

InangLupa

Official Newsletter of the InangLupa Movement Inc.

Vol. 3 No. 4

April 2015 Issue

"Nurturing an inclusive, science-based, resilient & market-oriented Philippine agriculture"

InangLupa supports BSWM to implement IYS



The InangLupa Movement, Inc. has forged an agreement with the Bureau of Soils and Water Management (BSWM) to make the celebration of the International Year of Soils (IYS) in the Philippines as successful as possible, and help advocate other major initiatives that include "Yamang Lupa Program."

InangLupa founder and president Dr. William D. Dar said "we are privileged to partner with the DA-BSWM on the IYS celebration and other initiatives on sustainable soil and water management, as we jointly pursue efforts to realize our vision of an inclusive, science-based, resilient and market-oriented Philippine agriculture."

He said InangLupa is set to present to BSWM Director Silvino Q. Tejada a proposed communication and media program for the IYS celebration and support to policy advocacy of the DA-BSWM, in partial fulfillment of a memorandum of agreement forged between the InangLupa and the BSWM, on January 29, 2015.

In particular, under their MOA the InangLupa shall provide the BSWM with media linkage support in implementing the communication plan for the IYS celebration and with Congress in both houses, and a proposed international symposium on soils and food and nutrition security.

Agriculture Secretary Proceso J. Alcala has issued Special Order No. 147, on Jan. 29, 2015, creating a Task Force on IYS chaired at the national level by Undersecretary Emerson Palad, and Director Tejada as vice-chairperson. The task force met on March 17, 2015 to review and discuss initial IYS preparations.

The United Nations in its 68th General Assembly has declared 2015 as the "International Year of Soils" or IYS with the theme "Healthy Soils for a Healthy Life." The Food and Agriculture Organization (UN-FAO) will spearhead IYS celebration in various countries worldwide.

The FAO said that "soils have been neglected for too long. We fail to connect soil with our food, water, climate, biodiversity and life. We must invert this tendency and take up some preserving and restoring actions. Hence, the IYS aims to raise awareness on the critical importance of soils and advocate for sustainable soil management.

Under its MOA with the BSWM, the InangLupa will also provide assistance on the implementation of Yamang Lupa Program to include soil health mapping, and upgrading of national and regional soil laboratories.

The InangLupa will also assist the BSWM in advocating policies and proposed legislation at the House of Representatives and Senate of the Philippines relevant to land use policy, land use conversion, soil and water resources conservation and management, and sustainable land management.

Editorial

CLOUDS OF CHANGE

Many people say that change is the only constant in the universe. So it is time for Philippine Agriculture to change and be in cadence with the progress of its neighbors. Otherwise we will be left out in the "kangkungan" (This is a kind of plant like the water lily that grows on water and when left alone it will multiply and suffocate itself).

The cloud changes in shape by the hands of time and the direction of the winds along with the change of temperature. The shape of Philippine agriculture must now change with the advent of the AFTA and the economic winds that may suffocate local production with cheaper imported rice, vegetables and meat.

The billions of budget allocated by government to DA, DAR and DENR must now be integrated to support programs and projects worth billions and not just by the thousands. The release of DA funds must now be in tune with the times where smallholder farmers are now ready to adopt technologies like those being demonstrated in Yamang Lupa Program and they should be given seed funds to upscale.

The hands of time no longer favors us because it is already getting late in the day, for us to prepare for the ASEAN Economic Integration. While the Indonesians have already their FELDA that allowed smallholder farmers to become co-owners of a African oil palm plantations, the Philippines is still struggling to do this even with the various proposals given to them for farmers to cluster themselves, to modernize and operate like a plantation.

The development funding approach adopted by DA must NOW change from the usual demo farm to benefit a few to a commercial farm to benefit thousands/millions adopting appropriate rural farming technologies. In addition, DA must now get away from the policy of being the funder and at the same time the manager of programs (accuser and judge syndrome) in their respective regions but should encourage the private sector to participate and provide them seed funds to recover and replicate.

While the Koreans have reduced the number of their farmers to only 20% remaining in the farms because of small size land mechanization where you now see fields being machine transplanted and machine harvested, the Philippines remains in the clouds of using kuliglig technology and third class threshing machines and driers.

