The Task Force Fort Magsaysay Military Reservation created by a presidential directive also recommended securing the land tenure of families and the establishment of permanent communities within the FMMR to enhance socioeconomic development.

Encouraged by the positive results of their campaign, 68 affected families again issued a position paper on August 26, 1996 reiterating their demand to suspend all project development activi-

<sup>6</sup> www.envirolink.org, "The Beyond the Beef Campaign: Environmental Devastation", Undated.



ties in the contested area pending the conduct of an EIA and issuance of an ECC. They argued that the GTNLC project will be detrimental to the PRFR because cattle raising will cause soil compaction, loss of vegetative cover, and erosion and siltation of waterways. The cattle raisers' practice of burning vegetation so young grass shoots will grow and provide forage for the cattle is bad, they said. The cattle will also compete with them in water consumption. One thousand heads of cattle will require 45,000 liters of drinking water a day, equivalent to the consumption of 750 persons or 125 families — the size of an average barangay.

The affected families then called for the relocation of the GTNLC project to areas where it will be less disruptive. They said 4,000 hectares are currently leased to 24 cattle raisers in General Tinio through Pastureland Leasehold Agreements (PLA) and Forestland Leasehold Agreements (FLGA). They urged the DENR to either cancel or not renew these PLAs and FLGAs so the land can be used for the GTNLC project. They demanded the recognition of the affected communities and other farmers' claim to the relocation area, noting that 90 percent of land distribution in General Tinio is already in favor of cattle raisers. They also wanted affected communities included as primary project beneficiaries so they would be entitled to a support program which includes allocation of 300 hectares for a community reforestation project, and participation of all affected sectors in monitoring the GTNLC project monitoring.

Despite strong opposition to the GTNLC project and the ongoing processing of environmental

requirements, the BAI proceeded to develop the contested site. Crops planted by the affected families were plowed and grazed by a flock of sheep. Infrastructure was set up and armed guards deployed to secure the project area and keep farmers away.

Acting on the complaint of affected families, the DENR ordered the BAI on January 7, 1997 to stop all GTNLC related activities for violation of Presidential Decree 1586, which provides for an Environmental Impact Statement System. The DENR's Environmental Management Bureau (EMB) inspected the site and recommended that: BAI first conduct an in-depth study on the potential environmental impact and social acceptability level of the project; that all project activities be suspended until the issuance of an ECC; that BAI officials be investigated administratively for possible violation of PD 1586; and that the issuance or non-issuance of ECC be finally decided because of the GTNLC project's location in two environmentally critical areas.

Finally, DENR served a Notice of Violation on BAI on June 4, 1997 for violations of PD 1586 and Department Administrative Order (DAO) 37 series of 1996. The BAI was ordered to cease and desist from all activities in the contested area, and to pay a fine of P50,000. The DENR also disapproved BAI's succeeding request for site and infrastructure development and ordered it to allow cultivation in the contested area while the ECC is being processed.

But a double whammy snatched victory away from the affected families. Just when the EMB had already organized a review committee to conduct an EIA of the project, the DENR's own regional office suddenly issued an ECC on August 04, 1997 that blatantly violated DENR's own policies: only EMB can conduct an EIA, which will be the basis of ECC issuance or non-issuance, if the project in question is environmentally critical and located in an environmentally critical area. At the same time, a campaign of harassment was intensified and the affected families found themselves pitted against each other. They psyched themselves up for a violent confrontation as a last resort, but the tired, harassed and internally polarized complainants later gave up. They decided to negotiate with BAI.

They accepted BAI's offer of a new 1-hectare farm site and 1 head of cow for each family. But since the farm sites being offered to them were not fit for agricultural production, they opted to have two heads of cows instead. They did not have much choice.

It was not a losing fight, though. The campaign had exposed the inequitable distribution of land in General Tinio and the irreversible effects of open cattle grazing in the area. Upland families found out that the cattle ranchers' ownership claim to their grazing areas are only temporary stewardships that are about to expire. This expose and discovery prompted DENR Undersecretary Delfin Ganapin to issue a Department Administrative Order for the nonrenewal of expiring PLAs and FLGAs not only in General Tinio but in the whole country. And UPPAK, which shifted its campaign to equitable land distribution, was awarded more than 1,000 hectares for a community-based forest management project.

Looking back, the campaign could have been won through the EIA system. But again, the powerful stakeholders on the other side would stop at nothing to push the project. And most of the time, the government would oblige. As in General Tinio, the communities had nothing to rely on but themselves to protect their living space.

As for the GTNLC project, the cows have to survive on water and forage that must be transported from other areas because of a perennial water shortage. The affected families were proven right after all, and that gave them a sense of victory somehow. Meanwhile, life had to go on. They opened new farms (read: squatted) within the PRFR and FMMR area. Perhaps the cows won't catch up with them this time. But then again, burger sales are increasing.

### **The second battle of Manila bay**

Besides boasting of having the most beautiful view of the setting sun and hosting several ports where hundreds of sea vessels dock and sail out everyday, Manila Bay is also intricately woven into the rich tapestry of Philippine history. Perhaps the most easily recalled event is the "Battle of Manila Bay" where Admiral George Dewey routed the Spanish armada and started the great American assimilation of their little brown Filipino brothers. Today, another battle is raging. But there will be no armadas to sink and admirals to call the shots. This battle is between the rickety bancas of small fisher folks and the techno-savvy commercial fishing vessels of moneyed capitalists.

An average of 25,046 metric tons of fish are caught annually in the Manila Bay area. This represents 2.8 percent of the country's national fish production and is shared by 300,000 fisherfolks and their families and 1,400 commercial fishing vessels. What ignited the war is who gets more of the dwindling fish catch, who is to blame for this, and what should be done to reverse this trend.

From 1992 to 1995, a Resource Ecological Assessment was conducted in the Manila Bay area by the Department of Agriculture, the Bureau of Fisheries and Aquatic Resources (BFAR), and the Mandala Development Corporation. The study that was funded by a loan from the Asian Development Bank generally concluded that Manila Bay is in a



critical ecological condition. The destruction of Manila Bay's habitat and the depletion of its aquatic resources were primarily caused by the extensive and destructive practices of commercial fishers, the study said.

That Manila Bay is overfished and over exploited is a fact. What used to be a small fisher folk's average daily catch of 50-80 kilograms has alarmingly dwindled to 3-5 kilograms. That is if they are lucky enough. In fact, the DA issued Fisheries Administrative Order (FAO) 175 in 1991, ordering a 5-year ban on commercial fishing in Manila Bay. But this was not implemented owing to strong opposition of LGUs in the Manila Bay Area.

Taking off from FAO 175 and pressed by the urgent need to protect their main source of livelihood, the Kalipunan ng mga Maliliit na Mangingisda ng Manila Bay or KALMADA launched a campaign to declare a 9-month "closed season" on all forms of commercial fishing specifically the use of trawls, motorized push nets, Danish seines, and super lights in Manila Bay every year for seven years. This was stated in a draft Sarado Manila Bay Fisheries Administrative Order (SMB FAO) that also includes the establishment of a Manila Bay Management and Development Task Force and the imposition of stiffer fines on all violators.

KALMADA argued that only commercial fishing vessels should be banned because their technology and capital had enabled them to freely and uncontrollably deplete Manila Bay's resources. On the other hand, small and subsistence fishers fish mainly on municipal waters and rely on traditional fishing methods.

A case in point on the commercial fishing vessels' unfair competitive advantage is the use of super lights or metal halide lights powered by generators, batteries or dynamos in attracting schools of fish. Section 93 of the Fisheries Code prohibits the use of super lights in municipal waters and bays. In fact, super lights should only be used in special economic zone areas that are located 200 kilometers away from the shoreline. However, the powerful intensity of super lights operating outside municipal waters can still effectively attract fish within municipal waters. On the other hand, small fisher folks only use ordinary incandescent bulbs and petromax lights. There are currently 944 registered commercial<sup>7</sup> fishing vessels operating super lights in violation of Republic Act (RA) 8550.

<sup>7</sup> Volt Contreras, "Manila Bay Dying From 'Light Fishing'" in the Philippine Daily Inquirer, 11 August 2000.

KALMADA's campaign from mid-1998 until early 2001 helped produced tangible results that they hoped would lead to the closure of Manila Bay to commercial fishing. On May 08, 1998, the DA (Department of Agriculture) finally issued DAO 03, which is the Implementing Rules and Regulations of RA 8550. On May 1999, the coastal municipalities of the League of Municipalities of the Philippines (LMP) called for the immediate drafting of guidelines for the delineation of municipal waters. The DENR's National Mapping and Resource Information Authority (NAMRIA) then issued the initial technical guidelines in accordance with Section 123 of RA 8550 which is based on the Archipelagic Principle.

The legal basis of the Archipelagic Principle is imbedded in Article 3 of the 1987 Constitution which states that, "The national territory comprises the Philippine archipelago, with all the islands and waters embraced therein... The waters around, between, and connecting the islands of the archipelago, regardless of their breadth and dimensions, form part of the internal waters of the Philippines". The unity of land, water and people into a single entity is the underlying principle of an archipelagic state. And this unity serves as the basis in determining the landmass that is equivalent to bodies of water. Because of this principle, the proportion of water to land has been prescribed for all archipelagic states under international treaty limits.

KALMADA's campaign has spread beyond the shores of Manila Bay. On October of 2000, then President Joseph Estrada directed the DA and DENR-NAMRIA to implement the technical guidelines. But as fate would have it, President Estrada was ousted by a protest movement that came to be known as EDSA II. The political events of 2001 forced KALMADA to lay low for a while, but took up the campaign again when then DENR Secretary Heherson Alvarez issued DAO 2001-17. What has become to be known as DAO 17 is actually the final version of the guidelines issued by then President Estrada.

According to DAO 17, the reckoning point of municipal waters should be 15 kilometers from the general coastline — a provision that KALMADA believes will effectively close down Manila Bay to commercial fishing. However, contentions on how the 15 kilometer range should apply to municipalities with off-shore islands have polarized the position of commercial fishers against that of small fisher folks. In July 2001, a big group of commercial fishers called as the Alliance of Philippine Fishing Federations, Inc. (APFFI) filed Civil Case No. 01-

102-MN for the prohibition, issuance of a temporary restraining order, and preliminary injunction on the implementation of DAO 17. In the House of Representatives, APFFI allies filed Committee on Appropriations Resolution 2001-01 declaring "legal infirmities" in DAO 17 and recommending its revocation. In response, KALMADA forged a strategic partnership with the League of Municipalities of the Philippines (LMP) and the NGOs for Fisheries Reform (NFR) to pursue implementation of DAO 17 all over the Philippines. This coalition became known as the Movement for DAO 17 or M17.

In lieu of the snowballing opposition to DAO 17, statements of support came from NGOs and POs, LMP chapters, the Vice-Governors League of the Philippines and the League of Provinces. Even the BFAR director who was seen as an opponent of DAO 17 was forced to issue a declaration of support. And in January of 2002, Antique became the first province to implement DAO 17 in its jurisdiction when all its coastal LGUs started the delineation of their municipal waters. This was subsequently followed by the towns of Pio V. Corpuz and Cataingan in Masbate, all coastal LGUs of Surigao del Norte, and the city of Manila.

DAO 17 has become a watershed legislation not only in the Philippines. Rokhmin Dahuri, then the Minister of Marine Affairs and Fisheries of Indonesia, hailed DAO 17 as a landmark action. In June 2002, participants to the First Conference of Archipelagic States declared support for the use of the Archipelagic Principle in delineating municipal waters. At the World Summit on Sustainable Development, Secretary Alvarez was also asked to convene an Asian meeting to discuss DAO 17. He was also invited to speak on DAO 17 at a meeting of the International Coastal Resources Initiatives.

DAO 17, however, would also prove to be Secretary Alvarez's downfall. Members of the House of Representatives Committee on Appointments with vested interests in commercial fishing blocked his confirmation as DENR secretary for his refusal to revoke DAO 17. Even DENR's budget was not spared by some members of the House of Representatives. Finally, President Macapagal-Arroyo replaced Secretary Alvarez in December 2002. Agriculture Secretary Leonardo Montemayor, who supported DAO 17, was also replaced. It was a terrible day for Manila Bay.

The new DENR Secretary, Elisea Gozun, was confirmed by the Commission of Appointments on

March 19, 2003, two days after she issued DAO No. 2003-07 effectively revoking DAO 17. Secretary Gozun also passed on to the DA the responsibility of delineating municipal waters. It was again a victory for the commercial fishers. For KALMADA, it was a blatant sell-off.

With the ball in its hands, DA issued DAO 01-04 on April 2003 for the delineation of municipal waters for both LGUs with and without offshore islands. To KALMADA and other organizations of small fisher folks, the DA guidelines are a watered-down version of DAO 17. They rejected it and called for the total adoption of DAO 17. And for this, they have armed their small boats and their strong hearts for another battle of Manila Bay.

Today, the battle is in court. The commercial fishers and BFAR have filed a petition at Branch 74 of the Malabon Regional Trial Court to clarify the terms used in the delineation of municipal waters. KALMADA and other groups of small fisher folks have also filed a motion to intervene in the case. Whatever the outcome of the case, KALMADA believes it has won the battle. What has been delineated through DAO 17 will remain as it is. And it has forged strong linkages with the LMP and NFR for the many more battles around policy, political trade-offs, and control of fishing grounds.

With support from PRRM, the 6,000 members of KALMADA in 19 municipalities/cities in the Manila Bay area are showing the government and the world what can they do. Their members have reclaimed and maintain a 50-hectare fish sanctuary and a 25-hectare mangrove forest in Orion, Bataan, and another 50 hectares of marine reserve in Maragondon, Cavite. In 1999 alone, their 285 deputized Bantay Dagats apprehended 316 commercial fishing vessels for violations of RA 8550 and collected a total of P1,351,500 in fines.

The campaign was a well-learned lesson for KALMADA. To win a battle, one has to fight on many fronts. In this case, all legislative, executive and judicial arenas were battlegrounds. With this in mind they shift their campaign on municipal water delineation at the LGU level and prepare for the impending review of RA 8550 — where the sharks of commercial fishers are expected to prey — and another encounter with the big commercial fishers. And maybe after this another great big battle, the most beautiful sunset in the world will never set on Manila Bay again.

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# Will Job Generation Impact on Environment?

By Magdalena C. Monge, Dante O. Bismonte, Joselito Gonzales and Amor R. Cabico\*

Like the national government, the Bicol Regional Development Council (RDC) puts poverty reduction as its overriding goal, and job creation its centerpiece strategy.

The Bicol Medium Term Development Plan for 2005 to 2010 aims to reduce poverty incidence by family proportion to 26 percent by year 2010 from 46 percent in 2000<sup>1</sup>.

The plan aims to generate around 600,000 jobs in the next six years. Mining is seen as a major source of new jobs. Mineralized areas will be opened to large-scale mining investors in line with the President's vision that the country can become the fifth mining power in the world. The plan also identifies agriculture and fisheries as the main contributors to economic growth.

Bicol has long been the country's source of gold, fish, rice and coconut yet it remains one of the poorest regions. Worse, its ecosystems are degraded and may not sustain the demands of an increasing population.

Mining may bring in jobs and revenues, but also destroy the upland areas as well as the

lowlands and coasts. Improving on agriculture seems to be a better alternative if it utilizes environment-friendly technologies that respond primarily to local food security.

Bicol must learn from the Marinduque mining disaster in the 1990s and the recent Quezon tragedy in 2004. The natural resources here were exploited for short-term economic gains and in disregard of sustainable development.

## The Bicol face of poverty

Almost half or 46 percent of Bicolano families live below the poverty threshold in 2000, according to the Family Income and Expenditure Survey. This makes it the second poorest region after the Autonomous Region of Muslim Mindanao (ARMM)<sup>2</sup>. There were 2.6 million individuals or 413,513 families who were poor. The largest segment of the poor is in the province of Masbate which, along with Camarines Norte, belongs to the top 10 poorest provinces. The region's annual per capita poverty threshold is P11,524 (2000). Only 40,510 families "graduated" from poverty since 1997.

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Bicol's 4.7 million population in 2000 is expected to grow to 5.2 million by year 2005. The additional half million people would need additional food, homes, schools, and health services. More than 15,000 students in the elementary and high school are added to the school-going population yearly but the teaching force and physical facilities are not correspondingly expanding<sup>3</sup>. The rising population level also means added pressure on the environment.

In 2003, 34 percent of preschoolers were severely and moderately malnourished owing to inadequacy and deficiency of food intake, recurring infections and poor environmental sanitation and large family size. Only 66 percent of the population had access to safe drinking water in 2000. Under-five child mortality increased from 1998 to 2003 due to inadequate and inaccessible health facilities and personnel, especially in remote areas.

In 2003, Bicol had over 2 million people in the labor force, of which 171,000 were unemployed, mostly men. Women were absorbed more in the low-earning informal economic sectors. Agriculture employed more than 40 percent of the labor force. Retrenchments in the services (trade, transportation and communication) and industry sectors (construction, manufacturing and mining) increased the unemployment.

