

Chapter 10 The Distant Green Years

At Plaza Lawton, below the steps of the Post Office Building in Manila, the crowd was sparse as the ferocious noon sun shone. But it slowly thickened as five o'clock neared and the candidates of the Lakas-NUCD, with their predominantly yellow vests, climbed the makeshift stage with their coterie of star followers.

It was sometime in March 1992 and the campaign rally, led by standard-bearer Fidel V. Ramos, was off to a lackluster start. Most of those in the ogling crowd, it seemed, were spectators and a few partisans who could hardly arouse mass passion. Instead, energy was coming from senatorial candidate Ramon Jacinto's pulsating pop music and lively campaign jingles bellowing from the loud speakers.

As Fidel Ramos walked towards the stage, emcee-comedian George Javier worked up the crowd so that, by the time the presidential candidate actually reached the stage, some enthusiasm was palpable and shouts of "Eddie Ramos! Eddie Ramos!" crackled in the humid air. Among those waiting in the stage were three journalists whom Ramos's staff had scheduled to squeeze an interview with him.

Unmindful of the noise, as his senatorial candidates did their four-minute spiels, he spoke to us about his campaign themes: political stability and economic growth. "These are my priorities," he said, and expanded on these big goals. As he droned on, he used a phrase to describe his vision, "sustainable development." It was one of the rare times he spoke the words to media but eventually, they became one of his buzzwords. In his television debates that followed, the eminent words "sustainable development" were frequently heard from Ramos.

The presidential candidate seemed to have found refuge in the term "sustainable development" because it gave a ready, all-encompassing answer to the sometimes competing interests of growth and environmental protection. It was not really incandescent as an answer but it cozily blended the demands of both. What could be a better catch phrase for the man who wanted to be projected as the environmental president?

Jose Almonte, national security adviser to the President and leader of his campaign think-tank, says that Ramos has long been an advocate of sustainable development, and claims that the influence came from his (Almonte's) group. One of the lights in that camp was Serafin Talisayon, a professor of Philippine Studies and currently assistant secretary for research of the National Security Council.

Almonte cites as proof of his group's influence on Ramos the Lakas-NUCD "Christian Democratic program of government." Ramos became a convert to the Christian Democratic Party, only during the run-up to the presidential elections in May 1992. Two



pages of the platform were devoted to the environment but they cover a wide range of issues.

It begins with a pledge “to integrate environmental considerations in decision-making” and a promise to pursue reforestation, an expanded social forestry program, the dissemination of sustainable upland farming systems, stricter enforcement of anti-illegal logging laws, the building of a network of non-government organizations (NGOs) to organize communities that will be vigilant, and the mobilization of citizens' participation in the implementation of the DENR's programs.

The times were ripe for environmental causes. The floods in Ormoc riveted public attention to the horrible effects of forest denudation. The Senate debates on whether to ban commercial logging or not were instructive. Abroad, preparations for the Earth Summit in Brazil were feverish. Environmental awareness transcended national borders. International aid agencies put priority on environmental protection work. And, for the first time in Philippine presidential elections, logging and the forests figured as an issue, although not quite consistently.

Then frontrunner Ramon Mitra had to assuage fears that he would encourage further deforestation. He moved to the opposite side and espoused a total ban on commercial logging. Liberal Party bet Jovito Salonga, from the fringes of the campaign, stressed protection of the environment as a key agenda. Ramos was courting environment-friendly votes. (After assuming office, however, he announced that he favored a selective ban on commercial logging.)

Candidate Ramos did not come clean on the environmental issue. Few knew that Ramos was involved in logging until Senator Aquilino Pimentel blew the whistle on him in 1991. Ramos was a shareholder of Greenbelt Wood Products Inc., which used to operate in a 45,440-hectare concession in Sultan Kudarat. His daughter, Angelita Ramos, was board chairman. Securities and Exchange Commission records listed father and daughter as two of seven stockholders with P60,000 worth of shares. Narciso Ramos, the late father of the presidential candidate, had P40,000 worth of shares.

Greenbelt's license was issued in 1977 and expired in 1988. Its operations continued, however, after the Department of Environment and Natural Resources (DENR) granted Greenbelt a six-month provisional timber production agreement. This allowed the company to cut a specific volume of trees during a brief period. Greenbelt was granted another extension of its permit until April 1989. Before this expired, DENR briefly suspended Greenbelt's license for its failure to pay reforestation deposits worth more than P3 million. The company paid up and was back in business. But it soon acquired its final extension. In a letter to Greenbelt, then DENR Secretary Fulgencio Factoran denied any further extension of the company's permit "to pave the way for a community forestry program..." In March 1991, Greenbelt's life ended. Or so the DENR thought.

Greenbelt continued logging operations even after its provisional agreement had expired. It committed other violations as well. The firm farmed out its logging operations to other



contractors and felled trees outside its licensed area. A report sent to the DENR and the Senate Committees on National Defense, and Natural Resources and Environment said Greenbelt projected an "image of invincibility ... with apparent blessings of ...some patrons in Manila. With its vast resources and influence, it was able to put up its own security force..."

In a statement issued in response to Pimentel's expose, Ramos said he was unaware of the illegal activities of Greenbelt Wood Products. He said his father was chairman of the board until he died in 1986. Since then, Fidel Ramos has acted as administrator of the estate. After he won the presidency, Ramos divested his shares in Greenbelt.

The Senate Committees on Natural Resources and Defense were tasked to investigate the matter but, after only two hearings, they lost interest. Senator Heherson Alvarez, chairman of the Natural Resources Committee, was satisfied with Ramos's explanation. Senator Ernesto Maceda, who headed the Defense Committee, did not want Pimentel to make political capital out of the case. Pimentel was then eyeing the presidency and, for Maceda, the expose was pure politicking.

When the Greenbelt investigation was going on, it was suddenly difficult to get hold of witnesses. A Mindanao-based journalist who was willing to testify earlier could not be found. Ruben Feliciano of the Armed Forces Counterintelligence Command (CIC), who, on his own, discovered Greenbelt's illicit activities, was detained in Camp Aguinaldo. The Senate thought that CIC was keeping Feliciano under lock and key to prevent him from participating in the hearings on Greenbelt and further tarnish the name of Fidel Ramos. It turned out that Feliciano was trying to earn a living out of his golden information. He was extorting a fat sum from the company.

Then-chief of the intelligence Service of the AFP (ISAFP) Charlie Tañega, who is currently senior military aide to President Ramos, alerted the CIC head Colonel Benjamin Libarnes about Feliciano, who was formerly with ISAFP. He wanted to know if Libarnes had sent him there. Libarnes immediately called back Feliciano to Manila, and placed him under duty. But Feliciano went on absence without leave and was arrested. He was eventually allowed to testify.

