

Forest Policies and Governance on an Uneven Playing Field: Barriers for a Successful CBFM in the Philippines*

Juan M. Pulhin¹, Rose Jane J. Peras², and Maricel A. Tapia²

Professor¹ and Assistant Professors², respectively, College of Forestry and Natural Resources, University of the Philippines Los Baños

Abstract

Forest policies and the institutions that implement them have historically been biased against rural communities. Even with the recent forest policy reforms that devolve “bundles of rights” to local communities through the various government-initiated community-forestry arrangements in many tropical countries including Asia, the rural poor remains marginalized in the implementation process. Moreover, they struggle to compete with the other more powerful stakeholders on an uneven playing field of ethnic and other social-economic inequities and institutional hurdles. Scholarship on common pool resources led by the Nobel laureate Elinor Ostrom provides a formula in terms of the “key design principles” (see for instance Ostrom 1990 and 1998) that offer solution to the problems and challenges associated with the governance of common pool resources such as community-managed forest areas. Building on these design principles, Inoue (2011) proposed a “prototype design guidelines” for collaborative governance of forests to include “graduated membership”, “commitment principle” and “fair benefit distribution”. This paper examines how the Philippines’ forest policies and its multi-tiered governance system employed on an uneven playing field continue to frustrate efforts to promote social justice and sustainable forest management despite recent tenure reform initiatives through the government’s adoption of community-based forest management (CBFM) as the national strategy for forest management. Using two CBFM sites as case studies, the paper argues that certain institutional and socio-political barriers operate at various forest governance levels that are likely to impede the successful employment of Inoue’s “prototype design guidelines” at the local level. Radical institutional and structural reforms are therefore required at the different forest governance levels as a vital strategy to level the playing field and provide an enabling environment and hence increase the chance for a more successful employment of the design guidelines on the ground.

Introduction

The claimed paradigm shift in the governance of natural resources has continued to disappoint the marginalized rural poor. The earlier optimism to have more far-reaching positive impacts associated with forest devolution policies has yet to be realized and at times produced paradoxical outcomes (Pulhin & Inoue, 2008; Pulhin 1996).

Historically, the Philippine forest policies followed a highly regulatory, centrally controlled and industry-based approach to forest management. The turn of events in the past three decades forced the central government to follow the forest devolution path being supported by international donors in many developing countries. The continuous onslaught of the forest resources and the resulting environmental degradation, glaring inequity in the access to and benefits from the utilization of the forest resources, and erosion of the state’s political

* This paper has been submitted as a chapter in the book entitled: *Multi-level forest governance in Asia-- Recognising diversity* edited by Makoto Inoue and Ganesh Shivakoti, to be released in 2013.

legitimacy to manage the nation's forest resources are among the key drivers in the adoption of the devolution approach (Pulhin and Inoue, 2008)

Other contributing factors include the increasing manifestation that common property regimes are oftentimes better than state institutions, limited resources available to the government to implement its institutional mandate, and changing priority of international funding institutions in favor of community-based approach to forest management..

In the past decade, there was high confidence in the achievement of social justice and sustainable forest management for the people-oriented programs and projects. The government invested a lot in this type of approach in the hope to address environmental degradation and upland poverty. But forest policies and its multi-tiered governance system continue to frustrate efforts at the local level. The success on the adoption of the community-based forest management (CBFM) strategy has not been realized despite close to three decades of continuous interventions at the policy, program and project levels. The diversity and multiplicity of problems confronting the CBFM implementation in the country continue to frustrate local communities.

This paper will illustrate how the multi-tier level of governance system in the country constraints the effective implementation of CBFM programs/projects at the grassroots level. Two (2) popular CBFM sites in the northern part of Luzon and in Mindanao were used as case study sites to shed light on the issue. The paper is presented in five (5) parts, general context of CBFM, multi-tiered governance system, case analysis, implications to the design principles, and conclusion.

Community-Based Forest Management: *Policy and Institutional Context*

The country's forest and natural resources have been in a continuous decline. Forest policies evolved to address the problem of deforestation but have not move an inch farther to realize its objectives. The country's governance system is fashioned using the devolution approach advocated in the past 20 years (1990's). Major policy reforms materialized in the past decade highlighting the most recent forms of state-initiated devolution in the forestry sector. At least four types of forest devolution in the Philippines relate to the present discussion. The first type is reflected in the different people-oriented forest management programs and projects embodied under the CBFM policy, a mechanism by which certain management rights and responsibilities were transferred from the Department of Environment and Natural Resources (DENR) to the local communities. A tenure instrument was granted through Community-Based Forest Management Agreement (CBFMA), allowing local communities to access and benefit from forest resources for 25 years in exchange of their responsibility for forest rehabilitation, protection and conservation. The second type follows that of the devolution codified in Republic Act 7160 or "The Local Government Code" of 1992, where certain environmental functions of the DENR were devolved to the local government units especially the Integrated Social Forestry Projects. The third type provided space for local communities to participate in the management of protected areas through the enactment of the Republic Act 7586 or the NIPAS Law (National Integrated Protected Areas System). While the last type is embodied in the 1997 Indigenous People's Rights Act (IPRA), that provides for the recognition, protection, and promotion of the rights of indigenous cultural communities / indigenous peoples (ICCs/IPs) to their ancestral lands through the issuance of Certificate of Ancestral Land Title (CADT). IPs are in turn entrusted with the responsibility to maintain, develop, protect and conserve these areas with the support and assistance from government agencies.

Figure 1 shows the general trend in forest devolution policies in the Philippines as far back as pre-colonial period (Sajise 1998). The pre-colonial time exhibited a highly localized

access and control of forest resources in the hand of “Datu” and other local leaders. During the colonization period, access and control of forest resources became State –controlled characterized by the consolidated power of the State thru the enactment of laws (Magno, 2003). The pattern of centrally controlled access and management of the country’s forest resources continued until recently. Hence, forest management in the country is strongly centrally determined, top-down and non-participatory.

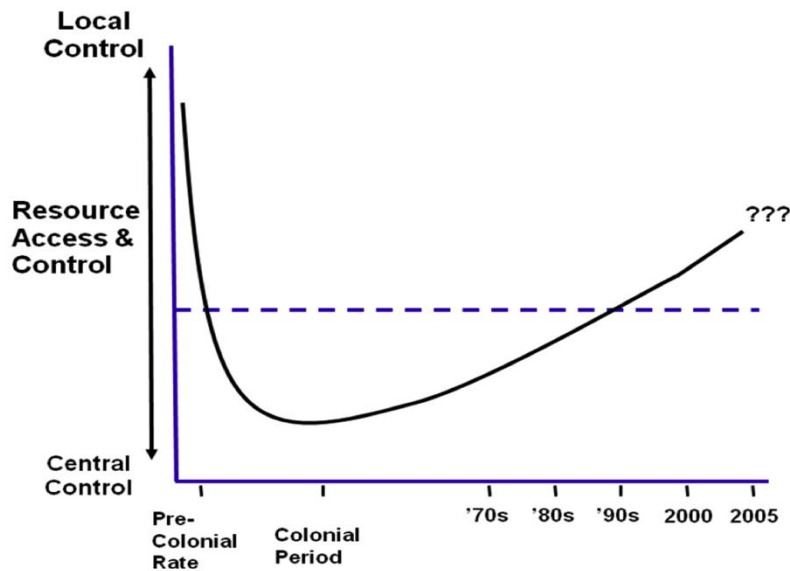
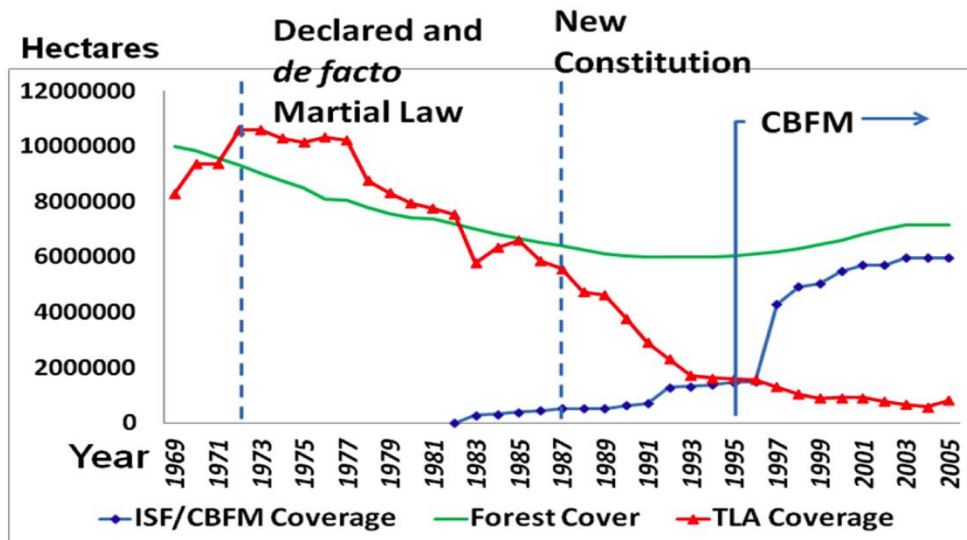