**Poverty reduction in the next six years**

The RDC's battlecry is ORAGON! or One Region Accelerating Growth through Optimum Use of Natural Resources. It captures the strategies outlined in the Regional Medium-Term Development Plan (MTDP) for 2005 to 2010.

To propel growth in agricultural production, Bicol will be developed into the food basket of Luzon.

In terms of job creation, however, the highest contribution will be generated from the tourism and housing sectors, followed by trade and investment promotion. There is no estimate yet on the contribution of the infrastructure sector.

Sector	Target No. of Jobs
Trade and Investment Promotion	95,700
Agribusiness	33,757
Environment and natural resources	12,050
Housing	152,344
Tourism	231,000

*Taken from the RDC Plan 2005-2010*

The environment and natural resources sectors are expected to provide only about 12,000 jobs.

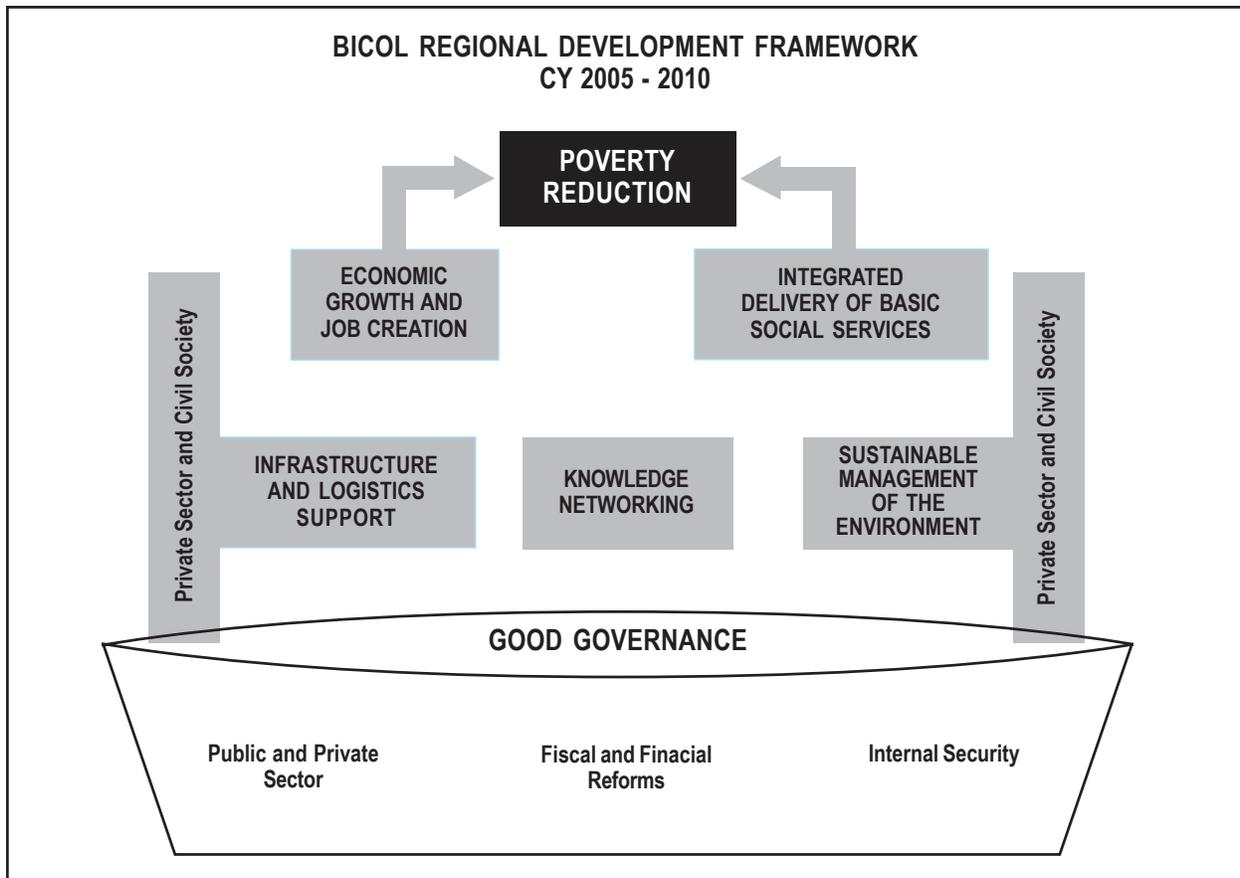
Environment and Natural Resources	Target No. of Jobs
Land surveys	840
Land distribution	60
Community-based forest management (as agribusiness)	990
Forest products utilization	1,200
Grazing lands	2,610
Mangroves development	4,350
Mineral industry (large-scale)	2,000
Total	12,050

*Computed from the RDC Plan 2005-2010*

Not only is Bicol region one of the poorest, its rich-poor gap is among the highest. It registered a gini coefficient of .45 in 2000, much in the same level as the country's.

Environmental decline has not been arrested. Anti-poverty strategies like productivity enhancement had a negative impact on the environment. The current agriculture systems and mining technologies had degraded the land and water resources jeopardizing hopes of sustaining food production and restoring a balanced environment. Ricelands have been degraded, crops like abaca infested, coconut lands reduced, and fish stock nearly depleted.

The Medium-Term Development Framework incorporates sustainable management of the environment. It looks good on paper. But experiences with past development strategies lead most Bicolanos to question its reliability. With the MTDP framework comes the development target. The Bicol region will be developed in relation to the rest of Luzon as a geothermal energy producer, agri-industrial production center, mineral-based production center, food basket of Luzon, ecotourism destination, and as south Luzon's gateway to Visayas, Mindanao and the Pacific. Economic growth and job creation will greatly depend on agri-industry and natural resources assessed to be the region's competitive advantage. Pili, pineapple, abaca, furniture, marine products, coconut, ceramics, and bamboo are among them. The problem here lies with the kind of technologies to be employed in order to meet the demand for outside market. Reliance on inorganic agriculture technologies is one. Production will surely demand mono-cropping and plantation type farming which will again not meet the diverse food needs of the household, reinforcing malnutrition.



Minerals of course are another focus. Mining is environmentally destructive, especially in areas that could perpetually react to heavy metals polluting soils and water systems. This hazard is a character of the Philippine archipelago, according to authorities in natural sciences. Large-scale mining projects will be opened in Rapu-rapu Island, Albay and Aroroy, Masbate. Meanwhile, explorations are being undertaken in Ragay-Del Gallego, Camarines Sur and in Larap, Jose Panganiban, Camarines Norte. Small scale mines will also be developed in the Gold Rush areas of Masbate, clay mines in Siruma, Camarines Sur, Paracale-Jose Panganiban and Larap.

Pollution, waste and other environmental problems are expected to arise with the establishment of these economic zones:

- Bicol Regional Agri-industrial Center in Legazpi City
- Legazpi City Special Economic Zone
- Tiwi Ecozone in Tiwi, Albay
- Global Industrial Maritime Complex in Jose Panganiban, Camarines Norte
- Bicol Industrial Park in Bula, Camarines Sur
- Isarog Heights Special Economic Zone in Pili,

Camarines Sur

- Naga Agro-industrial Center
- Sta Rita Industrial Park in Pili

At first glance, calculated revenues from minerals and ecozones could be staggering, but can the poor directly benefit from them? What impact will agriculture, industrial parks and mining create on air, water, forests, coasts, rivers, biodiversity, climate and lowland areas? How many rural people will be displaced to accommodate these so-called economic investments? Can Bicolanos find relief from poverty and still live in a balanced environment, come 2010 or 2015?

### **The state of the Bicol environment**

Bicol is a mixture of ecosystems consisting of forests, marginal lands, lowland/agriculture ecosystem, urban ecosystem, freshwater ecosystem, coastal and marine ecosystem, coral reef, seagrass and soft-bottom, and island ecosystems<sup>4</sup>. This ecosystems mix covers the entire region (total land area of 1,763,249 hectares). The region has four mainland provinces: Camarines Norte, Camarines Sur, Albay and Sorsogon; two island provinces: Catanduanes and Masbate. It has seven cities:

Naga and Iriga in Camarines Sur; Legazpi, Ligao and Tabaco in Albay; Sorsogon City in Sorsogon and Masbate City in Masbate. It has a total of 14 Districts, 107 municipalities and 3,471 barangays.

In the last decade from 1992 to 2001, Bicol lost 34,250 hectares of forest reserves. These are 17 protected forest areas and watersheds with a total area of 60,486 hectares that include Mayon Volcano National Park, Mt. Isarog Natural Park, Bulusan Volcano National Park, Bicol National Park, Libmanan Caves National Park and Caramoan National Park, among others.

Category	1992	2001
Classified Forest Lands	484,086	511,316
Established forest reserves	104,189	69,939
Established Timber Land	351,420	412,996
National Parks, Game Refuge & Biodiversity Sanctuaries & Wildlife Areas	25,276	25,276
Civil Reservation	159	63
Fishpond	3,042	3,042

The rate of forest degradation is 11,172 hectares per year caused by conversion to agriculture, mining, infrastructure and human settlements; fire, calamities and continued illegal logging and utilization of forest products. Most mining areas are located in mountains where there are watersheds. The degree of forest degradation can become tragic as seen in what happened to Real, Infanta and General Nakar in the Quezon province. Bicol has only but half of the ideal forest cover of 60 percent land area to complement its hilly and upland topography, and is a typhoon trail. Remaining classified forest lands only constitute 30 percent, and of the total area classified as such, only one-fifth has actual forest cover<sup>5</sup>. An estimated 12,800 million cubic meters of run-off freshwater are flushed out of forests and watershed areas annually, flooding lowlands and ricefields, and causing sedimentation of coral reefs and coastlines.

Besides the trees and wildlife, traditional Agta (indigenous peoples) communities exercising customary rights over the forest have been dispersed, leading to weakened control over resource use. Forest cover is so diminished it could be likened to buttocks covered by a skimpy t-back.

**Opening wide the mineral areas**

Bicol abounds with 10 metallic (gold, zinc, nickel, lead, iron, etc) and 13 nonmetallic minerals (marble, clay, perlite, limestone, gypsum, guano, bentonite, etc.). Limestone alone constitutes 3.8 billion metric tons, with the largest deposit found in

Camarines Sur. Gold, silver and copper are in Camarines Norte, Masbate and Albay. Almost all provinces have iron deposits.

The bulk of mining in Bicol is in small-scale mining, accounting for a total sales value of P61.99 million, mostly from sand and gravel, aggregates, limestone and clay. There are four small-scale mining districts – in Aroroy in Masbate, Siruma in Camarines Sur, Paracale-Panganiban and Larap in Camarines Norte. Recently opened was the Rapu-Rapu Polymetallic Project. The feasibility study on Masbate Gold project is being finalized. There are ongoing exploration works in Del Gallego-Ragay, Camarines Sur for copper and evaluation of iron deposits in Camarines Norte. The RDC plans to open up at least two large-scale mining areas. There are 319 mining applications covering 558,046 hectares or 33 percent of the region’s total land area<sup>6</sup>.

Small-scale mining has been the bulk of mining activities in the region. The unregulated informal mining sector is providing temporary jobs to 4,000 people. Mining investment in 2001 accounted to P2,750 million, however, with Camarines Norte having most of mines (small & large scales), it is the 10th poorest province in the country. Instead of reduction the poverty incidence in the province increased from 49.7 percent in 1997 to 52.7 percent in 2000. Masbate has a similar situation.

Host mining communities which were supposedly benefited have long been and still are raising relevant issues. There is the case of Goodfound Cement plant in Palanog, Camalig, Albay, blamed for the decreasing water supply in some Guinobatan barangays and the rise in respiratory ailments. However, the DENR said<sup>7</sup> that the company has already gained ISO 14000, a certification of compliance with international environmental management standards.

In Camarines Sur, the Mountain Isarog Natural Park is in peril from treasure-hunting in several protected sites. In the town of Baao, perlite excavated by a quarry operating under a special permit endangers the water supply of barangays downhill. In Camarines Norte, child labor is exploited in the gold mines of Paracale, Labo and Jose Panganiban; besides, vast areas of land are idle because of mercury pollution. In Rapu-Rapu island, abandoned open pit mines remain agriculturally unproductive and threaten inland water bodies and surrounding coasts.

A phenomenon called acid mine drainage (AMD)<sup>8</sup>, typical in archipelagos like the Philippines, is the main reason for productivity loss of abandoned mines. AMD is the pollution of water with high levels of iron, aluminum and sulfuric acid that has long-term devastating effects on rivers, streams, and aquatic life. Mined areas in other parts of the world could not solve this problem.

### Bicol river system is the drainage

The nearest drainage of agriculture, industrial and residential waste is the freshwater ecosystem which encompasses all inland bodies of flowing water (streams, rivers) and standing water (lakes, reservoir, ponds). Above all, these are important resource base for fisheries, agricultural irrigation and even tourism sectors. The Bicol River Basin, with a drainage area of 3,770 km<sup>2</sup>, is eighth in size among the larger river basins in the country. It lies across three provinces, with about 90 percent of the area in the provinces of Camarines Sur and Albay, and the remaining 10 percent in Camarines Norte. Its 1.3 million population depends mainly on agriculture and fishing. About 5,800 fishers are making a living out of the lake systems. With Bicol in the typhoon path, flooding is extensive, aggravated by the tidal backwater effect and storm surges that travel up the river system. This situation also contributes to saline water intrusion, limiting the use of water for irrigation.

Several upper watersheds are degraded, causing an increase in run-off and soil erosion which lead to poor productivity and damage to infrastructure every year. Fish catch has declined in two lakes, Bato and Baa, owing to over-caging, loss of spawning areas and migration routes, and low water level. Lake Baa now nearly disappears in the dry season. A third lake, Buhi, is encountering management problems due to conflicts in increasing water demand from fishery, hydro-power, irrigation and the preservation of the endemic fish *sinarapan*.

Pollution of the lower basin from untreated sewage and industrial wastes from Naga City and urban areas adversely affects the fisheries. The high incidence of water-borne diseases also point to the need for improved rural drinking supply.

### Poisoning of agriculture ecosystem

Agriculture is the backbone of Bicol's economy. Land used for agriculture comprise half (50.76 percent) of the region's total land area. The expanding urbanization, however, has reduced much of previous agricultural lands, thus even forest lands



were converted. The adoption of high-yielding varieties (HYV) by farmers and the wholesale promotion by the government have endangered the ecosystem itself. There was substantial loss in genetic diversity of rice and other common crops. This technology had also required the farmers to use expensive chemical fertilizers and pesticides that contaminated food and water. Intensive chemical use did not only affect the lowland areas but also midland and upland planted to corn and vegetables. Since monocropping was practiced for decades, abaca which had been a Bicol pride easily succumbed to pests and diseases.

Even coconut farmers ceased to diversify crops, hence, valuable land spaces became unproductive with the advent of high-value crops. Most varieties demanded by agri-business corporations were not the same as the traditional varieties that uplanders used to plant. Traditional coffee beans, for instance, lost their market value. To catch up with the trend, farmers focused on more popular crops like pineapple, *ube* and cassava, to the point of clearing trees including coconut just to accommodate sun-loving plant varieties. Coconut tree cutting persisted despite a legal ban because of the low price of copra in the last decade and the greedy tendencies of landowners to get more from their lands subjected to agrarian reform.

Agricultural ecosystems suffered much. Inorganic farming and overcultivation destroyed the soil structure and depleted natural nutrients and organic matter. Farmers blame the monopoly on farm inputs by big corporations for the high cost of production that they sustain through loans. The current farming system has led to food and nutrition insecurity because after each harvest, products are

wholly traded to pay for loans. Because they were conditioned to stick to monocropping practices to attain high yields, farmers have forgotten to plant other crops for their own household needs.

A new threat in the form of genetically modified organisms (GMOs) is now being introduced to local farming communities. Field testing of Bt corn has been completed and the seeds are now in the market. GMOs are potentially hazardous to the environment because they affect the genes of native crops through cross pollination.

Agricultural lands have also been lost due to conversion to residential subdivisions. This is most evident in the cities of Legaspi and Naga, following the trend in developing metro areas. Meanwhile, marginally productive upland areas were cultivated, and forest areas continued to decrease in size.

### Urban ecosystem

Urban ecosystems are centers for human settlements with corresponding support services. The urban areas of Bicol region have a per capita poverty threshold of P13,659. Based on this income level, there were 84,554 families who were poor in 2000. The region now has seven cities, and more municipalities are rapidly urbanizing, giving way to immigration. For 2001 – 2004, the total housing need in the region was estimated at 185,846 units — a housing backlog of 29,256 units and future need of 156,608 units. This translates to an annual housing need of 46,466 units.

Additional housing means more cement, lumber, sand and gravel, iron, steel and other construction materials that need to be extracted from the environment. An urban area also has to deal with the solid and liquid waste generated by residential, commercial and industrial areas. Naga City alone generated solid waste at a rate of 157 cubic meters per day in 1998, which had an increase of 20 metric tons from 1996. Average daily per capita waste generation rate is 420 grams. With an average of five persons per household, each household generates about 2.1 kilograms of solid waste everyday. Thirty five percent of the total garbage collected is from the Naga City Public Market.

