



**European Commission
The Philippines**

**Country
Environmental
Profile**

UPDATES



June 2009

Index of Acronyms

ADB	Asia Development Bank
AECI	Agencia Española de Cooperación Internacional
ACB	ASEAN Centre for Biodiversity
ASEAN	Association of South East Asia Nations
AUSAID	Australian Aid
BFAR	Bureau of Fisheries and Aquatic Resources
CADTs	Certificates of Ancestral Domain Titles
CBFM	Community-Based Forest Management
CBFMAs	Community-Based Forest Management Agreement
CEP	Country Environmental Profile
CfPs	Call for Proposals
CSP	Country Strategy Paper
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DENR	Department of Environment and Natural Resources
DFA	Department of Foreign Affairs
DFID	Department of Foreign and International Development
DOE	Department of Energy
DOF	Department of Finance
EC	European Commission
ENRTP	Environment and natural resources Thematic programme
EU	European Union
FAO	Food and Agriculture Organization
JICA	Japan International Cooperation Agency
LGU	Local Government Unit
M	Million
MIP	Multi-annual Indicative Programme
NCIP	National Commission on Indigenous Peoples
NEDA	National Economic Development Authority
NEMRO	Municipal Environment and Natural Resources Officer
NGOs	Non-Government Organizations
NIPAS	National Integrated Protected Area System
NTFP	Non-Timber Forest Product
PAMB	Protected Area Management Board
PENRO	Provincial Environment and Natural Resources Office
RSP	Regional Strategy Paper
TRTA	Trade Related Technical Assistance
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
WB	World Bank
WHO	World Health Organization
WWF	World Wide Fund for Nature- Philippines World Wide Fund for Nature

Country Environmental Profile -update

This document is an update to the Country Environmental Profile elaborated by the EC Delegation to the Philippines in 2005. The information provided in this update reflects the changes/evolution in the state of the environment, policies and ODA in the sector during the last few years and the foreseen plans for further implementation of the EC's environmental programme in the Philippines during the period 2010 to 2013.

The full 2005 CEP is available at

<http://www.delph.ec.europa.eu/docs/cep%20Philippines.pdf>

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Executive Summary

- Over the last 5 years (2005/2009), environmental performance in the Philippines has been mixed: On the one hand, little progress has been made in arresting the pace of environmental and natural resource degradation, even as a new set of environmental challenges emerge from new economic directions the government is pursuing (e.g. active promotion of mining, agribusiness and bio-fuels production). On the other hand, various positive initiatives have been undertaken to improve the institutional framework of the environmental sector, such as better mechanisms for the prosecution of environmental crimes ('green' courts established in 2007) better inter-agency co-ordination (DENR/DA/DAR 'convergence' process) and ambitious plans for the reform of the DENR. A number of responsibilities have been devolved further to local governments, but without additional financial resources. In general, public resources for conservation are still very low. Climate change is now gaining recognition in policy circles, although this interest is not yet been sufficiently translated into actions.
- Deforestation has made many poor communities more vulnerable to natural calamities such as landslides. Soil erosion has accelerated dramatically. Over-fishing and destructive fishing practices are among the main threats of the marine environment; average catch per day is less than 3 kg down from 10 kg 20 years ago. 70% of the coral reefs are in poor to fair condition and degradation is unabated. Agriculture encroachment into forestlands threatens the stability of the whole forest ecosystem including the watershed areas. In recent years, new studies have further demonstrated that the deteriorating Philippine environment has a dramatic effect in the national economy (e.g. Water pollution, poor sanitation and air pollution cost the Philippines around US\$ 350 million a year, according to the WB).
- As is was already described in the EC's 2005 CEP, the GoP addresses environmental and natural resource management through a rather comprehensive legal and regulatory regime for the sector with some sophisticated approaches. Although a positive trend can be observed in certain areas (e.g. prevention of illegal logging, better watershed management, further promotion of renewable energy sources) the underlying causes of environmental degradation remain largely unaddressed (e.g. high population pressure, rapid/uncontrolled urbanisation, poor environmental governance, corruption) and new challenges (promotion of bio fuels and agribusiness, mining policies) many affect further the already poor condition of the natural resources of the country.
- In the period 2005/2009, the EC has been supporting natural resource management issues in the Philippines either by integrating environmental components in economic and social development projects, or through specific environmental protection projects. As of 2009, overall EC commitment to environmental actions handled by the Delegation totalled € 9 million: € 6 million on the biodiversity sector (the ASEAN Centre for Biodiversity project); 2 € million on community-based forest management projects (under the Environment and Forest Budget line) and 1€ million on urban-related environmental issues (waste management, sustainable production & consumption) under the Asia pro Eco programme.
- Besides implementing environment-specific projects and integrating environmental components in the economic and social development projects, in the period 2005/2009, and following the recommendations/proposals contained in the CEP, the delegation has also implemented numerous environment-related actions in the policy, visibility and internal capacity building fronts.

- All ODA funding for the environment has seen a 35% decline between 2001 and 2006. During that period, various donors which were active before in the environmental field either moved to other sectors (such as the EC) or completely left the country (like various EU countries). Since 2007, and largely due to approval of a substantial WB loan to support the DENR reform, more ODA funds are available for environmental conservation in the Philippines, although they are still totally inadequate for the dimension of the problems. Contrary to what many expected, not much extra funds have come to the country in response to climate change needs. China, whose record mainstreaming environmental concerns in development co-operation is not very impressive, is becoming one of the top donors to the Philippines.

- In the period 2010/2013, the EC commitment to environmental protection in the Philippines will continue to use a mix of policies and instruments to enhance the sustainable use of natural resources and ease pressure on them. In addition to projects funded from thematic budget lines and/or the regional programmes directly or indirectly related to the environment, emphasis will be on mainstreaming environmental concerns in projects and programmes funded from the NIP. Three main environment related themes will dominate the environmental programme of the EC co-operation with the Philippines, namely climate change, biodiversity and sustainable consumption and production. Of these three these, only one of them will be assisted through bilateral (i.e. CSP/MIP) funds, namely climate change. The other two themes will be tackled through regional (sustainable consumption and production) and thematic (biodiversity) instruments.

- In addition to this, emphasis will be on mainstreaming environmental focus and concerns in projects and programmes funded under the NIP. The forthcoming budget support in health could incorporate environmental and climate change concerns and be used as vectors to effectively encourage environmental awareness and address the negative linkages between poverty and a deteriorating environment. Last but not least, the EC will continue to collaborate with civil society to encourage GOP and the private sector to take a more proactive environmental stance and to effectively tackle the key issues of enforcement of and respect for environmental legislations and international commitments.

Country Environmental–Update

In the last 5 years, little progress has been made in the Philippines in arresting the pace of environmental and natural resource degradation, even as a new set of environmental challenges emerge from new economic directions the government is pursuing (e.g. active promotion of mining, agribusiness and bio-fuels production). Climate change is now gaining recognition in policy circles, although this interest is not yet been sufficiently translated into actions.

