

# Land Policies and the Rural Poor in the Agenda of the European Union in the Philippines

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# Abstract

EU's policy guidelines admit that land policy lies at the heart of economic and social life and environmental issues. It recognizes that conflicts are likely to emerge and escalate where poor people do not have sufficient access to these resources. Hence EU's development aid to the Philippines includes a modest amount for agrarian reform support concentrated in southern Philippines (Mindanao). Program priorities and mechanisms were supposed to be flexible in order to adapt easily to rising needs. Looking at the EU agrarian reform support project in Mindanao, we conclude that there are only some modest positive impacts in the rural poor communities. It is difficult to assess clearly whether EU's projects have had significant impact on poverty reduction and if they do have a direct influence on Philippine policy.

## 1. Introduction

Overseas Development Aid (ODA) has been a common presence in many developing countries, which are dependent on developed countries' assistance for national programs on social, economic and institutional reforms. The Philippines has had several international organizations and donor countries that have been working with the Government of the Philippines (GOP) since World War II. The largest donor countries are Japan and the United States, and the World Bank (WB) and Asian Development Bank (ADB) are the lead institutions that administer grants and aids to the country. The European Union (EU) mainly through the European Commission (EC) has also had an active role in assisting the Philippines with its development programs. The EU contributes about 20% of the foreign aid received by the country, placing it second after Japan.

The Philippines' average aid inflow from 1992 to 2000 was at €1445 million<sup>1</sup> almost equivalent to the country's total foreign direct investments (FDIs). Collectively, the EC, the European Investment Bank and EU member states accounted for 8.2% of €16.65 billion of foreign assistance loans and grants extended to the country for the same period. This ranks the EU fourth among all aid contributors (Japan with 50%; ADB with 17% and WB with 16%) (NEDA 2001). Each EU member country has different cooperation and aid programs with the country, like the Swedish International Development Agency (SIDA) that funds independent research projects in the Philippines.

## 2. Historical Overview of EU in the Philippines

The EU is a supranational and intergovernmental union of 27 states<sup>2</sup> established in 1992 through the Treaty on European Union (Maastricht Treaty). The EU is the de facto successor to the European Economic Community founded in 1957, composed of Belgium, France, West Germany, Luxembourg, Netherlands and Italy. The European Commission (EC), the European Parliament and the Council of the EU make up the three main governing institutions of the Union. More relevant, the EC is the main vehicle of EU's grant and aid programs to developing countries.

<sup>1</sup> EUR = 1.25 USD

<sup>2</sup> The 27 Member States include Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and United Kingdom.

Historical relations between the European community and the Philippines go as far back as the 16th century when Spain colonized the country. After five centuries, the country's relations with nations in continental Europe have thrived. With the formation of the Union it was further strengthened through economic cooperation and trade partnerships. One of the earliest grants by the European community to the country was in 1981 for the Bicol River Development Program. However, long-term bilateral relations between the community and the country followed only after the 1986 EDSA Revolution. After the formation of the EU, EC-Philippine cooperation was split into two main categories of assistance: development cooperation, which focuses mainly on rural poverty alleviation and economic cooperation, which aims to promote trade and investment flows. In recent years, however, humanitarian aid has been added as a category. EC development cooperation support in the country has amounted to some €390 million of grant assistance (since 1976), through both governmental and non-governmental organizations (EC, 2002).

Funds that go through the government are mainly directed for rural development, health and the environment. On the other hand, non-government organization (NGO)-led projects are meant to provide assistance on initiatives concerning drugs, health (STD/HIV/AIDs), human rights, democracy, displaced peoples, women's microcredit and tropical forest protection. Beginning 1992, EC started providing humanitarian aid for victims of natural disasters and internal conflict in Mindanao. Aids and grants are occasionally issued at regional levels as well, in particular through the partnership between the EC and the Association of Southeast Asian Nations (ASEAN), where the Philippines is a member. Regional funding programs include those on energy, environment, transport, and education and communication technology.

Table 1 presents a summary of programs that have been funded by the EU in the Philippines since 1985. Included in the table are two early projects with the European community administered from 1981 to 1987. The programs have been a mix of social, economic, environmental and institutional reforms and strengthening. The projects have focused mainly on capacity building and promoting sustainability.

### 3. EU's reasons for administering development aid

As with any institutions that give grants to countries and possibly individuals (such as for research purposes), the EU has established a set of basic requirements that grantees must meet to be considered for EU's assistance. EU's funds may be used for the development of its own member countries; however, they apportion some to donate to developing countries and their citizens. Many of these developing countries welcome such assistance.

During the Cold War, international security was an important consideration as developed countries were worried that developing countries would fall under the influence of the then communist stronghold of the Soviet Union. Thus, aid became an instrument to convince developing countries on becoming their allies. Aid in this context, ensured national security and encouraged countries to "behave accordingly." For example, in the 1980s, West Germany suspended aid to Tanzania when the African nation recognized East Germany.

When the Cold War ended, aid took on a different role in the form of a peace-keeping instrument specifically in curbing international terrorism. In the Philippines, for example, the presence of the Abu Sayaff and other insurgents, made the country a priority for development aid in order to enable the nation to beef up security measures and deter recruits that could be driven to join the group because of poverty and inequality. More recently, aid has simply become a tool for economic growth and development, since developed countries are dependent on raw materials from developing countries, and developing countries in turn are dependent on developed countries for their export market. Aid now becomes a foreign affairs mechanism and accelerator for globalization.

Ethical reasons and international solidarity urged the continuation of aid to countries; however, it can be viewed also as a political and economic weapon that can enable developed countries to dictate policies to country grantees. With changing times, aid took on different roles, and the relationship between the EU and the Philippines is no different. Currently, aid is focused on poverty alleviation and curbing insurgency.

Note, however that EU is a multilateral aid mechanism; as such it may be more successful in reducing poverty and promoting sustainable development than bilateral aid and ideally should be devoid, even if not completely, of any political agenda (Dearden 2005). Further, EU as a supranational institution should be able to reconcile any differences between EU member states with regard to their aid and cooperation programs. Duplication and overlapping of programs and resource waste, then, are likely to be avoided..

#### 4. Motivations of Current Interests of EU in the Philippines' Land Policy

Poverty in the Philippines is prevalent; two-thirds of the country's population is living either below or on the poverty threshold. The roots of poverty are multi-dimensional but a large part of it is caused by low productivity in the rural sectors (NSCB 2006). Farming and coastal communities are among the poorest in the country. Thus, most if not all growth and development policies in the country are geared towards providing a solution to the poverty problem.

