

POLICY NOTE^{1/}

TOWARDS A SOUND NATURAL RESOURCE MANAGEMENT AND SUSTAINABLE RURAL DEVELOPMENT

This policy note is designed to review the current state of rural development in the Philippines, assess the gaps, and identify the priority issues that should be addressed to meet the objectives set for the rural sector. The paper looked into the mandate, capacities, accomplishments and concerns of the three (3) rural development agencies of the government - the Department of Agriculture (DA), the Department of Agrarian Reform (DAR), and the Department of Environment and Natural Resources (DENR), as the institutions tasked to ensure growth and development in the rural areas. The recommendations proposed here are meant to serve as guide in crystallizing further the framework, thrusts, and direction of the rural development sector in line with the government's goal to alleviate poverty in the Philippines.

I. Introduction

Poverty in the Philippines is essentially a rural phenomenon. In terms of both level and incidence, the magnitude of poverty is highest in the rural areas where agriculture serves as the economic base. Since agriculture plays such a major role in the generation of incomes and employment in the countryside, the development of the sector is, therefore, essential to any anti-poverty program. (Chapter 2, MTPDP 2004-2010)

Poverty alleviation is the overriding development objective of the Philippine government, with target to halve poverty from 34% in 1990 to 17% by 2015 under the Millennium Development Goals (MDG). The President's Ten-Point Agenda and the Medium-Term Philippine Development Plan (MTPDP) 2004-2010 are aligned to this priority objective. Topmost priority in the 10-Point Agenda is the creation of 10 million jobs of which the sector will contribute 2 millions jobs from the development of 2 million hectares of new agribusiness lands. Some of the more pertinent socio-economic targets under the MTPDP 2004-2010 focus on poverty alleviation, intensification of improvement in agriculture, and fast tracking the implementation of agrarian reform and other rural development programs.

Using the World Bank's international poverty line of USD1/day, the Philippine poverty situation slightly improved with the proportion living below USD 1/day declining from 13.5% in 2000 to only 11.1% in 2003. However, despite the modest economic growth, poverty incidence in the Philippines remains relatively high at 33%, with 3 out of 4 poor Filipinos (about 73%) residing in rural areas. Poverty level in rural areas is much higher at 48% against 18% in urban areas. The task of combating poverty and inequity thus draws immediate attention to the rural population, which depends on agriculture for income and livelihood.

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II. Agribusiness and Rural Development Situation

ii.a) Agriculture

Over the years, agriculture remains to be the main engine for the growth of the economy contributing around a fifth of the Gross Domestic Product (GDP). Likewise, it has served as the bedrock of the rural economy providing income and livelihood to around one-third of the populace who are mostly residing in the rural areas.

In the last medium-term (CY 2001-2003), agriculture has posted consistent growth of no less than 3 to 5 percent. During this period, the agriculture sector has exceeded most of its key production targets in the Medium-Term Philippine Development Plan (MTPDP) in spite of the challenges posed by the El Niño, La Niña and other natural disasters. Farm incomes also generally improved with the growth in production coinciding with favorable price movements. While in CY 2005, the sector managed to perform fairly well posting a 2.24% growth. Output increments were noted in all subsectors with fishery registering the highest growth rate. At current prices, the sector's gross value of production was estimated at P815.5 billion, up by 5.65 percent compared to the 2004 levels.

Despite these gains, however, the impact of the agricultural productivity improvements has not been sufficient to substantially alleviate rural unemployment, underemployment and poverty. During the medium-term, the agriculture sector generated more than a million jobs, however, in spite of this, there remains to be an annual average of over 1 million rural workers unemployed and 3 million underemployed.

Also, competitiveness of agricultural commodities in terms of yield, production cost and prices remains hardly apace to the neighboring countries. This is due to the production, post-production and marketing bottlenecks inherent to the sector as well as the seasonal nature of agriculture which makes it vulnerable to price fluctuations.

