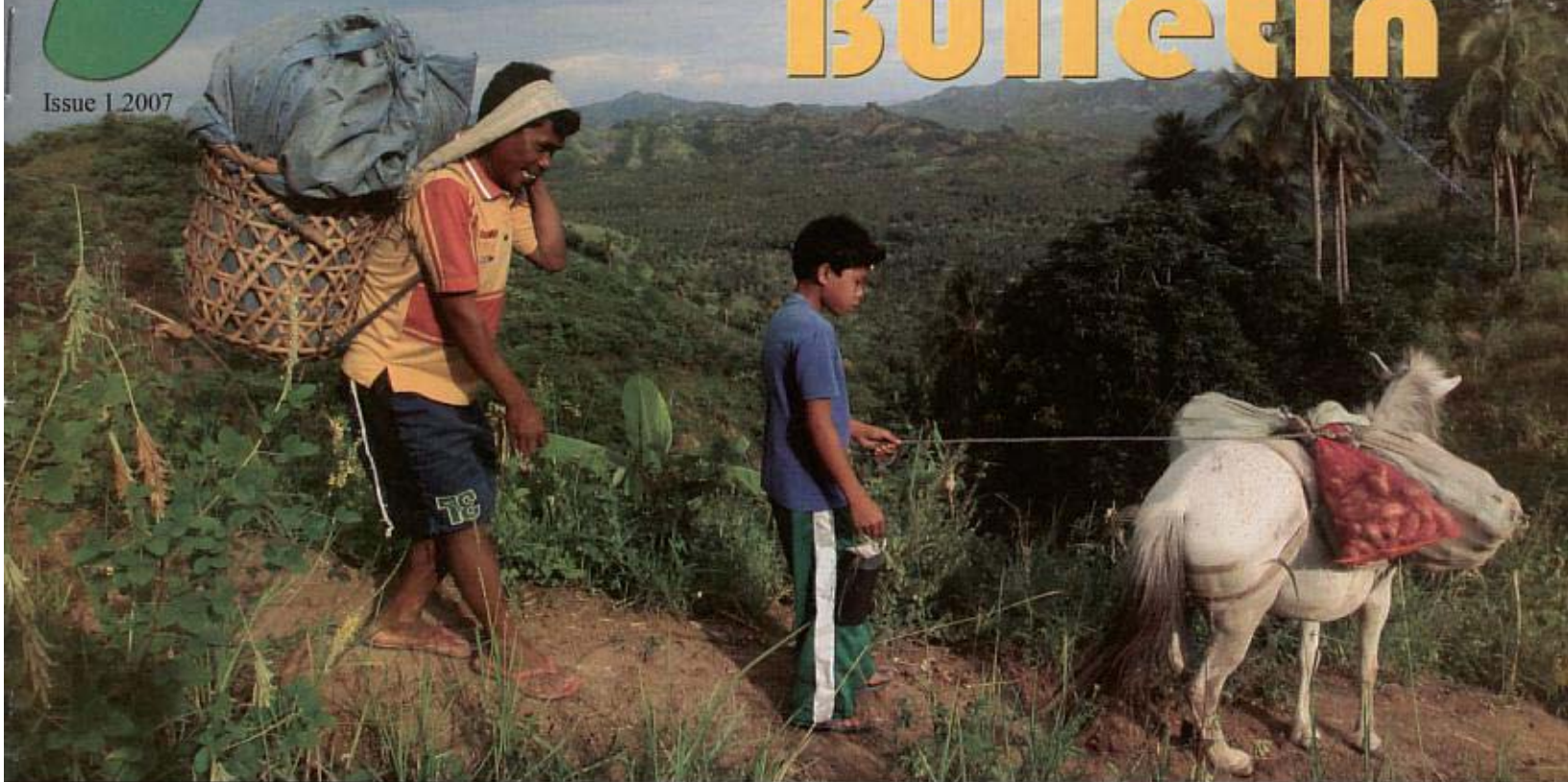


# FARM

## Bulletin

Issue 1 2007



**A LOOK AT THE AGRICULTURE MODERNIZATION PROGRAM**

# NOTHING BUT LOUD TALK

**PLUS**

● **AGRI PERFORMANCE REVIEW** ● **PLIGHT OF INDIGENOUS WOMEN** ● **A LEADER SPEAKS AT THE UN**

# Missed Opportunity



FB E-I-C Allen M. Mariano

Despite government's aspirations and programs for the industrialization of the Philippines, the country remains largely agricultural. A large segment of the population is also still very much dependent on agriculture. Ergo, the development of the agricultural sector could have been key to enhancing productivity and the economy, and at the same time improving the lives of millions of rural households.

Thus, when government enacted the Agriculture and Fishery Modernization Act or AFMA, many small agricultural producers were somewhat hopeful that this could signal the improvement of their sector and the betterment of their livelihoods.

Unfortunately, AFMA is looming as another abortive government program. It initially showed great promise, but it now seems to be relegated to the backburner as the lack of budget support practically derailed the modernization program. It was not without its faults — as it anchored food security on the availability of food rather than on improving the farmers' capacity to produce enough for our growing population. But, AFMA could have been an opportunity; a step towards developing the sector. That door to agricultural development is still ajar but could be closing sooner than later.

Despite pronouncements to the contrary, the government has abandoned its role in improving the country's agri sector and the livelihood of millions of small farmers. The performance of the agriculture sector, for instance, shows that Philippine agriculture, for the most part, has been dependent on the weather for its intermittently good performance. Adequate and timely state intervention in the form of government support services has been generally few and far between.

But there is reason not to lose hope. The small farmers themselves have taken steps to improve their lot and to speak up for their rights. 🌿



R. Baladad



**Farm Bulletin** is the official biannual publication of Centro Saka, Inc. (Philippine Center for Rural Development Studies). **FB** aims to capture and render analytical views on the most pressing issues confronting the Filipino peasantry and to enhance advocacy of people's initiatives on agrarian reform and rural development issues.

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cover photograph by Alex Baluyut



COVER STORY

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The AFMA was crafted to protect the country's agriculture sector from the aftermath of trade liberalization. Sadly, after nine years of implementation, the AFMA has yet to make a positive impact on the lives of small farmers.

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17 ▲ IP women at a rally in front of the DENR main office (PKKK photo)

## AFMA Implementation

## Dismal at best

BY MIGUEL V. MUSNGI



Miguel V. Musngi is a policy advocacy officer under CSI's Small Farms and Agri. Trade Center

**P**assed into law in 1997, the Agriculture and Fisheries Modernization Act (AFMA) was hailed as the mother of all agricultural policies that will lead the sector into modernization and global competitiveness. The policy was meant to address the effects of liberalization

by pouring substantial funds to the sector to finance its modernization. It was supposed to provide a policy environment conducive to empowering small farmers and fisherfolk and at the same time synchronizing production efforts with marketing and other product enhancing activities. Sadly, after nine years of implementation, the AFMA is perceived more as another broken promise of government than a sound policy towards agricultural growth. Congress extended AFMA implementation until 2015, but full and effective enforcement remains doubtful.

### In the beginning

The AFMA is a product of combining two legislative measures with the end-view of addressing the rice crisis in 1995 – by expanding the coverage of irrigation systems in the country (Irrigation Act of 1995) – and modernizing the agricultural sector (Agricultural Modernization Act). The outcome is a piece of legislation patterned after the European model of agricultural development: strengthening and enhancing the productive capacities of small farms and small farmers. This model is consistent with the terrain of the Philippine agri-

culture where the majority of farms ranges from one to two and a half hectares and tilled by small farmers.

Concretely, AFMA aims to modernize agriculture by transforming the sector “from a resource-based to a technology-based industry.” In terms of advancing the interests of small farmers and fisherfolks, AFMA would strive to enhance their profits and incomes “by ensuring equitable access to assets, resources and services, and promoting higher-value crops, value-added processing, agribusiness activities, and agro-industrialization.” Empowerment would be pursued through the development and strengthening of cooperatives. On the consumer side, the policy seeks to ensure the “accessibility, availability and stable supply of food... at all times.” Thus, rural industrialization through

productivity enhancing measures within a liberalized regime is the overarching policy thrust of AFMA. (See Table 1 on centerspread)

The initial step undertaken under AFMA was the identification and delineation of the Strategic Agriculture and Fisheries Development Zones or SAFDZs. Essentially, the identified SAFDZ areas would be exempt from land use conversion<sup>1</sup> and would receive all the identified support services. The process includes mapping of the entire archipelago with local government units identifying the areas through local ordinances. During the term of Agriculture Secretary Leonardo Q. Montemayor, the DA was able to produce the necessary maps for the SAFDZs and the whole de-



partment was gearing for the formulation of the Agriculture and Fisheries Modernization Plan (AFMP).<sup>2</sup>

However, with the change in the leadership of the agriculture department, AFMA implementation became less pur-

positive. While the program receives a share in the General Appropriations Act (GAA) funds for the implementation of the AFMP, these funds are coursed through the regular projects and programs of the DA. This means that the funds are subsumed under the Ginintuang Masaganang Ani (GMA) programs on rice, corn, high-value commercial crops (HVCCs), livestock, and fisheries.

AFMA implementation also entailed making capital accessible to small farmers and fisherfolk. The policy sought to consolidate all the credit programs of government, by collapsing all existing Direct Credit Programs (DCPs), into the Agro-Modernization Credit and Financing Program (AMCFP). Premised on the observation that government is not an efficient lender of funds, credit facilities would be coursed through the private sector, non-government organizations, and government financial institutions (GFIs). As of 2004, the Agricultural Credit Policy Council (ACPC) consolidated around twenty-nine DCPs and channeled PhP300 million to the AMCFP. They are expecting a disbursement of PhP200 million for credit facilities this year.

**The President’s 10-Point Agenda**

In President Gloria Macapagal-Arroyo’s 2003 State of the Nation Address (SONA), she introduced her administration’s 10-Point Agenda. The first point pertains to the development of two million hectares of agribusiness lands. To operationalize this point, the DA pursued the following tasks: 1) Identify and develop two million hectares of agriculture and fisheries areas in order to generate two million jobs; and 2) Reduce the costs of priority wage goods.

The DA’s operationalization of the aforementioned tasks is in line with the Medium Term Philippine Development Program (MTPDP) goals. To address rural poverty, the MTPDP called for a “more holistic approach” in addressing “production bottlenecks in agriculture” and “its inherent vulnerabilities.” It pro-

poses the promotion of agribusiness that “will not only address agricultural production constraints but also post-production handling, value-adding, and distribution concerns, all of which are the major and inter-connected determinants of job creation and income stability in the countryside.”

As of 2006, the DA reported that, in terms of achieving the first goal, it has developed a total of 112,100 hectares of

***There has been very little overall change in the rural poverty incidence from 1985 to 2000***

agribusiness land and validated 417,515 hectares for further agribusiness development. In attaining the second goal, the department was able to improve “transport logistics, marketing linkages and distribution systems.” It also “established cold chain and roll-on, roll off (RORO) services in Visayas and Mindanao and coordinated with local authorities for more color-coded highway routes and toll-free food lanes.”