In particular, the driving forces behind Philippine agricultural land policy are the Comprehensive Agrarian Reform Law (CARL) or Republic Act (RA) 6657 and the Medium-Term Philippine Development Plan (MTPDP). CARL is a law enacted in 1988 that promotes equitable use of agricultural lands in the country and the MTPDP presents the Philippine government's development goals given certain periods of administration. CARL is directed for poverty alleviation among the rural farming poor while MTPDP serves as a guideline for the GOPs overall development strategies. On the other hand, EU's interests in the Philippines are at present guided by its desires to alleviate poverty in the country as indicated in their country strategy paper and their National Indicative Program (NIP).

#### 5. Medium-Term Philippine Development Plan (MTPDP)

The Philippine government has had four sets of development plan for the periods of 1987–92, 1993–98, 1999–2004, and 2004–2010. The development plans are formulated every six years by the government to state its economic and development goals for the period and its strategies in attaining the goals. The common theme for the past five periods is poverty alleviation. The reduction in poverty and sustaining the improvement in the quality of life has been the medium-term objectives of the country's social and human development efforts.

In particular, MTPDP for 1999–2004 envisioned a sustainable development path anchored on growth and social equity.<sup>3</sup> The overall success or failure of this vision will be measured in large part by a reduction in poverty especially in the rural areas, and an improvement in the distribution of income. The plan's agenda included social reform and development, agriculture, agrarian reform and natural resources, industry and services infrastructure development governance and institutions and development; macroeconomic framework and development financing. The current MTPDP includes a 10-point agenda that is more specific than its predecessors; (1) creation of six to ten million jobs; (2) education for all; (3) budget balance; (4) decentralization of development through network of transport and digital infrastructure; (5) power and water supply throughout the country; (6) decongestion of Metro Manila; (7) development

<sup>3</sup> The MTPDP discussed in this paper includes those laid out for the periods of 1999-2004 and 2004-2010, since these are the more relevant ones that coincide with the time this report was written. For purposes of this study, the discussion will focus on agricultural development and agrarian reform policies.

Table 1. Summary of Programs of the European Union in the Philippines (1985-present)

<b>Period</b>	<b>Program Description</b>	<b>EC Grant (In € million)</b>
1999-2006	Upland Development Program for Southern Mindanao (UDP) Implemented by the Department of Agriculture in the provinces of Davao del Sur, Davao Oriental, South Cotabato, Sarangani, Compostela Valley and Davao del Norte. Aims to develop a replicable model for sustaining upland resource-base farms where farmers meet their needs as well as produce surplus through market-led agricultural development.	47.6
1999-01	Special Zone for Peace and Development (SZOPAD) Rehabilitation Project Following the peace agreement in Mindanao, the project facilitated the integration of former combatants into civilian life, the rehabilitation of basic health and sanitation services as well as production activities in the province of North Cotabato and Maguindanao.	2.00
1997-04	Economic Self-Reliance Program - Caraballo and Southern Cordillera Agricultural Development (ERP-CASCADE) Area development program aimed at improving living conditions of the highland rural people through the introduction of appropriate upland technologies, development of financial systems and infrastructure.	14.00
1997-03	Women's Health and Safe Motherhood Project - Partnership Component Part of a five-donor-supported national program aimed at improving health, nutrition and family status of women and addressing their health needs at the community level.	17.00
1996-04	Central Cordillera Agricultural Program Phase II Implemented by the Department of Agriculture (DA), this area development program facilitated technical advice and training, savings mobilization and institutional strengthening to support the empowerment of the rural communities in the Central Cordillera.	23.00
1996-00	Earthquake Rehabilitation Program - Health Component (ERP) The project involved the replacement of 1990 earthquake-damaged hospital facilities in Agoo (Luzon) and upgrading of outreach services.	14.00
1995-04	Palawan Tropical Forestry Protection Program (PTFPP) Phase 1 was a project co-financed with the ADB, where the EU provided assistance for the environment component that aimed to contribute to the preservation of the forests in the province through an area-based program emphasizing a community-based sustainable and development strategy, within the framework of the SEP Law (RA 7611 of 1992), and the NIPAS Act (RA 7586 of 1992).	17.00
1994-99	Small Islands Agricultural Program (SMISLE) Area development program facilitating the increase of rural output, market outlets and income, and promoting sustainable resource management in five small islands of the Visayas.	20.00

Table 1. Summary of Programs of the European Union in the Philippines (1985-present)

Period	Program Description	EC Grant (In € million)
1994-99	Philippines Rural Institutional Strengthening (PRISP) Aimed to strengthen the capability of local government units to undertake participatory planning and to formulate, implement and finance development plans.	6.00
1994-03	Catanduanes Agricultural Support Program (CATAG) Promoting the increase of rural output and income-generating activities through rural financial systems for the communities of Catanduanes province.	10.00
1992-97	Earthquake Rehabilitation Program (ERP) Medium-term agricultural rehabilitation program for rural communities in 1990 earthquake-affected areas of the Central and Southern Cordillera. Urban and highway planning.	9.00
1990-98	Drugs Program Support to national authorities in the fight against drugs including increasing public awareness and education, training of staff and upgrading equipment.	2.00
1990-98	Agricultural Education Program (AGRED) Improvement of the basic agricultural education system by upgrading existing provincial agricultural colleges in 5 selected provinces, strengthening their curricula, teacher-training and outreach capability.	10.00
1990-98	Southern Mindanao Agricultural Program (SMAP) Area development program based on rural micro projects, promoting sustainable and community-based rural development in Southern Mindanao. This is the Phase I of the UDP project that is ongoing.	16.00
1988-95	Central Cordillera Agricultural Program - Phase I (CECAP) Area development program based on rural micro projects, promoting sustainable and community - based rural development in the Central Cordillera Projects.	18.00
1987-93	Aurora Integrated Area Development - Phase I (AIADP) Area development program focused on strengthening of agricultural support services and infrastructure, community development and resource management for Aurora Province.	11.00
1985-91	Palawan Integrated Area Development Project Area project aimed at improving the living conditions of the rural population in Palawan, facilitating increased agricultural production and sustainable resources management	7.00
1982-87	Crop Protection Program	3.00
1981-86	Bicol River Development Program	4.00
Total		250.60

Source: Drawn from Delegation of the European Commission to the Philippines, 2007. Available from: <http://www.euphil.org/index.cfm>.

of Clark and Subic as service and logistics center in the region; (8) automated elections; (9) peace to Mindanao and all insurgency areas; and (10) just closure of issues from EDSA revolutions 1, 2 and 3.

In developing the sectors of agriculture and rural areas, an effective institutional framework and operational process must be in place, where roles of different stakeholders (national government, LGUs, private sector, civil society) are properly designated. More important, the roles of the Department of Agriculture (DA), Department of Agrarian Reform (DAR), and Department of Environment and Natural Resources (DENR), the three primary agencies in rural development, must also be focused on.

