Economic growth is tricky business—so is democracy and democratization. We desire both, but when they do occur, one cannot simply take them at face value. Inequalities exist—persist even—amidst economic growth. Injustices remain—and can worsen—even under a democratic government or despite democratization projects.

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Economists themselves have pointed out the lack of automatic correlation between aggregate growth or increase in GDP and poverty alleviation as well as income/resource redistribution. During the period of sustained growth in the Philippines—the highest in fact in recent past—from 2003 to 2009, poverty rate increased and performance of key economic sectors suffered, eventually exacerbating poverty situations of those who relied on said sectors, mainly agriculture and manufacturing.1

According to a study by the Philippine Institute for Development Studies (PIDS) in 2011, A Note on the Economic Growth, Poverty and Inequality in the Philippines, the country’s economy grew “no less than (four) percent in (seven) consecutive years” from 2003 to 2009, yet poverty rate also ascended “continuously from 24.9 in 2003 to 26.4 in 2006, and slightly to 26.5 in 2009.” The PIDS paper said that the increase in per capita income had not been at par with “international standards” or even the “average for developing countries” so that it had not created impact on poverty reduction. Cited too was the importance of having policies that could allow concrete steps toward income and resource redistribution.

In its own research on agrarian reform in the Philippines and land/resource grab, Focus on the Global South has put together data that show highest poverty incidences in areas where implementation of the agrarian reform law has lagged behind. The PIDS 2011 paper also had taken note of the low performance of the agriculture sector and attributed continuing poverty situations to this, citing that “one of two families in the agriculture sector is poor.” The ADB, in 2011, cited the Philippines as having one of the highest income inequality rates in Asia, though the gini coefficient rate had decreased to 45 in 2009 from 49 in the late 1990s.

All these point to the need to unpack economic growth. Often, the historically marginalized and poor remain the same or continue to perform poorly even amidst growth, while those who have been ‘winning’ continue to gain. Social justice and redistribution policies, such as agrarian reform and labor protection, therefore become imperative to ensure that economic growth does not remain at the level of GDP—it has to have impact on poverty situations. It has to address social-economic inequalities.

It was in this context that the ‘good news’ in the latter part of last year was received. To the news that in the third quarter of 2012 the Philippines boasted 7.1 percent growth while international analysts had earlier mentioned the Philippines as having one of the more robust economies in Asia, in spite of ongoing global economic crisis, our response is to be circumspect. More importantly, to interrogate such growth and ask whose development is this? One quarter of growth doesn’t erase inequality.

True, under the current government, the reproductive health (RH) law that promotes women’s right over their reproductive capacities has been passed and so has the anti-enforced disappearance act. But it has always been the case that even under a democratic administration in our part of the world, progressive laws are not just legislated; they are fought for and won.

On the other hand, the implementation of the agrarian reform law that should benefit one of the most marginalized sectors continues to be dismal, with almost a million hectares still waiting to be redistributed; indigenous people’s communities are being evicted from their lands due to mining operations and land grabbing. Mary Ann Manahan discusses in her article how “two years after the passage of the CARP Extension with Reforms (CARPER) or RA 9700, President Benigno Aquino III has yet to make significant headway towards the completion of land redistribution.” Jerik Cruz traces the history of the land grab in what is now known as the Aurora Province Economic Zone and Freeport in Aurora province.

There is reason to worry more as impacts of climate change intensify, with the poor already lacking access to resources, which are further being concentrated in the hands of corporations through free trade and privatization. Joseph Purugganan asserts in his piece that “Free trade agreements (FTAs) have also become a weapon in the growing conflict over resources. Securing access to cheap raw materials has spurred a “resource war” among developed countries... (and) Asia is right in the middle of this global struggle to grab valuable resources.”

Inequalities amidst so-called growth; intensifying injustices under a democracy—this has been the context of the work of Focus on the Global South in the Philippines in 2012 and shall continue to be its main concern and crux of its advocacy work and campaigns in the coming year. We shall persist in asking whose growth; whose democracy through our work on trade and finance, climate justice, land, water and forest.

CVMilitante

Voices from the countryside: Farmers speak of agrarian reform struggles

By Mary Ann Manahan

“Tatapusin ang pamamahagi ng lupa sa ilalim ng CARPER sa aking panunungkulan.” (Land distribution under CARPER shall be completed under my term) That was the promise of President Aquino during his third state of the nation address in July 2012: farmers shall own the lands they till.

With barely two years left before the mandated June 30, 2014 end of the LAD component, the Aquino administration is indeed up against some huge tasks and challenges. Under his helm, government must effectively complete land distribution, implement the reforms under CARPER such as rural women-friendly provisions in terms of giving access to land and support services, socialized credit and initial capitalization for new and old agrarian reform beneficiaries (ARBs), expand the support services scope beyond the agrarian reform communities (ARCs), provide agrarian justice delivery, and ensure adequate budget for the implementation of agrarian reform. The underlying goal is to usher in a lasting era of social justice in the countryside and ensure the economic viability and political empowerment of agrarian reform beneficiaries.

According to the Department of Agrarian Reform (DAR), as of end-2011, the official land acquisition and distribution balance is 961,974 hectares belonging to 107,639 landholdings. This means that the department needs to distribute 480,087 hectares per year starting 2012 to finish LAD by December 31, 2014. The figure is even higher if pegged against the June 30, 2014 deadline.

The remaining lands to be distributed are the most contentious landholdings, the most tedious and difficult to acquire and distribute. The breakdown of which includes the following:

- about 93.5 percent of the LAD or 900,188 hectares are private agricultural lands (PAL), where landowner resistance is very strong;
- almost 85 percent of the LAD balance or 816,491 hectares are Land Bank of the Philippines compensable, meaning government will need to pay landowners ‘just compensation’;
- about 62 percent of the LAD balance or 596,036 hectares will be covered through compulsory acquisition or land distribution by expropriation;
- about 39.3 percent of the LAD balance are large PAL, mostly in the range of more than 24 hectares;
- 30 provinces account for 71 percent of the total area of the LAD balance.

The nature/composition of landholdings combined with the LAD phasing are the main challenges that the current DAR management is trying to address at this critical conjuncture. According to DAR, they have instituted policy and operation reforms such as streamlining of the LAD process and inventory and review of all claim folders, which contain the details of the land cases. They have also claimed they have intensified monitoring of the performance of provincial and municipal agrarian reform officers and of technical and administrative solutions to land distribution problems.

Stories from the field

The dismal performance may be disputed by government; they can claim gaps and differentials, but the farmers from Luzon, Visayas and Mindanao who participated in the nationwide consultations the Save Agrarian Reform Alliance conducted from March to May 2012 do not prevaricate about the ordeals they have been enduring.

Over 200 cases covering 31 provinces and 11 regions from Luzon, Visayas and Mindanao were presented by 116 participants. On March 27 and 28, about 80 farmers, farm workers, rural women, agrarian reform beneficiaries and NGOs participated in the first salvo of the series of consultations, the Luzon-Wide Consultation and

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Assessment of Agrarian Reform/CARPER. For many of the participants from Luzon, agrarian reform implementation has already taken an average of 21 years, and the future still doesn’t bode well. They brought forward a total of 56 cases in 13 provinces from Central Luzon (Bataan, Pampanga, Tarlac, Nueva Ecija, Nueva Vizcaya, Aurora, Zambales), Southern Tagalog (Quezon, Laguna, Rizal, Batangas) and northern Isabela. The cases comprise “multiple cases,” which involve various interrelated problems arising from the implementation of agrarian reform.

These 56 cases cover 59,512.91 hectares of land or 40 percent of DAR’s land distribution backlog for Luzon (minus Bicol’s), which is 149,133 hectares. This is a significant figure not only in terms of scope but also in terms of the number of provinces where SARA members are present.