Figure 1. General Trend in Forest Devolution Policies in the Philippines (Sajise 1998)

Over the last five (5) decades the participation of local communities in forest management have gradually increased in terms of the forest area coverage under ISF/CBFM from 1982-1995 but increased abruptly after the adoption of the CBFM strategy in 1995. On the other hand, the Timber License Agreement (TLA) coverage area decreased from more than 10 million hectares in 1970s to less than 200,000 hectares in 2005. In the same manner, the country’s forest cover have been in gradual decline over the years (Figure 2). The challenge now remains with the devolution approach to forest management recognizing the important contribution of local communities as forest managers to forest development.



CBFM covers about 6M ha and involves 2,877 POs and claims to benefit 690,691 households

Figure 2 . Forest Cover, TLAs and CBFM Trends (Pulhin, Inoue and Enters, 2008)

To give a better view on the political and institutional context of CBFM implementation in the Philippines along with the evolution of forest policies, its historical development is presented below showcasing the different periods that highlight important features and characteristics of the period in terms of policy reforms in community forestry (adopted from Pulhin, Inoue and Enters, 2008).

Pioneering Period (1971–1985)

This period is marked by the glaring inequity of access to natural resources and the benefits derived from its utilization, skewed towards the more favored and influential holders of Timber License Agreement (TLA). The marginalized upland poor has been the center of criticism and considered as the main culprit of deforestation as they practice shifting cultivation. Forest policy formulation favored short-term economic benefits for the government and forest industry. The logging policy led to the rapid exploitation of timber from virgin forests that resulted to further conversion into unsustainable upland agriculture. The alarming rate of forest destruction coupled with exacerbated upland poverty surpassed initiatives to increase forest recovery rate, both natural and artificial means.

As a consequence, the government’s promotion of the punitive legal approach as a strategy to halt deforestation that fined, imprisoned and evicted shifting cultivators from forest areas, did not materialize due to non-recognition of the socio-economic dimension of the problem. This realization inspired the government to adopt people-oriented policies and programs primarily addressing people’s socio-economic needs and concerns.

Three “people-oriented forestry” programs were implemented between 1973 and 1979, namely, the Family Approach to Reforestation (FAR) Program, the Forest Occupancy Management (FOM) Program, and the Communal Tree Farming (CTF) Program. The Kalahan Educational Foundation, Inc., an organization of indigenous people in Sta. Fe, Nueva Vizcaya, through the Ikalahan Tribe, leads the way in securing from the government a 25-year agreement that provide the tribe exclusive right to use and manage their ancestral lands. The Integrated Social Forestry Program (ISFP) was established in 1982 consolidating FAR, FOM, and CTF programs, while recognizing the vested interests of the forest occupants through the provision of a 25-year tenure security

The policies and programs developed during the pioneering period opened limited space to accommodate forest occupancy and the involvement of the upland communities in the forest rehabilitation activities. Local communities involvement served as source of cheap paid labor. Rebugio and Chiong-Javier (1995) considered this period's departure from purely punitive nature of forest governance to a more accommodating for forest occupants emphasizing their important role to forest management to be "pioneering". It also exhibited the experimentation stage where the individual farmer, the family, and the community are the focus of various alternative approaches. At this time, the integration of all socially oriented approaches to forest management is very vital.

Experimentation and Infusion of Massive External Support (1986–1994)

President Corazon Aquino's administration introduced radical reforms in the forestry sector. DENR's re-organization in 1992 removed corrupt officials, changed perspectives on forestry, and significantly reduced number of timber licenses. These changes were necessary to make DENR attractive to the donor community. Likewise, the presence of the civil society that calls for resource access, democratization of resources, and people's participation in natural resource management offered great potential for policy and institutional reforms that led to a pouring of external funding for forestry projects in the country.

Five big forestry-related loans were implemented between 1988 and 1992 amounting to USD 73 million (Korten 1994). There was also an enormous undetermined amount of external assistance in the form of grants and technical support from the Ford Foundation, the United States Agency for International Development (USAID), German and Swedish governments, and other agencies.

External assistance was directed at 'people-oriented' forestry program as the government advances social justice and equity in the natural resources sector and the need to maintain DENR's political legitimacy in forest governance (Pulhin 2004). Between 1988-1993 a total of nine (9) forestry-oriented programs were initiated through external support emphasizing the core concerns of sustainable development, i.e., advancement of social equity, poverty alleviation and environmental sustainability (Pulhin 1996). The entry of the new players in the forestry sector such as non-government organizations (NGOs), people's organizations (POs), local government units (LGUs) academe and research agencies, is inspired by the application of different types of land tenure instruments, experimentation with different project components and strategies, and the various institutional and collaborative arrangements. The 1990 Philippine Master Plan for Forestry Development placed 1.5 million hectares of residual forests and 5.9 million hectares of "open-access" area under community forest management for ten (10) years (DENR 1990), while about 24% (682,000 hectares) of the total forests are allocated for commercial timber harvesting.

Institutionalization and expansion (1995 to present)

President Fidel Ramos' issuance of Executive Order 263[†] institutionalizes the adoption of community-based forest management as the government's strategy to attain sustainable forest management in the country. It provided for the long-term tenurial rights of local communities to forestland with the condition of employing environment-friendly, ecologically-sustainable and labor-intensive harvesting methods. The Indigenous Peoples (IPs)/Indigenous Cultural Communities (ICCs) are also encouraged to participate in recognition of their ancestral domains' rights and land rights and claims. Meanwhile, former

[†] Known as the "Adopting Community-Based Forest Management as the National Strategy to Ensure the Sustainable Development of the Country's Forestlands Resources and Providing Mechanisms for Its Implementation"

DENR Secretary Victor Ramos issued DENR Administrative Order No. 96-29 in 1996 that governs the rules and regulations in the implementation of Executive Order 263 and Memorandum Circular No. 97-13 in 1997 that adopted the DENR Strategic Action Plan for CBFM. The plan envisioned placing “open access” areas, vacated by TLAs, under proper management where 9 million hectares of forestlands will be under community management by year 2008.

The passage of Republic Act 8371 or Indigenous People’s Rights Act (otherwise known as the IPRA Law) recognized the vested rights of the IPs/ICCs over their ancestral lands, thus entitled them the issuance of their Certificate of Ancestral Domain Title (CADT). However, IPs/ICCs have the final decision if they choose to retain the CBFM Agreements and Certificate of Ancestral Domain Claim (CADC) issued to them prior to the passage of IPRA Law over CADT.