In the last two years, the DA has initiated programs and activities, which build on productivity, efficiencies, logistics and marketing linkages towards agribusiness development. As a result, the agriculture sector posted a growth of no less than 2 to 4 percent during this period.

ii.b) Agrarian Reform

Implemented in 1988, the Comprehensive Agrarian Reform Program (CARP) aims to promote social justice, move the nation toward sound rural development and industrialization, and establish owner-cultivatorship of economic-sized farms as the basis of Philippine agriculture. Its target is to redistribute a total of 8.01 million hectares of land to some 5 million farmers. Of this scope, the DAR is tasked to distribute 4.42 million hectares of private agricultural lands to some 3 million farmers, while the DENR is tasked to distribute 3.72 million hectares of public agricultural lands to some 2 million farmers.

As of December 2005, DAR had distributed 3.695 million ha or 83 % of its scope to almost 2 million farmer-beneficiaries while the DENR has distributed 2.9 million ha or 78 % of its scope. Overall, CARP has accomplished 80 % of the total land target for distribution. This leaves a balance of 20 % or a total of 1.6 million hectares. The completion of land distribution is the CARP's biggest issue at hand since under the law, CARP's extension ends by June 2008.

Under leasehold operations, a total of 1.6 million hectares has been accomplished benefiting 1.1 million beneficiaries.

Despite serious efforts to resolve agrarian cases, delivery of agrarian justice is characterized by increasing number of cases filed every year and delays in resolution of cases. The inadequate number of full-pledged lawyers in the program and emergence of second-generation legal problems compound the issue bolstering the observation that there will be AR cases even after 2008. The complex process of land titling also slows down CARP implementation and affecting also issuance of certificates of ancestral domain titles among the indigenous people.

The CARP-Impact Assessment Study conducted by an outside evaluator in 2000 reports some modest gains of CARP, largely through the adoption of the Agrarian Reform Community (ARC) development strategy. As of 30 June 2005, the Government has launched a total of 1,719 ARCs, covering about 932,929 farmer-beneficiaries in about 2.3 million hectares of cultivated lands, 1.7 million hectares of which have already been distributed. This figure represents 86% of the overall target of 2,000 ARCs within the last phase of CARP. Development interventions in these ARCs are focused in five major areas: physical infrastructure, community and institutional development, agricultural productivity and rural enterprise, basic social services, and land tenure improvement.

Through the ARC development strategy, the Government has won the confidence and support of the foreign donor community because of its logical concept, manageability in terms of scale, and its multi-stakeholder and participatory approach to project identification and implementation. In a period of ten (10) years, the Philippines was able to generate about P40 billion for CARP to finance 41 technical and capital assistance projects in the forms of grant and loan from multilateral organizations. However, despite this extensive support, only more than half of target areas and farmers have been covered owing to the huge investment needed to carry out full development interventions in the areas.

ii.c) Environment and Natural Resources

The forest ecosystems provide ecological benefits to agricultural production, industries, water and power needs. A watershed with adequate forest cover supports lowland agriculture by ensuring continuous supply of water for irrigation. They also prevent soil erosion and consequent loss of fertile topsoil and siltation of our coastal areas and water bodies. It also sustains the supply of surface and groundwater for domestic use on the lowlands.

Aside from ecological benefits, forest resources – particularly the production forest areas – can be a source of revenue and job generation. Timber production as well as agroforestry activities may be promoted in these areas to maximize their utilization.

With a forest cover of 7.168 million in 2002 down from 17.1 million in 1934, the country's watersheds have been severely degraded, thus, reducing the capacity to provide vital ecological services and economic benefits. In fact, 140 priority watersheds with a total area of 4.5 million hectares nationwide, which directly support national irrigation systems, were identified as needing management, particularly rehabilitation and protection. Thus, a massive reforestation program to reclaim the bald mountains, particularly in the protection forests in the country, needs to be implemented. Revenue and job generation, on other hand, can also be realized by promoting timber production and agroforestry in production forest areas.

