

SOCIAL WATCH PHILIPPINES

ALTERNATIVE BUDGET INITIATIVE:



THREE-YEAR EXPERIENCE



Copyright © 2010 SOCIAL WATCH PHILIPPINES, UNITED NATIONS DEVELOPMENT PROGRAMME and NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

All rights reserved

Social Watch Philippines (SWP), the United Nations Development Programme (UNDP) and the National Economic and Development Authority (NEDA) encourage the use, translation, adaptation and copying of this material for non-commercial use, with appropriate credit given to SWP, UNDP and NEDA. Inquiries should be addressed to:

Social Watch Philippines

Room 240, Alumni Center, University of the Philippines,

Diliman, Quezon City, PHILIPPINES 1101

Telefax: +63 02 436-6054

Email address: info@socialwatchphilippines.org

Website: http://www.socialwatchphilippines.org

The National Library of the Philippines CIP Data

Recommended entry:

Alternative Budget Initiative: Three-Year Experience / Leonor Magtolis Briones

Quezon City: Social Watch Philippines, 2010.

ISBN: 978-971-95045-0-4

Publications Team: Joel Saracho, Judith Reyes, Leonor Magtolis Briones, Janet R. Carandang, Ressurreccion Benoza

Contributors: Leonor Magtolis Briones, Malou Mangahas, Luz Anigan Roja Manzana, Patrick San Juan, Joyce Sierra, Cecile Bilbao, Nica Dumlao

Published by Social Watch Philippines with financial support from the United Nations Development Programme (UNDP) through the National Economic and Development Authority (NEDA) under the Poverty Reduction and Support for the MDGs Programme.

Printed in the Philippines

ALTERNATIVE BUDGET INITIATIVE

THREE-YEAR EXPERIENCE

Acknowledgment

The writers and editorial board of this publication would like to thank the following:

the Alternative Budget Initiative (ABI) Clusters:

ABI Education Cluster: Rice Watch and Action Network, SEARICE, Tambuyog
ABI Education Cluster: E-net Philippines, , Public Services Labor Independent
Confederation (PSLINK), TEACHERS, Action for Economic Reforms (AER),
Teachers' Dignity Coaltion (TDC), Oxfam -Great Britain
ABI Environment Cluster: La Liga Policy Institute, Philippine Rural Reconstruction
Movement, Earth Savers' Movement, Alyansa Tigil Mina (ATM), Association of
Major Religious Superiors in the Philippines - Justice, Peace and Integrity of
Creation Commission (AMRSP-JPICC), EcoWaste Coalition, Foundation for the
Philippine Environment (FPE), Kaakbay, Haribon Foundation, Healthcare without
borders, Kilusan Para sa Makatarungang Lipunan at Gobyerno (KMLG), No-Burn
Coalition, Partido Kalikasan Institute (PKI), Partnership for Clean Air (PCA),
Philippine. Federation for Environmental Concerns (PFEC), Philippine. Network on
Climate Change (PNCC), Saganang Buhay sa Liga ng Bayan Foundation (SBSB
Foundation), Sustainability Watch, Tanggol Kalikasan, Upholding Life and Nature
(ULAN)

ABI Health Cluster: Woman Health Philippines, Health Care Without Harm,

Medical Action Group, Institute for Public Health Management, Ayos na Gamots sa

Abot-Kayang Presyo (AGAP), PS LINK

the funders of this publication
the United Nations Development Programme
& National Economic Development Authority

ABI Champions in Senate and House of Representatives

the supportive and transparent public servants in the Departments of Health, Education, Environment and Natural Resources, and Agriculture

partners in Mass Media
and the Philippine Center for Investigative Journalism (PCIJ)

Mabuhay kayo at maraming salamat po!

Foreword

Reclaiming the People's Purse

Trillions of pesos in government coffers used to maintain theadministration and to finance development come from the citizens. It is therefore but right for the people to have the biggest say in decisions on national priorities that must be addressed by government. These national priorities are best reflected in the General Appropirations Act, the document that guides the allocation of the national budget.

In a democracy, the legislature is the elected representative of the people, entrusted to wield the power of the purse. Sadly, being people's representatives cannot be said of many Senators and Congressmen, who became so, not with the will to safeguard people's interest, but that of their own or that of their political benefactors. Add to this the equally sad fact that the law in our country allows one person, the singlehanded power to formulate, approve or disapprove, and release the budget.

Even legislators oftentimes sigh and loose hope. Where is the legislature's so called "Power of the Purse" when the Executive can veto the National Expenditure Program that Congress has approved? Where is the "Power of the Purse" when Congressional initiatives on the General Appropriations Act are being impounded as forced savings and can be used by the executive for whatever purpose it may deem necessary?

But amidst the darkness, the Alternative Budget Initiative (ABI) and Social Watch Philippines provides faith and hope. With the guidance of SWP lead convenor and former national

treasurer Leonor Magtolis Briones, civil society has now begun to actively and directly engage in the national budget process through alternative budget proposals.

ABI's budget proposals are results of hard work indeed. They are studied and formulated by the sectoral leaders and citizens groups who painstakingly generate data from the grassroots by working with and consulting the communities. Further, ABI studies the budget of the implementing agencies, consults the government personnel and thereafter, lobbies Congress for increases in the budget of pro-poor programs of the Departments of Health, Education, Agriculture, Environment and Natural Resources, and other government agencies.

In addition, ABI was instrumental in alerting Congressmen and Senators about the fact that they are reviewing less than half of the national budget; that there are invisible budgets or sources of public funds that are not within their reach; and that billions of pesos worth of funds which were allocated through Congressional initiatives were not released or were impounded for so many years.

By supporting civil society's alternative budget proposals on critical socioeconomic programs, and by working in partnership with ABI/SWP, Congressmen and Senators can hope to be true to the claim of being genuine representatives of the people. Hopefully, the deterioration of Philippine democracy can be reversed.

With ABI and SWP, both Houses of Congress are now clamouring that the Legislature's Power of the Purse be restored through bills on budget reforms and people's participation in the national and local budget processes.

A beautiful saga on reclaiming the people's purse has now begun.

SENATOR TEOFISTO GUINGONA IIISenate of the Philippines



Introduction



The Challenge

By Leonor Magtolis Briones



Clockwork Orange

By Roja Manzana

18



Greening the National Budget

By Patrick San Juan

38



Pursuing Better Financing for Education

By Luz Anigan & Cecilia Soriano ion



Historic Gains for Health Budget

By Patrick San Juan

82



Agriculture Budget for Sustainability

By Joyce Sierra

104



Retake the People's Purse: The Role of Media and Civil Society

By Malou Mangahas 124

The Authors:

LEONOR MAGTOLIS BRIONES is the lead convenor of Social Watch Philippines and a former national treasurer of the Republic of the Philippines

ROJA SALVADOR-MANZANA is the Information and Communications Officer of Social Watch Philippines
CECILE BILBAO is the Project Coordinator of the Institute of Public Health Management

LUZ ANIGAN is the Education Research Specialist of Action for Economic Reforms

CECILIA SORIANO is the National Coordinator of E-Net Philippines

PATRICK SAN JUAN is Development Cooperation and Media Relations Associate of the Philippine Rural Reconstruction Movement

JOYCE SIERRA is the Media Officer of Rice Watch and Action Network

MALOU MANGAHAS is the Executive Director of the Philippine Center for Investigative Journalism

Introduction

his book is like no other. It is unique because the events and achievements it chronicles are like no other in our country and in its history. It talks of a movement that has been described as "epic", "pioneering", "breaking traditions" and "acknowledged in the world as one of the best practices in budget advocacy".

It is a book that gives a comprehensive account of how people's organizations, enlightened legislators and people in government agencies bonded and worked together in an ambitious and noble advocacy to Reclaim the People's Purse.

It talks of the movement's achievements in lobbying for positive changes in both the process of formulation and content of the country's national budget.

Spearheaded by Social Watch Philippines (SWP), this landmark advocacy involves a partnership between progressive legislators and a wide array of over sixty civil society organizations working on education, health, agriculture and environment. Further, it enjoys support and recognition from a number of government agencies and members of the media.

To reclaim the people's purse is indeed a trailblazing initiative... a crusade that could very well turn out to be the one movement with the greatest potential to make a lasting positive impact on the state of democracy and governance in this country.

Alternative Budget Initiative (ABI) is the name by which this movement is now known. Professor Leonor Magtolis Briones, SWP Lead Convenor, traces its "serendipitous beginnings" in 2006 in the first article, *The Challenge*. As well,

ABI's greatest victory is the breakthrough that has been made in the awareness, acceptance and institutionalization of people's participation in the budget process.

she shares her intimate knowledge of the public finance cycle and current laws that govern the budget process in the Philippines, providing a clear picture of the rigid terrain that participatory budget advocates have to contend with. She ends with an affirmation that ABI's work has now become more urgent than ever.

In Clockwork Orange: Enlightenment and Discernment in the Budget Process, Roja Salvador-Manzana, SWP Information and Communications Officer, walks us through the journey that ABI took over the last three years, one that is replete with victories amidst gargantuan challenges. She highlights the wide recognition that the Orange book (the compilation of alternative budget proposals) has earned in the short span of ABI's work and existence. As well, she gives a quick summary of the budget increases for critical social development programs for each of the budget years which came about as direct results of ABI's advocacy. Still, she stresses the fact that ABI's greatest victory is the breakthrough that has been made in the awareness, acceptance and institutionalization of people's participation in the budget process.

Particular challenges and gains in budget advocacies in health, education, agriculture and environment were explored in separate papers.

In *Historic Gains for Health Budget*, Cecille Bilbao of the Institute for Public Health Management (IPHM) declares that deciding on which health advocacies to prioritize was a key challenge at the beginning, as there were simply "too many health issues to focus on and too many health problems which deserve urgent attention. Having said that, her article went on to relate how the health cluster agreed on the framework and focus of advocacy, the historic budget allocation gains that were earned by the Department of Health (DOH) through ABI

proposals, the expansion of health cluster advocates and the effective partnership that the health cluster has developed with the Department of Health (DOH).

In **Pursuing Better Financing for Education**, Luz Anigan of the Action for Economic Reforms (AER) confirms that the last three years were indeed very productive for the civil society advocates of the education sector and that the ABI engagement certainly "highlighted the urgency of addressing the crisis of

Public awareness and vigilance are the best guarantee for ensuring a responsive budget and for checking corruption attendant to its implementation.

Philippine education." Basic education gained the most in additional funding, covering critical inputs for school buildings, teachers, textbooks and furniture. As well, there were increases in

allocations for the Alternative Learning system (ALS), in school based health, teacher's medical benefits and testing development.

However, Ms. Anigan was also quick to admit that despite the fact that the education sector has earned the biggest gains in the last three budget seasons, these increments still fall short in addressing the critical gaps in education financing. She therefore stresses the need "to amplify and sustain all initiatives" and highlights the importance of public awareness and vigilance as the "best guarantee for ensuring a responsive budget and for checking corruption attendant to its implementation."

In *Greening the National Budget*, Patrick San Juan of the Philippine Rural Reconstruction Movement (PRRM) begins with the sorry picture of Philippine environment and avers that this could be the "greatest challenge of the century". He further makes a point on the fact that development plans are inconsistent with landmark documents that outline sustainable

development strategies for the country. That, and questions about the credibility of the Department of Environment and Natural Resources (DENR), the main agency tasked with environmental protection, made budget advocacy for the environment a really steep uphill battle.

Work is not limited to increasing budgetary allocations, but more importantly, to promoting transparency and accountability within government

Against this backdrop, the environmental cluster made modest successes in terms of budget gains and saw consensus building amongst environmental advocates as an important milestone that was achieved in the last three years. Other gains made were the expansion of cluster membership, development of awareness and support from key legislators and initiation of meaningful partnership with enlightened DENR officials.

Mr. San Juan concludes with a challenge to the environment cluster to make the most of the many lessons learned over the past years and to keep in mind that the work is not limited to increasing budgetary allocations, but more importantly, to promoting transparency and accountability within government through active people's participation in the budget process.

In Agriculture Budget for Sustainability, Joyce Sierra of the Rice Watch and Action Network (R1) gives an extensive discussion of the well researched critique on the heavily funded hybrid rice program and ABI's persistent advocacy to remove government subsidy to it. As well, she talked about anomalies and misuse of agriculture funds and the efforts to bring those to the attention of concerned legislators, the public and the media.

Ms. Sierra then elaborates on the concrete budget proposals that the agriculture cluster forwarded, including investments for training, infrastructure, research and development, credit, marketing and fisheries development. Budget gains were achieved, but difficulties in tracking and monitoring the use of

additional budget were highlighted, noting that agriculture has been "one of the milking cows for corruption".

Ms. Sierra further notes that agriculture cluster proposals have been mainly centered on rice and that the cluster has yet to develop a more comprehensive proposal for agriculture. The approval of PHP20 million in organic and sustainable rice farming, the reduction in funding for hybrid rice, the increased public pressure for greater transparency and efficient use of public money and the credibility as well as respect earned from agriculture agencies are among the achievements that the agriculture cluster are proud of.

Finally, Malou Mangahas, Executive Director of the Philippine Center for Investigative Journalism (PCIJ) shares the journalist's perspective in **Retake the People's Purse: The Role of Media and Civil Society.** Ms. Mangahas states, "Thanks to Social Watch Philippines and its associates in the Alternative Budget Initiative (ABI) – the network of civil society groups that have demonstrated a curious passion for fleshing out, breaking down, scrutinizing and reordering the GAA – journalist have started to get firmer and sharper handles for reporting better on the national budget. Or at the very least, for doing stories that are more accessible, or less Greek to the

Journalist have started to get firmer and sharper handles for reporting better on the national budget. Or at the very least, for doing stories that are more accessible, or less Greek to the taxpayers from whose sweat and brow the national budget draws major sustenance

taxpayers from whose sweat and brow the national budget draws major sustenance."

It has been said that the budget process is both "at the heart of democracy" and "at the dead center of government." If this movement can ensure that the legitimate interests

of the different sectors of the Philippine society are recognized and served by the National budget, then its work is done. While ABI has taken significant historic strides over the last four years, it is very well aware that it's work has just begun.



The Challenge

By LEONOR MAGTOLIS BRIONES

Within a brief span of four years, the Alternative Budget Initiative (ABI) convened by Social Watch Philippines has firmly established a niche in the annals of the Philippine budget process.

Members of media are now well accustomed to the budget analyses, briefings, and statements which are issued every year by ABI/Social Watch -- from the Budget Call, to the passage of the Appropriation Act, its implementation and finally, budget accountability.

Congressmen and senators are now intimately acquainted with the "Orange Book" which details alternative budget proposals on education, health, agriculture, environment They look forward to the annual briefings being given by ABI / Social Watch for members of the Appropriations Committee in the House and the Committee on Finance of the Senate. As a matter of course, they also request for one-on-one briefings with the Technical Working Groups of ABI/Social Watch on specific sections of the budget.

The public has now grown familiar with the faces of ABI/ Social Watch Spokespersons on television and print media. Their voices are constantly heard over the radio and in many public fora. Their trademark orange color which stands for discernment, wisdom and enlightenment is a familiar sight during budget hearings. Public awareness about the national budget is increasing.

The journey towards participatory budgeting in the Philippines has already begun. ABI/Social Watch is playing

an important role in this journey. The time has come for its story to be told.

An accidental beginning

The story of the Alternative Budget Initiative had an accidental, but serendipitous beginning.

It all began in 2006 when personalities of Social Watch Philippines were engaged in their annual pilgrimage to the legislature to advocate more expenditures for social development. They met with young leaders of the opposition in Congress then, led by Congressmen (now Senators) Francis "Chiz" Escudero and Allan Peter Cayetano, and Congressman TG Guingona. They followed up proposed budget allocations related to the Millennium Development Goals (MDGs)

Social Watchers bewailed the steady reduction in the share of social development allocations as a percentage of the national budget.

Senator Panfilo Lacson joined Cong. Cayetano and Rep. Ronnie Zamora in the second meeting. Social Watchers bewailed the steady reduction

in the share of social development allocations as a percentage of the national budget. They also noted that budget proposals were not responsive to actual needs of the people.

"So why don't you propose an alternative budget," responded Congressman Cayetano. He continued, "We can form a civil society-legislators partnership. In this way, you can integrate all your proposals while the legislators will be presenting an alternative budget instead of just criticizing the flaws in the budget process," continued the Congressman.

The Social Watch convenors agreed that it made sense to integrate social development proposals from different civil society organizations. Instead of separately following up budget



Prof. Briones presenting the alternative budget proposals to legislators

proposals, they could join forces and campaign for their advocacies from a position of strength and unity. "Yes," they answered. "Why not an alternative budget?"

Social Watch and the legislators agreed that the alternative budget would be a joint undertaking. The technical working groups would be composed of civil society representatives and technical staff. Sharing of costs was agreed on.

Members of the Social Watch network quickly accepted the idea of an alternative budget. Twenty-two civil society organizations indicated their interest in joining the initiative. Technical working groups were formed with legislators contributing technical staff to partner with Social Watch experts.

In a month's time, the alternative budget was firmed up and presented to the members of the opposition, the Liberal Party, and individual legislators. Media attended the press briefings and passed on issues and challenges to the public.

By the second year of ABI/Social Watch, the Appropriations Committee of Congress included the alternative budget as part of its scheduled hearings. For four straight years, the House also passed resolutions recognizing the role of civil society in the budget process.

In the Senate, members of the Opposition fully supported the alternative budget. Furthermore, technical staff of the Legislative Budget Review and Monitoring Office and the Senate Economic Planning Office attend ABI/Social Watch briefings regularly.

Thus, a simple challenge from a legislator led to the organization of an initiative towards participatory budgeting.

The Public Finance Cycle

Participatory budgeting and the central role of ABI/Social Watch in its development can be better appreciated with an understanding of the Philippine budgetary process. This process involves five stages which, all together, encompass the public finance cycle.

Formulation of fiscal policy is the first stage. This involves decisions on the mix of policies on taxes and other revenue, allocation of resources and budgeting, borrowing and accountability. Fiscal policy is considered a highly technical area largely beyond the ken of the ordinary citizen. This is true but it has to be formulated within the framework of publicly agreed goals of development, as provided for in the Constitution and expressed by the people through means like elections, public consultations, hearings and the like.

At present, fiscal policy for budget purposes is formulated by NEDA, the Department of Finance (including the Bureau of Internal Revenue and the Bureau of Customs), the Department of Budget and Management, and the Bangko Sentral ng Pilipinas. These institutions constitute the Development Budget Coordinating Committee (DBCC).

Fiscal policies are based on laws recommended by the above agencies through the president.

The second stage involves *taxation and other revenues*. It is said that taxes and other revenue form the lifeblood of any country. Public services and development projects have to be financed; and the public administration system has to be funded and maintained. Ideally, the needed resources are raised from the people themselves.

The decisions which have to be made on which sector

should contribute the most to the resources of government, and which sector should benefit more from government services are policy issues and not merely technical questions which can be solved by formulae.

People participation on taxation and revenue issues are largely focused on the passage of revenue laws. It is assumed that laws passed by Congress reflect the preferences of the people since congressmen and senators are supposed to represent them. This is not necessarily so since legislators often represent their own businesses, property and class interests.

Some of the most serious governance issues are related to taxation and revenue. Citizens groups specializing on these issues have time and again raised their voices but it is difficult to measure the impact of their efforts.

Budgeting and expenditures is the focus of the third stage. This involves decisions on expenditure and budget policy. The budget process covers budget preparation which is the responsibility of the Executive, budget legislation which is the responsibility of both houses of Congress, budget implementation which is within the jurisdiction of the Executive, and budget accountability which is reported by the Commission on Audit.

Ideally, all five steps in the budget process should involve public participation. It can be said that budgeting is a complex technical process. This is true but these complex and convoluted decisions take place within a highly charged political environment. Excluding the public would be a grievous omission. Pendleton Herring has said that the budget process lies at the dead center of government. It is part and parcel of the democratic process. Therefore, citizens should be consulted, and must participate in this important undertaking.

The fourth stage has to do with **borrowing.** It is a law in economics that resources are never enough for wants. This is

endleton Herring has said that the budget process lies at the dead center of government. It is part and parcel of the democratic process. Therefore, citizens should be consulted. and must participate in this important undertaking.

particularly true in the case of developing countries. Borrowing is often resorted to not only to maintain government but also to attain development goals. In the Philippines, the issue of borrowing is a contentious issue since the country was one of those which fell into the debt trap and was debilitated by the global debt crisis of the eighties.

Decisions on borrowing—why borrow, from whom to borrow, under what terms to

This final stage in the public finance cycle distills the essence of what it is all about, and that is, accountability is to the people who pay the costs, bear the burdens, and hopefully benefit from government services.

borrow, who benefits from borrowing and accountability for borrowing are questions too important to be left to the technocrats only. The public must be consulted since they will ultimately pay.

Accountability, which is the final stage in the public finance cycle, distills the essence of what it is all about, and that is, accountability is to the people who pay the costs, bear the burdens, and hopefully benefit from government services.

Public Finance, The Budget Process and Citizens' Participation

Citizens' participation in the Philippine budget process is limited largely because public finance structures and practices are shaped by laws which do not provide for citizens' participation. One such law is the Budget Reform Decree (Presidential Decree 1177) promulgated by the late President Ferdinand Marcos; a Martial Law Decree that concentrated budgetary powers almost exclusively on the President.

