

# Governing the Environment

ECO-GOVERNANCE ROUND  
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**1ST EGOVERNANCE ROUNDTABLE DISCUSSION**

**GOVERNING THE ENVIRONMENT**

**9:30 AM - 12:00 NOON**

**15 FEBRUARY 2002**

**AUDIO VISUAL ROOM, NATIONAL COLLEGE OF  
PUBLIC ADMINISTRATION AND GOVERNANCE  
UP DILIMAN, QUEZON CITY**



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# LIST OF ACRONYMS

ADB	- Asian Development Bank
ARMM	- Autonomous Region of Muslim Mindanao
BID	- Business Improvement District
CADC	- Certificate of Ancestral Domain Claim
CIDA	- Canadian International Development Agency
DAI	- Development Alternatives, Inc.
DAR	- Department of Agrarian Reform
DENR	- Department of Environment and Natural Resources
ECC	- Environmental Compliance Certificate
EIA	- Environmental Impact Assessment
EIS	- Environmental Impact Statement
EMB	- Environmental Management Bureau
ENDEFENSE	- Environmental Defense
FPE	- Foundation for the Philippine Environment
GMO	- Genetically-Modified Organisms
IFMA	- Industrial Forest Management Agreement
IPRA	- Indigenous Peoples Rights Act
IRA	- Internal Revenue Allotment
ISWM	- Integrated Solid Waste Management
LCE	- Local Chief Executive
LGU	- Local Government Unit
LMP	- League of Municipalities of the Philippines
MHS	- Ministry of Human Settlement
NCIP	- National Commission on Indigenous Peoples
NEPC	- National Environmental Protection Council
NGO	- Non-Government Organization
NIPAS	- National Integrated Protected Areas System
PAMB	- Protected Areas Management Board
PCSD	- Palawan Council for Sustainable Development
PD	- Presidential Decree
NPA	- New People's Army
SEP-	- Strategic Environmental Plan
TLA	- Timber License Agreement
UNESCO	- United Nations Educational, Scientific and Cultural Organization
UP	- University of the Philippines
USAID	- United States Agency for International Development



# “GOVERNANCE OF THE PHILIPPINE ENVIRONMENT: A HISTORICAL PERSPECTIVE”

DR. DELFIN J. GANAPIN, JR.\*

*Kay Met, Patty, Jerry, Mike, Popoy, Vic, Ben, mga kasama at mga kaibigan, isang maganda at maka-kalikasang umaga sa inyong lahat.*

*Magsisimula muna ako sa sariling wika dahil panata ko na po ito na kapag ganitong mga klaseng okasyon ay kailangang ipaalala sa akin at sana sa inyo rin na ‘yung ginagawa natin ay palaging para sa bayan at sa mga kababayan natin hindi lamang para sa ating sarili. At palagay ko iyan ang isang prinsipyo sa ilalim ng tinatawag nating “ecogovernance.” Mahal natin ang bayan natin kaya ginagawa natin itong “ecogovernance.”*

*Sa ating mga kasamang taga ibang bansa, I was just saying that I always start my talk speaking in Filipino to always remind myself and hopefully all of you that what we are doing is not only for ourselves but for our country as well. And I think our partnership with our American friends here is, in a way, helping both our countries develop these types of activities that will benefit not only the Philippines, but also the global environment.*

*I think you already know that you have an activist here giving you the environmental management history of the Philippines. It might be a little bit colored, but I hope that my academic background would*

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*\*Dr. Ganapin is a former undersecretary of the Department of Environment and Natural Resources. He is currently the Chair of the Foundation for the Philippine Environment (FPE), a non-government organization (NGO) that aims to promote sustainable management and conservation of natural resources and biodiversity in the country.*

make sure that I would present an objective analysis of the environmental management history of the Philippines.

My apologies for not having any paper to distribute today, and not being able to come up with a power point presentation. The invitation was quite late. In fact, I almost said “No” to Ben (Malayang), but he was very insistent. And of course, Ben and Jerry (Bisson of the United States Agency for International Development or USAID) are very good friends and to tell you the truth, we feel a very strong debt of gratitude, *utang na loob*, to USAID because it was during our time at the Department of Environment and Natural Resources (DENR) when USAID gave us \$20 million for a debt-for-nature swap. This finally created the Foundation for the Philippine Environment (FPE) which became a very strong component of our environmental management history in the Philippines.

We have already decided, although we have not formalized it with the University, to start developing a course in political ecology as early as two years ago because of the realization that politics and environment really go together, especially in a country like the Philippines. And my *Galing Pook* experience, this is an award system given to local government units (LGUs) for excellence in local governance and also in environmental management, has shown me that really going to local governance and getting the LGUs’ support is the way to go. That is, if we really want something substantial to be made in terms of environmental management in the Philippines.

And of course, recently, the civil society has decided to get into a Green Party because we have to somehow get into governance if you want to deal with serious environmental problems in the Philippines. So, we are all colleagues here in terms of our interest in ecogovernance.

I divided the environmental management history of the Philippines into six periods. Normally, this would be a three-hour lecture, but I only have 15 minutes to go through those six periods I see in terms of environmental management in the Philippines.

I almost started with the Hispanic period, but then I remembered that in fact we are going full circle and we are going back to the environmental management period when our indigenous peoples

were the managers of our natural resources and of our environment. And, in fact, this realization is partly the reason we are going back to the local areas, to the LGUs, because of the realization that out there are still some indigenous management systems that can be the basis of how we can really effectively manage our environment.

## FIRST PERIOD: NATURAL OR CULTURAL ENVIRONMENTAL MANAGEMENT

This is pre-hispanic and the management is by indigenous peoples. There is a very strong link between environmental management and cultural values and spiritual beliefs of the local communities. We may call it not too scientific, but it is there. The living example of this is the Ifugao rice terraces that had existed as a sustainable management system for thousands of years. We are now losing it because of the de-linking of the spiritual and cultural values from the rice terraces.

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Many young people there (Cordilleras) don't want to be farmers anymore. The changing culture and values of the local people is leading to the destruction of the rice terraces.

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The United Nations Educational, Scientific and Cultural Organization (UNESCO), which recently sent a mission here in the Philippines, found out that some areas of the rice terraces may be lost in as short as ten years. We thought it was due to biological or ecological

problems. But we found out that there was a massive cultural change in the Cordilleras. The people are not looking anymore at rice as a spiritual crop. You see, rice wine is part of the religious rituals of the Ifugao, but having been Christianized, they don't pray anymore to the mountain and use rice wine as part of the ritual. So, they are shifting now to new crops, and the new crop that gives them ten times more benefits compared to rice is beans. But then planting beans dries up the rice terraces. The soil cracks and thus induces more erosion. At the same time, they do not anymore employ the labor-intensive management of the rice terraces because everything now is based on wage labor. If the farmers cannot pay for wage labor, then they cannot maintain the rice terraces quite well.

But what about the children? Well, you know many young people there don't want to be farmers anymore. They want to be wage earners, white collar workers in Manila. They want to have their Levi's jeans and sunglasses. So, the changing culture and values of the local people is leading to the destruction of this living example of sustainable environmental management in the Philippines.

## SECOND PERIOD: COLONIAL EXPLOITATION

While others may say that the purpose of colonialism is more positive, to some extent, colonialism's goals were related to god, glory, gold. And when gold is part of the objective of colonialism, then the colonies are seen as sources of natural resources for exploitation and for trade. Colonization led to the de-linking of the relationship between man and nature that was in our original cultural and religious values. So, what we have here is a lot of exploitation. The loss of forests in the Philippines began with the use of timber for the Galleon trade and in the clearing of these forests for massive *haciendas* and the *encomienda* system set up by the Spaniards at that time. Many studies also show that when the Americans came, they were also looking at our resources as an objective of making the Philippines a colony.

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The loss of Philippine forests began with the use of timber for the Galleon trade and the clearing of these forests for massive haciendas and the encomienda system.

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Now, what are the characteristics of environmental management at that time? Environmental management at that time was species-specific. For example, there was a Commonwealth Act 491 on the protection of game and fish. We also had Commonwealth Act No. 73 on the protection of the *tamaraw*.

If you go through the laws that were passed then, they actually mirrored American laws that focused on certain very important species or on game and wildlife or on national parks as if there were no people in national parks.

## THIRD PERIOD: INTERNAL COLONIZATION

In this period, we became independent, but somehow we had new colonizers coming from our own ranks. This is around the period of 1940's to the early 1960's. One characteristic of this internal colonization period was the rise of homesteads. We sent a lot of

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The setting up of homesteads in Mindanao in the 1940's to the 1960's by farmers from Luzon is considered as the reason for the Muslim problem right now.