The state of the environment

Deforestation has made many poor communities more vulnerable to natural calamities such as landslides. Soil erosion has accelerated dramatically and is estimated at 50% of the fertile top layer in the last 10 years. Over-fishing and destructive fishing practices are among the main threats of the marine environment; average catch per day is less than 3 kg down from 10 kg 20 years ago. 70% of the coral reefs are in poor to fair condition and degradation is unabated. Just over 36% of the country's river systems are classified as sources of public water supply. Agriculture encroachment into forestlands threatens the stability of the whole forest ecosystem including the watershed areas. In recent years, new studies (e.g. WB 2008) have further demonstrated that the deteriorating Philippine environment has a dramatic effect in the national economy (e.g. Water pollution, poor sanitation and air pollution cost the Philippines around US\$ 350 million a year, according to the WB). Poverty and social hierarchies, such as gender and ethnicity, further influence the experience of adverse environmental conditions.

- **Overpopulation:** In the Philippines there is a clear lack of population policy¹. The population grows at an annual rate of 2.3%. It is estimated that in 2009 the total population of the country reached 91 million, compared with 81 million in 2005. The average population density is now more than 300 persons per sq km. The growing population and the consequent expansion of settlements into formerly marginal and fragile upland areas are among the main causes of increased natural resources' degradation. As of 2009, there are over 18 million people living in the uplands areas, including some 7 million indigenous people. Over-population also reduces central and local government's capacity to invest in environmental actions; increases the pressure on natural resources to provide food security, amplifies the problems of waste disposal and stresses the pressure on water access.

- **Forests:** According to the analysis of satellite-based maps elaborated by the EU's, Joint Research Centre (JRC) in 2007, possibly only 19% of the country's land area remains forested, a figure which is well below the official statistics (24%). The main threats to Philippine forests come from illegal logging, agricultural fires, collection of fuel wood, and rural population growth. This scenario is worsened now by the resurgence of the mining industry (mainly copper, nickel and gold). Deforestation has made many poor communities more vulnerable to natural calamities such as more frequent and severe occurrence of flash

¹ Poor access to reproductive health services especially for the poorest remains a major challenge that resulted in high Maternal Mortality and high population growth putting at risk health improvements achieved in the Philippines during the last few decades. One reason the strong influence of the Catholic Church in the country. The President has adopted a political stance in support of the position of conservative Catholic bishops that the only form of family planning that should be supported is the 'natural' method. While Reproductive health policy is clear at the national level following the pronouncement of the President, there is a policy vacuum at the local level. Presently, the burden of addressing the population challenge lies on local governments, who do not always, or often, have the resources to act effectively in this field.

floods and landslides, which, killed hundreds of people in recent years and which the government blamed on illegal logging that had denuded the mountain slopes.

- **Water:** As of 2008, roughly 30 million people throughout the country do not have access to potable water through water supply and distribution operations. Water demand nationwide is expected to grow from 43 million cubic meters per year in 2000 to 88 million cubic meters by the year by 2025. Access to clean water is becoming a recurrent seasonal problem in many areas. Water pollution, wasteful and inefficient use of water, saltwater intrusion pipe leaks and illegal connections, and continued denudation of forest cover particularly in the watersheds are the main strains to water resources. With such threats and with growing population, it is becoming more difficult to provide basic water supply services. According to 2008 figures, 25% of Philippine watersheds are not performing at optimal levels due to different levels of degradation.

- **Soil:** Population pressure is stimulating cultivation of fragile upland areas, causing further soil erosion, with 21% of agricultural lands and 36% of non-agricultural lands throughout the country assessed as moderately or severely eroded. Agricultural yields in lowland areas are stagnating, increasingly beset by salinization and water logging. Improper land use in the uplands is reducing top soil layers. The accelerated loss of soil has several adverse impacts. For the farmer, it reduces soil fertility and crop yields (the loss of one centimetre can lower yields of corn by almost 100 kg per hectare). Sedimentation in coastal areas due to unsustainable land use in upland areas continues to be a severe threat to coastal eco-systems. Expanding inappropriate fertilizer and pesticide use foster nutrient imbalances and groundwater contamination.

- **Coastal/marine:** In recent years coastal zone development has been particularly damaging to the Philippines' marine environment, especially to coral reefs, mangroves, and sea-grasses. As populations have increased, so have their needs for construction materials and living space. Excavation, dredging, and coastal conversion to accommodate coastal development have seen corals being extracted for reclamation and construction, especially in coastal villages. Mangroves have continued to suffer from coastal development, notably at the hands of the aquaculture industry.

- **Land use:** 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.

- **Mining.** In recent times the mining industry in the Philippines has been experiencing a dramatic rebound. Although the Philippine Mining Act includes provisions for the protection of the environment, these provisions are frequently not dully enforced. Many mining concessions cover areas of high environmental importance claimed by and/or already titled to indigenous communities. There are claims that sometimes the local communities prior informed consent to the mining activities is obtained through unfair consultation processes. Many mining concessions cover areas of high environmental importance claimed by and/or already titled to indigenous communities. (e.g. Palawan, Mindoro, Sierra Madre), whose endorsement to the mining investment is reputedly obtained through unfair consultation processes remains also a matter of grave concern. The NCIP and the DENR lack means to follow-up the environmental and social standards of the ongoing mining activities.

Urban Environment: Air pollution levels in Metro Manila and other cities still exceed national air quality standards and impose a serious economic burden on society. In recent years, little action has been taken by the GoP or the LGUs to face this problem. While household garbage collection is somehow improving in recent years in some cities/towns (e.g. metro manila, Cagayan de Oro, Cotabato City), as of 2008 still 90 percent of sewage is not treated and disposed of in an environmentally sound manner.

Climate change: The Philippines is particularly vulnerable to the impacts of climate change. Increasing temperatures are already causing irregular monsoons and may also be responsible for the higher recurrence of extreme weather events such as “super typhoons.” According to the studies available, under a global “business-as-usual” scenario for CO2 emissions, the temperature increase in the Philippines could be as much as 2.4° Celsius by 2080. Droughts will make the western side of the country drier (including the Metro Manila area), while more rain will inundate the eastern side of the country (Quezon, Samar, Leyte). Rising sea levels are also of course a matter of grave concern. Vulnerability is greatest among the poor.



Climate change and gender

"The climate change crisis disproportionately affects women farmers' vis-à-vis men farmers in at least three ways. First, since women manage, control, and own fewer resources—especially land—than men, they have fewer assets to sell to cope when harvests collapse either because of floods or droughts. Second, more women than men fall into chronic indebtedness related to climate-induced crop failures because micro-credit is largely targeted at women and because, as managers of production and household expenses, they are under stronger pressure to bridge resource gaps. Third, when food shortages arise from poor harvests linked to weather problems, women prioritize the food needs of male household members and children over their own."

Gender and Climate Change: A case study of the Philippines. Heinrich Boll Stiftung, 2008

Environmental policies

As already described in the 2005 CEP, the GoP addresses environmental and natural resource management through a comprehensive regulatory regime for the sector with some sophisticated approaches.