To manage the waste problem, an assessment of the environmental conditions of potential sanitary landfill sites is being conducted in Manito, Albay; San Fernando, Camarines Sur, and Gubat, Sorsogon.

Pollution is aggravated by the increased number of transport vehicles in urban areas. Air quality monitoring was conducted in the cities of

Naga, Iriga, and Legaspi, but only Naga has established an airshed multisectoral board.

### Coastal and marine ecosystem

The Coastal ecosystem consists of mangrove, seagrass and coral reefs. Being surrounded by water, Bicol has 16 major fishing grounds along extensive coastlines indented with numerous bays and gulfs. Six of the fishing grounds are among the richest in the country: Lagonoy Gulf, Lamon Bay, Ragay Gulf, Visayan Sea, Samar Sea and Sibuyan Sea. Major marine species caught are *siganids* and tuna. The famous whaleshark or butanding can be seen in Burias Strait. Around 87,000 full-time and 53,000 part-time fishers are dependent on marine fisheries.

The bays and gulfs are mostly characterized by too many fishermen and too few fish. These areas are municipal waters under the jurisdiction of the LGUs but local officials are unable to strictly enforce the law and require license fees and permits. Their catch declining and unable to find alternative livelihood, some small-scale fishers resort to illegal fishing. Competition for resources is tight owing to pressure from uncontrolled migration and poverty in coastal villages.

Conflicts regularly erupt between small-scale fishers and trawlers or bigtime fishers from as far as the Visayas islands encroaching Bicol municipal waters. Organized task forces and deputized fishery wardens are actually experiencing harassment in some hot spot areas, as what happened recently in Donsol, Sorsogon<sup>9</sup>.

Other problems in the coastal areas are pollution from domestic and untreated industrial



waste; siltation owing to deforestation, acid mine tailings, mangrove conversion into fishponds, dredging and infrastructures that crowd out the natural habitat. The discharge from abandoned mines in Rapu-rapu has already affected Lagonoy Gulf, extending to the coastal areas of Sorsogon<sup>10</sup>. San Miguel Bay coral reefs in Camarines Sur are heavily sedimented, particularly in the area where the Bicol river drains. The El Niño in 1998 also contributed to the bleaching of coral reefs located in areas facing the Pacific Ocean.

There are 35 marine protected areas (MPAs) in Bicol but only 14 are considered operational<sup>11</sup>. The Bicol University is leading in managing MPAs in partnership with LGUs and BFAR since it is a strategic response to address the dwindling marine resources. One MPA is the San Miguel Island Marine Fishery Reserve in Lagonoy Gulf, endowed with vast coral reefs and seagrass/algal beds. One square km of healthy coral reef produces 20-35 metric tons of fish each year, enough to feed 400-700 Bicolanos.

### **Problem with environmental law enforcement**

Environmental law enforcement remains a problem, partly because of corruption and lack of legal support from the agency itself. The DENR reported in 2003 that more than 500 cases have been filed against forestry, fishery and other environmental law violations, yet very few cases prosper because prosecution is basically weak. After filing of charges in court, the DENR routinely leaves the task to public prosecutors.

However, the Tanggol Kalikasan said there are fiscals who are actually handicapped on environmental laws. This problem is aggravated by weakness in the presentation of witnesses and evidence. But the worst problem is with prosecutors and judges who accept protection money. In the case of Mountain Isarog Natural Park, a recent fact-finding mission found out that a municipal trial court judge is the operator behind a treasure-hunting excavation within the protected area<sup>12</sup>.

### **DENR's assessment**

According to DENR Regional Executive Director Oscar M. Hamada, the region's present environmental state is a result of composite factors<sup>13</sup>. Among these are the periodic typhoons that causes heavy damage to forest and coastal resources, including lowland areas; prevalence of poverty, prompting many poor people to illegally cut trees from the forests, engage in *kaingin*, gather forest products and overexploit the already diminished natural

resources; burgeoning population many of them unemployed and without viable livelihood; and a profit-centered approach to entrepreneurship without due regard for the health of the environment, resulting in massive exploitation. Wrong values of people are also being blamed.

The DENR admits that on its own, it has limited budget and manpower. Since it could not do the job alone, the agency has embarked on networking and partnerships with Department of Interior and Local Government (DILG), LGUs, NGOs, POs, and academic institutions. Co-management approaches are expected to create jobs and improve forest cover as a result of localized and increased investments by LGUs and private sectors in forest plantations.

### **Past ecological interventions**

In the last decade, the ecosystems and protected areas received varying levels of intervention by the government, civil society organizations and the enlightened corporate sector.

According to the DENR 2003 report, the agency gave priority to communal forests, community watersheds, greenbelts, tree parks and reforestation areas. From 1989 to 2003, it reforested 14,398 hectares of uplands. Eighty-one Integrated Social Forestry Programs were established to prevent further *kaingin* and shifting agriculture. In 1997, the agency launched the Community-Based Forest Management Program where communities are given the privilege to manage and rehabilitate, allowing them to benefit from its forest products. Thirty-eight CBFM Agreements were forged, supported by 57 people's organizations covering 42,752 hectares. The ecosystem approach was adopted for 14 watershed areas. To conserve biodiversity, 14 Protected Area Management Boards were strengthened. Greening programs in urban and rural areas were intensified with the establishment of 31 mini-forests. Land owners were also encouraged to plant trees resulting in 1,853 hectares of private tree plantations.

To improve forest protection capability, 10 multisectoral forest protection committees representing varied sectors were organized to track illegal activities. More than 500 cases of Forestry Code violations were filed in court. Staff of LGUs, NGOs and POs were trained to evaluate sites and inspect accomplished activities.

To mitigate air and water pollution, DENR worked with LGUs on anti-smoke belching campaigns, air and water quality monitoring. Surface water bodies in 25 classified rivers were regularly

monitored. It also supported the LGU waste management programs.

Several nongovernment organizations have provided interventions to protect the environment. Each has varying level of resources, some operate in a single large or small location, some have scattered pilot communities, and others covered the entire region through networking. Below are examples:

Organization	Program Intervention on Environment	Location
CARE Phils	Sustainable management of Mt. Isarog territories	Mt. Isarog Natural Park, Camarines Sur
Plan International Bicol	Sustainable livelihoods for communities and families of sponsored children, theater arts among children	Bicol National Park, Mt. Isarog Natural Park
Philippine Rural Reconstruction Movement (PRRM)	Capability building, organizing of resource management councils	Jose Panganiban, Paracale and Labo, Camarines Norte Rinconada District, Sipocot & Libmanan, Camarines Sur Tabaco, Bacacay and Mallipot, Albay
Movement for Accelerated Development Efforts in Bicol (MADE)	Nursery and agro-forestry	Pili, Camarines Sur
Tanggol Kalikasan (TK)	Environmental law education; legal assistance; media advocacy	Legazpi city-based with current networking efforts in Mt. Isarog, Mt. Bulusan Sorsogon, Tabaco, Catanduanes State College, Camarines Sur State Agril College
Haribon Foundation for the Conservation of Natural Resources	Information and capability building	Coordinating with the Camarines Sur State Agricultural College
CSSAC Development Foundation Inc.	Researches and advocacy	Pili, Cam Sur
Hiwas Catandungan	Volunteer mobilization for environment advocacy	Virac, Catanduanes with provincial scope
Coalition for Bicol Development (CBD)	Environmental advocacy	Naga City with regional scope
Institute for Environmental Conservation and Research (INECAR)	Environmental natural science researches	Ateneo de Naga University with regional in scope
Social Action Center (SAC) of Legazpi	Community organizing and advocacy	Legazpi City with provincial scope
Social Action Center (SAC) of Sorsogon	Community organizing and advocacy	Sorsogon City with provincial scope
Prelature of Libmanan Development Foundation, Inc. (PLDFI)	Community organizing and advocacy	Libmanan, Cam Sur
Camarines Sur Social Action Foundation, Inc. (CASAFI)	Community organizing and advocacy	Naga City with provincial scope
Socio-Pastoral Action Center Foundation, Inc. (SPACFI)	Community organizing and advocacy	Daet, Camarines Norte
Pook Mirasol Center for Appropriate Technology (POMCAT)	Mitigating Greenhouse Gas Emissions through the Use of Renewable Energy Resources	Basud, Daet, Labo & Mercedes, Camarines Norte
World Wildlife Fund	Conservation program in whaleshark area of Burias pass	Donsol, Sorsogon
TAMBUYOG	Coastal resources management	Sorsogon
Center for Community Development	Community organizing	Ateneo de Naga
Naga City People's Council	Environmental advocacy	Naga City

Data were taken from the series of consultations, meetings and workshops where the writer had participated<sup>14</sup>

There are no consolidated data on the outputs or impact of NGO interventions on poverty and environment. However, the NEDA Regional Director, Marlene Rodriguez, said that environmental projects and advocacy of NGOs really counted particularly in the area of public awareness and advocating commitments from among LGUs<sup>15</sup>.

On the other hand, there were numerous community-based organizations (CBOs) which actually provided significant contributions in rehabilitating forests and coastal resources, and guarding them from illegal activities to the point of risking their lives. In most cases, these CBOs started only as mere recipients of government and non-government projects, expecting some material monetary benefit that would gradually wean them away from total dependence to natural resources extraction. Through education and exposures, there were exceptional community leaders who had developed a deeper level of commitment pushing them to defend their efforts in the face of corrupt and sometimes armed environmental adversaries<sup>16</sup>.

The people committed to environmental protection remain poor today despite protecting the trees, coasts and biodiversity. Worse, they are subject to life threatening situations. There are deputized officers and organizations like DENR forest rangers, the forest and coastal wardens, and the community-based environmental groups. In the course of their duty, there are many of them whose lives and dignities are threatened with counter-lawsuits, and physical and mental harassments.

### Challenges: Alleviating poverty by preserving the environment

Bicolanos want sustainable development, through environmentally sound practices that would maintain and enhance the productivity of the resource base ultimately leading to improvement of income and general quality of life. However, time seems to be running out for the government which seeks to address poverty in order to graduate a significant number of poor families from the state of being poor to non-poor. This is the general objective of the Bicol Development Plan for 2005 – 2010. But upon careful examination of the strategies for poverty alleviation, there are significant components that will not really lead to sustainable development. Agriculture and mining are definitely problematic.

In the last quarter of 2004, a series of consultations and workshops were initiated by different sectors, both public and private, in the Bicol region. The civil society organizations (CSOs) have initiatives parallel to the government's call, through NEDA

and DILG, for the newly installed governors and mayors to incorporate the MDGs in their plans and programs, with poverty alleviation as priority concern. CSOs have much to do in influencing the government decision makers from the level of the Regional Development Council down to the provincial, city, municipal and barangay levels of governance, where the real battle is fought.

### **Mining for domestic industries, or else**

Sensitive issues like mining could not wait to be implemented while glaring negative impacts of past and current similar projects are being suffered by several communities in the region. In all of the forums where CSOs discuss environment, further destruction is viewed to be leading to tragic incidents like the one experienced in Quezon, Nueva Ecija, Aurora, and recently in one coastal town of Camarines Sur<sup>17</sup>.

The Philippines may become the 5th mining power in the world<sup>18</sup> as the country ranks 3rd in gold, 4th in copper, 5th in nickel and 6th in chromite deposits. But Filipinos may also become the poorest people living in the worst degraded environment. Generating a measly 2,000 jobs for the Bicolanos out of mining at the expense of the various ecosystems will not resolve the problem of poverty. It is hard to risk the remaining forests, regenerated farmlands and marine resources because definitely, clean air, fresh water and food security are basic necessities for human survival, and even for assured quality life.

There are various stands on mining but a group of CSOs under the Bicol Environment Advocacy Network (BEAN) pushes for the indefinite prohibition of opening new mining areas anywhere in the region. They are demanding for the strict enforcement of laws in existing mines and eventual closure for violators<sup>19</sup>. However, one private sector representative to the RDC is considering mining strictly for domestic needs and not the raw ore and mineral demand of export market. The Mines and Geosciences Bureau can be more active assisting village level projects that support agriculture instead of large scale and environmentally hostile mining projects. Red clay, ball clay and diatomite are used in pottery and earthen wares that serve as container gardens, vermicomposting vessel (excellent for growing earthworms for fertilizers and feed additives for fish and poultry), jars as water vessels instead of plastic jugs, and clay vegetable refrigerators. Clay is also best for bricks and roofing tiles (for housing construction), stoves and ovens, and rice hull carbonizers. Silica is used for glass wares (for processed food containers), laboratory equipments, and additional ingredient for ceramics. Iron will best serve the fabrication of farm and garden tools, agricultural equipments and implements (coco fiber decorticators, pilinut crackers, water pumps, and rice mills), housing and building construction.

Institute for Environmental Conservation and Research (INECAR) of Ateneo de Naga, on the other hand, strongly suggests the recycling of



metals which are abundant in dumpsites. This is a better alternative in support to importation of important metals which are mined from large continents of the world where AMD is not a phenomenon and environmental regeneration is possible. Recycling may be costly, but still far outweighs the loss of forests and destruction of agricultural and coastal ecosystems. Simple lifestyles like the abandonment of jewelries will prevent more mining of gold. Regulated construction of buildings like essential shelter only can save much on the cutting of trees, quarrying of limestone, and mining of marble and iron ores. It will also trigger the narrowing of gap between the rich and the poor by preventing affluence in society.

### Local industry and agriculture complementation

The Industry Sector can support the Agriculture Sector. Organic rice farming is one best example where investors would be creating a very strong use of his capital in mobilizing local labor – to produce organic fertilizer, indigenous planting materials and improved farming practices. It also saves the community from toxic chemicals used by conventional farming. On top of it all, the workers become healthier than before while the investor gets a good value for his/her money without brain drain or capital flight.

Incentives and support must be given to industries and farmers working to arrest malnutrition. Bicol is rich in indigenous nutritious foods that can be produced at the level of rural households, and even in volume to supply urban centers,



through organic farming. This is why CSOs are united in calling for the banning of GMO production anywhere in Bicol region because manipulation of genes is not necessary to produce high yielding and resistant crops. Rather, retrieval and propagation of traditional rice varieties, vegetables, fruits and other food crops must be given attention.

Government subsidies to organic farmers must be provided. The National Food Authority, for instance, should set-up a special procurement fund for organic rice and corn. Highly diversified farms and gardens instead of market driven monocrop farms must be supported by the Department of Agriculture and LGUs with appropriate research and development. A genetic pool especially accessible to farmers must complement the Research and Development (R & D). Sustainable agriculture concepts, methods and strategies must be institutionalized at all levels, including mandatory patronage of compost and other soil supplements produced by local manufacturers. For consumer protection, local monitoring and product standardization bodies for locally produced organic foods, compost and soil supplements will have to be set-up.

To support the composting industry and comply with the Clean Air Act, local ordinances must reinforce the prohibition in burning rice straws and rice hulls, instead, actively promote carbonization projects to produce fertilizers and generate jobs.

### Agricultural lands and watershed Protection

To insure food sufficiency and water supply, agricultural lands and watershed areas must be protected against non essential land development projects such as residential subdivisions, commercial complexes and mining. Mandatory production in agricultural lands that is idle can be made and penalties to land owners who keep their lands unproductive should be imposed. Indigenous (native) tree species must be used for watershed and forest rehabilitation. Surrounding farms adjacent to protected areas must have mandatory adoption of sustainable agriculture sloping agriculture land technologies.

The rights of community dwellers to enhance income through Community-Based Forest Management must be guaranteed.

### Building the nature-based industry

A new type of investment will emerge as people become more nature friendly. Small capital is necessary to establish the following enterprises:

- plant nurseries of indigenous plant species

- (food crops, medicinal plants and forest species)
- animal nurseries of indigenous animal stocks (poultry and swine, cattle and small ruminants)
  - permaculture farms (organic fruits, vegetables, cereals and animals integrating the highest possible number of animals and plant species)
  - production plants of natural plant extracts for pesticides and medicines
  - feedmills
  - urban outlets of organic products and restaurants of organic foods
  - agri and eco-tourism packages

Industries must be powered with renewable energy resources such as microhydro power plants, rice hull gasifiers, biogas digesters, and solar home systems among others. Investment on rural electrification should make use of cleaner energy sources. This must be coupled with the establishment of permaculture habitat models at the village clusters to promote sustainable agriculture, decent housing, clean energy, and food sufficiency.

Poverty and environmental degradation are interrelated. The Marinduque and Quezon tragedies should serve as deterrent to Bicol region. A great majority of the country's poor are in the rural areas, earning their living from the natural resource base. It is this important to protect and conserve the life support systems if the goals of providing sustained livelihood and generating economic growth are to be achieved.