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farmers to Mindanao. In fact, maybe the grandfathers of our friends from Mindanao attending this activity were actually migrants to Mindanao and the reason for that was government then was trying to solve the agrarian problem of Luzon. It was a solution to the *Hukbalahap* problem. People then were asking for land in Luzon, but the government could not give them any

because these were owned by the very powerful elite, so these people were sent to Mindanao.

Of course, there was also a political reason for it—to try to tame the “*moros*.” That’s why this part of our history is seen by many scholars as the reason for the Muslim problem in Mindanao. The tensions created by these decisions continue to this day and it is a challenge that our LGUs there in Mindanao will have to solve. This was also the period when logging was at its peak. Even at the College of Forestry at that time, courses were aligned mostly to forest utilization. I know because I was a student there and I had to take a lot of courses on how to log the forest better. So, this was a period when environmental management was focused on ways to efficiently utilize resources. It was utilization-oriented; there were very little efforts on the protection side. Protected areas at that time were not yet a concept. It was national parks.

The agency responsible for the protection of natural parks was a small unit at the Department of Natural Resources based here in Quezon City.

## FOURTH PERIOD: CATCHING UP

Here, we tried to catch up because there was this global meeting in Stockholm in 1972 where every country became alarmed about the environmental degradation of the planet. The theme then was “Caring for the Environment.” There were more protection initiatives then, but it was limited to the environment’s bio-physical aspects. The focus was only the environment.

The United Nations Environmental Program was formed. And in the Philippines, the National Environmental Protection Council (NEPC), which was the precursor of the Environmental Management Bureau (EMB), was established. Then there was the Ministry of Human Settlements (MHS) also taking a very strong lead in terms of environmental management in the Philippines.

The nature, however, of environmental management during this period was very centralized. Remember, this was the martial law period. MHS and NEPC were headed by top officials who were making centralized directives. The environmental laws that were passed during that time were through Presidential Decrees (P.D.), and not Republic Acts. There was Presidential Decree 461, which separated the Department of Agriculture and the Department of Natural Resources in 1974; P.D. 1121, which created the NEPC in 1977; the creation of the Philippine Environmental Policy also in 1977; and the Philippine Environmental Code also in 1977.

Then there was the recognition that LGU officials should be part of environmental management. There was P.D. 1160, also issued in 1977, vesting authority in barangay captains to enforce pollution and environmental control laws. But later on, about ten years later, when we asked whether they knew about this law, nobody seemed to remember.

So, the meaning of this was that the laws were there—very beautiful laws—but there was very little implementation. In fact the environmental impact assessment (EIA) law was passed in 1977, but its implementation came many years later because the formulation of the implementing rules and regulations took a long time.

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*The laws were there, very beautiful laws, but there was very little implementation.*

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## **FIFTH PERIOD: CRITICAL COLLABORATION**

This is from 1986, after martial law to the mid-1990's. This was when "people power" became a by-word in the Philippines. Suddenly, there was a mushrooming of environmental NGOs in the country. I

think this was because many of the anti-martial law NGOs had to look for another reason for being.

It was also a time when activists like me could work in the government. In fact, some of us ended up in the government after martial law. Actually I was also able to work for the government at that time. President Aquino appointed me as Director of EMB. So that was a period of collaboration. The Aquino administration was willing to bring the activists into the government to try to create new ways of thinking in environmental management.

The Green Forum was formed, a coalition of many NGOs that now focus on environment. There was the Rio Earth Summit, which created this concept of environment and development. So, if you want to manage environment, you also have to look at the development scene because without development, then you lose your environment.

The theme evolved to “Sharing for the Environment” from “Caring for the Environment.” Issues on equity and poverty came into the picture. This was also the period when a lot of innovations took place at the DENR.

It was then when the Department of Natural Resources became the DENR; and the Pollution Adjudication Board was created and vested with the power to close polluting industrial firms without going to court.

The EIA system was also strengthened at this time. This was the time when we experimented with the Environmental Guarantee Fund. We integrated a multipartite system of monitoring and social acceptability criteria. Of course, there was resistance to this because many people did not like all of these new requirements in the Philippine Environmental Impact Statement (EIS) system.

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This was also the period when decentralization became a character of environmental management in the Philippines.

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This was also the period when decentralization became a character of environmental management in the Philippines. The Local Government Code of 1991 or Republic Act 7160 was passed, giving LGUs the key management responsibility over

natural resources. More importantly, this law called for the giving of benefits of as much as 40 percent to the LGUs from the proceeds of natural wealth. The National Integrated Protected Areas System (NIPAS) was also passed during this period, which has a unique provision, the creation of the Protected Area Management Board where the representative of the governor becomes an ex-officio member and the representatives of the mayors also becoming members of that Board. While before, protected areas were being managed centrally, now they are being managed by Protected Area Management Board (PAMB). There was also the Strategic Environmental Plans (SEP) for Palawan, which created the Palawan Council for Sustainable Development where the management of natural resources in Palawan was vested in a major way to a local council composed of Palawenos. Here, there was a critical collaboration between civil society and government.

Then, there was the Philippine Council for Sustainable Development (PCSD), formed through a Presidential Order. FPE was formed. That, I think, was a critical collaboration between the USAID and the civil society. It was a brave act on the part of the USAID at that time because it was also a little bit worried about all of these activists forming a foundation and getting a lot of money. I think they went courageously into it and again that is an example of important critical collaboration.

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DENR had difficulty in getting many LGUs on its side when it deals with big cases like Marcopper.

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However, there were still a lot of difficulties at this time and I will be frank with our local government participants here. DENR had difficulty getting many LGUs on its side as many of these innovations were being set up. For example, in the case of Marcopper, LGUs were lobbying for its continued operation. This is because they depend so much on it.

If you close Marcopper, the whole province would be without electricity. Also, it was the major employment source for the whole province. That was why later on, when ECC conditions were being discussed, included was the preparation of a plan by mining firms on how communities and LGUs would become self-reliant and not dependent on the mining firm for basic services such as electricity, education, and health provisions.

We also had problems with the Mt. Apo geothermal plant project. The issue was only settled when the project proponents decided to provide an environment and tribal welfare trust fund to make sure that benefits from the project go back to the indigenous peoples.

We also had problems in Bolinao where local officials were threatening to sue us. We had problems with Coron when both the land and the coastal waters were given to the indigenous peoples of Coron under the Certificate of Ancestral Domain Claims (CADCs). The reason for these problems, when we talked to our LGU counterparts, was that they felt something substantial was taken away from their jurisdiction when CADCs were given to the indigenous peoples. It was in a way lessening the LGU officials' control and power over these indigeneous peoples.

## SIXTH PERIOD: INTEGRATION

The last period I will share with you is what I call now the period of integration, from the mid-1990's to the present. The characteristics of this period is what we are now realizing—that we have to put

more of the environment and development together. There has to be integration of these two, into what we now call sustainable development.

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You can see this now in the way the donors are giving funds to various projects. For example, the Canadian International Development Agency (CIDA) had a very strong

local government support program, focusing on the integration of governance, development, and environment. Of course, USAID had GOLD as its project. The Asian Development Bank (ADB) had a low-income upland community project, managed here by one of our friends, which actually brought in the LGUs as part of the steering committee and as part of decision-making and implementation of the project.

New issues on environmental management cropped up during this period. These are issues related to globalization, to the World Trade Organization (WTO), to looking at trade as an environmental concern, to looking at biotechnology and genetically-modified organisms (GMOs) as environmental concerns. In fact, in the case of GMOs, we now have LGUs as partners of civil society protestors. When an LGU ordered a stop to a testing, I think the project proponent did not heed the call. There is still tension on the power boundaries of the LGUs over these types of GMO testing in the Philippines.

This is also a period of great transition. The National Commission on Indigenous Peoples (NCIP) has been formed; this commission has now become almost an equal partner of the DENR in managing many of our forest resources. These remaining forest resources are actually under ancestral domains or ancestral domain claims. We have the Clean Air Act, we have the Solid Waste Act. This is a period of great experimentation and also a period where we began to understand that graft and corruption issues had to be dealt with if we wanted to do something about environmental degradation in the Philippines.

In the findings of the ADB forest case study, for example, graft and corruption came up as a major reason we lost our forest in the Philippines. The new donor direction is in fact trying, in a sense, to buffer the heavy influence and power of the national government and balance it with putting more power at the local government. USAID, for example, is creating a trust fund where the funds go directly to the LGUs and the communities and by-passing national government agencies. The national government agencies will still be part of the program, but only in terms of policy enhancement and creation of policy-support programs. The bulk of implementation will now be at the LGU level.