But the silence in the Senate could have been caused by other reasons. Senator Pimentel admits that a lawyer representing Greenbelt, who marched with him in the parliament of the streets during the dark years of the Marcos dictatorship, approached him and offered half-a-million pesos. It was meant to make him forget the Greenbelt case. "I was very surprised. They (Greenbelt) chose someone whom I knew," recalls Pimentel. "I couldn't reveal this in the Senate because I did not want to name the lawyer. But I suspect money changed hands elsewhere."

Greenbelt was not Ramos's only exposure to logging. He was once chairman of the board of the Philippine Veterans Investment Development Corporation (Phividec) whose subsidiary, the Phividec Construction and Development Corporation or Phicondec, engaged in logging in Mindanao.



In 1984, Ramos interceded with President Marcos on Phicondec's behalf, for a timber concession and a log export allocation - which were granted. But the move was mired in controversy. The concession given to Phicondec was part of the Aguinaldo Development Corporation's (Adecor) area in Davao del Norte which, at that time, was ceded to C. Alcantara and Sons, an adjacent concession. C. Alcantara and Sons agrees to give Adecor the right to subscribe up to P500,000 worth of capital stock. In effect, a large chunk of C. Alcantara's concession was taken away from them. Ramos further recommended the cancellation of C. Alcantara and Sons' license.

Through the Years, Ramos may have kept some ties with the industry. During the election campaign, some logging companies dug into their pockets and contributed to his funds. A few weeks before the elections, several timber concessionaires decided that Ramos was their man. Ramon Mitra, while being supported by logging tycoon Jose Alvarez, announced that he favored a total ban on commercial logging. This kept the logging sector very uneasy. They looked around and assessed the chances of victory of the other candidates, particularly Miriam Defensor-Santiago, Eduardo Cojuangco and Fidel Ramos. None of the three had made any statement that would rankle the loggers. As the elections drew close, Ramos's candidacy picked up; the loggers went for the one who smelled of victory. Word in the industry was: five million pesos came with their promised votes. In the Ramos campaign staff, it was said that medium-sized companies, at that time, usually gave P1 million. The conglomerates gave bigger sums of up to P5 million. The contribution is Ramos's political debt to the sector that is in danger of being eased out of the forests.

The Fight For DENR

When Ramos was proclaimed by Congress as the eighth president of the Republic, he lost no time in forming a Cabinet. But the Secretary of the Department of Environment and Natural Resources was not among those he named first. It took a little more hemming and hawing before Ramos could make his choice. Representative Edelmiro Amante of Agusan del Norte, a loyal Ramos follower, made it known that he was very much interested in the position. But he was cautious not to leave his seat in Congress

lest the Commission on Appointments did not confirm him – and leave him without a job. In the early days of Ramos's candidacy, it was Amante who stood by him in Congress – a Mitra territory.

At the DENR, Victor Ramos, Factoran's undersecretary who ran field operations, was another likely choice. The trouble was he had the same surname as the President and they happen to come from the same province, Pangasinan. Ramos painstakingly traced their lineage and told Victor Ramos that they were related, in a distant way. The President was uncomfortable about appointing a "relative" even if Victor Ramos appeared to be a competent choice.



For Victor Ramos, the top post at the DENR was a welcome option only if it was going to be a long-term job. A year-long fellowship at the Harvard Kennedy School of Government was awaiting him and it was not worth giving up if he was only made caretaker of the DENR. Kennedy School was quite strict and asked him not to be late for the school year. The President knew this but still, he let Victor Ramos take over the post on Inauguration Day, June 30, 1992, only to be told after the ceremonies that his appointment as secretary was in an acting capacity. Obviously, the post was still reserved for Amante. Victor Ramos weighed his options and decided to leave the Cabinet. He is known as the Cabinet member with the shortest stint ever: one week.

Amante was the favored one and he hovered in the wings waiting to assume the post once he was sure of confirmation. However, the surge of criticisms against Amante was unstoppable. The press and the environmental nongovernment organizations converged on their judgment of the congressman-politician. He did not have the integrity to lead the DENR because of his background as a former timber concessionaire and a lawyer to logging companies. Amante grew up in a once timber-rich province and his years in politics were helped by the fortunes of the logging industry. He counts among his constituents dependents of the wood industry and big names in logging- like Plaza, Tupaz, Aquino, Fernandez, Calo.

Amante started out as legal counsel of Luna Timber Corporation shortly after his graduation from the Silliman University Law School in 1959. He worked for the company for more than 10 years, including a long stint setting up a logging company in Indonesia in the 1960s. At that time, he was also an elected city councilor of Butuan. When he was elected to the Constitutional Convention of 1971, Amante, who grew up in a poor Butuan barrio, was a wealthy man, remembered as one of the delegates with the most assets.

Amante himself was a logging concessionaire in the 1970s. He was part of a group of five delegates to the Constitutional Convention who were gifted by President Marcos with a license to log more than 15,000 hectares in Surigao del Sur. The timber company was formed in September 1973, the first anniversary of martial law, and named Maharlika Logging Corporation, after Marcos's legendary World War II guerrilla outfit. It was renamed Summit Timber and Development Corporation several months later. Amante was a member of its board of directors and a major shareholder.

Ramos, himself, could not escape the criticisms against Amante. In a press conference with the Foreign Correspondents Association of the Philippines, the question on Amante trailed him. "I have not made a permanent decision yet," he replied when asked about who the next DENR secretary would be.

In the meantime, the NGOs, particularly Haribon, suggested other names including that of Angel Alcala, a known environmentalist and marine biologist and president of the Silliman University in Dumaguete City. Unknown to many, Alcala and Ramos go a long way back. When martial law was declared in 1972, Silliman University was one of the schools closed down by Marcos for about two months. It was General Fidel Ramos who



ordered it opened and declared it “free of subversives.” Thus began Alcala's soft spot for Ramos. He was vice president for academic affairs of the University at that time.

Both men also belong to the same church, the United Church of Christ of the Philippines. Their friendship grew stronger through the years. Occasionally, they went on diving trips. During the presidential campaign, Ramos saw Alcala a few times. Moreover, Senator Leticia Shahani, sister of the President, is a close friend of the University.

Alcala was in the United States raising funds for the University when news of his nomination reached him. One midnight in Chicago, in the middle of August 1992, he picked up the phone and heard the unexpected news. “My initial reaction was, I preferred the University. I sort of brushed aside the idea of being a government official. I thought the position would have been filled by the time I got back home.”

By late August, the top position at the DENR was still open for him. Alcala realized the offer was serious and he consulted with some University officials and friends. His friends were divided. Still mulling about it, Alcala remained non-committal. After he received the Ramon Magsaysay Award for Public Service at the end of August, Malacañang moved swiftly. Before he knew it, his appointment as DENR secretary was announced and President Ramos swore him in early September.

