DYNAMICS OF DEVOLUTION PROCESS IN THE MANAGEMENT OF THE PHILIPPINE FORESTS

Juan M. Pulhin¹ and Makoto Inoue²

Abstract
This paper analyses the dynamics of devolution process in the management of the Philippine forestry sector over the last few decades. It synthesizes relevant policy documents, grey and published literature, results of multi-stakeholder consultations and interviews with selected people instrumental in the forestry devolution process. The study reveals that the forest devolution process is driven by a combination of environmental, socio-economic, and political factors both at the national and international levels. The dynamics, forms and effects of the devolution process are shaped by the interaction of multiple stakeholders and their varying interests and priorities thus making it a very complicated process, difficult to predict, and its outcomes, hard to control.

Despite wide coverage of areas devolved to local communities totaling to close to 6 million hectares, the paper concludes that current nationwide outcomes of state-sponsored forest devolution in the Philippines is yet far from achieving its stated objectives. Recent experiences in terms of suspension of resource use rights and cancellation of Community-Based Forest Management Agreements (CBFMA) indicate that political interests at the national level remain to be the major basis for policy decisions over the local people’s needs. Despite current limitations, the Philippine experience offers some valuable lessons to other countries of similar situation on how state-sponsored forest devolution strategies could be enhanced to improve rural livelihoods and promote forest rehabilitation and protection.

Keywords: devolution process, forest management, forest policy, The Philippines.

Introduction
The past two decades have witnessed a major paradigm shift in natural resources management that contributed to dramatic transformation in this sector. After decades (or in some instances, even centuries) of tight State control, policies shifted toward devolving natural resource management from central government agencies to individuals and institutions within and

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outside of the government including the local communities (Edmunds et al. 2003). This phenomenon has not only cut across continents, from Asia, Africa and the Americas, but also across natural resource sectors encompassing water, forests, fisheries and wildlife (Mienzen-Dick & Knox 2001). Among the different sectors, devolution policies in forest management are believed to have more far-reaching impacts (Poffenberger 1990, Lynch & Talbot 1995, Fisher 1999, Edmunds et al. 2003, Colfer & Capistrano 2005). Recent estimate by the Forest Trends suggests that in developing countries, community reserves and ownership total at least 22 percent of all forests which is approximately three times the amount held by private individuals and firms (White & Martin 2002). A significant percentage of this has been recognized or reserved for communities over the last 2 decades through various forms of devolution initiatives.

In the Asia and the Pacific Region, the Philippines is among the few countries that is at the forefront of developing innovative and pioneering policies to advance devolution process in the forestry sector (Dahal & Capistrano 2006; Pulhin, Inoue & Enters 2007). Despite this, limited studies have so far been conducted in terms of the analyzing the dynamics and outcomes of forest devolution at the national level as well as the lessons learned that can be gleaned from this experience. This paper therefore attempts to address the following research questions:

1. What are the drivers of state-sponsored forest devolution initiatives in the Philippine forestry sector?
2. What are the forms of forest devolution in the country and how do the different institutional stakeholders shape the devolution process?
3. To what extent have the initial outcomes of forest devolution contribute to the achievement of its intended objectives?
4. What conclusions and lessons can be gleaned from the Philippine devolution process that may be useful to other countries of similar condition?

Using the above questions as the framework of analysis, the paper is structured into five major parts. Following this brief introduction, section 2 presents the context of devolution in Philippine forestry by discussing the factors that compelled the central government to steer recent forest policies toward devolving forest management to the local communities. Section 3 dwells on the devolution process highlighting its major forms, current progress, and the institutional stakeholders involved and their respective roles. Section 4 examines the present outcomes considering the different forest devolution objectives. Finally, section 5 draws some conclusions from the Philippine experience and enumerates some lessons that may be useful to other countries of similar condition.
The analysis was based on the synthesis of policy documents, grey and published literature, results of multi-stakeholder consultations about 10-year assessment of community-based forest management (CBFM), and reports of site-specific case studies. Likewise, some interviews with selected people instrumental in the devolution process in the forestry sector were conducted to supplement available literature and materials.

The Context of Devolution

From the colonial period until the early 1980s, the Philippine forest policies had promoted a highly regulatory, centrally controlled, and industry-biased approach to forest management. A confluence of factors forced the central government, including the Department of Environment and Natural Resources (DENR), to steer recent forest policies toward the direction of devolving forest management to local communities. Among the major factors include the following:

1. Continuous Onslaught of the Forest Resources and the Resulting Environmental Degradation

The history of Philippine forestry is characterized by a continuing onslaught of forest resources resulting to diminution and degraded state. The exploitative practice, which started during the colonial years accelerated in the post-independence era following the Second World War, with records showing an annual rate of deforestation as high as 172,000 hectares from 1950s through 1973 (Boado 1988). However, it was most blatant during the Marcos regime, particularly from 1970 to 1980, putting the Philippines in the top list of countries with the worst deforestation rates in the Asia-Pacific region (Vitug 2000). During this period, annual deforestation rate was believed to have peaked to as high as 300,000 hectares. Table 1 presents the declining trend of forest cover in the country from 92% of the total land area of the country in 1575 to barely 24% in 2003.