**Addressing Gender Issues**

The DA’s interventions for gender and development revolve around three areas that President Arroyo identified, namely economic empowerment, gender responsive governance and promotion of women’s rights. To achieve these goals, the department provided loans, livelihood projects, micro-enterprise training, and provision of women-friendly processing equipment or facilities to their rural women constituents. They also generated sex-disaggregated data to guide policy formulation and implementation. Lastly, in promoting women’s rights, the department conducted a seminar on women’s right to health, a series of lectures on alternative and herbal medicines, and orientations on human rights and “various gender awareness training/seminars in different agencies and regional field units (RFU) of the Department.” (2005 Annual Report, DA)

**The real score**

Ripped of all avowals to poverty alleviation, food security, and people empowerment, the AFMA essentially frees government from its mandate to develop and protect the agricultural sector. Liberalization is the primary intention of the policy. This is manifest in the bias for private sector intervention and heavy reliance on agribusiness to trail-blaze the path for agricultural modernization.

Based on the data from the National Economic Development Authority, “about 78.8 percent of poor families reside in the rural areas.” This is practically echoed by the Medium Term Philippine Development Plan 2004-2010 report, which states that:

Philippine poverty is basically rural poverty since almost three out of four (or 73 percent) of the total number of poor in the country resides in the rural areas. The poverty level in rural areas is much higher at 48.8 percent against 18.6 percent in urban areas. This means that almost 5 out of 10 rural residents are poor compared with almost 2 out of 10 urban residents.

Geographically, “subsistence incidence across regions was highest in the Bicol region at 27.8 percent followed by Autonomous Region of Muslim Mindanao at about 27.2 percent and Central Mindanao at 25.5 percent” (Business MDG report). “The poverty situation in 2003 continued to reveal the wide disparities in poverty incidence across regions. The ARMM and Regions XIII (CARAGA) and IX (Zamboanga Peninsula) were the poorest regions.

Meanwhile, the Asian Development Bank report in January 2005 entitled *Poverty in the Philippines: Income, Assets, and Access* also state that:

While the data show a significant reduction of the urban poverty headcount between 1991 and 1997, the same was not the case for rural areas. In fact there has been very little overall change in the rural poverty incidence from 1985 to 2000, and nearly half of



families remained income poor in 2000.

NEDA provides the link between poverty and the state of Philippine agriculture. "Rural poverty remains tied to the state of agriculture and the environment. The rural poor, consisting mainly of small and landless farmers, farm workers, fisherfolk and indigenous people, continue to lack access to productive resources including land, credit, technology and rural infrastructure."

Poverty in the Philippines is borne by the women. The government reported, in September 2004, to the United Nations that, "poverty remains the biggest obstacle in the empowerment of Filipino women. As in many countries in the Asian region, poverty has a woman's face in the Philippines." Ironically, rural women contribute a lot to food production: 45 percent in Southeast Asia and about 60 percent of the total food production in Asia.

Lack of access to and control over resources are the primary concerns of rural women. Earning less compared with their male counterparts – PhP0.36 for every peso a man earns – their work remains largely unpaid and invisible. Such invisibility is more pronounced among women belonging to indigenous communities.

In a report presented by the Congressional Planning and Budgeting Department (CPBD), agricultural growth is erratic compared with the services and industry sectors. (See *Figure 1 on centerspread*)

Agricultural employment barely grew between 1995 and 2004. It even dipped during 1998 and 2000, the initial years of AFMA implementation. (See *Figure 2 on centerspread*)

Employment was practically stagnant across all the sectors (although a slight increase was registered by the services sector). (See *Figure 3 on centerspread*)

Apart from unemployment, underemployment in the rural areas is also on the rise. (See *Table 2 on centerspread*)

In terms of agricultural trade, imports exhibited a steady increase from 1994 to 2004, except during 1998 to 2000. (See *Figure 4 on centerspread*) As of 2005, the Philippines incurred trade deficits

### Peddling AFMA's allocation

**Too much politics or poor program implementation? It is inevitable that this issue would be raised in the implementation of the AFMA. With a mandated budgetary allocation of PhP20 billion for its first year and PhP17 billion for the subsequent six years, the program is both a source of much needed development funds for the agricultural sector and a potential milking cow for corrupt government officials.**

**Months before the elections of 2004, the opposition accused Malacañang of "dangling funds to entice local political leaders to back Mrs. Arroyo's re-election bid." ("With P150-M funds, time for farm-to-pocket roads" TODAY, 2/7/04.) The statement was made by Laban Rep. Rolex Suplico of Iloilo who cited a Special Allotment Release Order or SARO issued by the Department of Budget and Management (DBM) on January 13, 2004. The SARO "authorized the release of PhP150 million to the Department of Public Works and Highways (DPWH), the implementing agency for various projects amounting to billions of pesos under the AFMA. "The funds," Suplico said, "is supposed to be used for the construction of farm-to-market roads." However, he observed that, "These are actually 'farm-to-pocket' expenditures that are in the category of medicines and textbooks, which for years had been a potent source of huge kickbacks."**

**Lakas Representative Prospero Pichay Jr. of Surigao del Sur, on the other hand defended the release of the funds. "Even if it's an election period, it doesn't mean that the government will stop functioning and stop delivering basic services. The President will not be deterred in doing her job, no matter how desperate the opposition has become," he said.**

**At issue is the timing of fund releases. It came three weeks before the campaign period for national candidates began. The President, through the DBM, could time the releases of funds for projects and programs consistent with the administrations interests, even during the eve of the elections. The President's supporters would readily defend such moves, no matter how questionable these are. Being subject to the political whims of its implementers, it seems that the AFMA did more for politicians within the network of supporters of the President rather than finance the development of the agricultural sector and raise the incomes and general welfare of small farmers and fisherfolk.**

with its trading partners. (See *Table 3 on centerspread*).

It is obvious that AFMA implementation has not reduced rural poverty. It certainly is not a beacon of growth in the agricultural sector.

### Locating budgetary support for Agriculture

The bulk of government expenses in the economic services sector goes to communications, roads and other transportation. Agriculture, Agrarian Reform and Natural Resources rank second while subsidies to local governments rank third. Interestingly, subsidies to local units increased, from 1996 to 1998, while allocations for agriculture declined. (See *Table 4 on centerspread*)

Sectoral allocation of government expenditures in terms of percentage of the GNP shows a decline in economic services, from 5.0 percent in 1994 to 3.5 percent in 2003. (See *Table 5 on centerspread*)

Historically, the Social Services Sector along with Debt Servicing and Economic Services receive the topmost allocations as percentage of government's expenditure. (See *Figure 5 on centerspread*) However, as of 2004, debt servicing overtook the economic and social services. (See *Figure 6 on centerspread*)

In terms of allocation by departments, the Department of Agriculture ranks in fifth place. The top three are the Department of Education, Culture and Sports, Department of National Defense, and Department of Public Works and Highways. (See *Table 6 and Figure 7 on centerspread*)

Government allocations for the various departments are apportioned only after the mandatory appropriations for debt servicing (Presidential Decree 1177) and the internal revenue allotment (Republic Act 7160, Local Government Code of 1991) are deducted. It is also interesting to note that the Department of Defense receives more funds from the GAA compared to the Department of Agriculture.

### Spending for agriculture

Before the enactment of AFMA, public spending for agriculture were divided into two, a regular budget for the

DA and separate funding for the GATT adjustment measures (after the ratification of the GATT in 1994). AFMA mandated huge amounts of financial resources for its operationalization: PhP20 billion for the first year of implementation and PhP17 billion in the next six years. These funds are supposed to be wholly separate from the budget allocation for the operations of the DA.

AFMA was enacted in 1997, but the first budgetary support was only released in 1999. Worse, the allocations for AFMA did not reach the mandated PhP20 billion for its first year of implementation. Nor did it reach the PhP17 billion mandated for the succeeding years. Based on the GAA, allocations for the AFMP peaked at PhP16 billion in 2000. The lowest allocation was PhP9 billion in 2004. The funds were inclusive of the DA budget. (See Table 7 and Figure 8 on centerspread)

The DA proudly announced that it proposed a staggering P19.32 billion budget for 2007. P14.14 billion will go to the implementation of the Agriculture and Fisheries Modernization Act (AFMA) while P5.18 will be allotted for the regular budget of the department.

The severe lack of funding support for AFMA was acknowledged by Negros Occidental Rep. Alfredo Maranon. He said that the AFMA “suffered miserably because of government’s financial constraints due to the global economic crisis and low revenue collections. Though huge funding have been appropriated, miserable amounts were actually released annually.” (“Congress OKs P17b more for farm program”, Manila Standard, 2/11/04) This observation was echoed during public hearings conducted by the Committee on Agriculture and Food in the House of Representatives chaired by Congressman Maranon. During deliberations with the DA in 2002, Agriculture Undersecretary Jocelyn Bolante “disclosed that in 1999, Congress appropriated PhP14.9 billion for AFMA, but

only P11.6 billion was actually received.” In the following year, “PhP20.8 billion was appropriated for AFMA but only PhP16.6 billion was released; PhP16.1



billion was authorized in 2001 but PhP11.4 billion was released; and in year 2002, PhP20 billion was appropriated by Congress but only PhP14.4 billion was released.” (“Congress OKs P17b more for farm program”, Manila Standard, 2/11/04).

**Irrigation**

The AFMA has not made an impact on the development of irrigation services. Of the three million hectares of potentially irrigable lands in the country,

hectares have been developed for irrigation. “Areas with irrigation facilities expanded from 1.268 M hectares from 1994 to 1.396 M hectares in 2003. Correspondingly, the status of irrigation development increased from 40.57 percent to 44.66 percent in the same period.” (See Table 8 on centerspread)

**Rural Credit**

ACPC Executive Director Jovita Corpuz reported in 2004 that PhP300 million from the AMCFP fund were turned over to the Quedancor “to bankroll corn and fisheries projects.” (ACPC consolidates PhP300-M funds for agri modernization”, Philippine Star, 6/20/04). The same government agency is busy with developing “innovative financing schemes” (IFS) that seek to address the needs of small farmers and fisherfolk who do not have capital and necessary collateral to access loans. “The IFS are time-bound experiments intended for replication under the AMCFP... A total of 24 institutional capacity building (ICB) programs for countryside financial institutions (CFIs) are slated to be implemented in 2006 to benefit some 200 organizations with a combined total of 1,600 members. (PhP200M to be released for loans to 10,000 farmers, fishers”, Business Mirror, 5/29/06)

The LandBank, for its part, consistently supported<sup>3</sup> the implementation of the AFMA. In 2004<sup>4</sup>, it released “PhP19.8 billion in credit and technical assistance in support of the AFMA program...The amount represents 109 percent of the bank’s AFMA commitment for 2004 of PhP18.2 billion and is 10 percent higher than the PhP18 billion released in 2003. (LandBank ups support for AFMA”, TODAY, 2/18/05). In 2005, “PhP15 billion—79 percent of its PhP19 billion target for AFMA for 2005—was released. The amount benefited more than 235,000 small farmers and fisherfolk nationwide and generated more than 120,000 new jobs.” (AFMA gets PhP15B from LandBank”, Malaya, 11/11/05)