With the restoration of democracy under the late President Corazon C. Aquino, the Marcos budget decree was made part of the Administrative Code, Executive Order 192. Thus, its features which don't include citizens participation were made part of the law of the land.

Under the present budget law, the president prepares and proposes the budget. Congress cannot increase the budget total without proposing additional revenue measures. If both houses of Congress cannot agree on their respective versions of the budget, the previous year's budget can be reenacted. The veto powers of the president are enormous. He or she can either

ABI has succeeded in increasing budget allocations for MDG related expenditures since 2006. However, citizens groups are just starting to monitor certain government expenditures.

approve en toto, approve partially, veto en toto or veto partially. Recently, the concept of the conditional veto was introduced by the president as part of her veto message.

In the current budget law, there is no provision for

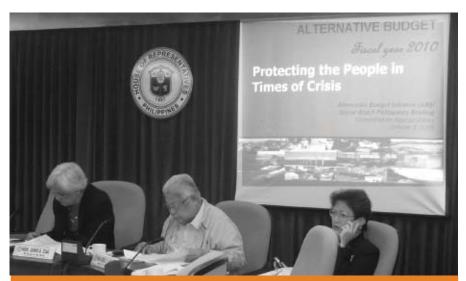
citizens' participation in the entire budget process except during the appropriation stage. However, this tends to be limited since the Congress could not increase the amount of the total budget and the President can exercise her enormous veto powers.

Bureaucrats who started their careers under these pre-citizens' participation laws have imbibed the culture which excludes citizens from decisions which directly affect them.

It is not surprising that while citizens actively participate in certain national processes, public finance is practically taboo. It is considered the domain of the economists, financial managers, accountants and auditors.

Fiscal policy formulation is exclusively the domain of the DBCC agencies. When the budget call is announced and the general features of the budget are unveiled, the public is merely informed through a press conference.

Since 1996, Social Watch Philippines has been engaging fiscal policy, particularly as it affects the MDGs. During the



House Committee on Appropriations Co-chairs Cong. Junie Cua and Edcel Lagman and Vice Chair Cong. Reynila Nicolas study SWP/ABI's alternative budget proposals during the Committee's Special hearing for the ABI held on October 3, 2009 at RVM Building, House of Representatives

last three years, it successfully brought to the attention of lawmakers unrealistic macroeconomic assumptions which have lead to deficits and have impacted negatively on growth projections.

At present, citizens participation on taxation and revenue issues are mainly by professional groups. People's action on these issues have to reach the mass level although on certain contentious issues like the VAT cases were filed with the Supreme Court by people's organizations.

During the different phases of the budget process, citizen participation is very uneven. Citizens are not consulted during the budget preparation phase. It is only during the budget legislation phase that citizens participation has made some headway, with the Alternative Budget Initiative organized by Social Watch Philippines. ABI has succeeded in increasing budget allocations for MDG related expenditures since 2006, and has now realized that it also has to look at budget implementation and expenditure tracking. Citizens groups are now just starting to monitor certain government expenditures.

The budget process at the heart of democracy

Borrowing has been an issue since 1983 when the Philippine debt crisis exploded. While debt policy is heavily scrutinized and engaged-in by groups like Freedom from Debt Coalition and Social Watch, debt tracking utilization and audit are uneven.

Accountability at present is considered the domain of

the legislature which conducts hearings on spectacular and scandalous issues. The Commission on Audit conducts audits and prepares audit reports which are used by both legislators and citizens groups for demanding accountability. Again these efforts tend to be uneven. Audit reports only come to the attention of the public when there are scandals and spectacular cases involving high officials. Citizens groups do not examine audit reports on a regular basis. Hence, these are largely underutilized and effective accountability is not achieved.

According to experts in public finance, the budget process is at the heart of democracy. Decisions about what government should spend for and who should bear the burden of such expenditures have to be decided democratically, with participation from citizens.

This is the advocacy of ABI/Social Watch.

ABI/Social Watch and the Continuing Challenge

Social Watch Philippines has been monitoring the national budget since its organization in 1995. In 2002, Social Watch made the Millennium Development Goals as the framework for its budget advocacy and regularly engaged the budget from the MDG lens. Its consistent position was that the MDGs were severely underfunded.

In 2006, Social Watch Philippines came out with a UNDP publication, "May Pera Pa Ba?" wherein it examined the 2006 budget in detail. Papers were written by graduate students of the U.P. National College of Public Administration and Governance on the budgets of government departments delivering MDG-related services.

The summary findings in the summary paper clearly showed that expenditures for social development were fast declining as a total percentage of the budget, as follows:

Particulars	1999	2000	2001	2002	2002 2003	2004	2005	2006
Economic Services	25.25	24.5	20.18	20.19	20.19 20.59	18.06	17.54	18.72
Social Services	33.81	31.21	31.04	29.84	29.84 28.79	28.77	28.02	27.91
Defense	5.03	5.31	4.68	5.91	5.91 5.39	5.09	4.87	4.98
General Public Services	17.64	17.95	17.15	17.12	17.12 17.12	15.93	15.50	15.33
Net Lending	0.09	0.38	1.00	0.78	0.78 0.68	0.64	0.84	0.78
Payments	18.17	20.65 5.95	5.95	26.16	26.16 27.44 31.51		33.24	32.28
Source: BESF								

Percentage Distribution of Expenditure Program by Sector, 1999 - 2006

The developments strengthened the resolve of Social Watch Philippines to intensify its campaign for more funding for social development. The advice from Sen. Cayetano and his fellow senators, and the support of progressive-minded congressmen led to the organization of ABI/Social Watch. To date, its efforts has borne important breakthroughs for participatory budgeting.

The global economic crisis, the series of natural calamities occasioned by climate change and the forthcoming 2010 elections make more urgent the need for citizens' participation in the budget process.

The 2008-2010 budgets have not made provisions for the impact of the economic and environmental crises. At the same time, it is obvious that the 2009 and 2010 budgets are being utilized for election purposes.

Thus, the tasks of ABI/Social Watch have become more urgent. The budget has to be restored to the people. What's more, the budget should benefit the people.



Clockwork Orange

Enlightenment and Discernment in the Budget Process

By ROJA SALVADOR-MANZANA

Reclaim the people's purse. This is the battlecry of concerned citizens who banded together and formed the Alternative Budget Initiative, an advocacy campaign for reforms by formulating and lobbying for alternative budget proposals.

The tasks were daunting, and the advocates knew it from day one. Afterall, government budgeting is an arena where no Philippine civil society groups and non-governmental organizations have dared to tread. The ABI is a pioneering effort.

Three years since its inception, the victories earned are replete with stories of faith and hope- that change can be realized in this lifetime.

It was, and still is, Social Watch Philippines which took on and continues to take on the role of leading the ABI.

Notable leadership

"With regards to the initiatives of civil society organizations, notable was the leadership of Social Watch Philippines (SWP)," thus said the United Nations Development Program (UNDP) and National Economic Development Authority (NEDA) in its Second Philippine Progress Report on the Millennium Development Goals (MDGs)."

The MDGs is an agreed set of eight goals to promote poverty reduction, education, maternal health, gender equality, and aim at combating child mortality, AIDS and other diseases.

Small wonder that Gov. George Arnaiz, once proclaimed most outstanding governor of Negros Oriental, readily admitted that he only learned about the MDGs "from Social Watch."

SWP is part of the Social Watch international network dedicated to monitoring national obligations to economic and social rights. The main advocacy of SWP is financing for development. Since 2000, the group has consistently engaged the government on the need to increase the allocation for the MDGs based on extensive monitoring and deep analyses of budget implementation for social development.

SWP is an acknowledged leader in social campaigns on financing for development. It has

repeatedly been tapped to provide civil society perspective on the MDGs both at the national and global levels.

SWP developed the Social Watch Monitoring System which helps communities monitor the success or failure of MDGs in their own areas by looking at social programs and projects at the local level as indicators. Small wonder that Gov. George Arnaiz, once proclaimed most outstanding governor of Negros Oriental, readily admitted that he only learned about the MDGs "from Social Watch."

In the Philippines, this may be all about preventing the suicide of a 12-year old girl from Davao due to extreme poverty. Professor Leonor Briones, SWP lead convenor, wrote about this girl in one of her columns published in newspapers and the web. "When a girl is twelve years old, she should not be scrounging for fare, baon (allowance), and funds for school projects. She should be sighing over her crushes, shopping for geegaws and dreaming of going on to high school and college. What were the items in the child's wish list? A bicycle, a bag and a pair of new shoes. Well-off 12- year olds have closets overflowing with bags and shoes. They can ask for a bicycle

any time. A poor child literally gave up her life because she could not have them," Briones wrote.

"People commit suicide out of despair and frustration. In a country which adores and worships children, even one child driven to self-destruction is an indictment on our economy and society," she added.

The Genesis of ABI

Adopting the same MDG framework, SWP along with other Philippine non-governmental organizations and legislators gave birth to the Alternative Budget Initiative (ABI)

For the first time in 105 years, legislators and nongovernmental organizations came together to craft a budget proposal that would serve as an alternative to the budget

Nongovernment organizations worked with the legislators and their technical staff in analyzing critical social expenditures and drafting the alternative budget proposals.

traditionally proposed by the Office of the President for the approval of the Legislature.

The concept of a legislatorcivil society partnership for alternative budget proposals was conceived in a meeting during a budget impasse in 2006.

It was Congressman Alan Peter Cayetano, then deputy minority leader in the House of Representatives, who first thought of the idea, saying that a genuine people's budget could be formulated through partnership among legislators and civil society organizations. He believed that as the NGOs

are capable of critiquing and analyzing the national budget, the organizations can also propose the alternative budget for critical social expenditures.

Prof. Leonor Magtolis Briones, and representatives of SWP member organizations like the Philippine Rural

Reconstruction Movement (PRRM), Freedom from Debt Coalition (FDC) and Global Call to Action Against Poverty (GCAP) — accepted this idea.

In this partnership, the Congressmen took on the role of being the champions of the alternative budget proposals by attending the public hearings and helping promote the advocacy through media. They were also the ones who provided copies of data on the budget since many government offices are not so keen about sharing budget information to private groups. The representatives also provided resources to support activities related to the formulation of proposals.

For their part, nongovernment organizations worked with the Congressman's technical staff in analyzing critical social expenditures and drafting the alternative budget proposals.

Experts within the organizations served as resource persons during budget deliberations. The NGOs also committed to advocate for the alternative budget proposals even outside the halls of Congress.

It was agreed that in this sense, "alternative," refers to budget proposal for key areas based on the MDG framework. These are allocations for critical and economic programs.

Needless to say, it was agreed that SWP should lead the advocacy.

A sincere commitment to serve

Even without any initial funding support, SWP took the challenge of implementing the pioneering campaign, tapping its own available funds under its financing for development program. The legislators shouldered half of the campaign operational expenses.

UNDP and NEDA started funding the ABI in 2007 after witnessing the many breakthroughs achieved in its 2006 campaign.

No less than the SWP convenors had hands-on participation in the ABI technical working groups: Rene Raya of E-Net Philippines for education; Isagani Serrano, vice president of the Philippine Rural Reconstruction Movement (PRRM) for environment; and Jessica Reyes Cantos, convenor



of Rice Watch & Action Network, for agriculture.

Ms. Janet Carandang headed the secretariat, coordinated and joined all meetings of each cluster including consultations in NGO offices and in Congress when ABI was first being implemented.

"The ABI involved a new set of strategies. The regular programs of SWP are analyses, critiques, capacity building and education; while the ABI entailed lobbying and networking with a lot of groups and individuals," Carandang said.

On its first year, ABI

immediately gained ground prodding legislators and local government officials to turn to ABI for questions regarding budget for basic social services. Other groups were also formed launching similar campaigns.

"ABI is now recognized globally as one of the best practices in budget advocacies," Carandang said .

Giving credit where it is due, Carandang cited the leadership of Leonor Magtolis Briones as a major contributing factor to ABI's credibility.

Prof. Briones, former national treasurer and lead convenor of SWP, works on the macroeconomic aspect of the alternative budget and the proposed alternative sources of financing. She continues to be the one who engages with legislators, as well as with heads of institutions for support to the Alternative Budget Initiative.

"Far from being just a figure-head, Briones would attend several meetings and conferences to share the ABI experience;



go to broadcast studios and press conferences to bring the advocacy to a wider audience; and would join protest actions against the lack of transparency in the budget process. These were all ABI members present the alternative budget proposals for health, agriculture, education and environment to Congressmen.

done in between her teaching chores in UP and while drafting policy papers for SWP," Carandang narrated.

Learning to weave through

Briones explains that the Philippine budget is an executive budget. The President is in control of the entire process based on a decree issued by the dictatorial regime of Ferdinand Marcos.

During budget preparation, the President prepares the budget proposal. Large portions of the budget are automatically appropriated, including debt service and internal revenue allotment. During budget legislation, the Senate and House of Representatives can only decrease, never increase, the level of expenditures. Hence, the total amount of the budget proposed by the President always prevails. The constitution mandates the President to veto specific items in the budget bill created by the Senate and House of Representatives. If there is a deadlock between both Houses, the preceding year's budget will be reenacted. On the implementation of the approved budget, the President can transfer items as deemed necessary.

One of the biggest gains of ABI's efforts was how civil

society groups learned to weave through a budget process with very few open doors for people's active participation.

It was only in the second year of the campaign that ABI attended budget hearings, and on the third year learned that the executive offices need to be engaged in the process too.

During the first salvo, the campaign for an alternative budget was a race against time for the NGO workers who were treading the budget course for the first time. Technical working groups were formed, and an alternative proposal was immediately drafted while waiting for the President's submission. The proposals were used by partner legislators in the budget deliberation.

Finalizing the alternative budget proposals meant a number of briefings with minority and administration legislators in both Houses, gathering their inputs to the alternative budget proposals, holding repeated consultations to present the final version to the congressmen and senators, and attending budget deliberations.

After pushing for the alternative budget proposals in the House of Representatives and fighting for the proposals in the Senate, there is another battle in the Bicameral Conference Committee.

The ABI could be the very first group in the Philippines to demand transparency and people's participation in the bicameral negotiations on the budget. Now, legislators themselves are demanding transparency in the bicam process

saying even members of the bicameral committee are not informed on how the budget is finalized, leaving the details only to the Chairs of the Senate Finance Committee and of the House Committee on Appropriations.

The ABI could be the very first group in the Philippines to demand transparency and people's participation in the bicam negotiations on the budget.

Then there is the veto power of the President.

This is the kind of playing field that the alternative budget advocates had to learn to weave through. And they survived.

ALTERNATIVE BUDGET

2008

ALTERNATIVE BUDGET

2009

The color of victory is orange

The alternative budgets are compiled in what has been referred to as the "orange book."

Orange, Briones says, is the color of enlightenment and of discernment.

The orange book contains the proposed increases in allocations for social development, as well as the proposed sources of funding. The alternative budget proposals include explanations on why the overoptimistic macroeconomic assumptions of

the budget are dangerous to the country's economic stability. There are also analyses on the sources of financing and proposed realignment of budget items.

For FY 2007 national budget, an increase of P5.3 billion for social services, particularly education, was included in the national budget. This is the budget for the construction of more than 17,000 classrooms; food supplements such as milk, coco pandesal and vegetable-based noodles under the Department of Education's nutrition feeding program; hiring of new teachers; and scholarship for tertiary education.

In its MDG Report in 2007, NEDA highlighted that the alternative budget advocacy for 2007 resulted in increase of P22.7 billion in additional proposals for MDG-related activities and

an approval of the P5.5 billion for the 2007 national budget for social services.

Meanwhile, through the 2008 alternative budget proposal titled "Attaining the MDGs and Sustainable Growth and Equity", a total of P6.3 billion increases in the budget for critical programs on health, agriculture, basic education, higher education and environment was included in the 2008 national budget.

It was also a victory for the ABI when the alternative budget proposal for 2009 titled "Securing Financing for MDGs Amidst Economic Challenges" was adopted in full by the entire Senate Minority Group, some members of the Senate Majority Group as well as by the entire Minority Group in Congress. Hence, the ABI was able to push for P7.7 billion increases for budget on MDG-related programs and services.

Breaking Traditions

Yet, for ABI members, the greatest victories are the milestones in the history of Philippine budget system. The events, new perspectives and new opportunities triggered by the ABI revolutionized the national budget process.

When the first orange book was presented by then Minority Floor Leader Guingona III, he emphasized the importance of the alternative budget. "Today, we think it is time for change. A change for a more dynamic Philippines; a change that will usher in genuine people's participation in the budget process. This will bring in a new perspective, and will make our system a more participatory democracy. This alternative budget has undergone a series of consultations among various groups. This is a clear indication that the opposition does not only confine itself to criticism but also proposes meaningful alternatives."

In response, Representative Douglas Cagas of the Majority said that "what the minority has done is something that is necessary in a democracy. This is the beginning of a constructive way of doing things. In fact, in all major issues that confront Congress and the coming congresses, any opposition group should present an alternative proposal, especially the case of an alternative budget."

At the Senate, former Senate President Franklin Drilon, then chairman of the Finance Committee, immediately recognized the value of the orange book. He met with the group to study the alternative budget proposals line by line.



Senate President Franklin Drilon referred to the ABI Orange Book during the deliberations on the national budget.

During budget deliberations, Drilon held on to the orange book. "Let it be said that we are crafting a national budget that does not focus solely on the imperatives of economic growth, but a national budget that pursues growth with equity. We are proposing a national budget which has as its core the welfare and development of every Filipino man, woman, and child," Drilon said in his sponsorship speech.

It was also within the ABI campaign for the 2008 national budget that, for the first time in Philippine history, the House Committee on Appropriations which was then headed by Rep. Edcel Lagman invited civil society groups to participate in the budget deliberations in Congress. The Committee included the alternative budget proposals in the deliberations on the national budget.

In his opening statement during the budget deliberations in Congress on September 28, 2007 he said: "This morning we are going to break traditions. For the first time we are giving NGOs and POs that opportunity to present their views, comments and recommendations on the General Appropriations Bill which they call the alternative budget."

Institutionalizing People's Participation in the Budget Process

Congressman Lagman emphasized that "the process is incomplete if we call only to the public hearing the representatives of the various public agencies. We believe, that the people, who are the ultimate beneficiary or victim should be allowed or be given the opportunity thru the alternative groups, thru non-elective and yet alternative organizations."

The ABI also became an instrument of instituting people's participation in the budget process. The House of Representatives adopted a resolution sponsored by Reps Lorenzo Tanada III and Teofisto Guingona III allowing the participation of people's organizations in public hearings on the national budget.

The resolution made the legislators see the value of people's participation in the budget process. To make the practice of allowing NGOs and POs participation permanent, the Committee on People's Participation headed by Congressman Guillermo Cua formed a Technical Working Group to

BREAKING TRADITIONS. For the first time in history, the House Committee on Appropriations held a hearing for civil society's budget proposals



consolidate three bills on people's participation in the budget process. The bills were authored by Rep. Cua, Guingona III and Tanada III. The Committee invited Social Watch Philippines to join the hearing on the three bills and to provide comments and positions. The ABI immediately formed its own technical working group on people's participation which drafted and submitted a civil society version of the bill to Congress.

The consolidated bill, which includes Rep. Tanada's important provisions on people's participation in the local budget process, reflected majority of ABI's propositions. Also, the ABI, through Social Watch, was invited to be a part of the technical working group which will work on the Implementing Rules and Regulations.

ABI is also strengthening a culture of vigilance and accountability by monitoring how government uses public funds for people's welfare. In December 2008, again for the first time in Philippine history, Senate Finance Chair Edgardo Angara and the Senators and Congressmen agreed to form a Joint Legislative Oversight Committee to conduct monthly oversight hearings on the budget. The civil society groups also called for the participation of nongovernment organizations in legislative oversight.

Getting Media on Board

Outside the halls of Congress, the orange book has also become a credible source for the mass media.

The Philippine Center for Investigative Journalism (PCIJ), one of the most fearless and highly respected institutions of investigative journalism in the country, uploaded the alternative budget proposals in their website when the orange book was first released. PCIJ was also Social Watch's partner in its seminars to help reporters understand budget advocacies and determine hot issues in the national budget process.

"Media people should also focus on budget advocacies because numbers and quotes are powerful combinations. Numbers provide the performance," says PCIJ Executive



Director Malou Mangahas as she facilitates SWP's seminarorientation on budget advocacies for media. "The budget is an important equity tool and an important governance tool. It is our blueprint of assessing performance of government. And, many times, the budget is violated."

Towards Renaissance

From an initial group of 22 NGO representatives and 10 Congressmen, ABI has now grown to more than 60 NGOs in a span of three years. Meanwhile, more legislators have expressed interest in joining.

Implementing agencies, such as the Department of Health, are also now beginning to realize that civil society groups are their allies when it comes to increasing their allocations for services and ensuring the release and efficient implementation of their budget.

The ABI has taken the firsts of the proverbial thousand steps. The only way to go is forward.

LEONOR MAGTOLIS BRIONES:

A Nation's Treasure

"Accuse me, if you will, of melodramatic embroidery" goes the famous line of writer, BBC correspondent and United Nations senior civil servant. Erskine Barton Childers. But no one can deny that this is true:

Her guidance and dedication is ABI's inspiration. Her faith and hope holds legislators and civil society together to face the gargantuan challenge of instituting a new era in the budget system. Her wisdom is the guiding star which illuminates the way to an unchartered path to liberation and democracy. She is a nation's treasure.