Table 1. Changes in Forest Land Area in the Philippines (in M hectares)

<table>
<thead>
<tr>
<th>Year</th>
<th>Forest Cover</th>
<th>Percent of Total Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>1575</td>
<td>27.5</td>
<td>92.0</td>
</tr>
<tr>
<td>1863</td>
<td>20.9</td>
<td>70.0</td>
</tr>
<tr>
<td>1920</td>
<td>18.9</td>
<td>64.0</td>
</tr>
<tr>
<td>1934</td>
<td>17.8</td>
<td>57.3</td>
</tr>
<tr>
<td>1970</td>
<td>10.9</td>
<td>36.3</td>
</tr>
<tr>
<td>1980</td>
<td>7.4</td>
<td>24.7</td>
</tr>
<tr>
<td>1990</td>
<td>6.7</td>
<td>20.7</td>
</tr>
<tr>
<td>2003</td>
<td>7.17</td>
<td>23.9</td>
</tr>
</tbody>
</table>

The dark past of forest use in the Philippines haunt the country to this day. From a major exporter of tropical logs in the world market in the late 1950s until 1960s, the country is now a major importer of wood and wood products. Also, it is a recipient of one of the highest environmental loan to rehabilitate what had been destroyed during the early years of forest plunder (Korten 1994). Indeed, the ability of the forests to provide environmental services has already been compromised. Recent catastrophic floods and landslides that claimed hundreds of lives and destroyed millions of pesos worth of properties have been associated with forest denudation. Despite persistent policy formulation and reformulation, past centralized forest management approach was unsuccessful in reversing the trend towards forest depletion.

2. Glaring Inequity in the Access to and Benefits from the Utilization of the Forest Resources

The highly centralized forest management has benefited more the privileged few instead of the millions of people living in the uplands who depend on forest resources for survival. During the period of Martial Law from 1972 to 1982, around 8-12 M hectares of the country’s forest lands or around 1/3 of the country’s total land area were placed by the central government under the control of about 450-470 holders of timber license agreement (Pulhin 1996). Conversely, millions of forest occupants including the IPs who resided in forest areas prior to Spanish colonization were regarded as squatters in their own ancestral lands. The State treated them as the culprits in forest destruction and in some instances, evicted from these areas to give way to reforestation and other development projects.

The 1989 national census of forest occupants conducted by the DENR provided a sketchy picture of the extent of poverty among the forest occupants based on several welfare indicators. The survey claimed to have covered 52 per cent of the identified 7,255 barangays within the forest land. About 13 per cent of the 1.6 million adults surveyed had no formal education. Of the 377,179 households who relied on farming as the main occupation (80 per cent of the total households surveyed), 57 per cent had a meager annual cash income of P5,000 (equivalent to around US$200 during that period) or less. This was barely 20 per cent of the income which marked the poverty line as determined by National Economic Development Authority (NEDA)—government planning office during the period. About 66 per cent lived in houses constructed of light materials; 62 per cent were without water supplies; while 47 per cent had no toilet facilities.

The same census indicated that land holdings among forest occupants were relatively small, with an average farm area of 2.67 ha per household. This was lower than the 3 ha agrarian reform limit set for agricultural land.
While 45 per cent considered themselves ‘owners’ of the land they cultivated, tenure was insecure. Only about 8 per cent of the 408,309 tiller operators interviewed had a legal basis for their claims. Moreover, of the reported 1.26 million ha occupied by the respondents, 31 per cent were under the timber license agreements (TLAs). About 11 per cent considered themselves as squatters on the land they occupied while 8 per cent were tenants.

Recent analysis has traced upland poverty to the concentration of natural resources in the hands of a privileged few (Broad & Cavanagh 1993, David 1991, Wolters 1991). This is particularly glaring in the forestry sector, where exploitation has been the privilege of logging concessionaires. As the former President Maximo Kalaw of Haribon Foundation explains in an interview with the Berkeley California-based Philippine Resource Centre (Quoted in Broad & Cavanagh 1993:46):

In the past 15 years, we have had only 470 logging concessionaires [in the Philippines] who [have been given the right to exploit] all the resources of the forests. ...The average profit on logging is 100,000 pesos per hectare after you’ve paid all expenses. When you total this, it would amount to about $42 billion, more than our foreign debt, that came from the forest and this money went to 470 people. The process created poverty for 17 million people around the forest areas (original brackets).

Problems of upland poverty and inequity have contributed to hosts of other related problems including the increasing insurgency in the countryside (Pulhin 1996). To help address this crisis, a new agenda of democratizing control of resources was strongly advanced by the civil society sector (including non-government offices (NGOs) and people’s organizations (POs)) by the end of the Marcos dictatorial rule in the later part of 1980s. The new agenda called for a shift in the control of local resources to community-based ventures that was expected to manage the resource use more sustainably (Broad & Cavanagh 1993).

3. Erosion of the State’s Political Legitimacy to Manage the Nation’s Forest Resources

The inability of the central government, particularly the DENR, to address the twin problems of forest destruction and upland poverty contributed to the erosion of public trust concerning its credibility and moral authority to govern the nation’s patrimony. Contributing to this lost of political legitimacy to manage the country’s forest resources is the “culture of corruption” and political patronage that have been deeply engrained into its bureaucratic structure which found its greatest expression during the logging years (Vitug 1993). Such malpractices extended to the early years of contract reforestation in the late 1980s where reforestation contracts became the new tools for
patronage. They were like “road-or hospital-building contracts that can be given to favored supporters” (Vitug 1993). In turn, these activities contributed to further forest depletion and greater alienation of local communities from the government.

With the lost of public trust, DENR was forced to search for a new management paradigm to regain political legitimacy as the primary government agency responsible for the conservation, management, development and proper use of the country’s environment and natural resources (Malayang, personal communication). An offshoot of this new paradigm was the 1995 adoption of CBFM as the national strategy to achieve sustainable forestry and social justice which is at the core of forest devolution policy in the country.

4. Other Contributing Factors

A convergence of other factors drives the policy and institutional reform towards the devolution of forest management in the country (Agoncillo 2000). First is the increasing evidence from many studies that common property regimes (CPR) have performed better than the state institutions. This is primarily attributed to the local users’ ultimate knowledge of the resource, relative advantage in monitoring resource due to proximity, and the high degree of dependence to forest resources (Cernea 1985, Blomley 1989, Ostrom 1990).