Although a positive trend can be observed in certain areas (prevention of illegal logging, better watershed management, further promotion of renewable energy sources) the underlying causes of environmental degradation remain largely unaddressed (high population pressure, rapid/uncontrolled urbanisation, poor environmental governance, corruption) and new

challenges (promotion of bio fuels and agribusiness, mining policies) many affect further the already poor condition of the natural resources .

- **Combating illegal logging:** In the period 2005/2009 the government has increasingly tried to crack down on timber smuggling and forest degradation², but with limited success. In 2006 the Philippines volunteered to Chair and the Asia FLEG Task Force and has been hosting numerous workshops and other FLEGT-related regional initiatives.
- **Community-based forestry:** Forest communal management in the Philippines remains over-regulated³. An array of legal problems and complications exist in many cases. Many communities do not know or fully understand their legal rights and options and lack the organizational and technical capacity to properly manage commercial aspects related to CBFM Agreements. They also face a lack of working capital and have little or no financial management experience. After a decade of implementation, the DENR had issued 56 CBFM Agreement only, covering 100,000 hectares of forestlands to 10,000 beneficiaries. The Second Decade of CBFM Strategic Plan (2008-2017) was approved in 2007.
- **Ancestral domains:** Besides CBFM, the other major strategy in the Philippines to promote the participation of the communities in the management of the natural resources is the Ancestral Domain Claim framework, which specifically targets the indigenous communities. Although the GoP has already recognized some ancestral domain claims in Northern Mindanao, Palawan, Northern Luzon and other areas of the country, the boundaries of these domains have not been properly identified and mapped. The process to get an ancestral domain approved is complex and extremely bureaucratic. Approved ancestral domains do not have the means to implement their development plans, which normally are not integrated into the municipal development plans. This situation has caused extreme frustration within the communities whose claims were considered, while other communities see their ancestral domain claim applications either rejected or ignored for many years. In the meantime transgressions of ancestral lands and domains in the Philippines continue to happen.
- **Mining.** The industry is now experiencing a rebound. The DENR is the authority approving mining concessions. According to the Government, the mining industry is critical in inducing greater economic growth, attracting more investments and reducing poverty in the rural areas. The GoP believes that the mining projects already identified have the potential to generate 200,000 direct and indirect employments.
- The Philippine Mining Act includes provisions for the protection of the environment, the need to conduct Environmental Impact Assessments prior to any mining exploitation. According to some civil society organizations (such as the environmental NGOs, the Catholic Church and the indigenous communities), these provisions are generally not enforced. A great deal of controversy surrounds a number of proposed mining projects, like those in Mindoro,

² E.g., in May 2008 the government instructed all governors to intensify efforts to combat illegal logging and to arrest and charge illegal loggers in their provinces.

³ Various legal schemes, with different and sometimes contradictory objectives, are simultaneously in place. Each model gives priority to a certain perspective/interest to protect. The protected areas' approach (NIPAP law) intends to keep the forest off-hands for human action; the IP's rights approach (IPRA) devolves the forest rights to the indigenous communities; the Community-Based Forest Management (CBFM) Agreements approach put the emphasis on devolving the forest to forest depending communities. In theory, CBFM gives extensive rights and responsibilities to local people in managing forests. However, a number of serious problems are evident in the field.

Samar or Siargao. Various European NGOs have also reported that many mining concessions in the Philippines cover areas of high environmental importance claimed by and/or already titled to indigenous communities.

- **Expansion of agribusiness.** The GoP's Mid term development Plan (2004-2010) foresees the development of at least two million hectares of new lands for agribusiness. Although in principle the aim is to tackle underutilized lands, there are concerns on possible expansion to forest lands or at the expense of more sustainable forms of agriculture such as small-farming.
- **Water:** In the period 2005/09, the Arroyo administration has continued to support private participation schemes and began to pursue economies of scale in the sector. Although attempts have been made to introduce a comprehensive sector framework (e.g. the Philippines Clear Water Act), many responsibilities remain unclear.
- **Bio-fuels:** Strong government support, pro-active policies and legislation, economic incentives and investors' commitments are creating huge expectations on the potential of bio-fuels to reduce petrol consumption, re-boot the agriculture and protect the environment. Bio-fuels promotion is a key component of the Administration's energy agenda, which outlines the roadmap to attain 60% energy self-sufficiency by 2010.
- Despite some positive signs, the sector is still in its infancy and has yet to prove that it can become a viable alternative to fossil fuels (e.g. at present, there is no local production of bio-ethanol, so the provider companies are currently importing it from Australia/Brazil). The Bio-fuels Act mandates to the Department of Agriculture to make sure that bio-fuels production will not affect the country's food security. Despite these positive intentions, environmental groups have expressed worries about the destruction of forests that could occur when farmers rush to meet the bio-fuels demand.
- **Renewable energy and energy efficiency:** Various pro-renewable energy policies have been adopted in recent years, such as the Renewable Energy Bill (2008), which provides incentives for investment in renewable sources.
- **Sustainable production and consumption (SCP)** is gaining momentum in the Philippines' environmental agenda. Compare to other countries in the region, the Philippines now is more advanced in terms of SCP legislation and regulation. The Government has already started addressing SCP through a rather comprehensive legal and regulatory regime for the sector with some sophisticated approaches. The Eco-labelling Programme (26 brands register as of 2009), or the 2006 Green Procurement Act, are probably the foremost examples.
- **Climate change:** The GoP is seriously concerned about the negative effects that climate change is already causing to the country (i.e. more and stronger typhoons). On the international negotiations' process, the country is calling for deep/early cuts by all industrialized countries. According to the GoP, emissions' cuttings by developing countries should be on voluntary basis only.
- Philippines currently accounts for 1, 65% of total projects registered so far under the Clean Development Mechanisms (7th host party with 20 projects). Adaptation is also major priority for the GoP, under the assumption that the country can ill-afford to wait for global emissions to peak while it suffers the impact of climate change. Strategies and plans to integrate climate

concerns are being devised in most policy areas although implementation is at best at an early stage.

Institutional framework

In the last 5 years, various positive initiatives have been undertaken to improve the institutional framework of the environmental sector in the Philippines, such as better mechanisms for the prosecution of environmental crimes ('green' courts established in 2007) better inter-agency co-ordination (DENR/DA/DAR 'convergence' process) and ambitious plans for the reform of the DENR. A number of responsibilities have been devolved further to local governments, but without additional financial resources. In general, public resources for conservation are still very low.

- **DENR reform.** DENR as lead environmental agency in the country, agency lacks budget and capacity, and faces structural and policy conflicts to implement its tasks and to monitor and enforce of environment laws and standards. In 2007, with the financial support of the WB, the DENR has initiated a 'rationalization process', in order to improve the efficiency of the department's organization and operations, and by strengthening its service delivery functions. It is still too early to asses results of this process.

- **Inter-institutional co-ordination:** One of the underlying causes of the poor environmental governance in the Philippines is that there are many overlaps in the delivery of services by DENR, DA and DAR⁴. In 2007 a MoU was sign by the three departments, with the aim of outlining a 'convergence strategy'. Although the main objective of the process is to strengthen the complementation of rural development efforts' between the three agencies, in practice the main driver of this process is to ensure co-ordinated efforts by the three agencies in order to develop of at least two million hectares of new lands for agribusiness, in line with the Philippine Development Plan (see below).

