

**COMMUNITY
RESOURCE
MANAGEMENT
AS A
STRATEGY
FOR
SUSTAINABLE
ECONOMIC
DEVELOPMENT**

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Natural Resources Management Program

PREFACE

It has been almost ten years since the completion of the Master Plan for Forest Development which included a considerable future role for DENR's People-Oriented Forestry Program (POFP). Since that time, Executive Order 263 issued in July 1995 declared Community-Based Forest Management (CBFM) as the nation's management strategy for sustainable forest development. Today, estimates place the POFP areas managed by communities under all forms of CBFM and Certificates of Ancestral Domain Claims (CADC) at over 5.5 million hectares. This is approximately one half of the area abandoned to "open access" abuses by the closing of the Timber License Agreements during this same period.

Dr. Tesoro's review and analysis are especially timely as the DENR and the Congress consider strengthening the role of Community-Based Forest Management (CBFM). CBFM has documented unrivalled successes in the last three years in preventing illegal logging and in preventing man-made forest fires (by controlling expansion of slash-and-burn agriculture in their areas). Dr. Tesoro emphasizes in his first "lesson learned" that nearly 2 million Filipinos already benefit directly from CBFM. We can add that many more benefit indirectly from the good stewardship shown by CBFM communities over forest resources entrusted to their care. These farmers and their families have accepted primary responsibility for managing large tracts of forest lands previously in the category of "open access," with no designated responsible manager.

As Dr. Tesoro points out, through its tenure agreements awarding resource use rights along with local accountability for forest protection to local communities – CBFM has become a powerful strategic tool to stimulate economic development in the nation's poverty-stricken uplands. When upland residents receive tenured control over the resources where they live, they have demonstrated their willingness to invest their "sweat equity" as well as their meager family savings to develop and protect those resources. In turn they are improving their own lives and protecting the watersheds critical to the nation's future.

Dr. Bruce R. Harker
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June 4, 1999

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ACRONYMS

A & D	Alienable and Disposable
ADB	Asian Development Bank
ADMP	Ancestral Domain Management Program
AWP	Annual Work Plan
CADC	Certificate of Ancestral Domain Claim
CALC	Certificate of Ancestral Land Claim
CBFM	Community-Based Forest Management
CBFMA	Community-Based Forest Management Agreement
CBFMO	Community-Based Forest Management Office
CBFMP	Community-Based Forest Management Program
CBRM	Community-Based Resources Management
CENRO	Community Environment and Natural Resources Officer
CEP	Coastal Environment Program
CFIP	Chamber of Furniture Industries of the Philippines
CFMA	Community Forest Management Agreement
CFP	Community Forestry Program
CFSA	Community Forestry Stewardship Agreement
CLUP	Comprehensive Land Use Plan
CMLOA	Community-Based Management of Logged-Over Areas
CO	Community Organizing; Community Organization
CSC	Certificate of Stewardship Contract
CTFP	Community Tree Farming Program
DAO	Department Administrative Order
DAR	Department of Agrarian Reform
DENR	Department of Environment and Natural Resources
DILG	Department of Interior and Local Government
ENR-SECAL	Environment and Natural Resources - Sectoral Adjustment Loan
EO	Executive Order
FARP	Family Approach to Reforestation Program
FINNIDA	Finnish Agency for International Development
FLMA	Forest Land Management Agreement
FLMP	Forest Land Management Program
FLUP	Forest Land Use Plan
FMB	Forest Management Bureau
FMS	Forest Management Sector
FOMP	Forest Occupancy Management Program
FSP	Forestry Sector Project
GOP	Government of the Philippines
IRMP	Integrated Rainforest Management Program
ISFP	Integrated Social Forestry Program

KRA	Key Result Area
LGU	Local Government Unit
LIUCP	Low Income Upland Community Program
MC	Memorandum Circular
MFPC	Multi-sectoral Forest Protection Committee
MPFD	Master Plan for Forestry Development
MSA	Mangrove Stewardship Agreement
NABCOR President)	National Agri-Business Corporation (under the Office of the
NAPC	National Anti-Poverty Commission
NAPOCOR	National Power Corporation
NCCO	National CFP Coordinating Office
NFP	National Forestation Program
NGO	Non-governmental Organization
NRDC	Natural Resources Development Corporation
NRMP	Natural Resources Management Program
OECF	Overseas Economic Cooperation Fund (of Japan)
PCC	Policy Coordinating Committee
PENRO	Provincial Environment and Natural Resources Officer
PMO	Project Management Officer (applies to both the program management office or the officer in-charge of a project at the site)
PO	People's Organization
POFP	People Oriented Forestry Program
PTWG	Policy Technical Working Group
PWPA	Philippine Wood Products Association
RED	Regional Executive Director
RRMP	Regional Resources Management Program
RTD	Regional Technical Director
RUP	Resource Use Plan
SAP	Strategic Action Plan (of the CBFMP)
SIDA	Swedish International Development Agency
TLA	Timber License Agreement
UDP	Upland Development Program
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

This study was undertaken to evaluate the implementation of the People Oriented Forestry Program (POFP) as envisioned in the Master Plan for Forestry Development (MPFD) and identify lessons from it. In addition, the issues currently confronting the Community-Based Forest Management were also identified and recommendations for their resolution to strengthen its implementation were made.

Assessment of the People Oriented Forestry Program

Integration of Programs and Projects under POFP

Component programs and projects implemented under the POFP were mostly donor-funded. They followed different approaches in community organizing, funding site development, LGU involvement, and tenure granted. This often resulted in some confusion among DENR staff implementing projects and among program participants especially those in contiguous areas. In July 1995 Executive Order No. 263 was issued adopting community-based forest management as the national strategy to ensure the sustainable development of the country's forest lands. DAO 96-29 established the Community-Based Forest Management Program (CBFMP). It integrates and unifies all people oriented forestry programs and projects. *CBFM thus became effectively the POFP.* A national Strategic Action Plan (SAP) was prepared for the implementation of CBFMP. *It became the master plan for the CBFM.* Consequently, the Community-Based Forest Management Office (CBFMO) under the Forest Management Bureau (FMB) with corresponding organizational units at the field level was established to integrate and oversee the implementation of CBFMP. However, full integration of all POFP programs and projects is yet to be realized.

Targets Vs Accomplishments of POFP/CBFMP

The total number of Certificates of Stewardship Contract (CSC) targeted for issuance under the POFP by year 2000 was 526,800. So far the reported CSCs issued was 214,505. However, the ISF Program for which CSCs were issued was devolved to the LGUs in 1992. Furthermore, the POFP shifted from individual families which was the common participation in the ISFP to community based forest management. The tenure was also changed to CFMA and later to CBFMA although CSCs are still granted within a CBFMA area.

The issuance of FLMA and CBFMA also fell short of the target by year 2000 with only 392 and 2,609 reported against the target of 10,100 and 3,000, respectively. The shortfall in the issuance of FLMA was due to changes in

the emphasis in the POFP. However, the total area covered by projects, which is estimated at 5.5 million hectares exceeded the target of 3.2 million hectares. The number of participants served was also exceeded by a large margin. The target was 577,000 farmers served while the estimate of actual participants involved (355,799 families) in the program number close to 2 million.

Lessons from the People Oriented Forestry Program/Community-Based Forest Management Program

Several lessons can be learned from the implementation of the POFP/CBFMP. They are crucial to the sustainability of the program as a strategy for the management of forest resources in the country.

1. **CBFM Benefits Close to 2 Million Filipinos** - There are 355,799 households participating in close to 4,800 CBFM sites all over the country. This translates to close to 2 million Filipinos currently in POFP areas and potentially 20 million upland residents. At the currently accepted estimate of 2.4 percent population growth, the projected population in the uplands in 2025 will be 40 million. They represent the poorest of the poor who are depending on the success of CBFM to realize their dreams of a better life. The CBFM forest management initiative provides the communities with a powerful instrument for economic development. It provides a long-term lease over a portion of the forest land and with it control over an important resource. It is a resource that the communities can utilize to stimulate economic development in the uplands in partnership with government and the private sector.
2. **Long History of Commitment to Participatory Management of Forest Resources** - There is a long history, 30 years, of commitment to the community-based forest management. The paradigm shift, from a small number of corporations (TLAs) overseeing thousands of hectares towards a large number of small communities each devoted to managing a few thousand hectares, was primed by the realization that effective management of the forest resources require the involvement of people and communities living within or close to the forest and whose very existence depend upon it. This is the embodiment of the principle of **People First, Sustainable Development Will Follow**.
3. **Tree Farming and Forest Plantations in A & D and Private Lands** - A direct influence of the National Forestation Program was the development of tree farms and plantations in A & D and private lands.

The total area of tree farms and plantations in A & D and private lands registered with the DENR is close to 8,200 hectares. It is estimated that actual area planted is almost double this amount. The estimate of investments based on the 8,200 ha runs from ₱160 million to ₱200 million. Land ownership is a powerful stimulus for development because the people know that whatever they plant they will harvest. It is not greatly affected by unstable policies.

The reported area of private tree farms and plantations can increase dramatically if the policies of government are less ambiguous and more stable. Imagine the extent of forest cover that can be established and the amount of investment that can be generated by just improving the extension activities of the DENR and setting policies that make it easier to harvest and transport forest products from private plantations and working with other agencies of government and the private sector to ensure markets for the products of smallhold tree farmers.

4. **People in the Forests are the First Line of Defense in its Protection and Management** - CBFM recognizes that people are already in the forests. While they live on what they can get from the forests they can be and have been shown to be the first line of defense in the protection and management of forest resources. However, they do not have the resources to develop the forest and therefore they need technical and financial assistance especially from the DENR, the LGUs, the private sector, the financial institutions and other stakeholders of the forest resources.
5. **Government Saves Close to ₱127 Million Annually in Forest Protection Through POFP/CBFM** - The area estimated to be under CBFM/ADMP is about 5.5 million hectares. Were these areas to be managed and protected by the government, the total cost of protection would amount to ₱127 million annually. The government utilizes forest guards to patrol and secure the forest, each being responsible for 4,000 hectares. It would take 1,378 forest guards to protect the area being managed by communities. Each forest guard receives an average annual salary plus allowances and bonus of ₱92,142. This totals close to ₱127 million a year representing the annual savings of government by allowing communities to manage and protect the forest.
6. **LGUs Contribute to Fund CBFM Initiatives** - Through collaborative efforts of DENR, LGUs and POs over a decade of partnership, the LGUs have come to realize the importance of CBFM in the management of resources found in their jurisdiction. LGUs are now providing financial resources to communities for various purposes such as for the preparation of comprehensive land use plans,

rehabilitation of old roads leading to the barangays and communities, establishment of CBFM sites and for community organizing and livelihood projects. For the first quarter of 1999 alone LGUs have contributed over ₱4.0 million in three regions in the country.

