

The Philippine Environmental Governance 2 Project

Quarterly Performance Report No. 6

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This project is implemented by Development Alternatives, Inc. with the support of its subcontractors:

- Cesar Virata & Associates, Inc. ■
- Deloitte Touche Tohmatsu Emerging Markets ■
- The Marine Environment and Resources Foundation, Inc. ■
- The Media Network ■
- Orient Integrated Development Consultants, Inc. ■
- Resources, Environment and Economics Center for Studies, Inc. ■

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PREFACE

The United States Agency for International Development (USAID), through its Mission to the Philippines, has contracted Development Alternatives, Inc. (DAI) to implement the Environmental Governance 2 Project (EcoGov 2) under Contract 492-C-00-04-00037-00. The effective date of the contract is October 1, 2004 through September 30, 2009, with a two year option period to September 30, 2011. DAI implements the project with the assistance of four Philippine organizations – Cesar Virata & Associates (CVAI); the University of the Philippines’ Marine Environment and Resources Foundation (MERF); Orient Integrated Development Consultants, Inc. (OIDCI); and Resources, Environment and Economic Center for Studies (REECS) – and two American firms – the Deloitte Emerging Markets Group (EMG) and The Media Network.

The Contract requires DAI to submit Quarterly Progress Reports to USAID within 45 days of the close of each operating quarter. The report summarizes quarterly objectives, accomplishments toward those objectives, implementation issues and proposed resolutions, the status toward achieving sustainability of efforts, and the planned performance objectives for the next quarter.

The report consists of two sections. The first is an overview of the project and a summary of progress and activities over the preceding quarter. The second section provides detailed updates on activities undertaken for each of six Contract Line Item Numbers (CLINs), which themselves correspond to the target areas in the Contract Scope of Work. More detailed information on EcoGov 2 is available in other reports for readers who may not be familiar with the project. These reports are available from our project offices and USAID.

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Note on the use of currency: The majority of currency figures named in this document are stated in Philippine pesos. At the time of writing, one U.S. dollar was equivalent to approximately 53 pesos.

A note on the use of capitalization in this document: EcoGov documents capitalize directional place names only when they are formally applied; for example, Central Visayas (a formal area equivalent to Region VII) or South Cotabato (a province). When directional descriptions are used as adjectives, the word is not capitalized; for example: northern Luzon, western Mindanao, or southern and central Mindanao.

ACRONYMS

ADR	-	Alternative Dispute Resolution
ADSDPP	-	Ancestral Domain Sustainable Development and Protection Plan
ARMM	-	Autonomous Region in Muslim Mindanao
BEMO	-	Bohol Environment Management Office
BMTP	-	Bohol Marine Triangle Project
BORDA	-	Bremen Overseas Research and Development Association
CADC	-	Certificate of Ancestral Domain Claims
CADT	-	Certificate of Ancestral Domain Title
CBFM	-	Community-Based Forest Management
CBFMA	-	Community-Based Forest Management Agreement
CENRO	-	Community Environment and Natural Resources Officer
CLIN	-	Contract Line Item Number
CLUP	-	Comprehensive Land Use Plan
CMMD	-	Coastal and Marine Management Division
CRM	-	Coastal Resources Management
CRMF	-	Coastal Resources Management Framework
CTO	-	Cognizant Technical Officer
CVAI	-	Cesar Virata & Associates, Inc.
DA/BFAR	-	Department of Agriculture/Bureau of Fisheries and Aquatic Resources
DAI	-	Development Alternatives, Inc.
DAO	-	Department Administrative Order
DENR	-	Department of Environment and Natural Resources
DILG	-	Department of the Interior and Local Government
EcoGov	-	USAID Environmental Governance 2 Project
EDC	-	Energy Development Corporation
EMB	-	Environmental Management Bureau
EMG	-	Emerging Markets Group
ENRO	-	Environment and Natural Resources Office
FAO	-	Food and Agriculture Organization
FARMC	-	Fisheries and Aquatic Resources Management Council
FASPO	-	Foreign-Assisted and Special Projects Office
FFM	-	Forests and Forest Lands Management
FISH BE	-	Fisheries Bio-Economic Model
FLET	-	Fisheries Law Enforcement Team
FLUP	-	Forest Land Use Plan
FMB	-	Forest Management Bureau
FRENDS	-	Friends of the Environment for Development and Sustainability
GEM	-	Growth with Equity in Mindanao
GoAd	-	Governance and Advocacy Sector
GPOA	-	General Plan of Action
IBRA	-	Illana Bay Regional Alliance
IEC	-	Information, Education and Communication
IEE	-	Initial Environmental Examination

IFMA	- Industrial Forest Management Agreement
IRR	- Implementing Rules and Regulations
ISWM	- Integrated Solid Waste Management
LCP	- League of Cities of the Philippines
LGU	- Local Government Unit
LINAW	- Local Initiatives for Affordable Wastewater Treatment Project
LMP	- League of Municipalities of the Philippines
LOP	- Life of Project
LPP	- League of Provinces of the Philippines
M&E	- Monitoring and Evaluation
MDC	- Municipal Development Council
MENRO	- Municipal Environmental and Natural Resources Officer
MERF	- Marine Environment and Resources Foundation
MGB	- Mines and Geosciences Bureau
MIS	- Management Information System
MMAA	- Muslim Mindanao Autonomy Act
MoA	- Memorandum of Agreement
MPA	- Marine Protected Area
NCIP	- National Commission for Indigenous Peoples
NGO	- Non-Government Organization
NIPAS	- National Integrated Protected Area System
NSWMC	- National Solid Waste Management Commission
NVSU	- Nueva Vizcaya State University
OIDCI	- Orient Integrated Development Consultants, Inc.
PAMB	- Protected Area Management Board
PAWB	- Protected Areas and Wildlife Bureau
PENRO	- Provincial Environment and Natural Resources Office
PNOC	- Philippine National Oil Corporation
PNP	- Philippine National Police
PO	- People's Organization
REECS	- Resources, Environment and Economic Center for Studies
RMP	- Resource Management Plan
RUMA	- Resource Utilization Management Agreement
SCOTIA	- Sustainable Coastal Tourism in Asia
SFM	- Sustainable Forest Management
SO	- Strategic Objective
SPECTRUM	- Sarangani Province Empowerment and Community Transformation Forum
STTA	- Short-Term Technical Assistance
SWAPP	- Solid Waste Management Association of the Philippines
SWM	- Solid Waste Management
TWG	- Technical Working Group
UEM	- Urban Environmental Management
UPLB	- University of the Philippines – Los Baños
USAID	- United States Agency for International Development
WWF	- World Wide Fund for Nature

1. PROJECT OVERVIEW AND HIGHLIGHTS OF PROGRESS THIS QUARTER

The Philippine Environmental Governance 2 (EcoGov 2) Project, a grant by the US Government to the Government of the Philippines, provides technical assistance for the implementation of activities resulting in improved environmental governance by the project's local and national counterparts, improved management of forests, coastal areas, and solid waste, and the promotion of local government investment into sanitation facilities. EcoGov 2 fits within USAID's Strategic Objective 4 (SO 4) for strengthening the management of productive and life-sustaining natural resources and within the overall Mission goal of enhanced security, governance, and capacity for sustainable and equitable economic growth. As such, the long-term vision for EcoGov 2 is to conserve biological diversity by addressing problems of open access and mitigating natural resource-based conflicts in priority eco-regions. By contract, EcoGov 2 runs from October 1, 2004 through September 30, 2009, with a subsequent two-year option.

1.1. Project Overview

EcoGov 2 works in five technical areas and three broad geographic locations in the country. It also uses several cross-cutting elements in its technical approaches and works at a national level for institutional strengthening. The technical areas, which the implementation team refers to as sectors, correspond to five Contract Line Item Numbers (CLINs)¹, as follows.

CLIN 0001: Strengthened Government Institutions, with a five-year target of improving the capacity of 80 local government units (LGUs) to apply better governance practices in the management of their natural resources. The team uses a combination of advocacy, social marketing, public awareness (e.g., information, education and communication or IEC methods), and local-level policy support to achieve its goals in this sector. (Referred to in this report as the Governance and Advocacy sector, or GoAd.)

CLIN 0002: Improved Forest Management, aimed at reducing illegal logging and conversion of forest lands and with five-year targets of (a) placing over 250,000 ha of natural forest under improved management, (b) improving the productive development of 14,000 ha of forest, and (c) clearly establishing four management links between watershed management and the downstream water distribution system. (Referred to in this report as the forests and forest lands management sector, or FFM.)

CLIN 0003: Improved Coastal Resources Management (CRM), aimed at reducing over- and destructive fishing and with five-year targets of (a) placing 106,000 ha of coastal area under improved management, (b) establishing 20 new marine sanctuaries, and (c) improving the management of 50 existing marine sanctuaries. (Referred to in this report as the CRM sector.)

¹ There is also a CLIN 0006 for Management and Administration. This CLIN accounts for those costs, such as office rent, that cannot be precisely allocated to a single sector.

CLIN 0004: Improved Waste Management, with a five-year target of effecting significant diversion of waste from open dumps to controlled dumps, sanitary landfills, recycling, and composting in 90 LGUs. (Referred to in this report as the urban environmental management sector, or UEM.)

CLIN 0005: Municipal Investment in Sanitation, with a five-year target of promoting public and private investment in the wastewater and solid waste disposal facilities of 20 LGUs. (Referred to in this report as the municipal finance sector.)

Certain elements of the project are not captured in any single CLIN, but are clearly part of the Contract and/or the approach. These include promotion of transparent, accountable, participatory, and gender inclusive processes; organizational strengthening of national- and provincial-level line agencies; the enhancement of law enforcement; and a commitment to measuring improved health at a household level.

EcoGov 2 implements activities toward achieving the five sets of targets by working from five offices serving northern, central, and southern portions of the country.

Manila: maintaining Sector Leaders and senior policy specialists who work with national level agencies and who lead field efforts.

Solano: serving LGUs in northern Luzon's Region 2 and 3.