- **'Green Courts'.** In a pioneering move, in January 2008 the Supreme Court of the Philippines created 117 Green Courts for Environmental Cases, the aim of which will be tackle illegal mining, logging and over-fishing and other environmental crimes. In the Philippines few violators are punished either because they pay off officials or because overworked judges tend to prioritise civil and criminal cases over environmental disputes.

- **LGUs.** In recent years, there have been moves towards a further devolution of national government environmental functions to local governments LGUs. LGUs are now supposed to formulate forest and coastal management plans, conserve land for forest resources, formulate environment code, review formulate land use plans/zoning ordinances and create environment

⁴ See EC CEP for more details on the nature of this overlaps (E.g: '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. The DA, on the other hand, is tasked to promote agricultural development mainly focusing on areas classified as alienable and disposable (i.e. not part of the public domain, and therefore outside of DENR jurisdiction). On top of these spatial divisions of responsibilities between public lands and alien and disposable, the DAR's main areas of operation involve agricultural lands subject to land reform, and parts of the public lands subject to titling, 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 programme led by DAR').

and natural resource offices, but, as with other devolved services, inadequate funding support hounds the implementation of devolved environmental management functions.

- **Institutional framework for climate change:** There are signs that the issue of climate change is gaining political momentum (e.g. creation in 2009 of the Presidential Task Force on Climate Change and the Senate Oversight Committee on Climate Change), but this institutional impetus has not yet been translated into a proper integration of climate change adaptation into development policies. Certain LGUs (e.g. the province of Albay) have created their own institutions to deal with climate change adaptation in their territory.

EC initiatives on environment in the Philippines (2005/2009)

EC Programmes/projects

In the period 2005/2009, the EC has been supporting natural resource management issues in the Philippines either by integrating environmental components in economic and social development projects, or through specific environmental protection projects.

As of 2009, overall EC commitment to environmental actions handled by the Delegation totalled € 9 million: € 6 million on the biodiversity sector (the ASEAN Centre for Biodiversity project); 2 € million on community-based forest management projects (under the Environment and Forest Budget line) and 1€ million on urban-related environmental issues (waste management, sustainable production & consumption) under the Asia pro Eco programme.

- **Biodiversity.** Biodiversity remains the main environmental sector of the EC's environmental co-operation to the Philippines. As of June 2009, the Philippines-based ASEAN Centre for Biodiversity (CRIS 110 361) has already been ratified by 6 ASEAN member countries. ACB's operations are now in full swing, developing a wide range of

activities across the region. Most of the ACB activities so far have been implemented at the planned cost and on time, these being primarily digital knowledge management, networking and policy development and public awareness raising. These activities have led to progress in the achievement of most of the results.

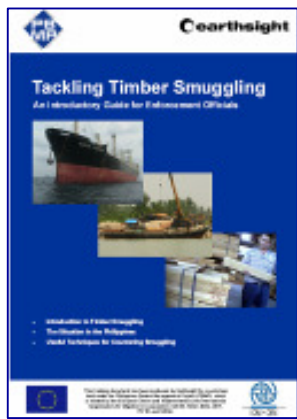
- **Community forestry:** The EC is currently funding two community-based forest management (CBFM) projects in the Philippines, namely the Forest Corridors (CRIS 114531;

implemented by AnthroWatch, in partnership with the NTFP-EP, ULAN and FPE) and the Golden Forest Project (CRIS 81910; implemented by Haribon). Both projects have a very similar objectives and results/components (forest conservation, forest governance, economic alternatives for forest dependent communities), although the implementing approaches are

partially different: Forest Corridors is targeting IP communities only and the emphasis is in the corridors concept (i.e. interconnected forest areas), while in the case of Golden Forest, both IPs & non-IPs communities are targeted and the project promotes the concept of forest management devolution to the LGUs (i.e. co-management schemes).

- **Forest governance/trade:** In the last few years, the Commission has started formal negotiations towards voluntary partnership agreements on Forest Law Enforcement Governance and Trade (FLEGT) with various countries, including Indonesia and Malaysia. The aim is to gain assurance that forest products imported into the EU from these countries are verified to be legal (i.e. under the national legislation). Although the Philippines is not directly targeted by this initiative, the country, been a transshipment point for illegal timber trade in the region and a hub for money-laundering, is already taking an active role in the region promoting timber trade governance.

- **Waste management:** In recent years Commission’s activities on waste management have been limited to small demand- driven actions implemented in the framework of regional programmes. E.g. CRIS 122 420, in Cotabato City, implemented by Action Against Hunger-Spain).): Thanks to the project, at least 33% of the beneficiary households are already applying improved practices in waste management. 85% of waste is now regularly collected in the project target barangays. 76% of the beneficiary barangays have organized and functional Barangay Solid Waste Management Committees.



Integrating environment into development co-operation: Training on timber smuggling in the Philippines Border Management Project

During the last 5 years, the EC assistance to the environment in the Philippines has not just consisted on certain projects specifically designed to address environmental concerns. The delegation was also constantly conducted sustained efforts to integrate environment elements across the board in our entire development portfolio. A good example of this was the integration of environmental activities within the Philippine Border Management Project (PBMP).

The PBMP aimed to enhance and strengthen the Philippines’ national border management policies and practices to actively support the GoP commitment to facilitate the orderly flow of aliens and citizens and to combat terrorism. When the delegation analyzed the PBMP –by that time still at the preparatory phase- it became clear that the project may provide an excellent opportunity to incorporate actions to fight illegal timber –an aspect which was not initially foreseen in the project design. This recommendation was also fully in line with the EU’s Plan for Forest Law Enforcement, Governance and Trade (FLEGT).

In the Philippines, illegally smuggled exports of timber are one of the main causes of illegal logging in the country. Estimates show that more than 40% of the country’s industrial round wood comes from undocumented sources defeating management and conservation efforts. Inefficient and resistance of the government and misuse of the resource utilization permit by logging concessionaries are among the causes. A certain number of activities (training, etc.) for illegal timber exportation border control were suggested, and the Delegation facilitated a dialogue between the project management team and the Environmental Investigation Agency (an NGO which was implementing an EC-assisted project in South East Asia to collect/process intelligence information on illegal timber trade). The training sessions were conducted in 2007/08 and brought together representatives from the five project pilot sites a very informative training booklet was developed specifically for these trainings.

- **Sustainable Production and Consumption.** The Asia pro Eco programme 'Greening the Philippine Industries with the Ecoprofit Approach (CRIS 122524) project has proved to be one of the most successful EC actions on environment in the Philippines. So far 153 concrete environmental performance changes or adaptations have been implemented by the 30 target companies. Thanks to these measures, the companies have already saved (i.e. discounting the companies' investments to put in place the measures) € 220,000 in 2008. The environmental impact of the project for the period is: 13,500 m³ of water savings; 1M Kwh energy savings and 15,300 Kgs of hazardous chemicals avoided. The project is now starting activities with a second bunch of 30 companies, located mainly in Clark and Subic.