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Realizing now that political advocacy is part of environmental management, I now pose this question: Can donors take the lead in such political advocacy? Yesterday, ADB was already asked that question in a workshop because all the participants, from the whole

Asia-Pacific region, finally decided that political advocacy is needed. We have to deal with graft and corruption, but is ADB willing and capable of such political advocacy when it is so sensitive a matter? The same question is being posed to USAID now. Is USAID the right institution for political advocacy in the Philippines? Maybe the Filipino institutions, organizations and LGUs are the ones who should do the political advocacy not our donors. But that is, I think, for discussion later on.

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Environmental management  
has come full cycle by  
bringing back the  
management of the  
environment to the people  
and communities.

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What I am telling you is that there is now a complete cycle. We started with management by communities and now we are going back to management by communities. We are turning again to LGUs, and hopefully, the LGUs will more and more share management responsibility with community-based organizations and individuals.

Before I close, let me just share with you this book. This is a publication of the *Galing Pook* Foundation for the 10<sup>th</sup> anniversary of the Local Government Code. We thought, after so many years of giving awards to these LGUs, we should share their good stories with other LGUs. I will tell you some of the very innovative ways the LGUs have undertaken to address environmental issues. For example, in San Carlos City, Negros Occidental, Mayor Rogelio Debulgado made burrying the dead a viable and environmentally-friendly enterprise.

One of the city's problems was that their cemetery was congested. In fact, people call their cemetery a condominium because *patong-patong na ang mga libingan*. They had to move some of the dead to another area. What did they do? They did not have any money. But Mayor Debulgado was able to get about five hectares of the watershed (not the part where they get their domestic water supply) from DENR. Then, converted it into a tree park. When the trees were already growing, they announced that families could transfer their dead under those trees for a fee. They have a non-indigent fee of several thousands and an indigent fee of 100 pesos. Now, families prefer putting their dead under those trees and the city is making

money out of the whole venture. In fact, the mayor's problem now is that most people want to bury their dead at this new site.

Another example is Governor Coscuella, who also won an award because he was able to come up with a way of protecting the forest. Project *Ilahas*, as he called it, was able to facilitate a memorandum of agreement among the civil society, government, and the New People's Army (NPA). The NPAs agreed to support the project by guarding the forest. They also agreed not to harm the project team members when they go up the mountains, as long as they wear this red T-shirt from the project.

So this, I think, is a period where we can have this integration amongst LGUs, civil society, even the rebels. And this seems to be the new picture of environmental management in the Philippines.

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Integration between and among sectors of our society is becoming the new picture of environmental management in the Philippines.

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I hope I was able to give you enough information. Six periods and we now have a period of integration. Very exciting, very wonderful period for all of us to be part of.

*Maraming salamat at mabuhay kayong lahat.*

# “LESSONS ON EcoGOVERNANCE FROM OTHER COUNTRIES”

DR. MICHAEL MORFIT\*

I appreciate the opportunity to participate in this panel. I especially appreciate the innovative nature of the EcoGovernance project in tackling the interface between effective, accountable, and responsive governance at the local level; and improved management of natural resources and the environment.

For several years there were discussions about the close relationship between these two sectors. Now the Department of Environment and Natural Resources (DENR) and the United States Agency for International Development (USAID) have acted on this with the launch of EcoGovernance.

Development Alternatives, Inc. (DAI) is very pleased and excited by the opportunity to work with DENR, various local government units (LGUs) and civil society organizations in working on these issues. We are breaking new ground. We can expect both some unexpected achievements and pleasant surprises, as well as some setbacks and disappointments.

But it is an important challenge—as indicated by the other distinguished members of this panel and the very senior and experienced audience. Importance to USAID is indicated by presence today of USAID Mission Director, Patty Buckles, as well as the EcoGovernance Project Officer and Chief of the Environmental Management Office, Jerry Bisson, and his very able colleagues.

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*\*Dr. Morfit is the Vice President for Governance and Public Sector Management of Development Alternatives, Inc.*

I have been working on decentralization, devolution of authorities, and local government development programs for about 25 years—in Indonesia, India, Guatemala, Paraguay, Albania, Bosnia, Serbia, Macedonia, Bulgaria, Romania, and Poland, as well as the Philippines. This has included work with ministries of finance and local government, with parliamentary bodies and municipal associations, with training institutions and think tanks, with local government officials and local assemblies, with community-based organizations and private sector groups.

Drawing on this experience, I was asked to talk about comparative experiences in decentralization efforts and to identify some lessons learned that might be applicable to EcoGovernance. And I was asked to do this in seven minutes.

But rather than try to talk about lessons learned, I thought I would instead talk about mistakes I have made, or misconceptions that have led me down the wrong path at various times in the past. I have identified seven major ones—so that comes down to about one minute per mistake.

When he heard about this plan, one of my colleagues said to me, “What? Twenty-five years of experience and only seven mistakes?” Well, some of them I made many times. So I thought if I passed them on to you here, maybe you could avoid them in the future.

## MISTAKE NUMBER ONE: “THEY AREN’T READY FOR DECENTRALIZATION.”

To both national level agencies and international assistance organizations, local governments often look weak, untrained and ill-prepared to take on increased or significant responsibilities.

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While devolution is often accepted as a desirable long-term objective, there is a real hesitation to move forward too quickly. There is a fear that the technical weaknesses and inexperience of local agencies will result in significant problems.

This perspective leads to a heavy emphasis on training as the key intervention. If local officials are unskilled and lack technical qualifications, then we should first train them. Then we can worry about devolving authority to them, after they have been trained.

Thus, one of my earliest experiences with decentralization was helping to design a major local government training program in Indonesia. This was a large, ambitious, and expensive effort that produced an impressive range of curricula, manuals, and training programs.

Why was this a mistake? First, the basic premise is probably false. Let’s face it, in most cases, even the national agencies are not doing that good a job. Even with their cadre of trained and experienced staff, the scope and scale of the demands at the local level exceed their grasp. Even with the best will in the world, they are often not able to deliver effective programs. Why not let LGUs try?

Second, there is a surprising reservoir of talent and ingenuity at the local level that is often not recognized. With some encouragement, even technically inexperienced local officials can devise imaginative solutions to local problems. In 1988, I spent some time in the Bicol region talking with mayors from different communities. The one community that really seemed to be making progress was the one where the mayor decided to stop looking to Manila or the World

Bank or USAID for project funds, technical assistance, or training. He thought that these things might or might not come to his community, but he could not afford to wait and hope. He had to get started with what he had already available to him, and he was having an impact.

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There is a surprising reservoir of talent and ingenuity at the local level that is often not recognized.

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Third, training alone—while important—will not solve the problem. Building technical capacities will not result in improved performance of local governments if there are no clear incentives to use those skills.

Fourth, if we start with the premise that “they are not ready for decentralization,” we will almost certainly never reach the point where we feel that they are ready.

Finally, adopting the mindset that “they” (i.e., local government agencies) are somehow not up to “our” standards and need to be trained and tutored before we can trust them enough to relinquish authority to them clearly suggests a great divide between national and local agencies. It almost implies an adversarial relationship. Yet what is needed is a collaborative partnership.

The lessons here is that—like our teenage children and the keys to the family car—they may never be perfectly ready, but we have no choice other than letting them try. It is the experience of taking on responsibilities, and being prepared to fail as well as succeed, which will lead to improved performance.

## **MISTAKE NUMBER 2: “IT’S A TECHNICAL PROBLEM.”**

Those with sectoral expertise -- in health, education, natural resources management, or the environment -- tend to see the problems of devolution in technical terms.

The challenges are those of establishing and enforcing appropriate standards, or ensuring adherence to technical guidelines and approaches.

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Technical competence is essential, but not sufficient. There should be incentives that encourage improved local performance.

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For this reason, many assistance programs often place a heavy emphasis on technical training. It assumes that the problems are essentially technical ones, and therefore that the solution must also be essentially technical.

While technical competence is essential, it is not sufficient. A key consideration has to be the incentives that either encourage or inhibit improved local government performance.

These incentives are in large measure political—they have to do with lobbying and advocacy, transparency in government operations, and mechanisms for accountability. None of these are purely technical.

This is one reason I am so enthusiastic about the EcoGovernance Project—it has already stepped over this mistake by focusing on the governance aspects of sound environmental management: by focusing on the transparency, responsiveness and accountability of government agencies in managing forests, coastal resources, and solid waste.

### **MISTAKE NUMBER THREE: “WE DON’T HAVE THE RESOURCES.”**

In many places, such as the Philippines and Indonesia, as well as the transitional countries of Central and Eastern Europe, there are concerns about “unfunded mandates.” These are also a concern in the US.

Local governments complain that they are being asked to take on new responsibilities and functions, but are not being given the financial resources to carry them out.

In many cases, these are legitimate concerns. In response, donor programs are often used to augment local resources. Some kind of block grant or resource transfer is justified on the grounds that without them, it will not be possible for local agencies to take action.