Cebu City: serving LGUs in Central Visayas.

General Santos City²: serving LGUs in the central, southern, and eastern portions of Mindanao, including partners from the Autonomous Region in Muslim Mindanao (ARMM).

Zamboanga City: serving LGUs in western/peninsular Mindanao and Basilan.

At the national level, the principal counterparts of the project are the Department of Environment and Natural Resources (DENR) and several of its bureaus. The project also works with the Department of Agriculture's Bureau of Fisheries and Aquatic Resources (DA/BFAR), Department of the Interior and Local Government (DILG), and the Leagues of Municipalities, Cities, and Provinces (LMP, LCP, and LPP, respectively). At the local level, the project works directly with LGUs, as well as the local offices of national government agencies entrusted with natural resources management. At all levels, the project works with non-government and civil society organizations, academic institutions, and local service providers who are stakeholders, or partners, in project success.

² EcoGov 1/EcoGov 2 maintained a regional office in Cotabato City for this portion of Mindanao throughout 2002, 2003, 2004, and 2005. For strategic and logistical reasons, this office relocated to General Santos City at the close of 2005.

1.2. Highlights of Progress this Quarter and Trends in Implementation

We note the following highlights for the past quarter.

- The project held separate briefings on the EcoGov 2 Project for DENR/FASPO on January 13, 2006 and for the new DENR Secretary (February 22).
- The team has made rapid progress in the CRM sector. We have exceeded the 2006 work plan targets for the first two quarters. Compared with life-of-project targets, 50 percent of targeted coastal areas are under improved management.
- We finalized individual reports on the State of Environmental Governance Practices for the 79 LGUs covered by the baseline assessment. The regional teams delivered feedback to approximately half the partner LGUs, with the remainder to occur in Quarter 7. Regional teams have started work with each LGU in incorporating the information and feedback into EcoGov regional plans to improve environmental governance practices.
- As part of our strategy for expanding EcoGov reach to non-partner LGUs, we have facilitated MOAs between the project, DENR, and the provincial governments of Quirino, Nueva Vizcaya, Zamboanga Sibugay, and Cebu.
- On March 15, in conjunction with DENR/PAWB, the project submitted the revised IRR of the NIPAS Act to FASPO.
- Collaborating with the USAID SCOTIA project and WWF, the project led an assessment of pollution of the coastal waters surrounding Panglao Island.
- The project released its 2006 Annual Program Statement (APS) describing application procedures for grants of less than \$10,000 and in duration of six months or less. As of March 31, 2006, over 160 individuals or organizations had requested the APS and 28 organizations had submitted formal applications.

Apart from these highlights and the numerous highlights discussed in Section 2 below, there was one significant event with implications for implementation in CLIN 2, forestry.

- The project joined several organizations – including the UPLB College of Forestry and Natural Resources, IIRR, the CBFM National Federation, and many NGOs and LGUs – to advocate for the repeal of an order from former DENR Secretary. In late 2005, with very little public announcement, the Secretary cancelled almost all CBFM and IFM agreements. EcoGov provided analysis, expertise, and financial support to the CBFM Federation, which led the advocacy effort to the new DENR Secretary, Angelo Reyes. Secretary Reyes reversed the order in mid-March.

Table 1. Summary of Targets and Accomplishments as of March 31, 2006

Life-of-Project Target	Year 2 Target	Accomplishments		Remarks
		For the period Oct – Mar 2006	Year 1 To Date	
Indicator 1: Number of government institutions meeting good environmental governance index				
80 LGUs	No measurement undertaken		16	These are LGUs with overall index >0.75 based on baseline survey in Year 1. There are 24 other LGUs with high index in sector with EcoGov assistance.
Indicator 2: Hectares of natural forest under improved management				
254,670 ha	43,700 ha	26 tenure holders in 18 LGUs, with natural forests covering about 43,700 ha, are being assisted to improve forest management	No target for Year 1	210 tenure holders were covered by the EcoGov-DENR-LGU assessment of current management of tenured forestlands. The tenured areas have about 176,223 ha of natural forest.
Indicator 3: Hectares of forest lands under productive development				
14,000 ha	5,400 ha	11 tenure holders in 11 LGUs are being assisted. Nursery operations are ongoing in at least 8 LGUs.	No target for Year 1	Planting activities are programmed to start in July 2006 (start of the rainy season).
Indicator 4: Coastal areas under improved management				
106,700 ha	50,800 ha	19,661 ha; 3 LGUs with about 29,445 ha are expected to be achieved next quarter.	45,798 ha	Ongoing assistance to six LGUs.

Life-of-Project Target	Year 2 Target	Accomplishments		Remarks
		For the period Oct – Mar 2006	Year 1 To Date	
Indicator 5: Number and hectares of new marine sanctuaries established				
20 MS (627 ha)	8 MS (160 ha)	1 MS (33 ha); 5 MS are in process of legitimization	5 MS (340 ha)	Ongoing technical assistance to 8 LGUs.
Indicator 6: Number and hectares of existing marine sanctuaries under improved management				
50 MS (2,500 ha)	4 MS	6 MS are about to meet indicator conditions	1 MS (95 ha)	Ongoing strengthening activities in 13 MS
Indicator 7: Number of LGUs diverting at least 25% of waste form disposal to recycling and composting				
90 LGUs	24 LGUs	16 LGUs have reported significant progress in waste diversion	No target in Year 1	48 LGUs are being assisted in implementing their SWM plans.
Indicator 8: Number of LGUs investing in wastewater facilities				
20 LGUs	10 LGUs	Eng'g design of WW treatment facility ongoing in 1 LGU	No target in Year 1	9 LGUs which have signed WWM MOAs with the project are being provided technical assistance.

2. DETAILED QUARTERLY PERFORMANCE REPORT BY CONTRACT LINE ITEM NUMBER

This section of the report provides a detailed examination of planned outputs for the quarter, actual activities undertaken, any problems we may have encountered and their proposed resolution, objectives for the next quarter, and status toward achieving sustainability of efforts. This section is divided according to the six CLINs of EcoGov 2, with the discussion of each CLIN highlighting activities by geographic location.

2.1. Strengthened Government Institutions

a. Expected Outputs for the Quarter

As described in the Quarter No. 5 report, the expected outputs in this sector for Quarter No. 6 were as follows.

Table 2. GoAd Expected Outputs for the Quarter

Expected Outputs	Status
Provide feedback to LGUs on results of governance index	Ongoing
Develop and implement LGU-specific strategies for good governance	Ongoing
Plan and implement social marketing initiative in Danao-Compostela	Delayed
Prepare and disseminate success stories	Ongoing
Develop outreach materials (e.g., posters, comics)	Ongoing
Support Visayan Sea Marine Triangle Initiative	Completed
Present 2006 Work Plan to DENR senior management	Completed
Collaborate with DENR offices on policy issues	Ongoing
Support two learning events with LMP/Mayor's Development Center	Ongoing
Support LCP workshop on SWM	Ongoing
Involve LPP in advocacy for LGU clustering	Delayed
Orient DENR officials on ADR DAO implementation (regional)	Delayed

b. Summary of Accomplishments and Activities

The GoAd team has one unique output from the Contractual Scope of Work; namely, improving the capacity of government institutions for better governance over the management of their resources. This output, as well as the other activities of the GoAd team, cut across the other four sectors. The GoAd team's efforts include advocacy, raising political will, IEC, public awareness, social marketing, behavior change, and policy reform, each of which can be applied to issues of forestry, CRM, waste management, and municipal finance. Thus, the majority of the GoAd team's efforts are best reviewed from a project-wide standpoint, rather than from any one geographic region. The team organizes GoAd interventions into three sets of activities, discussed below: implementing the governance index, support by regional offices for implementing activities of other sectors, and collaboration with national partners and theme networks.

Governance Index

- Finalized individual reports on the State of Environmental Governance Practices for the 79 LGUs covered by the baseline assessment; then incorporated this information into EcoGov regional plans.
- Delivered feedback to approximately half the partner LGUs, with remainder to occur in Quarter 7. Regional teams will work with LGUs to help them incorporate feedback and improve their governance practices.
- In mid-February, discussed with USAID the draft framework for establishing governance benchmarks. USAID suggested the adoption of a single index. Presently, we have segregated LGUs into one of four categories, with each category requiring a different strategy and benchmark/target. We will submit a formal report on this benchmarking approach to USAID and partners in Quarter 7.
- In Central Visayas, in particular, we noted interest in the index in municipalities where the vice-mayor, as chairman of the sanggunian, did not belong to the same political party as the mayor and the kagawads.

Support by Regional Offices for Implementing Sector Activities

- **Northern Luzon.** The Regional Coordinator and specialists strengthened the partnership between the DENR and NCIP for FLUP implementation; and further facilitated a link between those organizations and Friends of the Environment for Development and Sustainability (FRENDS, an NGO) and Nueva Vizcaya State University to provide extension services.
- **Northern Luzon.** The team facilitated a link between Quirino State College and the LGU of Diffun to help the LGU with composting.
- **Northern Luzon.** The team facilitated MOAs between the DENR provincial governments of Quirino and Nueva Vizcaya for the replication of EcoGov interventions to non-partner LGUs. We agreed with the DENR and provincial governments of Nueva Vizcaya on five priority LGUs that have an allocated budget and designated MENRO for FLUP formulation.
- **Northern Luzon.** Due in part to the EcoGov team's advocacy, provincial and municipal LGUs have committed over P23 million (approximately \$440,000) to FFM and SWM activities (see Table 3 and Table 5).