- 7. **CBFM is the Strategy for Forest Resources Management in at Least 25 Countries of the World.** In at least 25 tropical and sub-tropical countries of the world where population is high, CBFM is the strategy adopted for sustainable forest development. Experiences range from almost 200 years as in the case of Indonesia to less than three years in the case of Guyana. The Philippines has almost 30 years of experience. During the last seven or eight years, the CBFM program of the country has established a nationwide network of people’s organizations, forged formal linkages between DENR, LGUs and POs, and has started to form business relationships between the POs and the private sector. It has laid the foundation for a truly participatory management of forest and natural resources, a situation that other countries which have adopted CBFM as a strategy for forest management have yet to achieve.

- 8. **CBFM is a National Program -** Finally, it has become clear that CBFM is not just a DENR program. If it has any chance to succeed it must become the program of all concerned, the POs, the LGUs, the NGOs, the financial institutions, the private sector and other government agencies, Congress, but most of all, the DENR. DENR must be true to its role of facilitator, that of making policies that simplify the procedures and facilitate the processing of documents, of linking the POs to resources whether from the banking or the private business sectors and those providing social services. But above all, a shift in attitude especially of the field personnel from that of a controller to a change agent must take place.

Summary of Recommendations and Strategic Action Plans for Strengthening CBFM

The following are the recommended strategic action plans on crucial issues and opportunities facing CBFM at the moment:

Issues	Strategic Action Plans
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Issues	Strategic Action Plans
<p>1. Instability of DENR's policies on CBFM. Suspension of cutting permits, difficulty of obtaining transport and log and lumber dealership permits from DENR, contracting with private sector</p>	<p><input type="checkbox"/> Institutionalize CBFM through an act of Congress</p> <ul style="list-style-type: none"> • Lobby for the passage of proposed Sustainable Forest Management Act or the inclusion of CBFM in other related forest management bills actively deliberated on in Congress
	<p><input type="checkbox"/> Strengthen mechanisms for policy formulation and review at DENR</p> <ul style="list-style-type: none"> • Generate support on the proposed creation of a Policy Coordinating Committee and the reactivation of the Policy Technical Working Group • Generate support on the creation of a Community-Based Resources Management Committee
	<p><input type="checkbox"/> Remove barriers in the access and use rights of POs</p> <ul style="list-style-type: none"> • Follow up on the proposed lifting of the suspension of the processing and issuance of cutting permits to POs • Engage the support of members of Congress LGUs and others in requesting for the lifting of the suspension of the processing and issuance of cutting permits to POs • Seek legal remedies on the suspension of cutting permits • Follow up on the proposed automatic transport and lumber dealership permits with affirmation of AWP/RUP • Review rules, regulations and administrative procedures in terms of their effectiveness in pursuing the goals of CBFM and amend or abolish the non-facilitating ones
	<p><input type="checkbox"/> Focus on livelihood projects other than wood</p> <ul style="list-style-type: none"> • Identify livelihood projects and train POs develop livelihood projects and enterprises based on sustainable resources in the community other than wood • Create multi-sectoral group to advise POs on livelihood projects

Issues	Strategic Action Plans
2. Mobilization of resources	<input type="checkbox"/> Generate investments from financial institutions and the private sector <ul style="list-style-type: none"> • Continue the preparation of CBFM project profiles; provide copies to financial institutions, LGUs and the private sector • Establish a small multi-sectoral group (LGU, DENR, financial institutions and private sector) to assist POs identify investment potentials and prepare investment proposals for funding • Link POs with other agencies or organizations that have the potential of providing resources such as NAPOCOR, NAPC, NABCOR, Water Districts, etc. • Implement the Forest Securitization Strategy (DAO No. 98-01) • Discuss with private sector contracting policies with POs
	<input type="checkbox"/> Secure Funds for the CBFM Special Account <ul style="list-style-type: none"> • Generate support from Congress or donor agencies in providing seed funds for the CBFM Special Account
	<input type="checkbox"/> Provide marketing assistance to POs <ul style="list-style-type: none"> • Discuss with the private sector possible marketing arrangements for timber and other forest products from PO plantations
	<input type="checkbox"/> Facilitate transfer of technology and social services to POs <ul style="list-style-type: none"> • CBFM Teams at CENRO level link with DA, MAO, DOST, ERDB to provide technical assistance to POs • CBFM Teams link with LGUs, DECS, DOH to provide social services to POs • Make arrangements with DAR for transfer of social and other services to CBFM areas which are now agrarian reform areas

Issues	Strategic Action Plans
<p>3. Advocacy for CBFM/CBRM</p>	<ul style="list-style-type: none"> <li data-bbox="850 268 1440 394">□ POs to advocate CBFM targeting policy-makers, LGUs, media, members of Congress, DENR and other OGAs and general public <li data-bbox="850 394 1440 485">• POs write political leaders for assistance in increasing the budget of DENR particularly for CBFM <li data-bbox="850 485 1440 611">• POs request the Office of the President to give directives to heads of concerned agencies regarding presidential instructions during the PO summit in Region XI <li data-bbox="850 611 1440 701">• Showcase the effectiveness of CBFM in the protection and management of forest resources <li data-bbox="850 701 1440 827">• Examine the soundness and appropriateness of CBFM in terms of social, economic and environmental gains against other options for forest management <li data-bbox="850 827 1440 917">• Determine the cost of implementing the various stages of CBFM from preparation to plan implementation <hr/> <ul style="list-style-type: none"> <li data-bbox="850 917 1440 982">□ Develop CBFM champions within and outside of DENR <li data-bbox="850 982 1440 1073">• Provide moral and technical support to DENR staff/personnel who are promoting/defending the concept of CBFM <li data-bbox="850 1073 1440 1136">• Mobilize support for CBFM from LGUs, members of Congress, NGOs and others
<p>4. Participation of LGUs in CBFM and inclusion of CBFM plans in the LGU development plans</p>	<ul style="list-style-type: none"> <li data-bbox="850 1136 1440 1201">□ Provide greater participation of LGUs in allocating and managing forest resources <li data-bbox="850 1201 1440 1291">• Devolve more CBFM areas for supervision and management to qualified and capable LGUs <li data-bbox="850 1291 1440 1381">• Facilitate processing of share of LGUs as mandated in MC No. 93-13 as amended by MC No. 93-31. <li data-bbox="850 1381 1440 1570">• Expand joint activities among LGUs, POs, and DENR through: <ul style="list-style-type: none"> <li data-bbox="899 1444 1440 1478">➤ the conduct FLUP <li data-bbox="899 1478 1440 1570">➤ the preparation of management plans of priority watersheds incorporating CBFM in the development plans of LGUs
<p>5. Integration of POFP & CBFM programs under one coherent organization and within the management of a watershed and inclusion of CBFM plans in the operational plans of DENR field units</p>	<ul style="list-style-type: none"> <li data-bbox="850 1570 1440 1635">□ Fully integrate POFP/CBFM programs and projects <li data-bbox="850 1635 1440 1690">• Mobilize support within DENR for the full implementation of DAO No. 96-30 <li data-bbox="850 1690 1440 1843">• Assess the effectiveness of the present CBFMO in the implementation of CBFM in an integrated watershed management and in the light of organizational changes taking place in DENR

Issues	Strategic Action Plans
	<ul style="list-style-type: none"> □ Integrate management of POFP/CBFMP within watersheds and in operations plan of DENR • Implement DAO No. 99-01. Formulate guidelines for its implementation. Adopt the National Strategies for Sustainable Watershed Management • Allocate the forest lands to their best uses and identify management schemes for each use including CBFM areas • Prepare management plans of priority watersheds with the participation of POs and LGUs. • Base budget preparation and allocation on watershed management and operations plans. • Harmonize policies on resources within the watershed
<p>6. Accountability of DENR field personnel on CBFM</p>	<ul style="list-style-type: none"> □ Establish mechanism for making REDs, PENROs, CENROs other key CBFM staff accountable for CBFM implementation • Amend the Key Results Area (KRA) system to make the REDs, PENROs, CENROs, PMOs and other key CBFM staff responsible and accountable for the CBFMP performance in their respective areas of jurisdiction • Make extension as the key function of the CBFM Team at the CENRO.
<p>7. CBRM as a strategy for sustainable natural resources management</p>	<ul style="list-style-type: none"> □ Institute CBRM as strategy for the management of all natural resources in forest lands • Have an EO issued by OP establishing CBRM as the strategy for the management of all natural resources in forest lands • Harmonize all natural resources policies in the context of a watershed through the Policy Technical Working Committee (reactivate it) • Prepare guidelines and operations manual on CBRM, train DENR, LGUs and POs on the implementation of CBRM • Align central and field organizations to the demands of CBRM in the context of the ongoing reorganization at DENR, deploy qualified personnel • Pilot CBRM in each region to gain experiences, document lessons learned, expand CBRM implementation as confidence in it is gained

Issues	Strategic Action Plans
8. Constraints in setting physical targets of CBFM	⇒ Set targets based on watershed management approach <ul style="list-style-type: none"> • Recognize central role of communities and CBFM in watershed management • Prioritize watersheds at the CENRO level • Formulate comprehensive watershed management plans for identified priority watersheds • Base regional budget proposals on watershed management plans of priority watersheds • Lobby in Congress for higher budgets for CBFM

COMMUNITY RESOURCE MANAGEMENT AS A STRATEGY FOR SUSTAINABLE ECONOMIC DEVELOPMENT

by

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BACKGROUND

PARTICIPATORY MANAGEMENT OF FOREST RESOURCES

The 1889 Royal Decree of the King of Spain otherwise known as the “Definitive Forest Laws and Regulations”, the Kaingin Law of 1901 (Act No. 274) and the 1963 “Revised Kaingin Law” (RA 3701) viewed kaingin as a legal problem and imposed punitive measures against kaingineros which were either ejection from the forest area or imprisonment or both¹. A kaingin council meeting was held in 1963 when it was realized that punitive measures were not accomplishing their purpose of preventing people from illegally entering, occupying and utilizing the forest and its resources. A National Conference on the Kaingin Problem was held in 1965 and attended by various sectors. It marked the change in the official attitude of government towards kaingin-making and kaingineros. It also marked the start of participatory forest management in the country. For the first time kaingin-making was viewed as a socio-economic problem and a new strategy for dealing with kaingineros was called for.

