



## The Political Economy of Corruption and REDD+: Lessons from the Philippines' Pilot Sites

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## Abstract

Corruption is a continuing feature of the Philippines' natural resource sectors. Given keen interest in the country's REDD+ potential, it is useful to consider corruption risks related to REDD+ from a political economy perspective. This U4 Issue draws on fieldwork from two REDD+ pilot sites to assess current governance and anti-corruption safeguards related to benefit-sharing, land tenure rights for indigenous peoples, and private sector involvement. Many anti-corruption actions are in place in the pilot sites, but they are weakly embedded in social relations at the local level. More work is required to raise awareness of the benefits of governance safeguards to livelihoods and security of land tenure. The lack of a national REDD+ coordinating body means that the collection and dissemination of relevant anti-corruption lessons for REDD+ nationally remains challenging. Existing anti-corruption initiatives require solid implementation strategies as well as adequate financial support.

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## About the REDD Integrity Project

This U4 Issue forms part of a three-year project entitled "REDD Integrity." Funded by the Norwegian Ministry of Environment via Norad, the project provides research and analysis on governance and corruption risks for REDD+ at national level and derives policy implications for development practice. The country case studies examine the ways in which corruption and poor governance in the forestry sector affect the development of REDD+. Existing corruption poses risks to REDD+ goals, while the financial resources associated with REDD+ may create additional opportunities for corrupt activity. Through this project, U4 is considering the importance of land tenure for REDD+, the integrity of benefit-sharing mechanisms, the role of the private sector, and the strength of anti-corruption and governance policies being supported by development agencies. Series editors: Aled Williams, André Standing, Kendra Dupuy.

## Introduction

In February 2011, following days of heavy rains that left areas in Mindanao, Southern Philippines, reeling from floods and landslides, President Benigno Aquino issued Executive Order (EO) 23, imposing a moratorium on the cutting and harvesting of timber in natural and residual forests. This EO also created an Anti-Illegal Logging Task Force to enforce the moratorium and lead the anti-illegal logging campaign.<sup>1</sup> Not a year later allegations of corruption plagued the newly created task force. After the confiscation of more than 4,000 “hot logs” from various areas in Mindanao, the Department of Interior and Local Government (DILG) launched a confidential special investigation on illegal logging in the region. The submitted report alleged involvement of the task force in the illegal logging trade through collecting protection money from logging operators. However, this report was not followed-up as the DILG Secretary who directed the investigation died in a plane crash before he could pursue it.<sup>2</sup> Eventually the task force terminated its work and military operations through the armed forces of the Philippines (AFP) were pursued against illegal loggers in Mindanao.<sup>3</sup> In 2012, the confiscation of more than 13 million board feet of logs from Mindanao led to the sacking of 31 Department of Environment and Natural Resources (DENR) officials from Regions 11 and 13 for their failure to implement and enforce EO 23.<sup>4</sup>

Such scenarios are not uncommon in continuing efforts to address corruption in the Philippines' natural resource sectors. Policies are made, institutions created, and programmes launched with varying degrees of success. Some of these efforts are adapted to changing needs while others add new layers to the corruption they set out to solve. At the same time, there is keen interest in the Philippines as a location for introducing programmes for Reducing Emissions from Deforestation and Forest Degradation (REDD+). As a country quickly losing its remaining forest resources, REDD+ is argued to be a possible means to arrest the trend of deforestation while delivering livelihood benefits to forest dependent communities. Given the governance context of the Philippines in general and its forest sector in particular, REDD+ presents clear corruption challenges for the country. Corruption can be both a threat to the success of REDD+ programmes and REDD+ can potentially be an enabler of new forms of corruption (Standing, 2012). Understanding corruption risks is important both to assess areas for wider governance reform and to develop specific governance safeguards or strategies for mitigating corruption risks in REDD+.

This Issue paper makes a contribution to enhanced understanding of corruption challenges in REDD+ in the Philippines from a political-economy perspective. The focus is on stakeholder interests and power relations between social actors with regard to forest use and management (World Bank Social Development Department, 2008). Existing corruption risks that may affect REDD+ implementation in the Philippines are described in three main areas i) benefit sharing mechanisms; ii) land tenure rights for Indigenous Peoples and forest dependent communities; and iii) private sector engagement with REDD+

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<sup>1</sup> EO 23, 1 February 2011, Sec. 3.

<sup>2</sup> Dela Cruz, A. *Robredo Report Links Execs to Illegal Logging* (8 September 2012), accessed at: <http://newsinfo.inquirer.net/266132/robredo-report-links-execs-to-illegal-logging>

<sup>3</sup> Andrade, J. *AFP to Lead Drive vs. Illegal Logging* (23 November 2012), accessed at: <http://newsinfo.inquirer.net/311489/afp-to-lead-drive-vs-illegal-logging>

<sup>4</sup> Burgonio, T.J. 2012. “31 DENR officials in Mindanao sacked over illegal logging”, *Philippine Daily Inquirer*, June 30, 2012. Accessed at: <http://newsinfo.inquirer.net/221029/31-denr-officials-in-mindanao-sacked-over-illegal-logging>. However, the DENR officials were not sued and sanctioned, but were transferred to other offices or units of the department

schemes. Interviews conducted with stakeholders from two pilot sites document community and stakeholder experiences with corruption in REDD+ projects. Finally, policy recommendations suggest actions necessary to address and prevent corrupt practices as REDD+ implementation moves forward.

## Methodology

Political-economy based analysis offers a means to explore the relations behind and, to some degree, explain the political, economic, and social processes that relate to corrupt practices (Williams, 2014). A specially-designed research protocol was used to inform data collection for this study, focusing on political, social and economic processes evident in forest resource use and management in the Philippines.

The study originally intended to gather data from three REDD+ demonstration sites in Southern Palawan, Southern Leyte and Quezon province. Key Informant Interviews (KIIs) and Focus Group Discussions (FGDs) were envisaged as the main data gathering techniques, to be supplemented by desk research and a literature review. Fieldwork was planned for November 2013 to January 2014. Typhoon Haiyan, however, struck the provinces of Leyte and Samar on the 8<sup>th</sup> November 2013. The northern municipalities of Palawan were also affected by the storm as it exited the country. With this disaster, the priorities of many Philippine public agencies and institutions naturally shifted to relief and rehabilitation of the affected areas. Fieldwork in Southern Leyte was no longer feasible and the research focused instead on Southern Palawan and Quezon.<sup>5</sup>

In the course of data gathering it became apparent that community members from the pilot sites covered by this study were hesitant to share experiences of corrupt practices. Corruption remains a highly sensitive issue in the Philippines and the actors involved can range from politicians and government officials to neighbours and family members. As a result it was necessary to speak with community members individually instead of as a group through a FGD. The names of community members are withheld from this study to protect their identities. KIIs were conducted with government officials and members of civil society as represented in Table 1. Where explicit consent was given by interviewees, direct quotes are attributed to these individuals by name.