The policy of ensuring an environment conducive for the inflow of capital

Department of Agriculture Budget

YEAR	AFMA	ACTUAL	DIFFERENCE
1997	PhP17.2 B	PhP17.2 B	0
1998	PhP35.7 B	PhP00.0 B	PhP20.0 B
1999	PhP32.7 B	PhP15.0 B	PhP17.2 B
2000	PhP32.7 B	PhP20.8 B	PhP11.9 B
2001	PhP32.7 B	PhP16.1 B	PhP16.6 B
2002	PhP32.7 B	PhP20.0 B	PhP12.7 B
2003	PhP32.7 B	PhP16.6 B	PhP16.1 B
2004	PhP32.7 B	PhP13.6 B	PhP19.1 B
2005	PhP32.7 B	PhP14.5 B	PhP18.2 B
2006	PhP32.7 B	PhP15.8 B	PhP16.9 B
2007	PhP32.7 B	PhP19.3 B	PhP13.4 B
<b>ACCUMULATED DIFFERENCE</b>			<b>PhP162.1 B</b>

Ernesto M. Ordoñez. “Increased budget for DA cheered” Philippine Daily Inquirer B-6. 15 June 2007.

only 1.3 million hectares have existing irrigation. The National Irrigation Administration reports that as of December 2003, about 45 percent or 1.4 million

## C O V E R S T O R Y

to the agricultural sector is one of the major thrusts of AFMA. But the consolidation of DCPs under the AMCFP does not necessarily translate to material benefits for small farmers. "Instead of providing farmers much needed credit at low interest rates, the private sector will undoubtedly charge higher interest rates – forcing farmers to accept such terms at the risk of reaping extremely low profits."<sup>5</sup>

### SAFDZs

During the budget hearing for the Department of Agriculture at the Lower House,<sup>6</sup> Rep. Risa Hontiveros-Baraquel

The arrangement described by Director Concepcion runs counter to the original intent of the law. Instead of following the mandate of the law to directly support the SAFDZs, the DA is merely facilitating the entry of the private sector in these areas. It must be noted that, "not all agricultural lands are entitled to the benefits offered by SAFDZs since these will only be focused on all irrigated lands, irrigable lands with firm funding commitment, and those with existing or having the potential for HVC production." Hence, agricultural lands outside the zones are not protected from conversion nor are eligible to receive targeted

annual budget of the Department of Agriculture and shall be free from mandatory reserves." He added that the extension of the program would "pave the way for the rise of a new generation of farmers who are not only technologically advanced, but also oriented towards surplus generation, rather than merely subsistence oriented." (Law modernizing agri, fisheries to boost nat'l economy until 2015", Manila Bulletin, 4/16/2004)

Specifically, RA 9281 extends the tax incentives granted by AFMA to agribusiness enterprises as well as funding support for the program's implementation until 2015.<sup>8</sup> Agribusinesses



of the Akbayan Party List asked about the status of implementation of the SAFDZs. Bureau of Soils and Water Management (BSWM) Director Roger Concepcion said that the maps of the SAFDZs are already in place and that its development would be private sector led. Pressed for clarification, Director Concepcion said that developments within the SAFDZs would be demand-driven where the private sector has a huge part to play. As an example, since demand for rubber is increasing and that there are a number of private sector players willing to invest, then such match-ups would be facilitated within the SAFDZs.

support from government. With the recent policy pronouncement of the DA, it appears that the agency took two steps backward and has completely abandoned its obligation to the sector.

### Extending the Implementation of AFMA

Republic Act 9281 entitled *An Act Strengthening the Agriculture and Fisheries Modernization Program* extended AFMA implementation. It required the release of at least PhP17 billion for the program<sup>7</sup>. Negros Oriental Representative Herminio Teves, chair of the House special committee on globalization, said that "the amount shall be on top of the

shall be exempt from paying tariffs and duties on imported implements such as "tractors, trailers, trucks, harvesters, threshers, sprayers, packing and refrigeration equipment, bulk conveyors and mini loaders, weighing scales, renewable energy systems and other contraptions...They shall also be exempt from the payment of import taxes of fertilizers, insecticides, pesticides, hybrid seeds, genetic materials and fingerlings, among other inputs. (Congress OKs incentives for agri equipment imports", Philippine Star, 2/6/04)

However, the NEDA rejected the implementing rules and regulations of RA9281. The Board of the economic au-



thority halted the implementation of the IRR because it “lacked safety nets to ensure that the duty incentives would not be abused and the potential revenue losses minimized”. (NEDA rejects IRR of agri law”, Philippine Daily Inquirer, 7/24/04) On this score, the DA admitted that “the total foregone revenue from 1999 to 2003 as a result of the implementation of the AFMA amounted to PhP2.1 billion” (AFMA cost gov’t P2.1B in foregone revenues”, Manila Times, 6/30/04)

**Conclusion**

In July 2004, the Congressional Oversight Committee on Agriculture and Fisheries Modernization (COCAFAM) commissioned a group of experts<sup>9</sup> to review the implementation of AFMA<sup>10</sup>. Members of COCAFAM and the implementing agencies of AFMA (DA, DAR, and DENR) are still validating the expert’s review. The initial findings, however, are far from rosy. Professor J. Prospero De Vera, a member of the review panel, intimated the dismal implementation of the law in terms of institutional linkages and governance. Speaking to members of the Alyansa Agrikultura,<sup>11</sup> Professor De Vera said that “an old bureaucratic institution was implementing the AFMA.”

Full enforcement of AFMA was never achieved because of the financial constraints it experienced. The law was not consistently followed in terms of budgetary allocation and lacked a corresponding organizational mechanism. Hence, its aim of addressing poverty and ensuring agricultural growth were never realized.

The AFMA is clearly gender blind. Even Prof. De Vera conceded that the AFMA is “gender blind,” when he was asked about the program’s responsiveness to gender issues. It is primarily focused on enhancing the productive capacities of small farmers but does not

delineate or tailor services according to the needs of the men and women farmers. While it is true that the DA has been taking steps to address gender concerns, as discussed earlier, it is debatable whether the programs are fully empowering rural women.

In terms of funding support, government automatically appropriates funds for debt servicing and allocates more funds to the Department of Defense rather than to the Department of Agriculture, the primary government agency responsible for the implementation of AFMA. Spending more money for unproductive rather than productive activities is a recipe for disaster rather than economic development. Clearly, government needs to review its budget priorities.

Senator Ramon Magsaysay, Jr. said that, “Despite the incomplete funding assistance provided for its implementation, it cannot be denied that the AFMA has been one of the most potent formulas to assist the farmers and fishers,” (“Congress amends agri modernization law,” Manila Bulletin, 2/7/04)

Unfortunately, the executive branch does not seem keen on pursuing AFMA as originally intended. Currently, the Arroyo government is partial towards supporting agribusiness development as stated in its 10-point

agenda. Although they are supposedly synchronizing the two programs, the policy direction does not bode well for small farmers and fishers. Then, there are allegations that the current administration is using government resources to advance its own interest. (See *Peddling AFMA’s allocations*)

The Medium Term Public Investment Plan (MTPIP) identified PhP357.1 billion as the total investment requirement for AFMA’s implementation from 2006 until 2010. This is more than the

total mandated allocation for AFMA. Sadly, one cannot help but be pessimistic given the first nine years of the policy’s implementation.

Endnotes

- <sup>1</sup> RA 8435 however provides that 5% of lands within the SAFDZs may be subject to land conversion.
- <sup>2</sup> The AFMP is the comprehensive plan that operationalizes the AFMA. It is consolidated from the plans crafted at the local levels thru the Regional Field Units of DA.
- <sup>3</sup> “LandBank’s credit support for AFMA has five components: agricultural production, processing and manufacturing, marketing assistance to farmers and fisherfolk, postharvest facilities, infrastructure and irrigation projects.
- <sup>4</sup> “In 2004, the largest components were loans for agricultural production, processing and manufacturing amounting to PhP12.3 billion. Loans for marketing assistance to farmers and fisherfolk amounted to PhP6.5 billion. LandBank also released PhP448.3million for postharvest facilities, PhP327.0 million for infrastructure projects and PhP25.7 million for irrigation projects. Meanwhile, credit and technical assistance extended by LandBank to small farmers and fisherfolk reached PhP16.6 billion. This is 19 percent higher than the PhP14 billion released in 2003.
- <sup>5</sup> Specious Modernization, Philippine Peasant Institute, January, 1999.
- <sup>6</sup> 15 September 2006, Ermita Hall, House of Representatives
- <sup>7</sup> Funding sources include: 20 percent of the proceeds from the securitization of special economic zones and other state assets; 50 percent of the net earnings of the Public Estates Authority (PEA); 40 percent of the Skills Development Fund of the Technical Education and Skills Development Authority (TESDA), the net proceeds from the sale of the Food Terminal, Inc. (FTI) and other DA assets and some of the proceeds from anti-dumping and special safeguards duties on agricultural imports. (Law modernizing agri, fisheries to boost nat’l economy until 2015”, Manila Bulletin, 4/16/2004)
- <sup>8</sup> “Section 109 of AFMA or Republic Act 8435 as amended provides that agribusiness companies duly certified by the Department of Finance (DOF) and the Board of Investments will until 2015 enjoy the privilege of not paying tariffs and duties for their imports of modernized machineries and equipment. (Congress OKs incentives for agri equipment imports”, Philippine Star, 2/6/04).
- <sup>9</sup> Expert’s Team: Dr. Rolando T. Dy (Team Leader/Marketing Specialist), Dr. Leonardo A. Gonzales (Co-Leader/Agricultural Policy and Trade Specialist), Dr. Wilfredo David (Irrigation Specialist), Dr. Flordeliza Lantican (Other Infrastructure and Post-harvest Specialist), Ms. Eleanora Tan (Budget/Finance Specialist), Ms. Lydia Martinez (Food Safety and Standards Specialist), Dr. Gilberto Llanto (Credit Specialist), Dr. Manuel Bonifacio (RD&E Specialist) and, Dr. Prospero De Vera (Institutional and Organizational Specialist).
- <sup>10</sup> Section 117. Automatic Review—Every five years after the effectivity of the Act, an independent panel composed of experts to be appointed by the President shall review the policies and programs in the Agriculture and Fisheries Modernization Act and shall make recommendations based on its findings, to the President and to both Houses of Congress (RA 8435).
- <sup>11</sup> 29 September 2006 meeting of the Alyansa Agrikultura.

**Full enforcement of AFMA was never achieved because of financial constraints**

# 2006 Agricultural growth Praying for rain

BY ROVIK S. OBANIL



Rovik S. Obanil is a policy advocacy officer under CSI's Small Farms and Agri. Trade Center.

**I**t is sometimes said that it would be easier to predict the performance of Philippine agriculture if PAGASA, the country's weather forecasting agency, did a better job of predicting the weather.

While meant as a joke, the statement is not entirely off the mark. Philippine agricultural performance is, to a larger extent than many other countries in the region, dependent on the so-called "weather factor." Our own agriculture officials themselves are not averse to citing the weather for improvements in agriculture performance. Similarly, poor performance is often written off as the result of "bad weather." The agriculture department's annual performance review is often liberally sprinkled with references to the weather for either failure or success. The agriculture sector's so-called "impressive performance" in the first semester of this year is no exception.

While the importance of weather patterns to agriculture is unavoidable given our particular geographical loca-

tion, it can also obscure, and often does, the shortcomings of government agricultural policy. The danger here is to downplay the role the state needs to play in order to promote growth that responds not only to the needs of the economy but provides a decent living for the ordinary farmer as well.