While the Taiwanese get their vegetables from the Philippines, it is produced by Taiwanese farmers in the Philippines using Filipinos as water bearers. While the Israelis produce crops and flowers with scientific precision, we still do them with hand precision (hand transplanting) even as our farmers are ageing and could now hardly bend and follow the carabao.

Therefore, the Clouds of Change must come to bring rain to our barren minds in planning for a better agriculture in the Philippines. It is now time to study and modernize Jurassic policies that has not brought our farmers out of poverty. The Clouds of Change must now be upon us to counter the climate change like planting only 10% of an area per day exposing only 10% to risk and weather changes that could easily be covered with crop insurance.

The Cloud of Change can mean irrigating our rice farms by adopting programmed planting and not seasonal planting which is now obsolete. *vld*

YLP preliminary achievements

Yamang Lupa Program (YLP) shows positive outcome from its first year implementation in the three pilot regions - Quezon, Samar and Zamboanga.

Results for economic viability of YLP interventions on crop management practices was demonstrated with an average increased on net income by 153% over farmer's practice (FP) during the 2013-2014 cropping seasons with an average net income of 145,361 ha⁻¹ in YLP demonstration farms while 57,521 ha⁻¹ in FP. The B:C ratios varying from 2-5:1 and 2-7:1 for YLP and FP, respectively.

In addition to the tangible economic benefits, sustainability of the systems as well as resilience against the impacts of climate change was documented. In that way, natural resources such as soil and water can be protected through minimizing mining of nutrients as well as contamination of water resources with nitrates, phosphates and potash. Therefore, enhancing water-use and nutrient-use efficiencies will have immense benefits to the farmers.

The soil analysis in three pilot sites revealed multiple nutrient deficiencies including macro and micro nutrients. As of April 2015, the program has collected and analyzed 239 soil samples and distributed Soil Health Cards (SHCs) to 216 farmers in three pilot regions.

Another positive results is on integrated soil, land, and crop management options, where it showed an increased across major crop yields by 50 to 232 percent over farmers practice.

Identified major and emerging crops and used best-bet crop management practices for increasing productivity as follows: (1) followed fertilizer recommendations based on SHCs, (2) reduced seeding rate for rice from 160-320 kg/ha to 40-80 kg/ha, (3) applied organic fertilizers to farms with deficiency on organic carbon/matter, (4) followed crop management practices based on DAs recommended production protocols, (5) used recommended and improved cultivars or planting materials, (6) improved cropping system, and (7) used trichogramma.

YLP demonstrated new extension delivery system involving Farmer Facilitators (FF) and Lead Farmers (LF) or Lead Farmer Technicians (LFT) for effective delivery of services and appropriate messages to the farmers. The program worked out the modalities for FF and LF/LFT and integrated into the YLP with the support of LGUs and DA banner programs. As of April 2015, twelve (12) FF, fifty three (53) LF and one hundred fifty two (152) farmer cooperators were involved in the first year of implementation.

Several trainings, capacity building measures and exposure visits to *Bhoochetana* project in India and ICRISAT for management group members, policy makers and government officials were organized by BAR, BSWM and ICRISAT which enabled YLP consortium partners to build confidence in increasing crop productivity of the country. The program also conducted demonstration farms and field days as show window to disseminate results to the farmers and other stakeholders.



YLP conducts review and planning workshop



Yamang Lupa Program team (Program Management Group, Regional Technical Working Group and Satellite YLP adapters) with InangLupa President and YLP adviser Dr. William Dar (center).

DA-Bureau of Agricultural Research (BAR) in coordination with International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) and other partners organized a 3-day review and planning workshop to further strengthen the implementation of Yamang Lupa Program (YLP) in the pilot regions and satellite provinces.

The specific objectives of the workshop are: (1) to review the progress of YLP and assess its strengths and weaknesses during the initial implementation, (2) to plan and develop effective strategies to further strengthen the implementation and management of the program, and (3) to prepare/improve operational action plans for implementation in the next two years to meet the expected outputs and achieve the goal of the program.

Dr. William Dar, InangLupa President and former Director General of ICRISAT was present in the event as YLP adviser. He gave an inspirational message and made an emphasis on having 10 YLP key achievements to be exhibited on the May 25, 2015 - campaign launching of International Year of Soil at BSWM.