**Table 1: Interviewees by institutional background**

Government Officials- National Level	2
Government Officials – Provincial Level	2
Government Officials – Community Level	1
Civil Society Organizations and Support Groups	3
Academia	1

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<sup>5</sup> Municipalities in the northern part of Leyte were the areas most affected by the typhoon, with many fatalities and heavy damage to infrastructure and utilities. Relief and rehabilitation activities also covered Southern Leyte. At the time of writing, rehabilitation and reconstruction were still the primary priorities in these areas.

# 1 The Philippines' Forests: Threats and Policies

The Philippines is a country rapidly losing its remaining forest cover. The Philippines' Fourth National Report (4NR) submitted to the Convention on Biological Diversity in 2009 identified logging (both legal and illegal) as the most serious threat to the country's forest ecosystems (Republic of the Philippines, 2009). Due in part to the passage of EO 23 in 2011, only three Timber License Agreements (TLAs) remained in existence as of 2012 covering an aggregate area of just over 177,000 hectares.<sup>6</sup> However, media reports of massive illegal logging operations continue. Disturbance from forest fires has also been observed to be extensive, damaging just over 3,000 hectares of forestland in 2006 (Republic of the Philippines, 2009). Land use and overlapping legal instruments covering forest resources are contentious issues, with mineral agreements and sites of extensive illegal mining to be found in Key Biodiversity Areas (Republic of the Philippines, 2009).

The introduction of REDD+ represents an effort to reverse forest loss, while empowering communities through capacity building efforts and the provision of alternative livelihood options. However, the introduction of REDD+ occurs in a context of increasing resource extraction and exploitation, accelerated urbanization and infrastructure development, a surge in population, and a long history of resource conflict, corruption and weak law enforcement. The Philippines has no dearth of laws on forests, whether on their conservation, utilization or management. In fact, this abundance of regulations often complicates rather than mitigates forest governance challenges. Nonetheless these laws demonstrate that there are existing safeguards to be built upon and expanded to ensure REDD+ is implemented in a manner consistent with guidance provided by the Cancun Agreement.

Presidential Decree 705, also referred to as the Revised Forestry Code of the Philippines (hereinafter "the Forest Code") is the country's basic law on forests and forest use. Under its provisions, the state issues license agreements for the use of forest resources, consistent with its policy of promoting multiple uses of forest lands. The law gives the president authority to "amend, modify, replace or rescind" any privileges necessitated by the national interest, or to suspend privileges upon showing that stipulated conditions, such as reforestation or environmental protection, have been violated. It also criminalizes activities such as unauthorized logging (La Viña, 2012).

The Forest Code was passed in 1975 during the administration of President Ferdinand Marcos. The political value of this legislation lay in the issuance of Timber License Agreements (TLAs) which became a "tool to cement political patronage and strengthen Marcos' political network" (Pulhin, 2002). Guiang et al (2001) observe that the Forest Code's passage saw an increase in the exploitation of forest resources, particularly through logging:

*"In 1976, for instance, more than 400 licenses, including over 200 TLAs, covered two-thirds of the forests (Wallace 1993). The declaration of Martial Law in 1972 further exacerbated the use of*

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<sup>6</sup> See: <http://forestry.denr.gov.ph/statbook.htm>



*politics, military and vested interest groups in obtaining “juicy” concession areas. In fact, one prominent figure during this period obtained more than 200,000 ha of concession areas (Porter and Ganapin 1988; Vitug 1993). Political enemies were punished through cancellation, non-renewal or suspension of their concession areas (Guiang et al, 2001, 39).”*

The democratization of forest use began to take shape with Letter of Instruction (LOI) 1260 issued by the president in 1982. This policy consolidated previously existing social forestry initiatives into one comprehensive Integrated Social Forestry Programme (ISFP). This allowed communities to continue to “occupy and cultivate upland areas” through the issuance of a stewardship agreement. Community Based Forest Management (CBFM) was then adopted in 1995 through Presidential Executive Order (EO) 263, providing that “participating organized communities can be granted long-term tenurial agreements, provided they employ environment-friendly, ecologically-sustainable and labor-intensive harvesting methods, under a management plan approved by the DENR (Sec. 3).” Guiang et al (2001) summarize that the CBFM “is anchored on current and applicable policies of the Philippine government to (1) democratize access to forests and forest resources, (2) improve the upland communities’ socio-economic conditions, (3) decentralize and devolve forest and forestland management, and (4) conserve biodiversity and maintain the environmental services of forests and forestlands to both on-site and off-site communities” (Guiang et al, 2001).

The success of the ISFP was limited, however, due to “weak implementation, low participation of beneficiaries, poor government support, neglect of ancestral domain rights and uncertainty with respect to sharing of benefits from forest products” (Pulhin, 2002). Mayo-Anda (2011) notes too that the implementation of the CBFM program has not been without its difficulties. In particular, the issuance of tenure instruments or Community Based Forest Management Agreements (CBFMAs) has been reported to facilitate the manipulation of land classification documents by the public officials responsible for them (Mayo-Anda, 2011).

Another area of regulation with relevance to REDD+ implementation is the Philippines’ policy on Indigenous Peoples and their ancestral domains. Republic Act 8371, or the Indigenous Peoples Rights Act (IPRA), was passed in 1997, ten years before the United Nations Declaration on the Rights of Indigenous Peoples. Under this law, ancestral domains include lands, inland waters, coastal areas and the natural resources therein (Sec 3a). Indigenous Peoples may exercise their right to ownership of their ancestral domains, as well as priority rights over the natural resources in these areas. Their right to Free, Prior and Informed Consent (FPIC) before any project or programme is implemented within their ancestral domains is also recognized (Sec 59).

