

## Case Study

### Planning together in The Philippines

**Jorge L. Reyes**

Situated in South-east Asia, the Philippines is an archipelagic country with over 7,000 islands and a variety of ecosystems distributed across its complex land mass and vast territorial waters. Its current population stands at 78 million and is growing at over 2 per cent annually, creating a drag on development and exerting severe pressure on the natural carrying capacity. The country faces a pervasive poverty problem, with almost 40 per cent of the population below the poverty line. This is the context in which the seeds of sustainable development are being sown.

The Philippine civil society movement traces its roots to the historic revolt of the Filipino masses against colonialism in 1896, which led to the birth of Asia's first republic. Civil society carries with it that tradition of struggle for unity and democratic participation. In the 1970s, cause-oriented groups within civil society carried forward the struggle, against a home-grown and long-standing dictatorship. For over a decade, the democratic movement persisted in this struggle, until it bloomed into what is now known as People Power Revolution, which ended authoritarian rule in 1986. Owing to this critical role, the country's new constitution mandates that the state should encourage NGOs and other civil society groups that promote the welfare of the nation. It also mandates a functional role for civil society groups in local governance. This unique mandate was based on the values and principles behind the 1986 People Power Revolution. This cumulative democratic experience sums up the historic basis of civil society participation in the Philippines.

#### **Broadening participation: Role of civil society**

##### **Civil society organizations and Philippine involvement in the UNCED process**

The presence of a vibrant civil society sector, which has grown and matured in the crucible of struggle, was a key factor in the introduction of sustainable development in the Philippine government and the country at large. The maturing of left-leaning advocates from the 1970s and the People Power Revolution of the 1980s had spawned two generations of Filipino activists steeped in democratic ideals.

At its peak, it was estimated that there were about 60,000 NGOs and CBOs in the country, working not only for environmental but other vital causes as well. *"In environment, they were passionate crusaders for the cause of preserving the country's fragile ecosystems, already degraded and depleted by years of overexploitation"*, noted former Environment Secretary Victor Ramos.

In the early 1980s, the NGOs took centre stage to rally for environmental stewardship, a cause worthy of being pursued on its own. Environment-oriented NGOs have grown since then as a distinct part of civil society. This growth paralleled the overall phenomenal

**PA21 (Philippine Agenda 21) was a major official policy statement on sustainable development by the Philippine government endorsed at the highest level, and represents the outcome of a highly participatory process.**

expansion and strengthening of citizens' groups in civil society. Working not only as advocates but also as service providers and project implementers at the grass roots, NGOs pushed for innovative community-based initiatives and local environmental governance. This paved the way for the adoption of a national policy on community-based natural resource management, probably the first instance of bottom-up policy-making in the country.<sup>1</sup>

By the early 1990s, with the people acutely aware of the multi-dimensional problems threatening the very survival of the nation, interest turned to integrated solutions, a grand plan that could move the country out of the several crises (in fact, a series of political and economic upheavals combined with natural disasters) it was in, and what the roles of major groups should be. The situation was ripe for a natural phasing in of the sustainable development dialogue process that culminated, along with other national processes worldwide, in the Rio Earth Summit of 1992. Civil society groups were at the forefront of efforts to formulate a comprehensive national strategy. NGOs helped create the country's first blueprint of sustainable development, the Philippine Strategy for Sustainable Development (PSSD), which was adopted in 1987. It provided the basis for Philippine participation in Rio in 1992.

#### **Institutional mechanisms for consensus building**

Enriched by the Rio experience,<sup>2</sup> leading elements in government and the NGO community went back with strong resolve to undertake a post-Rio programme to implement Agenda 21, the main product of UNCED.

At Rio, Philippine NGOs not only reinforced the official government delegation to UNCED, but were leading organizers and participants in the parallel Global Forum, the most ambitious gathering of NGOs yet around the theme of environment and development.