Table 3. Provincial and Municipal LGUs' (Northern Luzon) Commitment to FFM and SWM Activities

Province/LGU	Budget Allocation		Provincial Allocation (not sector specific)
	SWM	FFM	
Nueva Vizcaya			3,100,000
Bagabag	1,200,000		
Bambang	600,000		
Bayombong	2,000,000		
Dupax del Norte	610,000		
Dupax del Sur	1,000,000	600,000	
Quezon	200,000	500,000	
Solano	2,000,000		
Quirino			3,000,000
Nagtipunan		100,000	
Aglipay		60,000	
Maddela	400,000	200,000	
Cabarroguis	200,000	120,000	
Diffun	2,000,000	60,000	
Aurora			500,000
Ma Aurora	1,500,000		
Baler		50,000	
City of Cauayan	3,200,000		
Total	14,800,110	1,690,000	6,600,000

- **Northern Luzon.** The team facilitated media releases for local TV news coverage (ABS CBN Cagayan Valley) and made the following print media releases:
 - Strengthening CRM law enforcement in Baler Bay
 - Sea Turtle Conservation efforts in Dipaculao
 - Ma. Aurora sharing its SWM knowledge with neighboring LGUs
 - SWM efforts of Bayombong barangay bearing fruits
 - Upscaling SWM and forest management in Quirino and Nueva Vizcaya
 - Cauayan City's model barangay

- **Central Visayas.** The team facilitated a MOA between Cebu provincial government, DENR, and five LGUs in the Camotes Sea specifying collaboration on CRM activities and MPA networking.

- **Central Visayas.** The team worked with DENR Region VII and Negros Oriental provincial government on a provincial policy requiring LGUs to integrate FLUPs with CLUPs.

- **Southern Mindanao.** The team helped the province of Sarangani sign MOAs with five municipalities to assist them with FLUPs, and the province committed ₱455,000 to FFM activities.

- **Southern Mindanao.** In Sarangani, the team is assisting the provincial CBFM PO federation obtain registration from the CDA and complete DENR requirements for CBFMA holders.

- **Southern Mindanao.** The team facilitated links between the provincial government of South Cotabato, DENR, and six LGUs to conduct SWM.
- **Western Mindanao.** The province of Zamboanga Sibugay, DENR, and EcoGov signed a MOA for CRM expansion to 13 non-partner LGUs.
- **Western Mindanao.** The province of Zamboanga Sibugay is assisting with FLUP formulation in Tungawan, RT Lim, and Naga.
- **Western Mindanao.** The team is in the process of preparing IEC materials that focus on non-Christian communities.
- **Western Mindanao.** The team cultivated relationships and used the expertise of several organizations that can expand the project's reach, including: Ateneo de Zamboanga University (for advocacy, curriculum on environmental governance), Mindanao State University Naawan (for CRM), Western Mindanao State University (for community outreach), Silsilah Peace and Development Council, and Peace Advocates of Zamboanga/ SALAM Peace Foundation (for environmental programs).
- **Western Mindanao.** The Regional Coordinator met with the governor of Sulu and the three mayors of the Metro-Jolo municipalities to discuss the gains made by Zamboanga Peninsula provinces through a well-planned, well-implemented program on environmental governance. The parties have signified keen interest in pursuing SWM and waste-water activities.

Collaboration with National Partners and Theme Networks

The GoAd team works with national partners and network groups to spread the project's work beyond direct technical assistance. These partners allow for greater advocacy, replication of best practices, and institutionalization of our approach.

- **National-level DENR.** In response to the National Solid Waste Management Commission (NSWMC), we drafted a checklist for the Initial Environmental Examination (IEE) of Category 1 and 2 disposal facilities and scoping guidelines for the IEE of Category 3 and 4 disposal facilities.
- **National-level DENR.** Provided support to FMB on the internal review of Chapters 1 and 2 of the Omnibus Forestry Guidelines.
- **National-level DENR.** In conjunction with PAWB, submitted revised IRR of NIPAS Act to FASPO on March 15.
- **National-level DILG.** Engaged Dr. Ben Malayang to provide recommendations on how to further devolve ENR functions to LGUs. Dr. Malayang's report was incorporated in the DILG's recommendations to the Office of the President.

- **League of Municipalities.** Facilitated discussion by the LMP National Directorate regarding the Mayors' Development Center during the Directorate's meeting on Corregidor Island in February.

IEC and Media Linkages

- The project designed and/or produced the following materials:
 - Poster/comics on getting people involved in protecting marine sanctuaries
 - Poster on reporting illegal fishing activities
 - Poster on fishery registration
 - Leaflet on household composting
 - Comics on ISWM containing stories on segregation, recycling, composting, and proper disposal of toxic and hazardous waste
 - Ecogov folder
- Continued collaboration with DENR Public Affairs Office and held discussions with the desk editor of the Philippine Star to facilitate more coverage of environmental issues.
- Released 13 stories to the media on EcoGov activities, of which 11 were published or featured on websites.
- Redesigned the home page of the EcoGov website, enhancing its contents by adding maps and more information about project sites. DENR, as the host of the EcoGov web page, has yet to upload this information on to the website.

c. Implementation Problems and Proposed Resolution

- EcoGov has attempted to engage the LMP and LCP as significant and constructive partners since as early as October, 2004. Unfortunately, both of these Leagues have larger concerns that make it difficult for them to focus on EcoGov or follow through with commitments. For example, the LMP is behind schedule with its governance and SWM modules of the Mayors' Development Center. For the moment, the resolution has been to put all activities with the two Leagues on hold. We will hold further discussions with them and revisit agreed joint activities.
- The change in leadership at DENR has led to a few staff changes and slowed some project momentum. The Manila-based team has held several briefings with people in new positions.
- Due to a heavy work load, the DENR MIS office, which maintains the DENR and subordinate EcoGov websites, has not been able to upload new information from the project. As the project provides stories on a weekly basis, and also would like to use the website to advertise grants, subcontracting opportunities, and job openings, it is

important that the website remain current. Therefore, we are considering using a commercial provider to host the EcoGov website. The actual cost to the project would be relatively small. The larger issue would be the disconnect between project activities and DENR activities, as it is important that the project be mainstreamed within the Department. Thus, before launching our own website, project personnel will discuss the issues with DENR MIS.

d. Objectives for the Next Quarter

- Complete report on governance index benchmarking.
- Complete all governance index feedback sessions with LGUs and prepare summary report.
- Secure final agreement with the LMP and LCP on the design of the SWM training sessions, and implement these sessions.
- Complete production of IEC materials which are currently under development.
- Strengthen links with national and local media to increase dissemination of information on EcoGov 2 activities.
- Initiate social marketing for SWM in Central Visayas.
- Explore alternative arrangements for the EcoGov 2 website.
- Hire Governance and Advocacy Sector Leader.

e. Status toward Achieving Sustainability of Efforts

The approach of the GoAd team is built around sustainability. The team works through LGUs, the DENR, the Leagues, and theme networks to institutionalize EcoGov sector approaches. There is no defined point where we can say, “sustainability has been achieved.” However, an indicator of success will be when these agencies start promulgating EcoGov interventions to LGUs who are not EcoGov partners. The GoAd team will continue on this path as it collaborates with the leagues and key provincial governments.

2.2. Improved Forest Management

a. Expected Outputs for the Quarter

As described in the Quarter No. 5 report, the expected outputs in this sector for Quarter No. 6 were as follows.

Table 4. FFM Expected Output for the Quarter

Expected Outputs	Status
Assess management of tenured mangrove areas	Completed
Prepare protocols on foreshore protection	Delayed
Prepare protocols on assessment of large tenured areas	Ongoing
Assist DENR and LGUs prepare and validate implementation plans for the signed co-management agreements in Central Visayas and southern and central Mindanao	Ongoing
Assist FMB to finalize the Omnibus Forestry Policy	Ongoing
Assist PAWB to revise the IRR of NIPAS	Complete
Assist LGUs and local DENR offices help CBFMA holders with resource management planning, livelihood assistance, organization for forest protection and enforcement, and property rights of claimants	Ongoing

b. Summary of Accomplishments and Activities

We present accomplishments for the quarter on a sector/nation-wide basis, and follow with details for each of EcoGov’s four geographic regions.

FFM Sector-Wide Accomplishments

- The team is working with 26 tenure holders in 18 LGUs to improve management of the target 43,700 hectares of natural forest. We are also working with 11 tenure holders in 11 LGUs to develop bare forest lands into agroforestry or forest plantations.
- The team facilitated the creation of DENR-Provincial Government forestry core teams in Nueva Vizcaya, Quirino, Sarangani, and Zamboanga Sibugay.
- Submitted final draft of the amended NIPAS IRR to DENR/FASPO and DENR Policy and Planning Service for their review and endorsement to the DENR Secretary.
- Provided technical advice to FMB in developing a consensus on the overall vision, purpose, and guiding principles for the forestry sector.
- The project joined several organizations—including the UPLB College of Forestry and Natural Resources, IIRR, the CBFM National Federation, and many NGOs and LGUs—to advocate for the repeal of an order from former DENR Secretary. In late

2005, with very little public announcement, the Secretary cancelled almost all CBFM and IFM agreements. EcoGov provided analysis, expertise, and financial support to the CBFM Federation, which led the advocacy effort to the new DENR Secretary, Angelo Reyes. Secretary Reyes reversed the order in mid-March.

FFM Accomplishments – Northern Luzon

- **FLUP.** The LGUs of Cabarroguis, Aglipay, and Diffun (Quirino) and Dupax del Sur (Nueva Vizcaya) legitimized their FLUPs and submitted them to the DENR for approval.
- **FLUP.** In part through the advocacy of EcoGov, the DENR Region II Executive Director has authorized a local CENRO staff person to act as MENRO for the LGU of Nagtipunan, Quirino.
- **Expansion.** The FFM Provincial core team of Nueva Vizcaya has prioritized five non-EcoGov partner LGUs for FLUP assistance.
- **Expansion.** All partner LGUs in Quirino province have designated MENROs. Nueva Vizcaya, Quirino and Aurora have provided budgetary commitments to FFM activities, as follows.