On the other hand, 13,567 agrarian reform beneficiaries/farmers (ARBs) are affected; they represent close to 16 percent of the total ARB targets of DAR for Luzon.

On April 12-13, 24 participants from three major organizations in the Visayas presented 87 agrarian reform cases during the SARA consultations in the region. For a number of those who participated in the Visayan consultation-assessment, agrarian reform implementation has been averaging 16 years before implementation is completed or becomes successful. These 87 cases involved 13,350.326 hectares of lands, comprising some of the most contentious landholdings in Negros Occidental, Iloilo and Negros Oriental, three of the top provinces with the highest land distribution backlog in the country.

In Mindanao, there were 67 cases presented, on May 21 and 22, by 22 representatives from 11 non-government organizations, coalitions and peoples’ organizations working on agrarian reform cases. In Mindanao, the issue of poverty and landlessness in the region is multifaceted, and has been further complicated by armed conflicts, competing land claims among three different sets of actors (the indigenous peoples, Moros and Christian settlers) with varying layers of demands for political participation and space to express their cultural and ethnic identities.

Mindanao also has the most number of commercial farms, representing some of the most contentious landholdings. A 10-year deferment period was previously approved in Congress, favoring the powerful lobby of agribusiness and landlords, which consequently delayed redistribution of these landholdings from 1988 to 1998, especially of banana, pineapple and other cash crop plantations. This deferment period was designed to give landowners and/or corporations opportunities to either evade land distribution through the transfer or selling of their shares to other corporations and/or apply for land use conversion and reclassification, or devise schemes to recover their investments.

The figures pertaining to actual installations of farmer-beneficiaries, title-in-hand, in the redistributed lands also indicate another concern. For instance, how many hectares were subjected to alternative venture agreements (AVAs) such as leaseback arrangements? Mindanao is well known as the land of AVAs, with farmers owning the land but having no control over the production, i.e. ownership without control.

Moreover, distribution of public lands remains questionable and problematic, to say the least. With overlapping tenurial instruments—using land reform, ancestral domains and forest lands—the task of identifying and delineating lands and who they belong to have become litigious. The result on-ground is a situation characterized by competing claims over the same pieces of land.

Standing on tenuous grounds

A huge number of landholdings has not been covered and distributed, and they are in different stages of land acquisition process, owing to stumbling blocks, such as non-coverage due to the refusal of Municipal Agrarian Reform Officers (MARO) and other Department of Agrarian Reform officials. Other challenges have been the existence of retention cases; non-installation of farmers; pending titles at the Registry of Deeds; pending cases at the DAR Central Office; and problems of exclusion and inclusion in targeting beneficiaries and land identification, among others.

The dismal performance may be disputed by government; they can claim gaps and differentials, but the farmers in the nationwide consultations speak of the ordeals they have been enduring
For landholdings which have been covered and distributed, farmer-beneficiaries continue to endure “second generation problems” such as cancellation of land titles, either as Certificate of Land Ownership Award (CLOA) or Emancipation Patent. This problem has given rise to what is now commonly known as “bigay-bawi ng titulo”; there are also foreclosures, legal cases filed by former landowners, and lack of support service provision. In most cases, the lack of adequate and appropriate support services remains a problem. Access to credit, farm implements, seeds, etc. are too few and far in between. Where support services were given, it was usually provided through the support of NGOs. Farmers’ inability to pay their amortization as well as foreclosure and selling of their lands have been attributed to the lack of support services that could have helped beneficiaries transition from mere dependent farm workers to new, productive farmer owners.

Worse, rampant land exemptions and illegal and legal land use conversions are unabated. Landholdings which have been up for distribution under the agrarian reform program have been exempted or excluded due to land use conversion orders and applications for real estate development, mining and other agricultural uses. Irrigated lands have been converted for other uses such as bio-fuel production and non-agricultural use by both foreign and domestic investors and local political elites.

Protest actions by farmers and farm workers who continue to fight for what have been promised by the law are being criminalized. The protesters continue to experience harassment, and in many cases physical harm have been brought upon them. Landowners have filed cases of qualified theft and trespassing, not only to harass farmers but to de-legitimize their stakes and claims to the lands. Strong resistance from landed clans is common in many areas, especially in contentious and large landholdings (more than 100 hectares of land) such as Haciendas Matias, Reyes and Uy owned by the Matias, Reyes and Uy families, respectively, in Bondoc Peninsula; the Maranons, Cuencas and Hernandezes in Iloilo and Negros Occidental; and the Alcantaras in Saranggani, Pablo Rabat and the Floreindos in the Davao region, and Ernesto/Marcita Roldan in North Cotabato, to name some.

Farmers also speak of the lackluster performance of DAR officials on the ground. In a lot of cases, they claim that corruption and ineffectiveness hound the bureaucracy, with many anecdotes about collusion of DAR officials with landowners and real estate developers in order to evade the program. The ‘transition or exit plan’ of the DAR also has a ‘chilling effect’ on field officials, with many MARO refusing to move the land cases because of the uncertainty of their jobs. All of these problems with the bureaucracy, according to the farmers, links to the (in)ability of the current secretary to command leadership and inspiration.

These are the stark realities that show in very clear and concrete terms the state of agrarian reform implementation in the Philippines, 24 years after the original Comprehensive Agrarian Reform Program (CARP) was legislated. The numbers, too, speak of dismal performance, especially in the last two to three years. Two years after the passage of the CARP Extension with Reforms (CARPER) or RA 9700, President Benigno Aquino III has yet to make significant headway towards the completion of land redistribution. Farmers question the seriousness of government promise to complete CARPER. For the participants of the consultations, they could not feel the Aquino government’s sincerity, with DAR treating itself as above all other sectors. The current DAR leadership doesn’t seem to value past experience of positive and successful state-society (farmers, civil society, social movements) interactions, which contributed to making CARP work.

Worst, farmers share a common sentiment that CARPER will not be effectively implemented under P-Noy.
However, many of them still put forward calls and demands to make CARPER work this time.

People’s calls and demands

For the completion of land redistribution:

• The P-Noy government must ensure the just, effective and substantive completion of CARPER and the effective land transfer to farmer beneficiaries. DAR should account for the more than one million hectares of LAD targets, and show the list of landholdings per area as soon as possible. We cannot overemphasize the importance of publicly disclosing data to speed up the distribution of private agricultural lands, especially in the top 20 provinces with the biggest backlog.

• Repeal/amend conservative AOs such as 7 and 9 that opened up CARPER to anti-agrarian reform tactics by landowners.

• State alarm over the report that land reform in public land is almost complete, invoke issue of transparency: where are these distributed public lands? This is contrary to experience where public land distribution is as difficult if not more difficult to distribute than private lands.

• Resolve the issuance of double and multiple titling. Have a clear process for resolving competing claims over the same land, especially in Mindanao.

• Promote women’s equal rights to land ownership and push for the implementation of AO 1 on Gender Equality.

• Review the current contract growing arrangements in Mindanao; repeal/review the SDOs in Visayas; and stop land use conversions in irrigated and irrigable lands in Luzon.

• Prohibit the entry of mining investments and operations in CARP areas.

For support services:

• Full provision of integrated support services to new and existing agrarian reform beneficiaries.

For agrarian justice:

• Call for the immediate and decisive action and resolution of flash point cases that are still pending, highly irregular and anomalous. Immediate installation of farmers in lands which have been awarded to them. Immediate resolution of all cases pending in PARAD, RARAD and DARAB, and BALA.

• Protection of ARBs against harassment and economic sabotage (e.g. destruction of crops) perpetrated by the military, New Peoples’ Army and landlords/private goons. Decisive investigation of harassment and human rights violation of farmers, rural women and land rights defenders.