The Family Approach to Reforestation Program (FARP) was launched in 1974. Families were contracted for two to three years in plantation development. They were allowed to harvest agricultural crops planted between forest trees including fruits of trees they planted. FARP was basically a reforestation program where families were hired as labor.

The Forest Occupancy Management Program (FOMP) was the first program that provided tenure to upland dwellers, albeit a short one. Kaingineros were issued a two-year occupancy permit for their farmlots and were allowed to harvest only the agricultural crops that they planted. In December 1978 a Presidential Memorandum mandated the implementation of a nationwide program on Communal Tree Farming (CTF). The objective was to establish tree farms in every municipality or city involving local communities and local governments in coordination with other government agencies and the private sector. Under the CTF a provisional one-year tenure was provided. This was extended to 25 years renewable for another 25 years. The beneficiaries can harvest both agricultural and forest products grown by them.

In 1981 the Ministry of Natural Resources instituted a banner program called “Forestry for Rural Development”. This was in response to the growing awareness of the public of the increasing

¹ Bernales B. G. and A. P. de la Vega. 1982. Case Study of Forest Occupancy Management (FOM) Program in Dona Remedios Trinidad, Bulacan. Integrated Research Center, De La Salle University, Manila.

deterioration of the uplands and at the same time to alleviate the economic condition of upland dwellers. The three existing programs at that time involving upland dwellers were not fast enough in accomplishing their objectives of improving forest cover and at the same time providing additional income to a large number of upland families.

In 1982 through Presidential Letter of Instruction No. 1260 the Integrated Social Forestry Program (ISFP) was launched. The ISFP recognized that:

- kaingineros and other upland residents including the indigenous communities are potentially effective agents in the rehabilitation of the forest while they participate in programs to improve their economic condition;
- the existing social forestry programs of government needed strengthening and integration; and
- the benefits that the forest occupants were provided were not sufficient to improve their economic status.

In 1986 the government started the National Forestation Program (NFP). Its goal was to reverse the decline in forest resources by rehabilitating 1.4 million hectares of forest land from 1986 to 2000. NFP included regular funded projects of DENR, the on-going ISFP and the reforestation efforts of the private sector. In 1989 the Asian Development Bank (ADB) in a joint financing with the Japan Overseas Economic Cooperation Fund (OECF) granted a forestry program loan to the Government of the Philippines (GOP) in the amount of USD 240 million. A component of this program was the Community Forestry Program (CFP) which was started in 1989 through the issuance of Department Administrative Order (DAO) No. 123². The program intended to:

- provide upland residents with legal access to forest resources and their financial benefits;
- create strong incentives for upland residents to vigorously implement forest conservation; and
- promote multiple-use forest management by participating communities and to optimize forest resources utilization and management.

Tenure was provided through the issuance of a community forest management agreement (CFMA). It has a duration of 25 years renewable for another 25 years. Funds for the hiring of non-government organizations (NGOs) were also provided to assist in the organization of the communities and prepare them for their task as forest and enterprise managers.

MASTER PLAN FOR FORESTRY DEVELOPMENT

Piggy-backed to the 1989 ADB and the OECF loan was the preparation of the Master Plan for Forestry Development (MPFD). The preparation of the MPFD was financed by the Finnish International Development Agency (FINNIDA). Among the umbrella programs of the MPFD was the People Oriented Forestry Program (POFP). One of the strategies of the POFP was community forest management.

Community Forestry Program (CFP) became the banner program of the DENR. From 1989 to 1995 several participatory forestry projects adopted community forest management as a strategy. These included the Environment and Natural Resources-Sectoral Adjustment Loan (ENR-SECAL) program

² DAO No. 123, Series of 1989. Community Forestry Program. Policies, Memoranda and Other Issuaces on the National Forestation Program. Vol. II, p80.

of the World Bank, the Natural Resources Management Program (NRMP) of USAID, the Low Income Upland Communities Program (LIUCP) of the ADB, the Community-Based Management of Logged-over Areas (CMLOA) of the Swedish International Development Agency (SIDA), the Forestry Sector Program (FSP) of the ADB and the OECF, the Integrated Rainforest Management Project (IRMP) of the German Government, Ancestral Land Management Program (ALMP), the Coastal Environment Program for mangrove areas, etc.

COMMUNITY-BASED FOREST MANAGEMENT PROGRAM

On July 19, 1995, following a national conference on people-oriented and community-based forestry programs in Subic, then President Fidel V. Ramos issued Executive Order No. 263 “Adopting Community-Based Forest Management as the National Strategy to Ensure the Sustainable Development of the Country’s Forestland Resources and Providing Mechanisms for its Implementation”³. On October 10, 1996 DENR issued DAO 96-29 establishing the Community-Based Forest Management Program (CBFMP)⁴. The CBFMP integrates and unifies all people-oriented forestry programs of government. The programs/projects supposed to be consolidated by the CBFMP were:

- Integrated Social Forestry Program (ISFP);
- Upland Development Program (UDP);
- Forest Land Management Program (FLMP);
- Community Forestry Program (CFP);
- Low Income Upland Communities Project (LIUCP);
- Regional Resources Management Project (RRMP) of the ENR-SECAL;
- Integrated Rainforest Management Project (IRMP);
- Forestry Sector Project (FSP);
- Coastal Environment Program (CEP);
- Ancestral Land Management Program (ALMP); and
- Natural Resources Management Program (NRMP).

To effect the integration DENR issued DAO 96-30⁵ which mandated the organization of the Community-Based Forest Management Office (CBFMO) under the supervision of the FMB Director. The CBFMO consisted initially of the Social Forestry Division of FMB and the National CFP Coordinating Office (NCCO). After a transition period, the CBFMO shall be under the supervision of the FMB Assistant Director. ***The integration of all people oriented forestry programs and projects under the CBFMP effectively made the CBFMP as the POFP.***

To effect the operationalization of the CBFM program at the field offices, Memorandum Circular No. 97-11⁶ was issued on July 18, 1997. The Circular mandated the regional offices to organize under

³ Executive Order No. 263. Adopting Community-Based Forest Management as the National Strategy to Ensure the Sustainable Development of the Country’s Forestlands Resources and Providing Mechanisms for its Implementation. July 19, 1995.

⁴ DENR DAO No. 96-29. Rules and Regulations for the Implementation of Executive Order No. 263, Otherwise known as the Community-Based Forest Management Strategy (CBFMS).

⁵ DENR DAO No. 96-30. Integration of all the Community-Based Forest Management Strategy and People Oriented Forestry Programs and Projects into the DENR Regular Structure.

⁶ DENR Memorandum Circular No. 97-11. Operationalization of the CBFM Programs at the Regional, PENR and CENR Offices. July 18, 1997.

their Forest Management Services an interim office which will undertake activities on the CBFMP. The regional CBFMO was directed to organize CBFM Teams at the CENRO level to undertake, monitor and support field implementation of the program.

A national Strategic Action Plan (SAP) for the CBFMP was prepared under the auspices of the CBFMO and the NRMP. ***The SAP became the master plan for the implementation of the CBFMP.*** Regional Offices were instructed under MC No. 97-13⁷ to adopt the SAP for CBFM and to prepare a Regional Strategic Action Plan.

TERMS OF REFERENCE OF THE STUDY

The Terms of Reference of the Consultant for this study are shown as Appendix A.

APPROACHES IN THE CONDUCT OF THE STUDY

The duration of the study was only for a period of 20 days spread over two calendar months, starting on March 1, 1999 and ending on April 30, 1999. Series of workshops and round table discussions with relevant participants were adopted as the mode of information and data gathering. This was supplemented by personal interviews and review of reports and other literature. The following workshops and round table discussions were conducted:

Table 1. Schedule of workshops and round table discussions conducted.

Activity	Date (1999)	Venue
NGO/LGU/Academe Workshop	March 19	Pasay City
Round Table Discussions:		
Private Sector	March 25	Quezon City
NRDC/NABCOR*	April 8	Quezon City
Financial Sector	April 19	Makati City
Regional Consultations		
Region 11	April 13	Davao City
Region 2	April 21	Tuguegarao

*Natural Resources Development Corporation/National Agribusiness Corporation

The workshop on March 19, 1999 was attended by representatives from LGUs, NGOs, DILG, the academe and research organizations in addition to representatives from DENR CBFMO. The round table consultations with the private sector was attended by officials of the Philippine Wood Products

⁷ DENR Memorandum Circular No. 97-13. Adopting the DENR Strategic Action Plan for Community-Based Forest Management (CBFM).

Association (PWPA) and the Chamber of Furniture Industries of the Philippines. Round table discussions were also held with representative of the Natural Resources Development Corporation (NRDC) and the National Agribusiness Corporation (NABCOR).

The regional workshops (Regions 2 and 11) were participated in by the RED, the RTD for FMS, PENROs and CENROs, CBFM Project Managers, RCBFMO, representatives of POs and LGUs.

A final presentation of recommendations will be made to DENR top management.

ASSESSMENT OF THE PEOPLE ORIENTED FORESTRY PROGRAM

APPROACHES IN THE VARIOUS POFP/CBFMP PROJECTS

The various programs/projects under the POFP/CBFM adopted different approaches in implementing the program. This was the result of different approaches adopted by donor-agencies and also brought about by the different allocation of forestlands such as the ISFP which was basically family-based, CFP which was for communities, ADMP for IPs and CEP for mangrove areas. While the different approached adopted provided enriching experiences in implementing POFP/CBFMP it often confused not only the DENR field staff but also the beneficiaries, the POs. Why would a CBFM project have funds for site development when an adjacent project in a contiguous area does not? Why would a participant granted a CSC when the community in an adjacent area was granted a CFMA? The following are the implementation approaches and tenure granted by various projects.

Table 2. Implementation approaches and types of tenure of various POFP projects.