Table 5. Partner LGUs’ (Northern Luzon) Budgetary Commitment to FFM Activities

LGU	2006 Budget Allocation (pesos)
Province of Nueva Vizcaya	800,000
Dupax del Sur	600,000
Quezon	500,000
Province of Quirino	400,000
Diffun	60,000
Cabarroguis	120,000
Aglipay (proposed amount)	60,000
Maddela	200,000
Nagtipunan	100,000
Province of Aurora	250,000
Baler	50,000
TOTAL	3,080,000

- **Co-management.** Facilitated meetings among NVSU, FREENDS, DENR, and Quezon LGU leaders for the co-management of the Buliwao and Maasin subwatersheds.
- **Forest management training.** Conducted training on resource management planning for CBFMA holders in Quirino and Nueva Vizcaya (January 24-26, February 1-3).

- **Forest management training.** The team is working with the NCIP, DENR, and Agta and Bugkalot CADC-holders on the formulation of an Ancestral Domain Sustainable Development and Protection Plan (ADSDPP).

FFM Accomplishments – Central Visayas

- **FLUP.** Completed assessment of all tenure holders in EcoGov-assisted LGUs in Negros Oriental.
- **FLUP.** Assisted DENR Region VII (27 officers to date) in institutionalizing its involvement with EcoGov-assisted LGUs and CBFM POs by issuing Special Orders defining assignments in FLUP implementation, assistance to tenure holders, and expansion to non-project partners.
- **Expansion.** Facilitated links between the LGUs of Dauin, Valencia, and Sibulan (Negros Oriental) with PNOC-EDC in assisting CBFMA holders; links between Alcoy and Dalaguete (Cebu) with the Cebu Biodiversity Conservation Foundation on CRMF preparation and livelihood development; and links between Alcoy and the Philippine Mining Services Corporation’s investment in FFM activities.
- **Expansion.** All 11 FFM partner LGUs in the region have made budgetary commitments, as shown below. Moreover, the provincial governments of Negros Oriental and Cebu have committed to assisting 11 CBFMA holders complete their CRMF and five-year work plans.

Table 6. FFM Partner LGUs’ (Central Visayas) Budgetary Commitment to FFM Activities

LGU	2006 Budget Allocation (pesos)
Bohol	
San Miguel	50,000
Talibon	1,000,000
Cebu	
Alcoy	300,000
Dalaguete	200,000
Toledo City	100,000
Negros Oriental	
Bais City	1,000,000
Bayawan City	10,000,000
Dauin	50,000
La Libertad	200,000
Sta. Catalina	1,250,000
Tanjay City	200,000
TOTAL	14,350,000

- **Co-management.** Five LGUs with natural forests are in the process of completing their resource management plans.

- **Co-management.** Five LGUs (Bayawan City, Dalaguete, Sta Catalina, San Miguel, and Talibon) are drafting their IPR policy. (For example, Talibon addresses a 560-hectare co-managed mangrove area and will allow issuance of aquaculture sub-agreements.)
- **Co-management.** Eight LGUs have functional offices or bodies for co-management (Bayawan City, Dalaguete, Talibon, La Libertad, Alcoy, Bais City, Dauin, and Tanjay City).
- **Co-management.** Six LGUs (Bayawan City, Dalaguete, Alcoy, Talibon, Dauin, and Bais City) have organized local forest guards and are financing patrols.
- **Co-management.** EcoGov provided DENR Region VII with appropriate forms by which the Department can monitor the performance of LGUs.
- **Forest management in CBFMA areas.** The project has facilitated the initial preparation of CRMFs by 11 CBFMA holders.
- **Forest management.** The seven LGUs of Bayawan City, Bais City, Tanjay City, Alcoy, Dauin, Dalaguete, and La Libertad are all supporting communities in co-managed and CBFMA areas to begin non-forest-based livelihood activities (mostly agricultural production, agroforestry, and planting of high value crops).

FFM Accomplishments – Central and Southern Mindanao

- **Expansion.** The team helped the DENR-ARMM FMB Director draft a FLUP/SFM framework consistent with the IRR of MMAA 161.
- **FLUP.** EcoGov facilitated the efforts of Maasim (Sarangani) to implement its FLUP. This has attracted further investment: Dole Philippines has committed to establish at least 700 hectares of pineapple plantation; the province and Maasim have sourced out PhP 22 million for road rehabilitation; and the municipality has also committed PhP 232,000 for procurement of mango seedlings and PhP 125,000 for survey equipment.
- **Expansion.** The Sarangani provincial government has offered PhP 100,000 to LGUs implementing FLUP. Five new LGUs commitments to start FLUP preparation: Kiamba, Alabel, Malungon, Glan and Malapatan.
- **Expansion.** The Sultan Kudarat provincial government actively participated in tenure assessment and FLUP implementation activities.
- **Expansion.** DENR Region XII actively participated in EcoGov-organized FFM training modules, helping with outreach to the media and following up in CRMF preparation by CBFMA holders.

- **Expansion.** The team facilitated the formation of the Sarangani Province Empowerment and Community Transformation Forum (SPECTRUM) to promote peace and sustainable development. The organization has the following members.
 1. Center for Community Transformation (CTC)
 2. SPAREGO (NGO)
 3. SARCODFI (NGO)
 4. Mahintana Foundation, Inc. (MFI)
 5. Kasilak Foundation (PO)
 6. Global Fund for Malaria Control
 7. Center for Advancement and Strengthening of Community Property Rights, Incorporated (CASCO)
 8. CAFI
 9. Summer Institute of Learning
 10. Act for Peace (UNDP)
 11. Growth with Equity in Mindanao (GEM)
 12. World Vision
 13. EcoGov

- **Co-management.** On March 8, 2006, the LGU of Lebak signed a co-management agreement with DENR Region XII covering 1,091 hectares of mangrove areas. Initial mapping and profiling were completed as inputs to the resource management plan. This is the second co-management agreement for the LGU. Two years previously, the LGU and DENR signed an agreement covering 2,043 hectares of upland forests. Lebak has shown further commitment by putting up billboards, conducting IEC, and *pulong-pulong* in barangays in the co-managed areas.

- **Forest management in CBFMA areas.** The team assisted the Kapwa Upliftment Foundation in Makilala, leading to the issuance of a CADT and the completion of ADSDPPs.

- **Forest management.** Wao, DENR-ARMM, and EcoGov assisted three people's organizations in obtaining registration papers with the Cooperative Development Authority in Cotabato City in advance of receiving CBFMA tenure.

- **Forest management.** Through implementing FLUP in CBFMA areas, Wao has seen investment by the SHOBI Corporation in a banana plantation and nursery for high-value horticulture products. At the same time, GEM has contributed PhP 1 million to road rehabilitation in the co-management area, and the USAID Agricultural Commodity Facility Grant has contributed PhP3.96 million to nursery operation.

- **Forest management.** Lebak, DENR-CENRO, and EcoGov assisted six people's organizations in organizing themselves in preparation for CBFMA applications.

- **Forest management.** Kalamansig assisted the Mabuhay Base Farmers Cooperative in applying for a CBFMA and an IP group applies for a CADT.

- **Forest management.** Maitum and DENR jointly assisted the TUATAMULCO people's organization in applying for a CBFMA.
- **Forest management.** The EcoGov team conducted training for the Davao City technical working group on watershed management planning for the Davao River and Talomo-Lipadas watersheds.

FFM Accomplishments – Western Mindanao

- **Expansion.** The LGUs of Lamitan and Isabela City gave feedback to tenure holders as a result of the EcoGov tenure assessment. For example, Isabela City held discussions with an IFMA holder—BASELCO—on how it could improve management of its forest lands.
- **Expansion.** Isabela City created a City ENRO, and the municipality of Lamitan designated a MENRO.
- **Expansion.** EcoGov facilitated reactivation of the PAMB and a technical working group for the Basilan Nature and Biotic Area.
- **FLUP.** The province of Zamboanga Sibugay, DENR Region IX, and EcoGov signed a MOA in February to expand FLUP activities in the province. The first three are Naga, RT Lim, and Tungawan. At the same time, the DENR has reactivated its FLUP core team.
- **FLUP.** Lamitan is considering creation of a multi-sector forest protection council to combat illegal logging.
- **Co-management.** The team assisted Isabela City in drafting the resource management plans for 343 hectares of co-managed uplands and mangroves.
- **Co-management.** Isabela City has begun tapping rubber latex from a former plantation in the co-management area, thus far collecting PhP 1.87 million.
- **Co-management.** The Lamitan Water District began establishment of a nursery to support the rehabilitation of the Arco Watershed.
- **Co-management.** With EcoGov support, Zamboanga City and the DENR produced a situational analysis of the Ayala and Manicahan watersheds, leading to a draft co-management agreement for the watersheds.

c. Implementation Problems and Proposed Resolution

Most LGU municipal and city ENROs are newly installed and lack the expertise to direct implementation of FLUPs, co-management agreements, or assistance to tenure holders. Some ENROs are also performing other functions apart from FLUP implementation, and most have very limited budgets. The same may be said for many DENR field personnel involved in FLUP implementation, who have limited incentives to work with LGUs. EcoGov attempts to resolve this problem through training, and on-site coaching. However, at a certain point, EcoGov can no longer prod the main parties to act.

We resolve this through proactive dialogue with the concerned parties, but the concern is that in some places, without political will, our efforts may be wasted. Dynamics in local politics (e.g., conflicts between the executive and legislative bodies) continue to delay or confuse FLUP implementation.

d. Objectives for the Next Quarter

- Issuance of co-management agreements for the two watersheds in Zamboanga City.
- Issuance of co-management agreement for Talomo-Lipadas watershed inside Mt. Apo National Park.
- Completion, validation, and submission of various forest resource management plans (ADSDPP for CADTs, CRFMs, RMPs) to approving bodies (NCIP, DENR, LGU-DENR Steering Committee).
- Training on IPR and assistance to tenure holders in drafting IPR policies for approval and initial implementation.
- Training and on-site assistance on financial management and organizational strengthening for holders of CBFMAs, CADT, and co-management agreement holders in targeted forest lands.
- Strengthening of FLUP core teams of the DENR and provincial governments.
- Completion and submission of Chapters 1 and 2 and Chapter on Tenure Instrument of the Omnibus Forestry Guidelines to DENR for review and adoption.
- Follow-up and discuss with PAWB, DENR/FASPO and DENR Policy and Planning on how to facilitate issuance of the amendments to the NIPAS IRR.
- Complete the necessary institutional arrangements between FMB, DENR Region IV, and two LGUs on the training and application of FLUP at the national level.