For budget:

• Allocate the maximum budget of P 150 B as mandated by RA 9700.

For transparency and good governance:

• Ensure the ARBs’ and agrarian reform advocates’ right to information in the implementation of the agrarian reform program. Farmers demand the full disclosure of specific landholdings and not mere statistics. DAR and DENR must provide the list of targets and accomplishments by landholdings.

• Full disclosure of DAR’s exit program.

• Ensure transparency and genuine participation of farmer beneficiaries, pro-reform forces and CSOs in the implementation of agrarian reform.

• Reform and re-energize the bureaucracy as part of good governance. Remove all corrupt DAR officials.

A huge number of landholdings has not been covered and distributed, and they are in different stages of land acquisition process, owing to stumbling blocks

This piece consists of excerpts from the main report “State of Philippine Agrarian Report 2012” that Focus on the Global South together with the Save Agrarian Reform Alliance (SARA) has recently completed; the published report will be released/disseminated early 2013.

APECO’s Story
Two Visions of Development Contend in Land Grab Case

By Jerik Cruz

Down at the foothills of the Sierra Madre Mountains, sheltered from the Pacific ocean by the San Idelfonso peninsula, the first infrastructures of the Aurora Pacific Economic Zone (APECO) are slowly rising. Along the shore, where some fisherfolk used to live, now runs a 1.2-kilometer airstrip. Less than ten minutes away, on a road still strewn with more mud than asphalt, the freshly-painted colonnades of the ecozone’s administration building juts out of the earth, the first in what shall be a series of large and imposing edifices.

The infrastructures of APECO are being built in the municipality of Casiguran, a town which was named after the Spanish adjective ceguro (safety) and the Tagalog word kasiguruhan (security). It is sheltered within the San Ildefonso Peninsula, which provides a natural harbor from ocean currents and storm surges, while the mega-diverse Sierra Madre rainforest shields its northern and western flanks. The municipality also envelops two internationally-recognized watersheds, where unique flora and fauna abound.

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The municipality’s soil quality and natural irrigation resources likewise make Casiguran deeply conducive to farm production, and according to 2007 NSO figures, roughly seven out of 10 of Casiguran’s 25,800-person population is directly involved in agriculture. For its folk, Casiguran is considered the primary rice bowl of Northern Aurora, with its harvests usually finding their way via rural traders to meal plates across Central and Northern Luzon, as well as in Metro Manila. Small wonder then that the lands tilled by Casiguran’s lowland farmers alone produced around 16,881.0 metric tons of rice in 2010.

In marked contrast, APECO presently intends to develop 12,923 hectares of alleged public lands in Casiguran into a decentralized, self-sustaining and ecologically-sustainable investment hub. To spur industrial development across northeastern Philippines, the ecozone’s administrators aim to attract massive investment and create employment opportunities by introducing an extensive array of fiscal perks, while engaging in infrastructural initiatives in public works, basic utilities and real estate development. Most of these ventures, asserts APECO, will be carried out via public-private partnerships—stimulating capitalization by the big business sector for the expressed purpose of rural sustainable development.

But the ecozone’s territorial scope was not always so ambitious. Before 2009, APECO had been limited to only five-hundred (500) hectares on the Aurora mainland. RA 9490 created the ecozone in 2007 (then called ASEZA—the Aurora Special Economic Zone Authority), mainly through the efforts of Senator Edgardo Angara, his son Congressman Juan Edgardo Angara and his sister Gov. Bellaflor Angara-Castillo.

Only three years later, the lapsing into law of RA 10083 in 2010 brought about an expansion of the land area approved for ASEZA by over 25 times. The initial land coverage of the megaproject was largely sustained through the creation of APECO’s Parcel I in Brgys. Esteves and Dibet, which encompassed an area of 496 hectares. Added to this land size, however, was the San Ildefonso-sited Parcel II, encircling some 12,427 hectares of the peninsular lands of Brgys. San Ildefonso, Cozo and Culat.

Strangers on the land

Based on the Freeport’s latest available land blueprints, Parcel I of APECO is poised to showcase the megaproject’s airport, corporate campus, financial and communication center, central business district, as well as relocation areas. Moreover, a 100-hectare plot in Brgy. Esteves (expandable by another 108-hectares) has allegedly been reserved for the development of an agricultural biotechnology park meant to cash in on the burgeoning Philippines “natural ingredients” industry through the production and processing of food additives, cosmetics and pharmaceuticals materials, plant seed and aquacultural produce, and other organic products.

Parcel II, by comparison, has been mostly dedicated to the of eco-tourism and resort development, cultural and environmental reservations, and various maritime structures. Other subprojects officially planned by APECO in the peninsula will involve the creation of hotels and water cottages, wedding venues and naval outposts, piers and wind farms.

It will take years yet before all these plans come to fruition, but already, a number of large companies such as the Sumitomo Corporation, the Unilever Group and Dalisay Farms Corporation have expressed willingness to invest in the ecozone’s budding biotechnology park. Other investors who have signed investment MOUs with APECO in July 2011 include former foreign mining companies such as Chinabond International Co. Ltd. and TP Colors Corporation, which have voiced interest in testing the waters of agribusiness and aquaculture operations, and the Taiwanese Great Sun Optoelectronic, an electronics manufacturing firm which has broached plans of developing a $5-million mari-culture farm in the Casiguran bay.
had long-standing applications for Certificates of Ancestral Domain Title (CADTs). In San Idelfonso, for one, as much as 11,900 hectares of APECO’s Parcel II have been undergoing applications for certificates of ancestral domain title (CADT) since 1997 at the National Commission for Indigenous Peoples, a process which has been formally recognized by the town’s local government since January 2001 onwards.

No less disconcerting, around 525 and 288 hectares of land throughout APECO-covered areas were registered for agrarian reform and integrated social forestry programs in 2010, while yet another 110 hectares were up for CARP redistribution in Sitio Reserva in Brgy. Esteves. Based on the most recent figures, 444 individuals and 90 families respectively have been direct beneficiaries of these asset titling arrangements, while yet another 46 households in Brgy. Esteves are still awaiting decisive redistributive action from DAR. All these land assets, along with the ancestral domains of the Casiguran Agtas, stand to be leased on long-term to foreign and domestic investors. This is being done through a process which has been continually denounced by local residents for its lack of consultative mechanisms, its disregard of established governance processes, and occasional employ of coercive and deceptive measures.

End of “Kasiguruhan” in Casiguran

Time and again, APECO’s proponents have alleged that the situation of Aurora’s impoverished sectors would be vastly improved by the new job opportunities and infrastructures that the ecozone will generate, while leaving the municipality’s natural flora and fauna untouched. With its sponsorship by the Angara family at the Philippine legislature, the ecozone administration has promised to create healthy synergy between investors, public officials and municipal residents, where the interests of all stakeholders will be equally respected and delivered upon.

Yet for all of APECO’s pledges of development and modernization, it turns out there is no warm welcome for the megaproject in the once-tranquil municipality. Thousands of farmers’, fishers’ and indigenous peoples’ families have opposed the emerging ecozone. In sharp contrast to the Freeport’s rhetoric, they see APECO as a threat to their living conditions and land rights throughout and beyond the municipality of Casiguran.

Although the APECO Act of 2010 outright assumed that the areas for the ecozone were public, state-owned lands, official government surveys have revealed the same lands to be titled in the name of small farmers with Certificates of Land Ownership and Acquisition (CLOAs) or Integrated Social Forestry Certificates of Stewardship Contracts (ISF-CSCs), and indigenous peoples have...
Many residents fear the bearing of the ecozone on the food security situation of Aurora, for the Freeport authority has evidently given little weight either to agriculture-centered development and land redistribution. Spurring what may eventually prove to be an unchecked series of land conversions, APECO has set the stage for upheavals in Aurora’s rice and food supply, which will likely have its worst repercussions on the marginalized constituents it allegedly seeks to uplift.