Program/Project	Implementing Scheme, Tenure
ENR-SECAL	Watershed management planning with heavy infrastructure support, CO by DENR staff, tenure: CSC
FSP/OECF	Loan support for comprehensive site development, CO by contract with NGO, tenure: CFMA
CEP	Site development through volunteer labor, seedlings provided by program, tenure: MSA
NRMP	Site development from funds generated from resources coming from the CBFM area, CO by DENR staff and assisting professionals, tenure: CBFMA, CSC inside CBFM area, CADC
LIUCP	Heavy emphasis in infrastructure development in cooperation with LGUs, tenure: CFSA converted later to CADC, CSC
CFP	Loan support for comprehensive site development, CO by contract with NGO, tenure: CFMA

Program/Project	Implementing Scheme, Tenure
ISF	Mostly through individual families, technical support services provided, CO by DENR staff, tenure: CSC, CFSA
ADMP	Site development from funds generated from resources coming from the CBFM area, CO by DENR staff, tenure: CADC, CALC

For a more streamlined operation of the CBFM program the approaches and the tenure granted should be unified as far as practicable to avoid confusion in its implementation.

TARGETS VS ACCOMPLISHMENTS

Column 4 of Table 3 shows the accomplishments of the POFP/CBFM against the MFPD targets for the period ending Year 2000. The cumulative accomplishments fall short of the total number of CSCs targeted for issuance which was 526,800 by the year 2000. So far the reported CSCs was 214,550. The issuance of CSCs was greatly slowed down because regular ISF projects were devolved to the LGUs in 1992. Furthermore, the POFP shifted from individual families which was the common participation in the ISF, for which CSC was granted, to community based forest management. The tenure was also changed to CFMA and later to CBFMA. Although CSCs are still granted within a CBFMA area this is only to accommodate individual claims within the CBFMA area.

Table 3. POFP/CBFM Physical targets and Accomplishments

	1990	1991-1995	1996-2000	2001-2005	2006-2010	2011-2015	Total
CSC Processed and Issued '000	11.7	135.1	63.0	166.7	100.0	66.7	543.2
Regular Agrarian Reform Fund Accomplishment (cumulative)	15.0	207.0	95.0				317.0
Total	26.7	342.1	214,505* 158.0	166.7	100.0	66.7	860.2
CBFMs Issued to Largeholder Accomplishment (cum)		50.0	250.0 191**	200.0			500.0
Mediumholders Accomplishment (cum)		150.0	500.0 15	350.0			1000.0
Smallholders Accomplishment (cum)		1300.0	2250.0 2403	1450.0			5000.0
Total Accomplishment (cum)		1500.0	3000.0 2609	2000.0			6500.0
FLMAs Issued Accomplishment (cum)		61,100	10,100 392	9,900	5,900	3,800	90,800

	1990	1991-1995	1996-2000	2001-2005	2006-2010	2011-2015	Total
Area Covered, 000 ha (cumulative) Accomplishment (cum)	465	2,081	3,244 5,513	3,985	4,496	5,013	
NGOs Involved & Farmers Served Farmers Served, 000 Accomplishment (cum)	45	208	324 2,000	399	497	89	1,562
NGOs Involved	<40	150	120	200	150	5	665

*Devolved ISF areas

**Includes CADC

fn:table-1

The issuance of FLMA and CBFMA will also fall short of the target by year 2000 with only a reported number of 392 and 2,609, respectively against targets of 10,100 and 3,000. The shortfall in the issuance of FLMA was again due to changes in emphasis in the POFP and the difficulty of identifying reforestation areas suitable for community-based management.

The total area covered by projects, which is estimated at 5.5 million hectares exceeded the target of 3.2 million hectares. The number of farmer-families served also fall short of the target of 577,000 families. The estimated families involved in the program to date number 355, 799 or close to 2 million individuals.

The POFP, which emphasized more the individual family participation through the issuance of the CSC and FLMA, shifted to community-based management of the forest resources. This was brought about by the recognition that communities are more effective in carrying out the objectives of the program of protecting and rehabilitating the forest resources while they benefit from the resources. Thus the POFP evolved into the Community-Based Forest Management (CBFM) as mandated by EO 263. The DENR Strategic Action Plan for Community-Based Forest Management became the master plan for its implementation.

LESSONS FROM THE PEOPLE ORIENTED FORESTRY PROGRAM/COMMUNITY-BASED FOREST MANAGEMENT PROGRAM

Several lessons can be learned from the implementation of the People Oriented Forestry Program/Community-Based Forest Management Program. They are crucial to the sustainability of the program as a strategy for the management of forest resources in the country.

1. **CBFM Benefits Close to 2 Million Filipinos** - There are 355,799 households participating in close to 4,800 CBFM sites all over the country. This translates to close to two million Filipinos

currently in POFP areas and potentially 20 million upland residents. At the currently accepted estimate of 2.4 percent population growth, the projected population in the uplands in 2025 will be 40 million. They represent the poorest of the poor who are depending on the success of CBFM to realize their dreams of a better life. The CBFM forest management initiative provides the communities with a powerful instrument for economic development. It provides a long-term lease over a portion of the forestland and with it control over an important resource. It is a resource that the communities can utilize to stimulate economic development in the uplands in partnership with government and the private sector.

2. **Long History of Commitment to Participatory Management of Forest Resources** - There is a long history, 30 years, of commitment to the community-based forest management. The paradigm shifted from a small number of corporations (TLAs) overseeing thousands of hectares to a large number of small communities each devoted to managing a few thousand hectares. The evolution was hastened by the realization that effective management of the resources require the involvement of people and communities living within or close to the forest and whose very existence depend upon it. Self preservation is the highest instinct for survival and if the livelihood (the forest) of the communities become imperiled the community act accordingly to preserve its source of livelihood as long as they are empowered to do so. Here lies the reason for the effectiveness of communities in protecting and managing forest and other natural resources.

3. **Tree Farming and Forest Plantations in A & D and Private Lands** - One of the programs of the POFP is the development of plantations and tree farms inside A&D and private lands. Tree farms and plantations were developed in A&D and private lands through the efforts of individual families and small land holders who saw the potential of planting trees for future economic gain. This was a direct influence of the National Forestation Program which campaigned for plantation development in private lands. Records of the DENR show that the reported area of private tree farms and plantations is more than 8,200 hectares nationwide (Table 4) although estimates run close to double this figure since many farmers do not bother to register their tree farms with government. Land ownership is a powerful stimulus for development because the people know that whatever they plant they will harvest. It is greatly affected by unstable policies.

Table 4. Estimates of area planted by small land holders in A & D and titled lands.

Regions	Estimate of Area Planted (ha)*	Estimate of Cost per ha (₱)**
CAR		
Region 1	31.00	
Region 2	927.00	~40,000
Region 3		
Region 4	270.00	
Region 5	746.00	
Region 6	1,093.00	
Region 7	667.00	
Region 8	128.00	
Region 9	2,500.00	~10,000
Region 10	934.00	~20,000
Region 11	846.00	~20,000
Region 12		
CARAGA	81.00	

Regions	Estimate of Area Planted (ha)*	Estimate of Cost per ha (₱)**
ARMM		
Total/Average	8,223.00	~ 22,500

* Does not include unrecorded and unreported private plantations.

** Cost of maintenance up to maturity/harvest

Source: DENR/NRMP in Regions 2, 10 and 11 and DENR Region 9 and FMB.

On the basis of the reported and recorded area of tree farms and plantations the estimated investment is more than ₱160 million pesos based on a development cost of about ₱20,000/ha. This is despite the ambiguity of policies on private plantations and tree farms. Imagine the extent of forest cover that can be established and the amount of investment that can be generated by just improving the extension activities of the DENR, setting policies that make it easier to harvest and transport forest products from private plantations and working in partnership with other agencies of government and the private sector to ensure markets for these products.

4. **People in the Forest are the First Line of Defense in its Protection and Management -** CBFM recognizes that people are already in the forests. While they live on what they can get from the forests they can be and have been shown to be the first line of defense in the protection and management of forest resources. However, they do not have the resources to develop the forest and therefore they need technical and financial assistance especially from the DENR, the LGUs, the private sector, the financial institutions and other stakeholders of the forest resources.

The Peoples Organizations value the forests for which they have been empowered to protect. At least 3 members of POs have been reported to have lost their lives trying to protect their forests from illegal logging. Two of these were in Region 2 (one in Ilagan and the other in Cabagan, Isabela). The third PO member who lost his life defending and protecting the forest was in Compostela, Compostela Valley.

There are numerous instances where communities have kept vigil just to stop illegal logging. They seized and confiscated illegally cut logs and brought to court perpetrators of illegal logging.

5. **Government Saves Close to P127 Million Annually in Forest Protection Through CBFM** - The area estimated to be under CBFM/Ancestral Domain and Management Projects amounts to about 5.5 million hectares. Were these areas to be managed and protected by the government, the total cost of protection would be close to P127 million annually. The government utilizes forest guards to patrol and secure the forests. One forest guard is assigned 4,000 ha to patrol and protect. It would take 1,378 forest guards to protect the area being managed by communities. Each forest guard receives an average annual salary of P74,142 plus allowances and bonus of about P18,000 a year or a total of P92,142. The total salary and allowance of 1,377 forest guards amount to about P127 million a year. This is the savings of government by allowing communities to manage and protect the forest.
6. **LGUs Contribute to Fund CBFM Initiatives** - Through collaborative efforts of DENR, LGUs and POs over a decade of partnership, the LGUs have come to realize the importance of

CBFM in the management of resources found in their jurisdiction. LGUs are now providing financial resources to communities for various purposes such as for the preparation of comprehensive land use plans, rehabilitation of old roads leading to the barangays and communities and for livelihood projects. Table 5 shows the contribution of LGUs to communities in three regions in the country.

Table 5. Contribution of LGUs to CBFM activities.

Regions	1996	1997	1998	1999*
Region 2	₱650,000	₱1,507,000	₱2,725,000	₱2,183,000
Region 10		700,000	2,000,000	2,000,000
Region 11	670,000	1,950,000	2,300,000	210,000
Total	₱1,320,000	₱4,157,000	₱7,025,000	₱4,393,000

*First quarter of 1999

More concerted efforts of DENR and POs would generate more resources from LGUs and other sources such as the private sector and financial and other institutions.