Representative from each pilot site presented the updates, implementation outputs and accomplishments, good practices and lessons learned from YLP implementation. Dr. Junel Soriano, ICRISAT Visiting Scientist also shared the capacity building activities conducted by ICRISAT for the YLP implementing/management group members and other stakeholders.

After the presentations, BSWM & BAR management staff, and ICRISAT experts headed by Dr Suhas P. Wani, Director of ICRISAT Development Center (IDC) made an assessment of the program to further strengthen the YLP implementation. It was followed by technical sessions with planning workshop and group report on enhancing synergy and convergence for impacts, strategies for enhancing capacity of the group, strategies for increasing adoption and developing strategic work and financial plans and target setting.

As part of the review, it was emphasized that the proposed adoption of *Bhoochetana* principles and approaches in the Philippines, ICRISAT in partnership with DA and concerned R&D institutions, shall adopt and upscale the principles and approaches of this mission program to serve as a platform model that could be out-scaled to the different regions in the country. Yamang Lupa Program (YLP) with pilot sites in Quezon, Samar, and Zamboanga will significantly contribute to poverty alleviation and social empowerment in the country through sustained and improved livelihoods in rainfed areas.

YLP was expanded through ICRISAT initiatives and efforts of the local government units (LGUs) of Ilocos Sur, Nueva Vizcaya and La Union. These are considered as satellite programs which are named as: Sustainable Intensification for Prosperity & Growth (SIPAG) Program in Ilocos Sur; Building Resilience and Rural Livelihoods Program (BRRLP) in the province of Nueva Vizcaya; and Improving Productivity and Building Resilient Program (IPBRP) in La Union.

These programs have been realized through ICRISAT efforts headed by Dr Dar and support of DA-BAR.

Present in the workshop were the different YLP consortium partners that includes ICRISAT, DA-BAR, DA-Bureau of Soils and Water Management, DA-RFO IVA, DA-RFO VIII, DA-RFO IX, Southern Luzon State University (SLSU), Visayas state University (VSU), Western Mindanao State University (WMSU), Ilocos Sur Polytechnic State College (ISPSC), PLGU-La Union, PLGU-Nueva Vizcaya, and other members of the YLP-RTWGs.

The “Untold and Unfinished Coconut Story”

by German P. Palabyab

(Editors Note: This article is the continuation from March Issue)

Historical Notes on the Coconut Industry (The 100 Years of Plunder)

The Philippine coconut industry today is still a struggling industry that supports about 20 million people in the Philippines. Of this total, about 1 million are directly involved in the industry while the 19 million are their dependants. Altogether they represent nearly 30 percent of the total population of the Philippines.

The Philippines is the world's largest producer of coconuts, accounting for about 60% of the world's output. About 3.2 million hectares of Philippine land are planted with coconuts. This accounts for 27.5% of the Philippines' agricultural land and about 81.7% of total commercial crops hectareage.

The coconut industry plays a major role in the Philippines economy and its performance has far reaching economic, social and political effects on the Philippine populace.

The American Years (1898 to 1946)

The growth of the Philippine coconut industry started in the early 1900s when Europe and America's demand for the coconut oil was pushed by the advent of new products like margarine and the growth of the detergent and cosmetic products. In no time, copra and coconut oil were accounting for nearly 30 percent of total Philippine exports. The coconut farmers and the industry enjoyed unprecedented prosperity especially during the World War I years. The high nitrate content of coconut oil made it an excellent raw material for manufacturing munitions needed by the military.

In America which eventually became the largest importer of coconut oil from the Philippines, the era of protectionism started right after the depression years (1930's). The American dairy industry and the vegetable oil producers mounted a strong lobby to make the margarine and coconut oil uncompetitive in the U.S. market. Thus, on May 11, 1934, HR 7835, otherwise known as the Revenue Act of 1934 slapped a 3 cent per pound excise tax on

coconut oil. The lame rationale for the legislation was purportedly to raise revenues, and protect the American dairy and vegetable oil industries.