Greening the Philippine Industries with the Ecoprofit Approach • From 2006 to 2009

- Implemented by: VSB – Technical University Ostrava
- Partners: Asia Society for Social Improvement and Sustainable Transformation, Metro Angeles Chamber of Commerce and Industry, Inc.
- EC contribution € 0.5 million
- Objective: To decrease the waste emissions in Subic and Clark SEZs
- Main activities: Train Trainers/Consultants in Austria, Setting up Training Centre in Philippines, Conducting of pilot series, Validation and awarding enterprises, Setting up of a local ECOPROFIT network

- **Coordination with the EIB:** The Delegation has played a very pro-active role assisting the EIB in the identification and preparation of a € 50 M Climate Change Framework Loan for the Philippines to provide financial assistance to mitigation and adaptation investments by LGUs and the private sector⁵. The funds will be disbursed by the Land Bank of the Philippines (LBP). This loan is a good example-case of synergies between EC-assisted projects and EIB

landing operations: The LBP high environmental standards and openness to climate change/renewable energy investments are partially result of two previous EC projects (an Asia pro Eco project to pave the way for a greater understanding and awareness of the importance of environmental issues by development banks and an EC ASEAN Energy Facility project on increasing access to local sources of financing for renewable energy).

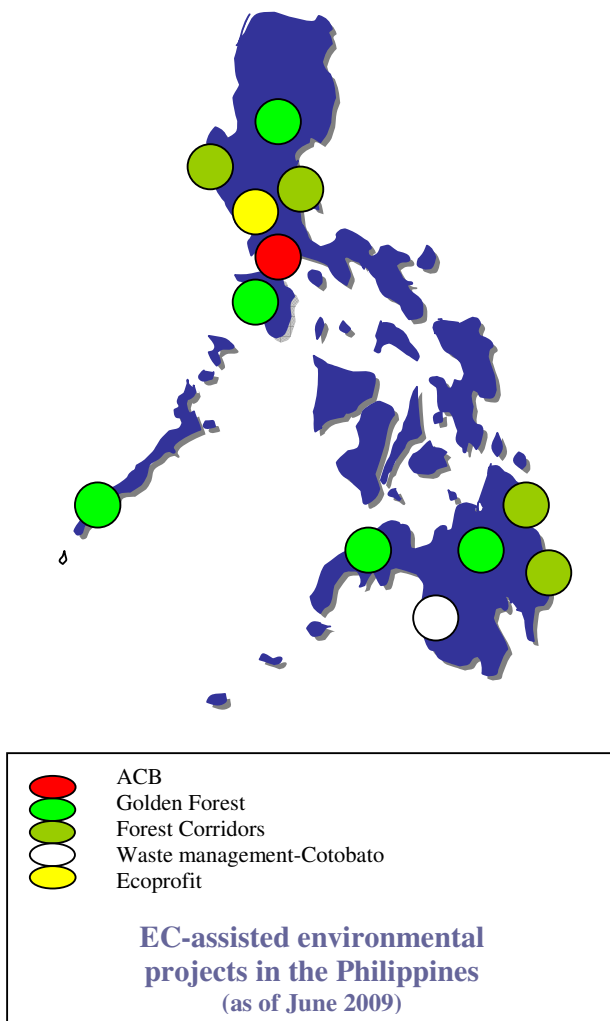
Other initiatives

Besides implementing environment-specific projects and integrating environmental components in the economic and social development projects, in the period 2005/2009, and following the recommendations/proposals contained in the CEP, the delegation has also implemented numerous environment-related actions in the policy, visibility and internal capacity building fronts.

- **Policy dialogues on environment:** The delegation keeps regular policy dialogues on various environment-related topics (climate change, community forestry, uplands' development, etc) with an ample array of stakeholders (GoP, other donors, civil society) These policy dialogues adopt different formats (formal demarches, special co-ordination meetings, etc. but they all share a common purpose: To push forward the Paris/Accra co-ordination goals in the environmental sector and to promote specific EU's policy agenda (e.g. climate change). Some examples of this for the EC partners' informal dialogue on community forestry; the organization, together with the EU Presidency, of various environment-related demarches (on climate change, wildlife trade, mercury ban, etc).

- **Green Delegation.** In June 2006, the EC Delegation to the Philippines launched an action plan to reduce the negative environmental impact of the Delegation's daily functioning. The plan consisted of three successive campaigns: paper recycling, energy saving and reducing the consumption of stationery. The purpose of this step-by-step approach was to enable staff to

⁵ As of June 2009, the signing of the loan agreement was still pending.



digest the information and the changes gradually. The campaigns promotes a broad range of eco-friendly measures to be implemented by all staff, such as promoting the use of e-mails over paper, choosing paper suppliers with a sustainable forest management system or not using animated screen savers (a black screen saver consumes less energy). Through this pioneering action, the Delegation wanted also to raise awareness among staff and working partners of the importance of translating environmental protection into specific daily actions. Thanks to this Plan, the Delegation has been able to recycle most of the paper it uses. Results on energy savings are still small, but the aim is also to improve on that field. Inspired by this experience, various other delegations, like China or Thailand, are also planning to implement the concept of “green delegation”.

- **Green week.** The Manila Delegation every year organizes its own Green Week activities in June,

mirroring those underway in Brussels. For instance, in 2007 the focus was on Biodiversity, this included an exhibition on environmental protection projects supported by the European Community, the dedication of the delegation's June Newsletter to environmental issues, and making environment the theme of the Delegation's various visibility exercises that month.

- **Climate change forums and visibility activities.** During 2008, the Delegation organized a full range of activities aiming to generate more awareness and a deeper understanding the EU response to global warming: a forum for journalists working on environmental issues (May 08); a forum for European studies' students (August 08) and a photo context on climate change co-organizes with the Philippine Centre for Photojournalism. These activities were very successful in having generated awareness and more consciousness about climate change and the European Commission's actions and responses to cope with climate change.

- **Environmental mainstreaming trainings.** As of June 2009, 90% of the Operations' Delegation staff has received specific training on environment mainstreaming, either in training courses organized in other delegations in the region, or in the training course organized by AIDCO and the delegation in Manila in November 2008. The Manila training was attended by 31 participants, 18 of which where from the Philippines (including project partners from the Health SPSPs/TRTA/MTF, from NEDA/DoH/Dept of Customs, etc.) An

evaluation on the participants' knowledge on environmental mainstreaming concepts was conducted before and after the training. The score rose from 62 % right answers prior to the training to 76% by the end of the training.

Scaling-up lessons: From a project methodology to legislation Upland agriculture and soil protection

Upland degradation is not treated as a prioritised development issue in the Philippines, although soil erosion has accelerated dramatically and is estimated at 50% of the fertile top layer in the last 10 years. In the last few years, the Delegation has been also promoting a direct dialogue with the House of Representatives, through the EC supported Upland Development Project (UDP), for the adoption of a legislation set aiming to encourage sustainable agricultural practices in upland areas, including soil protection measures.