The objectives of developing the agricultural and rural sectors as stated in the MTPDP include:

- Diversify the rural economy through the development of alternative employment opportunities in farm and nonfarm activities to sustain increases in incomes and standard of living of farmers, fisher folks, upland dwellers and indigenous peoples;
- Increase sector productivity and production through modern, appropriate and efficient technologies and sustainable farm practices, timely and effective delivery of support services and utilization of idle and underutilized resources;
- Promote and expand opportunities for gaining equitable access to productive assets through the application of agrarian reform principles in their disposition and utilization;
- Empower all stakeholders and strengthen institutional structures in the sector through strengthened delivery of capacity building and extension programs;
- Remove all remaining policy biases against the sector to achieve competitiveness;
- Mobilize greater financial resources for sector development;
- Enhance private sector participation in sector development; and
- Ensure sustainability of sector growth through environmentally-sound practices.

The GOP's policies and strategies in attaining these objectives include the following:

- *Productivity and competitiveness enhancement.* Ensure an encouraging environment for improving sector competitiveness and improve the delivery of support services.
- *Diversification of production and resource use.* Broaden the research agenda from the traditional crop/commodity-specific approach by:
  - Removing all remaining policy biases against the sector to achieve competitiveness;
  - Mobilizing greater financial resources for sector development;
  - Enhancing private sector participation in sector development; and
  - Ensuring sustainability of sector growth through environmentally-sound practices.
- *Improve access to land and other productive resources.*
- *Rationalizing institutional structures and empowerment of stakeholders.*
  - Decentralization of agricultural development programs
  - Restructuring the National Food Authority
  - Magna Carta for Upland Farmers
- Amendment of the following laws:
  - *In support of enhancing access to land other productive resources*
    - Restructuring of the DAR Adjudication Board
  - *In support of environmental sustainability*
    - National Land Use Act
    - Environment Code
    - Forestry Code
    - National Solid Waste Policy
    - Oil Spill Prevention Act
    - Non-Conventional Energy Bill
    - Institutionalization of Bio-safety regulations
- *In support of productivity and competitiveness improvement*
  - Anti-Dumping Act

## IFAD-FINANCED PROJECTS IN THE PHILIPPINES

Project Name	Initiating Institution	Cooperating Institution	Lending Terms	Board Approval	Loan Effectiveness	Current Closing Date	Approved Loan or Grant Amount	Disbursement
Magat River Multipurpose Project Stage II (Irrigation)	World Bank: IBRD	World Bank: IBRD	I	12 Dec 78	25 Apr 79	30 Jun 85	\$10,000,000	100%
Smallholder Livestock Development Project	AsDB	AsDB	I	17 Dec 81	01 Oct 82	30 Sep 89	SDR 7,100,000 000	33%
Communal Irrigation Development Project	World Bank: IBRD	World Bank: IBRD	I	15 Sep 82	29 Mar 83	30 Jun 91	SDR 10,800,000	64%
Highland Agriculture Development Project	AsDB	AsDB	I	03 Dec 86	21 Aug 87	31 Dec 93	SDR 3,900,000	78%
Visayas Communal Irrigation and Participatory Project	IFAD	UNOPS	I	14 Apr 92	25 Aug 92	31 Dec 99	SDR 11,000,000	89%
Cordillera Highland Agricultural Resource Management Project	ADB	ADB	HC	06 Dec 95	04 Dec 96	30 Sep 05	SDR 6,150,000	64%
Rural Micro-Enterprise Finance Project	IFAD	ADB	HC	18 Apr 1996	04 Dec 1996	31 Dec 02	SDR 10,150,000	97%
Western Mindanao Community Initiatives Project	IFAD	UNOPS	HC	23 Apr 1998	25 Mar 1999	31 Dec 05	SDR 11,000,000	40%
N.Mindanao Community Initiatives and Resource Mgmt Proj.	IFAD	UNOPS	HC	06 Dec 2001	01 Apr 2003	31 Dec 09	SDR 11,600,000	98%
Rural Micro-Enterprise Promotion Program	IFAD	IFAD	HC	Apr 2005	2007	2014	USD 27.5 million	n.a.

Source: IFAD  
Note: Under lending terms, "I" refers to intermediate loans while "HC" means highly concessional loans. One SDR is equivalent to US\$1.50. Disbursement figure is the percentage of approved amount.

- Agricultural Tariffication Act
- General Banking Act
- Repeal of LOIs 58 and 790 (limiting the hectarage planted to banana)
- *In support of rationalizing institutional structures and empowerment of Stakeholders*
  - Amendment of the Sugar Regulatory Administration (SRA)

## 6. Comprehensive Agrarian Reform Law/Program (CARL/CARP)

CARL was signed into law through Republic Act (RA) 6657 on 10 June 1988 by then President Corazon Aquino. The law institutes the Comprehensive Agrarian Reform Program (CARP) that became the law's mechanism for implementation. CARP's primary objectives include improved equity and increased productivity in the rural areas. It is the most comprehensive program formulated in the country's history that covers all private and public agricultural lands regardless of commodity produced and tenure status.

The program used variable retention limits: seven hectares for rice and corn lands, five hectares for non-rice and non-corn lands, and three hectares for each of the heirs, 15 years old and above, of the landowners, as long as they are actually cultivating or managing the land. CARP recognizes as beneficiaries of the agrarian reform program not only farmers but all workers in the land given that they are landless and willing to cultivate. CARP includes delivery of support services such as rural development projects, human resources development activities and infrastructure facilities. DAR and the DENR are the two government agencies tasked to acquire and distribute land.

Agrarian reform policies during the administration of President Fidel Ramos attempted to hasten land transfers by implementing simpler, more transparent and less expensive procedures (Reyes 2002). CARP's target was to transfer all land ownership by 1998 (10 years after its formulation). However, by the end of that year it had transferred only 60% of the 7.8 million hectares initially set out for distribution (Reyes 2002).

## 7. European Union's (EU) Policy on Land in the Philippines

The main policy objectives of the European community and the priorities of the GOP are similar, which are to solve poverty and promote sustainable development. The Philippines' objectives are clearly set out in its Medium-Term Development Plan, while EU's policy on grants and loans are guided by its country strategy paper (CSP) and by its National Indicative Program (NIP). Strategic planning is based on the CSP covering a period of five years (similar to the MTPDP) and contains the priority areas and projects and is translated into operational guidelines via the annual NIPs.

The foundation of the relationship between the EC and the Philippines was laid in 1984, when the EC-Philippines Framework Agreement was signed. It outlined the general conditions for providing EC technical assistance and cooperation for the country. Since no specific bilateral cooperation agreement existed prior to this agreement, the objectives were defined while considering the country's existing legislation.

EU's country strategy for the Philippines during the period of 2002–2006 outlined two main areas of assistance, which included service to the poorest sectors of society and the facilitation of trade and investment. This assistance was brought about by EU's aim to promote sustainable development and its recognition that poverty is primarily a rural problem in donor-recipient countries. With its focus on poverty alleviation, EU programs focused on rural development that included water supply development,

coastal resources management including fisheries, environmental conservation, health, and support to vulnerable groups including indigenous people and children at risk. Mindanao received particular attention (EU 2002).