The first step was to put in place an institutional mechanism for consensus building and participation of stakeholders. Thus, the Philippines was one of the first countries to set up such a mechanism, barely two months after Rio, as recommended by UNCED. The Philippine Council for Sustainable Development (PCSD) was structured along the concept of co-equal parts — the government and the civil society counterpart. Designating the central planning agency, the National Economic and Development Authority (NEDA), rather than the environment agency, the Department of Environment and Natural Resources (DENR), as the lead government agency for PCSD, which was envisaged as the highest policy-making body for sustainable development in the country, was also a masterstroke. Politically, NEDA was seen as multi-sectoral, and its processes perceived to be more credible. This drove home the message that sustainable development is far broader than environmental concerns. At the start, PCSD, and the participation of NGOs in it, was a cultural shock to NEDA functionaries steeped in traditional economic development mind-sets. In due time, however, NEDA became a principal stakeholder in promoting sustainable development within the government.

**A government official noted that "the structure of the PCSD made wider participation possible".**

<sup>1</sup> This was also a piece of policy that addressed not only the ecological issues, but also the social dimension, as it recognized the socio-economic root causes of environmental degradation.

<sup>2</sup> As counterpoint to the Earth Summit, the NGOs convened the Global Forum, widely seen as global civil society at work. It was an unprecedented democratic and cultural encounter where citizens from all over the world shared values, philosophies, visions and strategies relevant to the future of the planet.

### Planning the Philippine Agenda 21: Planning together

*“PA21 upholds the principles of empowerment and partnership building. Through multi-stakeholder consultation and decision-making, PA21 embodies the people’s aspiration regarding the scope and quality of development consistent with the country’s diverse traditions and culture.”*

— Socio-Economic Planning Secretary and Chair; Dante Canlas, PCSD

The adoption of Philippine Agenda 21 (PA21) was a natural outcome of the unique initiative to set up PCSD. Civil society played a significant and substantial role in planning and institutionalizing PA21. Indeed, one can claim that the final document was truly a product of joint government–civil society collaboration.

Among NGOs and people’s organizations (POs), the preparation of PA21 called for in-depth discussions on the draft document preparatory to discussions with government counterparts. The numerous consultations conducted nationwide led to the official “principles of unity” and parameters of sustainable development eventually embodied in PA21.<sup>3</sup>

The participation of civil society in the PA21 planning process reflected deep commitment not only in the completion of the policy and strategy document but, more importantly, in ensuring that it is upheld, especially by government. The **lessons** here are clear.

- The process was long and tedious, very demanding in terms of time and resources, but in the end can be truly rewarding. While the country was among the first to set up a national council for sustainable development (1992), it was among the last to come up with a national Agenda 21 (1996) because of the highly consultative process. The final draft of PA21 brought a sense of accomplishment for a common endeavor among government and civil society participants.
- The process cannot be cut short, particularly if the end product should reflect broad participation and be built on consensus.
- The process alone already produced significant outcomes. For example, the regional consultations led to the creation of local councils for sustainable development. The process also led to greater awareness and understanding of sustainable development among various sectors.

Civil society organizations went even further. Shortly after the final draft was presented to the president of the Philippines in 1996, the NGOs and POs started popularizing PA21 among their ranks — explaining the principles of PA21 and encouraging information dissemination on sustainable development issues and formation of local councils for sustainable development. This they did with their own meagre resources.

<sup>3</sup> The donor community, especially UNDP and its Capacity 21 programme, responded to this unique approach and provided catalytic assistance to further strengthen mechanisms for broad-based consultations in the formulation and implementation of PA21. In the process of implementing PA21, capabilities of stakeholders and PCSD were built up.

Implementation of PA21, however, was marked by uneven progress at several fronts and, as a whole, achieved less than what was expected. But in this area, NGOs also led the way by embarking on new grass-roots initiatives and building upon proven concepts of community ownership that demonstrate how sustainable development should be pursued for the benefit of local communities. The outcomes of this approach provide opportunities for replication and scaling up, and the much needed ground-based feedback to national policy.<sup>4</sup>

#### Impact of civil society participation

The close involvement of civil society in the planning and institutionalization of PA21 clearly broadened the base of participation for sustainable development.<sup>5</sup> The following impacts have been attributed to civil society contributions:

- Raised public awareness and built-up a constituency, not yet large but growing gradually to a critical mass, for sustainable development;
- Created multi-stakeholder partnerships and instituted collaborative decision-making processes, notably among government, civil society and business;
- Integrated the multi-stakeholder consultation process in government systems and procedures from planning to monitoring and evaluation;
- Adoption by government of a sustainable development vision for the medium-term Philippine Development Plan (1999–2004);
- Linked PA21 to governance through localization initiatives in selected sites throughout the country with varying geophysical and local governance characteristics. This involved establishment and strengthening of local multi-stakeholder institutions for sustainable development, formulation of LA21s, and mainstreaming of sustainable development into local plans and policies.