### Agri Performance Revisited

The agriculture sector exhibited what government officials described as an "impressive" performance in the first half of the 2006 as gross output grew by 5.14 percent compared to the same period last year. The crops subsector which accounted for 47.29 percent of total agricultural output recorded a turnaround and generated a 5.96 percent gain during the period.

According to the Bureau of Agricultural Statistics, the official source of Phil-

ippine agricultural data, palay production reached 6.54 million metric tons, an 8.39 percent increase from its year ago level. This was primarily attributed to expansion in harvest area with the rains in the second quarter of 2006 leading to substantial production gains from almost all regions, particularly in Cagayan Valley, ARMM, Caraga, Eastern Visayas, SOCCSKSARGEN and Central Visayas.

The first semester was also very good for corn growers with output increasing significantly by 31.99 percent compared to last year's level. Production during the first half of 2006 was 2.60 million metric tons.

The livestock subsector with 12.80 percent of total agricultural output experienced a 2.87 percent output gain during in the first semester. The hog industry, meanwhile, continued its output expansion and this semester posted a 4.17 percent growth. The poultry subsector, on the other hand, contributed 13.56 percent to total agricultural production, contracting by 1.49 percent this year. Chicken and duck exhibited a dip





in production during the period while chicken egg production grew by 4.29 percent.

The remaining 26.35 percent of total agricultural output was accounted for by the fishery subsector which recorded an 8.55 percent gain compared to last year's production.

If the sector remains on track and achieves the high-end of government's projection of 4.5 to 5 percent growth rate for the entire year, it will be the highest since the year 1999 when the sector, rebounding from the 1998 El Niño grew by 6.36 percent (Table 1)

All talk of agricultural growth is, of course, hollow if it does not benefit the sector's stakeholders particularly the small producers. The vast majority of the country's poor still live in the rural areas.

### Struggling to Stay Afloat

The positive growth experienced in 2005 and the first half of this year paints an incomplete picture of the domestic agricultural situation. Lost in the data

tables and graphs is the story of agricultural producers struggling to survive with very little assistance from government.

Even as government records show the main segments of agriculture growing over the past few years, local producers continue to be saddled with a plethora of problems.

Livestock and poultry raisers disclosed that their industries have been struggling with weak demand. They attribute this to the decreased purchasing capacity of the Filipino consumer due to the slow progress in the economy. While the poultry industry has managed to raise efficiency to world standards with little help from government, production costs remain

high due to rising input costs—mainly corn, with prices reaching an all-time high. Rice and corn growers, meanwhile, have seen fertilizer costs double in recent years.

Agricultural development has in many countries occurred under the shield of high levels of protection. Insulated from the whims of the often erratic international market, the domestic agriculture sector is allowed to grow until it is ready to compete globally. Domestic producers, unfortunately, have had to deal with what one industry player described as the "bizarre"

implementation of trade liberalization in this country where instead of sticking to bound tariff rates, government has been applying rates much lower than what is prescribed in our international commitments.

Table 1. Agri Growth Rate

Year	Growth Rate
2004	4.76
2003	3.74P
2002	3.94
2001	3.96
2000	3.59
1999	6.36
1998	-6.46
1997	3.41
1996	3.79
1995	1.72
1994	2.97
1993	2.62
1992	0.73
1991	1.39
1990	2.19

Source: Bureau of Agricultural Statistics



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As a result, trade liberalization has only added to the woes of domestic producers, which is mainly in the form of a more unpredictable market. Prior to liberalization, it was easier for poultry raisers, for example, to gauge the supply and demand situation and tailor their production accordingly. Since the opening of the market through the Agricultural Tariffication Act (RA 8178), however, they have had to contend with the entry of cheaper imports. Add to this the pe-

low level of public sector investments in agriculture virtually guarantees that government has minimal participation in agricultural development.

### Poverty Pervades the Countryside

The continuing neglect of the agriculture sector and the uneven distribution of resources has only worsened the poverty situation in the rural areas. Poverty remains a pervasive feature of the rural economy where agriculture contin-

According to a Food and Agriculture Organization (FAO) factsheet, Filipino women's actual contribution to food production and the rural economy remains undervalued and largely invisible. Around 13.5 million women were part of the country's labor force in the rural areas in 2004, many of whom were unpaid family workers. Of the total number of employed women in agriculture in 2002, unpaid family workers accounted for 51.4 percent, own-account

Table 2. Ratio of Agricultural Expenditures to Government Expenditures (in million pesos)

	1995	1996	1997	1998	1999	2000	2001	2002	2003R	2004P
Nat'l gov't	372,081	416,139	491,784	537,433	580,385	682,460	707,093	769,805	825,113	861,629
Agriculture	12,839	15,479	23,854	17,354	26,847	28,722	30,999	29,417	32,932	25,262
Agri to nat'l ratio	3.45	3.71	4.85	3.23	4.63	4.21	4.38	3.82	3.99	2.93

Source: Bureau of Agricultural Statistics

renial problem of smuggling, the volume of which is estimated to be at least as much as the legal importations.

### Low on the List of Priorities

Ideally, government expenditures are geared towards influencing the tempo and direction of agricultural development. The state's ability to make an impact on the agriculture sector, however, is severely hampered by its consistent failure to provide the needed resources for agricultural development to truly take off.

Farmers and even agriculture officials, often lament the low prioritization of agriculture. Agriculture priorities are often set aside to make way for "more important" national concerns. This "anti-agriculture bias" (*Balisacan, 1992*) is evident in the sector's paltry share in public spending. Despite directly contributing a fifth of the country's gross domestic product (GDP) the sector's share of total government expenditure has remained miserably low.

From 1995 to 2004, the share of agriculture to national expenditures never reached 5 percent. (see Table 2) In 2004 it accounted for a mere 2.93 percent of the national government budget. The

ues to be the main source of livelihood. Until the mid-1980s, agriculture absorbed half of the labor force, but its contribution to total employment shrank in succeeding decades. Despite rosy forecasts in the mid-1990s for agricultural employment, the sector has failed miserably in providing jobs. Agriculture employed 11.38 million people in 2004 or roughly 36 percent of the total labor force. This figure represents an increase of only 230,000 jobs from the 1995 figure and does not speak well of the sector's ability to generate employment. In fact, in the period 1998-2001, employment in agriculture fell by an average of 4.19 percent relative to the 1995 figure. In the year 2000, it actually fell by 8.7 percent, or a loss of 970,000 jobs! (Table 3)

Among the hardest hit by the decline, were women with the number of

workers accounted for 30 percent, and wage and salary earners accounted for 18.6 percent. Women wage earners also received lower pay for similar work done by men (NSO, 2004).

Apart from employment, however, equally important for the sector is the issue of incomes. In this area, government data paints a grim picture as well. According to the National Statistical Coordination Board (NSCB), the poverty threshold in the rural areas stood at PhP12,431 a year in 2004 (the poverty threshold is the income needed to earn so as not to be considered poor). This means that a rural family of five would need an annual income of PhP62,155 (PhP170.28/day) in order to meet its most essential needs. Rural incomes, especially for small farmers, however, come nowhere near this figure.

As of 2004, the average income for rice farming, for example, is only PhP7,582 per hectare for each cropping season. For corn, the average income per cropping is only

PhP4,797. Incomes dip dramatically when looking at farmers without access to irrigation. Data shows that the poverty threshold has increased by 7.3 percent. Income from farming, however, has declined in real terms raising the ques-

Table 3. Employment in Agriculture (million persons)

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
11.15	11.64	11.32	10.09	10.77	10.18	10.85	11.12	11.22	11.38

females working in agriculture falling from 2.92 million in 2002 to 2.79 million in 2004. Likewise the proportion of women employed in agriculture to total employment decreased from 24.8 percent in 2002 to 23.3 percent in 2004.



Farmer Jose Mijares (left) and his mother Edna of Sitio Libo-o, Barangay Domolog in Bindoy, Negros Oriental use organic inputs to increase palay production. Small farmers like them are often left to fend for themselves due to inadequate government assistance.

tion where did all the agricultural growth go?

Workers in agriculture on the other hand, are no better off. While wages for agricultural workers have risen marginally in the last few years, they have in fact declined from 1995 figures both in nominal and real terms. In nominal terms, wages dropped from PhP256.59 in 1995 to PhP186.50 in 2004. In real terms, they have fallen from PhP122.05 in 1995 to PhP105.30 in 2004. (BAS figures)

Wage rates are highest in Central Luzon where plantation workers get an average of PhP183.16 a day while non-plantation workers get PhP171.34. Wages are lowest in the Autonomous Region of Muslim Mindanao (ARMM) where farm workers are expected to receive PhP136.61 per day for both plantation and non-plantation work. Not surprisingly, the ARMM is one of the country's poorest regions.

### What Government Support?

Government support is crucial to improving farmers' incomes, enhancing agricultural performance and raising overall competitiveness. But with government lacking both the will and wherewithal to provide the necessary support for the sector, the ordinary Filipino farmer, in stark contrast to his foreign counterparts, is often left to his own devices. Former agriculture secretary Luis Lorenzo Jr., once revealed that the Philippines spends a measly US\$13 or PhP711 per farmer per year—way below the average US\$1,350 per farmer that is spent by ASEAN countries like Malaysia and Thailand. Lorenzo explained that with about 30 million farmers in the country, and the 20 billion yearly allocation for the DA, the budget per farmer amounts to some US\$13 per producer. (Philippine Daily Inquirer p. A-79/26/03) Thailand provides US\$900 per farmer while Malaysia provides

US\$1,800. Even these figures however, pale in comparison to the over US\$50,000 in subsidies that the US provides its producers.

Support also tends to be unevenly distributed within the sector, with the bulk of resources going to certain politically-sensitive crops. This usually takes the form of market support rather than the more crucial productivity-enhancing measures.

The "flipside" to this whole subsidy debate, however, is that massive state support for agriculture in rich countries hurts producers in poor countries. A study by the World Bank shows that multi-billion subsidies in the rich nations result in multi-billion losses for developing countries. (Manila Times, p.B-18/28/03) Developed countries argue that producers in developing countries are uncompetitive because they have been protected for so long. Following this line of reasoning, trade liberalization

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would make them more efficient and competitive. In reality, however, it is massive subsidization which, in many cases, make developed country agricultural production “artificially competitive”.

This information is of course, nothing new for developing countries. Even before the first collapse of WTO talks in Seattle, USA, anti-globalization advo-

higher (almost twice according to the study) in areas outside irrigation systems in non-irrigated areas. (Hussain, 2005) For the ordinary farmer, access to irrigation can often spell the difference between survival and deeper poverty and indebtedness.

To illustrate, in 2004, a palay farmer tilling one hectare of irrigated land was expected to spend an average of

on irrigated land earns over five times what a farmer on non-irrigated land gets.

Sadly, despite its potential benefits, irrigation is not given the attention it deserves. Government support to irrigation is minimal. In 2004, the ratio of irrigated area to potential irrigable area remained at a dismal 44.84 percent. In the two decades – spanning five presidencies – from 1985 to 2005, the ratio of irri-

Table 4. Poverty Thresholds

2003 PovertyThreshold(In PhP)			2004 PovertyThreshold(In PhP)			Growth Rate(In %)		
All areas	Urban	Rural	All areas	Urban	Rural	All areas	Urban	Rural
12,475	14,178	11,589	13,113	15,001	12,431	5.1	5.8	7.3

Source: National Statistical Coordination Board

cates and developing country representatives had already pointed out the link between rich country subsidies and the dismal international trade performance of poor countries. Not surprisingly, removal of subsidies in the developed countries has been a long-standing advocacy of poorer nations in multilateral groupings like the WTO.