In particular, in EU's country strategy paper (2002–2006) for the Philippines, it was stated that:

*The main areas of concentration for the cooperation will be assistance to the poorest sectors of society and to facilitate the integration of the Philippines in the flow of international trade. Other non-focal areas for cooperation are the support to human development and rights, as well as to stability and security in the Philippines, which constitute a precondition for sustainable development.*

Thus, poverty reduction remains a priority while highlighting emerging issues in the country such as human rights. However,

*While recognizing the still important poverty alleviation needs, it was concluded that the Philippines could no longer be considered a priority country for EC development aid in the region. In this connection, an indicative budgetary allocation of €63 million of technical cooperation, including development and economy, could be foreseen for the period 2002–2006.*

Geographical focus was also narrowed down to selected regions. Priority was given to Mindanao because of its less favorable social and economic conditions as well as its continuing armed conflicts. The Cordillera Autonomous Region (CAR) was also given priority. EU believes that with economic and social stability, the peace process in Mindanao can be hastened, thus, development projects are focused there. Poverty stricken areas are more vulnerable to conflicts.

With the country strategy paper for 2007–2013, EU has further stressed the importance of extending assistance to Mindanao in support of the peace process through the World Bank-led multi-donor Mindanao Trust Fund (MD-MTF). The fund's main thrust is to contribute in activities that will lead to the achievement of a peace agreement in Mindanao.

Further, the strategy paper still focuses on the delivery of basic social services in the Philippines, specifically providing better access to quality health services. Development of rural areas remains a priority.

Indeed, EC and EU Member States support the Philippines' priorities of alleviating poverty (through agrarian reform, rural development, health, education, and water supply), protecting natural resources and supporting the peace process in Mindanao.

Overall, donor and aid programs should be harmonized and properly coordinated between different aid agencies. There are different assistance programs (technical, infrastructure, sectoral), supported by different means (loans, aid, grants) and by different organizations addressing different country needs (EU 2002). With all these processes and agreements, it is vital that none of the initiatives are redundant and overlapping to avoid waste of resources.

## 8. EU's Land Policy in the Philippines

In the past, a number of multilateral and donor agencies have been reluctant to get involved in the politically and highly sensitive topic of land policy and reform. For those that did engage in land policy, it only involved non-contentious activities believed to be technical, neutral and universal such as promotion of a land information system. These types of projects of course did not reflect and address local realities and eventually evolved into those that addressed land issues. EU early on took on a cautious role of facilitating dialogues in preparing and implementing land policy reforms when needed.

EU does not have a direct or particular land policy for the Philippines aside from emphasizing its policy in relation to helping solve poverty in the country. Despite this, however, EU through a Task Force on Land Tenure published a report that provides land policy guidelines in granting loans and aid to countries concerning projects on land. This report is the closest thing to EU having a land policy in the Philippines.

## 9. EU Land Policy Guidelines

The EU Task Force on Land Tenure on November 2004 published a report on EU land policy guidelines that relates support to land policy design and land policy reform processes in developing countries. This report identifies political ownership, willingness and commitment as key factors for the definition and implementation of effective land policies and land reforms.

It further highlights that land policies change with time, that is:

*Donor engagement with land reform and land policy has changed over time. In the 1940s and 1950 in East Asia and in 1960s and 1970s in Latin America, agrarian reforms were supported as a means of defusing radical pressures for political change. The political character and complexity of such interventions has led many donors to withdraw from supporting land distribution.*

The report leads to the realization that new forms of intervention in land management are needed and that these forms should provide for flexibility to suit a variety of situations.

The report recognizes that there is still a strong bureaucratic system in most Asian countries, where lengthy procedures and backlog land disputes are common, such as that of land distribution (through land reform program) in the Philippines. EU also acknowledges that there are still existing exploitative tenancy arrangements, unresolved indigenous rights claims and titling conflicts in Asia, and EU aims to come up with solutions that focus on increasing recognition on farmer's rights, decentralized system of land administration, strengthen women's rights and develop rental markets.

The report recommends that for land policy design to be successful, it is to promote inter-department or inter-ministerial work and encourage strong participatory approach. Land policies must be tailored specific to countries and there is no concrete strategy for all. There is no blueprint approach in formulating land policies. There are variety of factors to be considered when formulating land policies from existing tenures, gender equality, land tax system and others. The choice of land policy for a country depends on the economic, social and political system of the country. More important, historical background and existing institutional frameworks between government and its people are also considered.

Specifically, the report highlights EU's role in land policy. The report admits that the EC has a comparative advantage in initiating and accompanying the creation of flexible donor consortia drawn from EU member states to tackle land policy reform issues and thus must consider the following options when engaging donor recipient countries.<sup>4</sup>

- initiating a *common approach* to land policy and tenure reform, encouraging the *sharing of experience* between EC and Member States and supporting greater coordination and common understanding of land issues;
- advocating a *more balanced approach to land policy reforms* by multilateral institutions and for stronger integration of land tenure issues into national development processes (PRSPs, national/rural development strategies, etc.);
- actively encouraging coordination and collaboration of other donors in particular within the UN family (FAO, IFAD and UNDP), in support of national reform processes in line

<sup>4</sup> Discussion is based on the write-up found on pages 23-24 of EU Task Force Land Tenure Policy Report (2004).

- with each agencies' comparative advantage, specific field of expertise and in-country presence;
- developing initiatives for *applied research and development* on the linkages between land, equality and social development, land agricultural development and poverty and between land tenure and the environment, as well as for independent monitoring/evaluation of land reforms and land policy reforms.

The report further remarks that the EC and the EU Member States can strongly improve the impact of land policy reforms by jointly supporting national reform processes by:

- supporting debate and sharing of experience* on land issues and land policy, in relation with economic policies in particular at the regional level;
- contributing to make the *design of land policy and reforms a truly participatory endeavour* by encouraging government to stimulate the participation of civil society, minority groups, indigenous peoples and local communities in the debate and supporting their participation, and making available to them the results of knowledge and international experience;
- supporting the *design and implementation of sector approaches* to implement participatory land policy and land tenure reforms which take into due account institutional development and are attentive to issues of sustainability and recurrent costs implications;
- supporting *land reform and land redistribution*, in particular where high inequality persists. This may involve, where conditions allow, the funding of transparent and accountable land acquisition schemes by the state, or the beneficiaries, or other agencies on their behalf depending on what is most appropriate in local circumstances;
- supporting *capacity development* in land administration at all levels, including local communities;
- supporting *monitoring and evaluation* of the impact of the reform and encouraging proper *dissemination and discussion of research findings*, so as to make land policy reform a dynamic process.