## 2 Corruption in the Philippines’ Forestry Sector

The Philippines has passed extensive anti-corruption legislation and created a number of governance institutions with relevance to anti-corruption. Successive administrations have fielded efforts “to address corruption by means of administrative issuances and programmatic interventions with the stated aim of instilling transparency and accountability in government transactions beyond the legal measures already in place” (Mayo-Anda, 2011). As with forest policy, however, these statutes and bodies do not necessarily

ensure accountability can be demanded and enforced. The Affiliated Network for Social Accountability in East Asia and the Pacific (ANSA-EAP) observes that:

*“The accountability deficit in the Philippines, therefore, refers not so much to the absence of laws and regulations and formal institutions that provides for accountability in governance but the lack of enforcement and actual application of accountability. While there is no dearth of laws and institutions, they have been reduced to mere formalities. Clientelism and bureaucratic capture continue to characterize governance institutions in the country. They are not driven by public interest but are in fact captured by economic and political interests” (ANSA-EAP, 2010, 13).*

This is reflected in Transparency International's 2013 Corruption Perceptions Index, which ranks the Philippines 94<sup>th</sup> from 177 countries, earning 36 from a best possible score of 100.<sup>7</sup>

Corruption in the Philippines has been characterized as “systemic, political and grand in nature” with “powerful elites who mould and direct policies that favor specific private interests (Transparency and Accountability Network, 2011).” Contributing to this are the colonial legacies that shaped the Philippines' system of government. Spanish and American colonizers introduced social norms of “gift giving and networks of solidarity, including extended families”, which may contribute to corruption (Transparency and Accountability Network, 2011). This perspective is shared in the Philippine Development Plan, which notes corruption and a lack of accountability can be traced back to “the country's historically evolved political processes and traditions” including the “dominance of elite interests in politics, a weak and subservient bureaucracy and corruption in elections through patronage and money politics” (Philippine Development Plan 2011-2016).

In the forest sector, corruption has been identified as a “significant enabler of deforestation in developing countries” (Bofin et al, 2011). It has “been demonstrated to seriously compromise law enforcement and judicial efforts, negatively affecting fragile forest ecosystems, Indigenous Peoples and local communities” (Blundell and Harwell, 2009). In the Philippines, this is illustrated by the example of the Northern Sierra Madre Natural Park in Isabela province. In their study of this protected area, Van der Ploeg et al (2011) trace the production chain of illegal logging, finding it to be financed by prominent businessmen who operate through middlemen (often village officials). These middlemen in turn recruit logging teams from local communities. Forest guards are bribed to look the other way, allowing illegal timber to be transported through checkpoints and along highways (Van der Ploeg et al, 2011). DENR officials, however, downplay such findings arguing it is necessary to impose only “informal sanctions on the logging activities of the rural poor,” since “people have to resort to cutting of trees to sustain their basic needs (Van der Ploeg et al, 2011).” This strategy of “humanizing the law” excuses a cycle of collusive corruption, with financiers conspiring with government officials to avoid basic fees and regulations, undermine environmental laws, and cement networks of political patronage (Van der Ploeg et al, 2011).

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<sup>7</sup> See: <http://www.transparency.org/cpi2013/results>

In sum, Mayo-Anda (2011) identifies a number of overarching corruption-related issues in the Philippines' forest sector:

- Bribery, favouritism and the manipulation of land classification documents carried out by public officials regarding the issuance of Community Based Forest Management Agreements (CBFMAs) and Certificate of Stewardship Contracts (CSCs);
- Extortion and bribery by officers of the Department of Environment and Natural Resources (DENR), by the military and by police personnel, as part of transaction costs for activities related to the harvesting, transportation and sale of forest products and for the process of compliance with forestry guidelines or requirements;
- Weak oversight of the forestry sector by the DENR which discourages effective forest management even in instances where there is demonstrable capacity in local government units and communities;
- Current legal and institutional mechanisms provide only a weak accountability check on current and potential REDD+ schemes;
- Court cases filed against DENR personnel alleged to have engaged in corruption are few and mostly involve mid-level rather than high ranking staff;
- A complex network of individual participants that follow unwritten rules of secrecy and misconduct;
- Human resources are not maximized due to the negative working environment in which individuals find themselves.

### 3 The Philippines' Forests and REDD+

#### 3.1 The Philippine National REDD+ Strategy (PNRPS) and the National Multi-stakeholder REDD+ Council (NRMCC)

Formulation of the Philippines' National REDD+ Strategy (PNRPS) began in 2009 when "several NGOs noted the potential for REDD+ in the Philippines and the need for domestic climate change mitigation actions" (PNRPS, 2009). A network of civil society groups called CoDe REDD "was formed to ensure that national REDD+ developments yield co-benefits for biodiversity conservation and community development" (PNRPS, 2009). The network then established a partnership with key government agencies such as the DENR.

The PNRPS covers the ten-year period from 2010 to 2020. This period includes a three- to five-year Readiness Phase, a Scaling-Up Period, and eventually, a five year Engagement Phase. Strategies are identified according to seven components: 1) Enabling Policy; 2) Governance; 3) Resource Use, Allocation and Management; 4) Research and Development; 5) Measurement, Reporting and Verification of emissions reductions and review procedures for non-carbon social and environmental impacts and benefits; 6) Sustainable Financing and 7) Capacity Building and Communication (PNRPS, 2009).

The PNRPS was eventually adopted as part of the country's National Climate Change Action Plan (NCCAP), which was finalized in 2011, as well as the Philippine Development Plan for 2011-2016. The PNRPS proposed the National Multi-stakeholder REDD+ Council (NMRC) as the primary coordinating and implementing body for REDD+ in the Philippines. It is intended that the DENR plays a major role in this body, but its membership includes other government agencies, indigenous peoples' groups, civil society organizations, and academics.

The NMRC was intended to be a body that could advise the national Climate Change Commission (CCC) on matters and issues related to REDD+. Under the PNRPS, its functions include "proposing reforms, facilitating stakeholder engagement, establishing and ensuring safeguards and eligibility criteria, helping resolve grievances, facilitating project implementation and overseeing a Designated National Authority responsible for forest carbon accounting." It is likewise supposed to be involved in fund management, particularly disbursing funds received at the national level to the local level (PNRPS, 2009).

Under UN-REDD Programme activities in the Philippines, a key aim is the formation of the NMRC as well as similar bodies at local level. In March 2013, an interim NMRC was convened by the Climate Change Commission consisting of officials from the DENR and various government agencies, representatives from local government units, indigenous peoples' organizations and community organizations. To date, the NMRC has yet to be formally constituted and operationalized since key institutions, particularly the CCC and the DENR, were drawn to other priorities. These included implementing national reforestation efforts through the National Greening Program and an "Eco-Towns" demonstration project.