Q. What is your utmost advocacy in life?

LMB: I grew up being taught service and sharing. I had a church education. And my father had the greatest influence on me. He would always say that the best people are those who do things without having to be told.

My advocacy all throughout my life is to serve people, to share what you have specially to those who are not so fortunate. That has always influenced my way of life.

It is really my father, church upbringing and the university education that I got in Siliman which really emphasized service for development.

My church upbringing is from the United Church of Christ of the Philippines. It is really about serving. I may not be even considered as very religious but all these things are still with me. I was not the church-goer religious type of person but the things that I was taught when I was a child by my family, my church and my school were all influences I cannot get away from. My whole life is about justice and sharing for the poor.

Q: How did you become an advocate of budget reforms?

LMB: My specialization is public fiscal administration. My study in fiscal administration is very supplementary to my church upbringing and to my educational upbringing because public administration is about delivery of services to those who need it most.

I realized that the budget is the most powerful instrument of the state to correct imbalances. But it is not used for this purpose. The budget is looked at by politicians as an opportunity to share public resources. The people should be made aware that the budget belongs to them and that they should have a say.

Q: What are your hopes in budget reforms in the Philippines?

LMB: My hope is that the laws which are proposed to correct the budget system in the Philippines will be passed.

My hope is that citizens' participation, not only in formulation but also in monitoring and evaluation of the budget, will take place within my lifetime.

Q: How did you start with SWP?

LMB: I was an original member of the international coalition. During the social summit in Coppenhagen in 1995, the global community of NGOs decided to monitor implementation of governments' commitment to social



House Committee on Appropriations Chair Junie Cua talks to Prof. Briones and ABI members who were guarding budget deliberations in Congress

development. And so in 1996 Social Watch was formed.

We had a mandate then to initiate national organizations so I contacted the other convenors and that was how SWP was born. It was really born out of our advocacy and commitment to the Social Summit.

Q: How would you describe the ABI?

LMB: ABI originally started as a network of organizations, individuals and academics who wanted to have a common position. What makes ABI special from all other CSOs in other countries is that it includes legislators as partners who also carried the ABI perspective.

It started as a very loose network but the members have bonded through frequent meetings, capacity building and other activities. ABI is a much tighter organization now than it was three years ago. We come from different political orientations but we have common interests on using the budget for social development and we share these advocacies with the Senators and Congressmen.

Q: What is the most important role of SWP in ABI?

LMB: ABI was convened by SWP and the SWP secretariat serves as the secretariat of ABI. The support from UNDP goes through SWP, as well as other forms of support for the member organizations.

Q: What were your aspirations and apprehensions when ABI was first implemented?

LMB: My aspiration was that we would have a much bigger network especially since the politicians were included; and that we could draw in other organizations that were not in the SWP network.

I did not in a way think that ABI would be what it is now because our original plan was something very simple. It is very well known that the idea of ABI was proposed by then Congressman (now Senator) Alan Peter Cayetano. It was just very simple ...working together as a group...coming out with an alternative budget and seeing it through the legislative process.

But now, ABI is much more than this. ABI analyzes the budget – from the budget call to the macroeconomic assumptions to the individual proposals. And now, it is starting to monitor and track budget expenditures.

From the start, I had no apprehension at all because at the start we thought that it was a very simple thing to do. It turned out to be very difficult because we needed to do capacity building for the members and briefings for the legislators. ABI demanded more time than I really anticipated.

Since ABI was organized, I gave up many things that I used to do. Like, on weekends, I usually go to movies, read books or just go window shopping. I had to give all those up because of the ABI campaign.

The ABI cycle spans an entire year. It starts with the budget call. The approval of the budget could be in March or February, and the budget call starts in April or May. Then, you only have a one month break. And the work is very intensive.

Now, my aspiration for ABI is that it should be institutionalized in the form of a law focusing on the idea of people's participation.

My apprehension right now with the ABI is how we could make ABI sustainable because of the funding aspect.

Q: What were the biggest challenges for the ABI?

LMB: There was a time when we could not even get within ten feet of the executive side. It was also a challenge convincing the Congressmen to support our proposal. During the first year, there was a briefing but it was very limited. By the second year, we realized that the ABI should be institutionalized.

The challenges are different every year. In the campaign for the 2007 budget, we had a very supportive Chair of the Finance Committee in Senate. We did not have much support from the Congress Committee on Appropriations.

By 2007, when we were campaigning for the 2008 budget, the situation was different. We had a very supportive chair of the Appropriations Committee in the person of Edcel Lagman. And then, we did not have much support from the Senate Finance Chair.

It was during the second year of the campaign that the House Committee on Appropriations set up a hearing for the



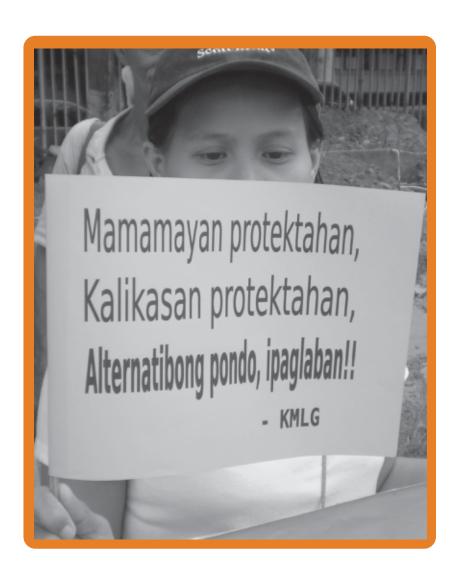
ABI members wore black at the lobby of the House of Representatives to demonstrate "darkness" in the budget process

Alternative Budget. This was a major victory because, normally, it would only be the agencies who would defend their budget. The fact that our own alternative budget proposals were given the time of the day – we had to make all the presentations and answer the questions, etc – we thought that it was a very important development.

Now, with the 2009 budget, we had a very major challenge. We realized that it is not enough to make additions in the budget; but we have to follow it through because the budget additions may not be released. There was also a campaign for the release of funds in the House.

We also had to hold several briefings with Senators because of the sudden change in leadership in the Senate.

The challenge is really bringing the alternative budget campaign to public discourses.



Greening the National Budget

Perspectives and Reflections of the ABI Environment Cluster

By PATRICK SAN JUAN

he inclusion of environment in the Alternative Budget Initiative (ABI) came at a time when the Department of Environment and Natural Resources (DENR) was allocated only P7.4 billion, or a meager .66 percent share in the entire budget pie. This budget is directly proportional to the priority given by the government to environmental sustainability. That reads "very low."

The United Nations Economic and Social Commission in Asia and the Pacific (UNESCAP), in its 2005 report on the State of the Environment in Asia and the Pacific, listed the Philippines among the countries running at an "ecological deficit," meaning our consumption levels have already exceeded our natural resource endowment.

That climate change is upon us is beyond question. The Inter-Governmental Panel on Climate Change (IPCC) provided unequivocal evidence confirming this in its Fourth Assessment Report (4AR). Impacts on agriculture, forestry and coastal resources, health and habitat of communities are enormous and very alarming. Human activity, with the economy as its lead driver, is considered the main cause of climate change. This global phenomenon will make it even harder to uplift the lives of millions of poor people in the world and will seriously impede efforts to achieve the MDGs.

One does not even need to read the UNESCAP or the IPCC's report to know that we are already experiencing the effects of environmental damage and climate change in the Philippines. Weather disturbances such as the El Niño and La Niña phenomena have been occurring more frequently in recent years. "Super-typhoons" have battered the country in greater number and higher intensities. Provinces not usually hit by storms are now experiencing flooding and landslides. Communities have been grappling against calamities that are occurring left and right caused by a lethal combination of weather disturbances, unsustainable practices and an unhealthful environment. Resources that could very much go into basic services are oftentimes redirected towards disaster relief and rehabilitation.

Gaps in the Sectoral Budget

The Environment Cluster of the ABI, in its analysis of the DENR Proposed Budget for FY 2007, mentioned that "government efforts to ensure environmental sustainability can be characterized by gaps, gaps and more gaps."

The current state of affairs in the environment features critical levels of forest cover, poor air quality, disrupted hydrological conditions of watersheds, accelerated soil erosion, siltation of rivers and valuable reservoirs, increased incidence and severity of flooding, decreased supply of potable water and depleted coastal and marine resources.

The inconsistency of development plans with landmark documents such as the Philippine Strategy for Sustainable Development (PSSD) of 1990 and the Philippine Agenda 21 (PA21) of 1996 is a major concern. While these documents should have laid the foundation for sustainable development strategies for the country, it does not figure in the Medium-Term Philippine Development Plan (MTPDP) and in local development plans which are geared only at growing the economy without consideration for sustainability plans that will deliver social and environmental justice.

The widening policy-action gap in environmental laws is another cause for concern. While laws such as the Clean Air Act, Clean Water Act, Ecological Solid Waste Management Act, bio-safety laws etc. have already been passed, the laws'



NGO representatives discussing the content of the alternative budget proposals for environment

proper implementation remains to be a challenge as most of these laws are generally ill funded if not totally unfunded which make them ineffective nonetheless.

Institutional concerns have long been an issue in the sector. The often mentioned conflicting roles of DENR as a protector of the environment and as regulator for the exploitation of natural resources have yet to be addressed. Strengthening the capacities of people in the bureaucracy leaves much to be desired. The frequent change of leadership in the department not only result in inconsistent priorities and programs but also reflect the lack of seriousness of the Executive in protecting and managing the environment.

The Making of The Environment Cluster

The unsustainable picture of the environment points to the fact that addressing this problem could be the greatest challenge of the century. In its technical paper for the 2009 alternative budget proposal, it raised the question: What kind of world do we want to live in?

Certainly, not many people would want to live in heavily polluted and overcrowded communities, in toxic and deadly surroundings. Most of us will probably answer that we want to live in a place with fresh air, bountiful trees and oceans, and clean water, or something close to this. But then, a second We want to live in a place with fresh air, bountiful trees and oceans, and clean water, or something close to this. But then, how much are we willing to give, and even sacrifice, to achieve the world we want to live in? The **Environment Cluster** attempted to respond to this by campaigning for a "green and environment-friendly" **National Government** budget.

question needs to be asked: how much are we willing to give, and even sacrifice, to achieve the world we want to live in?

The Environment Cluster attempted to respond to these two questions by campaigning for a "green and environment-friendly" National Government budget. Its diligent participation not only in ABI-led activities but also in its own capacity to establish closer links with environment officials in government has made it a significant contributor in the national budget process.

often referred to by ABI members, initially meant the Philippine Rural Reconstruction Movement (PRRM) the oldest non-government organization in the country implementing programs and projects for empowering citizens and achieving sustainable development.

Realizing the need to build on the engagement and live up to the true definition of a "cluster", PRRM sought a partnership with La Liga Policy Insitute (LLPI/ La Liga) for the next budget season. La Liga is a group of social reformers organized to channel citizens' energies to effect social, economic and political reforms. Given the enormous task ahead, PRRM and La Liga, along with Social Watch also sought the assistance of Christian Aid to support the activities of the cluster.

Christian Aid's commitment proved to be critical as it enabled the cluster to hold vital activities to strengthen the campaign and have a better understanding of the advocacy terrain. It provided a foundation for the plans of the cluster and supported the creation of a project team to oversee the campaign.

The next challenge was how to expand the advocacy and network of environmental NGOs who will be willing to engage in the budget process. Given the strength and breadth of "green groups" in the country, it was easy enough to list down as many environmental groups as possible. Names of organizations and networks just kept on surfacing as PRRM and La Liga scanned through the advocacies in the ENR sector. In fact, the concern was more about how not to miss inviting anyone rather than coming up short of names in the list.

A bigger challenge though, was the task of bringing these groups together under a single campaign to lobby for an increase in the budget of DENR.

For one, a good number of environmental groups in the Philippines are apprehensive to support additional funding for the DENR. They are concerned with the absorptive capacity of the agency as well as inappropriate priorities and the possible mishandling of funds. In some cases, the organizations are concerned with the possibility of resources being allocated for programs which they are highly critical of in the first place. For some organizations, strengthening the bureaucracy should be the first priority before lobbying for any increase in the agency's budget.

Another concern was the consistency in the advocacies between environmental organizations. Not all environment groups are seeing eye to eye in certain issues. Some NGOs find themselves in opposite sides of the fence with regard to an assortment of issues ranging from basic philosophies on environment sustainability to the range of strategies and solutions they are offering.

This however, is what makes CSOs in the Philippines as vibrant as it is. Different organizations can be at loggerheads at times but are able to see beyond their own points of view especially when they can identify a common campaign worthy of being supported.

Invitations were sent to about 50 or so environmental networks and organizations to introduce the ABI. Among those who joined and supported the campaign in 2007 were the Akbayan Partylist, Alyansa Tigil Mina (ATM), Earth Savers Movement (ESM), Eco-Waste Coalition, Foundation for the Philippine Environment (FPE), Haribon Foundation, Healthcare Without Borders, Justice, Peace, and Integrity of Creation Commission of the Association of Major Religious Superiors in the Philippines (JPICC-AMRSP), Kilusan Para sa Makatarungang Lipunan at Gobyerno (KMLG), No-Burn Coalition, Partido Kalikasan Institute (PKI) Partnership for Clean Air (PCA), Philippine Federation for Environmental Concerns (PFEC), Philippine Network on Climate Change, Sustainability Watch and Tanggol Kalikasan.

Meetings were held to discuss priority budget measures to be included in the alternative proposal. The meetings also provided the opportunity for representatives of each group to get to know the programs and advocacies of the organizations they are working with in the ABI.

Experts in environment protection work took time out of their schedules to provide invaluable

insights and recommendations in making the proposal more viable. They became part of the cluster's roster of consultants.

Some of these groups view the ABI engagement not just as a complementary advocacy to their existing programs but as an essential component of their organizations' thrusts and decided to integrate the campaign in their agenda for the succeeding years.

This was evident in the sustained participation of many groups in the campaign for the 2009 budget season. Some were even able to bring in new organizations and networks to join the fold. Among the "new faces" in the ABI's third year of engagement were the NGO-Community-Based Forest Management (CBFM) Support Group, the Non Timber Forest Products Task Force (NTFP-TF) and Kaakbay. This positive and encouraging development intensified the participation of organizations pursuing the advocacy despite the similarly growing challenges in the environment and natural resources sector.

Urgent Measures for Environmental Sustainability

In the three-year span of alternative budgeting for the environment, many of the priority budget measures identified were considered the most pressing. Some say that these items have been neglected for the longest time as the allocations provided for them are either inadequate or do not exist at all.

The joke among cluster members was that the alternative proposal can be "re-enacted" each year until the budget and programs for the sector reaches an acceptable level. The term, of course, is an allusion to the government's practice of re-enacting the previous year's budget because of its failure to pass on time the General Appropriations Act for the year.

The 2007 Budget Proposal: "Finding the Cost of Environmental Sustainability"

Based on its 2007 budget research, the Environment Cluster proposed for a P3.7 B additional funds for the DENR, increasing the share of the department in the total national government budget to one per cent. The proposed additional funds can be used in five priority areas, namely: (1) Land Use and Existing Legislation; (2) Urban Ecosystem; (3) Forest Ecosystem; (4) Coastal and Marine Ecosystem, and; (5) Critical Habitats and Biodiversity.

The proposal for Land Use and Existing Legislation was put forward for a comprehensive land use program that includes

"Super-typhoons" have battered the country in greater number and higher intensities. Provinces not usually hit by storms are now experiencing flooding and landslides. Communities have been grappling against calamities that are occurring left and right caused by a lethal combination of weather disturbances. unsustainable practices and an unhealthy environment. Resources that could very much go into basic services are oftentimes redirected towards disaster relief and rehabilitation.

land surveys, delineation, and resource mapping in preparation for national and local land use plans that cut across ecosystems. It also included funding existing legislation and providing for a multi-sectoral review of programs in compliance with key environmental legislations such as the National Land Use Act, Clean Water Act, Clean Air Act, and Solid Waste Management Act.

Proposals in *Urban* Ecosystem were for projects to reduce air pollution and increased monitoring of air quality in severely affected urban centers and for solid, toxic and hazardous waste management. It also sought to adopt projects that provide and widen the coverage of household access to potable water supply.

Under the Forest Ecosystem, proposals were for the adoption of programs that will clearly establish "forest protection areas" and

> "forest production areas". It also emphasized the need to prioritize programs such as the

CBFM and redirection of funds from the Mineral Land Administration to the rehabilitation of mining sites.

Proposals in the Coastal and Marine Ecosystem centered on allocation for programs to implement a comprehensive mangrove reforestation in the country, as well as coral reefs rehabilitation, protection and establishment of marine sanctuaries, and for sustained coastal and river systems clean-up.

Additional allocations were also sought for *Critical Habitats* and *Biodiversity* to adopt and provide appropriations for the rehabilitation, protection and monitoring of Philippine biodiversity hotspots as well as the National Protected Areas and establishment of new protected areas.

2008 Alternative Proposal: "Imperatives of a Green Growth"

Mining and the Environment

For the 2008 budget season, the cluster put forward a proposal of about P7 B which aimed to pursue essential items towards "green growth". It challenged government, both the legislative and the executive, to address sustainable development beyond rhetoric. The proposal focused on : (1) Climate Change; (2) Clean Air, Water and Energy; (3) Solid Waste Management; (4) Forest Management; (5) Coastal Resource Management; (6) Biodiversity Conservation and Habitat Protection, and; (7)

These seven areas were collectively packaged as the "Green Bottomlines" and served as the rallying point of the 2008 campaign. The cluster grouped these bottomlines into themes and proposed additional financing for each. These imperatives were identified as:

- I. Building A Legacy: Ensuring the Basic Requirements of Environmental Sustainability. It challenged government to finish the major requirements towards a complete assessment of the country's natural resources and defining a comprehensive plan on their sustainable use. This calls government to: (a) complete delineation of forest and watershed boundaries by 2010; (b) complete demarcation of Philippine archipelagic waters by 2010, and; (c) complete all other surveys and mapping activities such as geo-hazard maps, municipal waters, cadastral surveys of municipalities, etc.
- 2. Double Time for Conservation and Protection of Natural Resources. Government needs to step up in its conservation and protection efforts. By doubling the budget related to it, the project will cover Community-Based Forest Management

- (CBFM), forest protection, soil and watershed management, legal support strengthening, ecosystems research and development, coastal and marine resource management, and protected areas and wildlife management.
- 3. Mitigating the Hazardous Impacts of Mining. Government should invest on critical laboratory facilities for more responsible and effective monitoring of mining operations in the country. Given the aggressive push of the government to promote mining despite the numerous disasters attendant to it, facilities that would enable effective monitoring must be put in place.
- 4. Review, Revitalization and Strengthening of the Philippine Council for Sustainable Development. This will serve as a mechanism that would usher in more civil society involvement in the planning, implementation and monitoring processes of government towards sustainable development. Among the immediate tasks upon revitalization would be to facilitate national strategies on climate change, clean air, water and energy.
- 5. Making Laws Meaningful by Providing Allocation for Un/ill-funded Critical Laws on the Environment. The alternative budget proposal sought to earmark funds for the effective implementation of the Ecological Solid Waste Management Act, the Clean Air Act, Clean Water Act and on Toxic and Biohazards.

2009 Environment Budget: "Ensuring Sustainable Responses to Global Challenges"

Taking it a step further, the environment cluster continued to propose budget augmentations for a number of projects for environmental sustainability in the 2009 budget. The proposals amounted to a total of P2.6 B. In its technical paper, the cluster described its proposals as "No Regrets" measures where everything is to be gained by simply allocating funds and implementing the programs sincerely and efficiently. These "No Regrets" measures include:

- 1. Ensuring Sustainable Management of Forests through CBFM. It proposed the restoration of the CBFM budget to the 2008 General Appropriations Act (GAA) level to fund critical CBFM activities. The proposed augmentation shall ensure funding for the effective implementation of the CBFM Strategic Plan for 2008-2017.
- 2. Ensuring Sustainable Management of Coastal and Marine Resources through Modeling of Converging Efforts of DENR, Department of Agriculture-Bureau of Fisheries and Aquatic Resources (DA-BFAR), LGUs and People's Organizations. The proposed additional allocation will feature the convergence of different government agencies in protecting coastal resources and ensuring food self-sufficiency and livelihood of small fishers from the impacts of climate change and unsustainable human activities.
- 3. Trash to Treasure: Transforming Solid Waste Problems to Sustainable Solutions to the Food and Fuel Crises. It proposed additional appropriation to the DENR to study and pilot the construction of five waste disposal facilities that will convert garbage into organic fertilizers and/or bio-diesel.
- 4. Ensuring Environmental Health for Filipinos. It aims to strengthen DENR's role in environmental pollution monitoring

and direct intervention, such the monitoring and management of critical rivers in Mindanao (Agusan River and Lake Lanao), and Visayas (Iloilo River and Binahaan River). It further proposes an additional budget for DENR's Environmental Management Bureau (EMB) for the establishment of/upgrading to state-of-the-art Industrial Pollution Laboratories in three strategic regions in the country to effectively monitor, and make timely



interventions to avert harmful pollution impacts to health and the environment.