The man is self-effacing, a bit shy but warm and, in fact, too kind and laid-back for the hostile and tough world of politics and government. He cannot forget that, in his first two months in office, a reporter told him to his face that he was naive. Surprised at the audacity of such a remark, he comforts himself and, with a gentle smile, says: "But I am not naive. I am not a newcomer to forests. I've spent 20 years of my life in the forests, studying them." The trouble is, outside the forests, there, too, is real life where competing voices ask for undiluted attention and prompt action. The bureaucracy is huge and slow. Employees who have grown, through the years, with the Department of Environment and Natural Resources or the once-powerful Forest Management Bureau (formerly the Bureau of Forest Development) do not easily adapt to change.

Politicians seek favors. Already, House Speaker Jose de Venecia has asked for reforestation contracts to give his constituents in Pangasinan. In a private meeting with Alcala (before the latter's confirmation) in his Dasmariñas Village (Makati) home, he made this very clear. Reforestation contracts are the newest tools of patronage. They are like road- or hospital-building contracts that can be given to favored supporters.

Some congressmen request for the transfer of personnel from hardship posts to juicier assignments. Others badger the Secretary at the slightest hint of inaction or at having found the tiniest mistake. Congressmen and senators dangle the carrot of confirmation. Beware of what you say, for if you hurt our interests, you'll be out of office, is the unspoken threat.

For Alcala, suddenly plucked from the serene campus of Silliman University and the unhurried pace of the academic community, a much wider range of issues is at hand and a



more demanding public wants his attention. Can he learn all these during the first months of office?

Alcala comes to DENR with two distinct assets: he has the support of the environmental NGOs, otherwise a block of potential adversaries, and he has a long exposure to environmental problems, having studied forest and marine resources conservation. The challenge is to turn these engines on, in full force, to provide initial steam in his leadership.

But he was seemingly unprepared for the big, emotional issue of the day; whether to ban commercial logging or not. After receiving the Ramon Magsaysay Award for Public Service, he was quoted as saying that he would pursue a log ban to arrest the rapid denudation of the forests. Later, he denied this and sought succor, instead, in the phrase “sustainable forest management.”

"I have seen bad logging early in my life. My earlier idea of logging was destructive. I've seen with my two eyes how loggers and kaingineros destroy forests," says Alcala. "But now law told that selective logging can be viable... The PWPA (Philippine Wood Producers Association) showed me slides. Logging can be sustainable provided the methods are proper." For Alcala, sustainable forestry is a good catchword. "The terms selective and total log ban are I confusing. It polarizes people. I don't want to go into that kind of argument. It is an emotional subject. We don't have to add more heat." The most Alcala would say about a total ban on commercial logging is: "We will I implement the law once it is there."

He said this after being in office barely two months, uncertain of confirmation by Congress. (He was later confirmed in December 1992.) Saddled with paper work, he found time for an interview, albeit reluctantly. "If I keep giving interviews and signing papers, what time do I have for work?" he asks, overwhelmed with the day's crowded schedule. In his creased barong, he, with his kind face and tired eyes, scanned the piles of papers on his large desk. And, as if forgetting them completely, he proceeded to answer questions but showed slight frustration that, again, the subject was the forest. "I can't avoid this concern. All efforts of DENR are partial to land, the forests. It's because they're easily seen..." he explains the pervasive interest in forests. The new secretary is careful, ploughing through words that will steer him clear of controversy.

Alcala has changed his position on the log-ban issue quite a lot. In the early 1980s, he told Catherine Caufield, author of *In The Rainforest*: "Selective logging is good in theory but it does not really work. With selective logging, you are supposed to take only a few trees and leave the rest to grow so that you can return later and take some more, without destroying the forest. This is supposed to be a sustainable system. But here, although they use the phrase selective logging, there is only one harvest, a big one. After that, no more."

Alcala is also a member of the board of Haribon which has taken a strong position for a total ban on commercial logging.



“In his heart, he is for a total commercial log ban. But pressure is also from within the DENR. He once said, “My men are for selective logging,” an aide volunteered.

Because the man at its helm had two positions - one private and the other public - on the log-ban issue, the DENR, in the early months of the Alcala leadership, was ambivalent. In a hearing of the Senate Committee on Natural Resources, Forest Management Bureau (FMB) director Cirilo Serna had to qualify that he spoke only on behalf of the Bureau. His position, which traced deforestation to kaingineros and advocated a selective ban on logging, was endorsed by Alcala but "with reservations." To the FMB, what those “reservations” were were not clear. Serna takes the traditional view on forestry and absolves the loggers of the blame for deforestation. Yet, in such a vital issue, Alcala did not communicate his "reservations."

While Alcala's public agony was taking place, the environmental NGO community kept unusually quiet. Some Haribon members were wringing their hands saying the new DENR secretary was playing it safe so that he will not to earn the ire of vested interests in Congress. At stake was his confirmation. In fact, they say, he tries to avoid the issue. There was a lot of understanding on their part, hoping that once the confirmation was over, Alcala would bravely come out for a total ban. (He has not.) To remind him of what Haribon and Green Forum stand for, both groups gave the new DENR secretary a thick, two-volume compilation of their positions, ranging from their advocacy of a total commercial log ban to granting tribal communities their rights to their ancestral lands. Alcala once referred to the compilation- as his "bible."

Here are some of the tenets, as prescribed by Haribon:

There should be a shift to "alternative development strategies" to include the democratization of ownership, control and management of natural resources, and the decentralization to a community-based system.

Debt servicing funds should be channeled to development programs through a "debt-for-development swap."

Official development assistance funds for military and government infrastructure should be shifted to the community-building capability of NGOs.

The partnership of government, as represented by the present DENR, and the NGOs is both curious and welcome. Curious because it is untraditional and, somehow, sidesteps questions of a distant, sometimes adversarial relationship between government and activist NGOs. But it is welcome because more can be done when hands are linked together, with little distraction from disturbing criticism. More work can also be accomplished in the grassroots and in the field, where results should be seen.

The Alcala years will be an enormous learning experience for NGOs. Haribon, which is closely assisting Alcala, is gradually getting exposed to the nuances and difficulties of



running a bureaucracy and a department whose constituents have competing interests. Governance, as they see now, can be a world apart from simple advocacy.

The Transition Secretary

During the transition period, when President Ramos was still scouting around for a permanent secretary, DENR Undersecretary Ricardo Umali ran the show - with a lot of media coverage.

Umali wanted to project himself as a strong contender for the position and the best way to do it, he thought, was to land in the front pages of the dailies and project oneself as a serious law-enforcer - following the heels of the country's crime buster, Vice President Joseph Estrada.

Umali and Estrada, in a dramatic move on July 12, 1992, suspended the licenses of two logging companies in Isabela, the territory of strongman and former Governor Faustino Dy. The two companies were Green Valley Timber Corporation (GVTC) and Consolidated Logging and Lumber Mills Inc. or CLLMI.

