

Davao, August 1 2005

RESPONSE  
TO  
The Final Report of the Mission to Review EU environmental  
actions for the Philippines  
Dated 25 May 2005

We would like to give a response to the above-mentioned report in respect of comments and recommendations that concern the UDP.

The Mission seems to have hit the nail one head on most points. A useful analysis of the problems with ensuring sustainability given the government's weaknesses. Considering the limited time the Mission had to devote to each project, this is a valuable document and hopefully it will be used for designing new projects in the Philippines.

As far as UDP is concerned the Programme has developed and tested its Sustainable Upland Development (SUD) Model and is now at the peak of pursuing the mainstreaming and institutionalization of this model and its elements both at the local and national government levels.

The institutionalization process is undertaken by the project to realize UDP's potential as a policy laboratory of upland development.<sup>1</sup> Within this context we would like to comment on the specific points raised by the Mission (**in bold**):

There is a statement (page V) saying that projects including UDP do not have much impact with respect to "encouraging central government to allocate increased resources to projects and environmental actions etc."

**We like to mention that the DA provide an extra 50 million to UDP for certain infra works in 2002.**

On page 18, 22 the Report highlights land use planning "opportunities of cross-fertilization or inheritance of project ...found beneficial to UDP were the local plans established under PRISP".

**We would like to note that "PRISP did not embed the model sufficiently to ensure it would multiply by itself using the manuals for LGU staff and these BDPs and CMDPs were never streamlined into provincial policies."**

Regarding not integrating ...environmental mitigation measures into infra projects...such as farm to market roads ...contributing to soil erosion...

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<sup>1</sup> Monitoring Report of Frans Geilfus, MR-20046.03-10/09/04

**UDP is not involved in the construction of new roads only maintenance and some rehab. through spot repairs only. The real culprit here is deforestation and bad land care. The land use-based BDPs include protection of areas that are sources of potable water.**

On page 23 the report states that “UDP has been effective in....identifying the worrying effects of soil erosion in upland areas...but UDP has not communicated this and other upland problems effectively to ensure local and central decisions ....take heed of these negative developments in their development policies”.

**We would like to disagree as the Programme is making so many efforts in this regard with its local partners as well as at the National level (DA) and even with legislative bodies like Congress. Letters have been sent to the President herself on the worrying state of the environment and the Secretary of the DENR as well. At the local level we would like to mention that all barangays and municipalities and some Provincial LGUs have adopted resolutions and ordinances in respect of the issue. It is our interpretation that as a project one can only do so much. The reasons for the slow response and action by LGUs and National Government Agencies may be of a complete different level not related to project capacities and capabilities. They may have to do with vested economic interests, power struggles, corruption and of course poverty, all issues that cannot not be tackled by a project alone nor overnight.**

On page 32 the following is stated:

1. The BFPMP rely on DENR
2. Commercial enterprise plans are the responsibility of DTI not DA so there is a continual gap in the forward and backward linkages of the agricultural food chain
3. No financial services interested
4. There are no barangays tht own or hire the minimum equipment
5. Project has not applied adequate mitigation to ensure negative environmental impact”

**Ad 1. This is not correct. As part of our technical assistance to local government units, the Programme embarked on land use planning capability building amongst members of Municipal Planning and Development Teams, which teams are composed of multi-disciplinary staff from the LGUs. These activities resulted in the formulation of Land Use-Based Barangay Development Plans (LUB-BDP). The landuse planning is done participatory and the zoning is done in consensus with the community, B and MLGU and the DENR/NCIP. The plan indicates what area will be for agricultural development and what for forest protection/reforestation. So definitely the Barangay Forest Protection and Management Programme does not rely solely on the DENR, not at all actually, it relies basically on the barangay community and the BLGU.**

**Ad 2. Commercial enterprises are first of all the responsibility of the entrepreneur/enterprise group. The development of an enterprise is basically a private sector affair, which has to operate within a business environment that**

indeed is partly determined by Government policies, rules and regulations. The DA through UDP is helping farmers to increase production volumes and quality of market led crops. The DTI is tapped for certain services it can provide. But above all the Programme involves private sector service providers to assist the upland enterprises with market linkages, business planning and the like. To us this statement by the mission seems to be out of context.