With 52,000 species of flora and fauna, the Philippines is considered as one of the 17 megadiverse countries in the world. However, the species in the Philippines are

considered to be among the most threatened in the world. The Philippines, together with Madagascar, is considered as the hottest of the hotspots or the most severely threatened of the megadiverse countries. The destruction of the original forests, freshwater and marine ecosystems have led to an unmatched biodiversity loss in the country.

On forest occupancy management as mandated under Presidential Decree 705 and consistent with the policy of promoting social justice and equitable access to forest lands and resources, Community-Based Forest Management (CBFM) has been adopted as the national strategy to ensure the sustainable development of the country's forestlands and resources. It aims to improve the well being of forest-dependent indigenous and migrant communities. To date, there are 5,322 CBFM project sites covering a total project area of 3.467 million hectares involving at least 591,231 families with area development of more than 500,000 hectares of agroforestry farms and tree plantations. Consistent with the policy of sustainable and multiple use forest management, participating organized communities in the CBFM are granted access to the forestlands and resources through the issuance of long term tenure agreement. This gives them a guarantee for peaceful occupation and entrusts to them the responsibilities to protect, develop, manage and utilize forest resources under the principle of stewardship. A total of 2.4 million hectares are already covered with land tenure instruments issued under the various people-oriented forestry programs and projects. Of these, 1.6 million hectares are covered by 1,781 CBFM Agreements that were granted by DENR to organized local communities. Protected Area Community-Based Resource Management Agreement (PACBRMA) are also issued to upland communities inside the buffer and multiple uses zones of protected areas.

The coastal and marine ecosystems include coral reefs, sea grass and algal beds, mangroves, a variety of productive fisheries, beach systems, estuaries and lagoons. It is considered as an important source of livelihood for about 70 percent of the country's municipalities. However, the productivity of the coastal and marine ecosystems has continuously been threatened by destructive fishing methods, siltation and pollution, among others. It is estimated that only 5.0 percent of the country's coral reefs are in excellent condition, mangroves have declined by as much as 57.0 percent in the last 23 years and sea grass losses have been estimated at 30-50 percent over the last 50 years.

III. The Rural Development Agencies

Under the mandate of the Comprehensive Agrarian Reform Program (CARP), the DAR pursues "a more equitable distribution and ownership of land to promote social justice, establish owner-cultivatorship of economic-size farms as basis of Philippine agriculture and to move the nation toward sound rural development and industrialization" (Republic Act 6657, Chapter I, Section 2). CARP integrates both land distribution and delivery of support services, to include agrarian justice delivery, as integral components in rural development.

The Department of Agriculture is the lead agency responsible in promoting agricultural development growth providing the policy framework and helps direct public investments, and in partnership with local government units (LGUs) provides the support services necessary to make agriculture and agri-based enterprises profitable. It mainly serves to boost the farmers' income and reduce poverty incidence, through the implementation of major interventions all geared at increasing agriculture and fishery production and productivity.

The DENR is mandated to be the primary government agency responsible for the conservation, management, development and proper use of the country's environment and natural resources, including those in reservations, watershed areas and lands of the public domain. Its regulatory function includes licensing and regulation of all natural resources utilization as may be provided by law in order to ensure equitable sharing of the benefits derived therefrom for the welfare of the present and future generations of Filipinos.

Except for the DAR, the DA have devolved much of their functions to the Local Government Units (LGUs) in compliance with the Local Government Code of 1992.

The enactment of the Agriculture and Fisheries Modernization Act (AFMA) in 1997 was an attempt to lay down a stable and consistent legal and policy framework for the development of the sector. The law also provides concrete guidance on the appropriate role for government in the development of the sector. The burden of achieving the goals and objectives of AFMA, while a shared responsibility of all stakeholders and sector players, falls heavily on the Department of Agriculture as the primary steward of the sector's development. The policy shifts suggested by AFMA imply a need for re-channeling efforts from inward-looking strategies towards global competitiveness and greater market orientation. (Planning and Budgeting Chapter, DFIMDP report).