There was a massive increase in CBFM areas after the DENR Strategic Action Plan promotion in 1997. CBFM coverage area increased from less than 1 million hectares to around 5.97 million hectares. Around 4.904 million hectares are under various forms of land tenure arrangements, i.e. CADC (2.5 million has.), CBFMA (1.57 million has.), CSC-Certificate of Stewardship Contract (0.631 million hectares), and CFSA – Community Forest Management Agreement (0.196 million ha) (FMB 2006). Holders of these land tenure arrangements have the right to occupy, cultivate, develop their areas and utilize the existing forest resources subject to government rules and regulations.

Pulhin (1998) viewed CBFM as a radical and progressive structural policy reform in the forestry sector replacing the century-old TLA approach of forest utilization where benefits were skewed in favor of the elite minority. CBFM is an attempt to democratize access to and benefits from forest management by transferring certain management rights and responsibilities to forest communities. Timber concessions decreased from 10 million hectares in 1973 under the control of 422 TLA holders to 253,000 hectares with only 4 license holders remaining. As of 2009, CBFM coverage area grew to around 1,633,891 hectares of forestlands awarded to 1,790 CBFMAs, benefitting over 320,000 households (DENR 2009 Forestry Statistics). Overall, the CBFM program covers some 6 million hectares of forestland including tenured areas under CBFM and the different ‘people-oriented’ forestry projects including those awarded to the IPs. In addition, sixteen (16) protected areas have been awarded with Protected Area Community-Based Resource Management Agreement (PACBRMA) covering 21,905.79 hectares involving 3,887 families and 10,897 individuals.

The presence of foreign-assisted funded projects and donor funds encouraged CBFM expansion. Its success was short-lived for it infused a belief for many people that a CBFM Program was something like a project, ending after a few years. This mentality has negative implications where project completion and the pullout of NGOs led to the discontinuation of many activities and initiatives in the CBFM areas.

President Gloria Arroyo’s issuance of Executive Order No. 318 in 2004 known as “Promoting Sustainable Forest Management in the Philippines” reiterated the government’s confidence in CBFM towards sustainable forest management. Furthermore, DENR Secretary Elisea Gozun issued DENR Administrative Order No. 29 in the same year that revises the 1996 implementing rules and regulations for the adoption of the CBFM Strategy providing more flexibility to participating communities by reducing some bureaucratic requirements.

The blooming development of CBFM strategy and program was tremendously affected by the decline in the number of foreign-assisted projects particularly affecting the participation of the NGOs. On the other hand, only a limited number of LGUs have just started playing active role in CBFM implementation since the enactment of Local Government Code and the

strengthening and institutionalization of the DENR-DILG-LGU partnership for devolved and other forest management functions. This is attributed to the LGU marginalization during the early years of CBFM that led to their inability to provide support to community organizations especially when funds from international donors dried up. LGUs limited capabilities and ineffectiveness in providing support for extension, capacity building and social infrastructure hinder the promotion of successful CBFM implementation on the ground.

In 2009, the passage of the Climate Change Act gave way for mainstreaming climate change adaptation that specifically calls for the harmonization of development programs and projects towards climate change adaptation and mitigation. The LGUs act as the frontline agencies in the formulation, planning and implementation of climate change action plans in their respective areas, consistent with the provisions of the Local Government Code, the Climate Change Framework, and the National Climate Change Action Plan. The local communities through its respective barangays should be directly involved in prioritizing climate change issues and in the identification and implementation of best practices and other solutions to be able to adapt to and mitigate the future impacts of climate change.

In 2011, President Benigno Aquino III signed Executive Order 23 “banning logging in natural and residual forests” and strictly prohibiting harvesting activities in these areas. This also gave way for the creation of the Anti-Illegal Logging Task Force. President Aquino’s administration hopes to plant 1.5 million hectares of degraded lands with 1.5 billion trees in a span of 6 years. This was institutionalized through the issuance of Executive Order 26 or the “National Greening Program” (NGP) also in the same year. The program’s unique feature is the call for all government agencies to unite and harmonize their environment-related initiatives into the NGP. The program focuses its initiative in all CBFM areas in the country in lieu of sustainable development and the pursuit to re-green all barren and open access lands.

The historical overview of the policy and institutional context of CBM implementation highlighted the recognition and acceptance of local people as forest managers and that it was shaped by the convergence of actors with diverse interests at various levels of governance system.

The challenge over CBFM implementation in the Philippines remains despite forest tenure reform efforts in the past decades. Success remains patchy and miniscule compared to the magnitude of the problems in the forestlands. After three decades of initiatives, every step forward can easily be followed by one or more steps in the opposite direction, further threatening the achievements and more meaningful successes of community forestry in the country.

At present, CBFM’s successful implementation is hindered still by an uneven playing field on the ground, where various factors constrained the successful achievement of CBFM goals and objectives. Even with the organized, viable people’s organization codifying the “design principles” advocated by Ostrom (1990 and 1998) and Inoue (2011), the success of CBFM on the ground remained unclear due to the multi-level or tiered governance system.

CBFM’s Multi-tiered Governance System

The hierarchical structure of a bureaucratic organization still dominates the country – from the national, to the regional, provincial and municipality/ community level. The CBFM areas follow the multi-level or multi-tiered governance system. The case of International Tropical Timber Organization (ITTO)-CBFM Project site in Vista Hills, Bayombong, Nueva Vizcaya and the Ngan Panansalan Pagsabangan Forest Resources Development Cooperative

(NPPFRDC) are used as case studies to shed light into the use of the design principles suggested by Ostrom (1990 and 1998) and Inoue (2011).

Table 1 emphasizes the multi-tiered governance system in CBFM implementation. The different key players in CBFM implementation are identified and categorized from the national, regional, provincial and local levels with varying degree of influence as they perform their major roles and responsibilities as mandated by law.

Table 1. Key Players and their Roles in the Community-Based Forest Management Process.

Key Players	Major Role in the CBFM process
NATIONAL	
The Philippine Congress (Senate and House of Representatives)	Passage of three important pieces of legislations that provide the legal foundation for the adoption of community-based forest management in the country: 1) the 1992 National Integrated Protected Area System Act of 1992 (Republic Act No. 7585); 2) Indigenous People's Right Act of 1997 (Republic Act No. 8371). Despite the presence of strong policy framework, Congress still needs to enact a single comprehensive piece of legislation that embodies community rights, tenure and participation in forest governance.
The President of the Philippines	Of the four presidents that have governed the country since the EDSA I revolution, President Fidel V. Ramos' Administration appeared the most supportive of community-based initiative. He issued the landmark policy, Executive Order No. 263, adopting CBFM as the national strategy to achieve sustainable forestry and social justice. EO 23 remains the basis for the current administration in formulating forestry rules, regulations and programs concerning the devolution of forest management to local communities. On the other hand, the issuance of Executive Order 318 by President Gloria Macapagal-Arroyo in 2004 promoted sustainable forest management in the Philippines and advanced community-based forest conservation and development as one of the six (6) principles to attain sustainability of forest resources. While in February 1, 2011, President Benigno S. Aquino III issued EO 23 declaring a moratorium on the cutting and harvesting of timber in the natural and residual forests and creating the anti-illegal logging task force. The order mandated DA-DAR-DENR Convergence Initiative to develop a National Greening Program. At the end of the same month, President Aquino issued EO 26 implementing the National Greening Program of the government. It calls for the planting of some 1.5 billion trees covering about 1.5 million hectares for a period of 6 years (2011-2016). CBFM areas are the target of its implementation, where planting will be conducted with the arrangement that CBFM people's organizations will maintain and nurture the trees planted under the program.
Funding institutions	Includes multilateral and bilateral funding institutions that act as global drivers of forest policy in the Philippines (Malayang 2001). Their instrument of influence includes the provision of funds and budgetary and technical support. The Ford Foundation Inc., USAID, Asian Development Bank, and the World Bank appear to have greater influence in shaping the country's policy direction towards local forest management and control. The 15 years of experience from the Upland Development Program funded by the Ford Foundation Inc. contributed significantly to the refinements of the earlier policy on social forestry, a major forerunner of the present CBFM Program. On the other hand, the Natural Resources Management Program implemented through a financial grant from USAID was instrumental for the crafting and approval of EO 263 as well as its implementing rules and regulations. Similarly, experiences from forestry projects funded by the WB and ADB contributed to development of policies that provide upland communities land tenure security and access to forest resources as well as the participation of civil society in forest management. More recently, USAID, through the Philippine Environmental Governance (EcoGov) Project, was very instrumental in strengthening and institutionalizing the DENR-DILG-LGU partnership through policy support and on the ground implementation of forest devolution initiatives.
Department of	Promulgates appropriate rules and regulations that translate the generalities of law into