Umali also announced that the DENR had seized logs worth some P50 million, trumpeted as "the largest haul in the history of DENR." Records show, however, that slightly bigger hauls were made in previous years. General Orlando Soriano and his anti-illegal logging task force, for one, scored higher points in 1991.

In the logpond of GVTC were found 4,000 pieces of undersized hardwood logs that bore no DENR hatchet marks. As early as February 1992, GVTC had leased its concession and turned over operations to Ramon Co, a businessman from Cauayan, Isabela, who was once named by General Soriano as involved in illegal logging. The contract of lease was not approved by the DENR. Moreover, GVTC did not renew its logpond registration permit. "What comes out crystal clear is that GVTC has allowed its timber license and facilities to be the shield for the illegal operations of Ramon Co," Umali wrote in a memorandum of August 6, 1992.

CLLMI's case was slightly different. It was found by the DENR regional office to have exceeded its allowable cut. The company, however, wrote Vice President Estrada disputing the claim of DENR. It argued that it was merely cutting "in advance of the expected grant of authority" by DENR of an allowable cut of 18,686 cubic meters - which former Secretary Fulgencio Factoran granted in June 1992 and which holds until the end of the year. Normally, the DENR requires logging companies to follow an integrated annual operations plan which puts, in detail, cutting schedules and harvestable volumes.

Yet less than a month after the sensational suspension, Umali, minus the fanfare, ordered the lifting of CLLMI's license. No further investigation was done on the case, no staff reports were made. "The lifting applied only to milling operations. They are still not



allowed to log," explains Umali. Umali's order also asked CLLMI to put up a "performance bond" of P2.5 million.

Leonardo Paat, DENR director for Region Two, gave another reason for the continuation of CLLMI's operations. He said the lifting was done to allow CLLMI to bring down its previously cut logs because DENR had no facilities to tow them down. The concession was quite remote and the best arrangement was for CLLMI to do the hauling, after which CLLMI was to be shut down again. Paat said he had, in fact, already suspended - again - CLLMI's operations.

As of October 1992, however, CLLMI was still listed as an active timber license agreement (TLA) holder. Moreover, it was found to be capable of yielding only a harvestable volume of 37 cubic meters per hectare, much lower than the DENR prescription of 67 cubic meters per hectare. The case appears murky and doubtful. Some in the DENR questioned the lifting of CLLMI's suspension which was decided without adequate investigation. The major shareholders of CLLMI are Jose Ong and Alberto Rodriguez. Others include: Dalmacio Rodriguez, Antonia Vda. de Gomez, Antonio Orara and Remedios Rodriguez.

One of the last acts of Secretary Fulgencio Factoran was to ban logging in virgin forests and shift them to second-growth forests. Thus, only TLAs with at least 1,200 hectares of residual forests that were logged 25 years ago or earlier and with a harvestable volume of at least 67 cubic meters per hectare were allowed to continue logging. This formula trimmed down the number of concessionaires to at least 30 out of more than 50 TLAs. The rest were either cancelled or left hanging for review.

As expected, those left out in the cold asked for a review. Victor Ramos left to his successor important decisions on whether to renew the TLAs of a number of logging companies. Umali was the former Undersecretary for Policy, Planning and Natural Resource Management. He had been in the DENR for 14 years, the official in the DENR top echelons with the longest experience in government. A forester, he pursued graduate studies in natural resources management in Yale University.

After Umali's two-month term as acting secretary, the number of TLAs rose to 40, including two concessions within the domain of the Autonomous Region for Moslem Mindanao (ARMM). Two companies which were given termination letters in July 1992 - Liberty Logging Corporation and Valderrama Lumber Manufacturing Corporation - saying that "no further allowable cut can be granted to you ... in order to prevent unsustainable logging operations..." were resuscitated a month or so later. Umali made a quick turnaround after their cases, which could not even be considered as 'borderline,' were reviewed.

"They appealed. Their termination was due to policy shift, not because of violations. So their approval is conditional subject to a reinventory. There is, enormous data to encode, some may have put the wrong entry," explained Umali.



Liberty Logging Corporation operates a 27,260-hectare concession in Isabela. Its TLA was issued in 1981 and is due to expire in 2007. After the inventory, it was found to have a low harvestable volume of 24.96 cubic meters per hectare, way below the 67 cubic meters per hectare required by DENR. The termination letter sent by Umali in July 1992 asked the company to surrender its license, remove all equipment and machineries from the area and turn over the management to the DENR regional office in Tuguegarao. By September, Liberty Logging bounced back to life. There was a mistake, the DENR said, the average harvestable volume of the company is 65.24 cubic meters per hectare, not 24.96 cubic meters per hectare. Lope Reyes, FMB assistant director (now FMB officer-in-charge) said some "tree tallies" were missed out, "sampling units" were not encoded in the computer and errors were committed in the encoding of field data.

The major shareholder of Liberty Logging is Wilson Lim while the other stockholders are Carlos Lim and Sergio Lim.

Valderrama Lumber Manufacturing Corporation was given a TLA in 1969 to expire in 1994 covering an area of 20,985 hectares. In the case of Valderrama, it was established that the concession could only produce an average of 49.68 cubic meters per hectare, also below the required volume. However, in September 1992, Umali allowed the company to operate after a review of the timber inventory data showed that Valderrama's average harvestable volume is 60.73 cubic meters, closer to the DENR requirement.

Valderrama Lumber is owned by the Valderramas of Negros Occidental. The late Tranquilino Valderrama was a lumber tycoon under whose management the company, then a prime exporter of lumber, prospered. He was also the Deputy Governor of Negros Occidental during the Commonwealth period.

But FMB's Serna, on whose bureau the task of reviewing the TLAs falls, differs with Umali: "Personally, I don't want them (companies appealing TLAs) reviewed. I want them cancelled. They are far from the requirement (of 67 cubic meters per hectare)." Shortly after CLLMI was allowed to operate, another logging concession with a suspended license was given the green light, JCA Lumber and Plywood Industries Inc. in Agusan del Sur. In February 1991, JCA's TLA was suspended by Factoran because the company had no reforestation site or nursery; it farmed out logging operations - specifically to Paquito Valderrama - and merely received royalties; it issued certificates of log supply to small sawmill operators at P40,000 to P80,000 per certificate; and, with the help of unscrupulous DENR field officers, it sold certificates of timber origin at P500 to P800 per cubic meter to cover up for logs coming from illegal loggers in the area and not from JCA.

The DENR central office acted on a report by Rafael C. Aquino, the brother of Jose S. Aquino Jr., the president of JCA. For Factoran, Rafael's letter merely confirmed what they at the DENR knew but could not prove.