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## Luklukan Sur Learning the Hard Way

**B**arangay Luklukan Sur is a coastal barangay north of the town of Jose Panganiban, Camarines Norte. Jose Panganiban is adjacent to the province's "gold country," the municipality of Paracale. Gold mining is a primary source of income in Luklukan Sur and the adjoining barangays as far as the town of Labo, making Camarines Norte a major mineral producer. The province has a great quantity and diversity of metallic and nonmetallic mineral deposits such as gold, silver, iron, lead, zinc, white clay, diatomite and limestone<sup>1</sup>. The long history of mining in this province, however, has not brought quality life to the local people. Camarines Norte, in fact, is the tenth poorest province in the country<sup>2</sup> and has the lowest life expectancy among Bicol provinces at the level of 65.75 years<sup>3</sup>.

Luklukan Sur mirrors the poverty and degraded environment characteristic of other mining areas of the province. Houses are predominantly wooden or of mixed wood and concrete, only some few are of concrete. They have appliances and toilet facilities but others have no toilet at all. The only major livelihood at

present is mining because harvest in the farm is poor and fishing has also declined. Child labor is common, as children are attracted to work in the mines because of the wages; thus, many have lost interest in going to school. Nevertheless, a Philippine Rural Reconstruction Movement (PRRM) project on education on children's rights and welfare has changed this trend these past years.

Mining in this place started with the Americans. Mercury was used to extract gold from ores. Tunnels were dug and forest trees were cut to provide posts and other support for tunnels. Eventually, the expanding families of the early settlers also ventured into mining and used mercury. Due to lack of equipment, they resorted to digging ratholes — big enough to contain a person. Usually, when the mine site contains groundwater, and the rocks are broken through dynamite

blasting, a person fitted with a goggle and a hose attached to a compressor to breathe, is lowered to collect the fragmented rocks. This process takes three hours in some cases. In a roughly built hut, the ores are processed through panning and amalgamation with mercury. Then a blue flame torch is applied to the amalgam to separate mercury from the gold. This is the process that has since contaminated the soil, water and air with the heavy metal<sup>4</sup>.

Small-scale miners are currently organized and do not allow nonresident miners. The leader of another organization composed of women claimed that given the limited number of extractors, the benefit from gold ores would last longer.

To avoid further contamination and pollution from mercury and possibly from cyanide, the residents barred the establishment of a mine tailings processing plant in the barangay. The gold ores from Luklukan Sur are processed in Barangay Tugos, Paracale. One processing plant operator in Tugos is a resident of Luklukan Sur<sup>5</sup>.

Some households survive through *sarisari* store, livestock raising,

charcoal making, carpentry, overseas jobs, and transportation. At the height of mining, the population increased in this barangay. One businesswoman recounted that they used to have four jeepneys plying the route between the village and the town proper. In those days, as many as 25 jeepneys were transporting people in this route. Now, only a few remain and one has to wait for an hour before a jeepney would leave for its destination.

There is hardly enough income from fishing and farming. Harvest from crops is currently low except for banana and cassava. Survival to some means going into illegal logging in the remaining forest area.

Lush forest vegetation dominated the mountains of Luklukan Sur before 1950. Initial settlers from Paracale started with "kaingin" in the area in



**Underground sinking**

1948 when rats infested their farms. Crop harvest from the farm and fish from the sea was then abundant. Settlers recounted that they had all the things they needed to live comfortably. During those times, the only sickness they experienced was malaria, which was immediately remedied with a locally available medicinal plant.

Today, Luklukan Sur is in stark contrast to the past. The surrounding hills are denuded. Because of the need for wood in the underground mines, many hectares of surrounding forest have been cleared. Potable water is scarce. People have to fetch water from a hose connected to a spring at some distance from the barangay.

Water from the creeks necessary for raising crops and livestock is also limited because water quality is poor owing to siltation and possibly mercury contamination. Contaminated runoff water that comes from the small scale and rathole mines drains into a nearby ricefield. Rice harvest is poor and in one instance, the rice plants "dried up" in spite of the presence of water.

Mature coconut trees at sitio Ultra, the mining sitio, do not bear fruits while those in sitio Sta. Barbara, 3 Km away, are bearing fruits. People have described the soil as "hot" for plant growth and prone to erosion. They attributed low productivity to lack of fertilizer, poor soil condition and lack of irrigation facilities. Only banana and cassava showed good harvest.

A study of this site by Dr. Lina Regis of the Ateneo de Naga INECAR (Institute for Environmental Conservation and Research) showed that pollen grain of *Stachytarpheta jamaicensis* had high abortion rates of above 5 percent, indicating heavy metal contamination and low productivity of plants. Regis observed the same at the abandoned Hixbar mining site in Rapu-rapu, Albay. The area can hardly be used now for agriculture.

Fish harvest is low and made worse by dynamite fishing. The coastal area is also muddy. Red sediments cover part of the reef area. The creeks that carry the sediments originate from mining sites. A creek in sitio Bulalacao is muddy devoid of shrimps and fishes. The mud is further filtered and processed for possible content of gold<sup>6</sup>.

Health problems in the barangay have notably increased. The most prevalent are respiratory ailments especially in children such as coughs and



**Child laborer**

colds, tuberculosis, pneumonia and asthma. Coughs afflicted all workers who worked inside the tunnel. Other diseases include skin sores, paralysis, high blood pressure, glaucoma and heart disease.

One resident claimed that both her parents, who were miners, died after being sick for six months (mother) and seven months (father). Her parents worked in the mines using mercury in processing gold.

Some residents attribute the tuberculosis to mining. They reported that most people who got sick were originally miners. One sample cited was of one migrant who was healthy when he started working in the mines but later became paralyzed. The sick usually leave the village to obtain medical treatment in Daet, the capital town of Camarines Norte, and elsewhere.<sup>7</sup>

A woman leader from the adjacent barangay of Gumaos, Paracale, whose husband had worked in the mines before, is convinced that small or large-scale mines harm both human health and environment. Hence, alternative livelihood should be expanded immediately. The community must be taught, she says, that mining is not a permanent source of income.

Small-scale mining in Luklukan Sur is illegal although miners are required to register their implements; hence, the local government unit (LGU) does not derive other revenues from the local miners. However, small miners provide support for community projects and activities whenever they are asked by the Barangay Council.

Today, mining activities could hardly be eliminated but the Barangay Council of another mining community at Dalas, Labo, Camarines Norte is seriously contemplating the rehabilitation of mined-out areas.<sup>8</sup>

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## Local situation does not merit international standards

**P**ALANOG. The mere mention of it triggers images of a cement factory, mining and quarrying. Palanog is a barangay in Camalig, Albay where Goodfound Cement Factory is operated by Ibalong Resources Development Corporation (IRDC). It is owned by a Taiwanese, Chuang Teng Ko. In 2003, the plant quarried limestone and clay with a total sales value of P1.91 million and produced 5.7 million bags of cement valued at P291.5 million<sup>1</sup>.

Now converted into industrial use, the plant site was once an agricultural land planted with coconuts and other farm crops. There is a limestone quarrying operation in the adjacent barangays of Quibongbongan, Miti and Mauraro, all in Guinobatan town. The ECC granted to IRDC only allows quarrying within the territorial boundaries of Camalig.

Violations of provisions of the ECC have not been corrected until now. The residents have not

gained enough of the benefits promised by the company when it was still seeking clearance from barangay officials. The company promised employment to the local folk, and cheaper cement in the local market. The local government unit may be collecting the revenues<sup>2</sup>, but the proceeds do not directly benefit the affected local residents.

These are the issues raised against the factory:

1. Limestone quarrying has created a 50-to-60-foot deep open pit in the Palanog side of Mountain Quiborgo, contrary to the approved type of quarrying which is limited to single leveling. It poses a threat to the underground water resources. In fact, residents of the adjacent municipality of Guinobatan recently observed an alarming decline in water supply, directly attributable to the continuing open pit mining and quarrying in Palanog.

2. Waste materials and quarry debris have affected the natural drainage system of the area.

3. Coconut trees surrounding the plant are yellowing.

4. Polluted effluents are being disposed. High concentration of oil and grease mix with the waters of Nahologan and Palanog creeks. The firm's oil and water separators are either not efficient enough to treat its wastewater discharges or lack proper maintenance. However, the factory was able to clean up its effluents during an ocular inspection by the Multipartite Monitoring Team (MMT) in which a representative of the firm is a member.

5. There is noise and air pollution from intermittent sounds and fumes of trucks plying the daily quarry route and the constant humming of the plant's machines. Air at the western portion of the plant has exceeded standards set under the Clean Air Act of 1999. The plant's smokestack was observed to have emitted voluminous dust. The EMB reported that the plant meets the ambient noise standard considered for Class D areas though not for school and residential areas.

6. Out of 402 workers, only a small percentage are local residents. Most are Cebuanos because, allegedly, the jobs required skills that most local residents do not possess.

7. An ordinary employee is only allowed five days leave of absence in one year. Salary standards and fringe benefits are not so good. In October



**Palanog: then and now**

## Destroying the sensitive island of Rapu-Rapu<sup>1</sup>

The town of Rapu-Rapu is a fourth-class island municipality in the province of Albay, situated north of Lagonoy Gulf, southwest of Pacific Ocean, and east of Albay Gulf. The island provides livelihood in terms of fishery, farming and native crafts. It is the site of the Rapu-rapu Polymetallic Project operated by Lafayette (Phils), Inc., which has already started with the construction of a pier, an access road and accommodation camp. The company expects to produce around 315,000 oz of gold, 3.7 million oz of silver, 57,000 tons of copper, and 83,000 tons of zinc. Total mineral resources in Rapu-rapu are estimated at US\$262 million.

Eleven rural barangays and the town of Rapu-Rapu depend on limited water supply produced by the watershed of the island. At present, some areas of the forest in this watershed are already denuded, thus endangering the availability of water and worsening the present state of the water supply. With mining, competition between the residents and the mining company for the limited water resource becomes even more serious.

Environmental scientist Dr. Emelina Regis of the Inecar (Ateneo de Naga's Institute for Environmental Conservation and Research) strongly



**Limestone quarry**

2003, the firm suffered from a 2-week strike by the employees' union.

8. Hazardous working conditions are not being addressed. Only a part-time doctor attends to the medical needs of its employees who are exposed to the dust particles and other physical dangers of operating the different machines and equipments. An injured worker, in fact, failed to immediately avail himself of Philhealth benefits because of the doctor's failure to issue a medical certification.

The DENR-MGB, through the Multipartite Monitoring Team, had been conducting inspections of the cement plant. But monitoring reports are hardly accessible to the public, even to some local officials vocal about the problems. The DENR claimed that the company has already gained ISO 14000 certification which means that Goodfound Cement conforms with the international environmental management standard<sup>3</sup>.

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**Perpetual pollution due to AMD**

opposes mining in Rapu-Rapu for three reasons: It pollutes rivers, streams and aquatic life in a phenomenon called acid mine drainage (AMD); contaminates the area with heavy metals; and it will destroy Rapu-Rapu's a fragile island ecosystem. Lafayette responds to these issues saying that it intends to responsibly carry out its operations according to the world's best mining practices that ensure environmental sustainability.

Inecar confirmed the occurrence of AMD in sulphide-bearing rocks at Pagcolbon, the mining site of Lafayette, and the upper slopes of Sta. Barbara, the abandoned mining site of Hixbar. Dr. Regis discovered it through the indicator species of weeds whose pollen grains were aborted.

Destruction of the island for the sake of a few mining jobs will bring down the productivity of the land for farming and coral reefs for fishing. Once the island is reduced by mining to rocks and rubble devoid of living organisms, typhoons and heavy rains will devastate the island and sweep off of its loosened materials. Heavy metals released will contaminate fisheries in Albay Gulf and Lagonoy Gulf. The coastal areas of the mainland already suffer from siltation with the denudation of its forest and mangrove areas. The small islands still contain coral reefs that can be regenerated. Protection of these islands must be taken seriously because it will be the country's last resort for the fishery sector.

Part of the coastal area of Sorsogon province faces Albay Gulf while a large part of the coastal area of Camarines Sur faces Lagonoy Gulf. Contamination of the fishery resources in these two water bodies will affect not only the residents of Rapu-Rapu, those of the rest of Albay, Sorsogon and Camarines Sur, but all those who will buy fish caught from these two water bodies.

Contamination of the soil, water, air, food crops, livestock and fisheries can cause diseases which require medicine. In most cases, such medicine is not only limited but expensive, thereby increasing the cost to human survival and aggravating the poverty level of the less fortunate. Furthermore, diseases make people unproductive and thus, human resource becomes a liability.

Lafayette retorts that mining would provide jobs to the community, and to government, the much-desired revenues to fuel economic growth. The construction phase currently employs over 800 workers, but only around 200 of them are local residents. Mining operations would only require around 450 workers. Preferential treatment will be given to people from the community; however, there

is no guarantee that this policy would be sustained with the unavoidable migration to the island.

The estimated revenue of P1.458 billion to be generated would seem staggering, especially for a fourth-class municipality. However, it will be divided among the municipal government (26.06 percent), provincial government (5.35 percent), and the national government (68.59 percent). The amount represents roughly 14 percent of Lafayette's total revenue from the project. It can considerably decrease since the government considers mining a pioneering industry and provides tax incentives and holidays under Executive Order (EO) 226 (Omnibus Investment Code). While the project or mine life is only seven years, the 1987 Omnibus Investment Code provides investors a 5-year tax holiday, renewable for another 5 years. Understandably, decreasing tax payments will be a strategy employed by Lafayette to increase income. The government might be left waiting for the rain in the middle of summer.

A Rapu-Rapu Island elder who witnessed the advent of mining in the municipality surmised that mining has not had any long-term economic benefit to them. Mining operations at the start led to an influx of people and a boom to the economy, as experienced in Barangay Sta. Barbara. Today, all that remain in Sta. Barbara are several households trying to eke out a living from fishing and farming. Poverty has remained, along with the ruins of the pier that once welcomed hopeful faces and the irreparable damage to the land and rivers.

The Rapu-rapu Polymetallic Project confirmed the use of the open-pit method of mining and the use of cyanide in processing the gold. An abandoned open pit at the Hixbar mining area has shown various contaminated and destroyed portions of the past mining activities. However, extraction in this area is not yet finished because this is still a part of the mineral exploration application by Lafayette Mining Company. Therefore, continued diggings will only enlarge this open pit.

Cyanide used in mining is lethal to living organisms. Cyanide residue in tailings pond has been reported to kill birds and other animals attracted to the water in the pond. Furthermore, there is a danger of accidental discharge of cyanide from the tailings pond, which can cause massive fish kills.

Lastly, remediation is very expensive so that mining companies tend to disappear after mining has ceased.

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## Marinduque mining disaster

Calancan Bay in the northern part of Marinduque Island is still heavily silted from the mine tailings of Marcopper mines that stopped operating almost a decade now. Fish catch was adversely reduced to barely 2 kilos from 23 kilos per day before it was affected by the tailings discharge that started in the 1970s.

Fisherfolk and their families are now suffering from extreme poverty, miserable illnesses and unnecessary deaths due to the wide-scale destruction of the bay. Fish and marine products are contaminated with toxic metals. However, coastal residents have little choice but to feed themselves with their own catch. In July 2004, news of reopening the mines came out bringing shivers down their spine.

Calancan Bay is not the only ecosystem damaged by the Marcopper mines. Marcopper became a nightmare for the Philippine mining industry in 1996 when more than 2 million metric tons of tailings flooded the Boac and Makulapnit rivers from the Tapian pit operated by Marcopper Mining Corporation and the Canadian firm Placer Dome, Inc<sup>1</sup>. As a result, thousands of residents immediately suffered isolation, hunger, thirst and disease. The damaged life support system of communities along the two rivers down to the coastal areas of Calancan Bay has never recovered till now.

The Marcopper Mining Corporation started mining operations on Marinduque island in 1969 in what was known as the Mountain Tapian ore deposit. Copper concentrate, also containing gold and silver, was produced from the deposit. When

the Mountain Tapian reserve was depleted in 1990, Marcopper continued its operations, utilizing the San Antonio copper ore body which lies some three kilometers north of the Mountain Tapian complex. The milling or processing method followed the conventional crushing, grinding, flotation mill, filtering and thickening to produce copper concentrate and tailing residues. The process reportedly did not utilize any cyanide or mercury<sup>2</sup>.

However, since 1981, increasing complaints of leukemia, kidney problems, diarrhea, skin diseases, several other maladies, and even death among children and adults have been reported. But most were diagnosed as common diseases until serious toxic tests made in 1996 and indicated that high levels of heavy metals are in the blood of complaining patients.

It is estimated that no less than 84 million metric tons of mine tailings were discharged into Calancan Bay between 1975 and 1988. This dumping covered around 80 square kilometers of fishing grounds with a built-up of 1 to 2 meters above sea level. The Pollution Adjudication Board ordered in 1988 the stopping of tailings discharge to the bay, but Marcopper said that the dumping was indispensable and that it had a negligible impact. President Corazon Aquino then allowed Marcopper to continue, along with a remedial measure at a cost of not less than P30,000 per day. The discharging continued until 1991.

The local residents, who had been protesting since 1982, agreed that the old Mountain Tapian open pit be used to receive mine tailings from the San Antonio operations on a temporary basis. This



**Boac river**



**Sea grass beds**

disposal method was not discussed in the Environmental Impact Assessment. In spite of the unconventional use of the Tapian Pit as a containment system, no environmental risk assessment and management were ever carried out.