Environment and Natural Resources	concrete terms. DENR Secretary is responsible for the issuance of various Administrative Orders and Memorandum Circulars that guide the implementation of forest laws or decrees issued by the Philippine President. At the implementation level, outcomes of community-based forest management is largely influenced by the dedication, competence, and ability to mobilize local support and resources by the DENR field offices and staff at the regional, provincial and municipal levels.
Academic and other research institutions	Their main contribution lies in the promotion of science-based forest policy formulation; provision of technical assistance and support to CBFM and related projects; project monitoring and evaluation; serving as critique of government forestry policies, programs and projects; and production of a new breed of "people-oriented foresters" responsive to the needs of local communities.
NGOs	The NGOs are involved in advocacy work and providing technical support.
REGIONAL	
<i>a. DENR- Regional Office</i>	The DENR-Regional Office facilitates the processing of papers related to CBFM implementation. The Regional Executive Director (RED), assisted by the Regional Technical Director (RTD) for Forestry and RTD for Environmental Management and Protected Areas System (EMPAS), is responsible for the effective implementation of CBFMP in the region. The CBFM Division was created under the Forest Management Services and is directly supervised by the RTD for Forestry. This unit acts as the regional repository of all data and information on CBFMP. The RED shall submit periodic reports to the Secretary, through the Undersecretary for Field Operations, on program implementation, including monitoring and evaluation.
<i>b. DENR - Environmental Management Bureau – Regional Office</i>	The Regional Director (RD) efficiently and effectively implements policies, programs, and projects for environmental management and pollution control. The RD approves the Environmental Compliance Certificate required for the issuance of the Resource Use Permit (RUP) of the CBFM POs. The same is coursed through the RTD for Forestry of the DENR Regional Offices for the issuance of the RUP before any harvesting activity is to be done.
PROVINCIAL	
<i>a. Provincial Environment and Natural Resources Office - DENR</i>	The PENRO is responsible for the effective implementation of CBFMP in the province, including the submission of periodic reports and the maintenance of a database for all CBFMP projects in the province.
<i>b. Provincial Environmental Management Office</i>	The PEMO facilitates the processing of papers required in the approval of ECC and directly recommend to the Regional Director of EMB for approval.
LOCAL	
<i>a. Community Environment and Natural Resources Office (CENRO)- DENR</i>	The CENRO is directly responsible for implementing the CBFMP within its jurisdiction, in coordination with concerned LGUs, other government agencies and non-government organizations/private entities. The CENRO submit periodic reports of CBFMP implementation to the PENRO for evaluation. Under the CENRO are five technical divisions: Land Management Services, Forest Management Services, Environmental Management Services, the Protected Areas Services, and the Administrative and Support Services. Once the POs completed the necessary paper requirements for the Community Resource Management Framework (CRMF), Annual Work Plan (AWP) and RUP, processing of papers start from this office. The Project Management Officer stationed in CENRO work closely with the CBFM POs especially in the preparation of the requirements for CBFM.
<i>b. Local Government Units</i>	The Local Government Code empowers LGUs to enforce forestry laws and engage in the implementation of CBFM and related projects in partnership with the DENR and the local communities. The Department of Interior and Local Government issued three circulars in the period of 1995 to 1996, enjoining all LGUs to help strengthen the CBFM program of the government. Some LGUs in Luzon and Mindanao have passed provincial/municipal resolutions appropriating funds to finance CBFM projects in their localities. Some of the

	successful initiatives on CBFM that have been backed up by LGU legislation include those established by the provincial governments of Nueva Vizcaya in Northern Luzon and Bukidnon in Mindanao.
c. <i>The Civil society</i>	Civil society constitutes the local communities themselves and the NGOs and POs that operate at the national and local levels as well as international NGOs and media. Their influence in CBFM ranges from the provision of funds, time and human resources; policy advocacy; provision of legal assistance especially to Indigenous Peoples; implementation, monitoring and evaluation of CBFM and related DENR projects; community level actions and demands. The Local Government Code allowed for the representation of civil society in the governmental and multi-sectoral policy making bodies such as in the municipal, provincial and regional development councils as well as in the Protected Area Management Board in the case of the NIPAS areas. The advocacy work of the civil society in forestry has been instrumental in the issuance of EO 263 and its implementing rules and regulations, the NIPAS Act of 1992 and the IPRA of 1997. More recently, national NGOs, POs and the academe have entered into partnership with DENR to craft the new CBFM Strategic Action Plan to guide the nationwide implementation of the CBFM Program in the next 10 years or so.
d. <i>Private sector</i>	During the initial conception of community forestry in the early 1980s, there was considerable resistance from the wood industry to allow local communities to utilize timber on a commercial scale. However, having affirmed by the government of its support to CBFM including that of the other sectors, members of the private sector have increasingly accommodated the CBFM approach as the country's strategy for sustainable forest management. For instance, the private and other sectors continue to lobby for the passage of the proposed bill on sustainable forestry which singled out CBFM as the "principal strategy" to achieve sustainable forest management.

Source: Adopted from Pulhin 2002.

The Case Studies

Case 1: Federation of Vista Hills, Kalongkong, Kakilingan Upland Farmers Inc. (FVHKKUFI)

The CBFM project was launched in 1995 in Barangay Buenavista, Bayombong, Nueva Vizcaya and is managed by the Federation of Vista Hills, Kalongkong, Kakilingan Upland Farmers Inc. (Figure 3). It covers an area of 3,000 hectares with a total population of 2,764 and 595 households in 2008. The project site earned a lot of distinction by being acclaimed as a 'Model Sustainable Development Project' - Upland Category in Region 2 given by the Regional Development Council in 2003 and 2004. It was also promoted as a 'Model Reforestation Site' under the Clean Development Mechanism. ITTO sponsored the CBFM project in the area together with the DENR. The project's Phase I (1995-1997) concentrated on the establishment of 177 hectares of tree plantation. The successes the first phase of implementation earned led IITO to sustain the effort through Phase II (1998-2001) while expanding the tree plantation. The federation, comprised of the three associations from Barangay Vista Hills, Kalongkong and Kikilingan, is responsible for the overall management of the CBFM.

Project interventions implemented in the area include community organizing, capacity building and training, information, education and communication (IEC), land tenure and resources access security, enterprise development, tree plantation establishment, agroforestry, and protection and conservation of dipterocarp forests. Among the outputs were: establishment of 100 hectares new plantations; protected and managed 100 hectares of regenerating natural forests; protection and conservation 1,500 hectares of mature and secondary forest; management of 1,300 hectares of grasslands and brushlands; security of tenure and access rights over the 3,000 hectares project area; strengthening People's

Organizations (POs) and uniting them into a federation; community organizing and training conducted; and development of a small-scale community enterprise.