If APECO were to change land uses or crop cultivation patterns in its encompassed areas, Casiguran would immediately lose a full third of its present rice production—about 5611.0 metric tonnes of annual yield. Applying conversion estimates by international charities like Feed the Children, this loss will affect around 42.08 million meals or the annual rice needs of 39,400 individuals. This estimate, however, still does not account for potential expansions of APECO’s boundaries, and the impacts of APECO-induced land-purchasing episodes.

Between two visions of development

Yet on the other hand, there remains another vision of development that has been advanced by the anti-APECO movement and other residents of Casiguran. Directly at odds with APECO, this vision instead stresses the efforts of the basic sectors themselves.
from the bottom up. It thrives on democratic practice, and strives to ensure that equity and rootedness in the poor’s existing livelihoods is maximized.

For unknown to APECO, many of Casiguran’s townsfolk have been undertaking initiatives that point towards alternative development for the municipality. Most significantly, around a hundred farmers and 40 fisherfolk throughout the town have been beneficiaries of the Philippine Farmers for Food Project (PFFP)—an agricultural venture coordinated by PAKISAMA (a national peasant federation) and PIGLASCA which aimed to promote organic seed banks and learning farms throughout the municipality.

Building upon past organic agriculture initiatives pioneered by the Casiguran’s local church, the fruits of these efforts are now being reaped by dozens of the town’s farmers: in 2011, around 500 sacks of top-grade organic rice was already harvested by the PFFP’s cluster farmers. The immense potential of mainstreaming these farmer-centric sustainable agriculture ventures deserves to be further supported by the province’s local government to fully cement Casiguran’s place as Aurora’s primary rice granary.

As most of those who have espoused these alternatives have argued, should “development” come into the lifestyles of Casiguran’s poor and marginalized, it should begin by respecting, building upon—not negating—the rights, assets and agency of those whom development projects assert they will uplift. After all, if the balance between Casiguran’s natural beauty and its abiding agricultural productivity has lasted as long as it has, this has largely been because of the activities and active stewardship of those residents APECO has driven further and further into jeopardy from their lands and livelihoods.

“Shouldn’t APECO’s development strategy, then, be the other way around?” contend members of the anti-APECO movement. These people are not at all “anti-development”, as some of the champions of APECO have portrayed them to be. They have studied the impact of like ecozones in the Philippines, and have seen the inequities that such development has deepened in its wake. They are not against development per se, but against the kind of development that privileges the few, while worsening the situation of the many. Yet this is the kind of development that APECO is already bringing to Casiguran.

The struggle over Casiguran’s future boils down to the struggle of these two visions of development. Equity or Inequality? Rootedness or Vulnerability? Development for the poor—or development for the rich?

The stakes are up, the cards are down, and the majority of people in Casiguran have made their choice on the matter clear for all to see. Today, Casiguran is the locus of a struggle over two competing visions of development. The voices of the anti-APECO movement have been sounded in unison, and the task of making this call echo—towards the long-awaited triumph of asset reforms, ecological sustainability, democratic processes, and equitable, participatory development—continues without faltering.

This article was culled from the condensed and modified version of a report on APECO, which shall be part of the research report on land and resource grabbing that Focus on the Global South – Philippines is preparing to release in early 2013.

3 Republic of the Philippines, Municipality of Casiguran, Certification (Casiguran: Office of the Mayor, 15 January 2001)
Agrarian Reform Campaign and Consultations
May 2012
Focus in Rio +20 Meeting

October 2012
Focus at the Asia-Europe People’s Forum in Laos to talk on trade, climate justice, water, land
The Asian peoples’ access to supplied water has improved dramatically since the 1990’s, with an 84 percent increase in access being noted from 1990 to 2006, exceeding even the MDG targets. But even with this notable achievement, Asians face the challenge of un-guaranteed safe water as well as threat to public access posed by big business interests from crisis-ridden Europe.

Aside from the Millennium Development Goals, there have been a number of regional initiatives put in place to ensure water security in Asian countries. One was the Association of Southeast Asian Nations (ASEAN) Strategic Plan of Action on the Environment (1994-1998) which mandated its member states to respond to specific recommendations of the United Nations’ Agenda 21. Specifically, ASEAN member states should ensure that “adequate supplies of water of good quality are maintained for the entire population while preserving the hydrological, biological and chemical functions of ecosystems, adapting human activities within the capacity limits of nature and combating vectors of water-related diseases.” The plan also recognized that “innovative technologies, including the improvement of indigenous technologies, are needed to fully utilize limited water resources and to safeguard those resources against pollution.” (United Nations, 1993, Section 2, Chapter 18)

Another initiative in South Asia was the adoption of the recommendations of the Human Development Report of 2006 which emphasized making water a human right, especially through “enabling legislation to secure, accessible, and affordable supply of water.” (UNEP and DA, 2008, 79) All these obligations however have required political and economic will in order to be fulfilled.

Although MDG Target 10 calls for the reduction of the proportion of the population without sustainable access to safe water supply, the report of Asia Water Watch Report 2015 (2006) has noted that safe water supply has been extremely difficult to assure. In view of this, the phrase “improved water supply” has been proposed as a substitute to be “the best measurable standard” to indicate that “water is more accessible, and some measures have been taken to protect the water sources from contamination.”

Based on this indicator, Asia Water Watch Report 2015, which was a joint assessment of the region’s prospects for reaching Target 10 and published by the Asian Development Bank, United Nations Development Fund, United Nations Economic and Social Commission for Asia and the Pacific, reported that from 1990 to 2002, water supply coverage in the region improved from 82 percent to 84 percent, but the increase was not uniform across the continent. East and South Asia reported increases of five and six percentage points, respectively, but coverage has declined in Southeast Asia mainly due to the deterioration of existing facilities and service delivery systems, coupled with rapid population growth. Although an additional 100 million persons were provided with improved water supply between 1990 and 2002, such boost in coverage was still less than the population growth of Southeast Asia during that period.

By 2006, Asia as a whole has surpassed the 2015 MDG target number of people who should have access to improved drinking water source (IDWS)—87 percent of Asia’s population over the target 86 percent. This level of access reflects a tremendous improvement over that of 2004, during which Asia was reporting only 78 percent of its population as having access to IDWS. The 2004 level was even a regression from the 1990 level of 80 percent.
Among the sub-regions, South Asia has shown the most dramatic improvements in the size of population with access to improved drinking water source, from 69 percent of total in 1990 to 87 percent in 2006. On a per country basis in the sub-region, Afghanistan even reported an 875 percent increase in access to improved drinking water sources from 1990 to 2004. Such tremendous progress in access to IDWS has contributed to the high achievement rate in the South Asian sub-region. Central Asia, on the other hand, reported a 20 percentage point decrease in access to IDWS from 1990 to 2004 during which the rate was 66 percent. Countries in said sub-region were not even covered by the MDG report of 2008, making further assessment of their performance quite difficult.

**Liberalization in services and investment: Enter the EU and its TNCs**

Despite the leaps, Asia still has the highest number of people un-served by either water supply or sanitation, according to the United Nations World Water Assessment Programme Report. About 715 million people in Asia have no access to safe drinking water, while 1.9 billion or close to 50 percent of its population has no access to sanitation services/facilities. With water fast becoming a critical resource, the problem is largely one of ‘governance’, i.e. the equitable sharing of the world’s freshwater while ensuring the sustainability of natural ecosystems. This balance clearly is yet to be achieved in the region.