Over the medium-term (MTPDP CY 2004-2010), the President in her Ten-Point Agenda mandates the three rural development agencies to undertake two (2) goals building on the agribusiness development approach, namely: 1) Develop at least two million hectares of new land for agribusiness in order to contribute 2 million jobs targeted in 2010; and, 2) Reduce costs of priority wage goods through productivity enhancement, more efficient logistics, and improved retailing linkages. The DA is tasked to spearhead the undertakings for these twin goals.

IV. Gaps and Causes

The performance of the rural development sector represented by the 3 agencies draws not so much to weaknesses in agricultural production, but to failures and shortcomings in the policy and institutional environment in which it operates as well as in the pressure of the population to natural resource and the environment.

On the Policy Aspect

a) Overlapping mandates

Functionally, there are overlaps in the delivery of services by DENR, DA, and DAR. The DENR is mandated among others to be responsible for the management of all public lands, which includes all areas with slopes of 18% and above, or those classified as public forest. DENR also develops and implements environmental policies that affect agricultural development and property rights allocation. The DA, on the other hand, is tasked to promote agricultural development on areas classified as alienable and disposable and provide support services to farmers and fisherfolk in coordination with the local government units regardless of the spatial dimension. On top of these spatial divisions of responsibilities between public lands and alienable and disposable, the DAR's main areas of operation involve private agricultural lands subject to land reform and more recently, parts of the public land occupied by indigenous peoples. Although titling of public lands is a responsibility of DENR, it is also part of the overall agrarian reform

program led by DAR. DAR also provides infrastructure, institutional strengthening, agricultural and natural resources management support services packages to its agrarian reform beneficiaries. In providing such services, the DA and DAR have to recognize the policies of DENR on management of specific areas of the public domain. For example, there are different policies that govern management of watershed areas, parts of the residual forests granted community management rights, protected areas, and even timber harvesting in privately owned lands.

b) Gaps in policy implementation

While recognizing that there are still a number of constraints to the continuous growth of agriculture, efforts are geared at providing the infrastructure and support services and pursuing policy reforms to make the environment conducive for agriculture and rural development. Domestic policies aimed at addressing the competitiveness of the sector particularly in view of globalization and liberalization are being enhanced. Market development and improvements of government services and regulatory procedures are looked into. Stakeholders and industry players are being involved through consultations and dialogues for more transparency and feedback. Key issues, however, remain with some provisions of the AFMA not being fully implemented and/or funded.

Further, some of the provisions of the Local Government Code (LGC) of 1992 also present limitations on the operations of the DA at the local level. While LGUs may be in a better position to undertake the necessary activities to respond to farmers and fishers requirements for development, their activities are constrained by limited expertise and personnel. More often, the development orientation of local executives also pose a major problem when appreciation of national plans is lacking.

c) Outdated laws on NRM and absence of integrative law on coastal resource management

Many of the laws governing natural resource management (NRM) are outdated such as the Revised Forestry Code of the Philippines and Commonwealth Act No. 141. It does not conform with the recent developments including the 1987 Constitution of the Philippines specifically in the modes of resource disposition and technologies. Also, there is no single integrative law that clarifies the conflicting mandates of agencies e.g. Bureau of Fisheries and Aquatic Resources and DENR in the coastal areas.

d) Ineffective and inefficient land use administration system.

The Philippines faces a critical problem of an inefficient and ineffective land use administration system, which discourages sustainable management of resources. There is a complex situation of overlapping of agencies and laws. There are also multiple standards for land valuation, which offer ample opportunities for corruption. The problem on inefficiency and improper utilization of lands, such as incompatible land uses, are partly attributed to outdated land use plans and the non-observance of zoning ordinances at the local level. Areas of extreme sensitivity such as karst (limestone) landscapes are generally not planned for at all.