- Work with FMB and DENR Policy and Planning in amending DAO 2004-29 (CBFM IRR) to strengthen its provision on the proposed resource utilization management agreement (RUMA) as part of CRMF approvals.

e. Status toward Achieving Sustainability of Efforts

All aspects of the FFM team’s approach are designed for the acceptance (or institutionalization) by counterpart agencies. We involve DENR CENRO and provincial personnel in as many actions as possible, and the FLUP process, by definition, is built around LGU participation. We are making further efforts to include provincial governments who can further promote improved forest land management to non-EcoGov LGUs. The ongoing policy initiatives (e.g., NIPAS IRR, Omnibus Forestry policy, the proposed RUMA for CBFMAs) are also designed to further stabilize national policies.

2.3. Improved Coastal Resources Management

a. Expected Outputs for the Quarter

As described in the Quarter No. 5 report, the expected outputs in this sector for Quarter No. 6 were as follows.

Table 7. CRM Expected Output for the Quarter

Expected Outputs	Status
Finalize proposed modifications to Fisheries Code	Ongoing
Support tourism analysis in Tukuran	Delayed until Quarter 7
Site selection and benchmarking surveys for new sanctuaries	Ongoing
Conduct inter-LGU FISH BE data capture training in Camotes Sea	Completed
Consolidation and validation of fisheries profiles in Illana Bay and Baler Bay	Completed (Illana Bay)
Assistance on mangroves and tourism zones in selected LGUs	Delayed until Quarter 7
Barangay cluster consultation and TWG recommendations on coastal zoning in Davao City	Completed
Training on municipal finance in Illana Bay and Baler Bay	Completed (Baler Bay)
Physico-chemical assessment of Panglao Island coastal waters	Ongoing
Develop and disseminate training materials for MPA networks	Ongoing
Engage Zamboanga Sibugay province and DENR to promote inter-LGU CRM activities	Ongoing

b. Summary of Accomplishments and Activities

We present accomplishments for the quarter on a sector/nation-wide basis, and follow with details for each of EcoGov’s four geographic regions.

CRM Sector-Wide Accomplishments

The CRM team has made considerable progress toward the targets listed in the EcoGov 2 Performance Monitoring Plan of April 1, 2005, as shown in the table below. Overall, the sector's performance is expected to exceed 2006 work plan targets. Compared with life-of-project targets, the sector has put 43 percent of targeted coastal area under improved management, reached 25 percent of the target for new MPAs, and two percent of the target for existing MPAs.

Table 8. CRM Sector-wide Accomplishments

Objectives and Targets (Outcomes)	Status of Accomplishments	
	Target per Region	Quarter 6
50,800 hectares under improved management (Including 26,137 from Year 1, 72% of LOP target)	Luzon: 16,000 Visayas: 23,000 W. Mindanao: 11,800	Ongoing technical assistance to six priority LGUs 19,661 ha achieved 2 LGUs in Visayas and 1 LGU in Mindanao near achievement of all indicators (29,445 ha)
Strengthen 13 existing marine sanctuaries and achieve enforced level for 4 (Including one sanctuary in Year 1, 10% of LOP target; total area to 30% of LOP)	Luzon: 2 Visayas: 3 W. Mindanao: 8	Ongoing in 13 marine sanctuaries 6 sanctuaries near enforced level
Establish 8 new sanctuaries with area of 160 hectares Including 4 in Year 1, reaching 60% LOP)	Luzon: 1 Visayas: 2 W. Mindandao: 6	Ongoing technical assistance to 8 LGUs 1 established (33 ha) 5 in process of legitimization 8 others in process of establishment
Other Targets		
Facilitate agreements for 2 marine sanctuary clusters	Camotes Sea Southern Cebu Tabina-Dimataling-Dinas	Orientation on MPA networks
Inter-LGU alliances on baywide CRM and fishery management	4 LGUs in Baler Bay 4 LGUs in Camotes Sea 8 LGUs in IBRA 9	Ongoing in all three clusters MOA signed with Cebu PLGU for Camotes Sea IBRA 9 MOA renewed MOA signed with ZS PLGU for Sibuguey Bay

- The Sector worked with policy specialists to finalize modifications to the NIPAS IRR and revisions on municipal fishery registration and licensing. For NIPAS, the project has recommended mechanisms for the active participation of LGUs in managing their waters even if they are in declared protected areas. The project also recommends disestablishing declared protected areas that do not meet minimum ecosystem requirements.
- The team's policy specialists analyzed issues affecting management, tenure security, and enforcement of regulations in mangrove areas
- The team assisted the national MPA Core Group to facilitate MPA networking.

CRM Accomplishments – Northern Luzon

- **Improved CRM.** In Baler, Dipaculao, and Dinalungan, trained staff from several departments in LGU finance to support CRM activities. As a result, the LGUs are considering improved financial management systems and ordinances to support collection and revenue generation.
- **Improved CRM.** Conducted fisheries profile training in Dipaculao (barangays Borlongan, Gupa, Dibutunan, Mijares, and Diarabasin). The training generated information on catch and effort, fishing calendar, and gear operations. Results are used for decision-making and the baywide fisheries model.
- **Improved CRM.** Assessed gear and species regulation in Baler and Dipaculao. The sanggunian of Baler is considering establishment of zones for different types of gear and seasonal operations (e.g., beach seine, bangus fry collection, fine mesh nets for anchovy and shrimp) and ordinances on endangered species.
- **Improved CRM.** The Dipaculao sanggunian is drafting regulation on (a) operations of beach seine, (b) contract concessions for bangus fry, and (c) strict enforcement of seasonal gear operation for anchovy and shrimp.
- **Improved CRM.** Registration of fishers and fishing boats, and licensing of boats and gear are ongoing in Baler, Dipaculao, and Dinalungan.
- **Enforcement.** Dipaculao and Baler continue to enforce CRM and fishery regulations, and Dipaculao has formed a cluster-wide law enforcement team.
- **New sanctuaries.** The municipal development council of Baler considered the final plan for the marine sanctuary on March 16 and forwarded it to the sanggunian.
- **Existing sanctuaries.** Dinalungan assigned two people to patrol its sanctuary in Ditangol. They report sightings of dugong and butanding. Fish catch is also monitored and reported on billboards and at monthly meetings.

- **Existing sanctuaries.** The management team of the Dibutunan MPA in Dipaculao has begun monthly fish catch and gear use monitoring.

CRM Accomplishments – Central Visayas

- **Improved CRM.** Balamban adopted and legitimized its CRM plan on January 3, 2006.
- **Improved CRM.** Participants from five Camotes Sea LGUs (Danao City, San Francisco, Tudela, Poro and Pilar) took a study tour to Bohol in March to view good CRM practices.
- **Improved CRM.** In mid-March, EcoGov fielded an oceanographer and chemist to generate the quality and hydrodynamic characteristics of the coastal waters of Panglao Island (Bohol), an important tourism and reef area.
- **Enforcement.** The team conducted training for the Camotes Sea LGUs on enforcement including the use of global positioning system units, reporting system, advocacy, applying paralegal approaches, and enforcement planning.
- **Licensing.** Participants from Camotes Sea LGUs discussed ways to improve their fishery registration and licensing systems.
- **New sanctuaries.** Poro established the Libertad Marine Sanctuary through municipal ordinance and allocated PhP 25,000 for enforcement. The barangay allocated PhP 11,000 for enforcement.
- **New sanctuaries.** In Danao, the team conducted an MPA orientation and boundary validation with the barangays of Guinsay and Taytay.
- **New sanctuaries.** The team conducted MPA orientation and community consultations with barangays in San Francisco (Camotes).
- **Existing sanctuaries.** The LGU of Carmen signed a MOA with DENR and EcoGov to strengthen the existing fish sanctuaries in the barangays of Puente and Luyan. The team conducted orientation on MPA planning and management after the MOA signing.
- **Existing sanctuaries.** In Camotes, the management bodies for the Puertobello and Esperanza MPAs reorganized.
- **Existing sanctuaries.** In Tudela (Camotes), the team conducted participatory monitoring and evaluation for the MPAs in Puertobello and Villahermosa.

- **Existing sanctuaries.** The team discussed financial management with Barangay Villahermosa leaders, including establishment of an MPA trust fund. The municipality is considering similar options.
- **Existing sanctuaries.** The team facilitated the LGU of Pilar clarify roles and responsibilities for management of its sanctuary. This included enforcement, boundary validation, and deployment of marker buoys. The LGU also established a community service penalty for violators.
- **Expansion through an ecosystem approach.** The Cebu provincial government and Camotes Sea LGUs of Danao City, Poro, Tudela, San Francisco, and Pilar signed a MOA for joint enforcement. The Governor provided GPS units to enhance monitoring activities.
- **Expansion through an ecosystem approach.** In early March, with support of the affected LGUs, EcoGov specialists advised Congressman Ace Durano on the dis-establishment of Camotes Island as a NIPAS area.
- **Institutional links.** Met with Bohol Marine Triangle Project (BMTP) to ensure complementary activities in Panglao.

CRM Accomplishments – Central and Southern Mindanao

Improved CRM. EcoGov and the TWG presented a CRM report to the Davao City planning officer and sanggunian in March. The report summarizes data and workshops on zoning, and includes a situational analysis on the major coastal and marine sectors: coastal settlements, fisheries, biodiversity conservation, marine transport, navigation, coastal industries, and tourism and recreation. The report includes substantial basis for adoption of a city-wide coastal and marine zoning scheme and city CRM plan.