## 10. General Description of Current Land Policies

The European Union was the second-largest source of grants for the Philippines; however, EU's assistance to the country has been decreasing. Dearden (2002) finds that some government policy is merely one aspect of the broader external relations agenda of the EU. Security, trade and investment are important considerations for EU grants. But EU has now focused its policies on poverty reduction and a shift to low-income less developed countries (LLDCs). A decision was made by EC's senior officials in 1998 that EU grants to the Philippines would be reduced as the country is believed to be on the right path to economic growth and EU diverted its attention to countries in Africa.

Also, international commitments to the Millennium Development Goals have led to an increasing emphasis on aid to Africa, which will receive half of the projected increase in EU aid from 2006 and onwards. Programs will focus on economic performance and the political objectives of human rights, democracy, good governance and the rule of law.

With the reduction in grants to the Philippines, EU created cautionary measures in order to ease the transition, placing new policy objectives into place, i.e., reduction in poverty, geographical focus on Mindanao, consolidating achievement of existing rural development projects, and exploring the sectoral approach for medium-term projects. Institutional reform and good governance are required to support the cooperation programs.

According to EU's National Indicative Program (NIP) the focus on assisting the poorest sectors of society comprises the consolidation and replication of rural development know-how and EC support to a sector, specifically the health program. In particular the program is known as the Consolidation and Expansion of the Philippines-EC Rural Development Program (CEPERD).

## 11. CEPERD's Objectives

The program's main aim is to consolidate and expand the achievement of the EC-supported rural development projects, where the GOP addresses the need for additional time and resources for some projects while waiting for local partner's capacity to develop. EC aims to help the GOP in formulating rural development models that are implementable in other areas and can fund sources either on its own or with other donors. The country strategy paper (CSP) also states that Mindanao and CAR are given priority for grants and areas. Outside the two priority sites, justification is required in order to consolidate benefits in areas supported by EC projects.

The implementation of CEPERD will follow the principles of decentralized management (at least at the regional level), encourage use of local human resources and increase participation of civil society (NGOs and financial institutions, in particular, should be involved).

EU conducted a mid-term review (MTR) in 2003 of the social, political and economic changes in the Philippines and the results were incorporated in the NIP. EU decided that consolidating rural development activities would no longer be pursued while medium- to long- term interventions to combat terrorism, improve security and stability and to improve good governance were introduced.

## 12. Summary of the 2005–2006 and 2007–2010 NIPs

The main objective of the NIP for 2005–2006, based on the objective set by the CSP, i.e., to reduce poverty, focused on improving the general health status of the population through more effective, efficient and equitable health care. The island of Mindanao remained the priority for reconstruction and development projects.

The intervention in the health sector was consistent with the country's MTDP. It was in line with the GOP's objectives with its National Health Sector Reform Agenda that targeted providing health care to the poorest sectors. Also, the NIP is implementing the use of sector-wide approaches that is part of the EC development policies, which the GOP is also using in its development projects. Peace in Mindanao is a priority, as it addresses security, not only on a political level (terrorism and insurgency) but also on an economic level. A peaceful and secured environment provides an ideal investment climate that can lead to economic growth in the region.

The 2007–2010 NIP has a cost of order of € 61 million and characterizes the Philippines as a lower middle-income country with an extreme inequality of wealth distribution. The resounding theme of poverty reduction through job creation and better access to social services is identified as its first objective and more equitable wealth distribution through economic, social and political reforms is the other. Provision of employment and equity remain as the country's two main challenges. The NIP identifies erosion of confidence in government, lack of good governance, and continuing insurgencies— which poverty is an underlying reason—as reasons why the country is lagging behind with the rest of the region.

EC cooperation for the period 2007–2013 focuses on:

- Helping the Philippines meet its MDGs by supporting a more equitable access to quality basic social services through budget support and sector-wide approaches (with a focus on health under the first NIP 2007–2010);
- Other actions and themes such as helping the Philippines in its economic, social and political reform processes, by providing support to boost trade and investment flows, while paying due attention to the social dimension of globalization, to restore peace and security, especially in Mindanao, and to deepen dialogue with and among all sectors of society.

The indicative funding breakdown into focal sector and non-focal themes is :

- Focal sector: access to quality basic social services – health € 36 million
- Other actions and themes :
 

Trade-related assistance	€ 6.5 million
Strategy Projects Facility	€ 6.5 million
Multi-donor Trust Fund	€ 12 million

### 13. Support for the Mindanao Multi-Donor Trust Fund

EU has formulated its own action agenda for Mindanao and believes that in order for Mindanao to gain some levels of peace and order, GOP and donor institutions must address the root causes of the insurgencies in the region. It is important for locals to realize the link between socio-economic, disarmament and development issues. Curbing the conflicts in Mindanao can lead to more attractive foreign direct investment (FDI) that spurs economic growth.

GOP formally requested the World Bank for a Multi-Donor Trust Fund for Mindanao to assist the government in not only fighting insurgency in the region but to help hasten the peace process, thus securing a stable economic environment. The request was granted by the Bank. The EU and its Member States have expressed their intentions to contribute towards this initiative and have participated in the joint-donor needs assessment for the establishment of the Fund (EU 2005). The purpose of establishing the Fund is aligned with EUs objectives with regard to development projects in Mindanao.

Given EU's thrust toward projects in Mindanao, the following case studies were chosen for the purposes of this study. The two projects are the most recent agricultural development projects by the EU in the Philippines.

### 14. Case Studies

#### **Case Study I: Support to Agrarian Reform Communities in Central Mindanao (STARCM), May 11, 2001– May 11, 2008<sup>5</sup>**

The Support to Agrarian Reform Communities in Central Mindanao (STARCM) is a € 23M project that started in 2001 and was scheduled to end in 2008. The project is located in Lanao del Norte, Lanao del Sur, North Cotabato, and Sultan Kudarat, all provinces in Mindanao, that was to benefit 20,000 households that belong to the Agrarian Reform Communities (ARCs). The overall objective was to increase the self-reliance, living standard and quality of life of agrarian communities.

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<sup>5</sup> Originally planned to be included as part of this report, STARCM is no longer discussed in-depth in the following sections, due to unavoidable circumstances.

The project had four main components namely, institutional strengthening (IS), support infrastructure (SI), agricultural production and enterprise development (APED) and access to rural finance (ARF). IS involved conducting trainings for local counterpart that facilitated ARC- level planning, formation and strengthening of people's organizations in management and livelihood projects. IS related to capacity building for the counterparts. SI involved construction of roads, bridges, water supply systems and community buildings that would support farmer productivity. The APED provided draft animals, cultivation machinery and rice mills, and support to banana and fruit trees plantation aimed to increase agricultural diversification and mechanization. The rural finance component aimed to provide institutional credit to micro-finance institutions that served STARCM-covered ARC borrowers.

Appendix Table 1 provides more details on the project.