The Community Resource Management Framework (CRMF) of the federation was affirmed in 1998. The CRMF is a strategic plan of the federation on how to manage and benefit from the forest resources on a sustainable basis. This plan describes federation's long-term vision, aspirations, commitments and strategies for the protection, rehabilitation, development and utilization of forest resources. The CBFM Project Management Officer (PMO) based in CENRO assisted the federation in the preparation of the CRMF, which took one month to complete. The federation followed the participatory approach in coming up with the CRMF, with three teams comprising of three members each assigned per association.

The federation formulated their first resource use plan (RUP) only after 12 years (2010). RUP is a management and utilization plan for each resource that the organization intended to utilize, e.g., timber, rattan, resins, covering a specific area of the CBFMA, and the time period covered by the plan. A resource inventory, which served as the basis for the RUP, was conducted and completed in three months (May to August 2010) by the federation together with the DENR. The inventory was performed with assistance from CBFM PMO, the CBFM Coordinator, the Scaler at CENR Office, forest ranger, the president of the federation, and the presidents of the 3 associations. All planted *Gmelina* trees with diameter-at-breast height (DBH) of 30 cm and above in both the Certificate of Stewardship Contract (CSC) and communal area in the three *sitios* (small villages) where the three associations came from were included in the plan to harvest. The federation approved a Board Resolution requesting the DENR for the immediate approval of their RUP. Specifically stated in the resolution was the harvesting of 7,007 matured *Gmelina* trees with approximate volume of 3,597.66 cu m based on the activities set forth in the Five-Year Work Plan and AWP for 2010-2011.



Figure 3. Location site of ITTO-CBFM

The total volume was planned to be harvested in seven years with a target annual allowable cut (AAC) of 500 cu m per year. Estimated cost and income based on 500 cu m of RUP issued was P1.696 million for 212,000 bdft, with anticipated net income of P 318,000 (Table 2).

Table 2. Estimated cost and income based on the 500 cum of harvest.

Activity	Cost/board foot (PhP)	Total Cost (PhP)	No. of people
Harvesting	00.50	106,000.00	9 people
Transporting using draft animals	3.00	636,000.00	15 people
Sizing	3.00	636,000.00	3 people
Grand total cost		1, 378,000.00	

Total volume = 500 cu m X 424 board feet / 1 cu m = 212,000.00 bd ft)

Income PhP : 212,000 board feet x P8.00 = 1, 696, 000.00 - 1, 378,000.00

*Anticipated Net income - **PhP 318,000.00***

The standard mode of sharing the benefits derived from the forest activity is 3:1, i.e., 75% goes to the organization while 25% goes directly to the government through the DENR. The government's share from the anticipated net income is around P 79,500.00, while the remaining 75% was divided among different sharers as presented in Table 3.

Table 3. Mode of sharing the income derived from harvesting

Sharers	% share (remaining 75%)	Net income (PhP)	Remarks
Federation share	25%	59,625.00	<i>The net income amounting PhP. 107,325 divided by 12 members = PhP 8,943.75</i>
Association share	25%	59,625.00	
Owner	45%	107,325.00	
Barangay share	5%	11,925.00	
Total	100%	238,500.00	

Mode of Sharing: Government - 25 % of PhP 318,000.00 = PhP 79,500.00

Note: the remaining 75% will be distributed to following: PhP 238,500.00

The RUP served as the permit of the federation to utilize the timber resources. However, the federation's application for RUP took a total of eight months before its approval. The processes undertaken by the federation for RUP application is illustrated in Figure 4.

As per DENR Administrative Order 29 Series of 2000, the duration for the issuance of RUP should be within sixty (60) calendar days from the issuance of the AWP. But it took eight months for the federation of Vista Hills, Kalongkong and Kakilingan to have their RUP approved. The field offices of the DENR, i.e, the regional, provincial and community, have already done their share to fast track the process of RUP application and approval. The problem lies with the Environment and Management Bureau (EMB), a line bureau of the DENR responsible for the issuance of the Environmental Compliance Certificate (ECC), a requirement stipulated by law under the Environmental Impact System (EIS). Based on the sequence of processing the papers, it seemed that the application for approval slept for six (6) months on the table of the Regional Director of EMB for reasons unknown. The long-awaited approval of the RUP was made possible using "political patronage". Apparently the federation has connection with a high official from the DENR, and with the help of this influential person, the RUP was finally approved in March 2011 and received by the Federation in April 2011. Hence, only thereafter did the timber harvesting commence.

The total volume of 3,597.66 cu m allowed to be cut by the federation is planned to be harvested in seven years with a target AAC of 500 cubic meters. After four months of harvesting operation, the federation has only processed around 20 cu m of round logs. This is considered to be very low vis-à-vis their target volume of 500 cu m in a year. The officers of the federation attributed this problem to slow sizing[‡]. The circular saw being used does not suffice the needed volume of sized logs in a day. Accordingly, it also incurred a lot of wastage. As an alternative option, the federation wishes to install band saw in the area, but they were constrained legally as installation of such equipment is prohibited by law in the CBFM areas. The federation is way far behind their target volume because a week's felled cut took them at least 5 months to resize.

One of the sources of sustainable livelihood of the local people in a CBFM area is the timber harvesting operation, which is envisioned to uplift the living condition of the people by employing labor intensive harvesting methods. This is true with the assumptions made by Dugan and Pulhin (n.d.), where huge estimates of asset will be realized with two-person teams. However, the experience by the federation with their harvesting did not coincide with the assumptions. They lagged behind their supposed target of 500 cu m.

[‡] Refers to cutting the logs into desired sizes.