Second are the limited resources available to the government in implementing its institutional mandate. Faced with scarce resources, DENR has to find efficient ways of management and assistance for technical, financial and human resources from other institutions. These institutions include the funding agencies, private groups, NGOs and the local communities themselves. Devolution is therefore a viable institutional strategy both for cost sharing and cost cutting of operational expenses.

The final driver relates to the international context particularly the changing priority of the funding institutions. Donors like the Ford Foundation, Inc. and the United States Agency for International Development (USAID), have focused on policy and institutional reforms, strengthening of civil society and other “soft side” of development packages. These interventions are believed to be more “effective” in institutionalizing change than the “traditional” lending approach of multilateral funding institutions like the World Bank. This donor group has therefore strong influence in shaping the direction of the government’s policy and implementation relevant to devolution in forest management.
The Devolution Process

Forms of Devolution in the Philippines

The Philippines, like many other countries, has continued to undergo major policy reforms leading to devolution in forest management especially over the last decade. At the operational level, the process of state-initiated forest “devolution” takes various forms. First, it may involve mechanisms that transfer certain management rights and responsibilities from the DENR to local communities. This type of devolution is reflected in the different people-oriented forest management programs and projects under the general umbrella of CBFM. Under this scheme, organized communities are issued a CBFMA or related instrument that grant them the opportunity to access and benefit from forest resources through a 25-year land tenure arrangement in exchange of their responsibility of forest rehabilitation, protection and conservation.

The second type involves the devolution of forest management from central government to local government, but not necessarily to local communities. This is realized through Republic Act 7160, otherwise known as the Local Government Code. The Code “devolved” certain environmental functions of DENR to local government units or LGUs including the implementation of community-based forest management projects particularly the Integrated Social Forestry projects.

The third type entails a form of devolution that provides space for local communities to participate in the management of protected areas which was made possible through the enactment of Republic Act No. 7586 otherwise known as the “NIPAS (National Integrated Protected Area System) Act of 1992”. The Act provides for the creation of a site-based Protected Area Management Board (PAMB), composed of representatives from DENR, local government units, NGOs, and organized communities to serve as local policy-making body to deliberate over land use plans, zoning measures, and resource management and protection activities in priority protected areas. Similar to CBFM, organized communities may be given a 25-year tenure security over the land they occupy provided this will not pose a threat to the environmental integrity of the protected areas. They may also be allowed to harvest non-timber forest products like rattan, bamboo, vines, etc., in non-restricted zones of these areas.

The fourth type of devolution is embodied in the 1997 Indigenous People’s Right Act (IPRA). This law provides for the recognition, protection, and promotion of the rights of indigenous cultural communities/indigenous peoples (ICCs/IPs) to their ancestral lands through the issuance of Certificate of Ancestral Land Title (CADT). IPs are in turn entrusted with the responsibility to maintain, develop, protect and conserve these areas with the support and assistance from government agencies.
If only to be true to its intent, devolution in this paper adopts the definition forwarded by Mienzen-Dick and Knox (2001), that is, it “involves the transfer of rights and responsibilities to user groups at the local level”. In the context of the Philippine forestry, this would mean the transfer of responsibility and control over forest resources from the State, represented by the DENR, to the local communities. This notion of devolution supports the principle of “subsidiarity” that decisions should be made at the lowest possible level where competencies exists (Anderson 2000, Ribot 2002). It implies that “concerned local populations should be officially responsible for part of the costs and benefits of functions essential for local management of resources” (Babin & Bertrand 1998).

In practice, it is difficult to find examples of complete devolution of forest management to local communities as described in the above definition. The above categories may therefore be viewed to represent the various “stages of devolution” in the Philippines with the possibility of approaching “complete devolution” in the future. Of these types, however, the third type may have the better chance of achieving “local control” over forest resources considering the degree of local autonomy provided for under the IPRA mechanism. Unfortunately, very limited information is currently available on this type of devolution, hence not aptly covered in this analysis.

It should be borne in mind, however, that the “evolution of devolution” in forest management in the Philippines, and probably elsewhere, is a complex process. It involves an intricate system of state-civil society interaction and may either be initiated by the State or civil society (Magno 2003). The four types of devolution mentioned above are all State-initiated devolutions. Outside these categories is yet another type otherwise known as “self-initiated” or “organic devolution” (Contreras 2003). Under this mode, devolution process is initiated by the community itself by carrying out the task of self-managing their forest resources or by a third party like an NGO or a change agent. The varying role of the State in these types of devolution is aptly described by Contreras (2003:9-10):

In the State-initiated devolution process, local communities become participants in projects designed by the State. On the other hand, in those that are initiated by local communities, State comes in as an ever-present institution that gives legitimacy to local initiatives in the context of laws and policies that the latter will have to comply with.

This paper focuses more on the State-devolution initiatives instead of the self-initiated one.
Origin and Current Stage of the Process

The history of devolution process in Philippine forestry can be traced as far back as the pre-colonial period (Sajise 2000). During this time, access and control of forest resources was highly localized and in the hand of “Datu” and other local leaders. The colonial period was characterized by the enactment of laws consolidating power on access and control of forest resources into the hands of the State (Magno 2003). Post colonial government, until more recently, continued to support this pattern of centrally-controlled access and management of forest resources. Thus, for centuries, during and after the colonial and post-colonial period, forest management in the Philippines is strongly centrally-determined, top down, and non participatory (see Figure 1).