The dominance of the government departments (NEDA and DENR) and environmental/developmental NGOs in the planning process resulted in PA21 getting wide political acceptance, but it would have been a more operational and practical document if it had had the buy-in of local government units and business.

#### Deepening Participation: The role of the private sector

##### Planning Business Agenda 21: A parallel process

The PA21 process was somewhat limited by the lack of participation of the business sector and, to a certain extent, by inadequate involvement of local governments. The latter weakness is being addressed through the PA21 localization initiative. Despite the exclusion of the business sector in PCSD, a small segment of the business community, led by Philippine Business for Environment (PBE), tried to develop a

<sup>4</sup> This approach is best exemplified by the GEF Small Grants Programme in the Philippines, which initiated and supported a number of highly successful projects embodying sustainable development principles. Its National Steering Committee is composed mainly of leading NGO/PO representatives, but includes key government policy-makers as well, thereby providing the platform for the critically important micro-macro policy linkages.

<sup>5</sup> On a more personalized level, an NGO representative best expressed the impact of working together: "The formation of the Philippine Council for Sustainable Development brought representatives of NGOs and people's organizations and government to come together, sit across the table and talk, be open, and to try to understand each other's perspective. Meetings at the council and various committees and subcommittees, and the work of coming up with a consensus document — the Philippine Agenda 21 — provided occasions for both groups to learn to feel at ease with one another and listen to a variety of ideas. This process brought down prejudices, misimpressions and preconceived ideas and built trust and appreciation for one another."

Business Agenda 21 (BA21) in 1992, starting with a search for information and demonstration cases showing its potentials for sustainable development.<sup>6</sup> Unfortunately, the results of this effort were not fully incorporated into PA21. As an independent, parallel initiative, however, the BA21 effort was revived in 1998, several years after the adoption of PA21.<sup>7</sup>

#### Pitfalls of participation in Business Agenda 21

*“While Philippine BA21 may be considered as having limited commitments from the business sector, as only 73 associations participated in its formulation, its evolutionary character should also be emphasized. At the very least, BA21 might trigger more discussions and generate more interest in deepening the action strategies and commitments in support of business development within the framework of sustainable development.”*

— Raphael Lotilla, NEDA Deputy Director-General and PCSD Co-ordinator

The planning work for BA21 was done strategically by industry associations, in which the accountability would be tighter and straight from the source itself. A total of 73 industry associations committed to develop industry-specific Agendas 21, which were consolidated, in a series of consultations, to form BA21.

However, the development of Philippine BA21 had limited participation in the sense that it did not really represent a cross-section of Philippine business. The small and medium enterprise sector, comprising a large part of Philippine business, and even some bigger businesses that were regional and located outside the national capital (Metro Manila), unfortunately did not participate in the process. Civil society representation in the working group was limited to an NGO consortium closely affiliated with business, and thus left much to be desired in terms of wider stakeholder engagement. Nevertheless, it should be noted that the intention was to be as highly consultative as practicable.

**One key lesson is that it does not pay to compartmentalize sustainable development initiatives. At minimum, a truly national agenda should involve government, business and civil society.**

#### Tri-sectoral engagement and workable framework for co-operation

The Philippine BA21 process was an attempt to fill in gaps in PA21 left by the non-involvement of the business sector. But it has remained as a counterpart to PA21 rather than an integral part of it. To some extent, the divide between civil society and business remains to be bridged. Otherwise, there is a sense in the business community that it can forge ahead with its own agenda and initiatives.

Philippine BA21 was meant to steer industry’s agenda towards self-regulation (for example, using environmental management systems) and less reliance on government incentives. Experience has shown, however, that industry cannot address its

<sup>6</sup> An advocacy programme was conducted promoting corporate citizenship, including both social and environmental responsibility. Industry also developed a more systematic approach to sustainable development with the emergence of the International Standards Organization (ISO) environmental management system.