### Case Study II: Agrarian Reform Support Project (ARSP) in Agusan, 1995–2001

The Agrarian Reform Support Project (ARSP) was launched in October 1995 to assist the poor farmers in the region of Mindanao. Total ARSP fund was at €26.83 million, of which €20 million was a grant from the EU. The five-year ARSP implemented a five-component approach that built on the premise that land ownership must be supplemented with social and rural infrastructure, human resource development, institutional strengthening, and access to markets and credit facilities. The Project aimed to provide agricultural support services to 40,500 farmers in 63 agrarian reform communities that span Camarines Sur, Sorsogon, Negros Occidental, Agusan del Sur, and Agusan del Norte provinces. ARSP spanned 22 ARCs in the Agusan project areas: 13 spread in 19 barangays of Agusan del Norte and nine in 52 barangays of Agusan del Sur.

While DAR was lead agency in the implementation, the ARSP had autonomy over organization and management through its Cebu City-based Project Management Office (PMO) that supervised the entire project implementation.

### Analysis of Case Studies

Both case studies had poverty alleviation as their resounding theme. The STARCM is still ongoing while the ARSP has been completed.

In addressing the inquiry on whether EU's policy affects GOP's decisions and choices in policy-making, it is important to review the land policies that both institutions implement. Table 2 presents a summary of these laws and policies. Institutional mechanisms are in place for both institutions (GOP and EU) and policies are in tune with each other.

A two-phase global review initiated during the EC-Philippines Senior Official Meeting (SOM) found that overall, EC-supported projects (past and current) have had a positive impact on the development of its project areas. The first review phase conducted in 1999 assessed generally the impact of EC projects while the second phase in 2001, looked into the details. Overall, the EC programs were successful in initiatives concerning capacity building for LGUs and community empowerment (through grassroots-level organizations).

As EU shifted its policy focus to poverty alleviation, it also shifted its area of focus in the Philippines to the island-region of Mindanao. Currently, the island has an ongoing insurgency with the Moro National Liberation Front (MNLF) that destabilizes the economy. EU believes that poverty is one of the root causes of terrorism and thus providing sustainable livelihoods in the area could be a way to provide peace. A consultative group meeting of donor organizations in the Philippines stressed that there is a need for a peace agreement and stated that:

*Ongoing violence and insecurity impede the inflow of investment and hinder economic growth in this region plagued by high incidences of poverty and low rates of human development indicators. The ongoing conflict in Mindanao undermines the country's pursuit of achieving the*

*Millennium Development Goals. It also hampers the effectiveness of ODA [overseas development assistance-financed interventions in Mindanao.*

EU has actively engaged itself in discussions with the GOP regarding solving the insurgency in Mindanao and encourages other institutions, as well, to assist in the peace process. In this light, donor organizations do put pressure to the GOP to hasten actions dealing with certain issues.

In this connection, during the meeting of Member State's representatives in Manila last July 2003, everyone came to an agreement regarding the results of the Mid-term review. Also, representatives agreed that programs should focus on increasing stability and security in areas of insurgency. Thus, by the next series of consultations group meetings held in November 2003 and January 2004, Member States stressed the need to participate in the Multi-Donor Trust Fund for Mindanao with emphasis in the health sectors. Further, the meetings concluded that:

- Good Governance should be a priority for EU cooperation (fight against corruption and access to justice as priority areas).
- Security and the fight against terrorism are matters of concern where actions should be implemented through border management and terrorist financing/anti-money laundering as priority areas.
- Stronger emphasis on a sector-wide approach in Health should contribute to the alleviation of basic needs of the poorest and support the Health Sector Reform Agenda (HSRA) of the Government.
- Full support to the EC intention to contribute to the World Bank-led MRDTF for Mindanao provided appropriate conditions are established.

The conduct of reviews and project assessment by the granting institutions should be required. Results from these reviews provide vital information on needs assessment, lessons learned and overall performance of a program. Although a third party, independent review committee is perhaps better, to maintain more objectivity.

EC has its standards and program criteria and when country policies change they have the option to pull out their grants, as, with any developing institutions they have safeguards to meet and standards to follow. EC often follows up the commitment of the Philippines in implementing the MTDP, which assures them that the EU support is being best utilized. In a way, they are protecting their "investments" and indirectly they are influencing government's policies.

## Project Outcomes Results and Further Discussion

The shift of focus on Mindanao is quite appropriate, as it remains the poorest island-region in the country. EU's policy on this is commendable as it shows flexibility, i.e. diverting aid to those most in need as it recognizes areas in need of immediate assistance and thus, where aid should be funnelled. Basically, the focus on poverty alleviation is timely and appropriate; however, criteria in determining which communities are poor should be made more transparent.

The case studies presented here provide a glimpse of EU-funded projects in the Philippines. Table 3 presents results on how these projects; STARCM and ARSP conform to policies set by the GOP and EU. The table shows that all policy components for both institutions are met. Both implement a sectoral approach and involve multi-stakeholder participation. The projects mainly aim to alleviate poverty and have capacity building components, contributing to replicability.

Table 2. Summary Description of Agricultural Land Policies given the GOP and the EU.

<b>Characteristics</b>	<b>Government of the Philippines</b>	<b>European Union/European Commission</b>
Primary Laws and/or Land Policy Guidelines	<ul style="list-style-type: none"> <li>• Comprehensive Agrarian Reform Law (CARL)</li> <li>• Medium-term Development Plan (MTDP)</li> </ul>	<ul style="list-style-type: none"> <li>• Country Strategy Paper (CSP)</li> <li>• National Initiative Program (NIA)</li> </ul>
Duration/Relevant Period	<ul style="list-style-type: none"> <li>• CARL (1988) 10 years</li> <li>• MTDP (1987) every five-year period</li> </ul>	<ul style="list-style-type: none"> <li>• CSP (2013) every four-year period</li> <li>• NIA – annually</li> </ul>
General Description	<ul style="list-style-type: none"> <li>• CARL – most comprehensive agrarian reform law enacted in 1988</li> <li>• MTDP – details country's development plans</li> </ul>	<ul style="list-style-type: none"> <li>• CSP – lays out policies while determining priority issues taking into account lessons learnt</li> <li>• NIA – details implementation strategies and budget</li> </ul>
Main Objective/s	<ul style="list-style-type: none"> <li>• CARL – equitable distribution of increased production of agricultural land</li> <li>• MTDP – economic development in different sectors of society</li> </ul>	<ul style="list-style-type: none"> <li>• CSP – provide clear and transparent policy strategies and program approaches</li> <li>• NIA – provide detailed information on program priorities</li> </ul>
Geographical focus/ area of concentration	<ul style="list-style-type: none"> <li>• CARL and MTDP – National</li> </ul>	<ul style="list-style-type: none"> <li>• CSP – national approach</li> <li>• NIA – focus on Mindanao</li> </ul>
Main strategy	<ul style="list-style-type: none"> <li>• CARL – distribute land, and covers all public and private land</li> <li>• MTDP – lays-out agendas and uses sectoral development approach</li> </ul>	<ul style="list-style-type: none"> <li>• CSP – sectoral development approach prioritising poverty alleviation and sustainability</li> <li>• NIA – presents focal points and uses sectoral approach; participatory-community-based</li> </ul>
Implementing Institutions/Agencies	<ul style="list-style-type: none"> <li>• CARL – DA, DAR, DENR</li> <li>• MTDP – NEDA, Office of the President</li> </ul>	<ul style="list-style-type: none"> <li>• CSP – European Union</li> <li>• NIA – European Commission with European-based consultant, often a European based NGO.</li> </ul>
<p>Note* - NIA description pertains to latest report (2007).  - Dates in ( ) are years when policy/program started</p>		

Both case studies for this paper are medium-termed, 5–7 years; there is enough time for the program to have a substantial impact on the community while it is not too long-term that some project components become irrelevant to the community and their needs.