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A confluence of the above-mentioned factors brought about significant policy reforms in forest management especially after the 1986 EDSA Revolution. With the increasing recognition that forest destruction is rooted on the elite dominated socio-political structure (Kummer 1992), policy reform was geared towards breaking the TLAs’ monopolistic control over the country’s forest benefits in favor of millions of forest-dependent upland communities. At the heart of such a reform was the suspension or cancellation of the erring TLAs and the non-renewal of the expiring ones. To avoid the problem of open access in areas previously operated by TLAs, various forms
of land tenure instruments were issued to thousands of forest communities who are given a new role of forest protection and management. In return, upland communities are bestowed with certain rights and privileges to enjoy forest benefits within the framework of sustainable resource management.

Consequently, access to forest resources was democratized through time. From 422 TLAs covering an aggregate area of about 10.29 M hectares in 1974, only 18 TLAs are now remaining with a total area of 825,000 hectares (FMB 2005). On the other hand, from nil in 1980, total area covered by CBFM is now around 5.97 M hectares with 4.9 M hectares under various forms of land tenure instruments (FMB 2004). Under the government 1997 strategic plan for CBFM, a total of 9 M hectares have been targeted to be placed under CBFM by the year 2008.

The year 1990s witnessed the enactment of landmark legislations and issuances that led to the institutionalization of devolution as a forest management strategy in the country. Table 2 presents these policies including their significant features relative to devolution. Using the enactment of these policies as a major criterion for gauging the current status of devolution in the country, one may argue that in general, forest management has now shifted towards more of co-management and local control although this may not yet be fully realized in the actual implementation of these policies.

Table 2. Recent Policies Contributing to the Institutionalization of Forest Devolution in the Philippines

<table>
<thead>
<tr>
<th>Year</th>
<th>Policy</th>
<th>Salient Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>Local Government Code (Republic Act No. 7160)</td>
<td>The implementation of social forestry and reforestation initiatives, the management of communal forests not exceeding 5,000 ha., the protection of small watershed areas, and the enforcement of forest laws are devolved to local government units (LGUs).</td>
</tr>
<tr>
<td>1992</td>
<td>National Integrated Protected Area System Act (Republic Act No. 7585)</td>
<td>The law represents a shift from state-mode controlled of park administration towards system of protected area management where indigenous communities and local associations are involved. A site-based PAMB, composed of representatives from DENR, local government units, NGOs, and the tribal groups, deliberate over land use plans, zoning measures, and resource activities in priority protected areas.</td>
</tr>
<tr>
<td>1992</td>
<td>Guidance for the Transfer and</td>
<td>Provides guidelines for the transfer of certain DENR functions to LGUs as mandated under</td>
</tr>
<tr>
<td>Year</td>
<td>Policy</td>
<td>Salient Features</td>
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<tr>
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<tr>
<td>1992</td>
<td>Implementation of DENR Functions Devolved to the Government Units (Department Administrative Order No. 92-30)</td>
<td>The Local Government Code. In forestry, the DENR devolved to LGUs the following functions: implementation of certain community-based forestry projects; management and control of communal forests with an area not exceeding 5,000 ha.; management, protection, rehabilitation and maintenance of small watersheds which are sources of local waters supply; and enforcement of forest laws in CBFM projects, small watershed areas, and communal forests.</td>
</tr>
<tr>
<td>1993</td>
<td>Delineation of Ancestral Lands and Domains Claims (DENR Administrative Order No. 2)</td>
<td>Provincial Special Task Forces on Ancestral Domains (PSFTFAD) are mandated to meet with indigenous communities for the purpose of verifying ancestral domain claims and identifying forest boundaries. Once their claims are approved, indigenous communities are granted Certificate of Ancestral Domain Claim (CADC).</td>
</tr>
<tr>
<td>1995</td>
<td>Adoption of Community-based Forest Management (CBFM) as the National Strategy for the Sustainable Development of Forestlands (Executive Order No. 263)</td>
<td>CBFM is the national strategy to achieve sustainable forestry and social justice. Organized communities may be granted access to forest resources under long-term tenure provided they employ environment-friendly, ecologically sustainable, and labor intensive harvesting methods.</td>
</tr>
<tr>
<td>1996</td>
<td>Rules and Regulations for the Implementation of CBFM Strategy (DENR Administrative Order No. 96-29)</td>
<td>Local Communities shall prepare their respective Community Resource Management Frameworks with the assistance of DENR, LGUs and other government agencies. The CBFM program shall apply to all areas classified as forestlands including allowable zones within protected areas. It integrates all people-oriented forestry programs of the government.</td>
</tr>
<tr>
<td>1997</td>
<td>Indigenous People’s Right Act (Republic Act No. 8371)</td>
<td>The State shall protect the rights of indigenous cultural communities to their ancestral domains to ensure their economic, social and cultural well-being. It shall also recognize the proper relations in determining the ownership and extent of ancestral domain.</td>
</tr>
<tr>
<td>Year</td>
<td>Policy</td>
<td>Salient Features</td>
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<td>Indigenous peoples whose ancestral domains have been officially delineated and determined by the National Commission on Indigenous Peoples shall be issued Certificate of Ancestral Domain Title (CADT) in the name of the community concerned, containing a list of all those identified in the census.</td>
<td></td>
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<tr>
<td>1998</td>
<td>Manual of Procedures for DENR-DILG-LGU Partnership on Devolved and Other Forest Management Functions (Joint Memorandum Circular No. 98-01)</td>
<td>The Manual of procedures reiterates the policies enunciated in DENR DAO 92-30 and mandates DENR and LGUs together with other government agencies to undertake forest land use plans as integral part of comprehensive land use planning. It also mandates the setting up of mechanisms for the DENR-DILG-LGU stakeholders partnership and oversight for the implementation and monitoring of the devolution and partnerships through the creation of steering committees and/or technical working groups at the national, regional, provincial, city and municipal levels. It also provides for specific guidelines on how devolution can be done, and for the documentation of forest management projects and functions devolved from the DENR to the LGUs.</td>
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<tr>
<td>2003</td>
<td>Strengthening and Institutionalizing the DENR-DILG-LGU Partnership on Devolved and Other Forest Management Functions (Joint DENR-DILG Memorandum Circular No. 2003-01)</td>
<td>Reiterates previous issuances and calls for the acceleration of the collaboration, partnership, coordination and institutionalization of the working relationships among DENR, DILG and LGUs in forest management. It also allows the DENR and LGUs to co-manage a certain forest area and reiterates LGU participation in the issuance of tenure instruments and permits.</td>
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<tr>
<td>2004</td>
<td>Revised Rules and Regulations for the Implementation of the CBFM Strategy (DENR Administrative Order No. 29)</td>
<td>Improve on the 1996 CBFM Implementing Rules and Regulations by allowing more flexibility to participating communities such as the requirement of a Five-Year Work Plan instead of Annual Work Plan, etc.</td>
</tr>
</tbody>
</table>