### 3.2 REDD+ Demonstration Sites

Under the PNRPS timeline, the three- to five-year long Readiness Phase is anticipated to end in 2015. During this period REDD+ activities are envisaged to consist of capacity building, consultation, communication, integration and specific reform efforts. National level bodies and carbon accounting mechanisms are being constituted and pilot or demonstration sites at the provincial and regional level established (PNRPS, 2009). The following pilot sites have already been set-up with assistance from various donors:

**Table 2: REDD+ pilots in the Philippines**

Location	Time Frame	Donor	Area Covered
Municipalities of Silago, Sogod, Bontoc, Tomas Oppus and Maasin City, Southern Leyte	2009 - 2013	GIZ	31,848 hectares

Municipalities of Narra and Quezon, Southern Palawan	2011 - 2013 2013 - 2015	EU Ecosystems Alliance	25,000 hectares
Municipality of General Nakar, Quezon	2010 t - 2014	EU and Team Energy Foundation (TEFI)	144,000 hectares
Municipalities of Tiwi, Malinao, Tabaco City, Oas, Ligao City in Albay	2013 - 2017	GIZ	42,000 hectares
Municipalities of Borongan City and Maydolong, Eastern Samar	2013 - 2017	GIZ	67,153 hectares
Municipalities of Manay, Tarragona and Caraga, Davao Oriental	2013 - 2017	GIZ	92,301 hectares

### 3.3 REDD+ Safeguards in the Philippines

Developing and ensuring the implementation of legal, social and environmental safeguards for REDD+ is a key strategy under the Enabling Policies component of the PNRPS. This strategy involves reviewing laws and regulations to identify existing entry points for governance safeguards, engaging stakeholders to determine safeguards, and establishing safeguards for private sector engagement in REDD+ (PNRPS, 2009).

The Philippines REDD+ Safeguards Guidelines have been drafted with assistance from the UN-REDD Programme. The draft clusters risks in three categories as follows: Governance Risks, Socio-Economic Risks and Environmental Risks, noting safeguards for these risks should be aligned to "unique national circumstances" (Safeguards Technical Working Group, 2013). To "ensure that these risks will be addressed, corresponding principles are set, with criteria and indicators" to guide "appropriate actions that implementers need to undertake and result in Safeguards Instruments in various forms such as i) policy measures or policies; ii) programs; iii) processes or procedures and iv) mechanisms" (Safeguards Technical Working Group, 2013).

Risks were identified based on 1) UNFCCC agreements; 2) findings from a stocktaking exercise and literature review; 3) input from consultations with practitioners and 4) the 2012 Report on Safeguards Framework for REDD+ in the Philippines (Safeguards Technical Working Group, 2013). Corruption is a Governance Risk identified by the draft guidelines. A specific risk under this cluster is abuse of authority linked to incidents of bribery, patronage, nepotism, misrepresentation and the abuse of funds (Safeguards Technical Working Group, 2013).

Other issues potentially relevant to corruption are classified under other risk clusters. Limited access and benefit sharing is identified as a Socio-Economic Risk, and this may manifest itself via inequitable benefit-sharing arrangements and unclear performance-based payment schemes (Safeguards Technical Working Group, 2013). Transaction costs and market access are another Socio-Economic Risk, and

include prohibitive costs of REDD+ development, implementation, measurement, reporting and verification, and a lack of definitive rules on carbon trading (Safeguards Technical Working Group, 2013).

The work begun on REDD+ safeguards is being continued under a GIZ project on Establishing a National REDD+ System in the Philippines. The safeguards component of this project will take off from the draft guidelines and it is intended to work towards having these formally adopted. This project will also initiate the development of a Safeguards Information System.

### 3.4 Corruption Risk Assessment of REDD+ in the Philippines

The PNRPS identifies immediate drivers of corruption such as the “allocation of resource use concessions and permits contrary to existing regulations and inconsistent enforcement of environmental laws” (PNRPS, 2009). With the entry of REDD+ projects, more “corruption-related roadblocks and challenges could be anticipated” (UN-REDD Programme and Ateneo School of Government, 2013).

In 2011, GIZ supported the production of policy studies on issues pertinent to REDD+ implementation. These included an analysis of the key drivers of deforestation in the Philippines and a policy brief assessing Free, Prior and Informed Consent implementation. Both studies noted the incidence of corruption in natural resource management and the processes related to it. In 2012, the UN-REDD Programme commissioned the study *Corruption Risk Assessment for REDD+ in the Philippines and Development of REDD+ Anti-Corruption Measures* (2013). This study was carried out by the Ateneo School of Government, building on and largely confirming findings in the earlier GIZ studies.

The 2013 corruption risk assessment found that the Philippine government's efforts to address corruption risks, particularly in the forestry sector, had been “limited and unsustainable” (UN-REDD and ASOG, 2013). It was considered unclear how current institutions and policies would address corruption risks specifically arising through REDD+ implementation. The study identified corruption risks that were further prioritized based on their likelihood and potential impacts. The most pressing corruption risks were related to the following areas i) Code of Conduct; ii) Performance Management or Service Delivery; iii) Procurement Management and iv) Financial Management.

Corruption risks classified under Code of Conduct<sup>8</sup> were those that resulted from improper political influence. Respondents noted incidents where politicians used manipulation, influence and pressure to accommodate friends and allies or protect their own vested interests (UN-REDD and ASOG, 2013). Of the risks under Performance Management or Service Delivery, misuse of official resources (whether financial, personnel or equipment) was viewed to be the most likely risk. Fraudulent reporting of the results of reforestation efforts was ranked as the highest impact risk. Under Procurement Management, the risks raised by respondents mainly concerned the process of bidding. In previous forestry projects, overpricing of supplies, equipment, materials and services was an observed practice, as was collusion

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<sup>8</sup> The Code of Conduct category refers to the behavior expected of public officials based on national policies such as the Constitution and Republic Act 6713 (1989), the Code of Conduct and Ethical Standards for Public Officials and Employees, and regulations and policies internal to particular government agencies.

among the bidders and authorities in charge of the award of contracts. Lastly, diversion of funds was the highest impact risk classified under Financial Management.

The 2013 study proposed corrective measures for the NMRC, given its function as the coordinating, facilitating, oversight, monitoring and policy-making body for REDD+ in the Philippines. Short, medium and long-term measures, both preventive and prosecutorial, were identified and are summarized in Table 3. Given the delay in the operationalization of the NMRC, consideration and implementation of these recommendations remains uncertain (UN-REDD and ASOG, 2013).

**Table 3: Anti-corruption measures proposed by UN-REDD study**

Timeframe	Preventive Measures	Prosecutorial Measures
Short term	Research, training, policy and institutional support, including establishing baseline and benchmark data, evaluation of existing systems, conduct of training reviews and training needs assessments and pilot testing of innovative anti-corruption tools and systems	Organization, training and technical support to a community of anti-corruption practitioners; Maximizing available judicial remedies
Medium term	Consolidating key institutions, including the NMRC, anti-corruption enforcement bodies and civil societies and watchdogs	
Long term	Institutionalizing anti-corruption initiatives in the implementation of the PNRPS and REDD+ activities in the Philippines	

*Source: UN-REDD and ASOG (2013)*

## 4 Lessons and Experiences from REDD+ Pilots in the Philippines

In order to ground our analysis in recent experience with REDD+ implementation in the Philippines, we assessed two REDD+ pilots from an anti-corruption perspective: the “Advance REDD” project in the Victoria-Anepahan Range, Southern Palawan, and the EU-funded REDD+ project in General Nakar, Quezon.