7. **CBFM is the Strategy for Forest Resources Management in at Least 25 Countries of the World** - In at least 25 countries in tropical and sub-tropical countries of the world and where population is high, CBFM is the strategy adopted for sustainable forest development⁸. Experiences range from almost 200 years as in the case of Indonesia to less than three years in the case of Guyana. The Philippines has almost 30 years experience. During the last seven or eight years, the CBFM program of the country has established a nationwide network of people's organizations, forged formal linkages between DENR, LGUs and POs, and has started to form business relationships between the POs and the private sector. It has laid the foundation for a truly participatory management of forests and natural resources, a situation that other countries which have adopted CBFM as a strategy for forest management have yet to achieve.
8. **CBFMP is a National Program** - Finally, it has become clear that CBFM is not just a DENR program. If it has any chance to succeed it must become the program of all concerned, the POs, the LGUs, the NGOs, the financial institution, the private sector, Congress, but most of all the DENR. DENR must be true to its role of facilitator, that of making policies that simplify the procedures which facilitate the faster processing of documents, reduce the cost of transactions, of linking the POs to resources whether from the banking or the private business sectors and those providing social services. But above all, a shift in attitude especially of the field personnel from that of a controller to a change agent must take place.

PRESENT STATUS OF THE CBFMP

The reported total number of CBFM sites nationwide is 4,828 implemented under 10 subprograms. These include ancestral domain management programs as well as the devolved ISF projects totalling 4,153. The estimate of the area covered under CBFM is 5.5 million hectares and the number of

⁸ Community Forestry as a Strategy for Sustainable Forest Management. Proceedings of the International Conference. May 24-26, 1996. Manila. DERN/ITTO.

households participating is 355,799. The total number of tenurial instruments (of various kinds) is more than 217,500.

But more important than the physical aspects of CBFM is the condition of its health as a program designed to uplift the economic wellbeing of millions of disenfranchised Filipinos in the uplands and in the coastal areas and at the same time promote sustainable management and the enhancement of the forest resources and the environment.

A recent assessment of the CBFM Strategy and Program was undertaken on January 11-13, 1999 in Angeles City⁹. In summary, at the program level:

- CBFM is relevant to the national development goals;
- CBFM is relevant and consistent with the goals of sustainable forest development, participatory and democratized management of the environment and natural resources;
- CBFM enhances security of tenure of stakeholders;
- the basic policy framework has been installed but these need further review for fine tuning to really mesh them with the needs of POs and other stakeholders;
- CBFM is appropriate in building partnership with LGUs and other stakeholders although presently is not effective;
- community organizing as an instrument in building the capability of POs is appropriate but is sometimes not cost effective;
- development of livelihood enterprises is very crucial to economic development in the uplands but need further improvement;
- there is need to generate resources for CBFM activities
- research and development support is vital to CBFM.

At the project level:

- POs religiously abide by applicable laws and implement activities in accordance with affirmed AWP/RUP;
- there are very rigid documentation requirements applied by DENR to timber harvesting which are not appropriate to the size of operation and too complicated or too technical to follow;
- there is sufficient number of trained CBFM staff within DENR to handle CBFM implementation but are not deployed in the Program;
- there is need for more training in financial management for the POs;
- there is need for LGUs and DENR to imbibe more of the CBFM concept and principle for better implementation of the Program;
- there is need to formulate clear and unequivocal monitoring and evaluation indicators of community wellbeing, resource development, PO capability and sustainability;
- DENR support to CBFM communities ceases after completion of CO;
- field level authorities and accountabilities need to be reviewed to streamline procedures to avoid conflicts among offices;
- there is need to form technical assistance teams especially at the CENRO or PENRO level to extend services to POs;

While it can be said that the policy, the organization, institutional arrangements and procedures are in place these are not as effective nor functioning as expected. There is a need to refocus policies, strengthen the organization and institutional arrangements, improve the capability of DENR and LGU

⁹ Assessment of the Community-Based Forest Management Strategy and Program. NRMP. January 11-13, 1999.

staff and the POs, install more effective systems of resource generation and change attitudes of all stakeholders.

STRENGTHENING THE IMPLEMENTATION OF CBFM/CBRM

KEY FEATURES IN THE IMPLEMENTATION OF CBFM/CBRM

The Strategic Action Plan¹⁰ identifies key features (strategies) that ensure the successful implementation of the CBFMP:

- Community empowerment
- Integration of all people oriented forestry programs under one CBFM management scheme, into the overall management of the watersheds where they are located and integration into the over all land use and development plans of local governments
- Deregulation and resource allocation to better support the emergence, stability and growth of forest-based and livelihood focused enterprises of forest occupants
- Decentralization and greater accountability of CENROs, PENROs and REDs, and
- Devolution and generation of greater local support for CBFM at ground level.

In addition, there are components of the strategies that needed emphasis and elaboration:

- Defining and understanding by the different CBFM players their roles in the implementation of the program
- Mobilization and generation of resources in terms of financial, technical and support services, and
- Generating advocacy and support not only at the ground level but also at the policy-making level.

The CBFM key features or strategies can be seen as cogs of a wheel. While they are key components by themselves they can not carry out the objectives of CBFM alone. They work synergistically with the others for they reinforce each other. If one key feature is not being implemented properly or weakly, the entire performance of the program suffers.

Initiatives to operationalize the strategies have been going on for some years now and efforts have intensified after the implementation of the CBFM. An evaluation of the implementation of the CBFM **has** been done to determine to what extent the key features have been installed and what needs to be done further. Furthermore, strategic action plans to transform the program from forest management into *sustainable natural resources management* were also recommended.

¹⁰ DENR Memorandum Circular No. 97-13. Adopting the DENR Strategic Action Plan for Community-Based Forest Management (CBFM). Moving CBFM into the 21st Century: DENR Strategic Action Plan, August 5, 1997.

STRATEGIES FOR STRENGTHENING CBFM IMPLEMENTATION

Community Empowerment

On September 22, 1998 a Memorandum Circular¹¹ was issued by the DENR suspending the further processing of *new applications* for cutting permits. Most if not all the regions issued instructions to suspend the harvesting operations of POs. On February 2, 1999 (6 months after the suspension of cutting) a clarification was issued from the Office of the Secretary that what was suspended was the *processing of new applications for cutting permits* and not the harvesting operations and those with approved and valid (not yet expired) cutting permits can continue to harvest timber from the second growth forest. The suspension of the processing of new permits, if not lifted, effectively terminates the access and use rights of POs to timber in the second growth forests within their CBFM areas.

The Memorandum from the Secretary clarifying the September 22, 1998 Memorandum was not made known to most POs in Region 2 until a dialogue was held between DENR and the POs on April 21, 1999. Up until then the POs were unable to harvest and therefore were unable to pay their loans; were unable to meet lumber supply contracts and lost an important source of livelihood. It also meant that they cannot continue to undertake forest development activities in their areas. What aggravated the situation is the fact that for most of the POs their cutting permits terminated on December 31, 1998.

POs which have been granted harvesting permits must have lumber dealership permits before they can sell fitches or lumber. POs complain that they run into difficulty in obtaining permits. Sometimes local politicians delay the issuance of business permits. To facilitate matters, lumber dealership and transport permits should come with the affirmation of AWP/RUPs.

Some POs have already about two years experience in accessing resources. In the process they have experienced accessing capital, processing of documents for the cutting and transport of forest products, contracting with third parties particularly the private sector, management of finances and general management of a business. They also have experiences in contracting with the private sector. DENR has already adopted a policy on contracting which is deemed fair to both parties¹². It allows means of redress by the private sector when the CBFMA is canceled or terminated through no fault of its own. However, contracting with the private sector has not always brought about desired results. There had been a number of instances where the POs were on the losing end owing to their unfamiliarity at negotiating contracts and to the shrewdness of some private businessmen. In this instance, POs need the assistance of DENR or other organizations in negotiating contracts or in the review of contracts.

For a wider participation of the private sector in CBFM activities particularly in business matters there is a need for wider dissemination of the policies on contracting.

Their experiences should be a lesson that must be shared with other POs.

Granting of access and the right to use forest lands and resources is hollow if the communities cannot fully enjoy the benefits that accrue from such access and rights. Benefiting fully from these rights

¹¹ Memorandum from the Secretary. Conduct of Comprehensive Assessment and Evaluation of all People Oriented Forestry Projects Granted Cutting Permits, September 22, 1998.

¹² DAO No. 98-08. Guidelines on Contracting Inside Community-Based Forest Management (CBFM) Areas.

require that they have the capability to manage the resources, the ability to organize themselves for the business venture, that they have the technical knowledge such as products processing, marketing and financial management. This implies the provision of technical services and the sourcing of these services from relevant organizations.

Recommendations:

1. Lift the suspension of the processing of new applications for cutting permits and disseminate the clarification of the MC of September 22, 1998 to all POs and LGUs concerned;
2. Seek legal remedies on the suspension of cutting permits;
3. Lumber dealership and transport permits should come with the affirmation of AWP/RUP;.
4. Policies should be thoroughly discussed within DENR and with the stakeholders prior to implementation.
5. Strengthen POs on managerial and technical skills and share lessons learned in handling the business end of resource access such as contracting;
6. Link the POs with appropriate agencies providing needed training and social services;
7. Timber harvesting from the residual forest is just a stop-gap measure. Focus on the identification of livelihood projects in the CBFM areas;
8. Form a small inter-sectoral group to advise POs on livelihood and business and financial management; and

Strategic action plans:

1. Institutionalize CBFM through an act of Congress
 - Lobby for the passage of the proposed Sustainable Forest Management Act or the inclusion of CBFM in other related forest management bills actively deliberated on in Congress
2. Strengthen mechanisms for policy formulation and review at DENR
 - Generate support on the proposed creation of a Policy Coordinating Committee and the reactivation of the Policy Technical Working Group
 - Generate support on the creation of a Community-Based Resources Management Committee
3. Remove barriers in the access and use rights of POs
 - Follow up on the proposed lifting of the suspension of the processing and issuance of cutting permits to POs

- Engage the support of members of Congress and LGUs in requesting for the lifting of the suspension of the processing and issuance of cutting permits of POs
 - Seek legal remedies on the suspension of cutting permits
 - Follow up on the proposed automatic transport and lumber dealership permits with affirmation of AWP/RUP
 - Review rules and regulations in terms of their effectiveness in pursuing the goals of CBFM and amend/abolish non-facilitating one
 - Disseminate policy on contracting especially to the private sector
4. Focus on livelihood projects other than wood
- Intensify the identification of livelihood projects and train POs develop such projects and enterprises based on sustainable resources other than wood
 - Link POs to investors and other agencies providing technical/technological services
 - Create multi-sectoral group to advise POs on livelihood projects as well as on business and financial management including contract negotiations
5. Transfer lessons learned by POs to other CBFM sites
- Document lessons learned from PO experiences in management of resource access particularly the business and enterprise aspects of it. Share such lessons to POs during management skills training and during community organizing.