Since 1993 it is estimated that about 20 million cubic meters of tailings have been impounded in the Tapian Pit, which is 300 meters deep. The estimated capacity of the pit is approximately 69 million cubic meters.

In the same year, the Marcopper silt dam in Maguilaguila creek collapsed, severely flooding the Mogpog river and surrounding villages. Farm animals were lost, two children were drowned, crops were destroyed and the river was critically polluted<sup>3</sup>.

March 24, 1996, mine tailings from the Tapian Pit began escaping through the plugged drainage tunnel into the Makulapnit and Boac Rivers located below. After a month, tailings were still flowing unimpeded into the nearby marine areas. Immediately affected were around 700 families from five barangays. There were losses of most river crossings, loss of road connections, and the inundation of between 6 and 10 hectares of cropland used for banana and other agricultural purposes.

A UN Mission team assessed the damage in April 1996 and concluded that:

- The Makulapnit and Boac River system has been so significantly degraded as to be considered an environmental disaster;
- The aquatic life, productivity and beneficial use of the rivers for domestic and agricultural purposes are totally lost as a result of the physical process of sedimentation;
- The coastal bottom communities adjacent to the mouth of the Boac River are also significantly degraded as a direct result of smothering by the mine tailings;
- There is no evidence of acute poisoning in the exposed population due to the mine tailings.
- There is an increased health and safety risk due to immersion and flooding as a result of the very large volume and physical properties of the mine tailings, should they be mobilized during the wet season; and,

- Concentrations of trace metals in the mine tailings were not sufficiently high to represent an immediate toxicological threat.

In March 1997, a team from the Department of Health found seven children living along the Calancan Bay with high levels of lead. They were sent to the Philippine General Hospital for detoxification. In March 1998, then President Fidel V. Ramos declared a state of calamity among three coastal

barangays after 59 children were found to have toxic levels of lead in the blood. Due to chronic exposure, many illnesses with some leading to death have been suffered by several residents in one family, spanning several generations. In 2003, Roden Reynoso died of malnutrition directly attributable to lead poisoning<sup>4</sup>. Today, a class suit for damages has been filed by Calancan Bay victims through the group Upholding Life and Nature (ULAN) at the Regional Trial Court (RTC) Branch 94 in Boac<sup>5</sup>.

Victims in Calancan Bay were exposed to toxic chemicals from various sources. Fisherfolk were constantly in direct contact with contaminated seawater.

They also inhale them from seabreeze. Sandy particles are daily felt on the floors and tables. Another source is the ingestion of contaminated seafood, vegetables and other food products from polluted seas and soils since toxins accumulate through the food chain. Present chemical analyses of the tailings, pipes and waters in the area now reveal high toxicity and elevated levels of copper, lead, cadmium, selenium, mercury, silver, cobalt, and arsenic. These heavy metals are harmful to humans and marine creatures.



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## Quezon Tragedy

The country faced its worst tragedy of this young century when typhoons "Winnie" and "Yoyong," mercilessly swept through Central and Eastern Luzon. In the wake of the destruction, government estimates place the dead and missing at more than 1,500. Damage to crops and infrastructure was estimated at P752 million pesos<sup>1</sup>.

The municipalities of Infanta, Real and General Nakar faced the way Ormoc did in 1993. Nature knows best but people would not take heed of this principle until some tragedy happens. One decade after, 660<sup>2</sup> people sacrificed their lives buried by landslides. All of these municipalities are found in Quezon province.

All blame points to logging, illegal and legal. Based on the account of elderly residents, logging in Quezon started in the early part of 1950's, when the export of logs and lumber became one of the biggest dollar earners and lucrative sources of income. By the end of the 1980's, commercial loggers slowed down with their operation, simply because of the presence of the NPA. Besides, little had been left to be logged. However, the operations of commercial logging companies and residents continued, having been blessed with timber license agreements (TLAs), integrated forest management agreements (IFMAs) or special private land timber

licenses by the Department of Environment and Natural Resources.

Since 1991, multisectoral groups and the church had been calling on the government to seriously implement a total log ban in Sierra Madre. The Multi-Sectoral Action Group (MSAG) in Quezon and Aurora said the government was deaf to their appeals for a large-scale corporate log ban. The companies responsible for the denudation are the Pacific Timber Export Corp., Verdant Agro-Forest Development Corp., Inter-Pacific Forest Resources Corp., Industries Development Corp., RCC Timber Co., San Roque Sawmill Corp., Benson Realty Development Corp., Toplite Lumber Corp. and Green Circle Properties and Resources Inc. Companies "patronized" the illegal loggers who were actually their sources of wood. Politicians who finance the operations control most "carabao loggers".<sup>3</sup> As is usually the case, get the cash out and the logs will come.

The Pambansang Lakas ng Kilusang Mamamalakaya ng Pilipinas (Pamalakaya) urged President Macapagal-Arroyo to compel big logging syndicates to shoulder the cost of repairing the 13-kilometer Umiray tunnel in General Nakar. The group cited the extent of logging operations of International Hardwood and Veneer Corp. (13,527



hectares in Mauban, Quezon); Timberland Forest Products (34,660 hectares in General Nakar, Quezon); Industries Development Corp. (48,777 hectares in Aurora province); RCC Timber Co. (23,140 hectares in Aurora); Green Circle Corp. (30,000 hectares in General Nakar, Quezon) and Top Lite Corp. (8,630 hectares in Aurora province).<sup>4</sup>

The vast forest resources of Quezon province could be found in Real and General Nakar towns, which host hardwood timber, dipterocarp, mahogany, lauan and narra. In terms of actual cover, General Nakar is overwhelmingly forested. Of the total land area of 134,390 hectares, 84 percent or 113,486 hectares are classified as forest lands. This consists of primary forests located at the top of high mountains and very steep areas as well as secondary growth forests. Real, on the other hand, has only about 4,745 hectares classified as primary forest and 20,011.15 hectares classified as forest. A total of 125 hectares are under reforestation. The forest lands of General Nakar experienced intensive commercial logging operation despite of a logging ban declared by the government on August 21, 1978.

Quezon is the sixth largest province in the Philippines. It has 40 municipalities and the city of

Lucena. Its population is 1.68 million and grows at 1.8 percent annually. The Sierra Madre Mountain Range runs along the entire length of the province with Mount Banahaw, an active volcano. Other mountain peaks are also found in the Bondoc Peninsula area and in the islands of Polilio, Jomalig and Alabat, with an altitude of about 1,000 feet<sup>5</sup>.

There are 12 protected watershed areas in the province. By and large, the forest areas occupying these protected sites are the remaining forest stands comprising a very low 4 percent forestlands or 398,299 hectares of the total land mass of the province. The forest situation is in a critical stage as manifested in the damage and deaths triggered by the typhoons that struck from November 29 to December 2, 2004.

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# Saving Visayas: Issues, Initiatives and Innovations in Environmental Management

By Jessica Dator-Bercilla, Prof. Carlos Magtolis, Joseph Raymond, PROCESS-Bohol and Green Forum\*

## Saving Visayas

The Visayas group of islands located at the heart of the Philippines, was defined by political geography in three clusters: Eastern Visayas with the provinces of Biliran, Eastern Samar, Northern Leyte, Northern Samar, Southern Leyte, Western Samar; Central Visayas composed of Bohol, Cebu, Negros Oriental and Siquijor; and Western Visayas which includes Aklan, Antique, Capiz, Guimaras, Iloilo and Negros Occidental. These provinces are located in the islands of Samar, Negros, Panay, Leyte, Cebu, Bohol, Siquijor, Guimaras.

Though some of these islands are among the largest in the Philippines, the Visayan islands are technically small islands — many with access to coastal and lowland resources but with minimal high mountain peaks. The highest peaks of these group of islands can be located in Panay (the Baloy-Madiaas Mountain Range) and Canlaon in Negros. Cebu has mountains no higher than 2000 ft, Samar has irregular mounds of hills, while Bohol and Guimaras are basically hilly in some parts. Visayas boasts of centers for trade and industry (e.g. Cebu, Iloilo, Negros Occidental) and rich coastal resources (e.g. Visayan and Bohol seas), world-class beach resorts (e.g. Boracay and Panglao islands) and ecotourism areas (e.g. Bohol, Dumaguete, Guimaras and Aklan in Panay island) Except for Cebu, many of the smaller islands depend on coastal resources while the larger islands (e.g. Negros and Panay) lead in agricultural production.

## Monitoring the state of the environment

### *Pressure on Fisheries Resources*

The foremost challenge in assessing the state of the environment is the access to official government data needed to establish upland, lowland and fisheries environmental trends within the 1990-2004 time frame. The fisheries sector has the most comprehensive data based on fisheries production, but the data set does not provide an analysis vis a vis supply. Alternative data sources indicate that as population



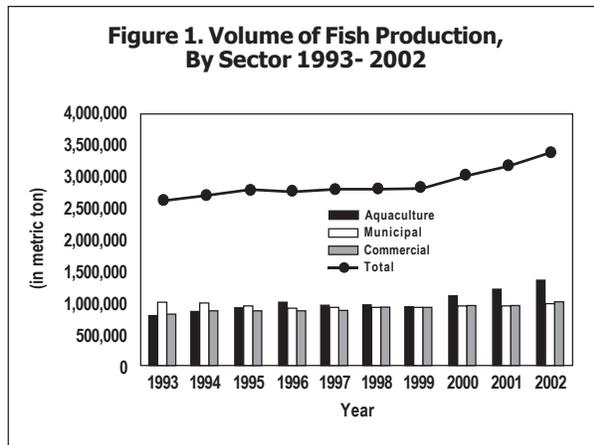
growth soars, attempts at increasing fisheries production drive fisheries resources to a rapid decline.

The waters surrounding the Visayas host abundant marine resources—but droves of small and commercial fishers are threatening the sustainability of sea resources owing to over-and irresponsible fishing. Even at the present state of exploitation and open access fishing, the Visayas seas are among those with highest fish yields. The Bureau of Fisheries and Aquatic Resources tables<sup>1</sup> on the next page show this.

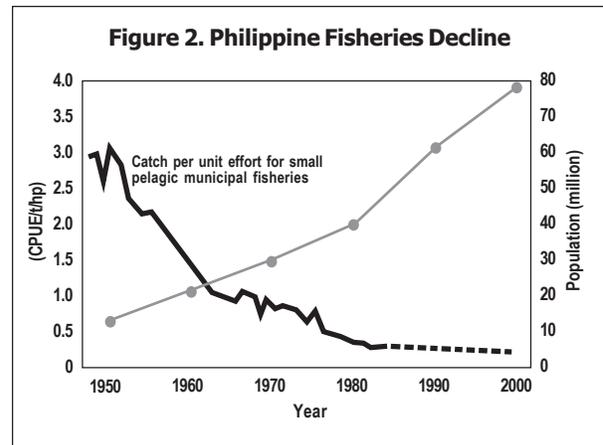
Assessment in 2002 put Regions VI and VIII among the top three in municipal fisheries production and Region VI among the highest in commercial fisheries production. Yet, the productive yields

<sup>1</sup> Department of Agriculture BFAR, Commercial and Municipal Fisheries by Major Fishing Grounds, [www.bfar.da.gov.ph](http://www.bfar.da.gov.ph) accessed on 28 January 2005

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Source: Bureau of Fisheries and Aquatic Resources<sup>2</sup>



Source: FISH Project<sup>3</sup>

**Table 1. Average percentage share of Marine Municipal Fisheries Production by Major Fishing Grounds, 1992-1995 (in MT)**

Fishing Ground	Total	% to Total
1. Visayan Sea	92,885	11.50
2. Bohol Sea	84,305	10.44
3. East Sulu Sea	78,491	9.72
4. Moro Gulf	74,765	9.26
5. Guimaras Strait	55,106	6.82
6. South Sulu Sea	44,000	5.45
7. West Palawan Waters	38,444	4.76
8. Lamon Bay	37,138	4.60
9. Leyte Gulf	36,587	4.53
10. Samar Sea	35,622	4.41
11. Davao Gulf	28,365	3.51
12. Cuyo Pass	27,253	3.37
13. Tayabas Bay	22,500	2.79
14. Others	152,063	18.83
<b>Total</b>	<b>807,524</b>	<b>100.00</b>

**Table 2. Average percentage share of total commercial fish Production by Major Fishing Grounds, 1992-1995 (in MT)**

Fishing Ground	Total	% to Total
1. West Palawan Waters	158,220	18.71
2. South Sulu Sea	149,243	17.65
3. Visayan Sea	137,942	16.32
4. Moro Gulf	98,050	11.60
5. Lamon Bay	41,901	4.96
6. Bohol Sea	34,263	4.05
7. East Sulu Sea	29,071	3.44
8. International Waters	25,558	3.02
9. Leyte Gulf Samar Sea	23,385	2.77
10. Guimaras Strait	23,382	2.77
11. Manila Bay	21,899	2.59
12. Tayabas Bay	19,826	2.35
13. Sibuyan Bay	15,434	1.83
14. Others	67,272	7.96
<b>Total</b>	<b>845,446</b>	<b>100.0</b>

**Table 3. Total Fish Production (Metric Tons)<sup>5</sup>**

Region	1997	1998	1999	2000	2001	2002 (Jan-Mar)	2003 (Jan-Mar)
VI	320,961	309,174	337,070	356,998.2	357,596	81,385.3	<b>81,255.6</b>
VII	153,970	152,332	159,243	164,545	191,531	51,853.3	<b>51,080.9</b>
VIII	<b>73,707</b>	<b>72,312</b>	<b>76,200</b>	<b>78,728</b>	<b>91,318</b>	<b>24,126.7</b>	<b>28,698.3</b>

cannot hide the issues confronting the seas of Visayas and its coastal communities. Many of the islands are in the list of priority areas for marine biodiversity conservation<sup>4</sup> because of threats to the diverse marine resources. Among these sites are the Apo, Sumilon, Panglao-Balicasag, Pamilacan, Bais, Mactan, Olango Islands in Central Visayas; Taklong Island in Western Visayas; and Guiuan, Rapurapu and Polilio in Eastern Visayas.

A study on the status and trends of fisheries in Central Visayas<sup>6</sup> puts a different light on the produc-

<sup>2</sup> BFAR (2004), Fisheries Profile, Department of Agriculture: Bureau of Fisheries and Aquatic Resources from [www.bfar.gov.ph](http://www.bfar.gov.ph).

<sup>3</sup> Dalzell P., P. Corpuz, R. Ganaden and D. Pauly, 1987. Estimation of Maximum Sustainable Yield and Maximum Economic Rent from the Philippine Small Pelagic Fisheries: BFAR Tech Pap. Ser. 10(3): 23 p.

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<sup>5</sup> Bureau of Agricultural Statistics, Fisheries Statistics of the Philippines (1997-2001), Philippines: Department of Agriculture, 2003.

<sup>6</sup> Green, S., Flores, J., Dizon-Corales, J., Martinez, R., Nunal D. R., Armada, N., White, A. (2004). The Fisheries of Central Visayas, Philippines: Status and Trends. Cebu City: Coastal Resource Management Project of the Department of Environment and Natural Resources and the Bureau of Fisheries and Aquatic Resources of the Department of Agriculture, 159p.

tion rates from the area. Over the last four decades, the catch per unit effort decreased among municipal fishers across time while commercial fishers account for about 60 percent of all landed fish in the region. This is viewed as an indication of weak coastal law enforcement in municipal waters. Overfishing (e.g. economic, ecological, growth, recruitment) has been identified since the 1980s. Ecosystem change is manifested by a shift in the quality of fish catch (from demersals to coastal pelagics and from shrimp-dominant to squid-dominant catch) in the region. The absence of clear political boundaries, illegal fishing in municipal waters, over efficient fishing gear and degraded habitat were cited as worsening the state of the fishery ecosystem in Central Visayas.

### Extent of deforestation

Accessing upland data set was difficult. Only forestry data for 1960s-1989 and 2003 were available in the regional offices of the Visayas. The 2003 data are still under validation. Thus, any data from the time frame of interest are but projections. Attempts at extracting data from the national database on forestry were limited by current changes in data management in DENR's forestry website.

The extent of forest destruction in the Philippines in general is alarming as the table below shows. However, the 1988 Haribon-generated image (based on NAMRIA, 1988 references) and the TREES-generated image of the deforestation rate in the Philippines presented below, will highlight the extent of deforestation in the Visayas. The area, thus, is an identified site of endangered species because of its threatened ecosystem.

### Agricultural productivity and biodiversity loss

The drive for agricultural productivity in the Philippines came with poverty alleviation measures to ensure food security through modernization. Among the major producers of palay in the country are from Western Visayas. The yield in that region is indicated below.