### Stark Deficiencies Remain

The surprisingly positive performance of agriculture in the last few years has led some groups to start talking about a possible resurgence of the sector. Mere growth spikes, however, cannot wipe away the decades of erosion of the agricultural base. Philippine agriculture must sustain growth over longer periods if it is to truly benefit the rural poor especially the small farmers and landless agri-workers. Without the necessary infrastructure and support, however, sustainable growth will remain little more than a pipe dream.

Among the various intervention options available to government, irrigation remains one of the most critical. A study by the Asian Development Bank (ADB) and the International Water Management Institute shows that irrigation “significantly reduces poverty” and that poverty is much

PhP27,471 during the dry season. With gross returns of an average PhP36,290, the farmer ends up earning PhP8,819 per hectare. A farmer tilling one hectare of non-irrigated land, on the other hand, would spend PhP20,261 with gross returns of PhP21,848 for a net return of PhP1,587. In other words, the rice farmer

gated land to potential irrigable land has remained below the fifty percent level (except in 1988).

The problem is further aggravated by the poor maintenance of existing irrigation facilities. In fact, the Department of Agriculture has admitted that of the money earmarked for irrigation this year, none has been set aside for expansion. Instead the entire irrigation budget will go to rehabilitation of existing facilities. This despite the President’s pledge during her last SONA to put a sizeable chunk of her multi-billion 2006-2010 infrastructure budget into irrigation.

Post-harvest facilities, especially storage, remain a major deficiency. Access to storage facilities empowers producers by freeing them from uncertainties in the market like sudden drops in commodity prices. Storage facilities are especially important for products like onion which need special cold storage facilities in order to preserve them for longer periods of time. Prices tend to be markedly lower during the harvest time and cold storage allows onion growers to stretch the life of their produce until they can get a better price.

According to Ka Rudy Niones of KASAMNE, a federation of onion growers’ cooperatives in Nueva Ecija, growers

Table 5. Philippines domestic price support to agriculture, 1995-2000 (thousand pesos)

Year/Product	Market Support	Total AMS
<b>1995</b>	<b>257,253</b>	<b>257,253</b>
Rice	257,253	257,253
Corn	0	0
<b>1996</b>	<b>920,468</b>	<b>920,468</b>
Rice	876,766	876,766
Corn	43,702	43,702
<b>1997</b>	<b>1,828,558</b>	<b>1,828,558</b>
Rice	617,447	617,447
Corn	148,463	148,463
Raw sugar	1,062,648	1,062,648
<b>1998</b>	<b>621,741</b>	<b>621,741</b>
Rice	72,220	72,220
Corn	549,521	549,521
<b>1999</b>	<b>1,241,993</b>	<b>1,241,993</b>
Rice and corn	1,091,993	1,091,993
Raw sugar	150,000	150,000
<b>2000</b>	<b>1,192,638</b>	<b>1,192,638</b>
Rice and corn	592,638	5,592,638
Raw sugar	500,000	500,000
<b>Total (1995-2000)</b>		<b>6,062,651</b>

Source: Various Philippine notifications to the WTO and General Appropriations Act for 1999 and 2000





without access to cold storage are typically forced to sell their onions to traders at the low harvest prices, in some cases, selling them at a loss. KASAMNE is lucky in that it has its own cold storage facility in Palayan, Nueva Ecija. Still, the facility is only able to accommodate half of their estimated annual 200,000 bag onion production. Putting up another facility would be the logical course of action. This, unfortunately, is easier said than done. Such an undertaking requires massive capital – capital which even a relatively large group like KASAMNE simply cannot put up on their own.

Ideally, this is where credit comes into the picture. Ka Rudy laments, however, that availing of credit, even from government banks, is difficult at best. And if it is difficult for the organized groups to access credit it is virtually impossible for the ordinary small farmers. Formal credit institutions tend to view farmers especially small farmers as credit risks since they

are often unorganized, lack proper track records and are perceived as having no capacity to undertake viable projects.

Table 6. Ratio of Irrigated Land to Potential Irrigable

Year	Irrigated	Irrigated to Total Potential Irrigable
2004	1.40	44.84
2003	1.40	44.66
2002	1.39	44.37
2001	1.37	43.94
2000	1.36	43.55
1999	1.35	43.19
1998	1.34	42.82
1997	1.34	42.72
1996	1.32	42.31
1995	1.31	42.72
1994	1.27	40.57
1993	1.61	49.26
1992	1.60	48.44
1991	1.58	47.88
1990	1.56	47.27
1989	1.54	47.03
1988	1.51	51.06
1987	1.49	45.99
1986	1.46	46.63
1985	1.44	45.96

Source: Bureau of Agricultural Statistics

This situation exists throughout the entire industry. Given this scenario, it is easy to see why the majority of farmers opt to access credit from informal sources who often milk them for every last drop of profit.

Loans for agricultural purposes according to the BAS, grew to PhP156.25 billion in 2004 recording an average annual growth of 13.41 percent from 2002 and 2004. This remains measly however, considering that it represents only 2.2 percent of total loans granted. This despite the Marcos-era Agri-Agra Law (Presidential Decree 717) which mandates that 15 percent of banks' loanable funds should be provided for agriculture.

Furthermore, interest rates for agricultural loans in the country remain much higher than its neighbors. Interest rates in Malaysia, for example, are typically at 3.5 percent. In contrast, an ordinary farmer availing of credit from the government's Quedan and Guarantee Corporation (QUEDANCOR) is charged a steep rate of 14 percent!

Even the Agricultural Competitiveness Enhancement Fund (ACEF) which was supposed to provide interest and collateral-free loans for small agricultural producers has not benefited the farmers, with the bulk of loans going to big agri interests. This is not at all surprising since the steep prerequisites such as Php500,000 minimum loan amount and track record requirements virtually preclude small farmers from accessing the facility.

**Conclusion**

In a report on the implementation of the Agriculture and Fisheries Modernization

***There has been very little overall change  
in the rural poverty incidence  
from 1985 to 2000***

Act (AFMA) from 1999-2005, the Congressional Oversight Committee on Agriculture and Fisheries Modernization (COCAFAM) noted that growth in the agriculture sector was spurred primarily by “good weather and private investments”.

The Medium Term Philippine Development Plan of 2001-2004 goes even further, “the recent historical pace of rural development has not been sufficient to sustain employment and income growth in agriculture and fisheries. Productivity growth rates in agriculture and fisheries has been low. The sector has not modernized.” (quoted in “Two Decades of Slow Growth”) What all this amounts to is an unwitting critique of the effectiveness of government’s agriculture programs – from people in government no less.


The failure to provide the funds necessary to push modernization, even after the passage of the AFMA, has left the sector hopelessly inefficient, backward and uncompetitive compared to countries like Thailand and even Vietnam.

In order to effectively spur sustainable growth in agriculture, government will need to dramatically increase funding for the sector’s modernization. While not without its flaws, the AFMA, reinvigorated and fully-funded, would be a good starting point.

To do this, government needs to rationalize spending and prioritize programs that will raise efficiency and pro-

ductivity and increase incomes at the farm level. The recent move to phase out the subsidy for hybrid rice seeds by 2007 and channel its Php550 million budget into irrigation that will maximize productivity of small farmers in rural areas is a laudable move. The Hybrid Rice Commercialization Program had been draining an inordinately large share from already scarce resources into an ill-advised program (David, 2005) with

questionable benefits for ordinary farmers and overall rice production.

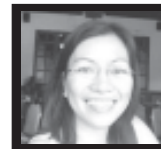
The funding freed up by the scrapping of the hybrid rice subsidy is a mere drop in the bucket and the public sector still needs to go a long way to begin the slow process of genuinely revitalizing local agriculture and, hopefully, making it less vulnerable to such externalities as the weather. 

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# Confab High IP Wo Pligh

BY GEIAH H. DALLEY



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# ights men's t

**T**hey say that a woman's work is never done. In the case of rural women, they still have a long way to go in ensuring "a society that is free from discrimination and violence; enjoys economic and social equality; does not discriminate according to race, age, beliefs and gender; benefits from sustainable development that fulfils the human rights



IP women stage a rally in front of the DENR office along Visayas Avenue in Quezon City. A cameraman from a local TV station gathers footage of the protesting women. (PKKK photo)



and wellness of everyone; recognizes the value of productive and reproductive work.”<sup>1</sup>

Despite the implementation of the Beijing Declaration and Platform for Action (BPA) launched at the 4<sup>th</sup> World Conference of Women in 1995, “there has been no marked improvement in the lives of the rural women.”<sup>2</sup> In 2002, only 4.9 million of the 11.5 million rural women of working age were gainfully employed. And more than half of them formed part of unpaid family workers; hence, they did not necessarily enjoy benefits that would otherwise be enjoyed by paid employees. Worse, programs and services for the agri-fishery sector benefited more men than women. This failure on the part of government to democratize access to projects and services directly contravenes rural women’s rights enshrined in the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).<sup>3</sup>

The situation is even worse for indigenous women. Not only are majority of them deprived of gainful employment and access to basic services like health and education and contend with cultural restrictions on women, they also have to contend with threats to their Ancestral Domains like illegal logging and mining, among others.

These and other issues surfaced during the recently concluded Women IP Consultation conducted by the National Rural Women Coalition last 14-16 October 2006 at the Norfil Foundation in

Quezon City. Participated in by 12 women IP leaders from Luzon, Visayas and Mindanao, the consultation aimed to unite participants against the issues faced by IP communities. Second, it also aimed to form an indigenous women’s agenda regarding ownership of ances-

tral domain. Finally, the consultation also aimed to form an IP Women Cluster that will take the lead in the Pambansang Koalisyon ng Kababaihan sa Kanayunan or PKKK’s advocacy of the indigenous women’s agenda and in the conduct of gender analysis of the indigenous peoples’ issues and concerns.

**Indigenous Women’s Consultation**

On the first day, the theme of the discussions focused on women’s rights. The first speaker, Ms. Beth Yang, presented the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

**The Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)**

CEDAW “is the first and only international treaty that comprehensively addresses women’s rights not only within civil and political spheres, but also

within economic, social, cultural and family life.”<sup>4</sup>

CEDAW was adopted by the United Nations General Assembly on 18 December 1979 during the UN Decade for Women. The Philippines signed the treaty in 15 July 1980 and ratified it in 5 August 1981, or 25 years ago this year (2006). It is therefore the

responsibility of the Philippine government to respect, defend and fulfill women’s rights.

CEDAW contains 30 articles. Articles 1 to 4 discuss general principles on the rights of women. In particular, Article 1 defines discrimination as any

action, policy, trait or tradition that does not recognize or hinders women from exercising their rights and basic freedom. Article 2 discusses policies promoting and implementing gender equality. It also ensures non-discrimination of women from government institutions; it aims to nullify all laws, policies and systems as well as penal provisions that discriminate against women. In the same vein, Article 3 reiterates the provisions of Article 2 and adds that a law should be enacted to guarantee basic human rights and women’s freedom. Article 4 provides for the creation of special measures that would, in the short term, ensure the equality of both men and women (e.g., ensuring the equal number of men and women in leadership positions.)