<sup>7</sup> The PBE, in collaboration with the Department of Trade and Industry (DTI), was commissioned to consolidate what business was doing towards sustainability. A working group formed to co-ordinate the preparation of BA21 was multi-sectoral and included government (DTI, NEDA, DENR), civil society and industry representatives.

environmental problems, much less its social responsibility problems (including compliance problems, incentives, financing and relations with regulatory agencies), until some sort of co-operation mechanism is set up with government.

### Reflecting on participation: The way forward

#### Review of Philippine Agenda 21

The president of the Philippines in August 2000 directed a review of PA21 along three critical dimensions:

- practical and substantive
- institutional
- international

The review of PA21 was part of a collective reflection process<sup>8</sup> and a comprehensive review of the country's progress in pursuing its sustainable development commitments. This review is mandated from the highest political level. The expected output of the assessment is an enhanced PA21 with focused elements that can facilitate implementation and monitoring.

PA21 contains a set of sustainable development indicators, but feasibility of measurement is still a question.<sup>9</sup> However, preliminary attempts at an assessment show that the country is still on an apparently sustainable development path. But there are clearly pressures that threaten sustainability, and society's overall response has not been commensurate. Gains in sustainable development will be reversed if nothing is done about the situation.

### Lessons learned and recommendations for the future

*"Much of the push and passion for sustainable development comes, and may still have to come, from civil society. Civil society, however, has come to the realization that it cannot stand alone, that it has to partner with government and the private sector. It is now also beginning to realize it has to be well-prepared with good data, as emotional arguments can only go so far."*

— Delfin Ganapin, Jr., Chair, Civil Society Counterpart in PCSD

The Philippine case has shown that, in terms of participation, the role of civil society is absolutely essential. In fact, this sector has been the driving force for sustainable development in the country since 1992. The government has learned how to engage civil society in sustainable development dialogue.

<sup>8</sup> Also, in preparation for the 2002 World Summit on Sustainable Development (WSSD).

<sup>9</sup> An integrated Philippine economic, environment and natural resource accounting system (PEENRA) has been successfully piloted as a satellite of the system of national accounts and is now in the process of being institutionalized. Indicators derived from PEENRA combined with the Human Development Index should provide some rough measure of the state of sustainability in the country.

But interest in sustainable development has been eclipsed by the many woes that the country faces today — abject poverty, political instability, the local effects of global economic slowdown, rising criminality and other forces hounding the government. At the bottom line, the government is deep into a budget deficit. Therefore, programmes that need funding, including PA21, are in for a steep uphill battle as far as resource allocation is concerned.

Critical policies that pertain to sustainable development suffer from conflicting consensus points across levels of decision-making, sectors and themes, and the prospects for harmonizing them are clouded by disagreements on the purpose of policies, the process for reconciling the different positions, and the participation required to shape them.

One lesson from the experience with PA21 is the need to focus. The focus must be made in light of the issues that are high in the government's current agenda — for example, the issue of poverty eradication, which remains the number one concern of the country. The recommendations for the future are straightforward:

- **Revisit PA21 and link it with the most pressing concerns that the country faces today.** Some way must be found to focus on a set of core issues — with very tight links to present problems, especially the fight against poverty. The challenge is to make the exercise inclusive, but at the same time, able to come to grips with difficult choices that have to be made.
- **Continue to mainstream PA21 in the development planning process and keep its long-term vision alive in the midst of difficulties.** A long-term tracking approach should be established for participatory monitoring and impact assessment.<sup>10</sup>
- **Reinforce the concept of partnership and co-operation among business, government and civil society.** Workable mechanisms in terms of accountability, transparency and similar considerations need to be established. These issues would have to be addressed in revisiting PA21, including BA21.

These recommendations imply investing in processes that facilitate continuing, shifting and co-ordinated consensus-making among sectors at all decision levels, and in developing mechanisms that will allow for wider representation in policy-making. The PCSD model is a step in this direction. At the moment, it is probably only that — a step. A whole journey lies ahead.

<sup>10</sup> The development of an agreed system of indicators of sustainable development, linked unequivocally to explicit policy targets, thresholds and sustainability standards, will be a rich field of further research and political consensus building. Such research should provide PA21's action agenda with an assessment of possible trade-offs among its long list of desirable programmes and projects, within a coherent and explicit framework of budgetary and biophysical constraints.

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