The high yields, however, mask the biodiversity loss, raised by civil society organizations and

**Table 4. Trail of Forest Destruction in the Philippines<sup>7</sup>**

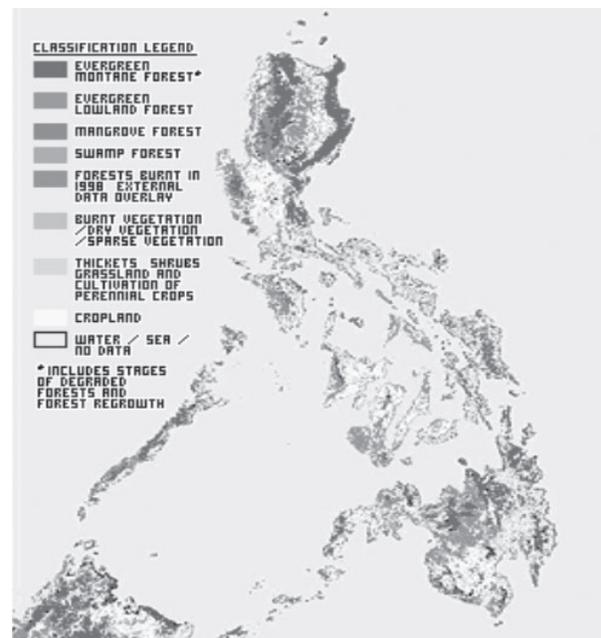
Year	Remaining forest cover (Millions of hectares)
1575	27.5
1920	18.7
1934	17
1967	10.4
1972	10.1
1980	17.4
1987	6.7
1995	5.4

**Figure 4. Extent of Deforestation in the Philippines**



Source: Haribon, 2005<sup>8</sup>

**Figure 5. Forest Cover Map of the Philippines**



Source: Stibig, et. al., 2002<sup>9</sup>

<sup>7</sup> Bantayan, Nathaniel, Geomatics-Assisted Impact Assessment of Land-use Change on the Biodiversity of Mt. Makiling, Philippines, paper presented at the 22nd Asian Conference on Remote Sensing, Singapore, 2001.

<sup>8</sup> Generated from NAMRIA, 1988 references accessed from Haribon Foundation for the Conservation of Natural Resources, 2005, www.haribon.org.ph .

<sup>9</sup> Stibig, H.J., Beuchle, R. and Javier, P. 2002. TREES Publication Series, D:N:3, EUR 20123 EN European Commission, Luxembourg

**Table 5. Production(in Metric Tons) Region VI<sup>10</sup>**

	1990	1995	1998	1999	2000	2001	2002
Palay	886,732	1,291,275	1,044,462	1,531,728	1,608,337	1,589,531	1,732,602
Irrigated	450,499	747,646	630,250	922,355	976,772	945,759	990,945
Rainfed	436,233	543,629	414,212	609,373	631,565	643,772	741,657
Corn	34,353	57,600	77,619	68,510	80,340	75,540	87,065
White	8,027	18,547	28,429	27,512	36,042	31,765	34,588
Yellow	26,326	39,053	49,190	40,998	44,298	43,775	52,477

farming communities. Identified as a primary threat is the government program promoting a limited set of crop varieties (e.g. hybrid rice, Btcorn) to promote agricultural productivity. Disaggregated data on land area planted to crop varieties, however, have yet to be comprehensively generated.

This paper attempts to give readers snapshots of the current environmental state of the Visayas and the initiatives to secure its natural resources. Below are case studies of coastal, lowland and upland areas.

### **Threatened Fishery Ecosystem and Coastal Resource Management**

Initiatives at securing the coastal and fishery resources have been a long struggle for many communities, local government units and concerned sectors. Issues and attempts at coastal resource management in the Visayan waters and islands are found below.

#### **The Visayan Sea**

Angel Alcala, former secretary of the Department of Environment and Natural Resources (DENR) and well-respected academic, has aptly summarized the problem of one of the largest fishing grounds of the Visayas, the Visayan sea (enclosed by Panay, Negros, Cebu and Masbate islands). In his research on Negros and Northeastern Panay in 2004, Mr. Alcala notes : "The Visayan Sea was once a very fishery-productive inland sea of the Philippines. But 50-60 years ago, the sea was heavily fished by trawlers with the approval of the BFAR. The Visayan Sea also hosts some of the terrestrial species endemic to central Philippines, indicating its evolutionary importance... The overexploited more valuable fish species have been replaced by the less nutritious species of squids and cuttlefish, following the known trend in other similar depleted areas in the Philippines. There are no visible conservation measures, except for the 30,000-hectare Maka Reef complex off Sagay City, where reef and seagrass species are protected from fishing. Destructive fishing methods such as blast-fishing and compressor-fishing plus cyanide, are still used by fishers.

The provisions of the law governing the extent of the fished area for noncommercial fishers are not implemented, in effect allowing commercial fishers access to areas reserved for poor, small-scale fishers. Complaints of non-commercial fishers have not been given attention by local authorities." He notes that a challenge to the fishery colleges and universities in Negros and Iloilo is information and education on fishery conservation. Furthermore, "the coastal areas of these islands are teeming with people, apparently with a high birth rate to judge from the number of children. Most of the people, with the possible exception of the fish traders, are poor and live a hand-to-mouth existence. This high population of permanent and temporary residents has probably more than doubled during the last 10-15 years. Lastly, local governments have failed to realize the potential for tourism of some of the unique geological features of certain islands (example caves) and have failed to implement measures to conserve them."<sup>11</sup>

#### *Multiple Attempts at Coastal Resource Management in the Visayan Sea*

In 2002, there was an initiative to address the issues of depleted resources, habitat degradation, unsustainable resource use patterns and resource use conflict and poverty among the people in the Visayan Sea areas. The initiative includes Masbate of Region V, Iloilo and Negros Occidental of Region VI and Cebu and Negros Oriental of Region VII. Among those involved in this foreign-funded undertaking are local government units, BFAR's Western Visayas office, and the academe. The 8-year project has and will continue to provide alternative income-generating opportunities, encourage and facilitate networking among stakeholders, implement an improved Coastal Resources Management and Monitoring project, facilitate the formulation of a Joint Management Plan (JMP), and set up an information base for resource management and

<sup>10</sup> Bureau of Agricultural Statistics, Region VI.

<sup>11</sup> Angel Alcala, Visayan Sea, Malaya: Environment, Philippines, 15 May 2004, [www.malaya.com.ph/may15/envi1.htm](http://www.malaya.com.ph/may15/envi1.htm) accessed on 20 January 2005.

monitoring.<sup>12</sup> There have already been initiatives by the local government units and concerned sectors at managing coastal resources. An example of these is the NIACDEV or the Northern Iloilo Alliance for Coastal Development is an attempt at inter-municipal governance of municipal waters in seven municipalities in Northeastern Panay.

### Bohol Sea

Bohol Sea is also a primary fishery resource area for many Visayans. At 29,000 square kilometers, it stretches from Sulu Sea to the Pacific Ocean and is surrounded by southeast Mindanao, Negros, Bohol and Leyte. It is one of the highest yielding for municipal and commercial fisheries in the Philippines.

Knowing the value of the sea has led concerned sectors to work towards a more sustained volume and diversity of fish catch in the area. A primary strategy was the protection of marine reserves or no-take zones for marine exploitation. According to data gathered by the Silliman University Angelo King Center for Environment and Management, there are approximately 30 marine reserves in the area, eight of which are in the Visayas. Of these, the Apo Island Marine Reserve is the oldest. These protected areas were products of joint collaboration among local government units, academe, line agencies like BFAR, non-government organizations, organized fish wardens and peoples' organizations.<sup>13</sup>

#### *Multiple Attempts at Coastal Resource Management in the Bohol Sea*

Though the success of these protected areas is debatable, the experiences of Apo Island in Negros Oriental and Selinog Island in Dapitan indicate an increase in fishery yield and biodiversity in marine resources in the area, which also enhances the fishery catch in adjacent nonreserve areas. Effective partnerships among stakeholders and the strong involvement of communities are cited as success factors. Lack of enforcement facilities and weak political will and lack of support from local government officials were primary reasons for failure of law enforcement in the marine reserves. To address the problems, an association of marine protected area managers was organized in 2003 known as the name Hugpong Tagdumala sa Sangtuaryo sang Kadagatan sa Bohol (HUTASAKAB).<sup>14</sup>

Other attempts at conservation in the area include the coastal resource management and wildlife protection/conservation at Tahong-tahong



islet in Talibon, Bohol; the sustainable coastal area development (SCAD) in Barili, Cebu; the creation of resource management councils in Samar; Fishery Integrated Resource Management for Economic Development (FIRMED) in Daram Island, Samar; the Fishery Sector Program in Carigara, Leyte. These are but a few of the many initiatives in the area. Following are specific examples of these initiatives.

#### *Bohol: PROCESS-Bohol CBCRM Experience*

The island province of Bohol is located in the heart of Central Visayas, approximately 556 nautical miles south of Manila and about 40 nautical miles southeast of Mactan Island of Cebu Province. Bohol is the tenth largest province, with a total land area of 411,726 hectares – 78 percent of which is classified as alienable and disposable (A&D) lands. It has 48 municipalities, 30 of them coastal; the rest are interior towns.

Based on the 2000 NSO survey, Bohol had a total population of 1.137 million, making it among top 20 most populous provinces. The population increased by almost 3 percent annually.

Bohol has a total of 314 coastal barangays, 45 of which are urbanized. The coastal barangays constitute roughly 25 percent of Bohol's population. The island province was also endorsed by various entities as one of the best tourist destinations. In 2003, the Department of Tourism and the Philippine Travel Tour Association recognized Bohol as the leading tourism destination, citing its ecology, culture, heritage and agriculture as major attrac-

<sup>12</sup> GTZ, Visayan Coastal Resources and Fisheries Management Project, [www2.gtz.de/Philippines/projects/VisSea.html](http://www2.gtz.de/Philippines/projects/VisSea.html), accessed on 30 January 2005.

<sup>13</sup> Indab and Suarez-Aspilla 2004, Community-based Protected Areas in the Bohol (Mindanao) Sea, Philippines, NAGA Worldfish Center Quarterly, Vol 27 No. 1 and 2 Jan-Jun 2004.

<sup>14</sup> Ibid.



tions. Department of Tourism data show tourist arrivals increasing by 16 percent in 2001 and 2002. Domestic tourists accounted for more than 80 percent arrivals.

### 1. Challenges to Coastal Resources

In year 2000, the provincial coastal databank<sup>15</sup> recorded a total of 5,127 registered municipal fishers among the coastal towns' combined population of 258,017. A total of 6,404 fishing boats were registered by Municipal LGU (MLGUs) – approximately half of them are motorized.

One major problem in the island was the proliferation of illegal fishing and extraction of marine resources. Rampant illegal fishing in the municipal waters of Bohol destroyed the marine habitat and shrank aquatic resources. With coastal population rising, more and more people turned to the sea for their food requirements and livelihood.

To have enough catch to bring to market, some marginal fishers resort to prohibited methods of fishing and gleaning despite their life-threatening and life-long effects. Illegal fishing through the use of cyanide and other noxious substances was widespread in the northern part of the province, specifically in the municipal waters of Getafe and Talibon. The fish aggregation devices were widely used off the shores of western Bohol, specifically within the stretch of Loon to Inabanga. Use of fine mesh nets, coral extraction, commercial fishing and other banned methods were uncontrollable. Illegal sand extraction was also rampant in various coastal areas.<sup>16</sup>

The absence of other livelihood options left local communities with no choice but go on with their illegal fishing and marine resource extraction just to earn a meager amount for livelihood. Undelineated municipal waters, not standardized nor harmonized CRM ordinances; and, lack of

political will of local chief executives to resolve the existing coastal environment issues, all contributed to the failure of the LGUs' initiatives on marine ecosystem conservation.

Large commercial fishers from neighboring islands, particularly from Misamis Occidental, Dumaguete and Cebu, infiltrated the Bohol municipal waters and harvested Bohol's fishes and other marine resources. The capture and slaughter of marine mammals and manta rays were once ordinary activities in Pamilacan Island.

The significant and distressing result of all these damaging activities: the daily fish catch of a marginal fisher of approximately 8 kilos per day in 1970 decreased to a meager 2 kilos per day in year 2000.<sup>17</sup> If unresolved, fish supply is expected to continuously decline until none is left even for a family's own consumption.

### 2. Attempts at Community-Based Coastal Resource Management

#### 2.1 Learning to work together: Exploring the Multi-stakeholder Approach

Three years after the environmental summit, all coastal stakeholders pooled their resources for a province-wide Coastal Law Enforcement Summit. In May 2000, the local chief executives, members of legislative bodies, judiciary, law enforcement agencies, peoples organizations (POs), business sector and academe; and representatives of the national, provincial and nongovernment organizations, convened with the objective of resolving the rampant problem of illegal fishing in the municipal waters of Bohol. Mapping of illegal fishing and other related issues were made. Consequently, stakeholders found out that a single strategic plan is inappropriate and ineffective to other coastal areas owing to variations in existing species of marine resources, types of illegal fishing activities in the area, and other factors. The summit also resulted in the organization of three congressional district Coastal Law Enforcement Councils (CLECs). For each council, a multi-sectoral Composite Law Enforcement Team (CLET) was formed to conduct seaborne patrol operations in their areas of jurisdiction.

To support the lower LGUs, barangay fish wardens were re-organized, organized or strengthened. Municipal coastal database recorded 899 deputized municipal fish wardens in 1999. The

<sup>15</sup> Bohol Island: Its Coastal Environment Profile

<sup>16</sup> BEMO, Municipal Coastal Database 2000

<sup>17</sup> Bohol Island: Its Coastal Environment Profile

number increased by 11 percent during the initial year of coastal law enforcement intensification, but decreased by 27 percent by year 2002 (Table 6).

**Table 6. Population of Fish Warden at Coastal Municipalities**

Number of Fish Wardens		Percentage of increase/ decrease
1999	899	
2000	1015	+11
2002	665	-27

## 2.2 Attempts at Environmental Protection and Biodiversity Conservation

From year 1995 to 2001, at least 102 fish sanctuaries and marine protected areas (MPAs) were recorded, although there was no clear record as to whether they were still operational as of the last MCD update in year 2000. Of the total number, approximately 50 percent were located off coast of rural barangays.

The Fishery Development Program (FDP) of PROCESS-Bohol started assisting the LGUs in setting up MPAs in 2002. Technical assistance was extended - from the initial consultation phase to the periodic monitoring and evaluation of aquatic resources. Eleven MPAs are now operational, 10 of which undergo periodic monitoring of PROCESS-Bohol, Inc. and the Committee on Monitoring & Evaluation (M & E) of the local MPA Management Councils. The remainder was just newly installed.

### 2.3 Municipal Water Delineation

In 2003, the NAMRIA held mapping workshops with the chief executives of Bohol's 47 coastal towns and one city to clearly delineate the municipal waters of adjoining municipalities. Majority of the boundaries were clarified and legally settled within the LGU level while five towns remained in dispute. To settle the disputes, the NAMRIA scheduled site visits to the areas to show the concerned LGUs their exact municipal water boundaries using the Global Positioning System (GPS) and, at the same time, check the authenticity of the documents presented by LGU claimants as proof of their jurisdiction.

### 2.4 Strengthening Fisheries and Aquatic Resource Management Councils (FARMCs)

Pursuant to Chapter 3 of the Implementing Rules and Regulations of Republic Act 8550, otherwise known as the Philippine Fisheries Code of 1998, the Fisheries and Aquatic Resource Management Councils (FARMCs) at the provincial, municipal

and barangay (optional) levels should have been organized. PROCESS-Bohol, Inc. in coordination with concerned LGUs, strengthened the MFARMCs of its eight assisted MLGUs and their component BFARMCs through the conduct of training, workshops seminars and meetings.

### 2.5 Crafting a Coastal Resource Management Plan

CRM planning is a participatory process of planning, implementing, and monitoring sustainable uses of coastal resources through collective action and sound decision-making. The CRM planning is supposed to generate a Municipal CRM Plan. The municipalities of Albur, Anda, Buenavista, Calape, Candijay, Clarin, Dimiao, Garcia-Hernandez, Guindulman, Getafe, Inabanga, Jagna, Loay, Loon, Mabini, Maribojoc, Pres. Garcia, Talibon, Tubigon, Ubay, Valencia and Tagbilaran City in Bohol have already formulated, adopted and implemented their respective CRM Plans.

Provincial and Regional Validation Teams of CRM projects monitor compliance with the plans. As soon as the validation complete, the coastal town is awarded with a CRM Certification. Once an area is CRM-certified, more prospective development partners are projected to invest. The towns of Jetafe and Inabanga are now already CRM-Certified; Albur, Maribojoc and Guindulman are still under validation.

### 2.6 Community Organizing

From 1999 to 2002, 54 CRM organizations were organized in the entire province of Bohol—this 31 percent rural communities along the coast.<sup>18</sup> These CRM organizations were organized and managed by POs and NGOs with assistance from the DENR, BFAR, other line agencies and other nongovernment agencies.

NGOs, like PROCESS-Bohol, facilitated the links between the assisted POs and the micro-lending project of the Department of Social Welfare and Development (DSWD)'s Self-Employment Assistance Program. Likewise, organizations were assisted in the installation of fish cages, encouraged to adopt the more economical and environment-friendly method of swine raising, and were provided technical assistance on the management of their respective finances, bookkeeping and program monitoring and evaluation.