This period saw the industry suffer significantly nearly dislocating the whole economy. Seeing this and fearing total

economic collapse, Governor-General Frank Murphy, strongly protested to the American government. The law was subsequently amended to refund the Philippine Commonwealth under President Manuel Quezon the equivalent amount of taxes collected, provided not a cent from the refund was spent on developing the coconut industry. This was clearly a case of “taxation without representation” and total denial of funding for the industry. The real motive of the legislation emerged: the strangulation and the annihilation of the Philippine coconut industry, without regard to the millions of people who are depending on it for economic sustenance.

Amazingly, the industry survived. Other agricultural industries, like the sugar industry, assumed the slack to forge the Philippine economy forward. And why not? Part of the excise tax refund was used to develop the sugar industry. In 1946, the Americans granted independence to the Philippines. Thanks to the Philippine Trade Act of 1946, one of the strings attached to the granting of Philippine independence, the remittance from the Philippine Coconut Trust Fund account of the U.S. treasury suddenly stopped. But the excise tax collection continued until a storm of protest from the Philippine government stopped it in 1966.

A total of US\$182 million, not including interest still remain in the U.S. treasury. At current prices, the amount is estimated at P65.5 billion in Philippine pesos. The provisions of article IV(2)(a) and (b) of the Laurel Langley Trade Agreement rendered the tax collected from 1946 to 1957 unlawful and must therefore be returned to the Philippine coconut exporters.

President Ramon Magsaysay (1955 to 1957) twice attempted to claim the refund of the tax along with other war damage claims but the claims were summarily rejected.

The Coconut Levy during the Marcos Years (1966 to 1986)

The coconut farmers and plantation owners by this time realized and they could not depend on anyone else but themselves for their survival and growth. They got together and formed the Coconut Producers Federation (COCOFED) for the purpose of harnessing private resources to develop their industry. They realized that the coconut industry needed to raise capital and investments to acquire oil mills, form a bank and invest in vertical integration. The COCOFED also funded education and training of their human resources in fields other than those in the coconut industry.

In 1971, COCOFED and the industry leaders helped pass EO 6260 which set up the COCOFUND. The COCOFUND is a selftaxation scheme whereby coconut producers paid P0.55 per 100 kilos of copra to raise capital to develop the coconut industry. But in 1972 copra prices rose to P200 per kilo as the world demand for coconut oil increased. The Philippine government took the drastic step of price controls and pegged the price of copra at P150 per kilo. This was well below the actual domestic and export prices of copra. The result was a disaster as coconut oil based products disappeared in the supermarkets. With the absolute powers of Martial Law at their command, the government was able to coerce and force coconut producers and manufacturers to follow the price ceiling set by the government.

This gave rise to the idea of a coconut levy, to stabilize the price of copra and coconut oil to manufacturers as domestic and international prices of copra and coconut will fluctuate in the market. A coconut levy amounting to P15 per 100 kilos of copra started the

Coconut Oil Stabilization Fund (CCSF). This subsequently rose to P100 per 100 kilos of copra as the price of copra at one time reached P400 per kilo. This era of subsidy and coconut levy resulted in the unprecedented prosperity of the coconut industry as prices of copra were at their highest. Thus the coconut producers, traders, exporters, millers and manufacturers shared in the bonanza. In the meantime a Premium Tax was assessed by the government under Executive order No. 425 to cut on the windfall profits earned by the coconut producers and exporters. The tax raised P1.14 billion for the Marcos government.

By 1978 the coconut levy fund stood at P2 billion. Encouraged by the growth of the fund and the relative stability of the copra prices, the Philippine Coconut Authority under EO 07474 mandated a refund to the coconut planters or producers part of the levy collected. About P1 billion was refunded in 1979. As the funds from the coconut levy poured in, the United Coconut Planters Bank (UCPB) was also organized. The Coco Life Insurance Company was likewise capitalized by the levy. Then the idea of a coconut oil monopoly came to life with the Presidential Decree No. 1468 creating the United Coconut Oil Mills.

Known as the UNICOM, all Philippine oil mills were put under the umbrella of the UNICOM so they can operate like a monopoly for the purpose of controlling the supply and the price of coconut oil. By 1985, America, who was still the country's biggest importer of coconut oil, flexed its muscles and put an end to the UNICOM via an anti-trust suit against the Philippines, the Philippines ended up paying \$10 million dollars to the U.S. which was the alleged losses suffered by the American importers due to the price fixing by the UNICOM.