Significant USAID and World Bank resources, for example, were provided for block grants to provincial and district governments in the 1970's and 1980's, and this was seen as the keystone of the donor programs to support local governments.

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*LGUs complain they are being asked to take on new responsibilities, but are not being given the financial resources to carry them out.*

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This may not always be a mistake, but it can be if it is not approached carefully.

There are often significant local resources that could be mobilized to support local government programs. The question is how best to mobilize them.

In our decentralization project in Paraguay, for example, we developed a participatory planning process that led to public-private partnerships to undertake small-scale community projects. Over the course of three years, these communities completed approximately 1,500 such projects—all without one penny of central government or donor support. Even poor communities found that they had some unexpected resources, from in-kind contributions and voluntary labor to private sector donations, when they were used to tackle problems that the community agreed were a priority.

In the Albanian port city of Durrës, solid waste disposal was a major challenge. The government did not have sufficient resources to sweep up the streets, collect, and dispose of solid waste on a regular basis. We were able to help the local businessmen form a Business Improvement District or BID that negotiated an agreement with the government. If the local government provided the trucks to collect the solid waste on a regular basis, the BID would pay for the installation of trash cans and solid waste containers, and also for the daily street sweeping. The success of this initial effort led to agreements on improving the pavements and street lights. Soon neighboring districts were organizing themselves and negotiating similar public-private partnership, and other municipalities were sending delegations to Durrës to find out how the BIDs worked so they could try to replicate them in their communities.

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Donor funding is a mistake if it undercuts incentives to find ways of mobilizing local resources.

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These improvements were all achieved without any additional funding from the national government or any donor. Donor funding is a mistake if it undercuts incentives to find ways of mobilizing these resources.

The lesson is to approach the problem not from the perspective of “what resources can we bring to our community?” but rather from the viewpoint of “how can we help you find and mobilize the resources that are already within your community and available to you?”

## **MISTAKE NUMBER FOUR: “FOCUS ONLY ON INDIVIDUAL LGUs”**

Most of the projects I have worked on have specified a number of pilot municipalities, or target LGUs. Capacity building at the local level has been defined in terms of the boundaries of local governments.

Yet we know that many of the challenges faced by local communities cut across these boundaries, particularly with regard to natural resources management. Too often we have ignored the importance of potential collaborative networks that stretch horizontally across local governments. These horizontal linkages often do not figure in project designs or implementation. Fortunately, I have recently had the advantage of learning from a group of local government officials working with our project in Guatemala. These are very small and remote communities, sometimes a full day’s walk from the main road and inhabited by indigenous peoples, or Mayans. In many cases, elected officials may be illiterate. The apparatus of municipal governance is very small - - perhaps no more than one or two people. There is little prospect for a full formed municipal staff of technical experts that can deal with the full range of local government functions, from health and education to solid waste and roads.

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Too often we have ignored the importance of potential collaborative networks that stretch horizontally across local governments.

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To respond to these problems, our mayors decided to form a consortium to share staff. In one municipality, the staff would be trained in budget development and financial management. In another municipality, the staff would be trained in procurement procedures, while a third municipality has its staff trained in capital project development. These specialists then circulate, spending several days each month in each of the municipalities. In this way, the consortium of small communities can get the benefits of some technical expertise that would be beyond their reach on an individual basis.

Several things to note about this experience. First, we never contemplated this approach in our project design, work plan or any of the technical discussions we had in the capital, Guatemala City.

Second, no one waited for clarification about the legal authorities of the mayors to initiate this innovation. They saw a need, had an idea, and seized an opportunity. Third, this initiative required little in the way of additional resources for the municipalities. Their innovation found a way of augmenting their technical expertise without requiring additional staff or funding.

### **MISTAKE NUMBER FIVE: “WE CAN’T DO ANYTHING BECAUSE OF THE LAWS AND REGULATIONS.”**

The legal and regulatory frameworks within which local governments exercise their authorities and fulfill their responsibilities are extremely important.

Just as economists learned about the importance of policy reform in the 1970’s and 1980’s, those dealing with local government development have focused on reforming the legal and regulatory framework in the 1980’s and 1990’s.

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*Many projects I have worked on have assumed that if we just got the right policy reforms in place, everything else would naturally follow.*

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The economists were inclined to believe that if you just got the prices right—that is reforming the legal and regulatory framework—

everything else would follow as a matter of course. This was the core of the famous “Washington consensus.”

Similarly, many projects I have worked on have assumed that if we just got the right policy reforms in place, everything else would naturally follow. The assumption was that nothing significant could happen until there is fundamental reform of the legal and regulatory framework.

In some projects in Central and Eastern Europe, this has been a defining characteristic of some of our projects: do nothing at the local level until there have been fundamental reforms in the framework.

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The ambiguities many complain about have been seized by some as opportunities to innovate.

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These reforms are often taken to include clarifying all the ambiguities and resolving all the contradictions in the existing laws and regulations.

Why has this turned out to be a mistake? First, it made us hostage to the national reform process, which is inevitably slow, filled with ambiguities and uncertainties, and never completely resolved.

Second, it ignores the scope for innovations, even within a difficult framework. The ambiguities and uncertainties that many complain about have been seized by some as an opportunity to experiment and innovate.

Third, it assumes that LGUs are necessarily passive and dependent, unable to act without specific permission from the national level. In much of Central and Eastern Europe, for example, there is a tendency to conclude that actions which are not specifically authorized in law must necessarily be prohibited. In Macedonia, we have had a difficult time persuading mayors to take action at the local level because no law specifically told them that they could do so. Some were convinced by the legal opinion we obtained from the law faculty that showed that they had much more discretion than they might originally have thought, but many remained unconvinced.

Finally, it assumes that the policy reform process is inevitably a technically driven one that is led by national agencies. In fact, policy reforms often follow practices at the local level and are the result of demands for changes that are driven by the experiences of local governments. Remember that our Guatemalan friends did not wait for feasibility studies or pilot municipalities, or best practices or model cities before they launched their innovations. Yet they are now helping to shape the way that the legal and regulatory framework is being reviewed and revised.

## **MISTAKE NUMBER 6: “THERE IS A ‘RIGHT’ ANSWER.”**

This is closely related to the mistake or misconception of believing that everything—or nearly everything—depends on the legal and regulatory framework. I have made the mistake of searching for the “right” answer that would provide the perfect balance between national standards and local actions; between national oversight and local responsibilities.

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*Policy reform is an ongoing process. It is not like a work of art where we can step back and say, “It’s perfect.”*

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Policy reform, however, is an iterative and ongoing process. It is not like a work of art where we can step back and say, “It’s perfect—there is nothing more that needs to be done.” There is always something more that needs to be done. New needs are identified; new interests emerge; unintended consequences reveal themselves; and policies that seemed good in theory turn out to be bad in practice.

Probably, waiting to get the “right” answer is like “Waiting for Godot”—the final solution is always promised for tomorrow, but never comes.

## MISTAKE NUMBER 7: “IT’S ALWAYS A LONG-TERM PROCESS”

This may seem counter-intuitive. All of us who have devoted our professional lives to issues of development recognize that significant social and economic changes require time. Systems are not reformed overnight.

Yet I have come to feel that this initially very plausible view can be dangerously misleading.

Building momentum for reform and improved governance at the local level starts with small but visible things that can be done quickly and often at very low cost.

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Building momentum for reform and improved governance at the local level starts with small but visible things that can be done quickly.

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In Bosnia, DAI is providing a team of experts to manage the strategically located city of Breko, which is located at a key point across the river from Croatia, straddling a critical “choke point” for the Republik Srpska and thus of great interest to the Bosnian Federation. It also suffers from the same ethnic divisions and

history of violence and brutality that fractured Bosnia during its armed conflict. Our job was to take three distinct, divided, and ethnically-based municipal governments and help create a single, non-ethnically based municipal government that could effectively serve all its citizens.

In one sense, dealing with this historic legacy is going to be a long-term process. Yet we found that there were things we could do almost immediately that signaled that the new order was going to be different from the old; that the new government was going to be more responsive, transparent, and accountable than the old.

## CONCLUSION

These are the seven major mistakes or misconceptions. Not the seven deadly sins, but they have sometimes proved to be near-fatal.

Some might feel I should be more circumspect, less flagrant about exposing them in a public forum like this.

But we all value “lessons learned” and lessons learned is just a more polite and upbeat spin on “mistakes made.”

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*It is only by recognizing mistakes, examining and understanding them will we make progress in our common efforts.*

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EcoGovernance is an innovative effort and can expect to make its own mistakes. But only by recognizing these, examining and understanding them will we make progress in our common efforts.