There is a broad consensus on the need to overhaul the country's land administration and management system. Addressing these problems would require consolidating all the functions of several land registration and administration agencies.

Under the Local Government Code, LGUs are mandated to continuously prepare and update their comprehensive land use plans (CLUPs), and enact these through zoning

ordinances as bases for their development directions. These plans if LGUs have them are mostly prepared through a top-down approach and hence not always internalized/accepted by field level stakeholders. Various hundreds of LGUs still do not have land use plans. Probably thousands of barangays have none. While land use plans of barangays, prepared in a participatory manner involving all stakeholders, should actually be the basis for making CLUPs.

Many LGUs proceed with their development initiatives without giving due consideration to the level and status of their available resources and without proper coordination. Some LGUs still value their natural resources in terms of simple extraction and sale rather than for their stabilizing effects on the ecosystem.

e) Loopholes in the Comprehensive Agrarian Reform Law (CARL)

For AR, loopholes in the CARL itself have caused major bottlenecks in the program implementation that had required, in some cases, the intervention of the Supreme Court. Conflicting policies and interpretations of the law have also led to wholesale cancellations of some titles already awarded to program beneficiaries, exemptions to CARP coverage, unwarranted land conversions, land exemptions, and land transfers, and unjust ejection of farmers. Second generation problems such as land reselling by the beneficiaries are due to policy limitations.

The problem also led DAR to pursue innovative strategies to fast track land distribution such as the distribution of collective titles. To date, there are about 1.5 million hectares of land under collective titles and DAR is constrained by lack of funds to subdivide the land to generate individual titles. In effect, this also poses problem in the pursuit of asset reform because the absence of individual title hinders farmers from using it as a collateral to avail of credit for capital.

f) Other Concerns

In the light of the recent natural disasters, there is a need to identify, map-out and advocate concerns for disaster preparedness in the plans and programs of the rural development agencies and its partners.

Likewise, in support to the multiple usage of natural resources, there is a need to promote the use of renewable energy, in close coordination with the Department of Energy. The Philippines being an agricultural country where major crops such as rice, coconut, and sugarcane and poultry and livestock animals are grown could generate substantial volumes of residues that can be utilized as energy fuels.

On the Institutional Aspect

The institutional weaknesses can be seen in (1) continuing over-centralization; (2) fragmented and overlapping functions and activities; (3) an inflexible commodity-based organizational structure; and (4) highly politicized, unstable, and under equipped national bureaucracy.

a) Implementation

The poor performance of the sector, particularly for agriculture and environment and natural resources, can be attributed to some management and structural problems that emerged in the implementation of the Local Government Code (LGC). The lack of

synergy in terms of planning and implementation of programs and projects has left the local governments to their own devices.

As the lead agency of AFMA, the role of the DA is beyond just the agency's concern. For instance, the Agriculture and Fisheries Modernization Plan (AFMP) is seen as the sector-wide plan, [and hence is a plan for and by all stakeholders in the sector]. However, while there was a clear attempt to make the AFMP formulation increasingly participatory, the AFMP is largely viewed as a DA plan and hence, responsibility for its implementation has fallen squarely on DA's shoulders.

The complex process of multilevel and multi-stakeholder planning requires a well functioning coordination structure within the Department and among the various stakeholders. There is no clear indication that local plans (municipal-provincial) are consolidated into an integrated regional plan. Such fragmentation grossly erodes the agencies and the sector effectiveness and efficiency. There is therefore a need to come up with a coordination structure and workflow that would lead to a harmonization and synchronization of all these activities.

In support to the participative planning process, is the need to strengthen budgeting and investment programming process. In this light, the DA has operationalized the DBM's performance-based budgeting through the major final outputs (MFOs) as the parameter for evaluating agency performance and budget proposals. However, the present commodity-based budget structure must be translated into a function-based structure in order to support the DA's MFOs.