Table 3. Case Studies' consistency and non-consistency with Policy Indicators

Identified Indicators	STARCM	ARSP
Conform to GOP policies	✓	✓
Conform to EU policies	✓	✓
Priority site: Mindanao	✓	✓
Obj: Poverty Alleviation	✓	✓
Sustainable Development	✓	✓
Replicability	✓	✓
Local Implementing Agency	✓	✓
Sectoral Approach	✓	✓
Multi-stakeholder participation	✓	✓
Provision of employment	✓	✓
Grant	✓	✓
NGO counterpart	✓	✓
Capacity building component	✓	✓

## ARSP

ARSP is a project under the EU's development cooperation program with the Philippines. The project is a result of several EU missions to the country to identify the development assistance needs of the country and where their assistance could come in. The Financial Memorandum was laid out for five years ending in October 2000. A rider in the agreement in 2000 extended the project to December 2001 for the phase-out and consolidation period.

ARSP covered the provinces of Agusan del Norte, Agusan del Sur, Camarines Sur, Sorsogon (Municipality of Irosin), and Negros Occidental and included 40,500 farmer beneficiaries in 63 ARCs. The DAR chose these provinces because of the high land tenure improvement accomplishment: the areas were said to have full land redistribution accomplishment and certificates of land ownership awards (CLOA) were issued to farmer beneficiaries in an ARC.

With the land tenure improvement, more or less, in place, ARSP's thrust was to provide assistance and equipment for survey and individual titling and provide the necessary support services to agrarian reform beneficiaries in the target areas. It aimed to alleviate rural poverty and agricultural stagnation under the rubric of the effective implementation of CARP.

Project implementation was headed by the Cebu-based project management office and headed by two co-directors: one a Philippine national and the other an EU counterpart. In fact, EU-designated specialists were part of the project management office structure. Fifty % of the project staff was seconded from DAR, the other 50 % was externally-hired. Provincial project offices in Butuan, Naga, and Bacolod were created to facilitate provision of support services to target beneficiaries.

Percentage of project expenditure from 1995–2000 were as follows: administrative and operations, 27%; rural infrastructure, 21%; productivity systems development, 18%; institutional strengthening, 13%, land tenure improvement, 10%; and technical assistance, 15%. A large chunk (38%) of the total productivity systems development expenditure went to the Agusan del Sur project area.

ARSP's main impact on the communities was funding for social infrastructure. For most of these communities, the most basic infrastructure such as potable water and electricity improved their lives.

ARSP's impact in this sense was at a very personal level. While reports on the economic impact (i.e. by what percentage income changed) of the project at the regional level was scarce, the people acknowledged there were increases in their household incomes, especially during ARSP implementation. Life after phase-out, however, was different. Problems, they said, piled up.

Some peasant organizations, however, successfully transformed productivity systems development projects into viable economic undertakings. But increase in income is not an end in itself since impact encompasses social development as well. Active engagement of NGOs, local government units and especially local communities and peasant organizations are important elements for foreign aid projects to be made most effective and most relevant amid the many inconsistencies in the foreign aid development framework.

### Implications of EU Land Policy to the Philippines

EU's grant policies that focus on poverty reduction and fighting terrorism showcase how the Union is flexible in shifting its policy focus with the changing times. Poverty and international security are among the most pressing issues in this century. EU has adjusted its policies to suit what the countries think are their most immediate needs. However, its decision to pull out most of its funding support and divert it to poorer nations of Africa is unfortunate for developing countries in Asia (including the Philippines). The bright side to this situation is that countries would become less and less dependent on foreign aids and thus are forced to improve their own policies and increase efforts to improve their economy more independently.

When it comes to establishing guidelines on land policies, not having a blueprint behind EU's recommendations is exceptional. It is indeed true that every developing country is unique and primarily has their own economic, political and cultural situations. Therefore, guidelines and land policy requirements must fit specifically to these situations and thus be case-specific. However, measures must be done objectively in evaluating a country's situation and should be conducted with caution as well. In fact, this situation will require active participation from all sectors of the country recipients and hopefully during the whole process, active advocacies would be triggered.

As shown in the ARSP case, some of EU's policies on funding projects have had positive impacts with fund recipients (mostly small communities) and have achieved several policy goals such as poverty alleviation (with increased income) and improved health (with provision of water). In spite of this, certain areas have been overlooked, such as addressing issues on gender and project sustainability. Unfortunately, the results from these implemented projects for some communities although achieved are basically short-lived; on this account, an evaluation of the projects should perhaps be done after project implementation to assess the sustainability of the project. Advocacy groups must be firm on sustainability aspects of projects and the longevity of the impacts of the projects on the communities.

Strengthening the components of sustainability in projects (financial/economic) is necessary. These are, in fact, already funded but must include components on building institutional capacity for governments (national, local or community levels) to help sustain projects despite political turnovers (as elections are held every three years for various national and local posts). Projects must provide longer-term solutions.

## 15. Conclusion

EU's policy guidelines admit that land policy lies at the heart of economic and social life and environmental issues. It recognizes that conflicts are likely to emerge and escalate where poor people do not have sufficient access to these resources. It is EU's official general policy to improve access to resources and generally improve the welfare of developing countries.

EU's realization and acknowledgement of the urgency of the needs of Mindanao by making the region a priority of its development aid program is commendable. Program priorities are made flexible, which can adapt easily to rising needs. It is however difficult to assess clearly whether EU does have a direct influence on Philippine policy, i.e. if the government purposely adjusts their main thrusts to meet EU requirements; determining the causal direction requires more analysis. However, it can be deduced that there is a connection on how EU extends loans and grants to countries, i.e. that these countries must first meet certain requirements and standards. Country grantees' economic and development goals must be in line with those of the EU's and of its member states, such as a global fight against terrorism.