The increasing scarcity of water has renewed debates on how to best manage this critical resource and effectively ensure “water-for-all,” including guaranteeing sustainability of all life forms and ecosystems. This global water crisis, unfortunately, has become a staging point for international financial institutions such as the World Bank and Asian Development Bank, and neoliberal governments in the North and the global South to promote and push for privatization and commoditization of water as the “best model” that will solve the region’s water crisis. As S.A. Naqvi, president of the Water Workers Alliance and Co-convener of the Citizens Front for Water Democracy in New Delhi, India, has pointed out, “According to World Bank philosophy, religious places, helpless poor, birds and animals—all are consumers,” therefore, the market should be allowed as “the most efficient allocator of scarce resources” to be the arbiter of all values.

Despite the general recognition that privatization has failed to deliver on its promise of adequate and effective water services provision, according to McDonald and Ruiters (2011), “a ‘rethink’ of privatization efforts and renewed explorations is seeking solutions that provide stronger support to the private sector and/or deepen the commercialization of the public sector (i.e. running public services like a private business), especially by the World Bank.” This is not surprising since water is deemed as the “new oil” and therefore investment in this ‘blue or liquid gold’ is a no-brainer. Water, for the privateers and global capital, is the “perfect commodity”: inflation proof; can be sold anytime; everyone needs it; and demand will continue to grow, especially with populous countries and emerging markets like China and India experiencing severe water crisis.

About five percent of the world’s population gets their water and sanitation services from private companies. The presence of European transnational water corporations, also called water barons, is definitely being felt in the Asian region. Suez, Veolia, Thames Water, SAUR, United Utilities, and Biwater/Cascal have had various contracts in different countries in Southeast, East and South Asia, either through built-operate-transfer schemes (BOT) or concession contracts, and mostly through joint ventures with local private companies.

Suez was able to earn 13.89 billion euros from its water sales in 2010, four percent of which were from its operations in Asia. Suez supplies 91 million people and 61 million people for its wastewater treatment services. Veolia, on the other hand, earned 13.44 billion euros for water sales in 2010. It has set aggressive targets in privatizing water and outsourcing management of water and sanitation services including technology and construction of water facilities. According to Public Services International Research Unit’s report (2004), “Suez and Veolia continue to treat China as a special case where they wish to invest even in relatively risky projects.” Thames Water, the largest UK water company, on the other hand, has left China. But the European multinationals still remain interested in investing in the Japanese and South Korean markets. (PSIRU, 2004, 4) These European companies have been involved mostly in urban water privatization scheme, mainly in mega cities with high-income residents.

The dominance of the French might have something to do with their solid and protected position in the French home market, where they control 85 percent of the private water markets. But their strength in their turf has already been challenged. When Paris’ water services were

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returned to municipalities in January 2010, it broke the commercial dominance of the French multinationals in the water sector. By establishing the single public operator, Eau de Paris, they were able to restructure, institute important reforms and reclaim public interest.

In Indonesia, civil society, unions and Jakarta’s citizens are calling for the termination of the city’s contract with Suez. Twelve years after the privatization of water in Jakarta, Suez has failed to deliver adequate water supply through piped connections in the city. The residents have resorted to over-extraction of groundwater which created new environmental problems. A recent report of the Supreme Audit Board of Indonesia (BPK) has concluded that the private contract is non-transparent, unfair and void. Jakarta is the last big city in the global South where Suez still has concession contract. The termination of this contract, therefore, would have a big political impact not only in Jakarta but all over the world. Apart from this, numerous contracts between European multinationals and Asian governments have failed and eventually terminated. For example, Suez terminated its BOT water supply operations in Thu Duc, Vietnam in 2003 due to dispute over contract terms. United Utilities left Malaysia’s Indah Water when the company was nationalized in 1997. And in 2011, Thames and Veolia sold its BOT water supply to Xian municipality in China. (Hall, et. al, 2004)

In China, European transnational water companies have been losing popularity. This has been partly due to the infusion of capital investment in China’s water supply infrastructure by its municipalities and the rise of domestic water giants, which are state-owned shareholding companies or former state-owned enterprises (SOE). (Lam, 2011) One notable example is the Beijing Capital Company Limited, a publicly listed SOE which has 27 water projects across China. It rose to number one position in 2009 (from third place in 2006) in the Top 10 Most Influential Water Companies survey of China Water Net, an authoritative information provider and serial events-organizer in China’s water sector. Sino French Water, a joint venture between Suez and Hong Kong’s NWS Holdings Limited, and Veolia ranked fourth and fifth, respectively.

Closer ties, more market access

While the tides of privatization and European control in Asia’s water sector are changing, another mechanism for liberalization of the sector is in the works. Regional and bilateral free trade and investment agreements are the latest tool to liberalize services, which means more market access and corporate control through foreign direct investments. Currently, the European Commission via the Lisbon Treaty is designing and negotiating comprehensive investment protection and liberalization measures with third countries. (Olivet, 2010) In Southeast Asia, the EU-ASEAN Free Trade Agreement (FTA) is a comprehensive agreement between the European Union and the 10-member country of the Association of Southeast Asian Nations that seeks to liberalize trade in goods, services, and investments (including portfolio investments). The FTA is a region-to-region negotiation launched in 2007 and expected to conclude in two to three years time. However, the negotiation process has been slow, thus prompting the EU to explore bilateral agreements, such as the one it recently inked with Singapore.

The FTA is controversial, ambitious and far-reaching in coverage. With the World Trade Organization/multilateral talks suspended, the EU now seeks to obtain WTO plus commitments and negotiate better market access for its investors through non-discriminatory rules in the form of most favored nation (MFN) commitments. The EU claims, based on its commissioned study in 2006, that the FTA would have a “wide range of anticipated positive effects to both parties,” boost growth in ASEAN and increase ASEAN’s presence in the EU and enhance inter-regional foreign direct investment flows in both directions. (Minambres, 2009) But the Global Analysis Report commissioned by the EU Commission Director General on Trade has admitted that liberalization of services would benefit the EU more than its counterpart.

The ASEAN on the other hand has approached regional integration through the pursuit of free trade agreements and investment treaties. (Purugganan, undated) Apart from the EU, ASEAN has embarked on negotiations with China, Japan, India, the US, New Zealand, Australia and South Korea. According to Jenina Joy Chavez, senior associate at Focus on the Global South and who has studied issues relating to ASEAN, “as of November 2010, aside from the WTO, ASEAN Members are also involved in a total of 164 free trade agreements or economic partnership agreements, with more than half already in effect or under implementation.” As of May 2010, ASEAN countries have inked a total of 352 bilateral investment agreements, 26 of these between ASEAN countries themselves. According to Chavez, these agreements entail the “increasing blurring of boundaries between and among foreign and domestic
Despite the leaps, Asia still has the highest number of people un-served by either water supply or sanitation, according to the United Nations

corporations and the importance of international norms and instruments viz. national regulations."

A particularly controversial provision in the EU-ASEAN FTA is the investor-state dispute resolution, which gives foreign investors the right to take a government to court—either in the World Bank’s International Center for Settlement of Investment Dispute, international arbitration panel in Paris or the United Nation’s UNCITRAL. From practice, this has caused governments monies and damages. Under the new EU investment regime, developing countries’ capacities and flexibility to maintain policy space and options that allow them to defend their people and public interest will also be eroded, while it remains questionable whether FTAs and investment agreements will boost growth in ASEAN, especially because the region is characterized by asymmetries—Singapore has the highest per capita income of US$48,893 PPP, which is 31 times than that of Myanmar’s US$1,596. (Chavez, 2011). Without taking into consideration these wide disparities, a blanket agreement will exacerbate already existing inequalities.

The search for alternatives

Asia has been the target of foreign capital and restructuring for many decades, but Asia’s diverse and complex context makes it interesting in terms of how alternative ideas are given spaces, even as private capital and corporations dominate much of the peoples’ lives in the region.