#### 4.1 Case A: Victoria-Anepahan Range, Municipalities of Narra and Quezon, Southern Palawan

The Palawan REDD+ pilot site is located within the Victoria-Anepahan Range, a Key Biodiversity Area (KBA) endowed with old-growth forests, watersheds and wildlife habitats. The pilot is supported through an EU-funded project focused on the municipalities of Narra and Quezon. The pilot has been named “Advance REDD” by project partners.

Palawan’s forests provide local communities with water for domestic and agricultural use. For indigenous peoples, the forests are both a source of food and their source of non-timber forest products (NTFPs), such as rattan and *almaciga*, which provide livelihoods. In securing permits for the harvesting, gathering and transportation of these NTFPs, indigenous communities have to deal with the reality of corruption. An inventory is required prior to the issuance of a permit to harvest NTFPs, so the annual allowable cut or harvest can be determined. Indigenous people’s organizations give money to DENR personnel so that they can conduct an inventory. However, only an office-based inventory is usually conducted and field visits are typically not done. Indigenous peoples’ organizations typically do not receive a receipt for the money they give DENR personnel, leaving unclear whether these fees are official or not. Indigenous Peoples colloquially refer to these fees as “standard operating procedures” (SOPs). There is little choice as to whether or not to pay the fees, as an indigenous leader remarks: “we had to pay DENR-CENRO personnel for the preparation of resource use plans, so the approval is ensured.” Indigenous Peoples have observed that when they do not pay these SOPs there will be no movement in the processing of their permit applications to gather NTFPs. As noted by Ruth Canlas from the Non-Timber Forest Products Exchange Program (NTFP-EP), communities cannot always afford the costs of complying with permitting requirements, compelling them to make arrangements with private entrepreneurs who in turn deal with the DENR. This places Indigenous Peoples in a situation where they are indebted to these business people.

The Palawan pilot was initially intended to cover 50,000 hectares of land. However, following difficulties in securing the Free, Prior and Informed Consent (FPIC) of Indigenous Peoples who claim ancestral rights to more than 20,000 hectares of this area, the project site was reduced to about 25,000 hectares. Indigenous community leaders in the excised area have allowed large-scale commercial mining in their ancestral domain and have received royalties from the mining company. To them, forest protection under REDD+ would conflict with existing mining activities and the planned expansion of mining operations. Besides existing Certificate of Ancestral Domain Titles (CADTs) and a Community-Based Forest Management Agreement (CBFMA) within the REDD+ site, there are also pending applications for new CADTs.

Numerous resource use conflicts exist at the pilot site, notably with regard to large-scale nickel mining relating to three mineral agreements covering Narra and Quezon. These mining activities have been the subject of various complaints from indigenous communities and farmers. Sanctions imposed by government have, however, essentially come in the form of temporary suspensions of mining activity and notices of violations. Farmers affected by nickel pollution have not yet been adequately compensated and are currently engaged in a legal process to seek damages. In Narra, small-scale mines exist alongside larger operations. Between them these mines cover some 100 hectares, including the CBFMA area.



Republic Act 7611 or the Strategic Environmental Plan for Palawan (SEP) sets out the main strategy for identifying Environmentally Critical Area Networks (ECAN), where natural forests are designated as core or restricted zones to be insulated from resource extraction activities. However, prior to the “Advance REDD” project, some municipal officials, with the support of the Palawan Council for Sustainable Development (PCSD), allowed the revision of ECAN zones to allow mining. Following this, the municipality of Narra identified a mineral zone within the KBA. The municipality of Quezon also attempted to change ECAN zones in order to justify mining in restricted zones. This attempt has stalled, however, and key technical and environmental officials of the municipality have not fully endorsed the amendment.

Following the issuance of mining permits, it was alleged in the municipalities that municipal-level officials were recipients of haulage contracts for mining companies. However, there have been no investigations into the involvement of local officials in facilitating the re-zoning of forest areas for mining activities. Even if an investigation were to be launched, community members have misgivings about the effectiveness of the justice system and have expressed hesitation about making the sworn statements needed to pursue administrative sanctions against officials for reasons of personal security.

A challenge faced by the pilot was securing documentation from local government units, including the requisite Strategic Environmental Plan (SEP) Clearance and the Certificate Precondition for favorable FPICs. Project implementing partners had to deal with bureaucratic hurdles because government officials did not appreciate REDD+ and treated it in a manner similar to resource extraction projects.

The project also had to deal with attempts by some pro-mining indigenous community leaders to impose so-called “consent fees”. Community leaders who were pro-mining made it difficult for the project to secure the needed consensus among the community and there were serious divisions on whether to support mining or REDD+. There is some evidence to suggest that staff working with mining companies attempted to influence these debates and they have certainly been present during consultations and meetings on the “Advance REDD” project.

Environmental crimes continue to take place at the pilot site. Actors involved include poor farmers and indigenous community members, barangay officials, law enforcers and residents close to local officials. The people doing the “dirty work” of cutting trees, gathering wildlife and burning down forests for charcoal are generally the poor and marginalized community members. Anecdotal evidence from community members themselves points to graft being used to avoid the terms and conditions of environmental permits. Checkpoints set up by the DENR and local government units (LGUs) are often called “cash points” as these are focal points for extracting bribe money.

No one in the community was, however, comfortable making statements “on the record” that would clearly establish graft and corruption. “People in the community are afraid that reporting corrupt public officials, including law enforcers, may put their lives at risk,” notes Roger Garinga of the Institute for the Development of Educational and Ecological Alternatives (IDEAS), an NGO that provides technical support to the REDD+ pilot area.

Reports from some community members reveal that some village officials have condoned or supported the illegal cutting of trees. Although there is no hard evidence, as these officials were not caught in the act of receiving bribes or ordering people to engage in illegal logging activities, broader circumstances illustrate officials' failure to stop these forest crimes. One village official owned a chainsaw and community members report that their barangay officials provided support to the illegal loggers. In one incident, municipal officials were reported to have protected the violators. As a municipal law enforcer reported, "the group of people who were caught cutting a large tree with a chainsaw were close to a municipal official, who intervened to have the enforcers leave the area and abandon the operation without legal consequences." This view is reinforced by a mapping of environmental crimes undertaken by the Protected Area Management Bureau of the Mt. Mantalingahan Protected Landscape. The mapping shows that while violations of forestry laws are reported, few apprehensions are made by law enforcement agencies (Garinga, 2013).