- 5. Ensuring Environmental Justice. The proposal tackles the effectiveness of the DENR in safeguarding and stepping up government efforts against environmental violators and exploiters, particularly in forest and land related cases, mining related cases and general pollution cases.
- 6. Building Capacities for Environmental Sustainability. The proposed allocation was for the immediate evaluation of capacities and capabilities of the DENR and its attached agencies and work for the immediate re-tooling of its staff at the national, regional and its representatives at the local level (e.g. ENRO, PENRO, PASU), particularly on issues such as ecosystem management, climate change, water and air quality monitoring, disaster management, among others.
- 7. Localizing Sustainable Development or Philippine Agenda 21 (PA21). The proposal aimed for the review and revitalization of the PCSD and a PCSD-DENR led localization of PA 21 to at least one region, particularly where mainstreaming efforts have already been initiated.
- 8. Enhancing Environmental Partnerships between Government and the People. The proposed allocation was to ensure and institutionalize people's participation in agency-level planning, monitoring and development of policies on environment and natural resources.

Doing Research and Formulating the Alternative Budget

Formulating an alternative budget is challenging enough. Formulating an alternative budget for a concern such as the environment and natural resources proved to be more than a challenge.

First of all, environment is so broad that to focus on a particular item is to consider its relationship with other concerns. For instance, the Clean Air Act of 1999. Despite being a landmark legislation, its implementation has been hampered by the lack of funding

allocation. As it turned out, most of the fees being collected, which could very well go into environmental protection are lodged in the Department of Transportation and Communication (DOTC) and not in the DENR.

Second, budget for the environment is not limited to the budget of the DENR. It cuts across different line agencies and government offices - energy, water resources, agriculture, agrarian reform. A clear example would be monitoring allocations for climate change. Given that there has been no

A host of different programs and strategies for environmental protection and management are being offered by a number of NGOs, experts and government officials which must all be taken into account and analyzed for the purpose of alternative budgeting.

clear policy of the government with regard to addressing the impacts of climate change, the responsibility and corresponding budgetary allocations are also spread out in the entire government system and to monitor all these would cost a great deal of effort and time.

Third, a host of different programs and strategies for environmental protection and management are being offered by a number of NGOs, experts and government officials which must all be taken into account and analyzed for the purpose of alternative budgeting. Rehabilitation of abandoned mining sites is an example of a contentious issue. While some groups are urging the government to address the mining issue, others believe in the "polluters' pay" principle. It is not a simple matter of one problem – one solution. The cluster had to reach a consensus before including issues like this in its alternative proposal.

In its first year (2006), the ABI started the engagement when the Executive's proposed budget had already been submitted to Congress. It was already too late to establish links with the department as the budget was already lined up for deliberations. At that point, the environment cluster had to immediately analyze the DENR budget and identify the advocacy points for lobbying at the House of Representatives

DENR officials provided input on some of the urgent measures that had to be included in the alternative proposal based on their analysis of the current absorptive capacity of the department.

and the Senate. The cluster worked together with the legislative staff assigned by the congressmen and senators to critique and raise key issues with regard to the submitted budget of the DENR.

Realizing the importance of establishing a partnership with the department for the succeeding

year's budget engagement, the environment cluster sent a letter to then DENR Secretary Angelo Reyes to explore partnership in lobbying. The interface would have also been beneficial for organizations in the consortium in mapping out the budget process and in having a clear picture of how the department prepares its budget. It was also viewed as a venue for CSOs to lobby for a more participatory planning and budgeting process to include peoples' participation from the local level up to the national.

However, the letter only went as far as being "received" by the Office of the Secretary. Not even the change in leadership, when Reyes was replaced by Lito Atienza, warmed the cold shoulder that met the cluster's initiative.

To gain a better understanding of the environment budget, the cluster was able to set discussion sessions with former DENR officials. The meetings proved to be very useful. Former officials were able to provide detailed information on the ins and outs of preparing the environment budget. More importantly, they were able to provide input on some of the urgent measures that had to be included in the alternative proposal based on their analysis of the current absorptive capacity of the department.

A Technical Working Group evolved from the preparation of the alternative proposal up to the deliberations on the budget. This was composed of LLPI, PRRM, Earthsavers Movement, Sustainability Watch, Ecowaste Coalition, Philippine Federation on Environmental Concern and the Partnership for

Attending legislative hearings for the DENR budget was also a good source of information. While some legislators are more concerned with issues they have against environment officials and with other "parochial" concerns, quite a good number have also been raising valid issues which were noted by the cluster members who attend the hearings.

Clean Air. The finalization of the proposal for the 2008 budget underwent extensive scrutiny from these.

To facilitate information sharing within the cluster, an egroup was also set-up. It enabled members to keep abreast with the latest developments in the ABI even when they could not regularly attend meetings and other activities. It was also a venue to discuss different environment issues and updates on the initiatives of member organizations, even outside the budget advocacy.

Learning from the experiences in the past two years, the environment cluster was able to achieve more in doing research and preparation for the 2009 alternative budget. With new members coming in to the fold, the cluster was finally able to break through at the DENR. La Liga and PRRM met with Asec. Anna Teh of the Foreign Assisted and Special Projects Office (FASPO), Dir. Wilfredo Obien of the Financial Management Services and Dir. Eriberto Argete of the Planning and Policy Studies Office.

Attending legislative hearings for the DENR budget was also a good source of information. While some legislators are more concerned with issues they have against environment officials and with other "parochial" concerns, quite a good number have also been raising valid issues which were noted by the cluster members who attend the hearings.

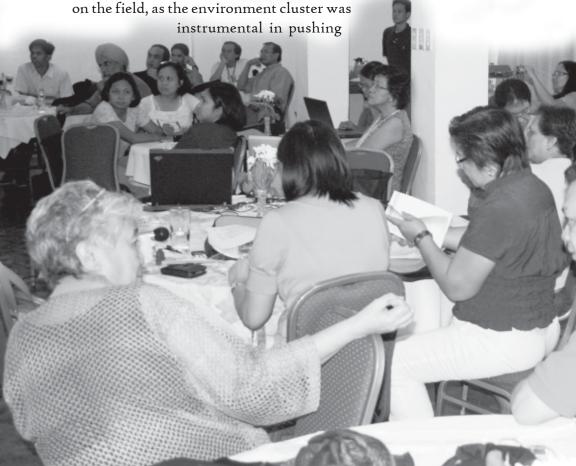
The crafting and finalization of the alternative proposal for 2009 saw a stronger effort put up by the member organizations. More and more members attended the workshops and trainings provided by the ABI. The cluster was also able to bring in a good number of representatives

during meetings with the DENR. The proposal that was produced for the year was truly a product of the converging knowledge and commitments of the cluster, its networks in civil society and private sector, and the government partners.

Insights and Experiences from the Budget Advocacy

Budget advocacy, in this case for the environment and the MDGs, is a pioneering work and something out of the usual.

For one, members of the environment cluster were able to incorporate their advocacies within the context of ABI and the national budget. A good example would be the case of PFEC, as their projects and advocacies deal with the implementation of the CBFM (Community-Based Forest Management). The organization's engagement in the ABI complemented its work



for augmentations in the CBFM budget.

Aside from this, most environment groups lobby for or against a single particular issue inside and even outside the Halls of Congress. It is not often that you get to lobby for something as broad and as extensive as the entire environment budget. So while PFEC is primarily concerned with the CBFM, they were able to provide support and had a sense of ownership of the entire environment proposal.

And as the cluster is part of a bigger group ABI group, it also had to push for alternative budgets for health, education and agriculture, as well as in critiquing macro-economic policies of the national government.

Cluster meetings and workshops were also as exciting as the NGOs and networks engage in colorful, yet informative debates on various issues and programs that they are working on. Contentious issues such as mining, strategies on solid waste management, CBFM, among others were some of the items that were "hot" within the cluster. At the end of the



Actual legislative hearings on the DENR budget can take an eternity to start, and another eternity to finish.

decide the best fit in preparing the alternative proposals.

The frequent visits to the House of Representatives and the Senate are definitely worth mentioning, not only because these are the main arena for the ABI, but also for the adrenalin rush it brings to the members of the cluster. Cluster members have to be

always on their feet as no one knows exactly when the meetings and hearings for the budget will actually be held. Partner legislators, given their hectic schedules, often schedule meetings on short notices. The quick calls for a meeting have only been matched by the swiftness of it being re-scheduled.

Actual legislative hearings on the DENR budget can take an eternity to start, and another eternity to finish. Cluster members who were assigned to take notes and provide inputs to partner-legislators during the hearing sometimes find themselves waiting for as long as five to seven hours before the hearing would actually start. If it's any consolation though, the officials and staff of the agency were also there waiting and it was a good opportunity to interview some of them and establish links with key personnel.

Overall, the experience of the members of the environment cluster can be characterized by broadened advocacies for civil society organizations, strengthened networks within and outside the environment circles and establishment of partnerships with government agencies.

The Environment Budget GAP: Gains and Pains in Lobbying for the Alternative Proposal

Pushing for the alternative environment proposal was an uphill battle all the way. In its first year, none of the specific budgetary proposals were integrated into the 2007 General Appropriations Act despite the efforts of the partners in the

House of Representatives such as Reps. Nereus Acosta, Risa Hontiveros-Baraquel and Mario Aguja, and in the Senate, led by Finance Committee Chair Franklin Drilon. However, the cluster succeeded in raising the awareness of legislators on environmental concerns and in laying the groundwork for future engagements.

For the 2008 budget deliberations, the proposal was met with heavy criticisms at the Lower House due to its formulation. In the end, Committee on Appropriation Chair Edcel Lagman and Sub-Committee on Environment Chair Carmencita Reyes conceded that environment programs are severely unfunded. At the Senate, allies fought hard for the restoration of the augmentations accorded by the Lower House, which the Senate

Up until the engagement at the bicameral committee, legislator allies pushed for maximum adoption of the ABI proposal, while NGOs, sectoral networks and citizens groups lobbied hard and maximized media in pushing for ABI's alternative proposals.

Committee on Finance mercilessly slashed. And up until the engagement at the bicameral committee, legislator allies pushed for maximum adoption of the ABI proposal, while NGOs, sectoral networks and citizens groups lobbied hard and maximized media in pushing for ABI's alternative proposals.

In the 2009 proposal, the Committee on Appropriations led by the new Chair Junie Cua once again provided a venue for the ABI proposals to be heard. The legislators acknowledged the importance of the proposals and promised to consider it in the deliberations. Likewise, the Senate partners continued their support and adopted the proposal *en toto* and urged the Senate leadership to give the much needed emphasis on critical areas such as the environment as mentioned in the alternative proposals. Cluster members also urged for more transparency in the budget process, particularly in providing details of the

Bicameral Conference Committee meeting prior to the approval of the 2009 GAA.

Envi Cluster Milestones and Challenges Ahead

In its three-year work, the cluster obtained significant highlights and challenges which fortified the resolve among members. These include:

I. Built and defined consensus around the environment budget agenda. The process of coming up with specific proposals in the budget was an arduous task. Achieving consensus within the cluster is considered a major achievement, as it shall serve as a guide in crafting future proposals in environment sustainability.

However, the challenge for the cluster is on how to fully develop proposals. Environment is a crosscutting concern and most programs involve inter-agency implementation and coordination. While the DENR is the main actor in environmental protection, it is by no means the only responsible agency that deals with the environment. The cluster will have to expand its research and advocacy to include other government agencies in its proposals.

2. Actual increase in the budget for the environment sector and opportunities for actual intervention in planning, implementation and monitoring of budget advocacy gains. The environment agenda may have received the least increase in the three-year campaign. For instance, in the 2008 GAA, the environment budget received a total of P178.5 M increase, way below the proposed P2.7 billion. Significantly though, majority of the increase was for the CBFM program which is supported by the members of the environment cluster.

However, the cluster believes that the ABI should not be confined in dealing with specific amounts. It should also focus on highlighting the urgent measures and raising the issues confronting the sectors. In addition, actual interventions in the planning, implementation and monitoring of the gains should also be included as a priority of the ABI. For instance, while the CBFM program's budget in the 2008 GAA was increased, the actual disbursement of the funds from the Department of Budget and Management (DBM) did not materialize in the particular year and became the new stumbling block. Even worse, the CBFM budget decreased significantly under the 2009 National Expenditure Program (NEP).

3. Consolidated various environmental groups and networks and generated interest among other groups to join the budget advocacy. The cluster made significant gains in broadening its membership through the participation and involvement of new groups and individuals. From PRRM being the sole organization pushing for the alternative environment budget, the cluster now has around 10 organizations and six individual members working together towards achieving significant budget policy reforms.

Maintaining the active participation of all members, however, remain to be a challenge. While there is a core group of organizations and individuals who consistently participate in the initiatives of the cluster, there are some whose involvement have been limited mainly because it is their mandate does not provide the window to pursue their respective advocacies in the budget process arena. The cluster would need to determine how the budget advocacy could contribute to their current advocacies.

4. Developed awareness and support from key legislators. The environment cluster was able to reach out to several legislators outside the existing network of the consortium, while maintaining ties with the consortium's existing allies.

The challenge is expanding the ABI influence. While most legislators acknowledge the urgency of environmental concerns, only a few have a concrete understanding of the matter. Expanding the number of supporters in both Houses as well as their perspectives on the environmental situation should also

be a priority of the cluster.

5. Initiated meaningful partnership with DENR officials. Establishing partnerships within the bureaucracy was one of the main goals of the cluster. La Liga and PRRM were able to set a meeting with key DENR officials. Initial points of convergence were identified to include (1) joint budget analysis of the DENR budget; (2) ABI participation in the re-planning of the augmentations to the DENR budget specifically on CBFM; (3) participation and consultation in crafting the 2009 DENR budget, and, (4) participation of citizens groups in DENR's bimonthly forum. The actualization of these initial commitments of DENR officials remains an ongoing task of the environment cluster.

6. Concrete policy reform towards active people's participation in the budget process. For the 2008 Budget, Committee on Appropriations Chair Edcel Lagman broke tradition in the budget process by allowing ABI to present its alternative proposal to the Committee. On this occasion, Sub-Committee on Environment Chair Carmencita Reyes signified her interest in the environment proposal and agreed on the proposition that the sector is very much underfunded. The Committee led by new Chair Junie Cua carried on the process and considered the ABI proposals in a hearing for the 2009 Budget.

Representatives Lorenzo Tanada III and Teofisto Guingona III also sponsored House Resolution No. 120 in the Thirteenth Congress entitled "Urgent Resolution Allowing the Active Participation of Bona Fide People's Organizations and Non-Governmental Organizations in Public Hearings in Congress' Annual Budget Deliberations." The support of these legislators will very much be needed as ABI pushes for its proposed bill to institutionalize the active participation of POs and NGOs in the Annual National Budget Hearings in Congress as well as the budget deliberations in Local Government Units (LGUs). Certainly, the environment cluster will be joining the forefront in lobbying for this legislation.

Insights and Lessons

The pathways and milestones created by the environment cluster and the ABI as a whole provide for bigger challenges for the consortium in the coming years. Sustaining momentum of the ABI will demand more work for the entire network. Expanding its membership base mainstreaming the advocacy will be important keys towards strengthening the concept of participatory budgeting and making it a genuine policy priority of the government.

For its part, the environment cluster will need to address the challenges it has identified in order to further make a strong case for the sector's budget. Developing sound proposals, setting priorities, consolidating the participation of members, building capacities, building on the networks and creating mechanisms within the cluster are some of the immediate needs of the group.

In doing so, the cluster must be able to incorporate the lessons and experiences it has gained in its first three years.

First, the entire budget

- 1. The entire budget process must be carefully studied and understood.
- 2. An examination of the entire environment situation is necessary in order to identify all the issues surrounding the sector and come up with a realistic proposal.
- 3. Establishing both formal and informal lines with the executive and the legislators are important in lobbying for the augmentations in the budget.
- 4. Understanding the dynamics within the government is essential in knowing the advocacy terrain and identifying the proper and well-timed strategies needed for the engagement.
- 5. While the budget advocacy can be draining, it doesn't mean that it is not exciting.

process must be carefully studied and understood. This is necessary in order to have a clear picture on how a particular department such as the DENR comes up with its annual budget. It will also help in identifying entry points for CSOs in its advocacy work. CSOs doing budget advocacy should be properly equipped with the appropriate knowledge and skills.

Second, an examination of the entire environment situation is necessary in order to identify all the issues surrounding the sector and come up with a realistic proposal. As in the previous years' experience, legislators will only listen to proposals that have sound arguments backed up by complete and accurate data. It helped that the organizations involved in the environment cluster are seasoned and well-equipped in engaging discussions about the environment.

Third, establishing both formal and informal lines with the executive and the legislators are important in lobbying for the augmentations in the budget. It is necessary to have allies in the DENR since it is their budget that the cluster is lobbying for in the first place. But finding the right people and having them listen to the alternative proposal require effective networking. Identifying "champions" in the legislature will also ensure that the proposals will be pushed for and defended in budget deliberations.

Fourth, understanding the dynamics within the government is essential in knowing the advocacy terrain and identifying the proper and well-timed strategies needed for the engagement. Advocates should identify not just the right people in the government, but someone who understands and is willing to support the proposals set forth in the alternative environment budget. While many progressive legislators supported and participated in the ABI, not all of them can be counted on to handle each and every sector pushed for in the ABI. They have their own "pet" advocacies which they are more inclined to take on.

Lastly, while the budget advocacy can be draining, it doesn't

The primordial task of the ABI is to promote transparency and accountability within government through active people's participation in the budget process. mean that it is not exciting. Meetings, hearings and media conferences are being called almost everyday during the heat of the budget season and the cluster members had to divide the work effectively in order to cover all the activities of the ABI.

Advocates must be well

prepared in managing their time and balancing with other commitments in their respective organizations. But coming together and doing the campaign together can truly be a memorable and enjoyable experience so it is better to simply enjoy the ride.

By any means, these are not the only lessons encountered by the environment cluster in engaging the budget process. Certainly, each and every individual or organization involved in the process can attest to so much more about this advocacy. But while the ABI is a continuing engagement full of challenges, learnings and memorable experiences, it must be all taken into the context of why ABI exists in the first place.

As Sabyte Lacson-Paguio would put it, "ensuring proper utilization of budget increases and concretizing them into truly responsive programs would be a continuing challenge for the ABI. Limiting the work of ABI to merely increasing budgetary allocations would be the biggest folly that the ABI should avoid. The primordial task of the ABI is to promote transparency and accountability within government through active people's participation in the budget process. It should refrain from becoming an alternative budget agency itself. Surely, that would not only mean wasted resources, but would run counter to the framework and efforts towards improving governance in the country."

ABI's Advocacy for Community Based Forest Management

By: FLORENA B. SAMIANO

Networking & Advocacy Officer Philippine Federation for Environmental Concern

he Philippine Federation Environmental Concern (PFEC) is known for its advocacy on Community Based Forest Management (CBFM) as the national strategy for the sustainable management of the country's forests and forestlands resources.

In fact when former DENR Sec. Michael Defensor ordered the unilateral cancellation of all CBFM Agreements nationwide in 2006, PFEC is one of the lead organizations that mobilized community organizations, NGOs and LGUs to appeal for the lifting of the cancellation order.

PFEC also revived the enduring supporters of CBFM and created the NGO CBFM Support Group (also known as the NGO CBFM Consortium). With the consortium, PFEC watched over and actively engaged in the development of the 2nd Decade CBFM Strategic Plan (2008-2017), and ensured a multi-stakeholder participatory approach in the whole planning process from the provincial/regional up to the national level.

PFEC started its engagement with the Alternative Budget Initiative (ABI) – Environment Cluster during the third quarter of 2007, through the invitation of the Civil Society Counterpart Council for Sustainable Development (CSCCSD). At that time, PFEC was at the height of promoting and mobilizing for the implementation of the 2nd Decade CBFM Strategic Plan. Incidentally, the ABI environment cluster identified forest management as one of the "Green Bottomlines" included in its alternative budget proposal. Therefore, the plan itself became the basis for PFEC's active participation in the ABI.

Personally, as an advocate of CBFM, I was really happy learning about ABI's work and participating in it. It provided CBFM stakeholders much hope in further pursuing the advocacy. PFEC also became a source of information for its local partners regarding the CBFM budget. The campaign generated a lot of good feedbacks from PFEC partners and CBFM stakeholders. The positive response from its partners serves as the main basis for PFEC's sustained engagement in the ABI.



Pursuing Better Financing for Education

By LUZ ANIGAN and CECILIA SORIANO

he MDG targets on universal access to primary education may not be achieved in 2015. This statement was contained in the Second Philippines Progress Report on the Millennium Development Goals (2007), a frank admission of the government that the country is missing badly on its education target.

The official statement validated findings from the alternative report of Social Watch Philippines that education, along with maternal health, are the most threatened among the eight goals. The report showed that all key indicators consistently point to the low and deteriorating performance of the education sector in terms of access, quality, literacy and equity. Dropout remains alarmingly high and access is not equitable; quality is poor and declining; resources are too little; and the system is badly managed.

The continuing shortfall in education expenditure has been repeatedly cited as key reason for the poor performance of the education sector. Clearly, the Philippines has been underspending on basic education with expenditure share declining in relation to the national budget and to the Gross Domestic Product (GDP).

By 2008, spending on basic education is down to under two percent of GDP. This places the Philippines among the least spender in Asia and the rest of the developing world. In a study commissioned by the National Economic Development Agency (NEDA), Dr. Rosario Manasan computed the resource gap for basic education for 2007-15 at P357 billion (under a high cost and Mediu- Term Philippine Development Plan assumption) or about P40 billion per year. But, as Manasan has noted, per capita expenditure on basic education in real terms has been on a steady decline since 1997 - down to only P289 by 2005 based on 1985 prices. This spending level certainly cannot buy quality education and definitely not for all.