There have been several emerging models. In the Philippines, Malaysia, Hong Kong, South Korea, Cambodia and Japan, there are sustainable, efficient and effective public and community water delivery systems. Public utilities in Osaka, Japan, for example, have achieved universal coverage for its population, resulting in the delivery of high quality drinking water, very low leakage levels and good labor conditions for the unions. Another public utility, the Phnom Penh Water Supply Authority in Cambodia, undertook massive rehabilitation of a decrepit water distribution system after the Khmer Rouge reign and has strengthened its management capacity to minimize unregistered or unmetered service connection in slum areas and among informal settlers. In India, the Self-Employed Women’s Association (SEWA), a trade union and community-based movement of poor and self-employed women workers in the State of Gujarat, established, and now continues to operate and maintain, a system that provides safe potable water to its members, minimizing time spent for fetching water and giving the women more time for livelihood activities.

There are also state-led democratization experiments. In India where large parts of the population remain without access to water and sanitation, concrete and workable alternatives to privatization exist. For example, in the state of Tamil Nadu, engineers of the Water and Drainage Board (TWAD) have undergone a democratization experiment and change management process. They supplied water to 60 million people of Tamil Nadu and provided irrigation water to the farms of more than one million families, while undertaking attitudinal change, shifts in perspective and transformation of the institutional culture of water engineers using a process-oriented participatory training methodology based on the traditional practice of Koodam, a Tamil word for gathering and social space, and for consensus that implies harmony, diversity, equality and justice. The transformation of the institutional culture of water engineers, and the changes in perspectives and relations between local communities and the water utility, facilitated the implementation of the joint management of water resources. The change in perspective gained during the workshops helped transform the engineers into becoming ‘managers of the commons’.

Then there are public-public and public-community partnerships, or not-for-profit partnerships between public water operators, communities, trade unions and other social-economic groups. In Thailand, the competing demand for water by households, agriculture, tourism and industry has led the different interest groups in the Ping River, one of the two main tributaries of the Chao Phraya River, to negotiate and balance such competing demands. Local NGOs, residents of communities located upstream and downstream of the river, Hang Dong farmers and Hmong Hill Tribe eventually came up with an acceptable system of water allocation. Public-public partnerships (PuPs) in particular aim to “to link up public water operators on a non-profit basis to strengthen
management and technical capacity." They offer an innovative and practical way of sharing the expertise of public water managers, between South-South or North-South to spread good practice, disseminate good ideas, and drive up performance; in the process, providing the socio-political support needed for such forms of mutual cooperation. (RPW, 2010) It is clearly an alternative to public-private partnerships (PPPs) and has the potential to create a multiplier effect and is an idea whose time has come.

In Asia, there are a number of PuPs: between Southern utilities within a country or between countries, and between Northern and Southern utilities, either in the form of solidarity partnerships, democratization and labor-management cooperation in water and sanitation. Japan has a long history of solidarity partnerships, which were used extensively to develop its own sewerage systems in the 1960s. (PSIRU, TNI and PSI, 2009, 5) Since the 1980s, Japan's municipalities have conducted training courses in sanitation for other Asian public utilities, financed mostly by its own aid agency, the Japan International Cooperation Agency. European public companies are engaged in a number of international partnerships with Asian public utilities. For example, Dutch public water operators have extensive partnerships in Indonesia. The Finnish bilateral development agency, FINNIDA, supported the Hai Phong Water Supply Company in Vietnam through a PuP, including training to improve the latter's performance from 1990 to 2004. This was followed by institutional and organizational restructuring and performance improvement.

In the Philippines, which was an "early structural adjustment experiment by the International Monetary Fund and World Bank" (Chavez, 2011) and is one of the most aggressive 'liberalizers' in Asia, alternatives in terms of operations range from village-level systems to those undertaken by a government-owned and controlled corporation and by a national-level association of WSPs. The alternatives also have had variety in form—from targeting service provision to the poor to providing service to all. Considering that many of the alternatives have been micro in scope, obtaining the data has involved a certain degree of familiarity with the cases, which has provided the researchers a better contextualization of the alternatives, but also allowed only for limited discussion of the alternatives.

Water service in the Philippines is being delivered by water districts (WDs), which are government-owned and controlled corporations, local government-operated waterworks, privately-owned water service providers (WSPs), and user- and/or community-managed water systems such as cooperatives, village-level water and sanitation associations (BWSAs) and rural water and sanitation associations (RWASAs). Over the decades, the Philippine government has underinvested in water supply and distribution systems, thereby failing to fully provide safe, adequate and affordable potable water to its citizenry. In 1990, about 87 percent of the population had basic albeit unreliable access to safe potable water. Data from the Philippine Department of Interior and Local Government (DILG), on the other hand, indicated that as of 2007 the various water supply providers in the Philippines were able to serve an estimated nine million people. (Interagency Steering Committee of the Philippine Water Supply Sector Roadmap Project, 2008) By 2008, level of access further declined to 84 percent (National Statistical Coordination Board, 2010), and threatened the achievement of commitments to the United Nations (UN) Millennium Development Goal (MDG) to attain 87 percent coverage by 2015. (See Table 5).

The innovative provisioning of water and resource management need to be cultivated, especially amid investment liberalization and continued privatization initiatives. An advocacy for alternatives is necessary. In particular, the following recommendations should be explored:

- Institutional and policy reforms, which should include legislative reform. With an enabling environment, alternatives to commercialization of water resources and services can thrive. Policy and institutional reforms become even more relevant when combined with on-the-ground problem solving. As exemplified above, pushing for reforms include creating

There are public-public and public-community partnerships, or not-for-profit partnerships between public water operators, communities, trade unions and other social-economic groups
platforms, spaces and processes where various stakeholders, including water activists and water justice movements, can come together to promote and advance alternatives.

- Another way of advancing advocacy for alternatives is via civil society organizations in donor countries, for instance in the EU. These organizations can enlighten their respective governments, including international aid agencies, of the impacts of funded projects on local communities and populations from the perspective of water consumers. This mechanism can provide excellent opportunities for local utilities and communities to show existing water resources and services management practices that conform to local conditions. A positive example is the EC’s funding for public-public partnerships in African, Caribbean, and Pacific countries—40 million euros from the 2009-2013 EU-ACP Water Facility (EUWF), which amounts to 20 percent of the total budget. This could mark the beginning of a shift in EU development policies for the water sector. This was the result of years of campaigning of European groups such as TNI, EPSU, WDM, CEO and others against the EU’s use of aid money to promote water privatization and demanded support for public-public partnerships (PUPs) instead. Asian utilities and water sector advocates should encourage more study visits among and between water consumers, WSPs, NGO workers and members of academe to strengthen mechanisms for multi-faceted analyses of alternatives. The resulting discourses could serve as a counterbalance to the predominance of neoliberal frameworks without necessarily rejecting them in a knee-jerk fashion, hopefully introducing alternative perspectives into the sector.

- Put on hold and rethinking existing EU bilateral and regional investment and free trade agreements that intend to pry open Asian markets, especially essential services such as water. Asian countries should be given the flexibility to choose options that are appropriate for their countries. The “Seattle to Brussels Network” in collaboration with campaigns in Asia, such as the “EU-ASEAN FTA Campaign” network, has developed comprehensive proposals on this critical issue.

The alternatives to privatization and commercialization of water reflect the need and desire of water justice movements to recreate societies, to collectively come up with a new paradigm and ‘vision’ of how water should be valued and managed, and to fire up a politicized citizenry as well ordinary people to defend public interest through collective action. This new paradigm should reclaim, defend and re-establish water as commons, making this resource not only an issue of social justice but also of democratization. 