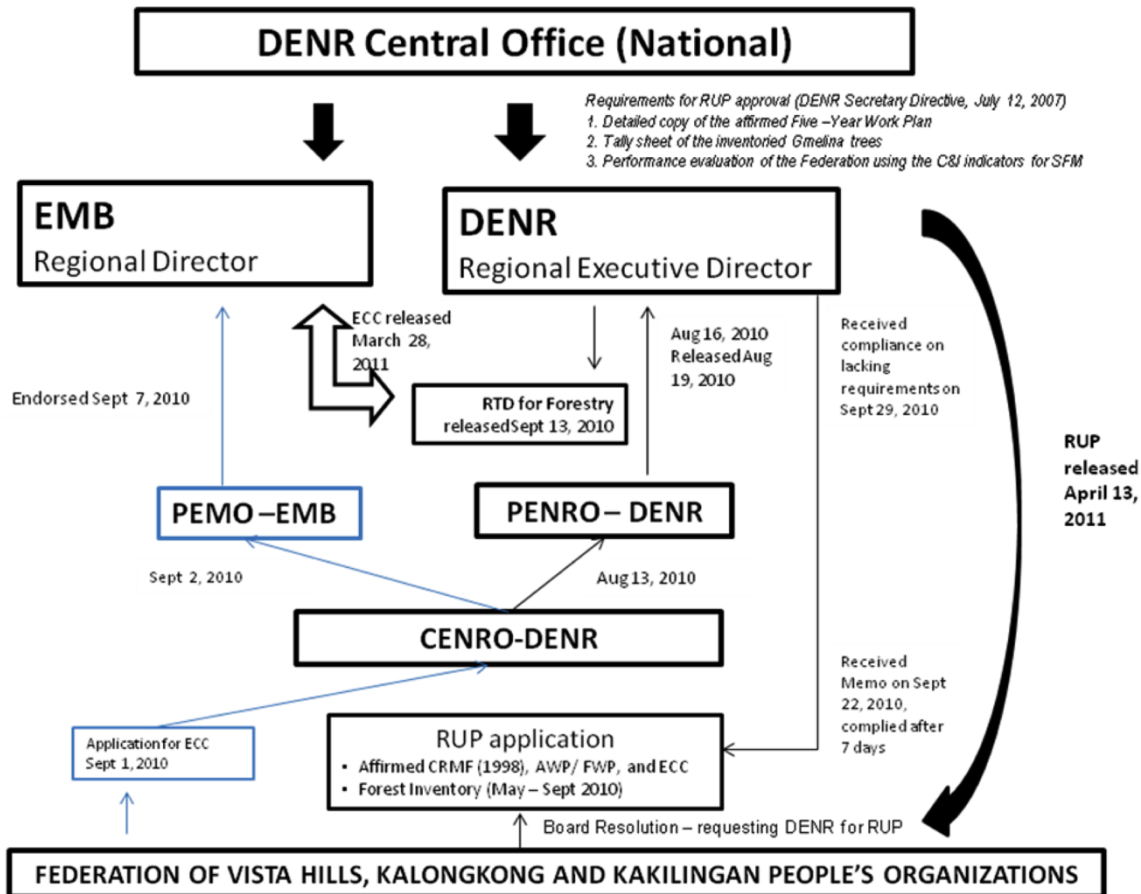


Figure 4. The process undertaken by the Federation in the approval of their Resource Use Permit.

The estimates of huge assets[§] made by Dugan and Pulhin (n.d.) in CBFM areas could have been true if the assumptions made earlier were still true in the CBFM areas today. Considering the present labor force of the federation in their harvesting operation, even with three teams (2-person/team) the final output will only be 270^{**} cu m in a year. To be able to meet the desired AAC, there should be a total of 11 persons^{††} doing the sizing alone. The federation lacks the skilled labor force who can do log sizing. Most of the members of federation were unable to help in the harvesting operation as they also have regular employment outside the CFBM areas/premises. The harvesting operation also requires skilled workers to do the job due to the intricateness of the work associated with it which cannot be learned overnight.

CASE 2 : Ngan Panansalan Pagsabangan Forest Resources Development Cooperative (NPPFRDC)

§ The “two-person teams using manual flitching saws can produce an average 0.25 cubic meters per day (Bagong Pagasa Foundation 2006), or a potential daily income of US\$ 7.50 per person day (0.25 cubic meters x US\$ 60 ÷ 2 persons = US\$ 7.50 per person day)”
 ** Three (3) teams X 0.25cum/team X 30 days/month = 22.5 cum X 12 months/yr = 270 cum – 500 cum = -230cum (will be needing another 10 months to finish the 500 cum AAC/yr, which makes it 22 months)
 †† Desired: 5.5 teams X 0.25cum X 30 days = 41.666cum X 12months = 500cum (this means that 11 people will be doing the sizing stage to be able to finish the target AAC)

The cooperative named Ngan Panansalan Pagsabangan Forest Resources Development Cooperative (NPPFRDC) is a CBFM site in Mindanao, spanning an area of 14,800 hectares (Figure 1). It was a former logging concession of the Valderama Logging Company (VALMA). The 11th CBFMA was awarded to the cooperative in 1996, with support from USAID. It provided tenure security to 324 members (including both migrants and indigenous people). It was also among the first community forestry in Asia that was granted a SmartWood certification. The PO members have a long experience on how to operate a community-based timber enterprise and the CBFM-PO is also regarded as one of the advanced in timber harvesting operations in the Philippines (Pulhin et al, 2012).

A major benefit of the CBFM among the organization members is the employment it generated through the logging operation. This significantly resulted in improved living conditions of the members. However, the positive impacts were not sustained as the logging operations were adversely affected and sometimes halted by series of national RUP suspensions and delay in the issuance of RUPs. Nevertheless, despite the suspensions and irregularities in the RUP issuance, forest charges remitted to government coffers from timber harvesting amounted to PhP 8M (1997-2007). In addition, the forest also benefitted as profits from timber harvesting were used to support forest development and protection and livelihood activities; maintain forest guards and check-points even during RUP suspension; and forest cover increased by 1,672 ha in 12 years (average of around 139 ha/year).

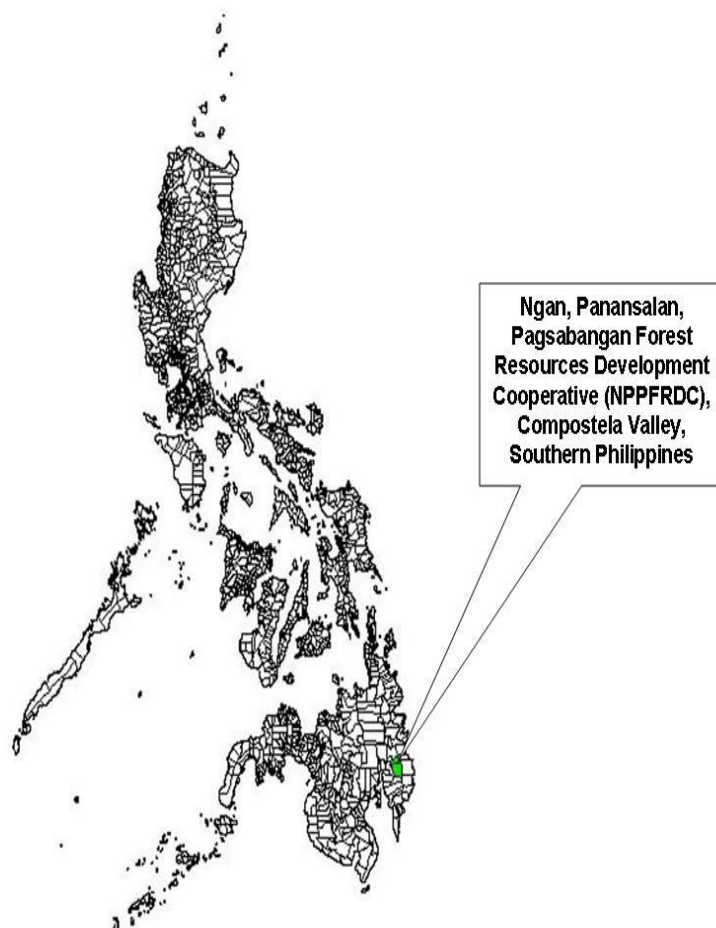


Figure 5. Location site of NPPFRDC (Pulhin et al, 2012)

While CBFM achieved forest protection, forest development and rehabilitation at the grassroots level, local initiatives are in most cases hampered by the greater institutional and political system that governs the program's implementation. The RUP suspension and logging bans continuously beset timber harvesting in CBFM areas.

Figure 6 highlighted the impact of policy issuances on the NPPFRDC timber harvesting operation. All policy issuances on timber harvesting had negative impact on the income of the PO. The most dramatic impact was during the second national RUP suspension in 2002, where the net profit of the PO plunged to -P2,042,820.00. This kind of policy environment does not favor a more successful CBFM implementation in the Philippines.

Implications to the Design Principles

Governing the natural resources is not an easy task. Ways have to be devised to follow the path of sustainable development. Local level governance system, such as those exemplified by cases of ITTO-CBFM and NPPFRDC, clearly manifested that the design principles advocated by Ostrom (1990 and 2005) and Inoue (2011) are working. However, the playing field in the Philippines where these operate does not suit such application.