Devolution and the Generation of Greater Local Support for CBFM on the Ground

Devolution implies the transfer of certain responsibilities in the conduct of the CBFM to partners and other stakeholders particularly the LGUs and the private sector. The theme of ownership of CBFMP is central to the issue of deregulation. Unless the LGUs are made to genuinely feel that they are partners in the implementation of CBFMP they will not begin to own and therefore not support it. The concept of CBFM requires that DENR must shed off the idea of turf and territoriality and must accept that the management of vast forest land resources need partners who will support or will mobilize support to sustainably manage the resources. The DILG has responded positively to the concept of partnership with respect to CBFM and has issued DILG MC No. 96-143¹³ enjoining LGUs to support the community forestry program.

The field level personnel, above all, must imbibe the concept of CBFM and take the initiative to genuinely engage LGUs, the private sector, financial institutions, the academe and the NGOs in all relevant phases of CBFM from land use planning to development planning and implementation.

Central to devolution is the mobilization of resources in support of the Program. At no other time is the ability to mobilize resources more crucial to the continued implementation of CBFM than now. After almost 15 years of donor support to the POFP/CBRMP, support from funding institutions is waning. The last remaining programs such as the World Bank ENR-SECAL, the USAID NRMP, the ADB and OECF Forestry Sector Project and bilateral projects are terminating this year (1999) or within a year's time. There is no CBFM support project being negotiated or under consideration by donor organizations. This only means that further implementation of CBFM will rest on local

¹³ DILG Memorandum Circular No. 96-143. Enjoining Support to the Community Forestry Program.

resources; from the Government and from resources mobilized from LGUs, the private sector and from financial institutions.

There are various resources within CBFM areas that present opportunities for investment by the private sector as well as financial institutions. A recent dialogue with representatives of the Land Bank of the Philippines (LBP), the Development Bank of the Philippines (DBP), and the Philippine National Bank (PNB) on the one hand and DENR on the other was held to identify potential investment opportunities in CBFM areas. A similar dialogue was also held between DENR and the Natural Resources Development Corporation (NRDC), the corporate body of DENR, the National Agri-business Corporation (NABCOR) under the Office of the President, and the private sector represented by the Philippine Wood Products Association (PWPA) and the Chamber of Furniture Industries in the Philippines (CFIP).

The three banking and financial institutions agree that there are opportunities for investments. The LBP indicated that it is interested in environmental projects which include:

- renewal of resources,
- identification of alternative sources of energy; and
- activities that stop the community from making negative environmental impacts.

The DBP on the other hand is committed to funding high value crops such as coffee, asparagus, rubber, oil palm, pineapple as well as fish culture. It prefers communities with anchor firm or a corporation (example: NESTLÉ) that helps guarantee the loan to the community.

The PNB is interest in trading of products.

It has always been said that the main reason why communities have been unable to secure loans from financial institutions is the lack collateral. All the three banks insist that collateral is a minor consideration. What is important is the bankability of the project. There are aspects of the loan package that could compensate for the lack of collateral such as the presence of anchor firms or a highly positive feasibility study of the project. They are also sensitive to the preparedness and absorptive capacity of the communities.

NABCOR has a limited capital and therefore is not by itself capable of providing developmental loans to communities. What it does is link potential clients with financial institutions. It can also assist communities prepare feasibility studies for various projects.

In the case of the NRDC, at present it also does not have the capital to invest in development of CBFM areas. It can, however, undertake the marketing of products derived or developed in the communities.

The PWPA indicated its willingness to invest in the communities if the prospects are positive for gainful collaboration. The CFIP is interested as a market of forest products (such as lumber and rattan) useful to the industry as raw materials.

All the above organizations agree that what is needed is to have a profile of the CBFM community and the resources found in the areas. CBFMO is already preparing profiles of CBFM areas.

There are other organizations that can provide resources. The National Power Corporation (NAPOCOR) collects half a centavo for every kilowatt hour of generated power. This amount is used to fund reforestation and forest rehabilitation projects as well as livelihood projects of host

communities of NAPOCOR power generating units. CBFM communities located in host barangays or municipalities can avail of these funds for forest development activities.

Communities can also generate resources from existing resources in the CBFM areas such as bamboos, vines, rattan, resins and gums, etc. In communities where water is an abundant product it can charge user fees from those using the water. Ecological destinations (eco-tourism areas) can be developed by investors where the communities can share from the revenues of such enterprises. There are countless opportunities and the possibilities are only limited by the imagination of people and organizations concerned.

Recommendations:

1. Re-orient POs to resource mobilization;
2. Develop the interest of the private sector and financial institutions to invest in CBFM projects;
3. Link the POs to potential resource sources such as financial institutions, private sector and other investors, market and marketing organizations;
4. Prepare project proposals for consideration of funding agencies or investment groups;
5. Train POs on enterprise and livelihood development including financial and organizational management.
6. Tap non-traditional sources of resources such as NAPOCOR and similar institutions including Congress;
6. 7. Explore other sources of income such as the imposition of user fees for water;
7. Link with technology institutions and those agencies delivering basic services;
8. Facilitate the transfer of resources from DAR to CBFM areas which are now considered as agrarian reform areas in the upland and coastal areas;
9. POs, CENROs, PENROs and the REDs should take the initiative to the develop the cooperation of LGUs by engaging their participation in the implementation of CBFM;
1. Involve the LGUs in FLUP and participate in the CLUP of the municipal and provincial governments.

Strategic Action Plans:

1. Generate investments from financial institutions and the private sector
 - Continue the preparation of CBFM project profiles; provide copies to financial institutions, LGUs and the private sector;
 - Establish a small multi-sectoral group (LGU, DENR, financial institutions and private sector) to assist POs identify investment proposals for funding;

- Link POs with other agencies providing investment funds such as NAPOCOR, NAPC, NABCOR, Water Districts, etc.
 - Implement the Forest Securitization Strategy (DAO No. 98-01)
 - Discuss with private sector contracting policies with POs
2. Secure funds for the CBFM Special Account
 - Request Congress or donor agencies to provide seed funds for the CBFM Special Account
 3. Provide marketing assistance to POs
 - Discuss with the private sector, including NRDC, possible marketing arrangement for timber and other forest products from PO plantations
 4. Facilitate the transfer of technology and social services to POs
 - CBFM Teams at the CENRO level link with DA, MAO, DOST, ERDB, etc. to provide technical assistance to POs
 - CBFM Teams link with LGUs, DECS, DOH to provide social services to POs
 - Make arrangements with DAR for transfer of social and other services to CBFM areas which are now agrarian reform areas
 5. Generate greater participation of LGUs in allocating and managing forest resources
 - Devolve more CBFM areas for supervision and management to qualified and capable LGUs
 - Facilitate the processing of the share of LGUs in the benefits from forest resources as mandated in MC No. 93-13 and amended by MC No. 93-31
 - Expand joint activities among LGUs, POs and DENR through:
 - the preparation of FLUP of LGUs, and
 - the preparation of management plans of priority watersheds incorporating CBFM in the development plans of LGUs

Advocacy for CBFM as Strategy for Sustainable Forest Management

CBFM is in a cross-road. The prospects for funds to continue the implementation of the program is waning owing to the completion of most of the donor funded CBFM initiatives. There are no project proposals being negotiated with donors. To top it all it has been said that DENR top management is not convinced of the effectiveness of community-based management in the protection and rehabilitation of forest resources. Although there is no document showing this, it appears that the concept of people living in and managing watersheds is not acceptable to the present DENR management despite the fact that the concept was arrived at after more than 20 years of trial and piloting and despite the fact that all countries in Asia from Indonesia to Thailand, Vietnam and Laos, the Southasian countries of India, Pakistan, Bangladesh and Nepal and some countries in Africa and South America where there is high population density have accepted and are practicing participatory

forest management, in our case called CBFM¹⁴. This is also despite the fact that DENR issued DAO 99-01 which instructs field personnel to consider when preparing management and development plans not only the physical resources such as soil, water, timber, etc. ***but also the management of people living within or are affected in the area.***

The challenge therefore is to convince DENR management of the viability of CBFM in forest resource management through demonstrations of successfully implemented CBFM projects. It is also a challenge to generate funds to continue the operation of the CBFMP through the inclusion of more budget in the national appropriations and through the contributions of LGUs and various sources.

Recommendations:

1. Encourage POs to advocate for CBFM;
2. Identify and support CBFM champions within and outside of DENR

Strategic Action Plans

1. POs to advocate for CBFM targeting policy-makers, LGUs, media, members of Congress, DENR and other OGAs and the general public
 - POs write political leaders for assistance in increasing the budget of DENR particularly for CBFM;
 - POs request the Office of the President to give directives to heads of concerned agencies regarding presidential instructions during the PO summit in Region XI;
 - Showcase the effectiveness of CBFM in the protection and management of forest resources
 - Examine the soundness and appropriateness of CBFM in terms of social, economic and environmental costs if other options for forest management were adopted;
 - Determine also the cost of implementing the various stages of CBFM from preparation stage to plan implementation
2. Develop CBFM champions within and outside of DENR
 - Provide moral and technical support to DENR staff/personnel who are promoting/defending the concept of CBFM
 - Identify CBFM champions outside of DENR (from media, LGUs, members of Congress, POs) and provide them moral and technical support

¹⁴ Community Forestry as a Strategy for Sustainable Forest Management, Proceedings of the International Conference, May 24-26, 1996, Manila, Philippines.

Deregulation and Resource Allocation Reforms

Deregulation means that LGUs become actively involved in forest resource allocation so that they would support the efforts of POs in forging mutually beneficial agreements with the private sector. This brings back the issue of ownership of the program. By involving LGUs to actively participate in resource allocation such as in forest land use planning they will feel that they are part of the system (and the program) and therefore will actively participate in bringing about mutually beneficial agreements between POs and the private sector.

Deregulation also means that rules and regulations are simplified and easy to understand so that POs and upland dwellers will follow these rules and regulations in their efforts to sustainably manage the resources within their CBFM sites. It further means that the rules and regulations are relevant and applicable otherwise these are ignored or violated.