The implementation of programs and projects of the DA is also weakened by poor coordination between the DA's regional offices and the local government units. The devolution resulted to the demoralization of devolved personnel in LGUs where appropriate support for their agriculture projects are not provided or where agriculture is not a priority. The devolution process also resulted to difficulty in collecting required information for the development of the agriculture and fisheries sector.

The programs of the DENR rarely capture LGU priorities since plans are not integrated. Furthermore for DENR, forest destruction rose to very alarming levels while forest recovery through natural and artificial means never coped with the destruction rate. The Institutions mandated to implement forest policies to address all these problems had not been equipped to fully address the situation. The failure of the efforts over the past few decades to halt the vicious cycle of deforestation, forest degradation and upland poverty has primarily been the result of inadequacies in institutional aspects particularly in policy implementation due to weaknesses in the structure of forestry sector organizations. In addition, different forest stakeholders are clamouring for more involved participation in the planning, management and utilization of natural resources. The playing field now becomes the arena of many players, each wanting to say his piece in proper natural resources management. The importance of defining the roles and responsibilities of these different stakeholders needs important attention and considerations in any policy, planning and program/project implementation activities.

The environment regulatory framework in the Philippines is very progressive, but effective implementation of this legal framework is lagging far behind. In practice, some of the mechanisms are too complex to implement while political will to enforce environmental laws and sanction in case of violation is too often lacking. The same holds true in the CARP implementation where absence of stiffer sanctions against violators has allowed proliferation of violations on CARP.

The government has extended various efforts to save the remaining 800,000 hectares of old-growth forests, however, the issue of degradation continues despite all the efforts. Population pressure and open access to most of the natural resources are two major factors that contribute to the problem. One of the major issues also beleaguering the sector is the absence of a basin- and watershed- based integrated water resource management approach to guide development, protection, and efficient use of water resources.

The Community-based Forest Management Program has documented favorable results. Unfortunately, it still faces some problems in sustainability. With regard to Cadastral Survey of the country's 1,617 cities and municipalities, the accomplishment is low with 74 municipalities remaining totally unsurveyed and the rest either partially surveyed or in progress. At the rate these surveys and titling of lands are implemented, it will take perhaps another century to complete.

The DAR's Adjudication Board also faces the problem of authority in handling agrarian legal cases with the municipal and regional trial courts as landowners tend to bypass the DARAB and file their cases directly to the regular courts.

In land distribution, DAR has a backlog of more than 700,000 hectares while DENR's backlog is more than 871,000 hectares. Considering the average hectares of land distributed by both agencies in the last 17 years, it does not seem possible to finish the backlog within the remaining two years of CARP even if the fund needed to accomplish this would be available. The problem would be more difficult for DAR considering that its focus is on private agricultural lands where stiffest resistance from many landowners is experienced. Private agricultural lands distributed through compulsory acquisition (CA) accounted for only 16% of the total accomplishments while the largest proportion (45%) was accounted for by land distributed under settlements, landed estates, and government lands.

The delivery of agrarian justice is characterized by increasing number of cases filed every year, delays in resolution, and lack of manpower which contribute to the continued accumulation in the backlog of unresolved cases over the years. Land amortization also remains a major concern since effective collection has not been achieved until now.

The failure to implement an effective land amortization mechanism in CARP is a disadvantage both to the government and the program beneficiaries since the payments could had been plowed back to finance the program and invested in support services for the farmers.

b) Funding Requirement

The three (3) rural development agencies equally face the problem of inadequate funding. The AFMA in 1997 envisioned transforming agriculture and fishery into globally competitive industries through the provision of infrastructure facilities. It was recognized that the poor state of infrastructure as exacerbated by the archipelagic geography of the country, leads to the multi-modal transport and multi-handling of goods, thereby diminishes competitiveness. Thus, AFMA prescribed that in year 1 of implementation a budget of P20Billion and P17Billion yearly (within the next 6 years) will be appropriated. Further, specific budget allocation for priority interventions such as irrigation, post harvest, other infrastructure, R&D, etc. (Section 111-112 of AFMA) was prescribed. However, the prescribe allocation did not materialized, as funds of the three rural development agencies remained at the same levels before AFMA was enacted.