Actually, JCA has been dogged by reports that it subcontracts its operations. In 1982, Agusan Wood Industries, then headed by Democrito Plaza, already complained that JCA



was operating on a royalty basis. Plaza and Aquino were then locked in a legal battle over rights to a concession area.

Jose S. Aquino Jr. denied the charges but could not fully defend his company's alleged subcontracting of operations. On reforestation, he explained that it was only limited to the 385 hectares of denuded land within the concession. As for Paquito Valderrama, said to be subcontracting the operations of the concession, Aquino said he is a stockholder of the company with 11 substantial shares. "But Valderrama owns only 100 out of the more than 70,000 shares of stocks of JCA. Clearly, this is not "substantial" but merely done to qualify Valderrama to be a member of the board of directors.

Aquino, in a letter to Factoran, wrote: "This transfer of shares of stocks to Mr. Valderrama is very minimal..." Regarding the farming out of its license, JCA said the company has extended assistance to small sawmill operators by entering into contracts with them for the supply of logging wastes but without receiving money.

The officers of the company include Jose S. Aquino Jr., president; Roberto S. Aquino, vice president, Paquito Valderrama, managing director; and Eduardo S. Aquino, controller. JCA stands for Jose C. Aquino, father of Jose Jr. and Roberto.

Umali lifted JCA's suspension citing the explanations of Jose S. Aquino Jr. and a recommendation from the regional office (Region 10) that the company be cleared from the charges since they were "unfounded." "The complainant has an axe to grind against Mr. Jose Aquino..." wrote Umali.

"We merely received a copy of the (suspension) order. It didn't come from us," Cirilo Serna, director of the Forest Management Bureau, said nonchalantly.

Senator Heherson Alvarez, a close friend of Roberto (Bob) Aquino, used to lobby DENR to reinstate JCA. Alvarez and Aquino spent years in the US as active members of the Ninoy Aquino Movement.

Woodland Domain, owned by Representative Renato Dragon, also wiggled its way back to the list of active TLA holders. It was not one of those concessions which underwent an inventory so there should be no basis for judging whether it falls within DENR's criterion of sustainable logging. But, surprisingly, Woodland is back in action.

The other TLA holders which did not qualify for continued operations, as of June 1992, but which found their way back in the roster of active concessionaires include: Luzon Loggers, Sta. Teresita Wood Industries (STWI), United Timber Licensees Inc. (UTLI), Great Pacific Timber and Development Corporation, Mainit Lumber Development Company Inc., Nasipit Lumber Company Inc., and Davao Mahogany Products.

Luzon Loggers, which registered a very low yield of 37 cubic meters per hectare, is owned by Quirino Representative Junie Evangelista Cua.



STWI, UTLI, Great Pacific Timber, Nasipit and Davao Mahogany were declared fit for continued operations. Isabela Representative Rodolfo Albano used to lobby for STWI.

As for UTLI, its license was later suspended because of illegal operations in Marag Valley. UTLI was formerly owned by ex- Representative Leoncio Puzon and sold to new owners. Mainit Lumber Development Company and Great Pacific Timber and Development Corporation were considered borderline cases, both with 62.5 cubic meters per hectare of harvestable wood. The president of Mainit Lumber is Jose Ching. Great Pacific Timber and Development Corporation is owned by the Yuchengcos who are also into insurance and banking.

The case of Davao Mahogany Products is one where the concession was declared to be capable of producing an incredibly high yield of 152.8 cubic meters per hectare. Obviously, this was based on fraudulent data, Umali said, and the team members who conducted the inventory now face administrative charges. Another inventory was scheduled but, in the meantime, Davao Mahogany was allowed to log. The officers of Davao Mahogany Products are Helen Sanchez, president; Claudio Sanchez, vice president for operations; and Paquito Valderrama, vice president for woods division.

Surigao Development Corporation (Sudecor), with 75,745 hectares of concession, was another TLA allowed to operate. FMB once noted the firm's "lackluster faith" in reforestation as an investment for the future.

It was not sudden nor mysterious, Umali contended, after being battered by senators and congressmen who questioned the increase in TLAS. When Factoran left, there were 32 TLAS, after Umali's short term, there were 38, not counting the two concessions within the jurisdiction of the Autonomous Region of Moslem Mindanao. Umali explained that the rest were reviewed and reconsidered for operation.

One problem was the absence of definite termination letters. This was a gray area as these companies were not told, with ringing finality, that they could no longer operate. "My frustration was FMB couldn't finish the inventory right away. It was not prudent to kick them all out so we gave them a starvation diet, temporary minimal cuts. If they were not given their permits, then that was it," says Factoran.

Because of this gray area, a TLA's end often appeared hazy. It almost looked like DENR wanted to soften the blow on the timber concessionaires. Factoran's successor did not read it that way. He saw it as an open-ended process that could still be changed.

Umali sent the wrong signals to the logging industry and the public as well. Previously, DENR's direction was to keep the lid on the TLAs and their numbers low. Should there be valid reasons for reopening some of the concessions, Umali did not make the process open and transparent. However, some of the reasons for the reopening of the TLAs were shifty, reflective of a weak push for policy and a tendency for easy accommodation. Secretary Alcala, still finding his way in the bureaucratic maze, did not challenge Umali's actions.



Overall, the moves were contradictory. While the drive to confiscate cubic meter upon cubic meter of illegal logs and arrest illegal loggers was pursued with flamboyance and a lot of media hype, a number of concessions with questionable records and precarious indicators of sustainability were reopened - and very quietly. The public was being dazzled with the razzmatazz of figures on "the biggest confiscation ever" and tough suspensions. Yet, behind the show, the number of timber concessions was, once more, bulging.

The environment NGOs did not publicly question the rise in TLAS, a major policy flaw. It seemed that they did not want to unsettle Alcala and make life difficult for him. Instead, Haribon wrote Umali asking him to explain why the number of timber concessionaires increased. The tack was quite unlike the practice during Factoran's time - when any disagreement was vigorously voiced out, particularly by Maximo Kalaw, leader of Haribon and Green Forum.

The entry of the swashbuckling Vice President Joseph Estrada and his Presidential Anti-Crime Commission (PACC) somehow created a culture for instants: instant confiscations, instant glories, instant headlines. Go for the media, go for the six o'clock news. That seemed to be the driving force of the day. The danger is that high-profile campaigns arouse high expectations that, in the end, are difficult to meet. Nor are such dramatic operations easy to sustain.

The IFMA: Improving the TLA

The timber license agreement, for all its flaws, will not be completely gone. The Forestry Management Bureau, in cooperation with the German government, is working on new guidelines to sustainably manage the remaining concessions. They are more demanding, more strict and detailed than previous ones, even requiring an inch-thick "compartment record book," a sort of diary of TLAs which will show all of their operational activities. But isolated from serious monitoring by the DENR, these new rules, while laudable, will not accomplish much.