Recommendations:

1. Involve LGUs in the allocation and management of forest resources
2. Simplify rules and regulations applicable to CBFMP

Strategic Action Plans:

1. Provide opportunities for LGUs to actively participate in resource allocation and management of forest resources
 - Devolve more CBFM areas for supervision and management to qualified and capable LGUs
 - Facilitate the processing of shares of LGUs from benefits derived from forest resources as mandated in MC No. 93-13 as amended by MC No. 93-31
 - Intensify the conduct of FLUP in cooperation with LGUs as part of watershed management planning;
2. Simplify rules and regulations applicable to CBFMP
 - Review the applicability of rules and regulations being applied to CBFMP and amend or abolish those that do not facilitate its implementation
 - Subject rules and regulations to extensive discussions especially with field personnel, POs and LGUs

Integration Under CBFM

There are at least 11 people-oriented¹⁵ forestry programs and projects being implemented by DENR using the community-based approach to managing forest resources. Each project has its own approach to community organizing, the tenure granted (although all provides a 25 year tenure

¹⁵ DAO No. 96-30. Integration of all Community-Based Forest Management Strategy and People Oriented Forestry Programs and Projects into the DENR Regular Structure.

renewable for another 25 years), approach to capital formation and forest land development. In some communities loan is provided for comprehensive site development, others rely on the generation of funds from the resources found in the community for financing community organizing. Thus it is possible for two adjacent communities, both involved in CBFM to have different approaches to implementing the Program. While different approaches provide enriching experiences on how best to implement the program they often lead to confusion among the POs being served by the Program and also among the DENR personnel implementing the program. On top of this, different projects are being managed by different offices and organizations. Managing the CBFM by DENR as a program has therefore presented some difficulty. Thus there is a need to integrate the CBFM Program.

The integration of CBFMP comes in three levels:

- integration of all POFP under one coherent organizational structure using a unified tenure instrument;
- integration under one CBFM scheme within the overall management of the watershed in which they are located;
- integration of CBFM management into the overall land use and development plans of their respective LGUs.

Most if not all of the CBFM projects are donor-funded. Each project has its own Project Management Office (PMO) and reporting to different Officers at the DENR. Each donor agency has prescribed an approach to implementing CBFMP. This often results in disparate policies governing projects as well as implementation approaches. To place the different POFP under a more manageable situation, the Community-based Forest Management Office (CBFMO) was established in 1996 under the FMB¹⁶. To date, the integration of all the POFP has not taken place although the CBFMO has been operational since 1997 and CBFM structures have been set up at the field level. Operationally, only the ENR-SECAL and the NRMP have been under the CBFMO only because the CBFMO head is currently the PMO for both projects. With respect to ancestral lands and domains, jurisdiction has been transferred to the National Commission for Indigenous Peoples (NCIP) although the ancestral domains management program (ADMP) is still being managed by DENR.

The management of forestlands on a watershed basis provides a holistic approach. It allows the identification of the best use of specific areas as well as the managers of these areas. It also gives a better perspective of the use of appropriate soil and water conservation technologies. The watershed also provides for a framework where donors can align their priorities thus it provides an opportunity for real integration. As it is, various donors have their own prescriptions of approaches to implementing POFP/CBFM which is adding to the difficulty of integrating the various programs.

In addition to forest resources, there are other resources in a watershed to be managed. Unfortunately these come under the jurisdiction of sectors other than forestry. There are different policies covering the different resources within a given watershed. DAO No. 98-41 provides the guidelines for the establishment of CBFM projects within watershed reservations¹⁷.

DAO 99-01¹⁸ provides for the adoption of watersheds and ecosystems for planning framework. The DAO emphasized that the management of watersheds should not only consider the physical resources such as soil, water, timber and non-timber resources **but also the management of people**

¹⁶ Ibid.

¹⁷ DAO No. 98-41. Guidelines on the Establishment and Management of Community-Based Forest Management (CBFM) Projects Within Watershed Reservations.

¹⁸ DAO 99-01. Adoption of the Watershed and Ecosystems Planning Framework. January 11, 1999.

living within or are affected in the area [italization supplied]. While there are numerous benefits accruing from an integrated watershed management, there may still be inadequate knowledge of the concept as well as in planning integrated watershed management, and the skills to implement this management approach may not be present on the part of DENR field personnel and entirely wanting on the side of the POs and LGUs.

Another issue is the effectiveness of CBFMO and its support units in the field in managing CBFM under an integrated watershed management approach especially in the light of the re-organization taking place in the DENR.

The integration of CBFM in the development plans of LGUs is an issue of ownership of the program. LGUs will begin to own the program ***only*** when they understand the concept, when they participate in its various phases from site selection to community organizing, to resource management planning, and when it becomes clear to them the benefits they can derive from participating in its implementation.

On the other hand, the POs and the program will greatly benefit from the integration of CBFM in the overall development plans of LGUs. They would share from the various services that LGUs provide such as infrastructure, health and education services, technical assistance and even capital for livelihood projects. The issue then is how to get the LGUs as co-implementors of the CBFMP.

Recommendations:

1. Integrate all POFP under the CBFMO within a specified period;
2. Determine if the present CBFMO and its field support units are responsive to the needs of the Program in the light of the re-organization taking place at DENR.
3. Integrate CBFM in the overall management of watersheds in which they are found;
4. Implement DAO No. 99-1. Adopt the national strategies for sustainable watershed management in planning watershed management;
5. Harmonize policies regarding different resources found in a watershed within the context of watershed management strategies;
6. Conduct appropriate training on participatory watershed planning among different sectors (DENR, DA, DAR, and POs); and provide necessary funding for the same;
7. Integrate CBFM management plans in the overall development and operations plans of LGUs

Strategic Action Plans:

1. Fully integrate POFP/CBFM programs and projects
 - Generate support within DENR Management for the full implementation of DAO No. 96-30;

- Assess the effectiveness of the present CBFMO in the implementation of CBFMP in an integrated watershed management and in the light of the re-organization taking place in DENR;
2. Create the opportunities for faster integration of CBFM in the overall management of watersheds in which they are found;
 - Implement DAO 99-01. Formulate guidelines for its implementation. Adopt the National Strategies for Sustainable Watershed Management;
 - Allocate forestlands to their best use and identify management schemes for each use including CBFM and protected areas;
 - Prepare management plans for priority watersheds with the participation of POs and LGUs;
 - Base budget preparation and allocation on watershed management and operations plans
 - Harmonize policies on all natural resources within a watershed;
 3. Facilitate the integration of CBFM management plans in the overall land use and development plans of LGUs
 - Continue to provide training to LGUs on forest land use planning (FLUP) and participate in their comprehensive land use planning (CLUP).

Decentralization and Greater Accountability of CENROs, PENROs and Regional Executive Directors

A most vital cog in the successful implementation of the CBFM Program are the corps of field level personnel in-charge of supervising and overseeing CBFM activities. Certain authorities and responsibilities have been given them such as the approval of tenure instruments and the affirmation of the AWP/RUP. However, it is important that the CENROs, PENROs and the REDs should be made accountable for ensuring that:

- participatory planning and community organizing processes are undertaken with CBFM participants and stakeholders at different field and local government levels;
- the field generated plans become incorporated into operational plans of their respective offices and provided for accordingly in their annual budgets; and
- appropriate technical and financial support are accessed by CBFM participants to realize the benefits promised by the tenurial instruments.

The issue revolves around how to motivate the project level personnel at the CENROs particularly the PMOs who by the nature of their work are required to directly inter-phase with the POs, the LGUs and other stakeholders. The tasks to be performed by these personnel require a new breed of community-workers and change agents with an orientation towards service.

Often workplans of CBFM projects do not find their way into the operations plans of offices which have jurisdiction over them. As such they are not provided with funds for implementation. This is a barrier to the continued implementation of the specific CBFM projects.

While the responsibility of field level personnel in the implementation of CBFM is central to deregulation the concomitant issue is how they can be made accountable for the performance of CBFM in their areas of jurisdiction. Less than this, the officials become indifferent to how the program is being implemented or how it is performing.

Recommendations:

1. Select PMOs and CENRO-level support personnel who are dedicated and service oriented;
2. Provide incentives to field level staff;
3. Closely monitor the performance of PMOs and CBFM-support personnel and establish an effective feed-back mechanism which involves the PENROs and the REDs;
4. Annual work plans of CENROs should incorporate all CBFM development plans with corresponding budgets;
5. Establish effective linkages for financial and technical support.
6. Make REDs, PENROs, CENROs and project site staff accountable for the performance of CBFM in their areas of jurisdiction.

Strategic Action Plans:

1. Strengthen the mechanism for selection and deployment of highly motivated CBFM staff
 - Establish a selection process for PMOs and CENRO-support personnel and recruit only those with manifested dedication and proper attitude;
 - Train those selected along the lines of the CENRO Academy of the Department to strengthen their belief in the Program and their dedication to serve in addition to their training on technical and managerial skills;
2. Establish mechanisms that maintain high degree of dedication and performance of CBFM staff
 - Include in the requests for annual budget allocations for adequate travel allowances and other emoluments for PMOs and other CBFM-support personnel;
 - Lobby for higher appropriations for the CBFM program
 - Monitor performance of CBFM staff and establish a feed-back mechanism
3. Generate mechanism for making field officials and project site staff responsible and accountable for performance of CBFM in their areas of jurisdiction

- Revise the KRA system to make REDs, PENROs, CENROs and project site staff accountable for the performance of CBFM in their areas of jurisdiction;
- Make extension activity as main function of the CBFM Team at the CENRO.

Community-Based Resources Management (CBRM) as a Strategy for Sustainable Management of Natural Resources

The best way to manage the uplands in a sustainable way is through the integrated management of watersheds. This implies that areas or sites within a watershed are allocated to their best uses. It also implies that in managing the watershed all the inherent resources found therein are to be managed in an integrated manner. This concept has earlier been realized by DENR and reiterated in DAO 99-01 which instructed field personnel to adopt watershed and ecosystems planning framework¹⁹.

Experience has also shown that community-based management is the most viable approach to managing forest resources. The people benefit from the resources while they are protecting and managing these resources. Survival being the most primordial of all instincts suggests that when the source of livelihood of a community, in this instance its forest resources, is threatened by outside forces such as illegal harvesting, the community will rally to protect the resources. The concept of community-based natural resources management (CBRM) is therefore a viable option to managing all resources within the context of a watershed.