Finally, the Delegation has been actively involved in the self-assessment process conducted by the Government of the Philippines on the national capacities to meet the country obligations to the Convention on Desertification. Now the UDP methodology to deal with land degradation is an official policy of the GoP.

Other donors

ODA funding for the environment has seen a 35% decline between 2001 and 2006. During that period, various donors which were active before in the environmental field either moved to other sectors (such as the EC) or completely left the country (like various EU countries). Since 2007, and largely due to approval of a substantial WB loan to support the DENR reform, more ODA funds are available for environmental conservation in the Philippines, although they are still totally inadequate for the dimension of the problems. Contrary to what many expected, not much extra funds have come to the country in response to climate change needs. China, whose record mainstreaming environmental concerns in development co-operation is not very impressive, is becoming one of the top donors to the Philippines.

- **WB.** The Philippines - National Program Support for Environment and Natural Resources Management (2007/2012) is currently the biggest ODA action in the environmental field in the country (US\$ 87 M) aims to assist the Department of Environment and Natural Resources (DENR). The project aims to strengthen the allocate efficiency of DENR limited budget resources, through better prioritization and partnership arrangements, facilitating scaling up and better linking of plans and budgets.
- **ADB:** ADB's portfolio in the environmental sector in the Philippines has been declining in recent years, as part of the broader reduction of the Bank's assistance to the country (mainly due to the country difficulties to secure counterpart funds). Currently the biggest project by ADB on environment in the Philippines is the Integrated Coastal Resources Management project, a US\$ 34 M loan implemented through DENR and BFAR. The project started in 2007 and will have a 6 years' duration.
- **UNDP:** Environment is still a priority sector for UNDP in the Philippines, mainly through the Global environmental fund (GEF) Small Grants Programme, which provides grants below

US\$ 1 million to proposals on natural resources' management. UNEP may plan to open a country office in the Philippines in the near future.

- **EU countries.** **Germany** (through the GTZ) is the main environmental bilateral donor to the Philippines. GTZ supports sustainable resource management in coastal zones and fisheries management in the Visayan Sea region. GTZ supports also the DENR in introducing quality management with the aim to improve services in the field of municipal forest and coastal zone management. In 2009, GTZ has started providing technical assistance in the field of climate change governance. From 2010, GTZ will provide € 2 M in assistance to the ACB for a climate change/biodiversity initiative. **Spain** (which overall, is by far the main EU MS donor to the Philippines) is financing (€ 6 M), since 2008, the 3-year Programme on “Strengthening the Philippines’ Institutional Capacity to Adapt to Climate Change”, which is implemented by UNDP and other Un-family agencies. **France** provides limited/targeted assistance to research-related environmental initiatives. **UK** provides small grants to conservation initiatives through WWF and other NGOs. **The Czech Republic** assists small projects on water supply (hydropower). Other EU MS that were very active in the environmental field in the past (i.e. Netherlands, Sweden) are now absent from the sector.

- **Other bilateral donors.** **Japan** is the major bilateral donor on environment in the Philippines. JICA main areas of intervention are heavy investments/infrastructures in sectors such as waste management and water supply. In recent years, JICA has also been supporting the implementation of community-base renewable energy projects in rural areas of Mindanao and other remote locations. JICA is now identifying actions on climate change mitigation. **US** main environmental project is the Philippine Environmental Governance Project Phase 2 (EcoGov), which provides technical assistance to more than 150 LGUs (mainly in Mindanao) in areas such as costal management, solid waste and wastewater and creation of protected municipal forest lands. **New Zealand** is assisting DENR in a project to develop eco-tourism sector. Other relevant bilateral donors with presence in the country (e.g. Australia, Canada, Korea) are largely inactive in the environmental sector.

Donors' co-ordination/backbone strategy

- **The Working Group on Sustainable Rural Development:** Co-ordination in the environmental field has significantly improved in recent years. The main co-ordination round-table for environment-related topics is the Philippine Development Forum Working group on Sustainable Rural development (PDF WG SRD) which started operations in 2006 and is now amongst the most active working groups within the PDF. It meets on regular basis (usually monthly) and bring together all the relevant donors, Government agencies (DENR, DA, DAR and NEDA) and civil society organizations (including all relevant EC partners, i.e. ACB, Haribon, NTFP, Anthrowatch). It is the only PDF WG where civil society representatives in full membership. The WG operates in plenary sessions and also in sub-working groups (namely 'land reform', agri-business' and 'upland development'). The groups produce policy papers, organize information sessions, thematic debates, etc. The EC Delegation is amongst the most active participants in the group and subgroups.

- The WG SRD tackles most of the issues related to the 'green sector' (forestry, biodiversity, climate change, etc.). Other themes under the environment sector (i.e. waste management, urban pollution, marine issues...) are somehow neglected in the PDF. Co-ordination in these fields is less intense. The **Working Group on Energy**, also part of the PDF set up, includes, under its mandate, issues related to renewable energy and energy efficiency, although in

practice much of the focus is on traditional forms of energy. This group is less active than the SRD group. The EU (EC plus MS) conducts on regular basis its **EU Development Counsellors meetings**, where environmental issues are often presented/discussed.

- Apart from this 'institutional' forms of co-operation, collaboration between donors, GoP and other stakeholders takes places on almost day-to-day basis in the format of vis-à-vis meetings, information exchanges, thematic-specific conferences/workshops, etc. The community of 'donors' environmental focal points' in the Philippines is an small one and everybody knows each other. In short: The collaboration climate among donors and the GoP) is excellent.

- **Sector-wide approaches.** There has been no serious attempts to develop sector-wide approaches in the environmental filed in the Philippines so far. The institutional complexities of the sector and the lack of political impetus to push through an ambitious environmental/sustainable development policy in the country may be the reasons behind this lack of sector-wide approaches in place. In the case of climate change adaptation, a sector which is somehow new to the country, there is an high degree of openness, among the main could-be donors to the sector (EC, Germany, Japan, US) to work on sector-wide basis, provided the GoP is able to agree on a common national policy an to retune the institutional setup (GTZ is already providing technical assistance to this end)

- **Joint-missions** and other forms of close-coordination take place regularly whenever EC and other donors are pulling funds in the same projects (e.g. Germany, France and the EC in the ACB; EC and Spain in the Golden Forest project).

Recommended priority actions (2010/2013)

The EC policy on development cooperation in the Philippines aims to foster sustainable development designed to eradicate poverty in the country and to integrate it into the world economy. These EC development cooperation objectives cannot be met in a sustainable manner unless environmental degradation is prevented and reversed.

In the period 2010/2013, the EC commitment to environmental protection in the Philippines will continue to use a mix of policies and instruments to enhance the sustainable use of natural resources and ease pressure on them. In addition to projects funded from thematic budget lines and/or the regional programmes directly or indirectly related to the environment, emphasis will be on mainstreaming environmental concerns in projects and programmes funded from the NIP.