Like a stale product that has to be repackaged and revitalized, an improved version of the TLA was instituted by the DENR. It is now called IFMA for Industrial Forest Management Agreement, meant "to fill the vacuum" left by the cancelled TLAS.

Despite the sorry history of several TLAS, which should have given the DENR little confidence in them, expiring TLAs are offered a part in the program. The IFMA is envisioned as a renewable 25- year contract between the DENR and private business, which binds the latter into regreening denuded forest areas. The second party could harvest what it has planted after about five years or more. Rather than treating IFMA like a TLA, which was a privilege granted to the private sector, it will be accorded a strict legal status: that of a contract wherein not just one party could rescind the contract and both could sue each other for breach of contract.

As of early 1993, no contractual IFMA - in the real sense of the concept - was yet in place. Present rules still treat IFMA as a privilege, says Germelino Bautista, a consultant to the Natural Resources Management Program of the DENR.

The DENR likes to emphasize that, unlike the TLA which was a pure extraction instrument - although reforestation was required, in reality it was an afterthought - IFMA is a "development instrument" which transfers to the private sector the burden of reforestation. It is also seen as a breakthrough because it will introduce the concept of a contract in forest management.

The government's share is land for which it will extract a rental of P0.50 centavos per hectare per year to increase to P1 per hectare per year after five years. The sizes of land covered by IFMA will range from a minimum of 100 hectares to a maximum of 20,000.

The catch, however, is big business will definitely not want to enter into an IFMA without any gains. What's in it for them? Apart from future harvests, forested lands covered by IFMAs offer ready pickings. The rule is areas that fall under IFMA should have not more than 50 percent second-growth forest, meaning, half of the area should still have trees. Only the other half is denuded.

The DENR avoids using the phrase "adequately stocked" to describe IFMA areas because it connotes full forests which, it thinks, could be misleading. Eliezer Lorenzo, DENR consultant on IFMAs, painstakingly explains the caveats that face IFMA holders, from a requirement to do only selective cutting to putting up performance bonds which approximate the value of natural forests or a floor price of P100 per cubic meter of harvestable timber but not less than P6,000 per hectare.

Bonds are a source of funds to compensate the government for damage done to residual forest through poor management and protection. "Industry argues that it is financially difficult to raise bonds. Bonding companies want real estate as collateral, prime assets in specified areas outside the IFMA area," points out Lorenzo. He stresses that IFMA, therefore, attracts big, stable investors and has no place for fly-by-night businesses that want access to the forests only to prey on them by subcontracting logging operations and keeping their pockets fat through royalties. "It's a weeding out process", says Lorenzo.

Since 1991, when of the wood industry has the concept of IFMA was introduced, most taken a wait-and-see attitude. Only those with processing plants opted for it. As of June 1992, most of the current crop of IFMAs, more than a hundred covering 412,172 hectares, were former industrial tree plantations or ITPs, converts to the new system. No performance bond was asked from them. The program had barely started and already, the major requirement of a bond - the caveat which DENR thinks will separate the serious loggers from the fly- by-nights - had been dispensed with.

Plantations are said to be the best way to rehabilitate degraded soils if natural forests are unable to regenerate. "The canopy protects the soil and the deep tree roots retrieve nutrients that shallowly rooted plants cannot reach," writes Catherine Caufield.



Plantations also have larger yields than rainforests although there are only a few species - often cloned from a single parent plant. They are more vulnerable to pests and diseases. Erosion in plantations is greater than in natural forests because there is less leaf litter and vegetation to absorb rainfall. The DENR sees some salvation in plantations.

But a number of those holding on to IFMAs are holders of TLAs that were suspended or cancelled, or TLAs which stopped operations because of log bans in certain provinces. Strictly, IFMAs are for TLAs which continue to have a legal character. Others hold existing TLAs like Great Pacific Timber and Development Corporation; Pacific Timber Export Corporation; Timber Industries of the Philippines; Aras-asan Timber Co. and PICOP. Those with reported violations are Jones Logging Corporation, Pagdanan Timber Products and Kalilid Wood Industries, owned by Representative Renato Dragon.

Some of the IFMA holders have spurious track records:

Isabela Sierra Lumber corporation's TLA was cancelled in 1991 for failure to pay its reforestation deposit and for reforesting only a part of the target area;

Liberty Logging, with very low yield, was terminated in July 1992 and reinstated in September of the same year;

Dolores Timber and San Jose Timber Corporation, both owned by Juan Ponce Enrile, were made to stop operations in Samar when a log ban was imposed in 1989. They contributed to Samar's deforestation. A typhoon in early 1989 triggered floods that washed away villages and killed more than a hundred people;

Sirawai Plywood and Lumber's TLA was terminated in July 1992 because it was not qualified to continue logging operations. Its harvestable yield per hectare, 37.34 cubic meters, was unacceptable to DENR.

Part of Westmin Forest Products' concession was cancelled due to unsustainability;

Nasipit Lumber Co. was found to have illegal logging operations within its concession in late 1992; and

Valderrama Lumber Manufacturers' TLA was reinstated despite its low yield.

With lax monitoring by the field offices of the DENR, IFMAs, just like TLAs, can get away with murder. The reformed TLA is capable of behaving like its dying counterpart.

In 1992, one IFMA - that of Skyline Agro-Forest Corporation, entered into in March 1991 - was suspended because it was found to have logged even before its five-year planting program was over. But the owners of Skyline said they cut mature trees so they could replant - and they did this only after their development plan was approved by the DENR. Moreover, a chunk of the 2,000-hectare area was within the Cabadbaran



watershed area, declared as protected area in November, months after Skyline's IFMA was issued. DENR has asked Skyline to find an alternate area outside the watershed. In this case, the concept of "contract" did not seem to work. The DENR unilaterally suspended Skyline's IFMA.

The case was colored by politics. When Representative Edelmiro Amante was touted to be President Ramos's choice for DENR secretary, the owners of Skyline Corporation, Luis and Marissa Guillen, supplied some information to the media that was critical of Amante. Feeling the heat, Amante apparently asked the DENR to look into Skyline's track record. The FMB, following the orders of the man likely to be their boss, pored over Skyline's documents and, voila, found a good reason to suspend the IFMA. Amante had his sweet revenge.

Local Governments Take Control

The year 1992 marked the beginning of the decentralization of powers to the local governments. Forest protection is one of the functions provincial and municipal governments are tasked with by the Local Government Code - but with limitations. Local officials can only supervise community-based forestry, integrated social forestry, communal forests of not more than 5,000 hectares, and the establishment of tree parks. All local government units (LGUs), through their local chief executives, are granted considerable powers to safeguard and conserve natural resources within their jurisdictions. The Sangguniang Bayans of provinces, cities and municipalities are tasked with protecting the environment and imposing penalties for illegal logging, among others.