¹⁹ DAO 99-01. Adoption of the Watershed and Ecosystems Planning Framework. January 11, 1999.

There are a number of issues that present themselves:

- The preparedness of communities to carry on the task of managing all the natural resources within the territorial boundary of their projects;
- Harmonization of policies on the different natural resources found in the watershed such as forests, mines, lands, water, ecological destinations, protected areas, etc.;
- Organizational capability of DENR and the LGUs to deal with the management of the entire natural resources within the watershed; and
- Are LGUs ready for CBRM?

Recommendations:

1. Upgrade the basic knowledge and skills of all stakeholders to align these to the task of managing natural resources rather than just forest resources;
2. Review and harmonize all natural resources policies to avoid conflicts that could lead to confusion at the lowest level of CBRM implementation; and
3. Reorganize the field level bureaucracy so that it can respond best to the demands of the program;

Strategic Action Plans:

1. Institute CBRM as strategy for the management of all natural resources in forestlands
 - Have an EO issued by the OP establishing CBRM as the strategy for the management of all natural resources in forestlands
 - Harmonize all natural resources policies in the context of a watershed through the Policy Technical Working Committee (reactivate it);
 - Prepare guidelines and operations manual on CBRM, train DENR, LGUs and POs on the implementation of CBRM;
 - Review the present field level organization of CBFM and make changes to align it to the demands of the new program; deploy qualified personnel;
 - Pilot the CBRM in every region, document lessons learned, and expand CBRM to other sites as confidence is gained and needed resources become available. Use lessons from the experience to de-bug the system and revise the operations manual; and
 - Undertake a national IEC on the program, generate support from Congress and various sectors.
2. Institute a recruitment and training system for CBFM staff
 - Establish a recruitment system for CBFM staff
 - Train the selected staff similar to the CENRO Academy

Constraints in Setting Physical Targets for CBFM

Setting physical development targets for CBFM areas has not always been easy. The implementation of watershed management planning will systematize the setting of targets but first the bureaucracy will have to learn the concept well. There are several constraints in target setting:

- Unfamiliarity with the area to be planned and developed, often maps of appropriate scale of the areas are not available;
- Unsure level of funding, often inadequate;
- Several DENR sectors planning projects for the same specific areas with often conflicting land uses;

Recommendation:

1. Implement DAO 99-01;
2. Targets should be based on watershed management plans;

Strategic Action Plans:

1. Set physical targets of CBFM based on watershed management approach
 - Recognize the central role of communities and CBFM in watershed management
 - Prioritize watersheds at the CENRO level;
 - Formulate comprehensive watershed management plans for identified priority watersheds
 - Base regional budget proposals on management plans of priority watersheds;
 - Lobby in Congress for higher budgets for CBFM.

SUMMARY OF RECOMMENDATIONS AND STRATEGIC ACTION PLANS

The key features or strategies are the cogs that support the implementation of CBFMP. They should all be working well for CBFM/CBRM to be successful.

The following are the recommended strategic action plans on crucial issues and opportunities facing CBFM at the moment:

Issues	Strategic Action Plans
<p>1. Instability of DENR's policies on CBFM. Suspension of cutting permits, difficulty of obtaining transport and log and lumber dealership permits from DENR, contracting with private sector</p>	<p><input type="checkbox"/> Institutionalize CBFM through an act of Congress</p> <ul style="list-style-type: none"> • Lobby for the passage of proposed Sustainable Forest Management Act or the inclusion of CBFM in other related forest management bills actively deliberated on in Congress
	<p><input type="checkbox"/> Strengthen mechanisms for policy formulation and review at DENR</p> <ul style="list-style-type: none"> • Generate support on the proposed creation of a Policy Coordinating Committee and the reactivation of the Policy Technical Working Group • Generate support on the creation of a Community-Based Resources Management Committee
	<p><input type="checkbox"/> Remove barriers in the access and use rights of POs</p> <ul style="list-style-type: none"> • Follow up on the proposed lifting of the suspension of the processing and issuance of cutting permits to POs • Engage the support of members of Congress LGUs and others in requesting for the lifting of the suspension of the processing and issuance of cutting permits to POs • Seek legal remedies on the suspension of cutting permits • Follow up on the proposed automatic transport and lumber dealership permits with affirmation of AWP/RUP • Review rules, regulations and administrative procedures in terms of their effectiveness in pursuing the goals of CBFM and amend or abolish the non-facilitating ones
	<p><input type="checkbox"/> Focus on livelihood projects other than wood</p> <ul style="list-style-type: none"> • Identify livelihood projects and train POs develop livelihood projects and enterprises based on sustainable resources in the community other than wood • Create multi-sectoral group to advise POs on livelihood projects

Issues	Strategic Action Plans
<p>2. Mobilization of resources</p>	<p><input type="checkbox"/> Generate investments from financial institutions and the private sector</p> <ul style="list-style-type: none"> • Continue the preparation of CBFM project profiles; provide copies to financial institutions, LGUs and the private sector • Establish a small multi-sectoral group (LGU, DENR, financial institutions and private sector) to assist POs identify investment potentials and prepare investment proposals for funding • Link POs with other agencies or organizations that have the potential of providing resources such as NAPOCOR, NAPC, NABCOR, Water Districts, etc. • Implement the Forest Securitization Strategy (DAO No. 98-01) • Discuss with private sector contracting policies with POs
	<p><input type="checkbox"/> Secure Funds for the CBFM Special Account</p> <ul style="list-style-type: none"> • Generate support from Congress or donor agencies in providing seed funds for the CBFM Special Account
	<p><input type="checkbox"/> Provide marketing assistance to POs</p> <ul style="list-style-type: none"> • Discuss with the private sector possible marketing arrangements for timber and other forest products from PO plantations
	<p><input type="checkbox"/> Facilitate transfer of technology and social services to POs</p> <ul style="list-style-type: none"> • CBFM Teams at CENRO level link with DA, MAO, DOST, ERDB to provide technical assistance to POs • CBFM Teams link with LGUs, DECS, DOH to provide social services to POs • Make arrangements with DAR for transfer of social and other services to CBFM areas which are now agrarian reform areas

Issues	Strategic Action Plans
<p>3. Advocacy for CBFM/CBRM</p>	<ul style="list-style-type: none"> <input type="checkbox"/> POs to advocate CBFM targeting policy-makers, LGUs, media, members of Congress, DENR and other OGAs and general public <ul style="list-style-type: none"> • POs write political leaders for assistance in increasing the budget of DENR particularly for CBFM • POs request the Office of the President to give directives to heads of concerned agencies regarding presidential instructions during the PO summit in Region XI • Showcase the effectiveness of CBFM in the protection and management of forest resources • Examine the soundness and appropriateness of CBFM in terms of social, economic and environmental gains against other options for forest management • Determine the cost of implementing the various stages of CBFM from preparation to plan implementation <input type="checkbox"/> Develop CBFM champions within and outside of DENR <ul style="list-style-type: none"> • Provide moral and technical support to DENR staff/personnel who are promoting/defending the concept of CBFM • Mobilize support for CBFM from LGUs, members of Congress, NGOs and others
<p>4. Participation of LGUs in CBFM and inclusion of CBFM plans in the LGU development plans</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Provide greater participation of LGUs in allocating and managing forest resources <ul style="list-style-type: none"> • Devolve more CBFM areas for supervision and management to qualified and capable LGUs • Facilitate processing of share of LGUs as mandated in MC No. 93-13 as amended by MC No. 93-31. • Expand joint activities among LGUs, POs, and DENR through: <ul style="list-style-type: none"> ➤ the conduct FLUP ➤ the preparation of management plans of priority watersheds incorporating CBFM in the development plans of LGUs
<p>5. Integration of POFP & CBFM programs under one coherent organization and within the management of a watershed and inclusion of CBFM plans in the operational plans of DENR field units</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fully integrate POFP/CBFM programs and projects <ul style="list-style-type: none"> • Mobilize support within DENR for the full implementation of DAO No. 96-30 • Assess the effectiveness of the present CBFMO in the implementation of CBFM in an integrated watershed management and in the light of organizational changes taking place in DENR

Issues	Strategic Action Plans
	<input type="checkbox"/> Integrate management of POFP/CBFMP within watersheds and in operations plan of DENR <ul style="list-style-type: none"> • Implement DAO No. 99-01. Formulate guidelines for its implementation. Adopt the National Strategies for Sustainable Watershed Management • Allocate the forestlands to their best uses and identify management schemes for each use including CBFM areas • Prepare management plans of priority watersheds with the participation of POs and LGUs. • Base budget preparation and allocation on watershed management and operations plans. • Harmonize policies on resources within the watershed
6. Accountability of DENR field personnel on CBFM	<input type="checkbox"/> Establish mechanism for making REDs, PENROs, CENROs other key CBFM staff accountable for CBFM implementation <ul style="list-style-type: none"> • Amend the Key Results Area (KRA) system to make the REDs, PENROs, CENROs, PMOs and other key CBFM staff responsible and accountable for the CBFMP performance in their respective areas of jurisdiction • Make extension as the key function of the CBFM Team at the CENRO
7. CBRM as a strategy for sustainable natural resources management	<input type="checkbox"/> Institute CBRM as strategy for the management of all natural resources in forestlands <ul style="list-style-type: none"> • Have an EO issued by OP establishing CBRM as the strategy for the management of all natural resources in forestlands • Harmonize all natural resources policies in the context of a watershed through the Policy Technical Working Committee (reactivate it) • Prepare guidelines and operations manual on CBRM, train DENR, LGUs and POs on the implementation of CBRM • Align central and field organizations to the demands of CBRM in the context of the on-going reorganization at DENR, deploy qualified personnel • Pilot CBRM in each region to gain experiences, document lessons learned, expand CBRM implementation as confidence in it is gained

Issues	Strategic Action Plans
8. Constraints in setting physical targets of CBFM	<input type="checkbox"/> Set targets based on watershed management approach <ul style="list-style-type: none"> • Recognize central role of communities and CBRM in watershed management • Prioritize watersheds at the CENRO level • Formulate comprehensive watershed management plans for identified priority watersheds • Base regional budget proposals on watershed management plans of priority watersheds • Lobby in Congress for higher budgets for CBFM