Key Institutional Players and their Roles

There are at least eight (8) major institutional stakeholders or key players that influence the process and outcomes of forest devolution in the Philippines: the Philippine Congress, the President of the country, DENR, LGUs, civil society, private sector, academic and other research institutions, and the donor community (see Table 3). The multiplicity of these stakeholders representing various sectors and levels of the society and the diversity of their personal and institutional interests and priorities render the devolution of forest management a very complicated process. The dynamic interaction among them influences not only the form but also the substance of forest devolution in the country.

While the key institutional players in the devolution process have remained more or less the same, there is fast turnover among the people representing these institutions that influence the devolution outcome. For instance, from 1987 to the present, the DENR has been under the successive leadership of 10 department secretaries. Of these, the former Secretary Victor Ramos may be regarded as a “champion” of forest devolution considering the landmark policy issuances and the significant advancement of CBFM implementation during his administration. However, with the appointment of Secretary Antonio Cerilles under the former President Estrada’s administration, the decades of efforts and initial gains of CBFM were almost stalled. With one stroke of a pen, Secretary Cerilles unilaterally suspended the resource use rights of the communities to harvest and sell timber from residual forests through a department memorandum he issued on September 22, 1998 (Mickelweit, Harker & Guiang 1999). Although the suspension was lifted in March 2000, most of the communities started to doubt the sincerity of the government in carrying out its obligations and commitments under the CBFMA (Borlagdan, Guiang & Pulhin 2001). Similarly, former Secretary Elisea Gozun suspended the issuance of resource use permits to local communities nationwide sometime in 2003 while former Secretary Michael Defensor cancelled the CBFMAs in 13 of the 17 administrative regions in the country without due process. Both actions, similar to that of Cerilles’ cancellation of resource use permits, have adverse effects on the livelihood and forest protection efforts of most CBFM areas nationwide (see for instance Pulhin, Inoue & Enters 2007 for example of these effects). They have also contributed to the erosion of trust in the part of the local communities as to the sincerity of the DENR to implement an honest to goodness forest devolution program. As these experiences imply, both the champions and supplanters of devolution may be present within the same agency and their decisions certainly influence the phase, extent and impacts of forest devolution on the ground. The same experiences also tend to suggest that under the current CBFM program, the DENR through its Secretary appears to be the most
critical player. This is because under the law, the DENR retains the power to allocate forest lands and resources including the bundles of rights associated with the access, use, control, and alienation of these resources. As demonstrated in the recent experience, the DENR Secretary can withhold or suspend these rights any time through policy issuance at the expense of local communities who depend on forest resources for survival.

The degree of engagement of the different institutional stakeholders in the devolution process also continues to evolve through time. This too, will influence the form and outcome of devolution in forest management. For instance, the strong advocacy of the civil society towards the end of the Marcos dictatorial rule towards democratization of forest access have significantly contributed to the strong push towards the local communities control over these resources. This has resulted not only to the cancellation of expiring and erring TLA holders but also to the awarding of use rights to local communities to benefit from their local forest resources. More recently, however, innovations among some LGUs like the Nueva Vizcaya provincial government in watershed management appears to shift the direction of forest devolution in favor of co-management as against full community control. Indeed, the memorandum jointly issued by DENR and DILG Secretaries which was fashioned based on the Nueva Vizcaya experience provides a strong signal towards this direction.

Table 3. Key Players and their Roles in the Forest Devolution Process.

<table>
<thead>
<tr>
<th>Key Players</th>
<th>Major Role in Forest Devolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Philippine Congress (Senate and House of Representatives)</td>
<td>Passage of three important pieces of legislations that provide the legal foundation of forest devolution in the country: 1) Local Government Code of 1991 (Republic Act No. 7160); 2) the 1992 National Integrated Protected Area System Act of 1992 (Republic Act No. 7585); and 3) Indigenous People’s Right Act of 1997 (Republic Act No. 8371). Despite presence of strong policy framework, Congress still needs to enact a single comprehensive piece of legislation that embodies community rights, tenure and participation in forest governance.</td>
</tr>
<tr>
<td>The President of the Philippines</td>
<td>Of the four presidents that have governed the country since the EDSA I revolution, President Fidel V. Ramos’ Administration appeared the most supportive of forest devolution. He issued the landmark policy, Executive Order No. 263, adopting CBFM as the national strategy to achieve sustainable forestry and social justice. E. O. remains the basis for the current administration in formulating forestry rules, regulations and programs.</td>
</tr>
</tbody>
</table>
### Key Players