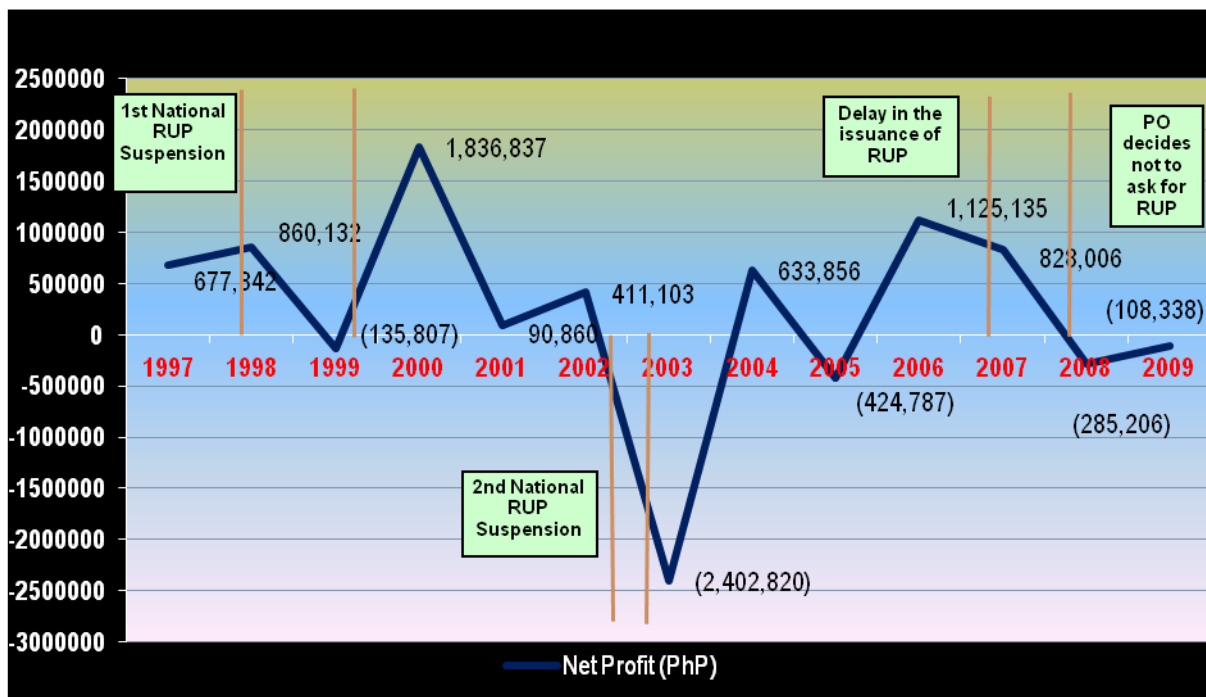


Figure 6. NPPFRDC Net Profit from Logging and National Resource Use Permit Suspension (Pulhin et al, 2012)

Ostrom's design principles include: 1) well defined boundaries which the federation has; 2) proportional equivalence between benefits and costs that the community shares; 3) collective-choice arrangements; 4) monitoring; 5) graduated sanctions in cases when there are violations, sanctions have been defined and implemented; 6) conflict resolution mechanisms; 7) minimal recognition of rights to organize; and 8) nested enterprises. Inoue (2011) asserted the addition of three principles to the list for a more robust management of common resources. These principles are: "graduated membership" in which some of the local people act as 'core members' who have the strongest authority co-operating with other

graduated members who have relatively weaker authority, “commitment principle” which recognises the authority to make decisions in a capacity that corresponds to their degree of commitment to forest use and management, and “fair benefit distribution” in which benefit distribution is not necessarily equal, but is fair in accordance with cost bearing. These are the most critical factors in the success of collaborative forest governance.

The above principles are designed for an organized local community to realize a governance system that will work best given the different parameters of success. These principles are exemplified by the above cases presented as both POs have well-defined boundaries and roles and responsibilities for the members. There is an equitable benefit-cost sharing agreement entitled to the members. The collective-choice arrangements normally happened during the conduct of General Assembly at least once a year to be able to decide on pressing matters/problems confronting the POs, where all members are required to attend. A monitoring system is also set up which is overseen by the Project Management Officer (PMO) as well as the officials of the POs to be able to determine the appropriateness of action of its members towards the goal of sustainable forest management. Once violation is made, sanctions are accorded to individual(s) or group of individuals committing the violation. Conflicts, whenever they arise, are resolved within the confines of the POs, but also seek higher authorities for appropriate action and resolution of the problem that goes beyond the control of the PO. The POs also devised their own extensive rules to define their use of the resources that can be found within the CBFM area through CRMP and AWP. They also followed a nested enterprise that falls within the concerns of the higher authorities such as the DENR and LGUs. The individual associations of the federation also conform to the rules that govern the management of the whole CBFM through its federation.

Table 4 assesses the current potential for successfully applying the design guidelines proposed by Inoue et al. (2011). Both POs (ITTO-CBFM and NPPFRDC) have a high rating for “graduated membership”, where the dynamic PO leaders serve as “core members” of the organization that make everything to the best of their capability possible. The commitment principle is considered low for both POs as decision-making power still rests outside the community. This includes the greater socio-political and institutional system that operates beyond the bounds of the community, and where the community has no direct power such as the multi-tiered governance system from the national, regional, provincial and local levels. In terms of the fair benefit distribution (within the community), ITTO-CBFM has high rating as it is guided by an equitable sharing arrangements. NPPFRDC, however, receives low rating since the issue of fairness in the case of Indigenous Peoples may be primarily vested on their rights over the CBFM area and its resources instead of simply and issue of cost. It should also be mentioned that for NPPFRDC, the flow of benefits to the local community from timber harvesting is affected more by government policies and higher governance structure like the cancellation of RUP and overly bureaucratic procedures more than the issue of local arrangements among community members..

Table 4. Current potential for successfully applying the design guidelines

Design Guidelines	ITTO-CBFM	NPPFRDC	Remarks
Graduated membership	High	High	PO Leaders, in principle, currently serve as “core members”
Commitment Principle	Low	Low	Decision-making power rests outside the community
Fair benefit distribution (within the community)	High	Low	Issue of fairness in the case of IPs in NPPFRDC maybe vested on rights instead of cost*

* But flow of benefits to community affected by government policies and higher governance structure

What is obvious, however, in the cases presented above is that serious problems confronted are beyond the bounds of the federation or organization. The uneven playing field of the multi-tiered governance system, especially the external socio-political and institutional factors, has tremendous impact on the successful realization of the CBFM objectives.

Unlike any other CBFM PO, the case study federation of ITTO-CBFM exemplified a model organization by being the most sought CBFM site for most of the pioneering works and projects in CBFM areas. It has gained quite a number of linking capability and assistance. The enormous amount of technical assistance coming not only from the DENR but also from the various funding agencies and NGOs makes the federation capable and empowered to handle problems of their organization. However, the multi-tiered governance system of CBFM as exhibited in Table 1 makes it difficult for most CBFM POs to realize the fruits of their labour.

Under the revised rules and regulations governing the implementation of CBFM, processing of papers on the activities of the CBFM POs, most especially timber harvesting, has been fast tracked, requiring the government agencies concerned at least 60 calendar days to approve/ confirm its application. The DENR through its field offices has already learned their lesson from the bureaucratic complexities of the process. This was a result of the clamor arising from the consultation made with local implementers for second decade implementation of CBFM to make it more people-friendly and less bureaucratic. However, not all DENR offices have done their share. In the case of the ITTO-CBFM's application for RUP, where an ECC is required to be issued by the Regional Director of EMB, the application was not acted for eight months. This has already hampered the federation's activities as outlined in their AWP for the year 2010-2011. As mentioned in the previous section, the federation used its connection with a higher authority to facilitate the ECC issuance. The presence of bureaucracy at different levels of the governance system in the country, in most cases, rendered the implementation of the CBFM program inefficient.