## OPEN FORUM HIGHLIGHTS

Q

*While it is very refreshing to see the link implied between environmental degradation and bad governance, hence the need for ecogovernance, there is also a need to know how this program can help solve the problem of toxic wastes left behind by Americans, how to hold the US Government responsible for the clean up. Also, many of the former illegal loggers are now politicians, do you expect them to become sincere proponents of ecogovernance?*

A

**Ganapin:** When we started negotiating about it (toxic wastes) during the time when the military bases were being discussed, some of us actually tried to put a provision on creating a green trust to deal with the toxic wastes.

But some of the political analysts at that time were afraid to put that agenda in the negotiations, for it could in fact be utilized to lengthen the stay of the bases. We were told not to put that. But that is water under the bridge. What I am saying is that ecogovernance forms the broader perspective of the whole Philippines, that this program should lead into better capacities amongst Filipino local leaders in terms of analyzing the situation, negotiating, and creating the win-win solutions when we get into this very difficult and sensitive matters. I think the way is still open for continued negotiations on this matter with the US Government.

As far as dealing with the illegal loggers who are now politicians, this is the reason civil society, as far back as the 12<sup>th</sup> Philippine Environmental Congress, has decided to really get into the politics of it. We are still debating whether forming a Green Party is the way to do it. Others are saying that maybe we should start putting Political

Ecology as a course in the universities so that we would have a public who can better understand the link between politics and environment. Others are saying that let us just raise hell in every election and make sure that people vote for the right leaders. People are not yet voting for the leaders that are pro-environment. Many pro-environment candidates in the Philippines have lost. This only indicates that we don't have yet the critical mass of pro-environment Filipinos that can actually affect the elections.

**Q**

*One problem of ecogovernance is how to institutionalize it in this country. I am referring more to the political will of DENR to really involve the local governments. What do you think should be the means in ensuring the institutionalization of ecogovernance?*

**A**

**Ganapin:** When Secretary Alvarez assumed office, he said two things: 1) wealth creation, which is not entirely new; and 2) empowerment of the local government, preferably at the barangay and the community levels. It is because in the final analysis, it is only the local community that can conserve the environment, not the national government or DENR.

Why local government? Because what will happen at the ground level will not depend on what DENR will say—it will be based on what the mayor wants to happen. The stakeholders we are serving are primarily the constituency of the local government, not of DENR. How do we operationalize this? We are now in the planning process and we are forcing the issue that LGU participation should not be limited to workshops, meetings, or consultations.

How can we be sure that the things we start would be continued on to the next administration? There are several ways by which it can be done. One is by making sure that the program is truly what we call a multi-stakeholder type of activity so that ownership is not only perceived by one group but by as many groups within an area or a project.

Multi-stakeholder ownership is also a way of expanding. There must really be a critical mass for institutionalization to occur. This was our strategy on the release of CADCs during the time of Secretary Ramos. There was a proactive move by DENR to release at least two million hectares of CADCs. The law was vague on it. In fact, we were threatened by a former justice of the Supreme Court with a case. Fortunately, we knew the person and had a private talk with her and we explained everything. It was institutionalized, and later it became a law under the Indigenous Peoples Rights Act (IPRA).

Another approach is working with those who have the resources to contribute, i.e., donors. You see some donors would put policy and institutional conditionalities on grants and loans. If both parties agree and if we feel that it is for the benefit of the Philippines, I think it is alright to put that into the grant or loan document because the next generation will have to abide also by that document.

Our DENR people support the decentralization of power to the LGUs, but there are also those who strongly resist it because it may mean taking away some degree of power or responsibility from several officials.

**A**

**Morfit:** One thing I hope which will distinguish the Eco-Governance program is that it is demand-driven. How do we bring in the local communities and make them work for us to make us achieve our objectives? The EcoGovernance project helps figure out the priority areas of local communities.

Multi-stakeholder analysis is a very important one, too. People tend to talk as if the issue is one between DENR and the LGUs only. There is an enormous resource not just in civil society organizations, but in the private sector as well, that this project needs to figure out—how to engage and bring them in as partners.

**A**

**Ganapin:** One strategy is also mainstreaming or integrating environment into other critical needs. For example, we can link the forest to other resources such as water, agriculture,

fishery, energy, and ecotourism. These other linkages are creating a lot of wealth.

**Q**

*LGUS have been given a lot of mandates but have not been given adequate funds. How can the DENR and other national agencies help resolve the issue?*

**A**

**Morfit:** I am not sure if I have a general answer that will be applicable for all cases. If you look around, there are often resources in communities that are not as evident. It's a lesson that we have learned from micro-enterprise development and micro-banking for small and medium enterprises. Even people who look like they are very poor and have absolutely no resources, in fact, have some savings. These savings tend to be the form of partially constructed houses that they build as they get a little bit of money, and they add a little bit more on these houses each time they get more extra money. They don't necessarily put their savings in the bank. But these are resources in most communities.

The question is: How do you engage them? How do you get them involved? The only way you will get them involved is if they believe that you are going to use their resources for something that is important to them. One thing that could be important to them is establishing mechanisms for participatory processes to identify priorities, transparency on how the government is carrying it out, and accountability for achieving results. When people see that you are addressing their priorities and you are performing, it will be easier to get resources.

**A**

**Ganapin:** Can I just mention how some mayors and governors were able to raise funds? In Puerto Galera, what the mayor did was to facilitate the installation of water pipes to service the different houses in his municipality, and charge a certain amount for the service. To protect the watershed from which the water comes, he allotted five percent of the income from each house and put it into a fund given to the Mangyans, the indigenous peoples, for them to protect the watershed.

Another way of doing it is by looking at the development projects within your area. The DENR has actually started the practice of asking environmental guarantee funds from these projects. For example, in the negotiations for the Mt. Apo geothermal plant, a certain percentage was allotted for the environmental and welfare trust fund of Mt. Apo.

There are a lot of opportunities to generate funds at the local level. The Local Government Code is so flexible; it gives LGUs so much power, but they have become so dependent on the IRA that their creativity was lost.

Another one is prioritization. If I were a mayor and I was made to choose between putting money into constructing a basketball court and biodiversity, the obvious choice will be the basketball court. That is what people will see. With biodiversity, nobody can see. But if we link biodiversity with something important to the community, then the mayors' policies will shift towards that. Those are the things we have to do.

**Q**

*It seems that DENR is not serious in implementing the Community-based Forest Management Program, especially in the province of Aurora, where there has been rampant issuance of new Industrial Forest Management Agreements (IFMAs) to former Timber License Agreement (TLA) holders without consulting the LGUs.*

**A**

**Ignacio\***: Maybe that can be better answered by Del Ganapin. Anyway, the Department Administrative Order states that the TLA holders will have the option of first refusal for IFMA conversion. In the process, I think there is a rule that you have to do consultations that would include the LGUs. If there were less consultations in Aurora, I think it was the exception rather than the rule.

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\*Demetrio Ignacio, DENR Undersecretary for Policy and Planning

**A**

**Ganapin:** Well, I am always mistaken to be part of the DENR. But as the chair of the civil society counterpart for sustainable development, we, at the organization, are responsible for ensuring that solutions are created with the civil society in mind. The question that cropped up in my mind when I heard your question was this: was an Environmental Compliance Certificate (ECC) issued already?

If there were no consultations, then there should be no ECC. Even if they have a permit or IFMA, they cannot operate. In fact that has happened to a lot of loggers before. There are actually 20 or more TLAs, but I think only nine or seven are operational because they could not get their ECCs. That is one way of doing it: looking at what we have in terms of environmental protection and then utilizing it.

**Q**

*Does the program have any monitoring mechanisms, if so who will be doing this and how?*

**A**

**De Rueda\*:** One component of the program calls for development of a performance monitoring system that will be implemented with the help of LGUs and everybody concerned.

**A**

**Morfit:** You might get different answers to your question depending on what you mean by monitoring. The customary way in which government projects do monitoring is they go to an academic institution, organization, or NGO and they commission them to do monitoring and evaluation work. There may be times that it is absolutely appropriate. For this project I think that one of the things we want to do is to start building in these communities the mechanisms to monitor the government's performance because that is part of the transparency and accountability elements of it. We don't want to commission this out to somebody else.

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\*Rene de Rueda, Deputy Chief of Party of the USAID-funded EcoGovernance Program

A

**Ganapin:** I'd like to follow up on that question. There are many types of monitoring. The IFMA in Aurora is one example. The local communities become actual monitors and they are the ones raising the issue now. What I have heard about this is that they have sent a lot of petitions and letters everywhere. The question is: Is it nice to have some kind of an informal monitoring system? What is the formal channel through which the results of that monitoring could reach the decision-makers so that they can make urgent decisions on the matter? That's what we see as missing in the Philippines—the means to immediately get to the ones who can really make decisions and quick solutions.