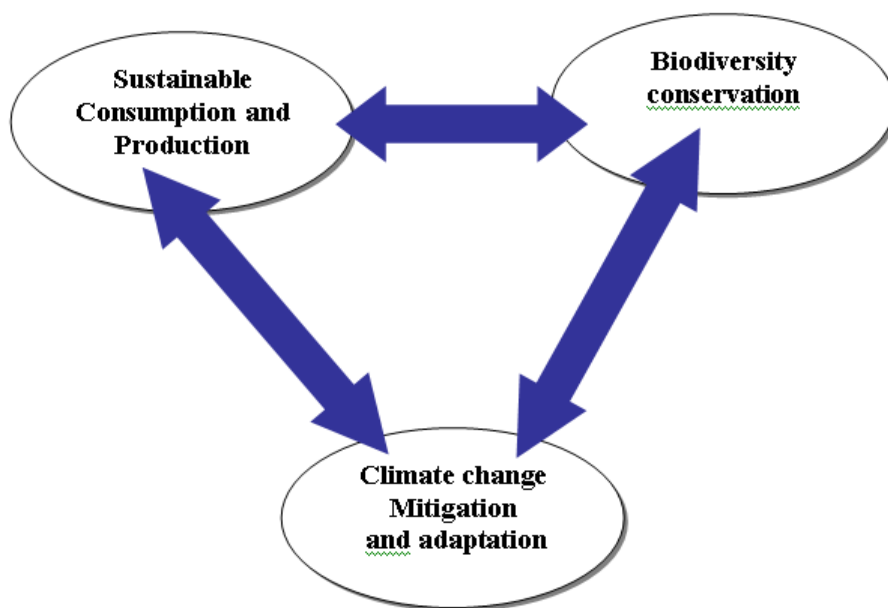
Environmental programme

During the period 2010/2013, three main environment related themes will dominate the environmental programme of the EC co-operation with the Philippines:

- **climate change**
- **biodiversity**
- **sustainable consumption and production**

Climate change will be tackled through CSP/MIP funds, namely climate change. The other two themes will be tackled through regional (sustainable consumption and production) and thematic (biodiversity) instruments.

These three themes (responding to climate change risks, sustainable consumption and production and biodiversity conservation) are not actually isolated issues. They are interconnected in many different ways. It makes sense therefore to work on them simultaneously. For example, protecting the remaining natural forests not only helps to conserve biodiversity but also prevents the release of carbon that is stored in these ecosystems. Healthy forest ecosystems have the potential to capture a significant portion of projected emissions. The relation between sustainable production and climate change is also extremely relevant: The only way to develop a low-carbon economy is to promote sustainable forms of production and consumption, which are less resources' intensive. The diagram below tries to show the connexions/relations between the three themes;



The actions under these three themes will form a coherent programme, which could be outlined as follows:

Specific objective: To mitigate Philippines CO2 emissions, particularly those from forest deforestation/degradation and from small industries and to strengthen the Philippines capacity to adapt to Climate Change.

Results:

R.1. Biodiversity conservation. To mitigate Philippine carbon emissions from biodiversity loss (e.g. deforestation) by promoting biodiversity conservation policies and measures.

- OVI.1.** Biodiversity and climate change-related policies are formulated
- OVI.2.** Philippines fulfils relevant international obligations on biodiversity.
- OVI.3.** Philippines joins common positions with the other ASEAN countries on matters related to biodiversity and climate change.

Instruments/programmes: ACB; projects financed under the ENRTP CfPs

R.2. Sustainable consumption and production. To mitigate Philippines carbon emissions from SMEs, by promoting less polluting and more resource-efficient products, processes and services, and to promote sustainable consumption patterns and behaviour.

- OVI.1.** National policies on sustainable consumption and production in the Philippines are developed.
- OVI.2.** Increased resource efficiency levels in SMES in specific regions of the Philippines.

Instruments/programmes: Switch Asia-policy component and Switch-Asia CfPs.

R.3. Climate change (REDD and adaptation) To enhance national and local capacity to develop, manage and administer actions addressing climate change risks

- OVI.1.** REDD policy developed
- OVI.2.** REDD mechanisms improved through pilot REDD projects
- OVI.3.** Enhanced local capacity to develop, manage and administer community-based projects addressing climate change risks
- OVI.4.** Community-based coping mechanisms improved through pilot adaptation projects.

Instruments/programmes: Climate change project under the MIP

Summary of instruments/programmes

	Project	Instrumen t	Amount	2009	2010	2011	2012	2013
R1	ACB Current	N.A.	€ 6 M					
	ACB Follow-up	ENRTP	€ 1/3 M					
R2	Asia Switch/policy	RSP	€ 2/4 M					
R3	Climate change	CSP	€ 3 M					

- **R.1. Biodiversity (ACB):** The ASEAN Centre for Biodiversity is now in a ‘make or break’ phase of its existence. During the period 2010/2013, the EC will intend to continue supporting the Centre through an extension of the current project. This in turn would give the ACB more time to build up its portfolio of partnerships and projects, and to campaign for more complete capitalization of the ASEAN Biodiversity Fund⁶. During the period 2011/2013 the EC would continue assisting the ACB but under a different form of support. Instead of the type of institutional assistance currently underway, the EC would finance a theme-specific project through the 'identified targeted actions' modality under the Environment and Natural

⁶ This provided that by the third quarter of 2009 the ACB has been able to (1) complete the ratification process; (2) secure all the foreseen AMCs contributions (EUR 1.3 M) and (3) initiate substantial steps towards getting contributions for the endowment fund.

Resources Programme (ENRTP)⁷. The theme of such subsequent project has yet to be defined, but possibly would be focused on Sharing Lessons and Co-ordinating Reduced Emissions for Deforestation and land Degradation (REDD) in ASEAN⁸. The amount of EC assistance to this project would be on the range of 1 to 3 M €.

- **R.2. Sustainable consumption and production (Asia Switch-Policy)** The Philippines is one of the 4 to 5 Asian countries that have been selected for the implementation in the Switch Policy Support Component. Thus, a 3 to 4 years' project of € 2 to 4 M on sustainable consumption/production policy will be implemented in the Philippines, starting by mid 2010. The project will build on the successful Asia pro Eco projects implemented already in the Philippines (e.g. Ecoprofit) and will work in synergy with TRTA2 and the Switch Asia call for proposals' project that would be contracted in 2009⁹.

- **R.3. Climate change** is now a key priority for the EU, appearing as a new Community policy in the Lisbon Treaty¹⁰. Although climate change will be streamlined in all the exiting projects, simply integrating the issue in the existing portfolio would not have a significant impact in terms of enhancing local capacities to cope with climate change. The Delegation is therefore planning to develop a specific action, to be integrated into the MIP, to enhance local capacities to adapt to climate change. Through a Facility (EC contribution € 2 to 5 M) to support public sector institutions (DENR, NEDA, LGUs) and public/private partnership initiatives (with NGOs, academe, private sector) in the fields of capacity building, policy rationalisation, technical assistance and pilot adaptation projects. The purpose of the facility will be to assist the Philippines to mainstream climate change risk reduction into key national & selected local development plans & processes; enhanced local capacity to develop, manage and administer projects addressing climate change risks; and improve coping mechanisms through pilot adaptation projects. The facility will complement the recently launched UNDP/Spain programme on climate change adaptation, which is mainly targeting the national level and some selected provinces/municipalities and will also be implemented in co-ordination with current/future actions by GTZ and other donors in the field of climate change adaptation.