Among indigenous community members in the municipality of Quezon, conflicts have arisen in relation to the use of royalty funds from mining operations. Some Tagbanua tribal leaders were reportedly sued for their misuse of royalty funds. The lack of capacity by indigenous communities to handle millions of pesos of royalty funds was raised by civil society groups when consultations were conducted in connection with proposed large-scale mining operations.

At this stage of the "Advance REDD" pilot, the matter of corruption has not been systematically addressed. The project intends to pursue local forest governance activities in addition to trainings, such as Forest Land Use Planning (FLUP), and the establishment of the local forest governance body. But project partners admit that a more judicious and organized effort by government and civil society is required on anti-corruption. An initial step would be to orient local DENR, Palawan Council for Sustainable Development (PCSD), NCIP and community officials about corruption risks and to devise and seriously implement preventive and prosecutorial measures in relation to REDD+.

Project partners see the need for a locally-based multi-stakeholder REDD+ Council as an important mechanism in Palawan to govern REDD+ activities. The establishment of this provincial council will depend largely on the formation of the NMRC provided under the PNRPS. However, the needed groundwork for the formation of such a council will also require work from "Advance REDD" partners and government agencies.

Large-scale corruption relating to income from natural resources is not new to Palawan.<sup>9</sup> Local officials, community members and civil society groups have been involved in the investigation of corruption related to the Malampaya natural gas project near the province. Legal cases have been filed by people's organizations and civil society groups to hold the officials implicated accountable. Any provincial council

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<sup>9</sup> The Senate Blue Ribbon Committee concluded, following a series of public hearings in April 2013 on the use of Malampaya gas revenue in Palawan, that there was massive misuse of funds. They found that corruption in the case was linked to the murder of broadcast journalist Dr. Gerry Ortega who was one of those who originally exposed the misuse of funds via radio broadcasts. The Commission on Audit (COA) has filed criminal and administrative cases against local government officials linked to the case, including former Governor Joel T. Reyes who fled after being implicated in the Ortega murder.

established to govern REDD+ activities in Palawan must learn from or be guided by the experiences of these earlier cases.

## 4.2 Case B: General Nakar, Quezon

The pilot site covers an Ancestral Domain area, a Protected Area and areas covered by private land titles. As such it involves a mix of stakeholders including state conservation authorities, indigenous peoples' communities, and tenured migrants. The Agta-Dumagat Indigenous Peoples have been awarded their CADT, covering some 144,000 hectares. However, issuance of the final title depends on the Land Registration Authority's excising of private titles within the ancestral domain area. The Protected Area within the project site is an initial component of the NIPAS system.

The GIZ study on key drivers of deforestation and forest degradation mentioned above describes the opening of the Marikina-Infanta road in the Protected Area, which was "built to facilitate the transport of products and people from the northern part of Quezon to Rizal and its environs (GIZ, 2013a). Respondents of that study reported that this road was also used as a "back door entry and exit of illegally harvested forest products" (GIZ, 2013a). Another concern is the planned construction of the Laiban hydropower dam, which Agta-Dumagat communities fear will inundate their ancestral domain, causing environmental destruction and loss of livelihoods (GIZ, 2013a).

Measures to combat illegal logging are reportedly the top priority of DENR officials in the province. According to officials, increased vigilance of concerned citizens has been helpful in this regard. However, they choose to focus on the larger loggers, claiming that smaller-scale "timber poaching" cannot be prevented, as it gives community members an immediate source of income.

According to civil society partners who work with communities on the ground at the REDD+ pilot site, their main challenge was in securing the Certification Precondition relating to FPIC, but that corruption was not related to this difficulty. The absence of this certification prevents collection of field data on carbon stocks and biodiversity, which is needed to complete the project design document. They also observed certain practices or norms, such as inequalities in the sharing of benefits between Indigenous Peoples and private business people, which are condoned or influenced by DENR personnel.

Local-level elite capture is an issue at the pilot site, as detailed by project partners, and comes in several forms. First, projects in the area are implemented by influential local families or allies of local government officials. This allows them to obtain special treatment in the processing of permits and throughout project implementation. Second, project implementers have continuously engaged certain groups, giving these groups greater access to opportunities and development benefits via the pilot. Project partners claim that corrupt practices exist, particularly bribery. Acts of bribery are considered established practice or "standard operating procedure" by some community members. But others in the community are unaware of the impact of such practices on their lives. National campaigns on anti-corruption appear not to have changed practices at the community or village level at the pilot site.

Project partners maintain that “corruption awareness sessions must be undertaken together with public officials and community members.” Enhanced awareness-raising and capacity building on anti-corruption measures and governance safeguards indeed appear to be an immediate need in Quezon province. The civil society groups of the CoDe REDD network recently received news of an Australian company laying the groundwork to implement an Australian, Malaysian and Philippine joint venture carbon-sequestration project, with additional components for food production and bee farming. The firm says it is piloting Phase One of this project in Quezon province and claims the project enjoys support from DENR officials, local government and the CCC. This is despite a directive from the DENR that imposes a temporary moratorium on forest carbon trading pending the issuance of guidelines on forest carbon.

## 5 Implications of Case Observations

Guiang (2001) argues the titling of lands, including those in protected areas and watershed reserves, has increased forest management conflicts between communities and the private sector, particularly with regard to “tenure rights, utilization, institutional mandates and traditional knowledge and practices.” More specifically, he summarizes the following causes of resource conflicts in the Philippines:

- Differences between customary and statutory laws in the use of forest resources in protected and ancestral domain areas – Indigenous Peoples’ resource use rights are deemed inconsistent with protected area management policies;
- Confusing and vague institutional mandates among public agencies because of overlaps in the areas of their mandates and jurisdiction;
- Disagreement regarding fair compensation, fees or penalties between off- and on-site stakeholders in the protection and management of forestland.

Resource conflicts appear to be where many corrupt practices begin, particularly with regard to the titling and use of land. Land tenure remains tenuous for Indigenous Peoples in the Philippines, and even at its early stages of implementation, REDD+ brings this issue to the fore. Despite laws and instruments that allow for secure land tenure on paper, the process for securing tenure in practice can be difficult. La Viña and Lynch (2010) note that “Indigenous Peoples communities who wish to gain formal legal recognition of their rights to their Ancestral Domains, including presumably the carbon in trees, with a CADT face a lengthy, bureaucratic and expensive process.” Bribery and conflicts of interest reportedly plague the preparation of land and cadastral surveys, leading to conflicting land claims. Local DENR officials posit that corruption could be avoided if communities and claimants were given adequate assistance to enable them to gain just title to their lands.