Articles 5 to 16 discuss women’s specific rights, which include the following: to participate in politics; to represent their countries before any international gathering; to decide whether to retain or change their nationality after marriage to a foreigner; the equal right of men and women to education; equal job opportunities and benefits as that of men; the right to comprehensive health services, including family planning; access to socio-economic benefits; and the right to participate in development planning at all levels. The remaining articles 17 to 30 thresh out CEDAW’s implementation.

**Magna Carta for Women**

Attorney Gettie Sandoval of Sentrong Alternatibong Lingap Panligal (SALIGAN) presented the Magna Carta for Women or House Bill 3766. The bill has been given a new lease on life in the current congress by Rep. Josefina Joson of the 1<sup>st</sup> district of Nueva Ecija. It is currently lodged before the Committee on Women; a senate version of the bill is still being crafted.<sup>5</sup>

The presentation centered on the following principles that form the basis for a Magna Carta: the equality of men and women before the law; the condemnation of all forms of discrimination, and; the bill’s mandate from CEDAW. All these establish that all human rights are also women’s rights.

Atty. Sandoval also reiterated that the proposed Magna Carta includes spe-

**Box 1**

**Aspirations of Indigenous Women**

- (1) Recognition of the rights of indigenous women to own land within ancestral domain.
- (2) Recognition of the equality between sexes.
- (3) Adequate, complete, and continuous service for indigenous women (ex. health services, livelihood trainings)
- (4) Recognition from all levels and sectors.
- (5) Just implementation of all laws concerning IPs:
  - IPRA
  - CADT
  - RA 9062
  - RA 8371

cific chapters on Women Small Farmers and Rural Workers, Women in Fisheries, and Women in Indigenous Cultural Communities, as well as other marginalized groups of women. This means that the proposed bill recognizes the varying situations of discrimination against women, which will help make development and empowerment efforts more appropriate to women. For instance, "one of the salient features of the bill is to guarantee the women's economic and political empowerment by establishing occupational health and safety measures; creating livelihood resource centers; and ensuring representation in local development councils, among others."<sup>6</sup>

According to Atty. Sandoval, the features of the bill have serious implications on indigenous women. What happens if the bill contravenes the IP's customary laws? What will take precedence, the customary laws or the civil laws? These hanging issues compel the indigenous

women to further study the bill to ensure that women's rights as stated in the

group, while those from Luzon formed the other workshop group. From the Visayas and Mindanao group, the following issues surfaced:

1. Illegal logging, mining, expansion of palm plantations into ancestral domains;
2. Conversion of lands within ancestral domains that lead to the ejection of IPs;
3. Lack of access to basic services like education (In terms of services, personal connections still dictate who obtains these services. This is also true for the construction of farm-to-market roads.), and;
4. Non-recognition and disrespect of IP governance. Local government units and institutions do not recognize the sovereignty of IP tribes and continue

to prescribe and implement policies that run contrary to the IP's governance system.

From the Luzon workshop group, the women raised the following issues: 1. Mining by large companies that lead to the displacement of IPs; 2. The tradition of favoring the male child with re-

### At a glance...

<b>Total IP population</b>	<b>11,778,190</b>
<b>Luzon</b>	<b>36.10%</b>
<b>Visayas</b>	<b>3.06%</b>
<b>Mindanao</b>	<b>60.84%</b>
<b>Proportion of IP population to national population</b>	<b>17.00%</b>
<b>Number of Tribes/Ethnographic groups</b>	<b>110</b>
<b>Number of CADCs issued under DAO 2 S. 1993</b>	<b>181</b>
<b>Number of new application for CADT</b>	<b>280</b>
<b>Total number of AD claims</b>	<b>540</b>
<b>Total area covered by CADCs</b>	<b>2,546,033 hectares</b>
<b>Total area covered by new application for CADT</b>	<b>3,717,163 hectares</b>
<b>Total estimated area of ancestral domain</b>	<b>6,323,195 hectares</b>
<b>Total CADTs issued</b>	<b>48 CADTs</b>
<b>Total area covered by issued CADTs</b>	<b>929,081.1272 hectares</b>
<b>Total CALTs issued</b>	<b>142 CALTs</b>
<b>Total area covered by issued CALTs</b>	<b>4,784.0280 hectares</b>

bill do not run contrary to their own laws and culture.

### Issues and Problems Affecting Indigenous Women

The participants were later divided into two workshop groups. Those from Visayas and Mindanao formed one



gard to education. (The males are supposed to be tasked with taking care of the family, hence, they are the ones allowed the benefit of an education); 3. Loss of rights over ancestral domains due to new laws implemented by government agencies like the DENR; 4. Continued illegal logging (e.g., carabao logging in the Cordillera<sup>7</sup>), discrimination, conflicting laws, displacement due to construction of dams and insurgency; 5. Lack of access to basic services like education, health, and housing; 6. Lack of market access for products; 7. Continued victimization due to ongoing tribal wars.

According to the women, most of them are forced to agree to logging and mining activities in their area because they feel that they have no choice in the matter. Susan Hurod, a Mamanwa from Agusan del Sur, relates that their local chief executives urged them to approve mining and logging applications because these projects, ostensibly, have already been given the go-signal by government officials from the national level. They were made to believe that they were powerless against these activities. And with the promise of employment in the logging and mining operations, they were left with little choice but to agree.

In Doña Remedios Trinidad, Bulacan, the roads leading up to the mountains are disintegrating due to the heavy equipment used in quarrying. As a result, only a limited number of transport vehicles go as far as the upland areas, thereby affecting IPs who have to go to work in the lowlands. In Nueva Vizcaya, the IPs were also inconvenienced by disintegrating roads due to quarrying. They added that the mining activities in their areas only pushed through because some of their signatures were forged and affixed to a document stating their approval of the project.

Those who came from fishing communities related how they were able to halt logging activities in their area and shared their experience about continuing their

vigilance against similar activities. They stressed that it is crucial for communities to unite in opposing harmful incursions into their communities, even if such a struggle would mean the sacrifice of their lives.

### **Free and Prior Informed Consent**

Perla Espier of Anthro-Watch discussed the IPs concerns over the Free and Prior Informed Consent (FPIC). FPICs were supposed to empower IPs and aid them in making informed decisions about activities that encroach into their ancestral domains. These were supposed to reflect the voice of the whole IP community through their traditional decision-making processes. This decision-

making processes were envisioned to be free from undue influence and pressure from applicants of FPICs and other groups.

However, IP communities have consistently reported being harassed and/or deceived into granting FPICs to mining and logging applicants. With the issuance of the new guidelines of NCIP Administrative Order No.1 Series of 2006, one would hope that this would answer or at least lend clarity to previously raised issues on the FPIC. However, IP communities regard the new guidelines as new and easier instruments by which mining and logging activities can be carried out within ancestral domain areas.

## **Box 2**

### **Calls of Indigenous Women, October 15, 2006**

1. Cessation of mining, logging, the encroachment of commercial and agribusiness plantations, and the conversion of lands due to the construction of dams
  - a. Investigate and respond to particular complaints regarding mining and logging cases in communities
  - b. Bring justice to IPs dislocated due to mining, logging, etc.
2. Hasten the process of CADT distribution.
  - a. Implement IPRA and ensure the participation and recognition of women in the process of its implementation.
  - b. Ensure funds for the creation of Ancestral Domain Sustainable Development and Protection Planning (ADSDPPP)
  - c. Guarantee speedy yet effective implementation of process in CADT application; remove obstacles to the process of delineation of ancestral domains.
3. Implement programs for indigenous women to ensure the following:
  - a. Ensure access and control of women in all processes and programs in claiming ancestral domain.
  - b. Equal access of women in all forms of education
  - c. Access to appropriate health services (ex. women doctors for pregnant women; access to social security)
  - d. Support in strengthening indigenous women organizations
  - e. Access to livelihood trainings and market for products
4. Participation of indigenous women in all levels and decision-making processes regarding the community's development
5. Continue peace talk
  - a. Ensure rights of IPs, especially that of women and youth, affected by war and militarization
  - b. Ensure representation of indigenous women in all peace talks



Given the issues and concerns regarding the FPIC, Anthro-Watch identified possible solutions. In the short-term, the IP communities should assess their immediate needs and develop long-term goals and objectives. This could include political participation in elections. IP communities have to actively participate in the political exercise to help ensure that candidates elected to government positions will actively pursue environmental concerns. It is also important for the IPs to engage in community development planning or in drafting the Ancestral Domains Sustainable Development and Protection Plan (ADSDDPP), which contains the communities' vision.

**Human Rights**

Dr. Aurora Parong of the International Criminal Court (ICCs) related how the ICC could be a venue for filing cases of human rights violations. She also presented a human rights framework within which such cases could be resolved. She said that the framework could form a basis for resolving the various cases raised by the participants. She noted that government is primarily accountable in the protection, promotion, and fulfillment of the indigenous peoples' rights.

**Tribal Justice and Governance**

Centro Saka, Inc (Philippine Center for Rural Development Studies) presented their ongoing documentation of the Tribal Justice and Governance (TJG) systems of selected

tribes in Mindanao. The documentation hopes to achieve the following: 1. Retrace and reconstruct the territory, citizens, and sovereignty of 13 tribal groups in Mindanao; 2. Review documents on Tribal Justice and Governance (TJG) of the 13 tribal groups in Mindanao; 3. Make use of the documentation to strengthen indigenous knowledge, system and practices, and; 4. Aid in the codi-

fication of the laws of the 13 tribes in Mindanao.

Among the tribal groups included in the documentation are the Ubo Manobo, Ata Manobo, Matigsalog/Tigowahanon, Mandaya, Mansaka, Matiglangilang, Teduray-Lambangian, Manobo Dulangan, Arumanen Manobo, T'boli, the B'laan and the Subanen.

So far, seven tribes have already been consulted and are up for further interviews with key informants. Consultations with the other five tribes are ongoing. Meanwhile, the Teduray-Lambangian has already published and distributed a primer on their system of justice and governance.

CSI's endeavor is an attempt to respond to the need expressed by the Visayas and Mindanao groups for the recognition of IP's governance within their communities. It is hoped that with the completion of the documentation, the IP communities will have an invaluable tool not only with which to determine the kind of development that they envision for their communities and to protect their resources, but also to show the world indisputable proof of their sovereignty.

**Other Indigenous People's Issues**

The Philippine Rural Reconstruction Movement next presented their Integrated Area Development initiatives among IPs in Ifugao, Nueva Vizcaya, Bataan, Nueva Ecija, Cotabato, and Camarines Norte. PRRM also presented a rundown of other IP issues: These are the following:

1. IPs are seldom registered among government's records, hence, services that should



be delivered to them do not always reach them.

2. IP communities have varying levels of community development; they have different ways of perceiving things and have a distinct culture. This uniqueness of the IPs was not recognized in the Indigenous People's Rights Act (IPRA).
3. Indigenous Knowledge, Systems and Practices should be documented and taught in schools and organizations.
4. Identification and laying claim to ancestral lands.
5. Participation of IPs in land use planning.
6. Participation of women IPs in governance.
7. Highlighting women IPs needs and aspirations.
8. Children belonging to nomadic groups tend to transfer schools more often than they should.
9. Unequal treatment of children IPs.