### 2.7 Community-Based Sustainable Tourism

The "Community Life Tour" offered by three PROCESS-assisted POs features breathtaking

<sup>18</sup> BEMO, Municipal Coastal Database 2000

views and diverse natural resources of the province, especially those found along the coasts and other bodies of water, the unique traditions and skills of the Boholanos, and, their culinary expertise in preparing fresh seafood recipes. All located within Maribojoc Bay area, the three POs—SAVIMA, UBCA and DEA—accept guests interested to be part of a local community and experience a simple Boholano day. The tour includes homestay, boardwalk journey, river cruise, bird watching and other sidelights like hands-on lessons in handicraft making. Local and foreign visitors may take part in the province's reforestation project by purchasing mangrove seedlings from nurseries and avail themselves of the Community Life Tour package for minimal fees.

### **Negros Oriental: seeing the fruits of and issues in marine resource management**

Major coastal areas of Negros Oriental can be found in the municipalities of Manjuyod, Tanjay, Amlan, San Jose, Sibulan, Bacong, Dawin and the cities of Bais and Dumaguete. Negros Oriental is, likewise, a coastal area teeming with abundant resources under pressure from economic and population demands. Stretched in a 300-kilometer coastline, Negros Oriental has 186 kilometers of coral area. Its major fishing grounds, the Northern Sulu Sea and Tanon Strait, yield, skipjack, yellow-fin tuna, mackerel, scud, slipmouth and anchovies year-round. However, the reefs of Negros Oriental suffer from overfishing.<sup>19</sup> Major issues common to most of these areas include "overfishing, beach and shoreline erosion, siltation, mangrove over-harvesting, encroachment by fishers of other municipalities, lack of security of tenure on land and/or home lot" lack of alternative livelihood and improper waste management.<sup>20</sup> Innovations in marine resource management by the academe and local government units prevented the rapid depletion of fishery resources in their waters.

#### *1. Apo Island*

Since the formalization of the marine reserve in 1985 spearheaded by Silliman University, Apo has grown as a model for community-based resource management, not only in the Philippines, but throughout Southeast Asia. It is also considered the oldest marine reserve in the Philippines. Several factors contributed to the development of

Apo island (i.e. political support from the municipality, the small human population). Highly commendable is the leadership of the community that has taken responsibility in managing its marine resources.

The Marine Management Committee (MMC) remains an active and strong people's organization. It is very effective in enforcing the provisions of the reserve and maintaining the sanctuary. The user's fees collected for the island are used for the upkeep of the sanctuary, education, medicine, and emergency needs of the community. The provisions of the reserve are enforced by the MMC, Banty Dagat, and the Barangay Officials with full support from the community. The plan to regulate tourism activities and financial support must be implemented to continue the training of the community on alternative livelihood (e.g. basket and hat weaving, t-shirt printing, etc..)

#### *2. Bais Bay*

Bais Bay is the richest fishery area in Negros Oriental. It has about 200 hectares of mangrove area and high yields of rabbitfish, shellfish, shrimps and crabs. Siltation from soil erosion of bare mountains surrounding the bay, overexploitation of fishery resource, mangrove degradation, and pollution from agricultural and milling activities around the Bay are among the main issues in coastal resource management.

Coastal resource management (CRM) in Bais Bay was initiated by the Silliman University Marine Laboratory. Management areas consist of the Mangrove Wildlife Sanctuary and the proposed fish sanctuaries. Offshore guardhouses and patrol bancas are among the available facilities. Re-planted mangrove trees, occupying a few hundreds of square meters, are now bearing fruit. Since 1995, the mayors of the Municipality of Manjuyod and Bais City have been active in the protection of marine resources. However, a land dispute between the two mayors over Campuyo reef and its vicinities and disagreement among the communities on the size of the fish sanctuary at Tagay point have led to the suspension of the legal establishment of the fish sanctuaries in the two sites. It is crucial to define the marine-protected area boundaries and install marker bouys and to enact ordinances to legalize the establishment of the marine-protected area.

#### **Panay**

Panay, surrounded by waters (e.g. Visayan Sea, Panay Gulf, Iloilo Strait, Batan Bay, Sapijan Bay)

<sup>19</sup> Ablong and Waltemath, Establishment of Marine Reserves in Negros Oriental, Phil:CVRP

<sup>20</sup> Coastal Resources of Negros Oriental in [http://oneocean.org/download/20010825/negros\\_profil/chapter2b.pdf](http://oneocean.org/download/20010825/negros_profil/chapter2b.pdf) accessed on 2 February 2005.

was once abundant in fishery resource until irresponsible fishing methods, encroachment of commercial fishing vessels in inshore seas, overfishing, pollution of the sea resulting from industrial and household waste, along with the disposal of waste and oil residues from ships and the failure to properly manage abundant fishery resource, threatened the main source of livelihood for many. Siltation due to erosion from denuded uplands as well as wastes from expanding fishponds for aquaculture had adverse effects on coastal resources. Fisherfolk observed that catch as well as variety and average size of fish caught were decreasing.<sup>21</sup> Such observation, though drawn from 22 coastal communities in Southern Iloilo, reflects of the state of coastal communities in many parts of the island. Thus, like the islands of Bohol and Negros, concerned sectors have made attempts to secure the sustainability of the coastal and fishery resources.

### 1. Community-based resource management

The experience of the Southeast Asia Fisheries Development Council in Malalison island in Antique in the island of Panay is one of the most CBCRM experience in the Visayas. In the said CBRM initiative "the people of Malalison were able to organize themselves to assign and protect a marine reserve in their area. This was in answer to their desire to implement a territorial use rights ordinance that they worked out to be passed by the local government and village councils. In addition, this move supported a previous deployment by Aquaculture Department of the Southeast Asian Fisheries Development (SEAFDEC/AQD) researchers of concrete artificial reef habitats in the area. To date, a total ban on fishing of any kind has been successfully enforced in the reserve."<sup>22</sup> Currently, "SEAFDEC/AQD researchers are carrying out a community-based coastal fishery resources management and mangrove-friendly aquaculture project in collaboration with the local governments of Ibayay municipality and its adjacent Tangalan town, in Aklan province in the Philippines. Two nongovernment organizations, Process Foundation and USWAG, are also helping SEAFDEC/AQD in the community organizing aspect of the project."<sup>23</sup> An FRMP (Fisheries Resource Management Project) is being undertaken in Sapijan Bay involving the municipalities of Ivisan and Sapijan of Capiz and Batan of Aklan province, the BFAR Region VI and the UPV Foundation, Inc.



### 2. Saving Boracay

Boracay Island, in the municipality of Malay in the province of Aklan, is a prime tourist destination, drawing tourists to its four-kilometer white beach. There are 1,259 business establishments, one golf course and several inland resorts on the island.<sup>24</sup> Intensive pressure on the coastal resources of the islands and pollution from various tourism and household activities contributed to the degradation of the island's waters. The Western Visayas office of the DENR noted that the island receives tourists and building structures beyond its carrying capacity. A massive algae bloom during the peak tourist season led to the revival of DENR's monthly monitoring of Boracay's water quality. A DENR study also monitors the effectiveness of the environmental management programs and the centralized waste treatment facility in operation in Boracay.<sup>25</sup>

## The Lowlands of Visayas

### *Challenges in Biodiversity Conservation in the Lowlands of Visayas*

The lowlands of Panay and Negros have been a major source of agricultural products in the Visayas. Western Visayas a main contributor to the 6.1 metric tons of rice produced in 2004.<sup>26</sup> The

<sup>21</sup> Tietze, U. 2000. Socioeconomic and Occupational Characteristics of Coastal Fishing Communities in Tietze U., Groenewold, Marcoux A., 2000. Demographic Change in Coastal Fishing Communities and Its Implications for the Coastal Environment, FAO Fisheries Technical Paper 403, (Rome: FAO).

<sup>22</sup> SEAFDEC, SEAFDEC/AQD bares research findings on social technologies for sustainable coastal resource management, [www.seafdec.org.ph/study2.html](http://www.seafdec.org.ph/study2.html), accessed on 3 February 2005.

<sup>23</sup> Ibid.

<sup>24</sup> DOT VI, Boracay Island List of Establishments, Iloilo City: DOT %, 2003.

<sup>25</sup> DENR VI Environment Management Bureau, Coastal Water Monitoring: Boracay Island Coastal Waters in the State of the Brown Environment Report, (Iloilo City: DENR), pp. 22-26.

<sup>26</sup> Department of Agriculture Bureau of Agricultural Statistics, July 2004.

Philippine government launched a Hybrid Rice Commercialization Program (HRCP) aimed at increasing productivity in rice farming, self-sufficiency and facilitate poverty alleviation. The program components are "seed production, procurement and distribution, seed subsidy to farmers, intensive promotions, training, and technical assistance to both hybrid seed and commercial rice growers".<sup>27</sup>

Iloilo in Panay was a target area for hybrid rice production under the Ginintuang Masaganang Ani program of the government. Though Iloilo recorded one of the highest rice yields in the Philippines, the hybrid rice program cannot entirely claim credit for it (see Table 9<sup>28</sup>.) However, the diversity of rice and corn traditionally planted has been threatened in Iloilo and across the Visayas with the government's intensive campaign and support services for the use of hybrid rice varieties for the planting of Bt corn. The program, thus, entices farmers to hybrid rice and Bt corn production while relegating the diverse rice and corn varieties into nonuse.

**Table 9. Hybrid Rice Commercialization Program Assistance Provided in Region VI CY 2003**

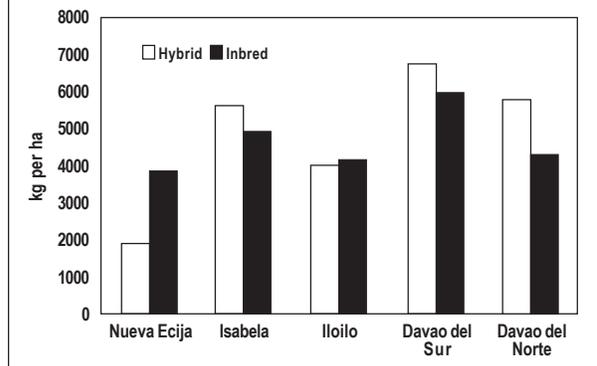
Province	No. of Bags Distributed	Area Planted (ha.)	No. of Farmers Served
Aklan	158	71	71
Antique	377	228	228
Capiz	301	239	239
Guimaras	141	134	134
Iloilo	2,133	2,024	2,024
Negros Occ.	414	346	346
<b>TOTAL</b>	<b>3,524</b>	<b>3,041</b>	<b>3,041</b>

Source: GMA Rice Program

Nongovernment organizations have launched biodiversity conservation initiatives for rice and corn in Bohol, Cebu, Negros and Iloilo. SEARICE (the Southeast Asia Initiatives of Community Empowerment), for instance, encouraged farmers to breed the seeds they plant (through participatory plant breeding), established seed banks, encouraged a community seed registry system, and facilitated seed exchange among farmers—all in the hope of enabling the continued use of diverse rice and corn varieties for this and succeeding generations. Bohol Network for Farmers Rights (BNFR) argued for biosafety and sought a ban on products with genetically modified organisms (GMOs) and secure Bohol crops from GMO contamination.

SOCIAL WATCH PHILIPPINES

**Figure 6. Yield Performance of Hybrid and Inbred Rice Across Locations WS 2002**



There is, however, a much severe threat in biodiversity conservation these days: The province of Iloilo, for instance, recorded a declining plantation in irrigated agricultural lands since 1998. Massive migration to, population increase and urbanization in Iloilo led to the rapid conversion of agricultural lands into residential and commercial use. Though there have been policies to prevent these, there is a growing real estate development in Iloilo that now clears, encroaches and changes the landscape of agricultural areas of rural areas on the fringes of Jaro and Mandurriao and the municipalities of Leganes, Zarraga, Dumangas, and Oton, among others.

### Urbanization and environmental management in Cebu

Cebu City, is a major industrial and urban location. It has a land area of 5,000 square kilometers with a 330-square kilometer city area housing most of its population (about 88 percent) near the coastal area.

The heavy influx of intra-provincial migrants, rise of informal settlements and growth in the informal economy along with land conversion, land reclamation, infrastructure development<sup>29</sup> and the passage of City Ordinance 1780 declaring a 200-meter commercial strip zone at both sides of the highway have presented Cebu City with numerous environmental challenges.<sup>30</sup>

<sup>27</sup> Bordey, et.al.. 2004. Socioeconomic Evaluation of Hybrid Rice Production in the Philippines presented at the 4th International Crop

<sup>28</sup> Bordey, et. al 2004. Socioeconomic Evaluation of Hybrid Rice Production in the Philippines, 4th International Science Crop Congress.

<sup>29</sup> Etimadi, Felisa, 2000. Civil Society Participation in City Governance in Cebu City, Environment and Urbanization, Volume 12 No. 1, April 2000 p. 58.

<sup>30</sup> Cebu United for Sustainable Water, Metro Cebu Environment Management Board, DENR and the Soil and Water Conservation Foundation reference material on Not for Sale: Lands in Protected Areas

The latter will deprive Cebuanos of forest cover it needs to secure water supply and prevent landslides.

Cebu City water demand is approximately 234,000 per day supporting a population of about 1.3 million and a rising number of industries. Domestic and industrial consumption of water is dependent on groundwater from the coastal limestone aquifer and alluvial water-bearing formation in Cebu's river delta of five rivers: Kotkot, Butuanon, Cansaga, Mananga, and Pangdan. The Cities of Cebu and Madaue have poor water quality due to domestic and industrial pollutants.<sup>31</sup> Most common of the latter is the discharge of industrial waste into rivers and channels (e.g. the FMC Marine Colloids' waste discharge into Mactan Channel).<sup>32</sup>

The growing population of Metro Cebu cities has also resulted in large amounts of waste which the local government units found difficult to dispose of. Cebu City produces 500-520 tons of waste daily.<sup>33</sup> In 2004, the Integrated Bar of the Philippines and DENR VII threatened to sue the Metro Cebu cities for failing to comply with the Solid Waste Management Act of 2001 by burning garbage in open dump sites and for failing to segregate garbage. The cost of managing solid waste has always been an issue, an impediment aggressively working towards a cleaner environment.<sup>34</sup>

Initiatives have been undertaken by stakeholders including local government units, nongovernment organizations, academic communities, and community stakeholders in partnership donor agencies to correct the degradation of Cebu's environment. A common treatment facility for waste water from small and medium-range industries is being initiated through the establishment of the Cebu Central Treatment Facility, Inc.—a private enterprise with most clients as stockholders. An attempt to save one of its rivers from pollution and degradation is awaiting its implementation through the Butuanon River Watershed Management Project. But while there may be constraints in waste and water management for the local government units, nongovernment

organizations like CLEAR in Cebu City have been initiating river water quality monitoring, a massive river clean-up in Metro Cebu areas, and helped introduce clean production techniques to Cebu's industries. Cebu City also has an Environmental Quality Control Council for Metro Cebu. It is a multisectoral organization aimed at protecting Cebu from industrial pollution.

### The uplands of Visayas

Many of the Visayan islands are characterized by lowlying and hilly areas. But two islands, Panay and Negros, have mountain peaks that have sheltered diverse flora and fauna and indigenous peoples. The following case studies present challenges faced by the mountains of Negros Island and Panay.

### Deforestation in Negros Oriental

The onset of American colonial rule ushered in further industrial growth. The grant of logging concessions in Negros was a direct result of the industrial activity in the island that in turn led to the growth of the population with the onset of development. Development came in the form of infrastructure projects – schools, hospitals, clinics and other business establishments, especially the expansion of plantations supported by subsidies from the US government. After World War II (WWII), logging on the island increased under combined foreign and Filipino ownership. By 1970, the population had risen to 2 million and stood over 3 million by 1998.

Figure 7. Map of Negros Island



<sup>31</sup> PCEEM Project Inception Report 1998 in Metro Cebu Environmental Improvement Project.2003.

<sup>32</sup> Gaylican, Christine, 2003. US Firm's Subsidiary Defies DENR on Waste Discharge, CebuDaily News, 20 June 2003.

<sup>33</sup> Gadin, Benilda. NGO Activities in the Improvement of River Quality and Environmental Education. Proceedings of the Kitakyushu Initiative Seminar on Public Participation, Kitakyushu, Japan, 21-21 January 2004.

<sup>34</sup> Versoza, R. and Campana, G, 2004. IBP, DENR may sue Metro Cebu cities

This result in a density of 220 per square kilometer, twice that of France and nearly eight times that of the US in that year (1998).

As a result of colonial administration and population growth, old-growth forest cover declined from 90 percent in the 1700's to 60 percent by the end of WWII. The last remnants of the old-growth forests below 3,000 feet were cleared by the middle of 1970. By that year it had declined to around 8 percent, 6 percent by 1984, and less than 4 percent by in 1992. In Oriental Negros, the total forestland is believed to be only 5 percent (27,011 ha.) of the total land area of the province (540,230 ha.)