These realities were the main reasons why civil society groups involved in education decided to intensify their campaign for more allocation for education. The Civil Society Network for

Per capita expenditure on basic education in real terms has been on a steady decline since 1997 - down to only P289 by 2005 based on 1985 prices. This spending level certainly cannot buy quality education and definitely not for all.

resources and better

Education Reforms or E-Net has been involved in budget monitoring and advocacy since its formation in 2001. Through its Working Group on Education Financing, it conducts research, identifies critical gaps in education performance and outcome and proposes policy measures and specific budgetary allocations to address such gaps. In pursuing its budget advocacy initiatives, E-Net cooperates with other NGOs, particularly with Social Watch Philippines (SWP) and Action for Economic Reforms (AER).

The First Alternative Budget Campaign

The budget advocacy campaign started in May 2006 during the deliberation of the 2006 National Budget by the Congressional Bicameral Committee. SWP questioned the propriety of allocating P31 billion as special purpose funds of the President particularly given the diminishing budget of the

social sector. Instead, SWP proposed to allocate the same funds to cover the MDG financing gap specifically in the education and health sectors. E-Net supported this position and demanded the realignment of half of the P31 billion to finance additional classrooms and teachers and more funding for alternative learning system and teachers' training. E-Net also called for increased funds for post-secondary training program designed specifically for rural development and the restoration of the budget of State Universities and Colleges (SUC) to its 2004 level.

This initiative was pursued with the formation of the Joint Committee on the alternative budget in July 2006 which was convened by Congressman Teofisto Guingona III on behalf of the legislators and by Prof. Leonor Magtolis Briones representing the NGOs. Sectoral clusters were formed corresponding to the five concerns to be addressed in the budget campaign. For the education cluster, E-Net and AER worked together with teachers groups, child-focused organizations, women's organizations, grassroots educators, youth coalitions and development agencies.

In formulating the alternative budget for education, the cluster saw the need to fast track the initiatives designed to address the gaps in critical input and ensure development in key aspects of the education sector.

Specifically, the following measures were proposed: Invest in quality, specifically in teachers' training, research, monitoring, evaluation, curriculum development and governance; attend to poor and disadvantaged areas with high dropout, low survival and high illiteracy to catch up with the rest; reach out to the out-of-school children and youth; and invest in teachers and teaching development

For FY 2007, the following alternative budget for basic education was proposed: increased funding for the hiring of adequate number of teachers; construction of more classrooms; expansion of the Alternative Learning System to reach out to the out-of-school; broadening teachers' training programs; higher operating budget for schools in poor, remote and low-performing areas; and improvement of school-based health and

nutrition programs. At the same time, the cluster recommended reduction of the school feeding program because of anomalies and inefficiencies that were noted in its implementation.

This proposal was arrived at after thorough consultations with various organizations and local constituencies. The proposal was a modest demand, amounting only to P6.2 billion or less than four percent of the original outlay as submitted by the President. Nonetheless, the additional funds can go a long way in starting to put the education sector back on the right track.

After formulating the alternative budget, the education cluster briefed legislators, participated actively in public hearings in both the House and the Senate, and held public

E-Net scored a significant milestone in its budget advocacy work campaign after it received the biggest increment in the final budget that was approved by Congress and eventually signed into law by the President.

forums to encourage public debate on key issues related to the education budget. For the first time, civil society groups were able to successfully engage Congress, achieving significant gains in the education budget.

E-Net scored a significant milestone in its budget advocacy work campaign after it received the biggest increment in the final budget that was approved by Congress and eventually

signed into law by the President. Among the gains were:

- Increase in the overall budget for basic education by P3.3 billion (from P123.5 B to P126.8 B in New Appropriations)
- Reduction and reorientation of the highly questionable budget for school feeding (from P4.7 B to P2 B) in favor of classrooms and additional teachers. The school feeding has also been integrated as part of the school health and nutrition program as proposed in the Alternative Budget.
- Provision for the construction of additional classrooms amounting to P2.613 B specifically for areas experiencing acute

classroom shortages and for typhoon stricken areas. This is on top of the P 1.76 billion allocated under the School Building Program of the Department of Education. This will result in additional 5,400 classrooms on top of the 12,226 classrooms originally budgeted.

- Provision for the hiring of additional teachers with an additional budget of P873 million to address the gap. This will now bring the total budget for new teachers to nearly P2 billion. For the new hires, priority will be given to those in the fields of mathematics, physics, chemistry, biology and general science.
- Provision for special hardship allowance for teachers exposed to hardship and extreme difficulty, including mobile teachers and non-formal education coordinators.
- Additional budget for the National Education Test Development - from P23.5 million to P229.4 million.

The advocacy experience has opened new opportunities in ensuring greater and more direct participation of stakeholders in the budget process. E-Net is committed to pursue the budget advocacy campaign in cooperation with other NGOs, legislators and other stakeholders in the education sector. It actively supported the House Resolution allowing for the active participation of people's organizations in public hearings on the national budget.

The Second Budget Campaign

Noting the continuing decline in education, the alternative budget group proposed an increase of P12.2 billion for basic education on top of the P136.8 billion original allocation. Particularly worrisome was that children continue to drop out of school in massive numbers as a result of poverty, the high cost of schooling and the opportunity cost of sending children to school who could instead attend to the farms or work to earn additional income for the family. The challenge is how to strengthen the holding capacity of the public school system, make it child-friendly and relevant and ensure quality learning so that children and parents will appreciate better the value of education.

The education cluster proposed nine amendments, specifying additional funding for new teaching positions, the Alternative Learning Programs, school health and nutrition program, school furniture and classrooms and improvement in book development. The two other amendments are new items, specifically the additional maintenance and other operating expenses (MOOE) for both public elementary and secondary schools and the provision for full teachers' benefits as per the Magna Carta. These amendments were designed to cushion the impact of poverty on education by channeling more funds to depressed areas and expanding programs catering to the out-of-school children and disadvantaged groups.

The ABI education cluster prepared budget briefs which were widely disseminated to legislators and their staff and to civil society groups taking up education issues. These briefs proved handy for key allies in both the House and the Senate who raised arguments in support of the amendments as articulated clearly in the information kits. The education clusters also responded to and provided additional information based on the specific requests of legislators.

For this campaign, several key issues were raised which highlighted government failings, wrong priorities and lack of long term strategies. In particular, the ABI education cluster raised serious concerns about cyber education and the school feeding programs which were heavily funded under very questionable terms and outcome. These generated wide public

School buildings at San Nicolas Elementary School, with condemned rooms inhabited by snakes.



debate which found their way into the halls of Congress. The cluster also raised concern about the very timid response of the government in addressing poverty as it impacts on the education of Filipino children.

The enactment of the 2008 National Budget was delayed for some months after the President stalled on its signing and vetoed key provisions that would have given more funds for education and other MDG-related programs. For the 2008 budget engagement, the education cluster, along with other ABI civil society groups, claimed partial victory in pushing for modest increases in the budget for basic services, specifically for education and health.

For basic education, additional funds amounting to P3.2 billion were allocated to the Department of Education covering the following: additional 1.7 billion to address the critical gaps in inputs such as teachers (495 million), furniture (75 million) and schools (1.1 billion); additional 32.7million for the Alternative Learning System (ALS); additional 1 billion to address the needs of the teachers specifically the medical services for teachers (400 million), teacher training (100 million) and payment of unpaid benefits (540 million); additional 360 million in Maintenance and Other Operating Expenses (MOOE) for public schools, of which 100 million goes to distance education for secondary level, 200 million for the operations of pre-schools, 51 million for Special Education Division (SPED) and 8 million for Government Assistance to Students and Teachers in Private Education (GASTPE).

The Third Budget Engagement

For the 2009 budget campaign, the education cluster saw the need to build the capacity of the network for sustained and long-term engagement in the budget advocacy. A series of trainings were organized not only for the core members of the education cluster, but for other civil society groups involved in education advocacy and service delivery. The aim was to involve more groups in the budget advocacy and coordinate initiatives at the national level with those being undertaken at the local and school levels.

Several representatives from the education cluster participated in the ABI training in May 2008 which focused on the budget process, budget analysis and designing advocacy strategies. This training was replicated in August 2008 for the education sector which was participated in by civil society representatives from nearby provinces. In November, the education cluster conducted several workshops in the NCR, Central Luzon and Western Visayas focusing on budget monitoring. The training activities proved effective in enhancing the participation of more groups in the budget campaign, particularly in formulating the alternative budget for education and in generating interest among the local constituencies. The education cluster also prepared a set of research modules which served as guidelines for conducting budget research and analysis focusing specifically on basic education. The modules were effective in encouraging local partners in conducting local budget analysis.

After a series of workshops, the ABI education cluster formulated its alternative budget for education which focused on addressing two major concerns: (1) Reaching the unreached in basic education; and (2) Ensuring quality education for all Filipino students.

The gains reported by the Department of Education are too marginal to gloss over the huge shortfall in performance and outcome. Elementary net enrolment ratio (NER) showed consistent decline since the EFA and MDG summits in 2000, while high school NER stayed low at 58 to 60 percent in the last five years. Drop out rates are at record levels with about 1.4 million students falling out of the school system every year. Numerous studies and surveys consistently point to poverty as the biggest factor that accounts for high drop out and increasing number of out-of-school children. Worse, with the continuous charging of school fees and other costs borne by parents, education became unaffordable to many poor families.

Given the worsening food and energy crisis, the poor is expected to dig deeper into their pockets to cover food essentials and energy, leaving very little for education and health. Thus more children are likely to be left out and deprived of education.

The Government's role becomes especially important during these difficult times.

When families go hungry and

When families go hungry and reduce their spending on education, and when children drop out of school to work, then government must act to cover the financing gap and provide safety nets to help the poor and disadvantaged. But this is not happening in the Philippines.

reduce their spending on education, and when children drop out of school to work, then government must act to cover the financing gap and provide safety nets to help the poor and disadvantaged. But this is not happening in the Philippines.

To address these urgent concerns, a total increase of P18.7 billion was proposed to cover the following concerns: P 4.85 billion for the hiring of additional teachers on top of DepEd's proposal for new teaching positions to cover the remaining unfunded teachers; P 8 billion for partial payment of accumulated benefits for teachers based on relevant provisions of the Magna Carta for Teachers; P1.120 million for the annual x-ray and laboratory tests required of teachers and medicines for those afflicted with tuberculosis and other respiratory disease; P 500 million to cover an additional P1,000 per teacher per year for training and scholarship; P 2.8 billion additional MOOE to contribute to enhancing education quality and to ease burden on poor parents to contribute; P 16 million as National EFA Committee fund for EFA monitoring and mobilization; P 1.411 billion for expanded coverage of the Alternative Learning System to reach out to at least 600,000 learners or approximately 10 percent of the out-of-school.

Starting September 2008, the education cluster participated in a series of budget briefings with legislators and their staff, including the presentation of the alternative budget to the Committee on Appropriations. The cluster also joined the ABI mobilizations during budget deliberations to challenge Congress to formulate a national budget that would protect the people amidst a slackening economy, a rapidly increasing cost of living and a burgeoning global financial crisis.

Milestones and Challenges

The last three years saw a productive experience for civil society groups in the education sector who were involved directly and indirectly in the series of budget advocacy campaigns. Certainly, the engagement highlighted the urgency of addressing the crisis of Philippine education. And one key measure to do this is to increase the budget, improve the allocation and prioritization, and ensure efficient utilization of resources. Legislators are paying more attention now on the people's voice in budget preparation. Civil society groups have also become more familiar with the budget process, making them more effective advocates and campaigners. The media has, likewise, highlighted education issues as they relate to congressional deliberations on the national budget.

In the last three budget seasons, the education sector was the biggest gainer in terms of additional funding, specifically for basic education. A significant part of the gaps in critical input has been covered, specifically for school building, teachers, textbooks and furniture. The budget for Alternative Learning System also increased by three-fold. At the same time, allocations for school-based health, teachers' medical benefits and testing development have been increased. Important issues such as Cyber Education, School Feeding, teachers' unpaid benefits under the Magna Carta, alternative education for the out-of-school and training for quality education have been raised in the halls of Congress, in the media and in the streets.

But more challenges lie ahead. The increments in the education budget are far too short to cover the widening gaps and achieve quality education for all. The debate in Congress must be raised to highlight issues and strategies, rather than act simply on

the basis of expediency and politicking. Public discourse on the budget must also be encouraged as public awareness and vigilance are the best guarantee for ensuring a responsive budget and for checking corruption attendant to its implementation. Finally, civil society groups must further develop their capacity for budget research, analysis and strategies for advocacy engagement. A stronger link with their constituencies and more interaction with the general public are required to amplify and sustain all initiatives.

Important lessons were gained in the advocacy engagement:

- Budget proposals must be concrete and with clear basis
- » Advocacy messages must be clear and sound
- » Credibility, capability, constituency and organizational machinery are important requirements in budget advocacy
- » Visibility is important to create impact
- » Active engagement while ensuring flexibility in form and strategy must be ensured
- » Readiness to participate at any time and at any given platform is required
- Intimate knowledge of the engagement terrain is a must to know the rules, when to intervene and who to watch
- Investment in partnership and networking is vital to broaden the constituency
- » A deep "bench" or a pool of competent advocates and campaigners, including researchers, writers, speakers and networkers must be maintained
- » Champions within and outside the government institutions who can be relied on to continue the advocacy from within must be ensured

Reaching High for State Colleges and Universities

The Alternative Budget Initiative's campaign for education also included budget advocacy campaigns for higher education, particularly on the budget for State Colleges and Universities.

University students and out-of-school youths, led by Youth Against Debt (YAD) formulated alternative budget proposals to address the decreasing per-unit budget allocation to public higher education. The group proposed to increase the budget of State Colleges and Universities and Centers of Excellence so that the schools can absorb more college entrants and would also not need to pass on costs to the students.

In 2008, the Bicameral Conference Committee version of the budget had P350 million increases for higher education as a result of the ABI's proposals to increases in the budget of SUCs in Luzon, Visayas and Mindanao. This also included P50 million for the establishment of a National Center for Good Governance at the University of the Philippines in Diliman

YAD's Legislative Engagement: Reinventing the Youth's Struggle

By NICA DUMLAO

he Youth Against Debt's (YAD) history of legislative experience goes back to 2007, when together with the Freedom from Debt Coalition (FDC) and Alternative Budget Initiative (ABI), the alliance leaders attended a meeting with then Senator Ralph Recto to advocate for: 1) The proposed State University and Colleges' (SUC) 2007 alternative budget; and 2) To lobby for a Senate counterpart for the official debt audit resolution passed by the 13th Congress. Together with the Iskolar Student Alliance (ISA) of the College of Medicine and College of Arts and Sciences in UP Manila, YAD lobbied for increase in UP budget that year.

Since then, YAD has been active in the lobbying efforts of ABI and FDC for both the alternative budget and for the official debt audit bill. YAD joined in creative actions both inside and outside the Senate and the House of Representatives, and had positioned itself as the youth and students' voice on the national government budget and education spending.

For lobbying, YAD capitalizes on the fact that legislators are generally more at ease when talking with the youth. YAD shifted from the usual confrontational stance into something more constructive — without losing its progressive character.



We gave flowers to Senators, sang Christmas carols where the bicameral meetings were held, and performed skating activities in front of the House of Representatives. These actions effectively complemented the traditional mass mobilizations and protest actions in various places.

The budget engagement was not the only legislative campaign by YAD. There was also the issue of the so-called textbook scam, or the World Bank funded Secondary Expenditure Management Program II (SEMP2). In the said loan financed project, the procurement and publishing of Department of Education textbooks was awarded to Vibal Publishing, which has been disqualified earlier for conflict of interest, and for previously publishing erroneous textbooks.

Following the efforts by then Rep. Prospero Pichay and Sen. Panfilo Lacson, YAD fervently campaigned for the legislative repudiation of the loan, and included the proposal in various documents, including the dossiers prepared by FDC and the ABI budget proposal book. On top of that, YAD was able to ask CIBAC Party-list Rep. Joel Villanueva and Akbayan Party-list Rep. Risa Hontiveros-Baraquel to give privilege speeches and recognize the issue in Congressional

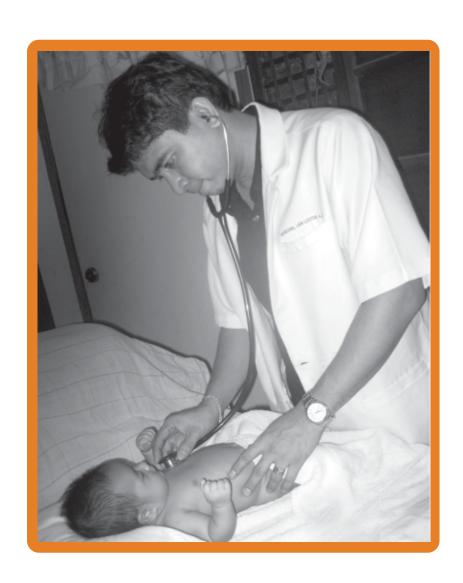
deliberations. Villanueva specifically filed a resolution seeking an investigation on the issue.

The "Textbook Scam" and the budget engagement overlap in many respects. YAD included in its proposal the suspension of interest payments for the graft-ridden textbook project and channel the funds to education instead. This was one battle won when Congress passed a special provision in the debt service section suspending any payments for the SEMP2-SEDIP project.

Finally, YAD is preparing for a new campaign. The "Six will Fix" calls on the government to follow the recommendations of Jacques Delors, the head of the education committee of UNESCO, specifically, for developing countries to follow the standard of 6 percent of the GNP for education spending.

Rep. Carlos Padilla has agreed to champion the proposal in the House of Representatives.

NICA DUMLAO is a member of Youth Against Debt



Historic Gains for Health Budget

By CECILE BILBAO

Examining the health sector's budget and financing can be depressing. Shortfalls in the health sector's budget have been a perennial problem. Budgetary gaps that confront the Department of Health (DoH) and the entire health sector have been a long-standing challenge.

Notable funding gaps to support the Millennium Development Goals (MDG) on health have already been registered. Based on the study by Rosario Manasan of the Philippine Institute of Development Studies (PIDS), the amount needed to support the attainment of MDGs related to public health would reach an estimate of P8.96 billion (or 13 percent of GDP) for 2007 with a cumulative total of P104.4 billion (8 percent of GDP) from 2007 to 2015 (SWP, 2008). Low investments on health have formed doubts whether the Philippines will achieve the MDG health targets. People are particularly worried that the Philippines will not be able to catch-up on the MDG target on improving maternal mortality because despite the improvements on the maternal mortality ratio (MMR), many Filipino women still die during pregnancy or childbirth.

Moreover, the share of health expenditure to the Gross Domestic Product (GDP) is still below the five percent standard set by the World Health Organization (WHO) for developing countries (3.3 percent in 2005 and 3.4 percent in 2008). Nearly 50 percent of expenditures for health-based services are personal



or out-of-pocket payments compared to the percentage of government health spending thru the social health insurance which is 11 percent. And for nearly a decade, the DoH budget only accounts for 1 to 2 percent of the national budget (FYs 1999-2008). Lack of funds to support public health programs have apparently become a characteristic of the health budget.

Aside from the financial hurdles in meeting the MDGs, the health sector also faces a sharp decline of professional health workforce. Thousands of Filipino doctors, nurses and health workers leave the country to work overseas. The inadequate supply of professional public health workers exacerbates the uneven distribution of health personnel and health care providers in the country.

With all these challenges in the health sector, it is easy to criticize and point out layers of governmental inefficiencies and institutional flaws and weaknesses. Most Filipinos would find it easy to throw criticisms and draw negative remarks at the current state of the health sector. But with the formation of the health cluster in the Alternative Budget Initiative (ABI), health-oriented civil society groups went beyond the 'traditional mode of criticizing the budget, they were given a more important role of proposing solutions" (Briones, 2008).

The ABI health cluster went beyond criticizing the health budget and the Philippine health system in general. Instead, the health cluster has earnestly focused on proposing solutions to ensure effective resource allocation and efficiency in health budget expenditures. Together with the ABI consortium, the health cluster took on a more challenging task by making concrete proposals on the health budget. Through the ABI campaign, an important space has been created for civil society organizations (CSO), legislators and government agencies to become partners in the advocacy on ensuring better investments for social development sectors.

Beginnings of the Health Cluster's Budget Campaign

Within the three-year budget campaign, partnerships and engagements with legislators and government agencies proved to be critical.

The ABI budget consortium is well aware that it cannot make significant contributions much less solve the entire financing problem on its own. The ABI network certainly needs partners outside the sphere of civil society groups. And efforts to establish, develop and sustain partnerships have always been a challenge for the health cluster and the entire ABI network especially during the first year of the campaign.

2007 Health Cluster Budget Work

WomanHealth Philippines (WHP), Medical Action Group (MAG) and the Public Services Labor Independent Confederation (PSLINK) were the three members of the health cluster when the budget campaign started in 2006. The first three health cluster members didn't call themselves as the "health cluster" then. They instead referred to themselves as a "technical working group" (TWG) on health.

During the first year of the campaign, cluster members were like students trying to understand how the budget system actually works. No one had a strong background on the



intricacies of the budget process. No one had a firm and solid understanding on how the budget is formulated, approved, implemented and executed. Hence, there was no one to produce a firm and detailed sectoral analysis and budget proposals.

The TWG on health knew that they need to learn fast since they only had very limited time to finish a sectoral analysis of the 2007 proposed DoH budget and then come-up with an alternative health budget proposals.