The payment scheme on the \$10 million penalty only resulted in the further increases in the prices of coconut oil in the world market. The relative prosperity of the industry continued up to 1985. The first attempt by the Philippine government on taking over the burgeoning coconut levy fund which was nearing P8 billion was when Executive Order (EO) 711 declared the fund as “public”. The strong private industry opposition prevented the implementation of EO711.

The Corazon Aquino Years (1986-1992)

With the toppling of the Marcos dictatorship during the EDSA mutiny of the military in February, 1986, the coconut levy fund story entered a new phase. The COCOFED and the shares of stocks of the coconut farmers in the United Coconut Planters Bank were sequestered by the Presidential Commission On Good Government (PCGG). The coconut farmers and coconut planters brought their case to the Supreme Court. The PCGG up to the last days of the Aquino government remained in control of the COCOFED and enjoyed all the perks and benefits provided by the business institutions capitalized and funded by money collected from the poor farmers. By this time, the coconut levy fund had grown to P70 billion, to the credit of its caretakers.

The Ramos Years (1992 to the Present)

Not long after the President Ramos came to office, the government took firm hold of the coconut levy fund with the help of a Supreme Court ruling. The high court declared that the fund is “public fund”. This dashed the hopes of the farmers getting back control of their money, capping the 63 years of plunder of the coconut industry by the Philippine government itself.

In the meantime a move to discredit coconut oil use in the U.S. was mounted again allegedly by the American soy bean oil producers. Some articles appeared in public (“The cholesterol poisoning of America”) claiming that saturated fats from coconut oil cause increases in cholesterol which lead to heart disease.

Some articles even linked the coconut oil fats to cancer. COCOFED funded medical research in Harvard which proved once and for all the unfounded claim coconut oil caused cholesterol increases. Subsequent studies in the Philippines and in the U.S. found instead the more positive health benefits from coconut and coconut oil based foods.

Conclusion

It has been said that there are many coconut stories. The industry still remains to be a significant sector in the Philippine economy with about a third of its population depending on it. Of all the stories about the coconut industry, its rise and fall and the many years of plunder it suffered, the story of how the Filipino coconut farmer consistently got the shorter end of the bargain is the saddest of them all.

With all the billions of dollars that changed hands during the last ninety years of its existence, the Filipino coconut farmer still has not improved economically. They remain to be poor and marginal in the Philippine society. The fund that was started for theirs and the industry's benefit was taken over by the government. Not enough of it has since come back for the purposes of the poor coconut farmers.

Here in the United States of America, we owe it to ourselves to make sure that the remaining funds collected by the U.S. government from the Philippine coconut producers from 1946 to 1966 be restituted directly to the coconut farmers of the Philippines. We should support the Omnibus Claim of the Philippine government with regard to the refund of the excise taxes collected on imports of Philippine coconut oil from 1946 to 1966. However as taxpayers and citizens of the country who will implement the restitution, we feel that we have earned out moral ascendancy to

determine who should be benefitted by the funds.

For more than six decades, the injustice to the Filipino coconut farmers was perpetrated by the American Revenue Act of 1934. President Quezon was its unwilling accomplice. This continued with usurpation of the Philippine coconut levy fund by the Marcos, Aquino and Ramos governments.

The Philippines: ramping up climate resilience

by Mary Ann Lucille L. Sering | (Philippine Daily Inquirer)

This year, the most important summit on climate change in a generation will be held. The aim of the summit is to launch a new global effort to reduce human impact on the climate. We want to create a more liveable and sustainable world for everyone—a world where the economy is cleaner, healthier, quieter, safer and more energy-secure, a world with a better way of producing, consuming and living.

At present, the world is pumping more greenhouse gases into the atmosphere than it had the year before, passing on ever greater risks to our children and grandchildren. The risks can only become graver as the world continues to warm as a consequence of more greenhouse gases accumulating in the atmosphere.

The best global way to tackle climate change is to reduce greenhouse gas emissions and to come to a decades-lasting agreement on tough new measures to limit the emissions.

There can be no quick fixes. And the world cannot afford to wake up one day only to see that climate change has gone out of control and only then decide that enough is enough.