The civil society groups can also go to another channel—the citizen's protest movement. But this is violence prone, and may be dangerous to those who monitor illegal logging activities too closely.

So, how can the program protect the monitors? I think the program can protect our monitors much better if these formal channels are made more effective. They don't have to get into these blockades and protest movements where they could be arrested, sued in court, hurt, or get killed. I think the EcoGov program would have that kind of challenge.

Q

*Will the EcoGov program also address gender issues (not just women issues)?*

A

**Ganapin:** There are actually two concerns that the program would have to look at in terms of gender. One is gender equality. If you see inequalities between men and women in those sites in terms of the management of environmental resources, then you have to have some strategies to correct the inequality. For example, who is the holder of the certificate of stewardship contracts in those uplands? Is it the men or the women? If a plantation is set, do the women lose control over that land which they used to garden for home consumption in favor of men because it is now a plantation? Things like that. If there is inequality, it has to be first identified, necessary response has to be strategized.

The other concern is gender equity, which refers more to the distinct responsibilities of men and women because there would have to be a difference also in terms of what women and men can do. You have to be able to assign the appropriate responsibilities to women and to men. In some cases, we found that the easiest way to go about it as a first step is to come up with a “genderized” database.

The third one really is about gender mainstreaming. You may ask these questions: “Have you already been genderized?” “What is the knowledge of the team in terms of gender and development issues and concerns?” “Has your partner at the DENR gone into gender and development?” Usually if you ask people, “Are women involved?” They’ll say, “Oh, yes, yes, half of our participants in the meeting are women.” That is not gender and development.

**Q**

*How deep is the knowledge of DENR, even the local governments and the EcoGov team, about what gender and development really is in the Philippine context?*

**A**

**Ignacio:** I would like to deal on two aspects: one on the DENR as an institution; and another, on the programs and projects of the Department. When I first came to the DENR, the first thing that struck me was that DENR had a very macho culture—really macho culture. I asked, “Why?” I found out that DENR came from the Bureau of Forest Management whose people were mainly foresters—male foresters. They are people who are living in the mountains and doing macho types of jobs.

Perhaps, there are still less opportunities for females than the males in terms of holding important jobs, promotions, and other things at the DENR as an institution. But I don’t see this macho culture being applied to our programs and projects. Our dilemma really at the local level is the local culture. As you know, there are local communities where gender sensitivity and development are still unheard of.

Q

*Has there been any success in encouraging competition among local governments as a means of getting them involved in ecogovernance? Shall we provide grants to those practicing good governance or do we do cost-sharing with them? There are number of projects or initiatives in that direction here and I'd like to know if in your experience in other countries, this works.*

A

**Morfit:** It's an interesting question. It goes back to the question or the issue I talked about regarding horizontal linkages between different governments. We've been using—I don't know if you can call it exactly competition—but we've had some success in using those local governments that really are performing well, using them as models. We've been bringing people from surrounding areas, or we've been using the mayors to do some training for us, or we get them to agree to have somebody from them work with us on an internship basis.

Go to that strongly performing municipality and work there for a couple of months. These are not high-cost items, but these are important because they give feasibility and psychic rewards to politicians. One thing that all politicians love is to be admired. If you can create opportunities for people who are really performing well—it's not high tech, it's not high cost—but it has a high return.

But you have to be careful, not only here in the Philippines, but also elsewhere, about not allowing your program to be a part of a partisan political campaign. That is tricky to figure out because we are trying to use the governance process and that is inherently political. Part of that process is accountability, yet we have to be careful that we are not being used as the instrument of an individual's political campaign, but you also have to recognize that their ambition is important and it is going to be an important driving force. It's tricky.

Q

*The returns from natural resource management are usually acquired in the long term, definitely beyond the three-year term of a local chief executive (LCE). Are there mechanisms for sustainability, at the same time, accountability to encourage the proper behavior of a local executive, so it is consistent with sustainable development?*

A

**Roquero\***: Well, there are a lot of mechanisms in place, like for instance in terms of accountability. We have this recall mechanism, where an abusive official can be recalled by his constituents one year following the regular election through a special election. We have also the mechanism where you can file a case against a local official even if you remain incognito, and this is being accepted by the Ombudsman. We have a number of local officials who feel harassed by this kind of suit usually perpetrated by their opponents.

We are having capacity-building workshops for the newly elected mayors. Out of 1,496 municipal mayors, about 70 percent of them are new. These are new mayors who are very innovative in their approaches to local governance. In fact, in one of the trainings we conducted, they don't want to be called municipal mayors, rather municipal managers.

I'd like to give my opinion, as a representative of the League of Municipalities of the Philippines (LMP), to some of the observations raised earlier, which may not be related to the question. For instance in the case of the Internal Revenue Allotment (IRA), according to Dr. Ganapin, some of the municipalities have become so dependent on their IRA that they no longer try innovative ways to raise funds for their municipalities. In one of our meetings held last year, there was a proposal to fast-track the delineation of our municipal waters as a basis also in the computation of our IRA.

Our consultations with the mayors revealed that only a little amount from the IRA is allocated to coastal resource

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\*Raymundo Roquero is the Deputy Secretary General of LMP

management. We felt that if the municipal waters is included in the computation of IRA, then probably the LGU can allocate an amount for the management of its coastal waters. The formula being used now in the computation of the IRA is 50 percent equal sharing among LGUs; that's the provinces, cities, municipalities, and barangays; 25 percent for population; and 25 percent for land area.

It was also mentioned here about the very short term of municipal mayors, that it is only three years against the senators of the Republic who have six years in office. In the first year, the new mayors try to learn the ropes. On the second year, they try to implement the project and by the third year, the project may not continue to be implemented because probably the mayors are already busy campaigning to be re-elected.

Dr. Morfit mentioned that it is always a long-term process. In our consultations with the mayors, normally, a project is doomed to fail if the gestation period is very long. There is now a lobby among municipal mayors to somehow extend or return to the old system of the four-year term. But I think this is getting a lot of reactions from the different quarters, thus, nobody wants to touch this very sensitive issue.

The other issue is putting a mechanism that will sustain the implementation of that project. For instance, in a project that we have supported with the Department of Agrarian Reform (DAR), we required the municipalities that are the beneficiaries of the project to pass a resolution that would allocate funds for the maintenance of the project to be implemented. For instance, if a farm-to-market road will be concreted, then it should be included in the resolution of the municipality that a certain amount will be allocated by that municipality to maintain the project. This is also true of the irrigation projects under that program. In fact, this coming Saturday, we will have our Directorate meeting and some of these issues which cropped up during this meeting will be echoed to our national president. He has been looking forward to the implementation of this program. On his behalf, I would like to thank the DENR for getting the LMP involved in this program.

# A

**Ganapin:** Within our group, the civil society, the first step really is to create partnership with LCEs rather than immediately attack them. Sometimes when we look at municipal mayors who have turned a blind eye on illegal logging, we will find that the reason is that there is someone more powerful than him forcing him to turn a blind eye on illegal logging. In cases like that, our efforts concentrate on creating partnerships because it will be easier to create a system of accountability between partners.

However, as a last resort, certain measures are being developed by civil society organizations, with officials not only of the local governments but also of the national government. One example is a project of FPE which is called, ENDEFENSE, which means Environmental Defense. In summary, that project provides funds to environmental law groups in conducting trainings for lawyers or judges. If you look at our environmental laws, there are a lot of provisions that can be used, except that many people do not know about them, thus, they cannot utilize the laws to their advantage.

The other problem is that the necessary court suits to clarify the meaning of the law have not yet been made. Meaning to say, there is no legal precedent yet, thus, the interpretation of the law is still vague.



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# PROGRAM

9:30 a.m. **Registration**

9:45 a.m. **Welcome Remarks**

**Director J. Prospero de Vera III**  
Center for Leadership, Citizenship  
and Democracy

**Mayor Raymundo Roquero**  
Deputy Secretary General,  
League of Municipalities

**Usec. Demetrio Ignacio**  
DENR

10:00 a.m. **EcoGov Presentation**

**Director Vicente de Jesus**  
DENR EcoGov  
Counterpart Team

10:15 a.m. **Introduction of Speakers**

**Mr. Samuel Songcuan**  
DENR EcoGov Counterpart Team

## **Presentations**

- 1) "Governance of the Philippine Environment: An Historical Perspective"  
Former DENR Undersecretary Delfin Ganapin
- 2) "Lessons on EcoGovernance from other Countries"  
Dr. Michael Morfit, DAI Vice President

11:00 a.m. **Open Forum**

**Moderator**

**Director Vicente de Jesus**

12:00 nn **Closing Remarks**

**Ms. Patricia Buckles**  
Chief of Mission, USAID

**Master of Ceremonies - Mr. Samuel Songcuan**

# EcoGOVERNANCE PRESENTATION

DIRECTOR VICENTE DE JESUS

ECOGOV PROGRAM

DENR

Good local ecogovernance is key to equitable and sustainable use of our environment and natural resources. It is key to improving the quality of life of our people and it is the key to reducing conflicts.