Ancestral domain claims can cover extensive tracts of land and water, and some areas within the claim may cover private lands or resource use permits and instruments. Despite provisions in the IPRA that recognize existing rights, private titles and tenure instruments are not always excised from ancestral domain claims.<sup>10</sup> Many indigenous communities claim (some justifiably so)<sup>11</sup> that these titles and permits

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<sup>10</sup> Section 56 of the IPRA provides that “Property rights within the Ancestral Domains already existing and/or vested upon the effectivity of this act shall be recognized and respected.” In 2012, the DENR, NCIP, DAR and LRA also signed Joint Administrative Order (JAO) 2012-1 in order to address jurisdictional and operational issues between and among the agencies.

were issued fraudulently, without their knowledge or consent, thus warranting the inclusion of the private areas within the ancestral domain claim. But indigenous peoples' rights must be balanced against those of long-term migrant residents, who have occupied lands in good faith and built their homes and livelihoods in the area.

Differing perspectives among government agencies exacerbate land tenure problems. Officials at the local level are often unaware of titles and tenure instruments that other agencies issue, resulting in overlapping titles and tenure instruments that create uncertainty for Indigenous Peoples and local communities. This lack of coordination is perceived, however, to be more of an operational issue than a direct result of corruption.

At present, under the 2012 FPIC Guidelines issued by the National Commission on Indigenous Peoples (NCIP), the FPIC should contain detailed benefit sharing provisions, detail other benefits to be derived by the community, and set out a transparent mechanism for the disbursement of funds (Sec 32). FPIC fees are deposited in a trust account at the NCIP Regional Office concerned (Sec 12), which also oversees its utilization, advances, withdrawals and accounting (Sec 17).

For Indigenous Peoples in their ancestral domains, the FPIC process is an important safeguard that allows them to "enforce their right to the equitable and fair sharing of benefits from the utilization of their natural resources, captured in a Memorandum of Agreement (MOA) that is mutually agreed upon between the community and the project proponent" (GIZ, 2013b). In order to build transparency and accountability in FPIC financing, GIZ has recommended that expenses for field-based investigations be disbursed directly, without depositing funds with the NCIP, that clear provision is made for what to do with unused FPIC funds, and that an audit of the expenses incurred for an FPIC be conducted, with a financial report presented to the relevant community (GIZ, 2013b).

Notwithstanding FPIC Guidelines, our research in Southern Palawan and General Nakar shows that benefit sharing is a contentious issue, especially between communities and private investors or business people. DENR officials note that "even the supposed "partnerships" between these private entities and the local communities are no guarantee." Investors and business persons can take advantage of indigenous peoples' lack of education and capacities, leaving them holding an empty bag.

Furthermore, the governance of benefit sharing mechanisms for REDD+ remains unclear in the absence of a definitive state policy on carbon ownership. This policy will be critical to develop before the Philippines can enter the REDD+ implementation phase and begin receiving compensation for conservation actions. The Philippine National REDD+ Strategy proposes that "rights may be allocated directly to forest owners, notably in the case of Indigenous Peoples and private land and title-holders, subject to taxes." However, it notes too that the "...State may also claim ownership of carbon as a publicly-owned asset, in which case

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<sup>11</sup> Ancestral Domains can cover vast areas, including indigenous peoples' hunting grounds, headwaters, burial grounds and sacred sites. Often, indigenous peoples' communities have been surprised to learn that titles have already been issued for areas within their Ancestral Domain without their knowledge.

the principles of community priority rights in terms of revenue and equitable sharing shall govern the sharing of profits” (PNRPS, 2009).

In their policy study on carbon rights, GIZ (2013c) recommended recognition of these rights under a broader forest reform tenure policy, considering carbon rights as part of a bundle of rights of tenure holders, instead of as a right separate from tenure instruments. Clarifying carbon ownership is a pressing matter given previous experiences of some indigenous communities with “carbon cowboys”, mainly foreign companies engaged in speculation related to the carbon trade. The DENR has received reports of at least two locations where carbon cowboys have persuaded communities to hand over rights to forestlands in their areas without clear agreements on benefit sharing. To prevent further incidents of this nature, the DENR has issued an “Interim Policy on Forest Carbon Trading and Registry of REDD+ Activities”, enjoining all DENR officials and employees not to entertain any initiative on forest carbon trading pending the issuance of guidelines on forest carbon” (GIZ, 2013c). The NCIP has likewise issued a Memorandum Order OED-84-2010, dated March 23<sup>rd</sup> 2010, directing its Regional Directors to refrain from approving projects on carbon trading.

Aside from assuring benefit sharing between communities, investors and the state, monitoring benefit sharing between and among community members may also prove challenging. Elite capture is a possibility among community members, as explained above, and controversies regarding the distribution and accounting of royalties are not uncommon as the Palawan case illustrates. Land remains a valuable commodity in the Philippines and has been described as the country’s “single biggest major resource” (GIZ, 2013c). This is especially true in the resource-rich areas where REDD+ can be implemented.

For many indigenous peoples, their ancestral domains are their major (and in some cases, sole) source of livelihood. As they become “increasingly integrated into the wider market economy of the whole country” they must necessarily contend with the higher costs of basic needs (Cariño, 2012). Payment of bribes to facilitate the issuance of permits, transport products, or to secure certificates of compliance with forestry guidelines appear to become necessary costs of making a living (Mayo-Anda, 2011).

A major hurdle for any anti-corruption initiative in the Philippines is the extent to which it is embedded in actual social relations and value systems. Large-scale corruption involving millions of pesos and high-profile figures ignite the national attention and, in some instances, spur public action. But more minor, everyday corrupt practices are hardly considered corrupt at all and are often downplayed, overlooked or dismissed as perks or a way of coping with local realities. Differing perceptions of what constitutes corruption makes it an elusive topic to pin down and address.

These attitudes breed a culture of impunity, which not only perpetuates corruption, but justifies it. This skewed value system is not least among the challenges confronting anti-corruption initiatives in the Philippines, as long-held views and ingrained behavior cannot be immediately changed. The filing of legal cases and other prosecutorial actions were identified by an official involved in such prosecutions as the most effective deterrent against corrupt practices. But initiating prosecution is easier said than done. Many employees do not file reports and cases for fear of antagonizing friends and colleagues. When cases are filed, gaining access to enough evidence to support a guilty verdict can be difficult. The Philippines also

lacks an effective system for witness and whistleblower protection,<sup>12</sup> making people hesitant, if not afraid, to report incidents of corruption, especially where powerful personalities are involved.

Even in areas where awareness of the importance of nature conservation among communities is high, local officials note that ensuring a timely response to reported violations of environmental laws is difficult. Community members may report incidents to DENR officials or civil society partners, but this information comes when violations have already been committed. Illegal forest products can often be captured while in transit, but apprehensions are few and far between given limited logistical capacities and personnel at DENR field offices.