Climate change is upon us, making widespread global impacts, the United Nations' Intergovernmental Panel on Climate Change, which is composed of hundreds of scientists, warned last year.

These impacts are felt in various forms of disasters—heat waves, droughts, floods, typhoons and wildfires—which disrupt food and water supplies, damage infrastructure, and profoundly affect individuals, communities and nature all around the world.

At this point, the impacts have shown that the world is still ill-prepared for climate change. We must do better. Countries must strengthen their ability to recover from disasters by adopting resilience measures ranging from the simple and low-cost (such as planting mangroves which serve as coastal buffers against storm surges) to the high-tech (like flood barriers).

Here in the Philippines, we are all too aware of increasingly devastating climate change impacts. Our extensive coastline, and more than 7,000 islands, lie in the path of deadly typhoons. The devastation that storms such as these cause has lately become shocking annual events. In the past three years, deadly versions of these caused thousands of deaths and left millions of our people displaced.

Climate scientists say cyclones will become more powerful as sea temperatures rise. Few countries are more exposed to climate change than the Philippines. But our country is also showing the world how to make creative choices in coping with climate change as effectively and smartly as possible.

I was hugely encouraged to see the results of a project in a small town located along the shores of the West Philippine Sea. San Vicente has an idyllic location but at the same time it exemplifies the vulnerability of all island and coastal communities.

Located in the province of Palawan, the town saw massive coral bleaching in 1998 and 2010. It has also experienced frequent floods and droughts that caused severe crop damage. Note that rice production and fishing are vital and critical sources of income for most of San Vicente households.

The project, with international funding from Global Green Growth Institute, foster green growth. In relation to

farming, it has introduced modern practices like the use of irrigation and climate-resilient crops to boost yields. As to fishing, the project works at enhancing the capabilities for monitoring against illegal catches. For coastal protection, it looks to the construction of new sea walls and dikes and the installation of an early warning system against storms and tsunamis.

All these steps will help boost San Vicente's economy and its power of resilience, quite apart from making the community better prepared against cyclones, coral bleaching, droughts and floods.

The Philippines can scale up this pilot project by prioritizing climate adaptation at the level of local government units—provincial, city or municipal—across the country. Government funding institutions and investors are drawn more easily to finance projects for which the communities have prepared concrete plans that elaborate the scale and type of assistance they need.

Here, the Philippines is again setting the pace with a climate action program cobbled together through a painstaking process. In 2009, the government enacted the Climate Change Act that established the Climate Change Commission, which has come up with initiatives such as that in San Vicente. In 2012, President Aquino signed into law an act that established the People's Survival Fund—the country's first legislated climate-adaptation financing mechanism which is dedicated to supporting local government adaptation action plans. This could serve as a model for all countries—developing, emerging and industrialized—that are now crafting plans to cut down on emissions and prepare for climate change, under the Paris Protocol for action.

Only last week, French President François Hollande and Christiana Figueres, executive secretary of the United Nations Framework Convention on Climate Change (UNFCCC), under which the Paris Protocol will be anchored, visited the Philippines to drum up support for climate action.

The high-level delegation came close on the heels of Pope Francis' visit to the Philippines last January, during which he promoted environmental protection, among other causes, and offered words of comfort to communities reeling from the impacts of climate change.

We must act together with a greater sense of urgency and solidarity. There is no doubt that shared leadership will be the key to a successful Paris climate summit.

Secretary Mary Ann Lucille L. Sering is vice chair of the Climate Change Commission and head of the Philippine delegation to the UNFCCC.

InangLupa Newsletter

Editorial Board

William D. Dar
Adviser

Junel B. Soriano
Managing Editor

Paul Vincent M. Anareta
Copy Editor

VL Sonny Domingo
Editor-in-Chief

Associate Editors:
Francis J. Flores
Cheryl Natividad-Caballero
William C. Medrano
Zosimo M. Battad

Website: <http://inanglupa.org>
E-mail: inanglupa@yahoo.com; w.dar38@yahoo.com
Facebook: <https://www.facebook.com/inanglupa>
Tel No: +63 (02) 654 5415;
+63 906 4104 023; +63 917 6512 711

Liaison Office: ICRISAT Coordination Office
DA-BSWM Building, Diliman, Quezon City, Philippines