We view ecogovernance against the background where an estimated 20 million Filipinos live in the uplands, about 50 percent of whom rely on the forests to earn a living. About twice that number live in coastal zones. Many of them depend on the sea for daily subsistence.

Our environment and natural resources, which provide livelihood to our constituents and income to our local governments, are under grave threats. Only 10 percent of our old growth forests remain. Less than 30 percent of our mangrove forests are standing. Only 30 percent of our coral reefs are in good condition.

From 1991 to 2000, municipal fishing dropped by 203,000 metric tons due to overfishing, illegal fishing, and others.

Households throw their solid wastes willy-nilly, clogging waterways, polluting rivers, and our seas.

Where resources are degraded, people get less and the poor gets poorer. Our poverty rate has escalated from 38.8 percent in 1997 to 40 percent in year 2000.

As the national pie gets smaller and population grows bigger, people fight over dwindling shares of the resources, making it harder for us to govern. And we have more peace and order problems. Our constituents become unhealthy and they lack education.

Good resource base ensures food on the table and is crucial to controlling poverty and preventing conflicts. A good resource base can be maintained or attained through good or better local ecogovernance.

Good governance that is effective, efficient, and dynamic has to be devolved and is characterized by transparency in all transactions and decisions, accountability of the local government leaders to their constituents, and participatory decision-making by the citizenry.

Transparency refers to the extent to which the general public has access to information that is open to the public, timely, relevant, and is exact and complete.

Accountability refers to government responsiveness to the needs and aspirations of its citizens and its hallmarks are standards, measurement, feedback loops, and sanctions.

Participatory decision-making refers to the extent the citizenry is able to impact on governance. Effective citizen participation requires mechanisms that are known not hidden, strategic, regular, and accessible.

## WHAT IS THE ECOGOVERNANCE PROGRAM?

It is a DENR program, supported by our international partners, the USAID, DAI, and other national agencies like the Department of Agriculture and Bureau of Fisheries. It aims at building and strengthening local governments' environmental management capabilities.

## WHAT ARE THE ECOGOV OBJECTIVES?

Ecogov hopes to improve local government capabilities to do good ecogovernance by promoting collaborative development. This could be done by developing coalitions and multi-sectoral support, by developing capacities for contracting Integrated Solid Waste Management (ISWM), by ensuring that they are able to avail of the assets/services of other government agencies.

This could also be done by developing and using innovative, transparent, accountable and effective command and control

systems, improve DENR and other national government agencies capabilities to support local government initiatives by harmonizing national policies, pushing for passage of appropriate laws, developing practical mechanisms and standards for doing good and promoting environmental governance and sustainable resource use.

Morover, the program hopes to improve DENR and local government capabilities to derive institutional support by linking the national office to regional educational institutions and civil society to establish technical support systems for local governments, helping improve capabilities of regional/local training/learning institutions to provide training and technical support.

## HOW WILL ECOGOV PROMOTE GOOD GOVERNANCE?

Through:

1. Policy analysis to support policy reforms
2. Advocacy and coalition building to build broad political support
3. Capacity building to enhance agencies

## HOW IS LGU EMPOWERMENT EXPECTED TO BE ADDRESSED?

By:

- Responding to local government's lack of capacity and support mechanisms to take on new ecogovernance responsibilities
- Helping local governments meet "unfunded mandates"
- Ensuring that mechanisms are in place to ensure close collaboration

## WHAT IS THE ECOGOV IMPLEMENTATION STRATEGY?

It aims to strengthen local government transparency, accountability, effectiveness, efficiency and participatory decision making. Ecogov aims to strengthen institutional support systems. It aims to strengthen DENR and other national government agencies capabilities to support LGUs. And hopefully, derive more income from sustainably managed natural resources, resulting in less poverty and less conflicts.

## WHERE WILL ECOGOV BE IMPLEMENTED?

It will be implemented in Central Visayas and Northern Luzon and principally, in Mindanao, in the ARMM, Regions 9 and 12 and Lanao de Norte in Region 10.

## WHAT ARE THE MAIN ROLES OF THE DENR, LGUS AND REGIONAL/LOCAL SERVICE PROVIDERS?

DENR will be the main facilitator and mobilizer of technical and other assistance while the LGUs are the main local implementer of ecogovernance initiatives. The regional/local service providers will be the local repository of ecogov knowledge, skills and technologies.

## WHAT ARE THE TYPES OF PROGRAM ASSISTANCE?

Principally, these are:

- Inventory of local resources
- Reducing open access to resources and minimizing destructive practices
- Strengthening mechanisms to resolve resource conflicts

- Creating economic and other incentives
- ISWM implementation

## HOW CAN AN LGU JOIN ECOGOV?

They can join the program through self-selection. Participating LGUs have to submit letters of intent and show commitment in measurable terms.

Ladies and gentlemen, in brief, that was ecogovernance. Thank you.

# WELCOME REMARKS

**DIRECTOR J. PROSPERO E. DE VERA III**

**CENTER FOR LEADERSHIP, CITIZENSHIP, AND DEMOCRACY**

**NATIONAL COLLEGE OF PUBLIC ADMINISTRATION AND GOVERNANCE**

**UP DILIMAN**

Usec. Ignacio, Ms. Patricia Buckles, Mayor Roquero of the League of Municipalities, our honored guests this morning. On behalf of the Center for Leadership, Citizenship, and Democracy and the National College of Public Administration and Governance, we'd like to welcome you to this joint activity this morning and also show our support for the ecogovernance roundtable discussion.

The issue of good governance, particularly the concern for accountability, predictability, transparency, and participation has always been very close and near to the hearts of the people at the National College of Public Administration and Governance.

Before governance became a buzzword in the developmental arena, we at the College have been undertaking studies dealing with issues on governance. Not many people know it, but as early as 1966, one of our professors, former Dean Carino, did a very extensive study on the good governance and accountability questions related to the pork barrel. In the 1980's, our current dean, Maricon Alfiler, did an extensive study on the issue of graft and corruption.

At the University of the Philippines, the College was the first to come up with a manifesto of declaration during the Erap period questioning the bad governance of this country. So, it is something that we very seriously look into and we see our participation in this activity as a continuation of our mandate in the Center for Leadership and the National College of Public Administration to now go into the issue of ecological governance.

So again, on behalf of the Center for Leadership, Citizenship and Democracy and the National College of Public Administration and Governance, we welcome you to this morning's session.

Thank you.

# WELCOME REMARKS

MAYOR RAYMUNDO ROQUERO

LEAGUE OF MUNICIPALITIES OF THE PHILIPPINES

I am here to represent Mayor Ramon Guico, the National President of the League of Municipalities of the Philippines. Allow me to read this brief message from Mayor Guico.

Since the day I assumed the burdens and cares of the presidency of the League of Municipalities of the Philippines (LMP), I have almost forgotten that I was first elected as mayor of the municipality of Binalonan, Pangasinan. But I need to devote some of my time at the LMP to give full substance to the greater aspirations of our people in the 1,496 municipalities nationwide, especially among our poorer towns in the far-flung areas of Mindanao, Visayas, and parts of Luzon.

This roundtable discussion on ecogovernance is timely because the proposed project of the DENR reinforces our own initiative at the LMP to empower our municipalities in collaborative problem-solving for environmental concerns based on the principles of good governance that include transparency, accountability and community participation, focusing on the involvement of civil society.

In the LMP, we have created a new position of Executive Vice President for Mindanao concerns because we want to zero in on the problems of our municipalities in that big island, especially among the fourth, fifth, and sixth class towns of the Autonomous Region of Muslim Mindanao (ARMM). This is in the hope of helping provide solutions to their age-old conflicts, as well as in trying to reduce poverty in the underdeveloped municipalities by generating economic activity that will help sustain the gains achieved in devolution, decentralization, and democratic governance.

We have proposed to set up a municipal financing and guarantee corporation out of the shares of our municipalities from the Local Government Service Equalization Funds to increase the financial capability of our municipalities in providing the missing local equity for projects funded by the Overseas Development Assistance and pursue the delivery of devolved basic services to reduce poverty and enhance the social emancipation of our people.