CRM Accomplishments – Western Mindanao

- **Improved CRM, Illana Bay.** MSU Naawan assisted project staff in completing the LGU fisheries profile in Dumalinao. This information will be incorporated into the bay-wide FISH BE model.
- **Improved CRM, Illana Bay.** The IBRA 9 fisheries law enforcement team (FLET) continued to meet monthly, and project staff participated in IBRA 9 council meetings.
- **Improved CRM, Illana Bay.** Tabina is now capable of hosting CRM study tours. The LGU independently produced a documentary called “Welcome to the Coastal Resource Management of Tabina” that features the municipality’s CRM planning process. (As of this writing, the LGU has hosted a study tour from Tawi-Tawi in April.)

- **Improved CRM, Illana Bay.** Tukuran has steadily increased its annual CRM budget since 2002. This year's budget is PhP 680,000. The Tukuran Coastal Resource Management Council coordinates with FARMCs; the bantay dagat is active; the municipal agriculture officer registers fisherfolks and licenses boats and gear; and the DENR CENRO has funded one hectare of mangrove reforestation.
- **Improved CRM, Illana Bay.** Despite two vice mayors being assassinated in Dinas, the LGU remains committed to enforcement against illegal fishing. IBRA 9 has stationed a speedboat to assist the bantay dagat; the Philippine Army has posted a detachment to the area.
- **New sanctuaries, Illana Bay.** Dumalinao established a 22-hectare MPA. EcoGov assisted with boundary establishment and the LGU installed marker buoys and signs.
- **New sanctuaries, Illana Bay.** Dimataling established a 20-hectare MPA.
- **New sanctuaries, Illana Bay.** The team facilitated participatory site selection for a new MPA in Labangan. Religious leaders and police officers were among those who participated.
- **New sanctuaries, Basilan.** The MPA management plan for Maloong Canal Shoal was approved by the Lamitan MDC. Representatives from the area participated in a study tour in January to Alcoy and Cordova in Cebu.
- **New sanctuaries, Basilan.** The Lampingan MPA management plan was presented to the Isabela City development council, and the boundaries have been temporarily marked. Representatives from the area participated in a study tour in January to Alcoy and Cordova in Cebu.
- **New sanctuaries, Zamboanga Sibugay.** Tungawan temporarily installed markers at its Pulo Piña MPA in advance of an ordinance and management plan.
- **Existing sanctuaries, Illana Bay.** Tabina has achieved effective enforcement of the no take area and fisheries regulation in adjacent areas in its Mabudo sanctuary for over one year, qualifying as "strengthened" by EcoGov standards.
- **Existing sanctuaries, Illana Bay.** Dumalinao installed marker buoys and signs in its Bibilik MPA.
- **Existing sanctuaries, Illana Bay.** Dimataling created an MPA management council.
- **Existing sanctuaries, Zamboanga Sibugay.** Bantay dagat patrols have continued in Tungawan. The patrol apprehended one commercial vessel using a seine net within the MPA in March. The LGU also reports that commercial vessels have moved further away from shore since the increased patrols (eight kilometers, as opposed to five in the past).

- **Existing sanctuaries, Zamboanga Sibugay.** Bantay dagat patrols have continued in RT Lim since the construction of a guard house in November. The installation of buoys and the patrols seemed to have stopped blast fishing for time being.
- **Existing sanctuaries, Zamboanga Sibugay.** The bantay dagat and PNP have conducted random patrols in the Naga MPA at Tandu Balasan, deterring illegal activity.
- **Existing sanctuaries, Zamboanga Sibugay.** The bantay dagat has conducted random patrols in the Payao MPA at Takot Patumbok, deterring illegal activity. Moreover, the LGU has allocated PhP 100,000 for the coming year for IEC, M&E, and relocation of agar-agar farms to areas outside the MPA.
- **Expansion, Illana Bay.** The team assisted the DENR-CMMD in conducting its participatory coastal resources assessment in the Municipality of Margosatubig, a non-partner LGU.
- **Fishery management, Zamboanga Sibugay.** Tungawan created a fishery registration team and is reaching out to 12 coastal barangays.
- **Fishery management, Zamboanga Sibugay.** Tungawan created a coastal law enforcement team (as follow-up to EcoGov training in October, 2005).
- **Fishery management, Zamboanga Sibugay.** Tungawan allocated PhP 150,000 for livelihood assistance to fisherfolks affected by implementation of the coastal/fishery management program, including displaced agar-agar farmers and gear provision for former blast fishermen.
- **Fishery management, Zamboanga Sibugay.** The Tungawan law enforcement team apprehended community members illegally transporting mangrove bark.
- **Fishery management, Zamboanga Sibugay.** EcoGov completed its assessment of mangrove areas in Tungawan. The assessment identified the most common violation activities in the mangrove area (e.g., illegal conversion of mangroves into fishponds, cutting and debarking) and status of fishponds in former mangrove areas (e.g., with and without FLAs, abandoned). The assessment recommends orientations to local leaders on existing mangrove/foreshore laws, inventory of all mangroves and fish ponds, and formulation of a DENR-BFAR-DILG administrative order specifying roles and responsibilities of each agency in reversion of abandoned fishponds.
- **Fishery management, Zamboanga Sibugay.** Naga and RT Lim are updating their fishery ordinances to conform with RA 8850.
- **Expansion, Zamboanga Sibugay.** The Province of Zamboanga Sibugay and DENR signed an MOA in February on CRM, fishery, and MPA management.

c. Implementation Problems and Proposed Resolution

- Technical assistance on mangroves in CBFMAs was delayed due to Secretary Defensor cancelling all such agreements. Now that the order has been lifted, plans will resume.
- Assessment and planning for the eco-tourism zone in Tukuran was delayed because the LGU has prioritized completion of the Tukuran-Cotabato road connection. The team will work with the LGU to determine if its CRM plans remain a municipal priority.
- There is greater need for CRM assistance in Western Mindanao than EcoGov can provide, and at the moment, the provincial governments and DENR-CMMD have not filled the gap. We continue to push for provincial-municipal partnerships and include DENR personnel whenever possible in training events.
- The project's goal of MPA management inevitably conflicts with people trying to make a living—hence the conflicts with agar-agar farmers and fisherfolk within MPAs. The project must consider this constraint if CRM efforts are to be sustainable.

d. Objectives for the Next Quarter

Apart from targets otherwise specified in our Year 2 work plan, the CRM team has the following objectives in the next quarter.

- Complete fisheries profiles in Illana and Baler Bays.
- With the EcoGov FFM team, promote co-management of mangroves in Western Mindanao.
- Continue to explore CRM financing with LGUs to develop mechanisms that fund both CRM activities and support the livelihood of affected people.
- Provide training and coaching to DENR-CMMD and LGU personnel.
- Training selected organizations in the Visayas and Mindanao on use of the FISH BE model.

e. Status toward Achieving Sustainability of Efforts

The CRM team actively sought participation of partners from the DENR, BFAR, provincial agricultural offices, and fishing communities to institutionalize its methods. The team mentored and coached counterparts so that they can carry out implementation

activities on their own. Moreover, the team regularly updated local chief executives on CRM efforts, further engendering their continued political support.

2.4. Improved Waste Management

a. Expected Outputs for the Quarter

As described in the Year 2 Work Plan, the expected outputs in this sector for Quarter No. 5 were as follows.

Table 9. UEM Expected Output for the Quarter

Expected Outputs	Status
Develop IEC/advocacy material from recyclables market study	Ongoing
Develop guidelines/procedures on phased compliance/disposal management	Completed
Progress toward establishment of clustered common disposal in Central Visayas	Ongoing in Bohol and Metro Danao
Social marketing for waste management in Central Visayas	Ongoing
Support to provincial governments for outreach to non-partner LGUs	Ongoing
Institutional strengthening for health care waste: Kidapawan City and Tacurong City	Completed
Assist DENR MGB and provincial governments identify suitable landfill sites	Ongoing (completed with South Cotabato PLGU)
Complete toolkit on Sanitary Landfill	Initial draft completed

In addition to the above outputs, the team also added promotion of a common disposal facility in the metro-Danao area of Cebu.

b. Summary of Accomplishments and Activities

We present accomplishments for the quarter on a sector/nation-wide basis, and follow with details for each of EcoGov's four geographic regions.

UEM Sector-Wide Accomplishments

- The project has targeted 24 LGUs to meet the 25 percent waste diversion goal. Of these, 16 are on track to do so.
- The team assisted the NSWMC in finalizing the DAOs on the categories of sanitary landfills and guidelines for closure and rehabilitation of dumps and the permitting guidelines for the four SLF categories.
- The team supported training exercises on waste characterization for DENR-EMB and DENR-NCR/EMB.

UEM Accomplishments – Northern Luzon

- As summarized in the table below, five priority LGUs are on track for achieving 25 percent waste diversion in Year 2. Delays are being encountered by Dupax del Norte and Maria Aurora. Per the table below, checked boxes indicate significant achievement.

Table 10. UEM Accomplishments – Northern Luzon

LGU	ISWM Plan	Waste Segregation	Segregated Collection	Composting	Recycling	Disposal	Ordinance
Bagabag	For completion						
Bambang	Legitimized	✓	✓	✓	✓		✓
Bayombong	Legitimized	✓	✓	✓	✓	SLF site identified	✓
Dupax del Norte	Legitimized	✓	✓				✓
Quezon	For completion						
Solano	Legitimized						
Maddela	Legitimized	✓	✓	✓	✓	SLF site identified	✓
Cabarroguis	Legitimized						
Diffun	Legitimized	✓	✓	✓	✓		✓
Ma Aurora	Legitimized						
Cauayan	For completion	✓	✓	✓	✓	SLF site identified	

- The team helped plan for a recycling summit (in April, 2006) with Nueva Vizcaya province and partner municipal LGUs.
- The project engaged SWAPP to assist in completing the 10-year ISWM plans of Bagabag, Quezon and Cauayan City.
- The team coached the provincial UEM core teams to reach out to non-partner LGUs (seven in Nueva Vizcaya; two in Quirino, two in Aurora; one in Cagayan).
- The provincial government of Nueva Vizcaya as pledged PhP 2.8 million for a clustered sanitary landfill in Quezon LGU.
- The team facilitated a partnership between the provincial government of Nueva Viscaya and Nueva Viscaya State Universty to provide support to LGUs on composting.