These forests are now reduced to small patches of montane and mossy rain forest near the mountain tops; an old-growth lowland forest exists only as a few thin ribbons between forests and cleared lowlands. These patches and ribbons of forest now serve as diminutive islands of natural rain-forest habitat delimited by a throng of impoverished masses. Illegal logging is a threat. From January to December 2004 a total of 27.71 cubic meters of forests products such as wooden logs and timber were confiscated by Provincial Environmental and Natural Resources Office (PENRO) officials. The catch amounted to P352,556.40.

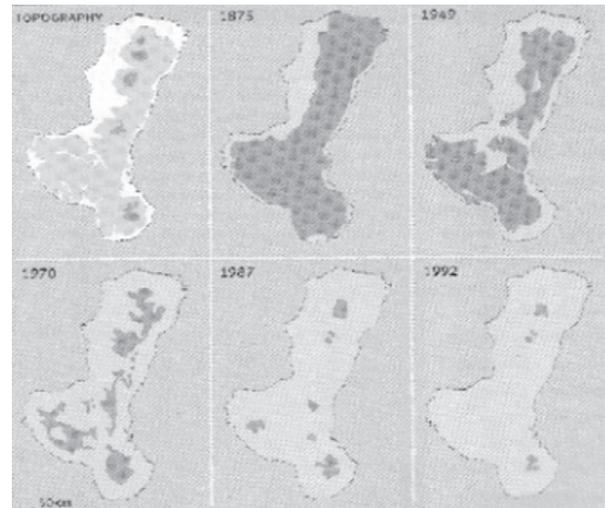
The areas of Amlan, Pamplona, Mabinay, Sibulan, Bacong, Sta. Catalina, Bayawan City, Tanjay City and Dumaguete City are identified with recorded illegal logging. The province covered around 80 percent of the natural forests in the early 1900's and at present it has alarmingly dropped to 5-6 percent. Officials warn a possible repeat of the scenario in the Quezon and Aurora provinces if such issues are not addressed. The current thrust to address this problem is to enforce existing laws to the fullest with the cooperation from both the private and public sectors.

### 1. Securing the Forest Reserve

The Mount Talinis Twin Lakes Forest Reserve has been recognized as an important but endangered ecosystem. The reserve is within the confines of the 133,000-hectare Philippine National Oil Company (PNOC) geothermal reserve. The Twin Lakes area is home to two watersheds, Mt. Talinis and Lake Balinsasayao, which help supply Negros with water. It is also the largest contiguous forest in southern Negros Oriental (1,692 hectares) with high biodiversity<sup>36</sup> and endemism ratings<sup>37</sup> and rich mineral deposits. The latter is a major reason to target the area for mining.

In year 2000, Proclamation 414 declared

**Figure 8. Deforestation in Negros 1875-1992<sup>35</sup>**



8,000 hectares of the Twin Lakes area as protected. It is now called the Balinsasayao Twin Lakes Natural Park. The declaration does not include the Mt. Talinis area. In 2004 House Bill 1462 attempted to further reduce the protected area to 3,749 hectares. Although the proposed bill did not prosper because of resistance from civil society sectors in Negros Oriental, the threat to the forest reserve still looms.

Concerned sectors in Negros Oriental are calling for the creation of a multistakeholder Protected Area Management Board. Attempts to curb kaingin and small-scale illegal logging have also been initiated by partners of the Foundation for Philippine Environment (FPE), CenTrop and TMF in Negros Oriental, through environment-friendly alternative livelihood projects (e.g. sustainable agriculture, organic fertilizer production and duck and vegetable-raising. People's Organizations (POs) linked with the CenTrop and TMF have been learning wildlife biomonitoring skills and have participated in ethnobiological survey and monitoring of the Twin Lakes area. In the process, members of the POs begin to appreciate the value of wildlife protection.

### Cebu: protected areas needing protection

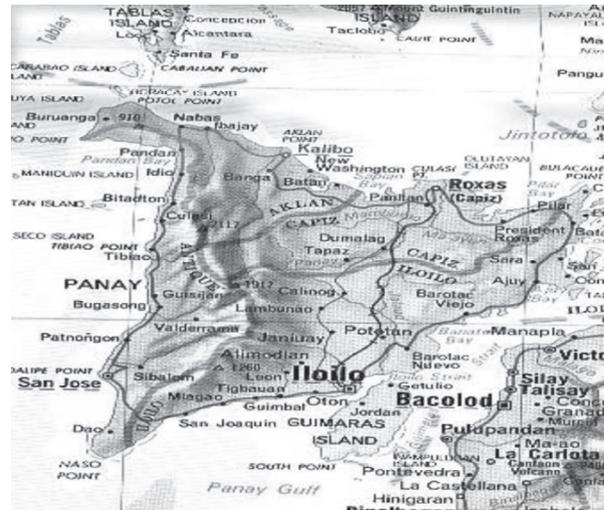
Cebu has five protected areas: Mananga Watershed Forest Reserve, Kot-kot Lusaran

<sup>36</sup> Heideman, P.D., L.R. Heaney, R.L. Thomas and K.R. Erickson. 1987. Patterns of faunal diversity and species abundance of non-volant mammals on Negros Island, Philippines. *Journal of Mammalogy* 68:884-888.

<sup>37</sup> Heaney, L.R., P.D. Heideman, and K.M. Mudar. 1981. Ecological notes on mammals in the Lake Balinsasayao region, Negros Oriental, Philippines. *Silliman Journal* 28:122-131.



Figure 9. Map of Panay



Watershed, Central Cebu National Park, Sudlon National Park, and Buhisan Watershed forest reserve. All of these protected areas cut across Cebu City. The passage of City Ordinance 1780 declaring a 200-meter commercial strip zone on both sides of the highway has given rise to land acquisition and land speculation in The uplands of Cebu. Because there are claimants – carrying tax declarations and even titles as proof of ownership – to portions of the protected area, the forests are under threat of being transformed into housing, commercial and industrial project sites. While protected areas are not to be sold, donated, exchanged or inherited, many of the claimants assert prior rights to the property which is recognized by law — a major cause of concern for those seeking to secure the protected areas.<sup>38</sup>

### The uplands of Panay: issues of utilization and resistance

Panay island (see map<sup>39</sup>) has an area approximately 11,520 square kilometers and lies between latitude 11° 55' and 10° 24' N and longitude 121° 24' and 123° 9' E. It is bounded on the north by the Sibuyan Sea, on the west by Cuyo East Pass and on the south by the Sulu Sea. Panay is the sixth largest island in the Philippine archipelago and is home to four provinces of Region VI, namely, Iloilo, Capiz, Aklan and Antique.

#### 1. Forest Cover and Wildlife

Panay retains approximately 9% of the original, primary forest covering as much as 103,000 hectares on two mountain landscapes. A rare, low-elevation forest tract on ca. 7,000 hect-

ares, much of which is rugged, karst topography, is in the Northwest Panay peninsula; it is a mixture of primary, secondary and selectively logged forest with identifiable pockets and corridors suitable for ecological restoration. The remaining 95,000 hectares of primary forest is largely montane and is contained within the Central Panay Mountains at elevations above 1,000 meters, although fingers of quality forest survive at lower elevations in valleys and recent field surveys have identified limestone forest at a lower elevation in the northern reaches of the range. Primary forest in Central Panay is fragmented into separate tracts, some or all of which a suitable for corridor developments.

Panay is part of the West-Central Visayas, or the Greater Negros-Panay biogeographic region, and ranks among the highest conservation priorities in the world when considering levels of faunal-floral endemism and degree of threat.<sup>40</sup> Panay wildlife includes 189 species of birds, 42 species of mammals, and 39 species of herpetofauna. Changes in and intensification of upland use put the wildlife under intense pressure. among the affected ones, the Writhed-billed or Visayan wrinkled hornbill (*Aceros waldeni*), the Visayan warty pig (*Sus cebifrons*), and the Visayan spotted deer (*Cervus alfredi*).

The rapid denudation of forest cover and rising upland use is alarming. Iloilo, for instance

<sup>38</sup> Cebu United for Sustainable Water, Metro Cebu Environment Management Board, DENR and the Soil and Water Conservation Foundation reference material on Not for Sale: Lands in Protected Areas

<sup>39</sup> RandMcNally Map of the Visayan Islands, [www.isis.csuhayward.edu/cesmith/vittmus/Philippines/Islands/VisayasTopo.htm](http://www.isis.csuhayward.edu/cesmith/vittmus/Philippines/Islands/VisayasTopo.htm), accessed on 28 January 2005.

<sup>40</sup> Oliver and Heaney (1997)

**Table 10. Land Use Cover of Forest Land by Province in Region VI (in hectares)<sup>41</sup>**

Province	Total Forestland	Mossy	Virgin/Old Growth	Residual	Brushland	Mangrove	Other Land Use
Aklan	74,994.00	6,378.00	2,851.00	18,981.00	25,733.00	417.00	20,634.00
Antique	11,8635.00	13,199.50	1,650.00	14,131.08	30,274.79	532.00	58,847.63
Capiz	103,951.00	1,525.00	1,892.00	10,678.00	49,241.50	26.00	40,588.50
Iloilo	114,083.00	3,790.88	7,016.00	5,225.80	25,819.60	700.44	71,530.28
Guimaras	2,836.11	0	0	449.58	1,307.04	0	1,079.49
Negros Occidental	25,2221.38	0	10,885.50	23,210.00	64,061.56	1,761.37	152,302.95
<b>TOTAL</b>	<b>666,720.49</b>	<b>24,893.38</b>	<b>24,294.5</b>	<b>72,675.46</b>	<b>19,6437.49</b>	<b>3,436.81</b>	<b>344,982.85</b>

Source: LEP-FMS, DENR Region VI

only has a 7 percent forest cover although it may claim about 18379 hectares of upland reforested area.<sup>42</sup> Trends in land use of Iloilo province indicate increasing illegal extraction of sand and gravel and declining plantation of once-irrigated land and increase in cultivation in non-irrigated lands. While the province has yet to ascertain the cause of this trend, it is apparent that rapid and extensive land conversion for residential use in once productive agricultural plains have pushed many farmers to cultivate uplands, clearing areas covered with trees for cash crop cultivation. This unabated trend of illegal logging, agricultural intensification in and migration to, and continued unregulated access to and use of minor forest products have a severe impact on biodiversity and the communities dependent on upland resources.

## 2. Water Resources from the Uplands

A major concern for many stakeholders looking into development changes in the uplands is the access, use and control of water resources. Water resources from the uplands do not only provide for the basic survival needs of humans, but are essential for agriculture and industrial processing and production. The latter two have increased consumption levels of water twice as fast as the population rate. Thus, there is a recognized need to manage water systems in Panay.

It has been found that water from the uplands also carries domestic waste and run-off from agricultural fields, and affects not only lowland users of water resources but also the coastal resources. Panay River — a major river in Panay — for instance, originates from the mountain ranges of Mt. Igabon and Mt. Binilangan and cuts across the basin in a northeasterly direction traversing several municipalities of Capiz. DENR VI reports that the river receives domestic waste, piggery waste and agricultural run-off coming from the populated area it traverses. And this same river is the source of Roxas City's drinking water supply managed by the

Roxas City Water District.<sup>43</sup>

## 3. Mineral Resources, Infrastructure Development and Upland Communities

The current conditions for the upland communities are far from stable, aggressive modes of development initiatives are threatening to displace or overwhelm untenured communities. There are mining claims cover large sections of the mountain range in Central Panay, the entire Buruanga Peninsula and Northeastern Panay. An assessment of the mineral resources of Iloilo in 2003, for instance, yielded a range of metallic and nonmetallic mineral commodities that can be tapped. Among these are manganese, clay (e.g. ball, white, red-burning), guano, limestone, phosphate rock and basalt/lava flow.<sup>44</sup> In Iloilo alone in 2004, the province received 143 applications. Of these, 103 permits have been issued.<sup>45</sup> Moreover, in Central Panay, proposed infrastructures in the form of roads and military installations either adjacent to or overlapping with both indigenous peoples (IP's) ancestral domains and primary forest, each and collectively represent major threats to the stability and integrity of the uplands in human and environmental terms.

A population of approximately 25,000 indigenous peoples (IPs) resides in the uplands of the Central Panay Mountains. Under the broad cultural and ethnic titling of Bukidnon, these people have undergone some diversification and tribal factionalism among the group, which now occupy different areas across the range. Nevertheless, as a whole, Bukidnon possesses distinct cultural orientations,

<sup>41</sup> Based on Land Evaluation Party data as of January 2000 and drawn from DENR VI on January 2005.

<sup>42</sup> Provincial Planning and Development Office, 2004. Annual Development Plan CY 2004 Province of Iloilo. (Iloilo: Provincial Government of Iloilo), p. iv and p. 10.

<sup>43</sup> Environmental Management Bureau DENR-VI, 2003. State of the Brown Environment Report, (Iloilo City: DENR VI), Chapter 3 p. 15.

<sup>44</sup> MGB-DENR 6, 2003. Mineral Resources CY 2003. (Iloilo City: DENR VI).

<sup>45</sup> Monitoring and Evaluation Section, Provincial Planning and Development Office, 2004. 2003 Annual Accomplishment Report, (Iloilo: Province of Iloilo), p.16.

rituals and worldviews that indicate a common identity and lineage, qualities that separate them from the upland communities deriving from the lowlands during the past century. One feature of the Bukidnon society is a worldview that obligates Man to co-exist with nature rather than to dominate it. Such views, which are characteristic of many IP's, are favorable to biodiversity conservation and the concepts of sustainable development and could be incorporated into the strategic environmental management of the Central Panay mountains.

The demand for resources to support lowland development, migration into the uplands and the presence of settled communities on the periphery of ancestral lands/primary forest have severe consequences on biodiversity and accelerate the erosion of cultural values inherent in Bukidnon societies.

#### 4. Power and Upland Resources

New threats to the use of freshwater resources have also proven to be a challenge to water management. In Panay, the putting up of coal-fired power plants in Northern Iloilo has been perceived to heavily impact on upland resources. "The islands of Panay and Guimaras make up the Panay grid that connects Negros, Cebu and Leyte grids to form the Visayas power grid. These main grids have varying generation capacities and power consumption needs. The biggest excess energy generated comes from the island of Leyte." The excess makes up for the "deficiency in all other islands combined."<sup>46</sup> The grid allows for power sharing that channels excess power generated from Leyte to Cebu, that of Cebu channeled to Negros while the latter's excess is channeled to Panay. A scenario of power shortage raised by the Department of Energy (DOE) led to the assertive lobbying for the approval of proposals to put up independent power projects. Among these are proposals to build a 100-MW coal-fired power plant in the region.<sup>47</sup> Among the target zones are municipalities in Northern Iloilo.

It is perceived by some members of non-government coalitions (e.g. Responsible Ilonggos for

Sustainable Energy, RISE) perceived the increasing pressure to push for the coal-fired power projects is not meant to address power shortage in the region —since there is none to speak of. The Visayas Grid has a 457-MW surplus of dependable capacities. (See Table of Power Sector Situation)<sup>48</sup> Instead, the assertive stance of putting up the coal-fired power plant may be closely related to the perceived power needs of mining operations that may soon be under way in the in target areas of Panay. The coal-fired power plants are to be put up in Northern Iloilo where most of the mining applications have targeted.

Furthermore, RISE asserts that the coal-fired power plants are not compatible with the approved land-use plans. The target sites have been "zonified as agricultural, tourism and ecologically-protected areas". Moreover, the process required to run the plant demands quarrying of massive quantities of limestone which may damage watersheds and endanger the livelihood of affected communities. It is also perceived that the power plants will "compete with local communities in the use of freshwater resources which is estimated at 1000m per day per 100-MW plant".<sup>49</sup>

#### 5. Attempts at Upland Resource Management

Concerns, such as those mentioned above, have led to attempts by government, non government and people's organizations to initiate various attempts at managing of upland resources. Community-based attempts stir from the traditional reforestation programs. The government, through DENR, has pursued a community-based forestry management program. The summary of CBFMA

<sup>46</sup> Suruelo, Ian. Pany –at the tail – end: Issues truggles and campaigns on the power sector in the Island of Panay, Philippines in South Asia-Pacific and the Freedom from Debt Coalition-Philippines (2004). Peoples' Resistance and Alternatives to Privatization of Water and Power Services, (Quzon city: Jubilee South and Freedom from Debt Coalition), p. 180.

<sup>47</sup> Ibid., p. 182.

<sup>48</sup> Responsible Ilonggos for Sustainable Energy (RISE), (2005). P. 6.

<sup>49</sup> Ibid., pp 7-9.

<sup>50</sup> Ibid., p 6.

**Table 11. Power Sector Situation per Transmission Grid in 2004<sup>50</sup>**

Power Transmission Grids	Installed Capacity (MW)	Depend. Capacity (MW)	Peak Demand (MW)	Unutilized Electricity (Dep.-Peak)
Luzon	12377	11086	6728	4358
Visayas	1721	1520	1063	457
Mindanao	1665	1402	1278	124
<b>Total</b>	<b>15763</b>	<b>14008</b>	<b>9060</b>	<b>4939</b>

Source: DOE Visayas Power Development Plan 2005 to 2014