Despite the time constraints, the health cluster was able to produce the first-ever Alternative Budget for Health. The 2007 alternative budget proposals for health were largely premised on responding to the health-related MDG funding gaps.

The health cluster recognized that the government's commitment to achieve the MDGs on health is ultimately reflected by how much budget it allocates. In the case of the Philippines, financial gaps in achieving health-related MDGs were neither denied nor happily admitted by the DoH itself. "There is money to finance the health-related MDGs, but it is not enough," said DoH Undersecretary Dr. Mario Villaverde in a forum organized by the SWP in 2006.

As pointed out earlier, the process of crafting alternative health budget proposals for the first time was not easy. At this point, budget group meetings organized by SWP provided an opportunity to clarify and examine the health cluster's budget proposals. Discussions and debate within the budget network enabled the health cluster to refine its budget proposals.

For instance, the health cluster's proposal to reduce the allocation for the National Health Insurance Program (NHIP) sparked discussions within the ABI budget consortium. Among the central questions that were raised centered on determining if the proposal to decrease the NHIP's budget is actually fair and reasonable. Some of the budget group members were worried that the proposed cut in the NHIP's budget may also reduce the opportunity of many indigent Filipinos to gain access on affordable health care services.

The issue on whether to maintain or increase the NHIP's budget was raised amidst serious doubts with regard to its effectiveness particularly in the manner of selecting its beneficiaries. It was election year then, and the health cluster recognized that the NHIP can be used by politicians to gain popularity. Political indigents may sprout like mushrooms and overshadow the indigent Filipinos who are the target beneficiaries of NHIP.

After the series of budget group meetings, the health cluster eventually agreed to push for its initial proposal to decrease the NHIP's budget, but with stronger justifications this time. This case illustrates that collective discussions have always been crucial in crafting sectoral alternative budget proposals.

The health cluster also participated in SWP-organized legislative briefings and consultations with congressmen and senators. On the other hand, there was no formal engagement with the DoH yet.

Though gains were elusive during the first year of the cluster's campaign, the 2007 engagement enabled the cluster to familiarize itself with the budget process. The health cluster gained valuable lessons from its initial budget work which helped improve and sustain efforts in advancing a pro-poor and public health oriented budget agenda.

2008 Budget Work

In the 2008 budget work, there was a deliberate effort on the health cluster to improve and deepen its budget campaign. The health cluster's partnership with the DoH and legislators has been one of the high points of the 2008 budget campaign. The cluster focused on forming partnerships with legislators and the executive department via the DoH—an important lesson during the first campaign in 2007.

In line with the objective of forming partnerships with the DoH, the health cluster organized two roundtable discussions (RTD). The RTDs provided a forum to directly engage the DoH regarding the health sector's budget. The RTDs signaled the start of the health cluster's collaboration and partnership with the DoH. It became apparent in the RTDs that civil society groups and the DoH shared a common agenda of improving the health sector's budget and financing. In addition, the ABI network gained the commitment of DoH's Health Policy Development and Planning Bureau to support the advocacy of CSOs to ensure effective budget health allocation. DoH's support to the ABI network was an indication that civil society actors and government are essentially partners in strengthening public health programs by improving the financing of the health sector.

After the RTDs, the cluster also organized a small technical working group (TWG) meeting on maternal health. The TWG was meant to start the discussions and help shape-up the "One Midwife per Barangay" advocacy of the health cluster. The said TWG was attended by barangay health workers and representatives from the Integrated Midwives Association of the Philippines (IMAP) and DOH-National Center for Disease Prevention and Control. However, the TWG on maternal health managed to convene only once.

The health cluster also planned to produce a DoH budget utilization study. The budget utilization research was intended to guide the cluster's budget proposals in terms of setting realistic levels of alternative budget proposals, i.e., ensuring that the proposed increases to address the financing gap will be absorbed well and spent well. But due to unforeseen circumstances, the completion of the said study came after the alternative budget proposals have been formulated.

Any group such as the health cluster whose members have different areas of focus and expertise on health are naturally inclined to debate and disagree on certain levels and issues. Hence, cluster meetings served as an important setting for the members to level-off and discuss.

Cluster meetings have been very important during the preparatory stage of forming alternative health budget proposals for 2008. Throughout the budget campaign cycle (i.e. budget formulation, legislation and authorization), cluster meetings have been indispensable in providing a venue to discuss, plan, and coordinate budget-related advocacy activities.

Understanding the Cost of Better Health Outcomes and Healthy Communities

Deciding which health advocacies to prioritize was a tough task for the health cluster. Determining which health concerns are seriously urgent was not easy as well. There were too many health issues to focus on, and too many health problems which deserve urgent attention.





Since the latitude of the health agenda is broad and multilayered, health concerns and issues cut across different sectors like the education and environment (e.g. school health issues, health governance, environmental health agenda etc.). Thus, an appreciation of the broad terrain of the health sector with its tendency to overlap with other sectoral agenda was necessary in formulating the advocacy points of the health cluster for 2008.

Needless to say, it was difficult for the group to arrive at a consensus on what health advocacies to prioritize. However, despite the varying views among the cluster members, a consensus was reached; that is, to use the MDG framework as a point of convergence where different strands of advocacy points meet.

The health cluster recognized that there are many health issues and problems; but presumably there are pressing ones. Prioritizing those pressing health issues relate to responding to basic human health rights and the equal protection of a person's capabilities to pursue the kind of life that he chooses—a life that is healthy and free of diseases. Take for instance the view that "no one deserves to die due to pregnancy or childbirth". These ideas concerning the protection of human

health rights and basic human capabilities are all ideally embodied in the MDGs.

The scope of the health cluster's advocacies aimed to strike a balance between the MDG-related health priorities and broader health sector agenda. Unlike the 2007 budget work which heavily focused on health MDG-related financing gaps, the 2008 proposals were broader in terms of its attempt to include holistic issues critical to the health system.

The widening of the health cluster's advocacy points coincided with the expansion of its cluster members. The cluster expanded its membership to seven organizations. The new health cluster members were Health Care Without Harm (HCWH), Institute of Public Health Management (IPHM), Institute for Popular Democracy (IPD), and UPLIFT. The level of participation of the health cluster member organizations vary. Issues like hospital waste management, compensation for public health workers, cancellation of onerous foreign debts and vaccine self-sufficiency, among others, were included in the alternative health budget proposals for 2008.

With the expansion of both the cluster members and its budget advocacies, it was only necessary that the health cluster and the ABI network take extra efforts to foster good working relationships with legislators and partner government agencies like the DoH.

Initiating and Sustaining a CSO-legislators partnership

The evolving partnership of SWP and ABI with legislators played a crucial element in the health cluster's budget campaign. The cluster's engagement with legislators was pivotal in shaping the direction and defining the level of success of the entire ABI network.

The partnership between ABI's civil society groups and legislators are characterized by mutually positive and reinforcing elements. Civil society actors and legislators are bonded by a common interest of ensuring better investments for the health sector and better public health service delivery. Civil society groups complement and enhance the research expertise that is often lacking in legislatures. Since CSOs have deeper and intensive background on sectoral concerns, they serve as an important and credible source of information and materials for legislators.

This point is well illustrated by the cluster's collaboration with Cong. Rufus Rodriguez of Cagayan de Oro.

It was already past 1:00 o'clock in the morning when we heard the announcement that the 2008 proposed budget of the Department of Health is up for deliberation in Congress. We were somehow glad that the plenary on the DoH budget finally opened since we've been in Congress for nearly 6 hours already.

Congressman Rodriguez was among the first to raise questions. He inquired about the government's budget allocation for deworming school children. With an alarmed tone, he explained that 67 percent of public elementary school students nationwide suffer from intestinal worm infestation. The extent of this public health concern is quite alarming since intestinal parasites could pose debilitating health hazards on children. It could cause anemia, vitamin C deficiency and malnutrition among school children. It could further aggravate the often poor mental functioning and the quality of performance of children in schools. Considering that these data was based on a 2004 study¹, Cong. Rodriguez was worried that the prevalence of intestinal worm infestation among school-age children may have doubled by now.

Rep. Rodriguez cited the Social Watch 2008 Alternative Budget as his reference. He committed to support and see to it that the proposed augmentation of Social Watch in the DoH budget for deworming will be passed.

That moment was an indication that the orange book of ABI which contains alternative sectoral budget proposals of

I National Soil-Transmitted Helminthiases (STH) Prevalence Survey conducted by DOH, DepEd and the University of the Philippines-College for Public Health.

For every 100,000 live births in the Philippines, 162 women die during pregnancy and childbirth or shortly after childbirth, according to the 2006 Family Planning Survey (FPS). The national target is to reduce the MMR by 53 maternal deaths. This means that maternal health program implementers need to redouble efforts to achieve the desired MDG target on maternal mortality (NSO press release, 2007).

civil society groups has become a credible source of information for legislators. A number of articles on major dailies also came out with reports and features about the ABI.

If civil society groups have the capacity to provide in-depth information on certain sectoral issues, legislators on the other hand, can 'offer access to key moments in the budget process that are inaccessible to civil society'.

The inclusion and eventual adoption of the ABI network's alternative proposals in the annual national budget would have

been impossible if legislators did not sponsor the budget insertions or initiatives.

Take the case of Congressman Edcel Lagman of Bicol region and former Chair of the Committee of Appropriations. Rep. Lagman sponsored the augmentation of most alternative health proposals of ABI. Among these is the huge budgetary increase in the family health budget to support the purchase of reproductive health commodities amounting to an additional 1.3 billion pesos in the DoH budget.

Rep. Lagman who is a strong supporter of reproductive health rights and the main author of the controversial Reproductive Health Bill presumably found the ABI health cluster's proposal on increasing the family health budget as parallel to his own advocacy on reproductive health.

SWP-organized legislative briefings especially with the Minority bloc in both Houses of Congress enabled the health

cluster to map out the specific sectoral issues and agenda of legislators. Moreover, it enabled the ABI network to identify legislators who were potential champions of specific alternative budget proposals of ABI like Rep. Lagman who championed the increase in the family health budget.

The timing of release and dissemination of the Orange Book of ABI also helped to arm, so to speak, the legislators during budget deliberations to justify and lobby for ABI's alternative sectoral proposals just like in the case of Rep. Rodriguez.

CSOs and DoH: Partners for Health

The role of the DOH in the ABI health cluster's campaign is undoubtedly crucial.

The DoH has consistently showed support in the ABI advocacy. DoH units have been very receptive to the core budget advocacies of ABI. DoH has always been ready to engage in discussion with CSOs by sending representatives on RTDs, TWGs, media forum etc.

In the three-year budget engagement of the health cluster, its partnership with DoH has also evolved. As earlier mentioned, in the 2007 engagement, no partnership has been formed while in 2008, the RTDs and TWGs signaled the beginning of a CSO and government partnership.

The fact that some of the health clusters have previous engagements and experiences working with DoH made it somehow easier to establish links in the DoH.²

Another important factor which enhanced the health cluster's partnership with the DoH was when the legislative staff of Rep. Lagman took the initiative to share a copy of the 2008 Orange Book of ABI to the office of DoH. The initiative

² WomanHealth Philippines has been part of the Women's Health Safe Motherhood Project 2 of DoH. Health Care Without Harm has been part of the syringe waste disposal evaluation of the DoH Tigdas Ligtas Program. IPHM worked with the National Center for Health Promotions regarding Sentrong Sigla Certification.

of Rep. Lagman's office to share a copy of the 2008 Orange Book to DoH has allowed the DoH to get informed and at the same time validate and comment on the contents of the ABI's proposal. To a limited extent, the health



cluster managed to consult and inform DoH of key alternative budget proposals of ABI, but the cluster never had the chance to validate its proposals with the DoH. And this was precisely what the initiative of sharing a copy of the Orange Book to DoH did.

Meanwhile, in the budget engagement in 2009, the health cluster's collaboration with DoH has become more systematic and formal. The health cluster organized a series of consultations and dialogues with various units in the DoH.³

The series of dialogues with the Department of Health greatly contributed in the crafting of the 2009 budget proposals. It helped the health cluster to set its budget proposals in accordance with the needs and issues that were collaboratively identified by the Alternative Budget Initiative health cluster and the Department of Health.

The DoH has consistently showed support in the ABI advocacy. Its units have been very receptive to the core budget advocacies of the ABI.

These cases served as examples of the convergence of agenda and efforts between CSO, legislators and the government. It also shows that a reciprocaltype of relationship is possible among CSOs, legislators and the DoH.

³ Health Policy Development and Planning Bureau, National Center for Disease Prevention and Control, National Epidemiology Center, National Tuberculosis Program among other units in the DoH Central Office.

Advancing the Call for Higher Allocation for Health

There is a wide range of health issues that could serve as advocacy points for the health budget campaign. Given all the challenges that confront the health system, there are particular issues that the ABI health cluster primarily focused on. For 2007, responding to the MDG financing gaps in the health budget was the central theme of the health proposals. These were more detailed and encompassing in the years that followed

2008 priority budget proposals

<u>Reduction of maternal deaths</u>. To strengthen reproductive health advocacy and support family planning initiatives.

<u>Support for Health Promotion</u>. More aggressive information and advocacy campaign. Harnessing of local partnerships necessitates intensive health promotion activities via information and advocacy campaign.

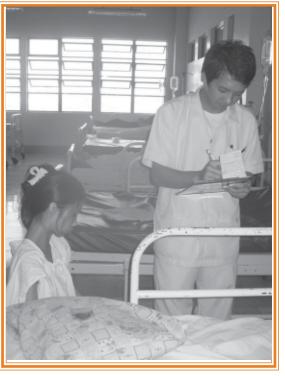
<u>Higher allocation for the TB program</u>. Support for wider coverage of TB-related services and medicines. The health cluster also raised the need for a critical shift in the DOH strategy in combating TB from the a facility-based approach to active case finding strategy.

Intensify an MDG-centered Epidemiological & Disease Surveillance Research. More investments to support high-quality and multi-disciplinary research programs to contribute in the control of infectious and tropical diseases.

Support for RITM's Vaccine Self-Sufficiency Project. Support local production of vaccines for "vaccine-preventable diseases" such as diphtheria, pertussis, polio, BCG, Hepatitis B, anti-rabies, antivenin, anti-tetanus serum, tetanus toxoid that usually affect children.

<u>Budget for the deworming program</u>. Proposal to intensify the DOH deworming program.

Support for anti-rabies vaccines for humans. The



Philippines ranked number six among the countries with the highest reported incidence of rabies in the world. Incidence of animal bites has become a public health problem since it causes death of 200-500 Filipinos annually due to acute fatal infections.

Make a comprehensive evaluation of the Philippine Health Insurance Corporation (PhilHealth) programs. Conduct a study on how the P3.5 billion budget allocation for PhilHealth in 2007 was utilized. Conduct a

comprehensive review of the maternal and child health package of PhilHealth and examine if such package has been effective in addressing maternal and infant mortality.

Support for proper treatment of infectious health-related wastes by purchasing autoclaves. Ensure proper waste disposal of medical wastes by purchasing autoclaves which is an alternative non-incineration equipment for treating medically infectious wastes of public and DOH retained hospitals. Autoclaves use steam under pressure to treat cultures and stocks, sharps, materials contaminated with blood and limited amounts of fluid, isolation and surgery wastes, laboratory wastes (excluding chemical wastes), and soft waste (HCWH, 2009).

This proposal is intimately tied with the cluster's proposal to cancel the debt interest payment for the defunct medical waste incinerator loan from Austria.

2009 priority budget proposals

Fund the full Implementation of Magna Carta Benefits. The Magna Carta for Health Workers or Republic Act 7305 was passed in 1992. Nearly fifteen years have passed and yet

the full implementation of the Magna Carta for health workers has not been in place. The ABI health cluster also proposed for funds support to implement the Philippine Nurses Act.

Rural Health Midwife Placement Program. Funding support for a new line item intended to roll-out a Rural Health Midwife Placement Program (RHMPP). RHMPP aims to deploy competent midwives to improve the indices of facility-based deliveries and fully-immunized children. Also, to enable greater access to basic health care services. This is also a step to address the shortage among public health workers.

Purchase of mercury-free thermometers for 66 DOH hospitals. To help implement the DOH Administrative Order No. 2008-0021 on the "Gradual Phase-out of Mercury in all Philippine Health Care Facilities and Institutions", a seed money of P13.2 million for the 66 DOH-controlled hospitals is proposed to jump-start the hospitals' switch to mercury-free thermometers.

Historic Budget Gains in the DoH Budget

The Department of Health had few historic budgetary

For fiscal year (FY) 2008, the Congress approved a total of P6.8 billion budgetary increase on top of the proposed DoH budget. Almost all of the Health cluster's alternative budget proposals were adopted in the approved GAA like the family health budget, Tuberculosis budget, epidemiology and disease surveillance budget.

increases —one of them was during the approval of the 2008 national budget. It was the time when the health cluster of the Alternative Budget Initiative has been actively involved.

Below is a rundown of the budget gains in the ABI.

• For the fiscal year (FY) 2008, the Congress approved a total of P6.8 billion budgetary increase on

top of the proposed DoH budget. Almost all of the Health cluster's budget proposals were adopted in the approved GAA like the family health budget, budget for TB, epidemiology and disease surveillance budget.

For FY 2009, out of the eleven ABI health proposals for 2009, four were approved in the recently signed 2009 GAA. This constitutes P463,648,563 million from the P4.7 billion total ABI health proposals. The approved health budget has been the highest budget in the history of the health sector's appropriation.

• For FY 2009, out of the eleven ABI health proposals for 2009, four were approved in the recently signed 2009 GAA. This includes P463,648,563 million from the P4.7 billion total ABI health proposals. The approved health budget has been the highest budget in the history of the health sector's appropriation.

While all these augmentations may be considered as budget gains of the ABI budget consortium in partnership with the DOH, such increases signal the start of yet another advocacy work—ensuring the timely and full release of these additional appropriations.

To lobby for the increase of the sectoral budget is one thing; and it is entirely another thing to lobby for the release of approved budget increases.

Insights and Lessons Learned

For effective budget lobby, there is a need for mastery of budget processes to ensure timely and effective interventions. Improving CSOs capacities and knowledge of how the budgeting system works in order to understand policies, mechanisms and dynamics of the budget process is important.

FOR effective budget lobby, there is a need for mastery of budget processes to ensure timely and effective interventions.

SECTORAL Alternative budget proposals must be backed-up with strong arguments and credible and current data.

CSOs should have the important skills, attitudes and have the lens to understand the dynamics of timing and approach of engagement.

BUDGET advocacy work doesn't stop when the GAA is finally approved. We need to monitor its implementation. MORE **FUNDS MEAN MORE** ACCOUNTABILITY.

Sectoral Alternative budget proposals must be backed-up with strong arguments and credible and current data. The ABI Orange Book should be brief, concise, and evidence -hased.

Timely research dissemination should also be ensured. This will provide help in equipping all the ABI champions with sound arguments as well as understanding of CSOs proposals.

Civil society groups should have the crucial skills and attitudes. They should also have the lens to understand dynamics of timing and approach of engagement. There is a need to equip CSOs with the core competencies that are vital in lobbying and advocacy work.

Budget advocacy work doesn't stop when the GAA is finally approved. We need to monitor how the budget is implemented

"More funds mean more accountability". As part of the civil claim our gains but at the same time have the responsibility to monitor and protect these budget gains.

society, we have to

Our Ways Forward

Expand the health budget advocates. Link-up with likeminded organizations and other advocates to help promote and sustain efforts for better resource allocation for the health sector.

Gain a holistic understanding of budget increase implications such as the issue of absorbability, manpower, systems and organization.

Acquire knowledge and skills on how to monitor pork barrel and other discretionary funds. This would involve the relevance of developing good comprehension skills of audit report findings so that CSOs are able to competently analyze the performance and utilization of NG budget.

Learn and use effective media strategies to attract and maintain public attention in key budget issues, proposals and reforms. Make sure that the cluster is able to provide immediate response to current issues relating to budget. This includes the crafting of timely press releases and organizing press briefings among others.

Foster trust and confidence with partner agencies like the DOH and champion legislators while respecting civil society's autonomy. Ensure that even if the ABI Health Cluster works closely with the DOH, it should be careful to secure its autonomy by remaining independent and critical of DOH's policies programs and actions and at the same time offer alternative courses of action to address emerging concerns

ABI 3-YEAR EXPERIENCE

CSO BUDGET INTERVENTION:

Shifting the Philippine Budget Practice

Through the ABI campaign, civil society groups' participation in the budget process has opened up a new perspective of looking at the budget process. Greater CSO budget intervention signaled an important shift in Philippine budget practice.

Stop Toxic Debt!

In a Sub-Committee Hearing on the 2008 DoH budget in Congress, Representative Risa Ontiveros-Baraquel of AKBAYAN Partylist interpolated DOH officials. Rep. Baraquel addressed the body and read to them the ABI health cluster's alternative budget proposals. Among the budget proposals that seemed to have struck the DoH was on the Austrian incinerator loan.

"Are you aware that the Philippine government made a loan from the Austrian government to purchase incinerators? And that the government has been paying for this incinerator loan since 2002," asked Rep. Baraquel.

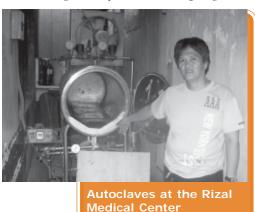
The incinerators were decommissioned in 2003 with the enactment of the Philippine Clean Air Act of 1999 prohibiting the use of incinerators. Thus, the incinerators are no longer in use, but the government has been continuously paying for it. In fact, an amount of 100 million pesos has been allocated in the proposed national budget for 2008 as debt interest payment for the said foreign loan.