In the case of the NPPFRDC, the cost associated with the timber harvesting application and operation was too much for the PO to bear, hence, they have no other recourse but to secure the support of a financier who is usually a buyer of logs or a "*padrino*", a politician who will exert pressure to the DENR officials (Pulhin et al. 2012). This financier could make life easier for NPPFRDC in terms of securing the necessary permits faster than the normal procedure but there is a considerable cut from the income that they can derive out of the logs that they can harvest.

In addition, the changing context of the socio-economic condition of the local populace has also affected CBFM implementation. Given the ITTO-CBFM allowable cut, their present capacities in the harvesting operation did not match the expected output (volume) required of them. After four months of harvesting, the Vista Hills Federation was only able to resize about 22 cu m of logs. This is very slow considering their annual target of 500 cu m. The circular band saw is being blamed for the slow process, but this is also coupled with the fact that only a small number of the members are skilled to do the harvesting operation. Most members also have to attend to their regular employment. Only three teams (2-person team) are involved in the sizing stage, with an average output of 0.06 cu m per team. This is way far behind the estimated average of 0.25 cu m (Dugan and Pulhin n.d).

The unstable policies of and related to CBFM add up to the complexity of its implementation. The requirement on the submission of the ITTO-CBFM's performance evaluation using the criteria and indicators (C&I) for sustainable forest management (SFM) for RUP approval is considered new. With assistance from a committed PMO, the federation was able to subscribe to the new requirement, given the fact as well that they are the pilot site for such initiative. However, most CBFM POs are not on the same boat as the ITTO-CBFM

federation, which means that others may not be able to comply to such requirement, thus losing their eagerness to participate in the program, and worse their trust to the government.

Conclusion

The ITTO-CBFM and the NPPFRDC are two CBFM POs that continuously uphold the ideals and goals of CBFM through the activities they implemented. Their dynamism in terms of its implementation could be facilitated and constrained by the different socio-political and institutional factors towards the attainment of sustainable forest management.

The evolution of the CBFM initiative in the country has recognized the vital contribution of forest communities in the attainment of sustainable forest management. Policies have been devised to suit the emerging trend in community-based forest management implementation in the country. But despite recent efforts on forest tenure reform, rural people remains marginalized in policy formulation and implementation process.

The decentralization approach popularized by the CBFM initiative has continued to dismay its local implementers due to bureaucratic impediments. The key design principles formulated by Ostrom (1990) and further developed by Inoue (2011) offer solution to the problems and challenges faced by the governance of common pool resources. Currently, the Philippine CBFM areas have manifestations on the adoption of the prototype design guidelines as proposed by Inoue(2011). The “graduated membership” and “fair benefit distribution” guidelines are already being practiced to certain degree although they have still room for improvement. However, the realization of the “commitment principle” is still very much wanting since decision-making power lies in the hands of the powerful people and institutions outside the community. The multi-tiered governance system employed on an uneven playing field limits the potential for successful employment of Inoue’s prototype design guidelines. The confidence of the local community to make CBFM successful will subside if no radical institutional and structural reforms will be made at the different forest governance levels. This is a vital strategy to level the playing field and provide an enabling environment and hence increase the chance for a more successful employment of the design guidelines on the ground.

Literature Cited:

- Anderies, J. M., M. A. Janssen, and E. Ostrom. 2004. A framework to analyze the robustness of social-ecological systems from an institutional perspective. *Ecology and Society* 9(1): 18. [online] URL: <http://www.ecologyandsociety.org/vol9/iss1/art18>
- DENR. 1990. Philippine master plan for forestry development: Main report. Department of Environment and Natural Resources Quezon City, Philippines.
- Dugan, Patrick and J.M. Pulhin. undated . Forest Harvesting in Community Based Forest Management in the Philippines: Simple Tools Versus Complex Procedures. www.fao.org
- FMB (Forest Management Bureau) 2006. Philippine Forestry Statistics. Department of Environment and Natural Resources, Quezon City, Philippines.
- FMB (Forest Management Bureau) 2009. Philippine Forestry Statistics. Department of Environment and Natural Resources, Quezon City, Philippines.

- Inoue, M. 2011. Prototype Design Guidelines for 'Collaborative Governance' of Natural Resource. Presented at 13th Biennial Conference of the International Association for the Study of the Commons, Hyderabad, India, January 12.
- Korten, F. 1994. Questioning the call for environmental loans: Critical examination of forestry lending in the Philippines. *World Development* 22 (7): 971-981.
- Rebugio, L.L. et al. 2010. Promoting Sustainable Forest Management. In: Mery G., P. Katila, G. Galloway, R. Alfaro, M. Kanninen, M. Lobovikov and J. Varjo (eds.). 2010. *Forests and Society – Responding to Global Drivers of Change*. IUFRO World Series Volume 25. Vienna. 509 p.
- Magno, F. 2003. "Forest Devolution and Social Capital: State-Civil Society Relations in the Philippines." In Contreras, A. (ed). *Creating Space for Local Forest Management in the Philippines*, 17-35. Manila: De La Salle Institute of Governance.
- Ostrom, E. 1990. *Governing the commons. The evolution of institutions for collective action*. Cambridge University Press, New York, New York, USA.
- Ostrom, E. 1998. A behavioral approach to the rational choice theory of collective action. *American Political Science Review* 92(1):1.22.
- Ostrom, E. 2005. *Understanding Institutional Diversity*. Princeton University Press.
- Pulhin, J.M. 1996. Community forestry: Paradoxes and perspectives in development practice. Ph.D. Dissertation. The Australian National University, Canberra, Australia.
- Pulhin, J.M. 1998. Community forestry in the Philippines: Trends, issues, and challenges. In Proceedings of international seminar on community forestry at a crossroads: Reflections and future directions in the development of community forestry, 17-19 July, 1997, Maruay Garden Hotel, Bangkok, Thailand, 201-215.
- Pulhin, J.M. 2002. Trends in Forest Policy of the Philippines. Policy Trend Report , 2002:29-41
- Pulhin, J. M. 2004. Devolution of forest management in the Philippines". Paper presented during the Workshop on evolution of devolution: contribution to participatory forestry in Asia Pacific, 25-26 March 2004, Bangkok, Thailand.
- Pulhin, J.M. and M. Inoue. 2008. Dynamics of devolution process in the management of the Philippine Forests. *International Journal of Social Forestry (IJSF)*, 2008, 1(1):1-26. ISSN 1979-2611, www.ijsf.org © Copyright 2008 CSF.
- Pulhin, J.M., M. Inoue and T. Enters. 2007. Three decades of community-based forest management in the Philippines: emerging lessons for sustainable and equitable forest management. *International Forestry Review* Vol.9(4), 2007.
- Pulhin, J.M., M.C. Amaro, Jr. and D. Bacalla. 2005. Philippines Community-Based Forest Management. 2005. A country report presented during the Community Forestry Forum organized by the Regional Community Forestry Training Center (RECOFTC) held on 24-26 August 2005 in Bangkok, Thailand
- Pulhin, J.M., M.A.M. Ramirez, M.A. Tapia and R.J.J. Peras. 2012. Enabling Forest Users to Exercise their Rights: Rethinking Regulatory Barriers to Communities and

Smallholders Earning their Living from Timber. Policy Brief May 2012 (unpublished), UPLB-CFNR, College, Laguna.

Rebugio, L.L. and M.E. Chiong-Javier. 1995. Community Participation in Sustainable Forestry. In: Review of Policies and Programs Affecting Sustainable Forest Management and Development (SFMD). A policy report submitted to the Department of Environment and Natural Resources. p. 2-1 to 2-27.

Sajise, P. 1998. Forest Policy in the Philippines: A Winding Trail towards Participatory Sustainable Development. In *IGES: A Step Toward Forest Conservation Strategy (1): Current Status on Forests in the Asia-Pacific Region* (Interim Report 1998). The Institute for Global Environmental Strategies (IGES): Tokyo.