REDD+ is still in its early stages in the Philippines. As such it is difficult to ascribe particular corrupt practices to its implementation. Nonetheless, experiences from the implementation of community forestry programs, and more recently, the National Greening Program under EO 23 are instructive.<sup>13</sup> The NGP has had to contend with complaints regarding land tenure conflicts, accreditation of civil society partners and peoples' organizations, incidents of fraud and misuse of resources by government agencies and flaws in the program's design.<sup>14</sup> These issues are also widely expected to be problems once REDD+ begins full implementation.

To monitor implementation of the NGP in particular, the FMB makes use of available technology such as geo-tagged photos for verifying the survival rate of planted trees. These photos show a time stamp and map coordinates and are difficult to fabricate. The DENR Resident Ombudsman also provides monitoring assistance for cash advances and fund transfers. These existing mechanisms should be further studied and potentially adopted in the implementation of future REDD+ projects.

## 6 Conclusion and Policy Suggestions

The two REDD-Plus pilot projects discussed in this Issue paper are part of the REDD+ Readiness Phase in the Philippines. Learning from the experiences of these projects offers opportunities for development practitioners and others to generate awareness and organize action among government officials and local communities to curb the risk of corruption in full REDD+ implementation. The following main policy suggestions flow from our earlier analysis of the two case sites studied:

- **Context matters and anti-corruption strategies should build on existing laws, policies and programs, formulated and monitored at the local level:** The two REDD+ pilots studied are similar in terms of their forests and natural resources, but differ in terms of community perspectives on and involvement in corruption. Given nuances in the local context, localized anti-

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<sup>12</sup> The passage of a Whistleblower Protection Law is among the strategies proposed under the Good Governance and Rule of Law Chapter of the Philippine Development Plan 2011-2016.

<sup>13</sup> The National Greening Program (NGP) is a national reforestation effort launched by the Aquino administration in 2011. It aims to reforest 1.5 million hectares of public land by 2016. Among the NGP's strategies is to provide incentives to peoples' organizations to participate in the reforestation and protection of reforested areas.

<sup>14</sup> Many criticize the NGP's strategy for not being selective in the kinds of trees used in reforestation efforts. In some areas, faster-growing exotic species are preferred to the exclusion of native species better suited to the Philippines' environment. There are likewise allegations that data on survival rates of planted seedlings is fabricated.

corruption plans for REDD+ pilot projects should be considered as part of an overall forest governance effort.

The plans should map out and identify actors and institutions involved in forest management activities in relation to REDD+, including their areas of authority, and identify where overlaps and conflicts lie, where power is concentrated, and corrupt practices most prominent. The plans should also include multi-stakeholder monitoring schemes and strategies for engagement with government agencies, including local government units, and the private sector.

Alternative accountability mechanisms should be in place for cases where government officials are unsupportive of anti-corruption efforts or are themselves involved in corruption. The passage of a Freedom of Information law is a necessary first step in this regard. A version of the Freedom of Information Bill was passed by the Philippine Senate in March 2014, but it remains pending in the House of Representatives.

The planning, formulation and monitoring of local policies and programs must be government-led. Even with corruption identified as a risk in the PNRPS, and strong civil society support for the communities involved in REDD+ implementation, any anti-corruption measure that does not have strong government backing runs the risk of being unsystematic and unsustainable.

- **Strengthen capacity building, inter-agency coordination and oversight activities in line with the Philippine Development Plan 2011-2016:** A key observation is the apparent inadequacy of an otherwise complete set of policies and anti-corruption programs (including the Office of the Ombudsman's Integrity Development Program<sup>15</sup>) to decisively address corruption. Existing policies and anti-corruption programs require solid implementation strategies as well as adequate financial support from donors. Engaging and mobilizing the appropriate personnel, conducting awareness and capacity building activities, and engaging in enforcement operations need funding for their effective implementation.

The Philippine Development Plan 2011-2016 contains several recommendations to this end that should be supported. Strategies are proposed for good governance revolving around curbing both bureaucratic and political corruption and strengthening the rule of law (Philippine Development Plan, 2011). Actions that could prove helpful in addressing REDD+ corruption risks include enhancing CSO and private sector participation in anti-corruption measures and monitoring (Philippine Development Plan, 2011), and strengthening inter-agency coordination by tapping all key instruments for evidence gathering (Philippine Development Plan, 2011). Strengthening the powers of oversight bodies such as the Office of the Ombudsman is also proposed (Philippine

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<sup>15</sup> The inadequacies of the Integrity Development Program were pointed out by a 2013 study conducted by the World Bank to harmonize several existing anti-corruption plans and strategies. This study resulted in a joint undertaking between the Office of the President and the Office of the Ombudsman to implement a new Integrity Management Program (IMP). The IMP is expected to "up-scale the gains and benefits of previous government anti-corruption programs and provide outcome based initiatives" to change integrity management in government agencies. A pilot of the IMP in selected government agencies is forthcoming.



Development Plan, 2011). These actions would contribute greatly to implementing REDD+ safeguards if they can be fully carried out.

- **Support and facilitate lesson-learning on anti-corruption and REDD+ at national level:** Actions to mitigate corruption specifically in forest management should be cognizant of broader efforts to promote good governance and strengthen law enforcement capacity. It is in this context that the importance of a national coordinating body for REDD+ in the Philippines can be appreciated. This body would be the best possible institution to synthesize the many lessons learned and recommendations from various donor projects and pilot sites. It would also help ensure the implementation of REDD+ safeguards guidelines. Without a coordinating body to marshal existing insights and ensure these lead to a systematic implementation of safeguards for REDD+ in the country, the many facets of this complex issue may not be fully addressed.

The Philippines' draft REDD+ safeguards guidelines are currently undergoing a second round of consultations with government, civil society and community stakeholders. As such, there is now a concrete opportunity for REDD+ donors and their partners to integrate lessons learned from REDD+ pilot sites in crafting the final guidelines, in developing a Safeguards Information System and in implementing the next batch of REDD+ pilots.

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Corruption is a continuing feature of the Philippines' natural resource sectors. Given keen interest in the country's REDD+ potential, it is useful to consider corruption risks related to REDD+ from a political economy perspective. This U4 Issue draws on fieldwork from two REDD+ pilot sites to assess current governance and anti-corruption safeguards related to benefit-sharing, land tenure rights for indigenous peoples, and private sector involvement. Many anti-corruption actions are in place in the pilot sites, but they are weakly embedded in social relations at the local level. More work is required to raise awareness of the benefits of governance safeguards to livelihoods and security of land tenure. The lack of a national REDD+ coordinating body means that the collection and dissemination of relevant anti-corruption lessons for REDD+ nationally remains challenging. Existing anti-corruption initiatives require solid implementation strategies as well as adequate financial support.