The PRRM stressed that the IP's agenda should always be linked with their basic human rights, and should at

**"Indigenous women remain among the poorest, most violated, most oppressed, most scorned, and most exploited sectors in society"**

the same time recognize and respect the cultural, political and socio-economic differences among women. Moreover, the women IPs contribution to economic development should be acknowledged.

**Locating the Indigenous Women**

The Mindanao Council of Lumad Women (MCLW) reported that indigenous or Lumad women live in abject poverty. As a result, their struggle is confined to the survival of their families.

Worse, poverty has made the women feel powerless to the point that they are accepting their situation as a given. As if this were not enough, they also face problems and challenges in their struggle for the "recognition and protection of their ancestral domain and the continued destruction of their forests due to numerous logging and mining explorations."<sup>8</sup>

The study conducted by the Lumad Women Research Program of the Lumad Development Council, Inc (LDCI)<sup>9</sup>, revealed that Lumad women are the most marginalized groups in Central Mindanao. They are also among the least educated. Due to the traditional roles imposed on them by their culture and traditions, they have developed a reluctance to express their opinions in gatherings because they say they are used to the idea of being seen rather than heard. They are also "doubly burdened." Like their husbands, they too have to earn a living to feed their families. And they are expected to solely perform tiring household chores when they get home from work, while their husbands rest.


The situation of indigenous women in the Philippines is similar to their Asian neighbors:

"...the indigenous women of Asia today could not be farther from the picture of equality and human dignity envisioned in existing declarations of human rights, women's rights and indigenous peoples' rights. Indigenous women remain among the poorest, most violated, most oppressed; most scorned and most exploited sectors in society. Their situation is a dark picture of human misery painted by the powers-that-be who covet indigenous peoples' land and who would do anything to control power and profits in the global economy."<sup>10</sup>

Yet, despite these terrible realities, indigenous women expressed hope that they can develop a strong voice by being united. They also believe that it is crucial for them to "hear, consider and give

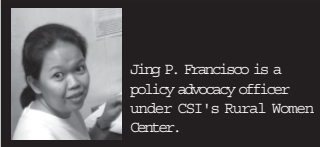


justice to the issues and concerns they are facing."

To quote Martin Luther King, "...freedom is never voluntarily given by the oppressor; it must be demanded by the oppressed." In the same way, indigenous women must claim their freedom from inequality, exploitation, and poverty through action and dialogue between and among other women's groups and various sectors of society. It is only by demanding freedom that indigenous women will truly be set free. 

1 National Rural Women Coalition (Pambansang Koalisyon ng Kababaihan sa Kanayunan-PKKK) briefer.  
 2 Ibid.  
 3 Ibid.  
 4 CEDAW brief.  
 5 Pilipina leads the drafting and lobbying for a Senate version of the Magna Carta of Women. It has convened a Study and Action Group on the formulation of a CEDAW Enabling Law.)  
 6 Magna Carta For Women Pushed Anew, Committee News, House of Representatives. [http://www.congress.gov.ph/committees/commnews/commnews\\_det.php?newsid=290](http://www.congress.gov.ph/committees/commnews/commnews_det.php?newsid=290)  
 7 Referred to as carabao logging because carabaos are used to transport the logs from the forests.  
 8 "Strengthening the Participation and Role of Lumad Women in Peace Building in Mindanao", Mindanao Council of Lumad Women (MCLW), October-December 2005, Vol 1, Number 1  
 9 "A Situational Analysis of the Socioeconomic, Political and Cultural Aspect of the Teduray Women of Maguindanao, Dulangan Manobo Women of Kalamansig SK, and Arumanen Manobo of North Cotabato"  
 10 Jill K. Carino, "Putting Together a Picture of the Asian Indigenous Women", Tebtebba Foundation. [http://www.tebtebba.org/tebtebba\\_files/gender/aisit.htm](http://www.tebtebba.org/tebtebba_files/gender/aisit.htm).

# A leader speaks at the 36<sup>th</sup> UN-CEDAW Session



Jing P. Francisco is a policy advocacy officer under CSI's Rural Women Center.

BY JING P. FRANCISCO

**N**ew York City, August 14, 2006. Ms. Rosa Recto-Presno, Vice Chair of the Pambansang Koalisyon ng Kababaihan sa Kanayunan (PKKK), otherwise known as the National Rural Women Coalition, had the opportunity to represent the rural women sector in the 36<sup>th</sup> Session of the United Nations Committee on the Convention of the Elimination of Discrimination Against Women (UN-CEDAW Committee). Ms. Presno was part of the NGO delegate chosen to present and respond to the Philippine Government's Fifth and Sixth Country Reports on the implementation of the Women's Convention or CEDAW. Her trip was sponsored

*Rosa Presno speaks before a gathering of rural women-leaders in this file photo. Presno was part of the Philippine delegation to the 36<sup>th</sup> Session of the United Nations Committee on the Convention of the Elimination of Discrimination Against Women. (PKKK photo)*





## W O M E N

by Unifem CEDAW – Southeast Asia Program Philippines (Unifem CEDAW-SEAP) and assisted by the Women’s Legal Bureau (WLB) and the International Women’s Rights Action Watch - Asia Pacific (IWRAP – Asia Pacific).

For Ms. Presno, preparing for the UN-CEDAW session was one exhausting but enlightening experience, i.e. from her visa application to the briefing sessions. The NGO delegates were informed that each country was provided with a maximum of ten minutes for their presentation. Since the Philippine contingent had five speakers, only two minutes were allotted for each presenter. Thus

the speakers strove to make their reports as brief as possible to ensure that they would strictly abide by the UN-CEDAW committee rules without jeopardizing the substance of their message.

On the day of the presentation, Ms. Presno was first to present and introduce the team to the 23-member chamber of country experts. The presentation took place a day before the Philippine Government’s Report to the same panel.

Because she hailed from the Philippines, the current Chair of the UN-CEDAW committee, Ambassador Rosario G. Manalo, was excluded from the panel so as to ensure an unbiased review of both the Philippine govern-

ment and shadow reports. The feedback from the Chamber members was reportedly positive, according to the Ambassador, whom Ms. Presno was able to talk to afterwards. Ambassador Manalo said she was proud of both the GO and NGO groups. The groups, the Ambassador explained, were regarded as among the most organized and concise presenters.

Ambassador Manalo also congratulated “Aling Rosa,” (that’s how the Ambassador addressed Ms. Presno) for her brief presentation. The two of them must have hit it off when the Ambassador was the Keynote Speaker during the 2<sup>nd</sup> National Rural Women Congress last October 2005.

### Aling Rosa’s report to the UN CEDAW chamber

**Your honors, together with the three following speakers as part of the group assisted by the Women’s Legal Bureau and the IWRAP (International Women’s Rights Action Watch) – Asia Pacific, we will be presenting to you our view on the women’s situation in the Philippines today. I am Rosa Presno, representing the National Rural Women Coalition.**

**I have spent half of my life as a farmer in the Central Philippines. I am an agrarian reform beneficiary, but we have yet to till the land awarded to us. My plight represents the experience of many rural women, who for the past decade have carried the burden of poverty, stagnation of rural development and the withdrawal of state support for small farmers and fishers, as a result of unilateral policies or prescriptions by many international trade agreements. The number of rural women remains less than one-third of the beneficiaries of agri-fishery support services. Contrary to the promise of trade liberalization, unemployment remains widespread in the countryside; rural women now compose a mere 23 percent of the agricultural employment, more than half of which undertake unpaid work. Basic food crops such as rice, corn, vegetables, and livestock and fisheries, are now considered losers or bankrupt because of trade liberalization. Self-rating of hunger is high in the rural areas at 13 percent. In response, rural women, especially the young, now seek employment in urban centres and overseas. Often, they fall prey to trafficking and prostitution.**

***I have spent half of my life  
as a farmer...  
I am an agrarian reform beneficiary,  
but we have yet to till the land  
awarded to us***

**And yet, government interpreted the situation otherwise; what is the government’s basis to claim that rural women have higher access to jobs?**

**We recommend that government draws up an affirmative program for rural women especially at the community level; and that such program ensures women’s equal treatment to property rights, especially in agrarian reform, ancestral domains, and municipal waters.**

**At present, women compose only 32 percent of agrarian reform beneficiaries. Most of women’s work in the farms are unpaid and unrecognized; few women are considered as tillers. Trends in land distribution will show systematic exclusion of women from the list of potential agrarian reform beneficiaries, as in the case of farmers in Hacienda dela Rama and Benedicto in Negros Province. In the same way, women fishers have been**

**marginalized in programs intended for fishers; women are seldom recognized as fish wardens.**

**The rural women’s status has been made worse by an all-out war of the government against organizations and individuals expressing dissent to the current administration. We condemn the on-going harassment and political killings inflicted by sections of the military on many organized groups of farmers, fishers and indigenous peoples. We also strongly recommend the Philippine government to answer to the human rights violations terrorizing our countryside today.**

# Sustainable food security initiatives

BY JOWEN B. DALUSAG



Jowen B. Dalusag is CSI's media liaison officer.

**T**hey came from different countries, spoke different languages, and had different cultural farming practices. But they shared the same role of feeding the world and securing the world's food supply. In celebration of World Food day, rice farm-

ers from the provinces of Bohol, Sultan Kudarat, North Cotabato, and from countries like Laos PDR, Vietnam, Thailand and the Royal Government of Bhutan, attended a rice farmer's conference that was held in Bohol on October 18, 2006. The conference was dubbed "Farmers' Rights Forum: Sustainable Community-Based Initiatives as Expression of Farmer's Rights" and was organized by the Southeast Asia Regional Initiatives for Community Empowerment (SEARICE).

The farmers discussed and shared different experiences and community initiatives in producing, conserving, developing and managing rice plant genetic resources through sustainable community-based initiatives. Among the community-based initiatives that were expressions of the rice farmer's rights were participatory plant breeding, selection, seed exchange, development of rice varieties, propagation and conservation of farmer-developed and indigenous varieties, and organic rice farming.

In his keynote speech, His Excellency Lyonpo Sangay Ngedup, Minister of Agriculture of the Royal Government of Bhutan, emphasized the importance of government going down to the grassroots and working together with the farmers. He also stressed the impor-

tance of listening to the farmers' needs and addressing their concerns in improving rice production.

During the forum, the participants shared the same sentiments over the importance of seeds. They equated the seed with life itself. Avelino "Ka Beling" Sarino, a farmer-breeder from North Cotabato said that cultural farming practices (which include seed selection, breeding, varietal development, saving and exchanging seeds among farmers)

are expressions of their rights as farmers. He stressed that farmers should always have control and easy access to seeds to ensure food security and food sufficiency. He added that easy access and control over seeds lowers production cost in rice farming.

Ka Beling's farmer-counterparts from Bhutan, Vietnam and Lao DPR also undertake seed rehabilitation and conservation, seed selection and breeding to improve their traditional varieties and adapt the seed to their specific ecosystem. These activities are undertaken so that the rice can develop characteristics like bold grain, long panicles, good eating quality, resistance to pest and disease and environment adaptability. Through these practices, farmers were able to produce their own quality seeds,



Local farmers perform a ritual during the Rice Festival held in Bohol to symbolize their commitment towards promoting sustainable farming practices.

which make them independent from formal seed suppliers (i.e. big agribusiness companies).