Health Care Without Harm (HCWH), together with the ABI consortium are strongly against the payment for the Austrian incinerator loan. The ABI network proposed for the cancellation of the defunct medical waste incinerator loan and

called for re-channeling the 100 million to purchase autoclaves instead. Autoclaves are acceptable non-incineration equipment for treating medically infectious hospital wastes which can actually spread pathogens if disposed improperly. And this could expose people and communities to potentially infectious diseases.

"No, we're not aware about that. But we will certainly look into that", this was the reply of DOH Undersecretary Alex Padilla to Rep. Baraquel's inquiry.

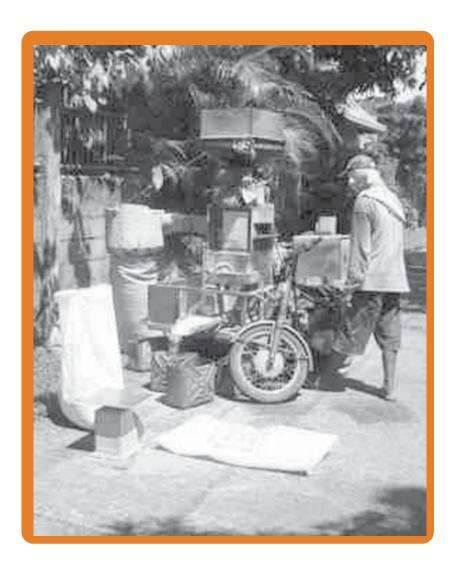
This case shows that CSOs participation in the budget process brings in a new lens or perspective of looking at the budget priorities of the government. Civil society actors' bring in an important dimension in the budget process by encouraging debates on broader issues and detailed engagement on ensuring effective allocation and spending of limited government resources. CSOs also reinforce the importance of accountability and transparency in the budget process.



The Austrian incinerator loan has not been cancelled. The President actually vetoed the proposal to cancel the interest payment for this loan. However, ABI's proposal for 100 million to purchase autoclaves has been approved in the 2008

national budget. The DOH has already completed the bidding for the autoclaves, yet the release of the appropriated amount is still pending at the DBM.

Meantime, HCWH and ABI will continue to lobby for its release and eventual cancellation of the Austrian medical waste loan. Reference: HCWH media forum press release, 2009



Agriculture Budget for Sustainability

By JOYCE SIERRA

he hearings and deliberations for agriculture budget have always been well-attended by legislators trying to get a chunk of the allocation for their own legislative districts. The deliberations however, did not get as much media and public scrutiny before as it did in 2005 when alleged diversion of agriculture funds to boost the 2004 electoral campaign of the Gloria Macapagal-Arroyo administration was uncovered.

Quite incidentally, this also paved the way for the engagements of Rice Watch and Action Network (RI) in the agriculture budget. The network, composed of several nongovernment organizations working with the rice farmers, started lobbying even before the group joined the Alternative Budget Initiative (ABI) of Social Watch.

RI and one of its members, the Southeast Asia Regional Initiative for Community Empowerment (SEARICE) came up with a research study on the heavily-funded Hybrid Rice Commercialization Program (HRCP) of the Department of Agriculture (DA). The study found this very expensive program not only unworthy of the government's blanket promotion, it also hosted several latent unscrupulous transactions creating the impression that the DA was the most sought-after milking cow of private-owned corporations and

suppliers of agricultural inputs.

The research covered Isabela, Nueva Ecija, Iloilo and Davao del Sur, all major rice-producing provinces. The field performance of hybrid rice varieties have not shown significant and consistent yield advantage over inbred rice varieties except in Nueva Ecija. Hybrid rice had a much lower yield advantage than inbred rice varieties in Davao del Sur while hybrids had the same or much poorer performance than inbred in Isabela and Iloilo provinces.

Hybrid rice proved to be generally less profitable compared to inbred rice, again except in Nueva Ecija where hybrid rice had a slight return-on-investment advantage over inbred due to the relatively higher productivity.

RI and SEARICE jointly unveiled the findings through public forums, media releases and even public actions and brought the issue to the public attention.

Rr challenged Congress to investigate the P26 million worth of hybrid rice funds. The group cited the responsibility of then Philippine Rice Research Institute (Philrice) Executive Director Dr. Leocadio Sebastian and Mr. Frisco Malabanan of the DA's Ginintuang Masaganang Ani (GMA) Rice Program, the primary agencies tasked to implement HRCP.

Timely intervention

SEARICE brought the anomalies in the HRCP funds to Sen. Jun Magsaysay who was then spearheading the Senate probe of the fertilizer funds. The timely intervention of SEARICE helped a lot in getting the necessary news peg to bring the issue in the mass media.

RI and SEARICE also drew attention into the possible misuse of P551M of the HRCP funds to finance the elections in 2004 including the P394M drawn from the Marcos wealth. The groups asked the Ombudsman to probe these anomalies in the 2004 disbursements for hybrid rice and fertilizers funds.

During the deliberation for the 2006 budget at the House of Representatives, SEARICE saw the expose of the hybrid

rice program as a critical line of attack to significantly cut, if not completely remove, the program's funding. SEARICE discussed with legislators the way public funds were being used to promote private interests, such as the SL Agritech in the case of hybrid rice.

SEARICE held separate briefings with Akbayan partylist Rep. Risa Hontiveros Baraquel, Quezon Rep. Erin Tanada, Partido ng Manggagawa party-list Rep. Rene Magtubo and CIBAC party-list Rep. Joel Villanueva. The legislators raised the issue during the agriculture budget hearing. They also sponsored resolutions seeking a separate inquiry into the hybrid rice program.

Sen. Jun Magsaysay, then Chair of the Senate Committee on Agriculture expressed interest in the probe of HRCP funds and viability of the hybrid rice technology in the country. Citing the RI research, Sen. Miriam Defensor Santiago also filed a resolution directing an inquiry into the alleged misuse of P26.1-million funds in the hybrid-rice program.

2007 Agriculture budget proposal - P3.7 B

The budget proposals called on the government to support programs that will improve the livelihood of local farmers and fishers.

RI continued the fight to remove the government subsidy for the hybrid rice program and joined the Alternative Budget Initiative (ABI) of Social Watch Philippines. The budget proposals called on the government to support

programs that will improve the livelihood of local farmers and fishers. Topmost in the alternative budget proposal was to increase the budget for Agriculture and Fisheries Modernization Act (AFMA) to increase agriculture productivity.

The declining trend in agricultural productivity was threatening the livelihood of the majority of the population.

The government's insistence on highchemical farm inputs and seeds that came from commercial sources not only failed to deliver its promise of sustainable good yields. It also brought to fore the question of food safety.

Poverty incidence among agricultural households was about four times more than the rest of the population. The reported growth in the fishery sector was limited to the robust performance of aquaculture, which barely benefits the marginalized fishers who are in municipal fishery production.

The government's rice program that largely relied on hybrid rice technology was too expensive for the government and too risky for the farmers to invest in. The DA had to put in money for hybrid rice promotion because the technology suffered poor adoption rate of farmers. The World Bank study found massive dis-adoption rates as dramatic as 80 percent of the farmers who once planted hybrid rice seeds and failed, causing income losses on the farmers.

RI proposed that the budget for hybrid rice be shifted to additional government budget for sustainable agriculture. The government's thrust of simply providing additional subsidies on fertilizers and seeds failed to address the need of the nation toward food self-sufficiency. Ironically, the government's insistence on high-chemical farm inputs and seeds that came from commercial sources not only failed to deliver its promise of sustainable good yields. It also brought to fore the question of food safety.

Data from the Bureau of Soils and Water Management (BSWM) showed that most of the 4,822,739 farms in the country are already highly acidic. This condition highly limited the ability of the farms to attain maximum biological yields. Nueva Ecija and Isabela, both top rice producing provinces, posted highly acidic soils from decades of intensive use of chemicals. Rice produced in the country was found to contain high levels of toxic substances at 0.08 ppm while only a maximum of 0.015 ppm is allowable.

Equip with updated knowledge and training

An alternative route to increase rice productivity is to enable the farmers' technical capacity to utilize locally available resources such as inbred and farmer-bred seeds and organic raw materials. The proposals were composed of relatively cheaper investments to increase the farmers' productivity and income.

Various studies indicated that crop management contributed an estimated 10 percent increase in farm output. R1 proposed additional P825 million for extension support to regularly equip the farmers with updated knowledge and training through farmers' field schools and setting up of demonstration farms in selected areas. This amount will focus on helping farmers employ System of Rice Intensification (SRI) and appropriate farming techniques on pest management, plant breeding and plant varietal selection, and soil fertility management.

SRI is a technology that employs water management in the field and was proven to increase yield in rice of up to nine metric tons per hectare compared to the current average of 3.5 metric tons per hectare only. It does not have any bias on the kind of seeds that will be used but adheres to designating accurate spaces in-between rice plants to achieve the maximum benefit of the technology. The system has high labor absorptive capacity and can generate additional on-farm employment.

Investments in infrastructure

The proposal was focused on the repair of irrigation systems and investments in communal irrigation and shallow tube well systems, water resources planning and management, soil conservation, and maintenance of water impounding systems amounting to P1 billion. The cost also covered repair of farm to market roads and bridges damaged by the Typhoon Milenyo.

RI proposed another PI billion for post-harvest facilities and other infrastructure to address the losses incurred after harvest. According to the study of the Congressional Commission on Agricultural Modernization in 2000, post harvest losses ranged from 10-37 percent for rice, 30 percent for corn, and 40 percent for vegetables, fruits and commercial fishery products.

Additional budget was proposed to set up milling facilities in 10 major rice producing areas covering 46 percent of the country's total rice production. This would result to additional 2 million metric tons of rice output projected to be produced due to more efficient post-harvest facilities.

These infrastructure investments also included setting up of solid waste management programs at the LGU level to help process and produce organic fertilizers.

Research and development

RI proposed additional budget of P290 million to enhance the existing technologies that were developed and improved by NGOs and farmers. Among these were the participatory plant breeding and plant varietal selection, and sustainable farming techniques that will be exhibited in demonstration farms in different parts of the country. The proposal intended to move Philrice to devote more time and resources in the development and promotion of these sustainable technologies.

Credit program

Government and private lending institutions were not providing credit window opportunity to practitioners of sustainable agriculture. The government preferred to give credit only to certified and hybrid seeds users, excluding traditional seed users.

The alternative budget proposal contained allocation amounting to P200 million for credit. This made sure the farmers will be given access to credit when converting from chemical-based farming to sustainable agriculture methods.

Marketing

RI proposed additional budget of P400 million to assist in the marketing and distribution of rice produced through sustainable agriculture methods. The proposal included the creation of marketing mechanism that will link the producers directly to consumers;

Fisheries development: additional P21.8M

The agriculture budget proposal included legal, advisory and technical services on fishing technology, investments on post-harvest and fisheries resource studies and management amounting to additional P10 million. The government budget was set at P7 million so these items had a total budget of P17 million.

Another item that will strengthen Bantay Dagat and other mechanisms for the conservation, regulation and protection of fisheries and aquatic resources was proposed at P11.8 million. The government budget allocation was P9.2 million so the total budget for this item amounted to P21 million.

Election budget

The alternative budget did not encounter major opposition in the Senate and House of Representatives although some of the legislators were more inclined to support specific budget items only. However, one main constraint in getting a higher budget for 2007 was the fear that the funds will be used by President Gloria Macapagal-Arroyo as "budget for elections". The mid-term election was held in May 2007.

SEARICE and RI earlier raised the diversion of hybrid rice subsidy to finance the electoral campaign of the Arroyo administration in 2004. Senator Franklin Drilon who was the Senate President at that time agreed to stop the subsidy for hybrid rice. He asked DA's Ginintuang Masaganang Ani Director Frisco Malabanan to make sure 2007 will be the last year of the subsidy. Malabanan promised to comply and even cited the study of Philrice and World Bank recommending the same. This proved to be just another empty promise.

In Rr's dialogue with Sen. Drilon, the Senate head was more inclined to increase the budget on irrigation and post-harvest facilities. He specifically added additional funding on these budget items in the Senate version of the budget. He suggested that other key items in the budget proposal of Rr be

integrated and given sufficient allocation in the existing budget lines of DA. Drilon agreed that the agency's extension support program and budget allocation should include sustainable rice farming systems, as proposed by RI.

2008 alternative budget proposal - P258 million

The budget advocacy for agriculture gained wider participation among the different agriculture-based civil society organizations aside from R1 and SEARICE. Pambansang Koalisyon ng mga Kababaihan sa Kanayunan (PKKK), Centro Saka, Inc., Unlad Kabayan and Kaisampalad also joined the agriculture budget working group. Initial meetings were organized to revive the budget campaign in time for the opening of the 14th Congress in July 2007. The meetings were called to come up with a united budget policy agenda critical to agriculture.

The group pushed for automatic appropriation for Agriculture and Fisheries Modernization Program and sought to clarify the areas under this program where appropriate projects should be pursued. The group also agreed to continue seeking support for sustainable agriculture methods as already implemented by the farmers nationwide.

On rural women's budget agenda, the group agreed to push for concrete support services specific for women in agriculture. One example was to provide lending support to women who bear the burden of raising capital for farm inputs. The group agreed to further develop the agenda for women farmers in other agriculture commodities aside from rice. However, PKKK became preoccupied with other campaigns and was inactive in the budget advocacy as the work went along.

Lobbying for the budget proposal

The budget proposal was harmonized and integrated with the proposals of other clusters under the Alternative Budget Initiative (ABI) led by Social Watch Philippines.

The proposal again sought the support for sustainable agriculture that can be directed to poor farmers who have

limited access to government's programs. Sustainable agriculture practices were proven to be suited for poor and cash-strapped farmers.

The proposal was premised on the need to diversify the government's agricultural development program to include sustainable agriculture and not be limited to hybrid rice and GMOs. This can also lessen the risks in case of failure of some of these flagship programs.

Presented to members of the House of Representatives on September 21, the proposal also criticized the hybrid rice

Budget Item	Proposed Adjustment
Education on sustainable agriculture (500 farmers x P500 x 6 technologies x 50 provinces)	75,000,000
Research and development	
Annual convention for sustainable rice practitioners	3,000,000
Research on friendly technologies to climate change	5,000,000
Production support organic fertilizers and other organic inputs) [50 provinces x 500 farmers xP1,000 x 2 cropping seasons) setting up of provincial vermiculture/technology	50,000,000 2,500,000
showcases(Ph 50,000 x 50 provinces)	
Extension services (Personnel, 2/province at P15,000 each) [50 provinces x P30,000 x 12 months]	180,000,000
Establishing demonstration farms (P 50,000 x 1 hectare x	
2 cropping seasons x 50 provinces)	5,000,000
TOTAL	258,500,000

program that enjoyed a large chunk of the agriculture budget from 2004 to 2007 despite the reported failures. The group's recommendations centered on research, training and other production support components.

RI led the agriculture budget working group in the presentation of the budget proposal along with other clusters of ABI. ABI presented its proposals, for the first time, to the House of Representatives' Committee on Appropriations. This could not have been done without the able support of Rep. Edcel Lagman who was the Chair of the committee.

Sen. Juan Ponce Enrile was the head of the Senate Finance Committee and led the Senate deliberations of the budget. However, he did not give the same importance as Rep. Lagman gave to ABI.

The bicameral deliberation started on December 19, 2007. RI with other members of ABI launched a rally in front of the Philippine Coconut Authority (PCA), the venue of the bicameral deliberation. Rice farmer leader Jaime Tadeo was able to get into the bicameral meeting room where senators and congressmen were jointly discussing the proposed 2008 budget. He was able to give the agriculture budget proposal to Sen. Panfilo Lacson, Sen. Miguel Zubiri and Sen. Ed Angara. Rep. Edcel Lagman assured Tadeo that the proposal will be considered in the bicameral deliberations.

Media work

RI continuously engaged with the media on its staple issues including budget for agriculture. The group responded to the news about the Department of Budget and Management's proposal to cut the agriculture budget for rice to improve the country's fiscal position. RI's statement came out in the BusinessMirror on June 6, 2007.

A press briefing was held on September 28, 2007 where RI presented its critique of the hybrid rice budget and discussed the proposal to increase the budget for sustainable agriculture. The press briefing resulted in news articles in Philippine Daily Inquirer on October 2 and in Pinoypress.net on the same day. Another article on the same release came out in Malaya on October II.

Rep. Erin Tañada successfully got additional budget for SRI promotion amounting to P2 million that Philrice will be implementing. R1 sat down with Philrice to hammer out the details of its implementation and facilitate the processing of its release from the Department of Budget and Management (DBM).

Increase in agriculture budget

The report of the bicameral deliberations indicated that agriculture got an increase of P1.9 billion. This included additional funding for organic farming that was the core of R1's proposal.

RI did not immediately know where these adjustments were lodged in the General Appropriations Act 2008. The proposal of RI was to place it under Philrice because extension support and research and development were among the core programs of the institution.

Budget tracking for better governance of agriculture funds

Agriculture has been one of the milking cows for corruption. The fertilizer scam was the biggest discovered case thus far. But at the local level, local politicians running for legislative and local chief executive positions have been using the provision for farm subsidies to push their own personal campaigns.

As such, RI persevered to track and monitor the approved budget for 2008 and apparent increase in the agriculture budget. But the appropriations were unclear. RI eventually learned from the DA that Sen. Edgardo Angara pushed for additional budget of PIOO million for organic farming. He already requested for the release of the funds.

Meanwhile, Rep. Erin Tañada successfully got additional budget for SRI promotion amounting to P2 million that Philrice

will be implementing. RI sat down with Philrice to hammer out the details of its implementation and facilitate the processing of its release from the Department of Budget and Management (DBM).

Getting the budget for the desired programs was one major work but tracking the additional budget was another major hurdle. RI found the budget increase obtained during the bicameral deliberations was even more difficult to monitor. Bicameral deliberations are usually closed doors event, and the proceedings or journal is not available to the public.

Rice crisis and the FIELDS program

The rice crisis set the stage for the 2009 agriculture budget advocacy. The government went into panic-buying for rice in the international market. While at it, the government also tried to earn plus points from the people by flaunting increased financial support for rice self-sufficiency albeit belatedly.

However, RI was alarmed that the Department of Agriculture again placed particular importance and fund allocation on the hybrid rice program under the Fertiliser, Irrigation, Education, Loans, Dryers, Seeds (FIELDS) program. Hybrid rice technology has failed to deliver on its promise of high productivity and RI cannot afford to just let another intransigence pass without question.

With other non-government organizations, RI engaged the DA and Philrice in a series of dialogues. The civil society groups criticized the program and Agriculture Secretary Arthur Yap for sticking it out again on hybrid rice while completely disregarding sustainable agriculture that the groups have been pushing through the years.

Another main concern of RI was to make sure that this surge in government funding into the rice sector will not further erode the current nutritional state of the rice farms with the influx of more chemical fertilizer and pesticides. As compelling was to prevent the farmers from getting further into indebtedness and provide the big business an opportunity to make a killing of profits out of this rice crisis.

The dialogue with Secretary Yap resulted to R1's continuing engagement with Philrice and worked for the integration of sustainable rice production in the FIELDS program. The second draft clearly expressed the language that the NGOs were pushing. However, when the 3rd and final version of the document came out, the NGOs' proposed insertions were deleted and the document text more or less reverted back to the old framework.

Parallel budget work

One major outcome of the parallel budget engagement with the DA was the approval of the Organic FIELDS program that was launched sometime in October 2008. The civil society groups were able to successfully achieve the allotment of P20 million for organic and sustainable rice farming in the existing FIELDS program of the DA. This may be a pittance compared to the huge allocation of Ph 43.7 billion for the FIELDS program to achieve rice self-sufficiency in 2013.

However, RI believes that no other agriculture secretary has openly welcomed the integration of organic rice farming and sustainable agriculture in its plan before. A calibrated shift toward this kind of technology was indeed encouraging. The confluence of events leading to the rice crisis somehow softened the ground to push for sustainable agriculture.

Alternative Budget Proposal for 2009

The fisheries group, Tambuyog Development Center worked with RI in coming up with the budget proposal for rice fisheries in 2009. The proposal sought investments on sustainable rice farming and sustainable fisheries that have huge impacts on poverty alleviation and ensuring environmental sustainability.

Given greater emphasis was to ensure that the massive government resources poured into the FIELDS program as a result of the rice crisis were spent on the intended and appropriate programs and utilized more efficiently. Except for increase in local *palay* procurement, the rice budget proposal was focused on realigning the budget for hybrid rice program to finance additional budget items. The proposal also called for oversight functions and mechanisms for these funds to prevent another fertilizer fund scam from happening again.