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1 This article is based on the chapter, “Springs of Hope: Alternatives to Commercialization of Water Resources and Services in Asia”, in Alternatives to Privatization Public Options for Essential Services in the Global South, David A. McDonald and Greg Ruiters (eds.), published by Routledge Studies in Development and Society series, 2012. The longer version can be found on the website of Focus on the Global South

2 According to the World Health Organization and UNICEF’s Joint Monitoring Programme (JMP) (http://www.wssinfo.org), “access to an improved water source refers to the percentage of the population with reasonable access to an adequate amount of water from an improved source such as household connections, public standpipe, borehole, protected well or spring, and rainwater collection. Unimproved water resources include vendors, tanker trucks, and unprotected wells and springs. Reasonable access is defined as the availability of at least 20 liters a person a day from a source within one kilometre of the dwelling”.

3 There are a number of challenges and factors which hinder the achievement of water-for-all: population demands, pollution, over-extraction, competing use of water for industry, agriculture, mining, tourism, etc., and climate change, among others. The global water crisis is multi-layered, multi-level and faceted and comes in many shapes and forms. For more info, see http://www.unesco.org/water/wwap/wwdr/wwdr1/pdf/chap1.pdf.

4 There are a number of cases around the world which demonstrate the failure of the corporate/private sector in water service provision. From the iconic case of Cochabamba, Bolivia to Ghana, the Philippines, and even North America.

5 Some of these contracts have been terminated and operations sold, e.g. Thames Water’s operations in Indonesia, Thailand and Australia.


8 A controversy in the case is that the Tamil Nadu democratization experiment was financed through a World Bank loan. However, through the strong leadership of Vibhu Nayar, the chief implementor of the project, the conditionalities imposed by the World Bank was rejected. The case highlights the limits and constraints, which serve as the starting point for the search for alternative sources of financing, or for the redesign of projects or project components to make them amenable to combinations of funding modalities.
Greening Free Trade Means Protecting the Status Quo

By Joseph Purugganan

Despite the rhetoric “moving the world toward low-carbon development,”¹ it is clear that the transition to green economy rests on maintaining and protecting the status quo in economic development. This is evident in how the trade and investment agenda and the preservation of the existing economic governance system are already being pursued in the context of the so-called green economy.

The language on trade in the negotiating document in the Rio+20 Conference last May showed that en route to the future we want², the neoliberal paradigm of free trade would remain largely unchanged/untouched.

Perpetuating a regime of inequalities

Global trade and investments are governed through a set of rules and principles embodied in a whole constellation of multilateral, pluri-lateral, regional and bilateral trade and investment agreements. This “noodle bowl” of interlocking agreements is characterized by the strong push for comprehensive tariff liberalization, easing of restrictions on investments, more investor protection and stricter intellectual property rights regimes.

These comprehensive and ambitious free trade and investment agreements have been criticized across Asia and the globe for their negative impact on jobs and livelihoods, the erosion of policy space, as well as giving more powers to corporations especially in terms of access and control over natural resources and the environment, for perpetuating the over-exploitation of natural resources for export, and for undermining the right to food and health (access to medicines). These agreements are negotiated with very little transparency and public participation.

Pushing the limits

According to the global network Our World is not for Sale (OWINFS), these “international trade and investment agreements are a driving factor as well behind the growth of energy-intensive industrial sectors, the continued extraction and processing of fossil fuels, and the expansion of intensive agriculture.”³ OWINFS report adds that “these carbon-hungry activities also contribute to the relentless destruction of climate-regulating forests; and international transport is responsible for a significant chunk of annual greenhouse gas emissions.”⁴

Free trade agreements (FTAs) have also become a weapon in the growing conflict over resources. Securing access to cheap raw materials has spurred a “resource war” among developed countries whose competitiveness are hinged on these inputs, and this has in turn fuelled the move to eliminate export restrictions to facilitate the trade in raw materials.

Asia is right in the middle of this global “struggle to grab valuable resources.”⁵ A recent publication of the Asian Development Bank cited that “in 2005, Asia’s voracious appetite for raw materials hit a world-leading 35 billion tons (and could hit) a staggering 80 billion tons by 2050. The region’s soaring demand for energy is similarly insatiable.”⁶ China is a major player in the trade of raw materials both as huge buyer of oil, gas, timber and minerals as well as the world biggest exporter of ‘rare earth’ minerals which are crucial to the manufacture of many hi-tech products.⁷

The ‘resource grab’ is also evident in the way corporations have tried to secure access and control over genetic resources as an important component of the bio-based economy. The prevailing trade and investment regime has entrenched control of technology in the hands of a few.

The WTO’s trade-related intellectual property rights (TRIPS) agreement has set a minimum standard guaranteeing protection for rights holders to IPRs. IPR
Securing access to cheap raw materials has spurred a “resource war” among developed countries

Chapters in bilateral and regional FTAs have used the WTO TRIPS regime as a convenient anchor for pushing TRIPS plus provisions that secure even more protection for IP rights holders. This restrictive IP regime has been challenged by various groups and movements, from farmers to patient’s networks and public health advocates across Asia, for curtailing rights to food and health. FTAs have now also become the preferred instrument for both opening up markets for investments and at the same time for enhancing investor protection. The European Union for example specifically mandates investment negotiations be conducted as part of broader trade negotiations, where the EU would seek to obtain binding commitments from its partners that guarantee and protect the free flow of all forms of Investment.8

Trade in transition

In the negotiating text for Rio+20, trade has been identified as one of four means of implementation together with finance, capacity building, science and technology. The basic agenda on trade revolves around the following key goals:

• Ensuring that the transition to the green economy does not create new trade barriers;
• For members to redouble efforts to achieve a universal, rules-based, open, non-discriminatory and equitable multilateral trading system and for an early balanced, ambitious and development-oriented outcome of the Doha Development Round of multilateral trade negotiations;
• Identifying and seizing new export opportunities, including those created by the transition towards a green economy;
• Creating an enabling environment for investments are essential for sustainable development.

With these goals as starting points, developed countries have used the Rio+20 conference to emphasize their strong positions on “the need to resist protectionist tendencies and to rectify and trade distorting measures” while reaffirming the importance of increasing market access for developing countries products and services.9

Dangling the threat of protectionism is a throwback to how developed countries and multilateral and regional institutions have responded to the global economic crisis and its impact on world trade. In the wake of an unprecedented contraction in global trade, estimated at around eight to 10 percent in 2009, according to UNCTAD, the solution put forward was not a retreat from liberalization but further opening up of world markets. In other words, ‘exporting’ our way out of the crisis continues to be the mantra.

An overarching concern is that the transition to green economy should not disrupt or undermine the system that is already in place. There can be no turning back from the export-led model of development, and in fact opening up a new area of green exports has become an imperative. And there should be no talk of revamping the free trade agenda as embodied in the FTAs, even if there is growing evidence to show the negative effects of these agreements on developing countries.

Perspectives of Asian governments

Only 10 Asian countries so far have submitted their position on the agenda of the Rio+20 Conference.10 The positions contained in the submissions represent a mix of concerns as well as opportunities in the transition to the green economy.

Policy space

Among the concerns raised were over the erosion of policy space or the ability of States to use policy instruments within their disposal to chart their own development path. Asian governments are concerned they would lose the flexibilities to “make their own choices out of broad menu of options” to define their own path towards sustainable development.11 They also emphasize the need to reflect the disparities between developed and developing countries in accordance with the principle of common

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but differentiated responsibility (CBDR). There were calls as well for appropriate regulatory mechanisms and market-based instruments to be put in place to provide an enabling environment for sustainable development.

In its submission India further emphasized the need for countries to recognize the ‘right to development’ and the overriding priority of poverty eradication and economic growth in developing countries.