**Ad 3. No financial services delivery institutions interested, this is only partially true for certain extreme remote areas indeed there is no market for financial institutions. In most of the UDP areas though, farmers have access to financial services thanks to UDP. Loans based on collateral, yes but not land titles as most of the people in the uplands have no land titles, hence group collateral and other innovative approaches are applied by the financial institutions involved.**

**Ad 4. Barangays not having equipment for maintaining farm to market roads. Thanks God yes. The Programme's approach is to promote labour based routine road maintenance and refrain from dependency on heavy equipment from MLGUs, PLGUs. A capital-intensive approach to maintenance through the use of equipment is far beyond the financial capacities of barangays. Usually the result is extreme deteriorated barangay roads, which once in a while are graded while the issue of proper drainage is totally ignored. Such an approach is also economically unsound in the barangay context where there is a lot of under and unemployment and lack of cash. Hence the Programme promotes routine maintenance by labour crews contracted by the BLGU with financial support from higher level of governments and UDP (no volunteers). This approach would in the long run also prevent the need for massive periodic rehabilitation, which is now a yearly event just to keep the roads passable, but at high costs, its rather ineffective and transport costs stay high to very high.**

On page 37 the report concludes that EC projects hardly employ IPs.

**That's true and regretful. It's also true that the EC cannot really influence the recruitment of counterpart staff, which is the mandate of GOP/LGUs.**

Page 45, DENR having no capacity and projects have not done anything about that....

**We like to mention that UDP has provided the Regional DENR Offices in Region XI and XII with a complete set of GIS equipment to facilitate its mapping efforts. UDP has also come up with an innovative approach to landuse planning at barangay level where responsibility for environmental protection and proper resource management is the given to the barangay community, the B/MLGU and DENR/NCIP jointly, with the community in the lead. This approach is well received by the DENR and has given the local CENRO offices a new dimension, fresh motivation on the way forward in respect of sustainable upland natural resource management, which was, and elsewhere still is perhaps, very bleak for this Agency indeed. UDP has also recommended policy recommendations in respect of the DENR that aim at**

**restructuring the Agency from direct interventions into becoming a capacity building institution for local government units and communities in protecting and sustaining their natural resources<sup>2</sup>.**

On page 50 the report states, “ Large number of staff and a large number of equipment who cannot be absorbed, maintained by LGUs”

**The investments UDP has made in its technical specialists and project facilitators/monitors are not wasted as these manpower resources are being tapped by non-government organizations engaged as service providers for the uplands not just by UDP but by other development organizations as well that have environmental components.**

**The large number of equipment will be properly handled thru a Disposition Plan putting emphasis on the capacities and manifested commitments of local government units to handle maintenance costs in their effort to sustain upland development in their respective localities.**

**UDP has not used a parallel structure to run project activities. The project design has been that LGUs and communities are direct responsible for activity implementation. It’s true though that their capacities were and still are limited to replicate the UDP models. This is a concern to be taken into account.**

#### Mission Recommendations

EC’s formulation of a strategy to support environmental actions of the Philippines

**This is seen by UDP as of vital importance particularly as there are presently efforts ongoing to assess upcoming agriculture and environment policies (examples are the policy on Sustainable Forestry Management; the Billion Trees Act) in Congress and the extent that environmental actions can influence these upcoming policies for a sustainable Philippine environment.**

**Most of the external factors and findings on page 52 are agreed, and we would like to add that the turnover of Department Secretaries is not only a prerequisite of the DENR but also of the Department of Agriculture, which has its 7<sup>th</sup> Secretary in 6 years.**

Attached a relevant document prepared by Mr. Ken Proud, UDP Consultant on Soil and Water Conservation.

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<sup>2</sup> Position Paper for Presentation to House committees on Natural Resources, Agrarian Reform and Housing and Urban Development Resources, June 2005