UEM Accomplishments – Central Visayas

- As summarized in the table below, 6-8 of the priority LGUs are on track for achieving 25% waste diversion in Year 2.

Table 11. UEM Accomplishments – Central Visayas

LGU	ISWM Plan	Waste Segregation	Segregated Collection	Composting	Recycling	Disposal	Ordinance
Tagbilaran	Legitimized	✓	✓	✓	✓		✓
Dauis	Legitimized			Plan	✓		
Alburquerque	Legitimized			Plan	✓	Clustered site	Drafted
Corella	Legitimized			Plan	✓		
Maribojoc	Legitimized	✓	✓	✓	✓		✓
Cortes	Legitimized						
Panglao	For completion						
Talibon	Legitimized			Plan		Site identified	✓
Jagna	Legitimized	✓	✓	✓	✓	Site identified	✓
Duero	For completion	Biodegradable only	Biodegradable only	✓			✓
Tanjay	Legitimized						
Pamplona	For completion						
Bais	Legitimized	✓	✓	✓	✓	SLF	✓
Amlan	Legitimized	✓	✓	✓	✓	Site identified	✓
San Jose	Legitimized			✓	✓		
Dauin	Legitimized			✓	✓	Site identified	
Bayawan	Legitimized			Facility under construction	Portable MRFs	Site identified	✓
Sta Catalina	For completion			✓			
Danao	Legitimized					Clustered site	✓
Compostela	Legitimized					Site identified	✓
Toledo	For completion					Site identified	

- SWM staff of BEMO and the Negros Oriental who were trained by EcoGov are now reaching out to non-partner LGUs.
- There have been several rounds of negotiations to convince the city of Tagbilaran join the clustered facility in Alburquerque. Meanwhile, the revision of the feasibility study is underway, and the Philippine Tourism Authority has allocated PhP 40 million for the facility.
- The team prepared the terms of reference for a feasibility study for a clustered facility north of Cebu City.
- The team met with major bulk waste generators in Danao City to plan the implementation of joint SWM programs.

UEM Accomplishments – Central and Southern Mindanao

- As summarized in the table below, all six of the priority LGUs are on track for achieving 25 percent waste diversion in Year 2.

Table 12. UEM Accomplishments – Central and Southern Mindanao

LGU	ISWM Plan	Waste Segregation	Segregated Collection	Composting	Recycling	Disposal	Ordinance
Kidapawan	Legitimized	✓	✓	Facility under construction	✓	Site certified	✓
Koronadal	Legitimized	✓	✓	✓	✓	Site identified	✓
Tacurong	Legitimized	✓	✓	✓	✓	Site under construction	✓
Isulan	Legitimized						
Lebak	Legitimized	✓	✓	✓	✓	Site identified	✓
Kalamansig	Legitimized				✓	Site identified	
Wao	Legitimized	✓	✓	✓	✓	Site identified	✓
Sultan Kudarat	Complete					Site identified	
Parang	Composting plan only			Site identified			
Gen Santos	Complete					Site with ECC	
Davao	Complete					Site identified	
South Cotabato							

- The team assisted Lebak, Kalamansig, Wao, Sultan Kudarat, and Parang in composting and other waste diversion activities.
- The project facilitated a cross-visit by representatives of Sultan Kudarat and Parang to Tacurong and Koronadal.
- The team facilitated drafting of a MOA between Parang and provincial government of Maguindanao on the construction of a composting facility at the provincial nursery.
- Tacurong City and its toxic and hazardous waste generators agreed that the latter would establish and pay for the use of a non-burn treatment facility and a THW vault at the SLF site. A similar arrangement was set by Kidapawan City with its THW generators.
- The project linked several LGUs with DENR-EMG in the assessment of dumps and drafting of closure and rehabilitation plans.
- Sultan Kudarat has agreed to host a clustered sanitary landfill for the towns surrounding Cotabato City. DENR-MGB is responsible for hydrogeological assessment of the proposed site.

- The team is in the process of facilitating links between six LGUs and the provincial government of South Cotabato for a common facility.
- The team conducted an orientation on RA 9003 for the TWG of General Santos City. The city is prioritizing waste diversion in the public market, city hall, and a government hospital. The project also advised the city on the proper closure of its existing open dump.
- In Davao city, the newly designated CENRO has taken a more active role in implementing RA 9003. The city, EcoGov, and DENR are working together to review and complete the draft 10-year SWM plan and updating the city's waste characterization study. With the team's support, the city conducted an orientation on RA 9003 implementation with the ESWM Board.
- The team conducted an orientation and discussion on how DENR/ARMM could assist LGUs implement RA 9003.

UEM Accomplishments – Western Mindanao

- As summarized in the table below, two of the priority LGUs are on track for achieving 25 percent waste diversion in Year 2.

Table 13. UEM Accomplishments – Western Mindanao

LGU	ISWM Plan	Waste Segregation	Segregated Collection	Composting	Recycling	Disposal	Ordinance
Lamitan	Legitimized			Plan	✓	Site identified	Under review
Isabela City	Legitimized	✓	✓	Plan	✓	Under development	✓
Ipil	Legitimized	✓	✓	Plan	✓	Site identified	✓
Buug	Legitimized			✓	✓	Site identified	✓
Pagadian	Prepared	✓	✓	✓	✓		

- Buug and Gawad Kalinga (a private organization providing housing for the poor) have entered into a MOA such that Buug provides space for a composting facility and delivers waste from the market and commercial business district, while Gawad Kalinga handles operations and marketing of the products. Any revenue will go to Gawad Kalinga.
- The Sanggunian Panglungsod is reviewing the 10-year ISWM plan for Pagadian City. The kagawad on environment has drafted an ordinance to support implementation of the plan.
- Isabela City made progress toward developing a Category 1 sanitary landfill; temporary fencing now surrounds the site.

c. Implementation Problems and Proposed Resolution

- Many LGUs are reluctant to begin household waste segregation because composting and MRF infrastructure is not complete. In other cases, LGUs impose segregation at the source, but then mix waste at the facility. EcoGov needs to help LGUs understand that waste can remain segregated, even if the infrastructure is not yet complete.
- Some LGUs opt for unnecessarily complex and expensive waste management technologies. The team is trying to intervene and educate LGUs on the appropriate types of equipment they should buy, instead of relying solely on the marketing messages of vendors.
- LGUs have limited budgets to implement their ISWM programs. The project is trying to help LGUs identify methods for increasing revenue, such as raising users' fees for large generators (e.g., owners of malls). The project is also trying to help LGUs better allocate their existing personnel toward needed functions in ISWM.
- For various and unique reasons, some LGUs are resistant to clustered facilities. The project and DENR are advocating directly with them to make them appreciate the economy of scale in a multi-LGU facility.
- The project cannot meet the demand for assistance from LGUs in this sector. We are working with the DENR, provincial governments, and organizations such as SWAPP to increase our reach.

d. Objectives for the Next Quarter

- Strengthen core teams (DENR, provincial governments, municipal governments) to reach non-partner LGUs in South Cotabato, Quirino, and Nueva Vizcaya.
- Develop and implement ISWM social marketing campaigns in selected LGUs.
- Assist DENR-MGB and provincial governments in finding suitable sanitary landfill sites.
- Continue assistance to the DENR and NSWMC in clarifying guidelines for disposal facilities and other administrative orders on ISWM implementation.
- Develop and implement an assistance strategy for LGUs to increase efficiency of junk shops operators.

e. Status toward Achieving Sustainability of Efforts

The UEM team works closely with LGUs, provincial governments, the DENR, and other local organizations (e.g., colleges) and forms technical working groups on waste management. Eventually, these groups will institutionalize EcoGov efforts and ensure the continuation of interventions we promote. Our team also promotes ordinances and enforcement, hoping to make ISWM a “norm” of behavior that is sustained.

2.5. Municipal Investment in Sanitation

a. Expected Outputs for the Quarter

As described in the Year 2 Work Plan, the expected outputs in this sector for Quarter No. 5 were as follows.

Table 14. Municipal Finance Expected Output for the Quarter

Expected Outputs	Status
Develop and test a simplified waste water assessment approach as an input for prioritizing investments, ordinance formulation, and public awareness campaigns	Delayed to Quarter 7
Conduct project appraisal and proposal for target projects in priority LGUs	Ongoing
Conduct a WWM orientation and assessment in Dauis, Panglao, and Tagbilaran City	Ongoing
Collaborated with SCOTIA WWM and other partners in the development of technical options and information materials in support of coastal tourism in Panglao Island	Ongoing
Disseminate the results and recommendations of the solid waste recycling market study and the composting tool kit with partner LGUs	Ongoing

b. Summary of Accomplishments and Activities

The Municipal Finance team has one unique output from the Contractual Scope of Work; namely, to promote municipal investment in sanitation facilities, an output most closely aligned with the UEM sector. However, the municipal finance team expands its view to address issues raised by the forestry and coastal resources teams, as well.

Municipal Finance Sector-Wide Accomplishments

- Per the table below, the team completed a profile of 10 LGUs, showing that all have the capacity to internally finance or borrow to fund investments in sanitation facilities. All except for Tagbilaran City have signed a MOA with EcoGov and DENR to explore investments to improve water sanitation.