Ms. Somkuan Komsen, a farmer from Thailand talked about how they integrated local knowledge on participatory plant breeding and conservation of seeds in the curriculum of public secondary schools. Under this arrangement, the farmers are the teachers and knowledge managers.

The conference provided a venue for the participants to consolidate their various initiatives and alternatives on community-based conservation, development and sustainable use of plant genetic resources. The participants formulated a Declaration of Support to Farmers' Rights, as well as a Farmers' Rights Agenda that would be submitted to the 2nd Governing Body Meeting of the International Treaty on Plant Genetic Resources in Food and Agriculture (ITPGRFA). In the declaration, they called for the following:

1. Participatory conservation, development and sustainable use of plant genetic resources;
2. Strengthening of farmers' seed system and research to intensify farmers' capacity and flexibility in response to local conditions, and on occasions of crisis and emergencies;
3. The promotion and advancement of seed knowledge cultural exchanges among farmers and farming communities;
4. The promotion of sustainable community-based initiatives in response to securing farmer's right to seeds and in addressing issues on food security;
5. The adoption and promotion of a comprehensive strategy toward food self-

sufficiency and sovereignty, as well as the improvement of the lives of the farmers;

6. The adoption and enforcement of national and local legislation for farmers' rights to seeds and in support of sustainable community-based initiatives in agriculture, and of strategize, policies, legislation in promotion and institutionalization and implementation of farmers rights and the conservation and sustainable use of plant genetic resources at the regional, national and local levels;
7. The people's active participation in policy-making processes in all levels of government and in international agreements related to food and agriculture policies.


**Rice Festival**

On October 19, the participants were given another opportunity to share and display their initiatives, skills and planting materials in producing rice during the traditional Rice Festival. There were exhibits and demonstrations of different sustainable agriculture technologies and practices, including participatory plant breeding and organic agriculture, different rice varieties and rice products.

Part of the rice festival is the ceremonial seed exchanges among the participants from five countries. The seed ex-

change symbolizes the cultural expression of farmers' rights and exchange of ideas, knowledge and experiences and propagation and conservation of plant genetic resources. In addition, the participants enjoyed the taste testing of 13 different cooked native and farmer-bred varieties. Each variety was judged according to its taste, aroma and eating quality.

The launching of the Diorama of the Bilar Rice Heritage highlighted the Rice Festival. The Bilar Genetic Resources and Agro-biodiversity Initiatives or Bilar GRAIN, an initiative of the SEARICE Bohol project, together with the Local Government Unit of the Municipality of Bilar and the Farmers' Consultative Council (FCC) and academes, is a first step in addressing the problem of the vanishing rice cultivation tradition. The Bilar farmers hope to conserve the cultural and rice heritage of Bilar.

The local rice farmers' different sustainable and community-based initiatives underscore the importance of recognizing, developing and strengthening their inherent skills and knowledge in rice farming. The country's food security is always in peril and the rice farmers are plagued by problems and challenges. But with vital investment and support for sustainable community-initiatives, our farmers can rise from the challenges and we can look forward to a more food-secure future. 



*Delegates from other parts of Southeast Asia, like this group from Thailand, also took part in the event that was organized by SEARICE.*





## RP coco export to Taiwan dips

The Philippines has lost about US\$20 billion annually in the last four years from its coconut exports to Taiwan. This was brought about by the Philippine government's continued refusal to let Taiwanese agriculture officials check on coconut farms and processing plants and examine the extent of the *cadang-cadang* viroid infection.

Ambassador Hsin Hsing Wu of the Taiwanese Economic and Cultural Office (Teco) in Manila said they are "...still waiting for the Philippine government to send us a formal invitation so our agricultural experts can come to visit the Philippine coconut plantations and processing plants."

Taiwanese experts will then recommend how local coconut producers could stop the spread of the disease.

*Cadang-cadang* is a disease manifested by a yellow-bronze coloration of the lower fronds in the crown and causes cessation of nut production and crown diminution. The infection has already killed more than 40 million coconut trees.

## Farm sector posts 3.55% growth in Q1

The country's farm sector grew by 3.55 percent in the first quarter of 2007, according to the Department of Agriculture (DA). The growth rate, however, was slower compared to the same period last year, when the sector grew by 3.9 percent.

Agriculture Secretary Arthur Yap said farm growth for the first quarter

was buoyed largely by the fisheries sector, which registered an 8.52 percent hike in production growth.

Data from the Bureau of Agricultural Statistics showed a marginal increase in palay production, which grew by only 1.69 percent compared to 6.91 percent it posted for the first quarter of 2006.

## Yap to ACPC: "Bring microfinance to small farmers"

Department of agriculture (DA) Sec. Arthur Yap has urged the members of the Agricultural Credit Policy Council to bring microfinance closer to small farmers.

During the ACPC's 20th anniversary, Yap directed the officers of the council to participate in the DA's target of expanding the agriculture and fisheries sector through the provision of capital to small producers.

In his brief speech, the secretary urged the officers and staff of the ACPC to "...get the money down to the farmers."

Records show that the council has already released some PHP34 billion worth of loans to about 1.6 million farmers and fisherfolk all over the country.

The council has recently commissioned studies on financing schemes best suited to the needs of borrowers engaged in the production of priority agricultural and fisheries commodities.

One of the studies gauged the demand for credit in the major commodity groups, such as rice, corn, coconut, sugarcane, fisheries, and livestock.

The agriculture department plans to strengthen the micro and small to medium enterprise (SME) financing

programs under its attached credit and finance institutions, such as the ACPC.

The ACPC was created to draft programs and strategies to address the issue of credit access among small farmers and fisherfolk.

## FAO supports organic agri methods

The United Nations' Food and Agriculture (UN-FAO) is urging the governments of both developed and developing countries to adopt organic farming.

In the International Conference on Organic Agriculture and Food Security held in Italy, the FAO reported that organic agriculture is being practiced in 120 countries, representing 31 million hectares and a market of US\$40 billion in 2006.

In a paper it released during the conference, the FAO argued that "the strongest feature" of organic farming is its reliance on locally available materials and not on the more expensive and harmful petroleum-based inputs.

"Organic agriculture also breaks the vicious cycle of indebtedness for agricultural inputs, which causes an alarming rate of farmers' suicides," the FAO paper added.

The FAO urges governments to help farmers better understand the benefits of organic agriculture by allocating funds for the promotion of organic farming methods. The FAO also recommends the inclusion of organic farming in the development and poverty-reduction strategies of governments, specially among developing countries.

The items in this section were gathered from the following Philippine dailies: Philippine Daily Inquirer, Philippine Star, Business Mirror, BusinessWorld, Manila Times, Manila Bulletin, Manila Standard-Today, and Malaya



The path to fund recovery had always been fraught with danger. Prior to the decisions of the Supreme Court (December 2001) and the Sandiganbayan (2003-2004), the contentious issue confronting coconut farmers, government, legislature, and NGO advocates was whether the character (public or private) of the coconut levy funds had to be resolved first by the court before any recovery and utilization of funds can be made by the coconut farmers. Now that the public character of the fund has been established, the contention is over the total recovery of the coconut levy funds through the judicial process as against an out-of-court settlement or compromise.

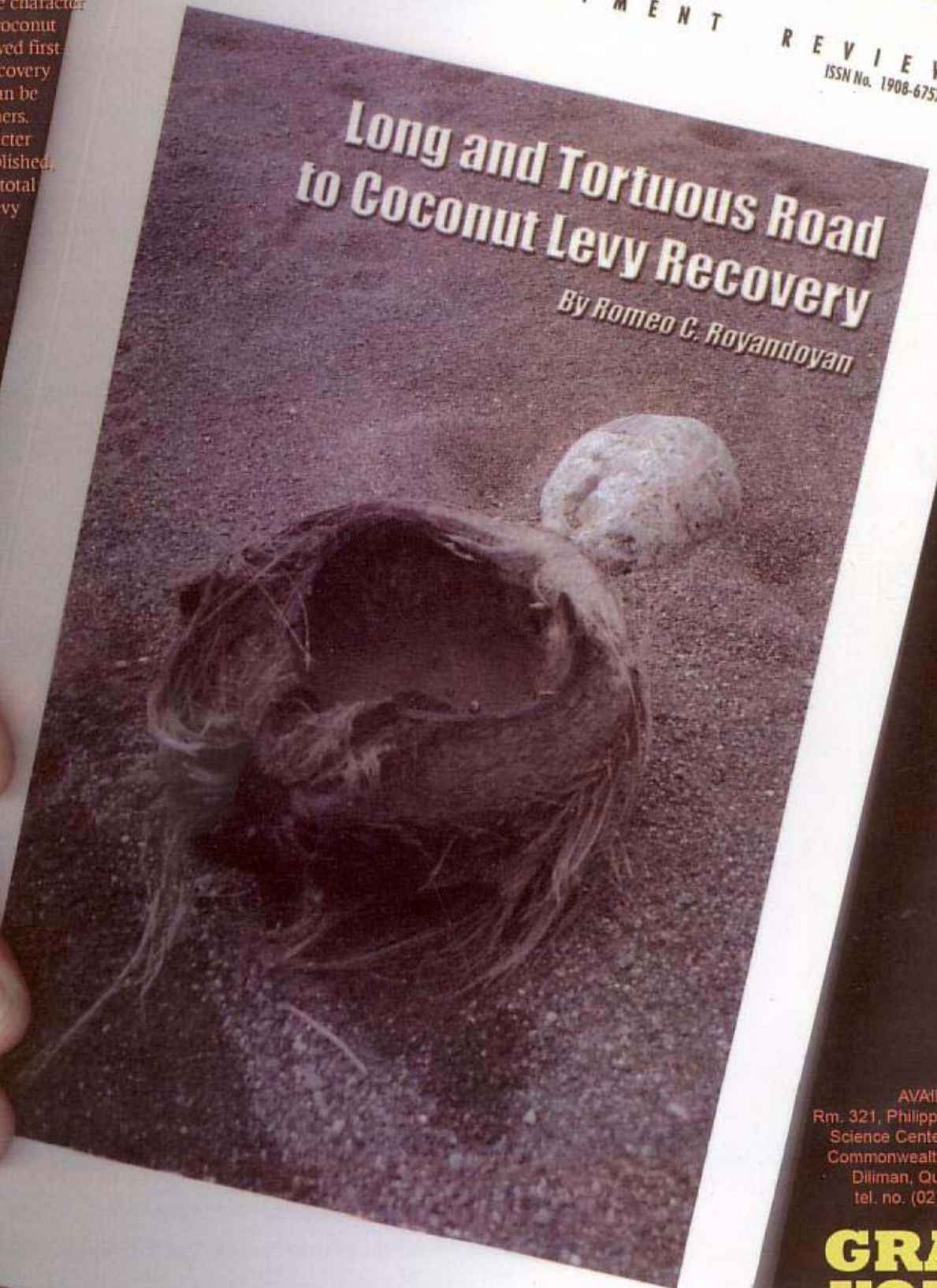
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DEVELOPMENT

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# Long and Tortuous Road to Coconut Levy Recovery

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