The ongoing delineation and delimitation of our municipal waters is the first serious attempt to determine the geographical extent of the revenue-generating powers of our municipalities after years of abuse and mismanagement of our coastal resources. The LMP, together with the National Mapping and Resource Information Authority and the Coastal Resource Management Project, both of the DENR, is determined to complete this mission before the year ends despite threats of suits from moneyed lobbyists, who want to curtail the mandated powers of our local chief executives as well as the rights of our marginal fishermen.

This program on ecogovernance will invariably complement our collective efforts to implement the provisions of the Fisheries Code of 1998 and the Local Government Code of 1991. This will enable us then to define the law enforcement jurisdiction, resource allocation, and general management powers of our municipalities over their municipal waters, which are being determined for the first time using the archipelagic principle that was adopted by Department Administrative Order No. 17 of the DENR, applying the 15-kilometer radius in the delineation process.

We are also busy implementing a cost-sharing project with the Department of Agriculture in the development of agricultural support program to enhance food security by way of constructing more farm-to-market roads, irrigation systems and solar dryers; procuring modern post-harvest facilities such as farm-level rice mills and farm tractors; and in providing adequate farm inputs such as fertilizers and pesticides to save our farmers from loan sharks and the high cost of farm implements and inputs.

Our flagship project is the proposed LMP Municipal Financing and Guarantee Corporation that will now provide adequate local equity or counterpart funds for ODA-funded or foreign-induced projects that are otherwise terminated or placed at the backburner under a scheme that will allow our members to secure loans at low interest rates and do away with voluminous documents with only a portion of the 20 percent development funds segregated from their IRA.

We have heard of negative feedbacks from our local officials when the national government tried to implement projects that did not involve the participation of the residents in the sites of the projects.

When people in the community are not tapped in the implementation of foreign-funded, locally-implemented projects, there is no sense of ownership, a vital ingredient in social acceptability that should not be taken for granted in the conduct of this program.

Why are other projects like the Agrarian Reform Community Projects of the Department of Agrarian Reform-Asian Development Bank (DAR-ADB) and the Community-Based Resource Management Program of the World Bank, to mention a few, are successful? Because they are LGU-driven and a product of consultations with the people who played key roles in the identification and preparation of the program.

It is our wish that the EcoGovernance Project which calls for better management of the environment and natural resources will be implemented with the involvement of our municipalities and their constituents so that our local leaders may be empowered and our people in the countryside may be provided with jobs. On this note, I bid welcome to all of you in this very important gathering.

Thank you and good morning.

# WELCOME REMARKS

DENR UNDERSECRETARY DEMETRIO IGNACIO

Del Ganapin, Mr. Mike Morfit, Mayor Roquero, Director de Vera, Patricia Buckles, Jerry Bisson, Ben Malayang, friends, allies in the fight for good governance and stewardship of the environment, *magandang umaga po sa inyong lahat.*

DENR is privileged to co-host this first roundtable discussion under our new EcoGovernance Program. We, therefore, welcome all in the name of the National College of Public Administration and Governance of UP, the LMP, and our international partners, USAID and DAI.

Our department believes that good governance is key to stopping the degradation of our environment and addressing the poverty situation. We recognize the experiences in many areas in the country that tell us unmistakably that good governance is the way to ensure the protection, conservation, and management of the upland areas, coastal zones, and our environs. But it is important that the LGUs take the lead and the people participate in the decision-making process. What we want to change are the civil servants who are neither servants nor civil.

The series of roundtable discussions we are holding year round will explore the avenues for arriving at a broad consensus for achieving livable communities in the upland areas, in the flat lands, and coastal zones through more effective leadership of the local government units and through wider participation of non-government organizations, civil society, and individuals who make up the communities.

The EcoGovernance Program will focus on the Muslim Mindanao regions, especially the ARMM, Regions 9 and 12, and Lanao del Norte in Region 10. We will appreciate the special challenges that these areas will present to DENR and its partners. But indeed, because of these unique challenges, we are all the more resolved to do our best.

We welcome you all to this first of a series, and we invite you to join us in our hopes and dreams for meaningful changes in the lives of our people through good governance.

*Maraming salamat po.*

## CLOSING REMARKS

Ms. PATRICIA BUCKLES

CHIEF OF MISSION, USAID

Well, I was going to say, it says here, *magandang umaga* but it is already *magandang hapon*. Let me first say that I am going to keep this short because I know it has been a long morning and people are anxious to have lunch. But I did want to recognize the distinguished people who have participated in this workshop today: Undersecretary Demetrio Ignacio, Mayor Raymundo Roquero, Michael Morfit, Director Prospero de Vera, Director Vicente de Jesus, Delfin Ganapin Jr., and all of you. I think while our panel has presented an excellent presentation, one with many insights, I have also learned today so much just from the questions and the participation of the audience, and in fact, I am not going to read my speech because I think we touched on so many of the aspects that I wanted to mention and I thought that I would just reflect a little on the comments that were made.

First of all, I would like to mention that I agree with Del that there has been an evolution in the way development is thought about but often we ended up going to the very basics. I know because my own development career began with the Peace Corps in a place Michael mentioned, Guatemala, and working with the indigenous Mayan population in introducing drinking water systems. My own thinking about this particular project on ecogovernance comes from that experience.

We spent two years as a part of an inter-disciplinary group that was organizing communities and our objective, you can tell from our title, which in Spanish, *Agua del Pueblo*, means the People's Water Company, which is quite revolutionary at that time. The idea was to organize communities using a very visible, concrete, felt need, which was drinking water. This was out of the theory that if you are able to coalesce the interest of the community, and these were communities which are more than a day's walk from the beaten path, and were living in the same way for 2,000 years. Many of them had no trust whatsoever on any government official or any outsider for that matter. They felt like there had been many promises and not one had come true. The idea of the project, going back to my original thought, is to organize communities and give them an idea or feeling of control

and empowerment that they could change their lives.

The idea was to put up gravity flow systems that required the communities' involvement in the design of the project—in deciding where they would put the particular spickets; they would have to dig the ditches; they would have to carry the pipes; and organize themselves to collect money for paying for the system. They would learn for the first time to open bank accounts, open up small accounts, and these are people who sign with their thumbprint. None of these people knew how to speak Spanish, let alone read or write it. It also involved maintaining their own funds in the community. They had control over their own resources. Anyway, *Agua del Pueblo* was quite effective, but it was quite slow because it involved the participation of the people in decision-making. I think that is something that all development practitioners have come to realize.

I think I can really identify with the revolutionary aspect. And now as I see in the position that I have today, I have to reflect on certain issues that were discussed today. Some of the ideas that Michael mentioned are also vital. This idea of transferring lots of resources. A good deal of what AID has done for the last years was to bring a large amount of resources and provide grants to communities and NGOs to go in and do projects and there was the concept that donors would divide up the country. We would do one part, and the Canadian would do another, Australians do another—where the real objectives were the donor's objectives of preserving the watershed and the reefs. Inevitably, there would be a transfer of resources.

I think that what we have learned from AID overtime is that it is important to understand the importance of people participating, the importance of the local government. They are stakeholders. They are key players. They have a role to play. Also, they have to be accountable. Elected officials have to be made accountable.

A key aspect which is crucial in influencing change in developing communities is the media. I have seen some of the most vibrant media in the world here in the Philippines. It has a tremendous power. Both the media and the judiciary have to figure in this equation of implementing ecogovernance.

The media should shine a flashlight to what's happening. The media is so essential. I think we have seen just for the past two weeks

some wonderful articles, for example, the fish kill in Pangasinan. How the media presented the story about all the fish dying was very effective; it became evident that there were too many fish cages than the carrying capacity of Bolinao. Fish were dying from their own waste. The number of licenses and permits was way above the number that should have been allowed.

It took the press to shine a flashlight to this issue. The community and the local government officials were on top of the problem immediately. We were able to read how they were able to identify, diagnose, and made a resolution to the problem. I think the press follow-up was very crucial to that regard.

The Philippines also has one of the best policies in the world. However, it is the reinforcement of these policies that seems to be almost impossible at times.

Where am I going in this meandering discussion? I am trying to explain how we jumped to this totally new approach to the environment called ecogovernance; and why we are so enthusiastic about what the government is going to do with the DENR that is setting up this office for ecogovernance.

We feel that it is the boat that we wanted to jump on. This is the wave that is important that we as donors follow and support. We can't wait decades. It has to be taken on right now, with this generation.

These are difficult problems and I certainly hope that no one ends up in that cemetery as waste. It is no question that it is a sensitive area that you are all engaged in. I have so much admiration and respect for all of you. This is a challenge of immense proportions but the pay off will be absolutely incredible. What you will accomplish, the legacy you will leave behind for future generations will not be forgotten.

Let me congratulate everyone here for their participation and their contribution. I hope there will be more opportunities to have these sorts of dialogue. I am really looking forward to participating in all of them.

Thank you very much.

# EcoGovernance



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