However, the DENR will still maintain supervision, control and review over the discharge of these functions by LGUs even after these are transferred to them. There are no provisions allowing local governments to engage in or regulate the development and use of natural resources except communal forests. DENR retains these functions.

The Code is still being digested by local officials but some are already abusing its provisions. In Agusan del Sur, Governor Democrito Plaza, who derived his initial wealth from logging and whose track record as a logger is far from immaculate, wants to be the sole authority for regulating logging operations in his province.

In October 1992, he issued an order requiring DENR community environment and natural resource officers (CENROs) to "notify and get clearance from the Office of the Governor" before issuing any certificate of timber origin or CTO. As soon as his office receives the information, the governor will dispatch a team "to verify the actual source of logs cut and the volume." In addition, the provincial environment and natural resources officer (PENRO) could only approve the transport of logs and lumber upon approval by the governor. These centralized rules, says the Governor, will all redound to the benefit of the province because these are steps to conserve the province's remaining forests.

Days after Plaza signed the order, about 15 10-wheeler trucks loaded with lumber, estimated at P3 million, entered Agusan del Sur. Only two of the trucks had a permit to



transport lumber but they had already expired. In effect, all were illegal hauls. Yet the DENR did not seize the wood and, instead, allowed the trucks to turn back. It was whispered, although quite loudly, that a son of Plaza was the buyer of the illegal timber.

Some years ago, in 1986, Governor Plaza told a reporter: "You must understand how we do things in the Philippines and how hard it is to impose law and order. What can a politician do when one of his friends is in trouble but help him?"

Governor Plaza has usurped the key functions of the DENR, the issuance of permits and documentation of timber and wood products. In one stroke of an order, he has also placed the DENR provincial and community officers under his direct control and supervision. In response, the DENR chose to be cautious. It passed on the job of taming the governor to Secretary Rafael Alunan of the Department of Interior and Local Government (DILG). DENR asked that DILG nullify the erroneous provisions.

On the opposite side of the country, in Cagayan, Governor Rodolfo Aguinaldo has a different idea of controlling logging operations. Aguinaldo, who easily shifted venues to attain political power - he once joined rebel soldiers in attempting a coup and, failing that, ran for governor - wants the TIA system dismantled so he could impose his alternative.

A corporation, managed by the provincial government, will exclusively engage in logging and wood processing. The provincial corporation can enter into a joint venture with national government. It will also parcel out logging areas to haulers who own logging equipment. These operators will sell their logs to the corporation which will in turn sell them to sawmills within the province. As such, existing sawmills will be encouraged to expand and haulers can put up their own sawmills. All logs will not leave Cagayan; only finished wood products.

The profits of the corporation, muses Aguinaldo, will be plowed back to the people, through the budgets of the local governments. He estimates that the corporation can easily make a tidy net profit of P200 million per year based on a certain annual allowable cut. Or, with a larger volume, the corporation can earn more - up to P400 million per year. Furthermore, the corporation should also be given the sole authority to cut and gather narra logs, a premium species. Lastly, for forest conservation, the annual allowable cut will be gradually decreased and industrial tree plantations will increase. Aguinaldo foresees that Cagayan, after the corporation takes over logging, will probably be the "only green oasis in the fast developing Philippine desert."

As a first step, the provincial board passed a resolution recommending a moratorium on commercial logging. To skeptics, Aguinaldo's plan plainly looks like logging in Cagayan will merely be passed from one elite group, the timber concessionaires, to another. Forgotten, once more, are the uplanders who have a greater stake in nurturing the forest since it is their home, their source of livelihood.



Aguinaldo's idea dates back to his years as governor during the Aquino administration. In 1988, he wrote President Aquino about his outlandish plan to manage Cagayan's forests. The DENR rejected this outright. Factoran wrote then-Cabinet Secretary Jose de Jesus and explained his objections, among them, the lack of technical personnel to run the corporation; it may serve as a milking cow for politicians to enrich themselves and subvert opposition; it may destabilize the timber industry, and accelerate forest denudation because the provincial government lacked the political will to stop forest violators because of their political alliances and desire to garner votes.

Four Year's later, still bristling and impassioned, Governor Aguinaldo defends his vision although he shows a slight understanding of community-managed forests. He likes to pontificate and stretch arguments to their limit. "Government," he says, "is not elite. Government is the people. The communities shouldn't be the ones to manage the forest because some of them have no forests. There will be an imbalance in income. If the provincial corporation takes over logging, we will distribute the profits evenly. And it will be easy to pinpoint responsibility." Unyielding to other arguments, he put his job on the line: "I will risk my position as governor. If it falls, I will resign."

The Local Government Code can be a mixed blessing. So much depends on the elected officials, their honesty and integrity. Their constituents are also just as important if they remain alert to manipulations and cry foul.

Among some' of the NGOs, especially those that work with community-managed forests, there is a downcast feeling. They are apprehensive that some politicians will recklessly issue stewardship contracts and permits to cut trees to favored supporters. The field is wide open for abuse. At the same time, there is reason to be optimistic. Local officials may be inclined to perform better because they will directly suffer or benefit from their actions. And, with local funds available, social forestry projects may get the push they deserve.

"Law enforcement will be strict unless you have a logger for a mayor or governor. There are more governors, mayors who are not biased for logging," says Aquilino Pimentel, former senator and author of the Code. "Resistance from local environmental groups will make local officials think twice. This will affect their votes ... It is easier to monitor corruption on a local level. In the national office, the official hides in the bowels of bureaucracy. Let us treat the code as a challenge. It is just like fire. It can be used to cook rice and to burn a house."

In various parts of the country, a number of provinces and regions have precariously thinning forest covers. Others have still lush forests. Local governments and nongovernment organizations need to be vigilant in protecting the remaining forests. In Aurora, 70 percent of its total forest area is still covered with trees. Those with less-than-half (41 to 48 percent) of their area still forested are: Kalinga-Apayao, Mountain Province, Isabela, Quirino, Agusan del Sur, Surigao del Sur, Palawan and Lanao del Sur. The rest of the country has little to offer.



Decentralization has taken other forms. In Palawan, it was not spurred by the Code but by an earlier law, the Strategic Environmental Plan (SEP), passed in June 1992. The SEP is specific to environmental protection and declares a policy totally banning commercial logging. However, in a more specific provision, it calls for a ban “in all areas of maximum protection and in such other restricted use zones” - to be decided by the Palawan Council for Sustainable Development. Essentially, the law leaves the final decision to the Council, chaired by the governor and composed of the congressmen of Palawan, government and nongovernment representatives.

Log-ban advocate Senator Orlando Mercado raised a hue and cry about the continued operations of the logging companies in Palawan despite the SEP. Ricardo Umali, then transition secretary of the DENR, said he would cancel the TLAs only if the Council recommended it. But when Angel Alcala assumed office, he ordered a logging moratorium in Palawan while the Council delineated the areas that were deemed critical and which could still be open to commercial logging. (The Council later voted to resume logging in the province.)