<table>
<thead>
<tr>
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<th>Major Role in Forest Devolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Environment and Natural Resources</td>
<td>Concerning the devolution of forest management to local communities. Promulgates appropriate rules and regulations that translate the generalities of law into concrete terms. DENR Secretary is responsible for the issuance of various Administrative Orders and Memorandum Circulars that guides the implementation of forest laws or decrees issued by the Philippine President. At the implementation level, outcomes of forest devolution is largely influenced by the dedication, competence, and ability to mobilize local support and resources by the DENR field offices and staff at the regional, provincial and municipal level.</td>
</tr>
<tr>
<td>Local Government Units</td>
<td>The Local Government Code empowers LGUs to enforce forestry laws and engage in the implementation of CBFM and related projects in partnership with the DENR and the local communities. The Department of Interior and Local Government issued three circulars in the period of 1995 to 1996, enjoining all LGUs to help strengthen the forest devolution program of the government. In addition, two memorandum circulars were issued jointly with DENR in 1998 and 2003 to strengthen the implementation of forest devolution. Some LGUs in Luzon and Mindanao have passed provincial/municipal resolutions appropriating funds to finance CBFM projects in their localities. Some of the successful initiatives on forest devolution that have been backed up by LGU legislation include those established by the provincial governments of Nueva Vizcaya in Northern Luzon and Bukidnon in Mindanao.</td>
</tr>
<tr>
<td>The Civil society</td>
<td>Civil society constitutes the local communities themselves and the NGOs and POs that operate at the national and local levels as well as international NGOs and media. Their influence in forest devolution ranges from the provision of funds, time and human resources; policy advocacy; provision of legal assistance especially to Indigenous Peoples; implementation, monitoring and evaluation of CBFM and related DENR projects; community level actions and demands. The Local Government Code allowed for the representation of civil society in the governmental and multi-sectoral policy making bodies such as in the municipal, provincial and regional development councils as well as in the Protected Area Management Board in the case of the NIPAS areas. The advocacy work of the civil society in forestry has been</td>
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<tr>
<td>Key Players</td>
<td>Major Role in Forest Devolution</td>
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<td>Instrumental in the issuance of E.O. 263 and its implementing rules and regulations, the NIPAS Act of 1992 and the IPRA of 1997. More recently, national NGOs, POs and academe have entered into partnership with DENR to craft the new CBFM Strategic Action Plan to guide the nationwide implementation of the CBFM Program in the next 10 years or so.</td>
<td></td>
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<tr>
<td>Private sector</td>
<td>During the initial conception of community forestry in the early 1980s, there was considerable resistance from the wood industry to allow local communities to utilize timber on a commercial scale. However, having affirmed by the government of its support to CBFM including that of the other sectors, members of the private sector have increasingly accommodated the CBFM approach as the country’s strategy for sustainable forest management. For instance, the private and other sectors continue to lobby for the passage of the proposed bill on sustainable forestry which singled out CBFM as the “principal strategy” to achieve sustainable forest management.</td>
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<tr>
<td>Academic and other research institutions</td>
<td>Their main contribution lies in the promotion of science-based forest policy formulation; provision of technical assistance and support to CBFM and related projects; project monitoring and evaluation; serving as critique of government forestry policies, programs and projects; and production of a new breed of “people-oriented foresters” responsive to the needs of local communities.</td>
</tr>
<tr>
<td>Funding institutions</td>
<td>Includes multilateral and bilateral funding institutions that act as global drivers of forest policy in the Philippines (Malayang 2001). Their instrument of influence includes the provision of funds and budgetary and technical support. The Ford Foundation Inc., USAID, Asian Development Bank, and the World Bank appear to have greater influence in shaping the country’s policy direction towards local forest management and control. The 15 years of experience from the Upland Development Program funded by the Ford Foundation Inc. contributed significantly to the refinements of the earlier policy on social forestry, a major forerunner of the present CBFM Program. On the other hand, the Natural Resources Management Program implemented through a financial grant from USAID was instrumental for the crafting and approval of E.O. 263 as well as its implementing rules and regulations. Similarly, experiences from forestry projects</td>
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Key Players | Major Role in Forest Devolution
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 | funded by the WB and ADB contributed to development of policies that provide upland communities land tenure security and access to forest resources as well as the participation of civil society in forest management. More recently, USAID, through the Philippine Environmental Governance (EcoGov) Project, was very instrumental in strengthening and institutionalizing the DENR-DILG-LGU partnership through policy support and on the ground implementation of forest devolution initiatives.


Current Outcomes

Outcomes vis-à-vis Intentions

Gleaned from the different policies, the major objectives of forest devolution in the Philippines include the following: improving forest rehabilitation and protection, democratization of resource access, promotion of viable livelihood, and the empowerment of the local communities to influence political decisions on forest management and use. It should be mentioned however, that these objectives may not always be clear, and there can be little agreement among different stakeholders especially on the issue of livelihood versus forest conservation. Nonetheless, it is but logical to base this cursory assessment of current forest devolution outcomes on these stipulated policy objectives.

Forest Rehabilitation and Protection

Most of the households and communities involved in CBFM are engaged in forest rehabilitation activities. Over the last ten years, DENR records indicate that CBFM projects have developed a total of more than 500,000 ha of agroforestry, tree plantations, and mangrove rehabilitation within the 5,503 CBFM sites. In addition, CBFM participants have contributed to the establishment of plantations in areas outside the forests, such as in their own private areas and other alienable and disposable lands, amounting to 8,223 hectares as of 1999 (Tesoro 1999).