Transfer of capacity and technology

On technology transfer, there is consensus over the significance of technology development and transfer and the importance of R&D, capacity building and technical assistance in order to enable developing countries to leapfrog towards sustainable development. Furthermore there is a demand that the outcome of Rio+20 should incorporate an enforcing mechanism and incentives to materialize capacity building and transfer of environmentally sound technologies from developed to developing countries.

Ensuring that technologies remain in the public domain and are accessible to developing countries at affordable prices however remains a contentious issue.

Green protectionism

There is overwhelming unanimity among Asian countries however on the issue of what has been referred to as “green protectionism”. There are slight variations in emphasis among Asian governments on what constitutes green protectionism. They include among others the issue on the use of ‘green-based’ standards as non-tariff barriers blocking the developing country exports; the use of conditionalities to official development assistance or making assistance conditional to the development of the green economy; or the use of tariff and non-tariff barriers in the guise of environmental goals.

Instead the emphasis in the green economy should be to “offer new trade opportunities to all countries and as an opportunity to promote and enhance the technical and institutional capacity in LDCs to pursue a green-growth-based development agenda.”

Role of trade

There is also a common view in Asia on the role that trade will play in the green economy. The emphasis is for green economy options that are consistent with a fair, open, equitable, rules-based, non-discriminatory multilateral trading system which ensures market access for developing countries, levels the playing field through the elimination of producer subsidies and export subsidies for agricultural products in OECD countries and the removal of tariff escalation and non-tariff barriers affecting labour intensive exports from developing countries; ensures the effective enforcement of the special and differential treatment provisions of the WTO. And narrows rather than widens the technology gap between developed and developing countries.

South Korea on the other hand views the green economy as “a new growth engine” that is envisioned to create new markets and new jobs which are essential for poverty eradication.

Specifically, the South Korean government is pushing for the creation of “eco-friendly growth engines” based on a new market system which encourages public and private green funds and green technology, market-friendly regulations, green purchase and procurement, as well as a balanced distribution system of wealth for poverty eradication.

Environmental services

Among what can be considered as a more aggressive agenda is the clear push by some Asian governments to maximize the opportunity in the transition to the green economy to institutionalize and promote payments for ecosystem services. In order for payments for these
services to be made, systems and mechanisms should be put in place to capture and account for the economic, environmental, and social value of natural resources.\(^\text{19}\)

Nepal for example has called for the establishment of more “favourable conditions for improving markets for mountain ecosystem goods and services and for inclusion of equity concerns in the green economy in hills and mountains, and the promotion of low-carbon socio-economic development by creating green jobs and environmental services related businesses such as REDD+.”

Payment for environmental services to improve human well-being and social equity is also on the agenda of the Philippine government for Rio+20.

Trade is envisioned to play a significant role as one of the four overarching tools to effect the global transition to the green economy. The discourse and the agenda on trade however have very narrowly focused on combating the threat of protectionism (articulated albeit with varying emphasis by both developed and developing countries) reflecting the demand to maintain and support the status quo- the conclusion of the Doha Round, more bilateral and regional free trade and investment agreements-, and in effect perpetuating a regime that has created poverty and inequality and undermined efforts towards sustainable development.

Developed countries are capitalizing on the green economy discourse to ensure their competitive edge over emerging economies particularly those in Asia, using among others environmental standards as disguised protectionism to block entry of developing country exports. Furthermore, emerging economies are increasingly being pressured to clean up their acts and effect changes in production as well as consumption patterns, while continuing to face barriers in terms of access to new technologies and limited by financial constraints and low capacities.

Developing countries on the other hand have responded by emphasizing the dangers of “green protectionism”, the use of environmental standards and policies as a non-tariff barrier to their exports. Developing countries also argue for greater policy space anchored on their right to development following a menu of options that includes flexibilities, and special and differential treatment.

What is left out of the discussions is the more fundamental critique of the prevailing trade and investment regime from the broad anti-globalization movement that sees free trade as anathema to sustainable and equitable development.

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2. The Future we want is the title of the Rio+20 negotiating document
8. EC Communication Towards a comprehensive European international investment policy (2010)
9. April draft of the negotiating text
## Mga rekomendasyon mula sa AEPF workshops

### Water Justice Workshop

1. Kritikal ang pagbubuo ng alyansa o mga alyansa para tutulutan ang patuloy na pag-angkin at pangangamkam ng mga korporasyon sa mga pinagkukunan-tubig. Sa mga pagkilos, mahahalagang ang tumubuin ay di lamang isyu ng tubig kundi ikabit sa kaugnay na isyu ng lupa at enerhiya. Malaki rin ang magiging epektibo ng pagbubuo ng alyansa at mga pagkilos kung makakasama pa ang pagkilos ang mga organisasyong lokal, pamabansa at pang-rehiyon, at lumabag sa iba't ibang sektor.  


5. Tiyaking maipagpatuloy ang proseso ng dayalong pa at oatorya sa pamamagitan ng bahaging sa pagpapalitan ng mga karanaan ng iba’t ibang sektor at organisasyon sa may papel sa isyu ng tubig, kasama na rito ang magmamahayag o opisyal ng pamamahalan. Mahalagang ang maisulog ang mga modelo na ang mamamayan ay mga pampublikong aktor/sektor at di pribado.

### Trade/Finance Workshop

Kasalukuyang may dalawang pangunahing kampanya ngayon sa TNCs at investments: ang Global Campaign against TNCS at investment agreements. 

**Kasalukuyang may dalawang pangunahing kampanya ngayon sa TNCs at investments:** ang Global Campaign against TNCS at investment agreements. Maaaring sumali o pumaloob sa mga pagkilos ng TNCs at EUP-ASEAN Free Trade Agreement network. Maaaring sumali o pumaloob sa mga pagkilos ng TNCs at EUP-ASEAN Free Trade Agreement network. 

1. Nagiging sensitibo rin ang iba’t ibang TNCs sa presyur mula sa mga kilusang panligiran kaya’t mahalaga ang pagkakaroon ng solidarity sa pagitan ng iba’t ibang organisasyong sektoral, at sa antas na lokal, pambansa at internasyunal. Mahalaga ito sa harap ng mga korporasyon ang mahabang pagkilos na maaaring gawing sa loob ng EU-ASEAN Free Trade Agreement. Laging mahalaga ang pagpatulak sa mga panahon sa ASEAN Minerals Cooperation Plan at EU Raw Materials List. 

2. Paigtingin pa ang mga panaway sa mga mamahalaan sa Asya at Europa. Sa mga pagkilos, upang tapusin at ihinto na ang mga kasunduan sa mga TNCs at investments na isinulat ng mga pagkilos sa pagkilos ng “investor-state dispute settlement.” 


4. Bumuo ng solidarity/ugnayan sa mga unyon at sa iba’t ibang organisasyong sektoral, at sa antas na lokal, pambansa at internasyunal. Mahalagang ang tumbukin ay di lamang isyu ng karapatan mo ay nilalabag.” 

5. Bumuo at magsulog nga mga panaway sa mga kaayusan sa magiging alternatibong modelo sa kasalukuyang modelo ng kalakalan; ang abot at sakop ng mga investments.

6. Magtatag ng isang agenda at mga panawagan sa mga pamahalaan sa Asya at Europa (hal. “Lipton Tea = Casualtea, ang karapatan mo ay nilalabag.”)

7. Ipagpatuloy ang mga pagkilos (hal. “name and shame campaign laban sa mga korporasyon.”)


**Paano isasagawa ang mga plano/pagkilos?** 
Ang isang pangunahing hakbang ay pag-uugnay sa iba’t ibang sektor at sa mas malawak na bahagi ng populasyon sa antas na pang-rehiyon at internasyunal. Mahalagang maugnayan ang mga pamayanan mismong apektado ng mga investments.

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