Palawan is host to three timber concessions: Pagdanan Timber Products with an annual allowable cut (AAC) of 29,430 cubic meters; Nationwide Princesa Timber with an AAC of 14,896 cubic meters; and Palawan Lumber Manufacturing Corporation with an AAC of 28,120 cubic meters. The first two companies are owned by logging magnate Jose Alvarez, who wields a network of patronage in the province.

Already, some members of the Council oppose the proposed ban on logging. For them, it will mean loss of revenues for the provincial government as well as loss of jobs. They also argue that once the timber concessionaires leave, the settlers will come in. Going the full stretch of decentralization, the experience in the Autonomous Region of Moslem Mindanao (ARMM) does not tell good news. The issuance of permits to cut trees has not been judicious. Failing to take heed of the flawed policies of the national government, the DENR in the region gave one-year licenses to harvest trees in private lands using private land timber permits or PLTP and special private land timber permits or SPLTP. PLTPs cover ordinary timber species while SPLTPs cover premium species like narra and *kamagong*. Short-term licenses such as this encourage overcutting and other abuses. There is no incentive to nurture the forest.

As long as an individual can produce a land title, the DENR in the ARMM considers the application for a cutting permit. The DENR is quite aware, though, that land titles are faked quite easily in the region. Armed with a permit, some cut beyond their boundaries. The permits opened the floodgates to illegal logging. By December 1991, the ARMM DENR got wind of the abuses and suspended all logging permits in Lanao del Sur, including those of the two timber concessionaires, Vicmar Development Corporation and the Timber Industries of the Philippines (TIPI). Vicmar operates in 23,680 hectares of forest land while TIPI covers a concession of 22,650 hectares with an allowed annual cut of 21,000 cubic meters. The ARMM also clamped down on mini-sawmills. The trouble was, they were closed during the day but their machines whirred during the night.



After more than a month of investigation, the concessionaires as well as the private land permittees were allowed to resume operations. What was stopped was the issuance of new permits. Existing permits were valid and would wait out their expiry date before logging operations were stopped. In an agreement, the DENR and ARMM listed down detailed requirements to be fulfilled by permittees before they could log and transport their haul.

As a further check on illegal logging, the ARMM and the DENR decided to ban the transport of forest products from private land permittees outside Lanao del Sur. Since the market for logs and lumber in Lanao del Sur is limited, this would discourage illegal loggers from plying their trade. Taking the cue from the DENR national office, the ARMM also banned logging in virgin forests.

These measures may help but the monitoring of logging operations within the existing concessions is still primary. The record of Vicmar is not encouraging. The town officials of Bubong in Lanao del Sur have requested the cancellation of Vicmar's TLA. In two resolutions, one sent to Factoran and the other to then- Defense Secretary Fidel Ramos, the Sangguniang Bayan complained that the company was fanning out logging operations. As a result, illegal cutting went on even in their watershed area.

A known illegal logger, Lieutenant Modesto Eleazar, has been operating in the concession of Vicmar. Moreover, the local officials of Bubong accused the armed concession guards of stealing the residents' cows. Guards of the illegal operators, they said, were trigger-happy. Some townspeople have been forced to evacuate; others have been killed. Vicmar, they also pointed out, did not reforest its logged-over parts.

The other concessionaire, Timber Industries, was recommended for termination by the Forest Management Bureau in 1992 because it was found to have insufficient residual forest. The DENR requires a concession to have at least 1,200 hectares of second-growth forest. However, the final decision rests with the autonomous government. Timber Industries, to this day, continues to operate.

The ARMM covers four provinces: Lanao del Sur, Maguindanao, Sulu and Tawi-Tawi. By November 1992, Lanao del Sur had no existing private land permits since all had expired. Maguindanao had two licensees with one-year terms, Sulu had none and Tawi-Tawi hosted one licensee also with a one-year term. On the average, the permittees have access to 200 hectares of forest land and are allowed an annual cut of 5,000 cubic meters.

Among the provinces of the ARMM, Lanao del Sur has the largest forest cover, estimated at 46 percent of its total area of 387,289 hectares.

But why the one-year permits? "It is our way of knowing whether they are really capable (of managing the forest). It is a provisional permit. If they are not, then we don't renew the permit," explained DENR ARMM Secretary Lanang Ali. Ali was merely following a precedent, ironically, set by the DENR national office.



A former field commander of the Moro National Liberation Front was given a permit to log as part of his kitty, a reward for coming down from the hills in the spirit of the government's "reconciliation" program. This was even before the ARMM was created.

The NGOs Make Their Presence Felt

For the environmental NGOs, the atmosphere could not be better. Steered by the momentum from the Earth Summit in Rio de Janeiro, a group of NGOs pushed for the creation of a multi-sectoral body that would put sustainable development in the map and in the consciousness of government planners. The Philippines is a signatory to the Rio Declaration, which is meant to guide countries in translating the principles of sustainable development into reality.

In a meeting with President Ramos, NGO representatives were pleasantly surprised to find out that their proposal was thoroughly read and that the President agreed, quite easily, to setting up the Philippine Council for Sustainable Development (PCSD). "He didn't beat around the bush. He took down notes. He even proofread our proposal. There was nothing ceremonial at all about the meeting," says Eugene Gonzales, head of the Council for People's Development. He currently sits in the PCSD.

The PCSD is composed of some government agencies - the National Economic Development Authority (NEDA), DENR, the Department of Foreign Affairs (DFA) and DILG - and NGO representatives. So far, the Council has succeeded in weaving into the government's development plans a concern for the environment.

But even before the meeting in Malacañang, Ramos's men had already gathered a group of environment experts that drafted a proposed program on environmental protection for the first 100 hundred days of his presidency. The first recommendation was the creation of a "presidential commission on sustainable development." The concept was not at all new to Ramos.

PCSD is a new layer in the bureaucracy but it represents a fresh initiative. The question is: will it really be effective? Does the Council have the teeth to push for the implementation of the medium-term development plan? A lot will depend on the influence the Council will have on government agencies - and the support they get from the President.

"Ramos has accepted a rather revolutionary concept, that of social movements as counterparts of the state, not just an extension. It is the whole idea of partnership," points out Maximo Kalaw, PCSD member and head of Green Forum. At this early stage, the best that the Council has achieved is the blending together of government and private volunteer groups in a high-level body that could plan and possibly illuminate the way for this ticklish concept called sustainable development.

A vacuum has been filled at the top - but there still remains a large one below, at the grassroots. The space is wide for NGOs that are based in remote and rural areas, those



that can assist upland communities in making the alternative to the flawed TLA system work. Out there lies a real and most difficult challenge.