CBFM communities also served as the first line of defense in the protection and management of the forest resources. Accounts of local communities stopping illegal logging and other forest violations are common in many CBFM sites. It was established that the government is able to save at least 127 million pesos annually (around US$ 3.1 M at current exchange rate) by allowing the communities to manage and protect CBFMP sites, instead of hiring additional forest guards to protect and secure these areas (Tesoro 1999).

These accomplishments, however, should be treated critically. Physical accomplishments in forest rehabilitation and forest protection do not
necessarily translate to the improvement of the welfare of the forest communities. Indeed, in a number of instances, establishment of forest plantations could mean the lost of areas being cultivated by participating community members and hence in the long-run, made them more worse off (Pulhin 1996). Similarly, voluntary forest protection maybe viewed as forms of exploitation when seen against the reality that such volunteer efforts take time away from the communities’ productive work (Contreras 2003). It also relieved the forestry staff paid to do the work both from the sweat and threat associated with forest protection.

**Resource Access Provision**

Until recently, forest occupants, including the Indigenous Peoples, were treated as “squatters” or “encroachers” in forestlands, even if they may have occupied these areas since time immemorial. This, to a large extent, has been corrected through the various forest devolution policies.

Since 1983, six different types of tenure instruments have been developed. Such instruments recognize the vested rights of forest occupants, both migrants and Indigenous Peoples, and in principle, allow them to have access and enjoy the benefits from forest resources. Under the recent CBFM program, the different tenure instruments were rationalized by providing only four types instead of the original six. The objective was to minimize confusion among the participating communities and facilitate the administrative efficiency of the DENR, the sole government agency responsible for their issuance. More recently, the DENR is issuing only the CBFMA in line with its objective of promoting community management and development of the entire landscape in favor of farm level management.

To date, of the around 5.97 million ha covered under CBFM, a total of 4.90 million ha are under various forms of land tenure instruments. These include around 2.50 million ha (51%) under CADC, 1.57 million ha (32%) under CBFMA, 0.63 million ha (13%) under Certificate of Stewardship Contract (CSC), and the remaining 0.196 million ha under other forms of land tenure arrangements (FMB 2006). However, there is no available information on how many CBFM agreements and other tenure instruments are only on paper and not implemented in the field.

It should be emphasized, that in the context of the Philippines, having tenure security in forest land does not guarantee the State’s provision of use right for the community to benefit from the resources found therein. As experienced recently, use rights may be withheld or even taken back any time depending on what is perceived to be right by the central DENR administration at a particular period in the name of serving the wider “public interest”.

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Promoting Viable Livelihood

Incorporation of livelihood activities is a major strategy that characterized most forest devolution initiatives. A common approach is to contract out to a PO the different site development activities, such as reforestation, agroforestry, assisted natural regeneration, and timber stand improvement. Part of the proceeds from these activities is set aside for livelihood projects, which are jointly identified with the communities concerned (Pulhin 1998).

In support of the above livelihood activities, credit and/or marketing cooperatives have also been organized in some communities through the project’s community organizer. Cooperative members are trained on various livelihood activities, including simple bookkeeping and financial management, for more effective functioning of the organization.

Other than project funds, sources of capital for livelihood activities may come from limited utilization of forest products such as timber and rattan. This applies particularly to those projects which have been given a resource-use permit to utilize forest products to augment participants’ incomes. The scheme is based on the principle of “borrowing from nature to finance community and forest development.” The idea is to plow back part of the sales income from legally harvested products from natural forests or existing plantations to finance livelihood projects, reforestation, and related forestry activities to ensure forest sustainability.

There is a mixture of experiences and outcomes in relation to the promotion of viable livelihood projects as a component of forest devolution strategy. Where organized and capable communities are sufficiently backed with strong support systems, viable livelihood projects may be developed resulting to increases in the income among upland households. Noted example in the case of organic devolution is the case of the Kalahan Educational Foundation where the Ikalahan tribe with the assistance of foreign missionary was able to develop a viable small scale food processing using locally available wild berries that they supply to big department stores in Metro Manila. Other examples in the case of state-initiated devolution are the CBFM projects in the Bulalacao, Alcoy, Cebu and in Labo-Capalunga, Camarines Norte where participants used the reforestation income for agroforestry development and other livelihood projects (Borlagdan, Guiang & Pulhin 2001).

By and large, however, experiences in most CBFM sites are replete with struggling POs attempting to forge viable livelihood projects given the constraints of marginal land and limited external support from the government. For instance, of the 11 cases studied by the Contreras and associates under research project funded by the Center for International Forestry Research, only one site has credit support mechanism. Such a support was not even provided by the State but by a church-based NGO.
Related problems noted are weak links to market, shortness of employment opportunity provided by reforestation and plantation development, and uncertainty of being able to harvest the planted trees in the future (Contreras 2003).

Building Political Capacity

Studies indicate that CBFM projects have to a certain extent provided some space towards building the capacity of forest communities to influence decision-making relevant to forest development and management (Pulhin & Gata 2003, Contreras 2003). With the assistance of NGO staff and other professionals, members of people’s organizations are given the appropriate training to analyze their problems and to plan, implement, monitor, and evaluate their own plans towards the improvement of their socio-economic and environmental situation. In the process, local people are organized and mobilized towards collective action that builds their confidence and political capacity to influence decision-making on matters relevant to forest management. However, considering the historical and political context of the Philippines forestry sector, characterized by state-cum-elite domination and control, and the rigid bureaucratic structure espoused by State-initiated devolution strategy, building the political capacity of the marginalized upland communities takes a long time and is not easy to achieve. Since the expiration of most donor support starting in the year 2000, many POs nationwide have been inactive in the absence of external support. This is considering the series of suspensions of timber harvesting permits and the recent attempt to cancel CBFMAs which adversely affect the PO members livelihood but also discouraged them to continue to invest on forest management. Even the CBFM PO Federations at the provincial, regional and national level which used to be very active in the late 1990s are now mostly inoperative due to very limited resources and support to sustain their activities.