Table 15. Municipal Finance Sector-wide Accomplishments

LGU	Region	Province	Class	Population	Total Income	Total Local Sources
Bais City	Visayas	Negros Oriental	2nd	71,354	224,306,721	36,588,472
Bayawan City	Visayas	Negros Oriental	5th	109,445	322,120,445	20,436,843
Tanjay City	Visayas	Negros Oriental	5th	72,566	196,049,205	16,200,501
Dauis	Visayas	Bohol	4th	28,120	26,809,291	4,118,492
Panglao	Visayas	Bohol	4th	22,980	28,453,268	8,087,955
Tagbilaran	Visayas	Bohol	3rd	88,472	249,949,254	21,358,494
Kidapawan	Mindanao	North Cotabato	4th	111,593	286,050,350	66,696,242
Koronadal	Mindanao	South Cotabato	4th	146,877	274,826,962	53,698,593
General Santos	Mindanao	South Cotabato	1st	488,671	710,354,820	263,552,860
Tacurong	Mindanao	Sultan Kudarat	5th	83,594	199,774,090	45,050,059

Note: 2004 data

- Based on our assessments of 10 target LGUs, the majority are seriously considering investments in sanitation facilities (e.g., public markets, slaughterhouses, hospitals).
- Completed wastewater management orientation for 10 LGUs. Following the orientation, participants addressed letters to their local chief executives making recommendations on priority interventions.
- The market study on recyclables is completed. The draft results and recommendations were presented internally and are being refined for individual LGUs and recycling business operators.
- The final draft of the Composting Toolkit is complete. The target audience is municipal waste managers. It presents basic technology options and investment requirements to develop composting projects.
- The Finance team led the previously-mentioned training for LGUs in Illana and Baler Bays on financing of CRM activities.
- The team collaborated with the USAID SCOTIA and LINAW projects on finance training for sanitation professionals.

Municipal Finance Accomplishments – Central Visayas

- **Bais City.** The city has budgeted over PhP 1 million for a new market. The LGU has completed its initial site assessment and engineering plans. The LGU needs assistance in the choice of appropriate wastewater management technology, engineering layout and designs, cost estimation, and advice on financing.
- **Bayawan City.** The city has budgeted PhP 54 million for its market and bus terminal. Construction is expected to start in the 3rd quarter of 2006. Engineering designs are complete and ECC issuance requirements have been prepared and submitted to DENR. The proposed site for the wastewater treatment facility remains to be acquired by the city. The city needs assistance in the preparation of the

engineering plans and cost estimates for the wastewater facility subsequent presentation to the sanggunian panglunsod.

- **Tanjay City.** The priority site is the new public market. The city has built its new market, but not the co-located wastewater facility. It has completed site assessment for the facility and has received bids from two contractors, but no budget has been allocated. EcoGov will advise on financing options.
- **Dauis.** The priority sites for wastewater management are the resorts and the residential area. The municipal development council has suggested that the project focus on the design and plans of the proposed communal septic tanks for the Gawad Kalinga housing project. The council is set to suspend construction unless Gawad Kalinga get proper building permits (which it has yet to do). Plans are for approximately 42 housing units to be built. Currently, the LGU has no additional funding capacity and must depend on private entities for financing the sanitation facilities.
- **Panglao.** The LGU has prioritized the public market, as the fish and meat sections lack access to drainage or a septic tank. The LGU has allocated PhP 120,000 for construction of common washing area that properly drains wastewater from these two sections. The LGU needs assistance in preparing designs and cost estimates.
- **Tagbilaran City.** The city is considering offers of wastewater management technical assistance from BORDA, the German development agency GTZ, and EcoGov. However, to date, it has not entered into a MOA with any party, nor has it passed any resolution to address sanitation. The city seems to want clarification on how the donors will work together before entering into any agreements.
- **Panglao Island.** EcoGov has completed a hydrogeologic study, hydrodynamic and chemical characterization, and well-spring inventory and mapping in Panglao Island. The results are being analyzed for presentation to the LGUs and key stakeholders.

Municipal Finance Accomplishments – Central and Southern Mindanao

- **Kidapawan.** The LGU intends to establish a common wastewater treatment facility for the slaughterhouse and public market. City officials are considering the BORDA technology. The existing treatment at the slaughterhouse does not comply with the Clean Water Act. Proposed improvements include conversion of the septic vault to biogas reactor, with existing ponds to be used for preliminary treatment. The LGU has not yet allocated funds for the project and needs to pass an ordinance prohibiting clandestine butchering of animals. EcoGov will facilitate discussions between the city and BORDA.

- **Koronadal.** The slaughterhouse has received a conditional AA rating (meaning that animals slaughtered here can be transported and sold outside of Koronadal City). The LGU intends to rehabilitate the facility and upgrade the WTF. The LGU needs assistance in preparing designs and cost estimates.
- **Tacurong.** The LGU is constructing a slaughterhouse that complies with the Clean Water Act. It plans to build a wastewater facility at the slaughterhouse that can handle both wastewater from that site as well as transported wastewater from the market. The LGU secured a PhP 22 million loan from the Development Bank of the Philippines, but still needs to commit the LGU counterpart to the loan. EcoGov is reviewing engineering designs of the wastewater facility and will provide financial and operational advice.
- **General Santos.** The city has allocated PhP 300,000 of its overall PhP 169 million environment sector budget to develop a city-wide wastewater management plan. The city has not allocated any funds for treatment of identified sources (e.g., the market).

c. Implementation Problems and Proposed Resolution

LGUs continue to under-invest in sanitation despite mounting health concerns. This is due to lack of awareness, lack of funds, and lack technical capacity to design and operate sanitation infrastructure. Thus, local leaders are slow to approve budgetary outlays for capital investment and user fees to support financial sustainability. EcoGov is responding with further outreach and advocacy to target LGUs. We provide particular input on understanding subsidies and user fees so that LGUs can better appreciate the financial and economic costs of such investments.

d. Objectives for the Next Quarter

- Continue assistance to LGUs with signed MOAs on specific activities.
- Collect data on wastewater management and related health statistics as the basis of discussion with local officials.
- Continue to assist relevant LGUs in financial management for CRM, such as how to increase local revenue and establish separate budgeting systems and trust funds.
- Study financing arrangements for clustered waste facilities and advise relevant LGUs.

e. Status toward Achieving Sustainability of Efforts

Sustainability is defined in terms of the project: will efforts in this sector continue when the project closes; will any other partner or actor assume the role played by EcoGov’s technical assistance? In the municipal finance sector, sustainability will be achieved when the LGUs themselves have the capacity to source their own financing. This has not yet been achieved.

2.6. Management and Administration

a. Expected Outputs for the Quarter

The expected outputs for Quarter No. 5 were as follows.

Table 16. Management and Administration Expected Output for the Quarter

Expected Outputs	Status
Present the Year 2 Work Plan to the DENR-FASPO and relevant personnel from FMB, PAWB, Policy and Planning and EMB	Accomplished
Participate in the presentation of USAID-DENR SO4 assessment and take necessary actions to improve implementation	Accomplished
Release Annual Program Statement describing small grants program and meet monthly to review applications and make awards late February after CTO approval	Ongoing
Make public announcement of LSP sub-contractor competition after obtaining USAID approval	Delayed pending USAID approval

b. Summary of Accomplishments and Activities

Project Management

- Prepared discussion paper and SOW for the vacant Governance and Advocacy Sector Leader.

Small Grants Program

On January 8, the project released an advertisement announcing availability of the 2006 Annual Program Statement (APS), which describes application procedures for grants of less than \$10,000 and in duration of six months or less. The advertisement was placed in two Manila-based newspapers, and newspapers in Solano, Cebu City, Davao, and Zamboanga. It was also sent to U.S. Peace Corps volunteers, all EcoGov personnel, and DENR-FASPO staff for further distribution.

As of March 31, 2006, over 160 individuals or organizations had applied for the APS and 28 organizations had submitted formal applications. As of that date, none had yet been recommended to USAID for award.

Collaboration with other Donors, Projects, and Efforts

- The project worked with the USAID SCOTIA project and WWF, as well as local government stakeholders, on wastewater management for Panglao Island.
- The project collaborated with FAO/Bangkok and DENR-FMB improving the management of forestry agencies. FAO is forming an Asia Forest Policy Network to advocate for institutional changes in member countries.
- The project worked with several donor agencies, UPLB, several NGOs, and the national CBFM PO Federation to successfully advocate for the lifting of the DENR cancellation of CBFMAs and IFMAs.
- The project worked with the USAID FISH project and WWF to support participation in the US Department of Interior project on enforcement.
- The project worked with the DILG (through the Office of ASEC Panadero) and DENR Policy and Planning Office to discuss further devolution of DENR functions.

c. Implementation Problems and Proposed Resolution

- Leadership changes within the DENR continue to delay pursuit of key policy issues. The change in leadership within PAWB has stalled efforts to revise the NIPAS IRR and there appears to be a different focus on the GPOA by the new Secretary. The project's response will be to establish better working relationships with regional offices, particularly the new directors of DENR Region VII and Region XI.
- The attention of the Leagues is focused on political issues surrounding the President, rather than EcoGov issues. The project is reconsidering its collaboration with these organizations.
- DENR-MIS has not been able to regularly update the EcoGov website. The project is strongly considering setting up its own site to release project updates, success stories, job advertisements, grant announcements, and bidding opportunities.
- The relationship between EcoGov 2 and DENR, as the principal counterpart, is fundamental to project success. We will continue to strive to be responsive to our counterparts while providing technical assistance in line with USAID direction.
- The project owns eight vehicles serving staff in five offices, plus sub-offices in Pagadian and Davao City. Of these, two are American-made sport-utility vehicles that EcoGov 1 received from earlier USAID projects and two are American-made pick-up trucks purchased in 2002 by EcoGov 1. These four vehicles, because of either their age or the scarcity of spare parts and qualified service technicians, cost the project an undue amount of money for maintenance, and spend an increasing amount

of time out of service. The project anticipates needing to add an additional vehicle to its inventory before one of the existing vehicles goes permanently out of service. If and when this happens, we will request a waiver to the 000 source-origin code of the contract in order to purchase a locally-made vehicle (e.g., Toyota, Isuzu, Mitsubishi) based on availability of spare parts and safety of passengers working in Mindanao.

d. Objectives for the Next Quarter

- Make grant recommendations on a rolling basis to the USAID CTO, and subsequent to his approval, make awards.
- Upon receiving comments from the USAID Office of Regional Procurement, make public announcement of LSP subcontractor competition, release request for proposals, and hold bidder's conferences.
- Begin discussions with DENR senior management on the Year 3 work plan.
- Hire a Governance and Advocacy sector leader or specialist.
- Engage expatriate STTA for UEM, wastewater management, and social marketing.