Budget Item	GAA	NEP' ('000)	ABI Proposal	Variance ('000)
Fertilizer	1,315,172	1,814,687	Ensure that the P500 M originally targeted for organic fertilizer for 2009 is used to promote farm- based organic fertilizer production and not solely for procurement from commercial suppliers	Maintain 1,814,687
Irrigation and Infrastructure	12,831,972	17,678,803	Reduce the budget for new areas of irrigation that are located in high temperature areas	17,178,803
Education and extension	2,351,466	2,290,373	Increase by P300 M to cover education and extension work for sustainable farm approaches Additional P150 M -production support for weeders (P25,000 x 5795 clusters)	2,740,373
Loans	141,209	4,285	Credit facility for organic rice producers	Maintain

-

¹ National Expenditure Program

Budget Item	GAA	NEP ² ('000)	ABI Proposal	Variance ('000)
Dryers and other post- harvest/post production facilities	2,210,544	2,075,632	Post-harvest facilities for organic producers including threshers or mobile mills - P50 Million	2,125,632
Seeds and other genetic material	3,837,829	8,898,562	P1 Billion reduction in hybrid rice subsidy to realign a total of P500 M for certified seeds and be able give additional support of more than 650,000 hectares of rice farms	8,398,562
Other Support S Regulatory	1,008,850	681,346	Increase by P200	881,346
Policy and Planning	1,750,569	1,283,878	Increase by P300 M to facilitate NGOs' participation in the Task Force Monitoring Agriculture Programs Implementation	1,583,878
Regular + Automatic Appro + RLIP		4,944,775		

Alternative Budget for NFA

The agency has been procuring less than one percent of local palay harvests, a level that hardly made a dent in influencing the buying price of palay. For 2009, RI proposed additional nine billion pesos to procure at least three percent of local harvest.

(NFA 2 B 4 B Additional P9 9 Billion BUDGET Billion for Palay	Budget Item	GAA	NEP	ABI	Variance
Procurement	V	2 B	4 B	Billion for Palay	9 Billion

Alternative Budget for Fisheries

1				Credit guarantee fund
100,000				Crop insurance
1)4,000				Municipal Fishing Effort
				Pationalization of
38,000				Law Enforcement
				Fisheries
				Development for Municipal
				harvest Facilities
16,000				Infrastructure and Post-
				Livelihood Support
110,000				Sustainable Fisheries
				Inland Ecosystems
				Regeneration of Coastal and
36,000				Rehabilitation and
				Managed Marine Areas
24,000				Enhancement of Locally-
				Registration and Licensing
				Rights through Municipal
60,000				Validation of Priority Use
				Organizations
				(FARMC) and Fisherfolk
				Management Council
				Aquatic Resource
42,000				Program for Fisheries and
Sub-totals				Comprehensive Education
680,000	2,975,544	2,495,544	1,092,680	GMA-Fisheries
Total				BFAR
(ABI Proposal less NEP)	Proposal	In (P'000)	In (P'000)	ţ
Variance	ABI	NEP	GAA 2008	Budget Item

Greater budget accountability

RI presented its budget proposals to the House Committee on Appropriations chaired by Rep. Junie Cua. The session was attended by other members of the Committee. The group was also able to present to several Minority Congressmen including the group's head, Rep. Ronnie Zamora.

Meanwhile, at the Senate, RI was able to present the agriculture and fisheries proposals to Senators Jamby Madrigal, Panfilo Lacson, Nene Pimentel, Mar Roxas, Noynoy Aquino, Pia and Allan Cayetano. RI conducted a separate briefing solely for Sen. Lacson just before the deliberations of the agriculture budget at the Senate. Sen. Lacson raised RI's criticisms of hybrid rice and the concerns about the nature of AFMA being a Special Purpose Fund. The process of spending and allocations under AFMA has been under the discretion of the DA Secretary and the President, and has jeopardized DA's accountability.

The Senate's reception of the 2009 agriculture budget proposals was better and more favorable than the House of Representatives. This was completely different from the previous year's engagement when the 2008 budget proposals were more favorably received by the House of Representatives than by the Senate.

Continuing success and learning experience

The budget for hybrid rice in 2007 was reduced to P408 million from as high as P544 million in 2004 and even higher at P785 million in 2005. According to Golda Hilario, SEARICE Policy Officer, the public debate and awareness generated by the expose of the fertilizer scam and the related controversies greatly helped. This also resulted to public pressure for greater transparency and efficient use of public money. Hilario credited their budget engagements with ABI and R1 for enabling them to access information that was normally quite hard to access in the DA particularly the allocations and funding of hybrid rice program. "We gained understanding in how the bureaucracy works. This is quite important for us particularly that we've been working directly with farmers in the grassroots who have

little access to such information. They have been clamoring for a more cost-efficient and appropriate support programs yet they seem unable to actively and proactively participate in policy decision-making matters. They have relied on us for whatever information we can give," said Hilario. She admitted that the engagements with other NGO networks have enriched them. The experiences taught them that even a loose working engagement could work provided that the common goal is to reform governance systems. "However, the other side of the reality is that we could not pin our hopes in budget reform lobby to change the paradigm of how the Executive work. Although ideal, budget engagement is just one of the venues to call for change," Hilario concluded.

The legislators committed to Jaime Tadeo to include organic/sustainable agriculture in the bicameral budget.

Among the ABI clusters, agriculture sector was yet to develop its more comprehensive agriculture program proposal. The proposal has been centered on rice because of the limited number of NGOs, particularly those from the other crop sectors working on the agriculture budget.

During the actual budget discussions with the legislators, they also tended to focus on more basic issues that they think have more mass appeal concerns such as health and education, rather than agriculture and even environment. This was complicated by the absence of a champion from the agriculture sector that the legislators can identify with.

The involvement of peasant leader Jaime Tadeo later in the process to personally lobby the members of the bicameral committee was a welcome development. This was very important because the legislators, particularly Rep. Lagman and Sen. Lacson personally committed to Tadeo to include organic/ sustainable agriculture in the bicameral budget.

Budget advocacy work could not have been easier without the coherent support of the entire alternative budget group led by Social Watch. The Social Watch secretariat facilitated the meetings with the legislators and relevant political groups who will be briefed by the different budget working groups. The agriculture working group and the other sectors only needed to come up with their sound alternative budget proposals and competently discuss these with the policymakers.

Prof. Liling Briones, at the helm of all these initiatives, spelled the difference from all the other budget advocacy groups. Her expertise being a Professor of the UP NCPAG and a former National Treasurer helped as she gave critical inputs in all the technical working groups' proposals. When there is no time for individual sectoral presentations, she condensed and delivered the key messages of each budget working group to the lawmakers during the budget deliberations in Congress.

ABI proposals were complete not only with sound programs where government budget should be allocated but also with stipulation of possible sources of funds. RI found this track of budget advocacy relevant as the group consistently posed that the hybrid rice program's huge and wasteful allotment can be of better use for the poor farmers.

As RI gained valuable learning while pushing its advocacy, it also earned its credibility and the respect of other agriculture agencies. RI intends to continuously work with the DA and ensure civil society groups' participation in the formulation of the 2010 budget.

However, budget advocacy has proven to be a demanding and year-round task. It needs warm bodies and requires substantial time and actual physical presence during the lobbying. Should RI decides to venture into the new areas of engagements, it should provide for the necessary staff requirements for a more vigorous and successful campaigns.



Retake the People's Purse

The Role of Media and Civil Society

By MALOU MANGAHAS

he budget of an ordinary household – that is a matter that most journalists would find facile to understand. To the last one, they are, after all, mothers and fathers or daughters and sons to families that have to grapple daily with a simple enough equation: money in minus money out.

Or oftentimes, the situation is an equation of inequity — too little money in has to support too many expenses that require a lot of money out.

A household budget to most journalists is at core basic arithmetic of income minus expenditures. What proves problematic, however, is how to balance two unequal values, to wit, finite income for infinitesimal expenditures.

The needs of most Filipino families (from the middle to the lowest income brackets) will often be greater than the money they could raise from household members engaging in any number of livelihood activities legal, illegal, honest, dishonest, with dignity or none at all.

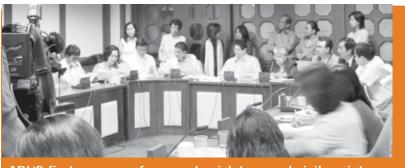
Logic simple and clear applies here: Families with limited incomes must set their spending priorities right, postpone less essential expenses, and live within their means.

Expand the equation to cover an entire nation of 92 million people, raise the amounts beyond a trillion pesos, enroll as many as tens of thousands of expenditure items, and publish it in volumes of documents thousands of pages long - the budget becomes an inscrutable mystery, a colossal riddle, to most journalists.

This is the unhappy situation that journalists writing about the national budget, or what is officially called the General Appropriations Act or GAA, has to deal with every year that the President submits the document to Congress, where it goes through extended mangle-tangle debates, and finally passes the legislative wringer with multiple line mutations.

But thanks to the Social Watch Philippines and its associates in the Alternative Budget Initiative (ABI) – the network of civil society groups that have demonstrated a curious passion for fleshing out, breaking down, scrutinizing and reordering the GAA – journalists have started to get firmer and sharper handles for reporting better on the national budget. Or at the very least, for doing stories that are more accessible, or less Greek, to the taxpayers from whose sweat and brow the national budget draws major sustenance.

In the most simple terms, the ABI has clarified the GAA equation: it involves money in (from tax and non-tax revenues) that should support the money out side of governance (continuing appropriations, personal services, maintenance and other operating expenses, capital outlay, debt service, other expenditure items, and a host of curiously similarly named special-purpose funds).



ABI'S first press conference. Legislators and civil society groups immediately presented the alternative budget proposals to the media after finalizing the first orange book.

Yet more than just a numbers game, the ABI has sufficiently impressed on journalists the policy and development content and implications of the GAA.

That is, the GAA is more than just tomes of paper – nearly five kilos easily – on which it is printed. Too, the ABI has sufficiently stressed, the GAA is a road map for discerning the values and priorities of the government and taxpayers, a contract on the terms of references for the roles that the Constitution has assigned to the branches of the government (the Executive proposes, Congress disposes), a roll or record of what the agencies of government promises to deliver in terms of services and goods for the people, and a reference of the priorities that the President swears to pursue.

With ABI's unflagging efforts to inform journalists about the GAA, most journalists now understand the administrative process enrolled in law in the crafting of the GAA – The President proposes, the House of Representatives disposes (as it commands "the power of the purse"), the Senate concurs, and in bicameral conference, the two houses of Congress enact the budget.

Because the process is too extended and the interests at play too many, keeping constant watch over the GAA is a task that journalists must embrace, the ABI has articulated often enough.

The budget is too important to be left alone to politicians, especially since the budget process is littered with strategic flaws of the kind of politics and politicians that populate the Philippines.

If not monitored well enough at every stage of the process, the GAA has turned into all of the following evils:

- A fat purse from which politicians draw big amounts in aid of elections and the perpetuation of political dynasties
- A money pit for dispensing political largesse, pork barrel, contracts and financial favors
- A rogues' gallery of agencies and individuals figuring in cases real or potential cases of graft, wasteful spending, conflict of interests, even plunder.
- A horror story of unfulfilled promises, missed opportunities, and betrayal of the public trust



In truth, until the Social Watch Philippines and the ABI launched their epic movement to "reclaim the people's purse," few journalists had considered the GAA to be worthy of more than just spot reports.

This sad phenomenon has its roots in many problems: budget officials are not exactly inclined to make the GAA a more accessible and more transparent policy and process, and journalists editors have yet to scale up their numeracy, not to mention, literacy, skills.

Go for celebrities and big politicos – the bigger the names, the bigger the news – that is a time-tested trick of journalists under pressure from editors and producers to sell newspapers and rack up TV ratings.

As clear as night follows day, readers and viewers will want talking heads, not numbers; short and easy stories, not long, difficult prose or those laden with numbers.

But there are a few, useful tips we have studied to ease the process of writing with numbers. One such tip sheet comes from Sarah Cohen of the Investigative Reporters & Editors.

Cohen's advisory could serve not just journalist but civil society advocates as well:

• "A well-selected number, or set of numbers, can add depth and breadth to many spot news stories. Look for opportunities to put an event in perspective by gathering statistics on the growth, decline or scope of a seemingly isolated event."

- "The most effective writing comes from selection, not compression, of facts. It's also true with numbers. Choose only the numbers that have meaning to your readers."
- "Consider charting numbers instead of writing them. Removing them from the text not only improves your story; it often makes a bigger impression on readers."
- "Pepper your story with just the right number in just the right place rather than cramming them all together. Use an anecdote, quote or observation to separate paragraphs with lots of numbers."
- "Recast as many numbers as possible in simple terms that remove their abstraction. Ratios, rates, pictorial images and rounding can help simplify numbers."

In these initiatives to reeducate and re-tool journalists so they may report better on the GAA, the most effective, if also most passionate, advocate has More than just pesos and centavos, in Professor Briones's book, "budgeting is about choices and allocation of resources." All these choices, she maintains with good reason, "are necessarily political."

been Prof. Leonor Magtolis-Briones, who had served as National Treasurer of the Republic of the Philippines and remains indeed a true national treasure in the limited ranks of Philippine civil-society policy experts.

Professor Briones has patiently guided journalists through the labyrinthine budget process – from preparation to legislation, implementation and accountability. She has pointed journalists to the parallel perspectives from which the GAA may be assessed by journalists – as a technical planning process, an administrative and operations process, a political process, and an accountability process.

More than just pesos and centavos, in Professor Briones's book, "budgeting is about choices and allocation of resources." All these choices, she maintains with good reason, "are necessarily political."

It is impossible for any well-meaning and right-thinking

journalist not to be smitten by Professor Briones's passion, perhaps obsession, with the budget. Learning the issue with her has become such a delightful experience, because beyond the numbers, she is substance, wit and humor all at once.

Professor Briones's lessons on the lingo and culture, the context and subtext, the constructs and consequences of "negative fiscal politics" have formed part of journalism nomenclature. A brilliant and folksy pen, for fuller impact, she has dutifully peppered her presentations on the GAA with characteristic oomph.

For instance, thanks to Professor Briones, heretofore difficult technocratese are now more familiar to many reporters, including:

- Impoundment
- Realignment
- Special Purpose Funds
- Lump-Sum Appropriations
- "Economic Support Fund" or "Elections Support Fund"
- Participatory Budgeting
- Budget Reforms
- Alternative Budget

It is clear, however, that civil society groups and journalists have much more to do to fully realize their common goals of a participatory, transparent and accountable budgeting process.

To the better-informed journalists, the budget is a good, compelling story that must constantly rank high as stories for priority coverage. The credo of Professor Briones and the ABI resonates as well if plotted against the "news values" (i.e. timeliness, prominence, consequence, proximity, etc) that define to journalists "what makes news" or why some events and issues are more newsworthy than others.

And this is one of the approaches that the Philippine Center for Investigative Journalism has employed to encourage more and better reporting on the budget, in seminars that we co-organize with Professor Briones, Social Watch Philippines and the ABI, for members of the media.

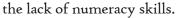
The PCIJ affirms that the GAA is a story pregnant with "conflict," or "constantly limited resources versus constantly competing and limitless needs."

Too, the GAA is a story replete with "consequence," another intrinsic value of great stories. Beyond the pesos and centavos, how much or how far could the budget assign values, or enable the redistribution of wealth, to ensure more equitable growth between and across Philippine sectors and regions, and income groups.

As important, the GAA is a tool for assessing the performance of the government, and how well or how poorly the President and public officials should be rated in point of leadership, or doing the right things," and management, or "doing things right."

Acknowledging the importance of the GAA as a story is just the first step, however. Doing the story is another thing altogether.

The constraints a journalist faces when writing about the GAA and other stories laden with numbers and statistics go beyond





For one, to report more and better on the GAA, a journalist must study and understand numerous relevant laws. Apart from the GAA tome itself, these include the laws on continuing appropriations (for debt service, agrarian

reform, school building program, etc.), special-purpose funds (Motor Vehicle Users Fund, Internal Revenue Allotment, etc.), as well as a rather extended list of special provisions for lumpsum and other funds that run on the last pages of the GAA.

For another, not all the documents relevant to studying the GAA start and end with the GAA itself.

The context or premise documents include some other equally voluminous documents, including the Medium-Term

Development Program, the proposals by specific agencies, reports on the budget calls conducted by the Department of Budget and Management, and the minutes of the budget hearings conducted by the House of Representatives.

In addition, the review or validation documents are similarly a pile, not least of them the annual audit reports and special audit reports of the Commission on Audit.

The documents are enormous. Reading each one is a test of patience and sanity. But to make matters worse, quite a few are easy to access or secure given the culture of secrecy that afflict many government agencies and personnel.

And when finally a journalist succeeds in



getting documents, wading through the welter of data, numbers, ideas and issues that abound in these documents is the third, final hurdle a journalist must surpass.

Perhaps that was the intention. The technocrats and bureaucrats might have purposely crafted the GAA in language and form strange and adorned with gobbledygook and mumbojumbo. That way, the journalists and citizens are sufficiently intimidated, they would not even dare start to study and understand the documents.

But what technocrats and bureaucrats did not foresee is they have counterparts in Social Watch Philippines and in ABI who speak and know the GAA as well, or even better, and from the perspective of the citizens and civil society groups.

Amid all the obfuscation that comes from the architects of the GAA on government's side, Professor Briones and her honored ranks of alternative budget advocates have given journalists an option – expert sources who can talk in accessible language, talk about not just numbers but also their meaning

and values, and altogether make sense of the budget in the best interests of the people.

Journalists, like civil society advocates, share common ground in their desire to make the GAA more transparent, more responsive, more relevant, and more accessible. On ground, in fact, budget transparency and accountability has become a shared advocacy of the PCIJ, and Social Watch and ABI.



The PCIJ is now implementing its third round of "Open Budget Survey" as part of an 85-country network of research teams of the Washington-based International Budget Partnerships.

The Survey is a comprehensive evaluation of budget transparency in

85 countries that was conducted by the Washington-based International Budget Partnership (IBP), in coordination with independent media and research agencies from as many nations.

In 2009, the PCIJ organized the regional launch for Southeast Asia of the 2008 Survey in Bangkok, Thailand, but with much less reason to celebrate – the Philippines's performance has worsened to No. 34, or two percentage points less than its rating two years earlier. The Philippines was outdone by Indonesia (54 percent), but came ahead of Thailand (40 percent) and Malaysia (30 percent), in the Survey.

By all accounts the freest democracy in the region, the Philippines, ironically, has become less and less transparent in its budget and financial processes, according to the 2008 study.

The situation has made it more difficult for citizens to hold the administration of President Gloria Macapagal Arroyo accountable for cases of abuse, misuse, and corruption of public funds.



While the Philippine government provides some information to give citizens "a somewhat comprehensive picture" of its revenue and expenditures plan for the upcoming year, "it is difficult to track spending, revenue collection and borrowing... and assess budget performance once the budget year is over."

In its media advisory on the global findings of the Survey, the IBP noted worldwide transparency gaps in the budget processes of governments around the world. It reported that:

- · "Only five countries of the 85 surveyed—France, New Zealand, South Africa, the United Kingdom, and the United States—make extensive information publicly available as required by generally accepted good public financial management practices. These countries all score above 80 out of a possible 100 points on the Open Budget Index 2008."
- · "Twenty-five countries surveyed provide scant or no budget information. These include low-income countries like Cambodia, the Democratic Republic of Congo, Nicaragua, and the Kyrgyz Republic, as well as several middle- and high-income countries, such as China, Nigeria, and Saudi Arabia."
- · "Less transparent countries share similar characteristics. The least transparent countries are mostly located in the Middle East and North Africa (with an average OBI score of 24 out of 100), and in sub-Saharan Africa. The worst performers tend to be low-income countries and often depend heavily on revenues from foreign aid or oil and gas exports."



- · "Many poor performers have weak democratic institutions or are governed by autocratic regimes."
- · "Lack of transparency undermines accountability and prevents participation. Almost all countries publish the annual budget after it is approved by the legislature. The exceptions are China, Equatorial Guinea, Saudi Arabia, and Sudan, where the approved budget is not published, completely preventing the public from monitoring its implementation."
- · "Most countries provide much less information during the drafting, execution, and auditing stages of the budget process. This prevents the public from having input on overarching policies and priorities, improving value for money and curbing corruption."
- · "Weak formal oversight institutions exacerbate the situation. In the majority of countries surveyed, legislatures have very limited powers, time, and capacity to review the Executive's Budget Proposal and monitor its implementation."
- · "In many countries the supreme audit institutions do not have sufficient independence or funding to fulfil their mandate. Often, too, there are no mechanisms in place to track whether the executive follows up on audit recommendations."

The foregoing findings of the Open Budget Survey would serve all civil society groups committed to achieving budget reforms a road map for action. The most important finding, however, of the 2008 Survey has to do with the role that civil society groups can play to open up the process, such as what is

now unfolding in the Philippines through Social Watch and the ABI.

"Civil society," the Open Budget Survey report stressed, should strive "to publicize and demand explanations for instances in which governments do not make publicly available the budget information they produce for their donors or internal purposes." In this task, it seems like the Philippines is way, way ahead.

There are no ifs and buts about it: the budget, and all other economic and business stories, are more important than the usual staple of political stories that dominate the front pages and prime-time news. The former is at heart about lives and livelihoods; the latter, politicians and promises.

At day's end, it's all about following the money - the people and everyone's money - that is a very sticky, very compelling story in itself. Reporting about money and the budget could in truth be true and ultimate public service, as it affects us all.

A journalist's failure to write about the budget, and write right about its context and consequences, could be tragic, even fatal. Errors of omission or commission – or simple negligence to do accurate, clear and accessible stories – may leave a long trail of victims. And they will include taxpayers, consumers, investors, and voters – all Filipinos in fact.

ALTERNATIVE BUDGET INITIATIVE: Three-Year Experience

Published by Social Watch Philippines (SWP),
with financial support from the
United Nations Development Programme (UNDP)
through the National Economic and Development Authority (NEDA)
under the Poverty Reduction and Support
for the MDGs Programme