Overall Outcome

On the overall, the current outcomes of forest devolution policies to local communities vary widely from site to site. Under favorable context, benefits from forest devolution may include improved productivity, tenure security, access to forest products, employment and livelihood opportunities, increased income, access to social support services, establishment of external linkages, potential to enhance internal and external social capital and political empowerment. Of these, the most visible benefit is the awarding of the tenure instruments to forest communities although this does not guarantee that use rights will follow. In general, however, benefits from devolution policies have yet to be fully realized in most sites. In few selected sites where
benefits started to flow, there are strong indications that they have been captured by the well-off community members. The poorer sector remained marginalized or bypassed by the benefits of devolution (Pulhin 1996, Rebugio 2001). By and large, devolution initiatives have so far transferred most forest management responsibilities to the local communities such as forest rehabilitation and protection (Guiang, personal communication). Unfortunately, the corresponding rights and the necessary support systems that will make forest devolution work are yet in most cases absent.

Among the different key actors, DENR may have gained the most benefits from the forest devolution initiatives. Foremost of these benefits is the regained political legitimacy to govern the nation’s forest resources. The language of “empowerment”, “participation”, “social equity”/“social justice” and “sustainable forestry”, all associated with forest devolution, helped portray a responsible and capable forestry institution that are instrumental in the attempt to gain the lost trust and confidence of the general public. Such trust, however, was again tarnished as a result of the recent series of cancellations of forest harvesting permits of local communities in CBFM areas and the cancellation of CBFMAs by the DENR Secretaries although its full implementation was suspended. Other DENR benefits include the promotion of administrative expediency and the strengthening of its network with the LGUs, funding institutions, and the other stakeholders, thereby effectively mobilizing their resources and support to help achieve its institutional mandate. Moreover, through the issuance of the different tenure instruments, which is at the core of forest devolution process, DENR has effectively transferred its forest management functions to the local communities at a much reduced cost. Communities are “deputized” as the new forest protection officers freeing the forestry staff from the hard work and risks of apprehending forest violators.

Innovative and responsible LGUs like the provincial government of Nueva Vizcaya are also emerging as winners in the forest devolution process (Serrano, personal communication). It has mobilized the support of its constituents in various forestry programs resulting to increased forest cover, better watershed management and protection, and improved socioeconomic status of community members. This could also mean increased tax collection for the concerned LGU and more votes in the coming election for the champions of forest devolution.

Conclusions and Lessons Learned
In the Asia and the Pacific Region, the Philippines is among the few countries that is at the forefront of developing innovative and pioneering policies to advance devolution process in the forestry sector. Analysis on the dynamics of the state-sponsored forest devolution process in the country
indicates that the process is driven by a combination of national and international factors including the need to halt a century of forest degradation, inequity in the access to and benefits from the utilization of the forest resources, need of the State to regain public confidence on its lost political legitimacy to manage the nation’s forest resources, changing paradigm recognizing the important contribution of common property resource management, and the changing priority of donor agencies in support of devolved forest management. The dynamics, forms and effects of the devolution process are likewise shaped by the interaction of multiple stakeholders and their varying interests and priorities thus making it a very complicated process, hard to predict, let alone control its final outcomes.

Despite wide coverage of areas devolved to local communities totaling to close to 6 million hectares, current nationwide outcomes of state-sponsored forest devolution in the Philippines is yet far from achieving its stated objectives. While regime change from authoritarianism to democracy has a great influence in terms of democratizing resource access in favor of local communities, decision-making power on the use and control over forest resources in the post-authoritarian regimes, by and large remains at the central DENR bureaucracy. Recent experiences in terms of suspension of resource use rights and cancellation of CBFMA especially after the Ramos administration indicate that political interests at the national level remain to be the major basis for policy decisions marginalizing the local people’s needs and interests.

The following lessons may be gleaned from the Philippine experience regarding the devolution of forest management to local communities which may be of value to other countries of similar condition:

1. Sustainability of livelihood is a core issue in forest devolution. Not unless sustainable livelihood is achieved by participating forest-dependent communities, State-initiated devolution strategies will not work on the ground.

2. Externally-initiated devolution process takes time and requires sufficient support-system to succeed. Enabling policies, secured property rights, commitment and political will from the different key actors, sufficient knowledge base and appropriate resources to initiate and sustain the process, presence of devolution champions, strong social capital and local organizational capacity, and visible positive outcomes of devolution initiatives are some of the key ingredients for success.

3. Considering the multiple stakeholders and their varied interests and priorities, there is a need to develop strong collaboration among different sectors concerned (DENR, LGUs, NGO, POs, academe, donor agencies, private sector) at various levels (i.e., national and local levels) to promote collective action and advance forest devolution objectives.
4. Some communities have already successful traditions of forest management and some degree of control over their forest resources. Devolution process should not destroy but enhance these systems.

5. Strong social capital and local organizational capacity are needed to enable local communities to mobilize resources and negotiate better benefits. Federations of forest users such as the POs’ Federations at the local, regional and national level should be strengthened to better represent the interests of local communities in policy-making process and other decisions that affect them.

6. Provision of tenure security is necessary but not a sufficient condition for success. A stable policy on forest utilization, especially timber resource, is also of paramount importance.

7. Past forest devolution initiatives have focused on tenure reform but neglect to integrate principles of good governance (i.e., transparency, accountability and participation) in forest management. Such principles are necessary to fully realize the devolution objectives.

8. Capability building should not be limited to local communities but should include efforts to enhance the capacity of organizations assisting the local communities including the government and non-government sectors.

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