Specifically, DA's budget was at the same level before AFMA –P17Billion, except for year 2000 and 2002 wherein its budget was about P20 Billion. Although there was a slight increase in the budget, this was offset by inflation. Due to the limited budget, the required AFMA interventions were not fully supported.

Due to DENR's inadequate funding, the monitoring and inventory of natural resources have generally been nonexistent, and where they have been attempted, have been held back by the lack of institutional structures to carry out the monitoring. Even priority programs like Rehabilitation of watersheds, Cadastral Survey and Community Based Forest Management Programs are not given the necessary funding.

Fund inadequacy has been one of the primary factors in completing and consolidating reform under CARP. In effect, this slows down also the promotion of social justice or equity in terms of access to, use of, and control of, land, which is a fundamental asset for both the rural and urban poor. Land provides a foundation for economic activities and functioning of market and non-market institutions. The limited fund is also led DAR to concentrate its activities on land distribution schemes that did not require a large amount of financial obligations such as Voluntary Land Transfer, Settlements, and Landed Estates.

There are also support services gaps that must be filled up. There remains a 54% gap between the served ARCs and unserved ARCs, not to mention the non-ARCs as of end-2005. Although the gap was addressed through a massive resource mobilization, the gap remains big due to the huge investment requirements needed to develop the communities. Less than 50% of the total infrastructures in areas with foreign-assisted projects were met, benefiting only 30% of the total number of ARBs. More attention is needed in non-ARC areas since these are not priority areas for support services delivery, and they contain a considerable proportion of the total number of ARBs.

The LGUs is severely constrained to carry out agriculture and NRM and environment programs devolved to them due to lack of total resources and also most of their funds are allocated to recurrent expenditures for salaries and regular operating expenses. In most cases they also do not have the expertise in implementing and managing agriculture and natural resource and environment programs and projects.

On Population Pressure

The Philippines' current growth rate of 2.36 % is one of the highest in Asia and of the world with the present population estimated at 87 million. Data show that the growth of urban population is higher than rural (urban population was about 10-15% of rural population in 1935 but today it is almost 85-89%). The high population growth rate puts pressure on the forest, lands, marine ecosystems, supply and distribution of potable water, and basic social services. Unless this issue is also addressed, the fight to eradicate poverty will remain a big challenge.

V. Conclusion and Recommendations

In line with the foregoing premises, an integrated environmental, agribusiness, agrarian reform and rural development Action Plan needs to be crafted. The Action Plan must also consider the following recommendations:

1. Advocate for sector-wide rationalization among the rural development agencies.

2. Institutionalize an area-based participatory planning process, with disaster preparedness and management as an essential concern.
3. Push for the full funding of the Agriculture and Fisheries Modernization Act (R.A. 8435).
4. Push for the passage of the Comprehensive Land Use Act.
5. Push for the passage of the bill accepting agricultural lands as collaterals.
6. Consistent application of the CBFMA policy.
7. Push for the passage of the Sustainable Forest Management Act.
8. Push for the completion of the land distribution under CARP beyond 2008 and finish agrarian reform in the targeted areas.
9. Identify and advocate, in coordination with the Department of Energy, the generation and use of renewable energy.

These recommendations should be prioritized and the Action Plan on how to address the recommendations to be crafted by DA, DAR and DENR representatives in partnership with the PDF working group, stakeholders from civil society, local government representatives as well as local and foreign assisted projects must clearly define the tasked of each stakeholder (from the government side and its partners) in order to ensure the implementation of the actions required. Through concerted efforts, bottlenecks in the policy, institutional arrangements and implementation of agriculture, agrarian reform, and environmental programs and projects can be overcome. This should result in increased productivity and competitiveness, rural growth with equity, environmental sustainability and ultimately, in reducing poverty in the rural areas of the Philippines.

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