⁷ The ENRTP aims, among other themes, to provide support for international organizations targeting the environmental dimension of sustainable development, environmental global public goods and the sustainable management of natural resources, which could inter alia include biodiversity as well as the strengthening of international environmental governance and actions helping developing countries to meet internationally agreed environmental commitments (such as the Convention of Biodiversity).

⁸ ASEAN countries have not been vocal in terms of the design of an international REDD agreement, although there are a range of initiatives being carried out within the region on REDD. The lessons need to be shared across the ASEAN countries to help them learn and to move forward on REDD. Lesson learning workshops and a repository for information on REDD is needed. ASEAN countries have requested support for understanding and introducing REDD, in particular around forest monitoring, assessment and reporting, understanding possible REDD agreements, links between biodiversity, poverty and REDD, payment mechanisms, etc. although there are a range of initiatives being carried out within the ASEAN countries on REDD.

⁹ By the time this report was produced, the selection of proposals under the 2008 Switch Asia CfPs was still pending.

¹⁰ In March 2007, EU MS agreed on an energy and climate change package for a new Energy Policy for Europe. It commits the EU to a 30% reduction if there is an international agreement in which other industrial countries commit to comparable mitigation efforts as in the EU and - even if there is no agreement - to a unilateral reduction in greenhouse gas emissions of at least 20% by 2020, a target of 20% share of energy consumption from renewable sources and a target of 10% for bio-fuels in transport. According to the DCI, (2006) cooperation with partner countries should address climate change by assisting recipient countries to mitigate emissions and adapt to the negative effects of climate change. These policies are extremely relevant to the Philippines, due to the country's high exposure to climate change effects.

- **Demand driven instruments** will also have a key role in the implementation of the EC environmental strategy for the Philippines. The thematic and regional programmes proposal's selection is not de-concentrated, but Delegations' are invited to make their assessments on the proposals during the evaluation process. The recommendations should be fully integrated in the evaluation process. There are two main EC programmes focused on environmental protection that apply to the Philippines: **Asia Switch-CfPs**, whose focus is on sustainable production and consumption (and which, together with Asia Switch-Policy and Asia Switch-Networking Facility, forms the Asia Switch programme) and **Environment and Natural Resurges Thematic Programme-CfPs (ENRTP-CfPs)**, more oriented to forest, marine or rural contexts. The types of projects that could be eligible would have to be in conformity with the EC's overall co-operation policies, but could include, as priority sub-sectors:

- **ENRTP-CfPs:** Running and administration of Protected Areas, monitoring of environmental data and improvements in land administration service delivery.
- **Asia Switch-CfPs:** Industrial ecology including pollution prevention, eco-efficiency; waste minimization; recycling, eco-labelling, Green Procurement, sustainable production and consumption patterns, etc.

Environmental mainstreaming

In addition to the above mentioned projects, emphasis will be on mainstreaming environmental focus and concerns in projects and programmes funded under the NIP. The forthcoming budget support in health could incorporate environmental and climate change concerns and be used as vectors to effectively encourage environmental awareness and combat the linkages between poverty and a deteriorating environment. Last but not least, the EC will continue to collaborate with civil society to encourage GOP and the private sector to take a more pro-active environmental stance and to effectively tackle the key issues of enforcement of and respect for environmental legislations and international commitments.

- **Health Sector Programme:** In May 2009 a fact find mission was conducted by external consultants to assess potential entry points for climate change within the Health Sector Support Programme. The mission identified that several of the provinces currently under the programme have one or more of the areas considered as typically sensitive to climate risk¹¹. The mission also identified important shortfalls in terms of information availability on health issues related to climate change (e.g. no mapping of waterborne diseases is available) and the absence of concrete plans/strategies. Thus, there is a clear need in the Philippines to further integrate climate change concerns into the health sector. In the coming future, EC support to the health sector in the Philippines will likely be delivered in the form of budget support. Thus, the entry point for the integration of environment and climate change cannot consist on concrete EC-supported activities to tackle climate change/environment related issues¹², but shall be done at the policy level (e.g. assisting the GoP to implement its health policies taken into account the climate change concerns). In other words, through the EC/GoP policy

¹¹ The main risks identified by the mission were: (1) Predominately flooding when current (refurbished) health facilities are located close to river courses or on flood plains; (2) landslides could also be a hazard when health facilities are located close to hill slopes or at the foot of hills and (3) vulnerable communities may face increased risks of weather-related disasters and altered patterns of climate-related diseases.

¹² In budget support, it is not actually possible to 'isolate' EC-assisted activities from the broad health policy reform that the budget support is assisting.

dialogue that the budget support programme will promote, the Delegation will try to foster the development of national policies for assessing/managing the health risks associated with a changing climate (e.g. budget allocations to take into account the foreseen changes in the location of certain diseases, like malaria, dengue, diarrhoea etc; integrating 'climate proof standards in construction of medical facilities, etc).

- **TRTA:** In 2008, the TRTA II was reviewed to identify potential feasible and cost/efficient “entry points” for environmental cross-cutting. Three topics/activities were identified: **TRTA:** In 2008, the TRTA II was reviewed to identify potential feasible and cost/efficient “entry points” for environmental cross-cutting. Three topics/activities were identified: **(1)** Include environmental aspects in studies to be undertaken in the context of developing a coherent trade strategy under the trade policy component of TRTA II, disseminate these outcomes in industry and other relevant stakeholder consultations accompanying the formulation of this trade strategy (estimated costs € 30,000). **(2)** Include environmental aspects in a study to be undertaken under TRTA II on the current situation of MSMEs (Micro Small and Medium Size Enterprises) in particular in the coconut sector (estimated cost € 2,000) **(3)** Integration of environmental issues/subjects in the sanitary & phyto-sanitary trainings (Estimated cost: €5,000). These actions should be conducted in the period 2010/2013.

- The **Strategic Project Facility** will continue to include the environment (linked to the MDGs) among its priority areas for funding.

- **Mindanao Trust Fund-Reconstruction and Development Program:** This shall continue to support livelihood projects and agribusiness programs that encourage the link between production and predetermined markets foreseen to contribute to a reduction in human pressure on fragile environments, especially in the uplands. The MTF may also implement activities that will clean up debris left from the armed conflict, pursue formulation of environmental management plans and implement agro forestry and reforestation actions. Environmental impact assessments will continue to be carried out prior to implementation of small-scale community sub-projects like level 2 water systems, multi-purpose buildings and solar driers.

- The new **Access to Justice** Project to be implemented under the 2011/2013 NIP will aim to enhance the poor and vulnerable groups’ ability to pursue justice, which includes their right to have fair and sustainable access to the environmental resources. The project will consider providing assistance to strengthen (through trainings and other capacity building activities) and further expanding the 'green courts' model.