Well-equipped coordination between donors and grantees should be exercised so end results will benefit both parties. It is further believed that EU's and the GOP's policies come from a shared vision and understanding of development goals. Having this shared awareness over development outcomes can possibly assist EU projects and have a better chance at sustaining development. EU, together with the involvement of the local government units and grassroots organizations in project implementation is necessary. Involvement of multi-stakeholders is crucial for the sustainability of projects. These factors are all considered in EU's guidelines to land policy. However, these factors demand an appropriate action from GOP to manifest better results and meet realistic needs. Factoring sustainability and longevity of project impacts should be considered heavily in all grant/aid and loan guidelines and policies. In fact, these two factors are primarily what country grantees need to advocate as well as the communities that could benefit from them.

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## Appendix

Table 1. Summary Information for the Support to Agrarian Reform Communities in Central Mindanao (STARCM)

Project Code	STARCM (ALA/PH/99/50)
Name of Project	Support To Agrarian Reform Communities in Central Mindanao
Total Funding	€ 23,325,000
Grant/Loan	€ 18,422,000
GOP Counterpart	€ 4,903,000
Start Date	11 May 2001
Completion Date	11 May 2008
Project Location	Lanao del Norte, North Cotabato, Sultan Kudarat and Lanao del Sur (ARMM)
Beneficiaries	50 selected Agrarian Reform Communities (ARCs) - 20,000 households
European Consultant	Symonds, Travers, Morgan Ltd.
Project Background/ Rationale	The rationale of the project is a combination of: 1) the promising results of the EC-funded Agrarian Reform Support Project (ARSP) and other integrated agricultural area development projects in Mindanao, the Philippines and elsewhere, 2) the economic disadvantage and disparity in Central and Southern Mindanao compared with the rest of the country, and 3) GOP's political will to develop rural areas of Mindanao for supporting the peace agreement signed in 1996. In 1998, GOP requested an agrarian reform project for Mindanao. In 1999, an Appraisal Mission was fielded in the four provinces to formulate the project. On 22 February 2000, the Financing Agreement for STARCM was signed by the European Commission and by the Republic of the Philippines represented by the Department of Foreign Affairs.
Project Objective	The overall objective is to increase the self-reliance, living standard and quality of life for farming households in 50 agrarian reform communities (ARCs) in the provinces of Sultan Kudarat, Cotabato, Lanao del Norte and Lanao del Sur.
Project Components	(1) Institutional Strengthening (IS) – conduct of training for implementing partners to help them facilitate ARC level planning, formation and strengthening of peoples' organizations in the management of infrastructure and livelihood sub-project. The training aims to improve the capacity of POs and LGUs in planning, implementing, managing and maintaining development projects; (2) Support infrastructure (SI) – construction of rural infrastructure such as feeder roads, bridges, potable water supply systems and community buildings that will better support farmer productivity and social welfare in the targeted ARCs; (3) Agricultural Production and Enterprise Development (APED) - provision of draft animals, cultivation machinery and rice mills, and support to banana and fruit trees plantation which will contribute to an increase in agricultural production and household income through a combination of agricultural diversification, farm mechanization and development of rural enterprises; and (4) Access to Rural Finance - conduct of institutional capacity-building through the Land Bank of the Philippines (LBP) and provision of institutional credit to micro-finance institutions (MFIs) serving borrowers in the STARCM-covered ARCs which will improve the access of ARC residents to financial services provided by government and private financial institutions.
For further Information Please Contact	Mr. Oscar Mama/Mr. Glynn Baker, Co-Directors, STARCM 2/F Apol J Bldg. Quezon Blvd, Kidapawan City,Cotabato Telephone(064) 278-4009

## Overseas Aid and Agrarian Reform Working Papers Series

The Overseas Aid and Agrarian Reform Working Papers Series is a joint research initiative and publication of the Belgian Alliance of North-South Movements (11.11.11) and the Focus on the Global South-Philippines. Activist researchers from various non-governmental research institutions have come together to carry out this collective undertaking.

To date, three out of four poor people in the Philippines are rural poor. Land remains central to their autonomy and capacity to construct, sustain and defend their livelihoods, social inclusion and political empowerment. But to a large extent, land remains under the monopoly control of the landed classes in the country, while in many parts of the country poor peoples' access to land is seriously threatened by neoliberal policies. This is despite two decades of land redistribution, with relatively modest accomplishment, under the Comprehensive Agrarian Reform Program (CARP). The mainstream development policy community has taken a keen interest in land in recent years, developing land policies to guide their intervention in developing countries, including the Philippines. Internationally, while generally well-intentioned, not all of these land policies advance the interest of the rural poor. In fact, in other settings, these may harm the interest of the poor. Widespread privatization of land resources facilitates the monopoly control of landed and corporate interests in such settings. Local, national and transnational rural social movements and civil society networks and coalition have taken the struggle for land onto global arenas of policy making. In the Philippines, CARP has been the focus of overseas development assistance around land since the mid-1980s. Huge amounts of money, both aid and loans, went to various projects directly and indirectly linked to agrarian reform. Except for occasional officially commissioned project evaluation studies, there has been no systematic and comprehensive critical examination of such development intervention in the Philippine countryside. This is perhaps one reason why the advocacy work of autonomous rural social movements in the Philippines around the issue of overseas development assistance and land reform has been quite unsystematic and ad hoc at best.

It is in the context of providing modest assistance to rural social movements and other civil society groups that are engaged in land reform campaign that this research has been undertaken and the working paper series launched. It aims to provide a one-stop resource to activists engaged in local and national campaigns for progressive land policy reforms. The research covers analysis of the policies of the following institutions and themes: (1) World Bank, (2) European Union; (3) International Fund for Agricultural Development (IFAD); (4) Belgian Development Aid; (6) Canadian International Development Assistance (CIDA), (7) Japanese aid, (8) Asian Development Bank (ADB), (9) a Mindanao-focused study covering various aid agencies, and (9) an overview analytical paper that covers the remainder of aid agencies (FAO, UNDP, AusAid, GTZ, USAID) and links the various findings to the broader issue of agrarian transformation and development in the Philippine countryside.

The research is coordinated, and the working paper series edited, by Jun Borras, Jennifer Franco, Mary Ann Manahan, and Eduardo C. Tadem.

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11.11.11 is a coalition of the Flemish North-South Movements. It combines the efforts of 90 organizations and 375 committees of volunteers who work together to achieve one common goal: a fairer world without poverty. For more information, visit: <http://www.11.be>.

Focus on the Global South is a non-governmental organization with country programs in Thailand, the Philippines and India. Focus was established in Bangkok in 1995 and is affiliated with the Chulalongkorn University Social Research Institute. Focus combines policy research, advocacy, activism, and grassroots

capacity building in order to generate critical analysis and encourage debates on national and international policies related to corporate-led globalization, neoliberalism and militarization. For more information about Focus, visit: <http://www.focusweb.org>.

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