Report Title : National Greening Program – Reforestration Remains an Urgent Concern but Fast-Tracking its Process Without Adequate Preparation and Support By and Among Stakeholders Led to Waste of Resources

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Executive Summary

The National Greening Program (NGP) started in CY 2011 and is the biggest reforestation project in the Philippines. As of CY 2019, a total of **Php47,224,575,000.00** has been allocated to the program.

Its goal is to promote sustainable forest management, biodiversity conservation, climate change adaptation and mitigation, poverty reduction, and food security. The Department of Environment and Natural Resources (DENR) of the Philippines is the agency assigned to lead the implementation of the program.

The program started as a response to the declining forest cover of the country. As of CY 2010, the Philippines already lost 60 percent of its total forest cover. Out of 16.90 million hectares of forestlands in 1934, approximately 6.84 million hectares remain. To jumpstart reforestation, the Philippine Government created the NGP in CY 2011 to regain 1.50 million hectares of forestlands by planting 1.50 billion trees within six years (2011 -2016).

In CY 2015, the Philippine Government expanded the program to cover all remaining unproductive, denuded, and degraded forestlands. This covers an additional 7.10 million hectares of forestlands on top of the original 1.50 million-hectare target. Hence, the period of implementation has been extended from CY 2016 to CY 2028.

Audit Objective. The scope of the audit covered program implementation from CY 2011 to CY 2018. In conducting the audit, COA mainly concentrated on the following areas:

1. The extent the program made an impact on the environment; and
2. The extent the program made an impact on its beneficiaries / partner communities.

Overview of the meaningful results the analysis brought (or the gaps in the government data collection system).

Philippine forest cover increased by 177,441 hectares; from 6,836,711 hectares in CY 2010 to 7,014,152 hectares in CY 2015. This is only 11.82 percent of the 1.50 million-hectare target. COA does not see that the program will be able to hit this target even after CY 2021, which is the next release of the official national data on forest cover. Based on the planted areas chosen as audit sample for validation, survival rates of species planted range on average between 20-50 percent.

One of the most crucial factor, which contributed to the marginal increase of the forest cover is the hasty implementation of the program. The DENR concentrated more on meeting its 1.5 Billion trees target instead of tending to the needs of the community partners, which are the caretakers of the forest. The community partners are mostly composed of upland farmers and indigenous peoples' communities.

In six years, the DENR reported that they were able to plant more than 1.5 Billion trees covering more than 1.5 Million hectares of land. They were able to use 99.32% of the Php47 Billion budget. Despite this, the program yielded only a marginal forest cover increase. Why?

Community partners admitted that many of their members abandon the plantation sites after the government grants end. The main strategy of this program is to compensate the community partners for them to take care of the plantation sites. The problem is that payments are only for three years. After that period and with no more income from the program, many of the members of the community partners seek jobs elsewhere. Based on the trend, the survival rate of the plantation decline upon abandonment of the site by the partners.

For the community partners to stay, they must make a living out of taking care of the forests. This was the case in successful plantation sites. There are community partners, which were able to generate other sustainable income streams for their members.

Based on the success stories, in order to generate other sustainable income streams, two factors must be present:

1) the community partner has access to additional funds and
2) they have the skills to manage funds.

For the successful partner communities, additional income came from seedling production. Approximately, 34% of the Php47 Billion is devoted to seedling production. Under the program guidelines, partner communities may produce their own seedlings and the government will buy the seedlings from them. Based on the ledgers of the successful partner communities, they earned millions of pesos from seedling production.

The problem is most community partners were not able to do this because of the hasty implementation of the program. According to the successful community partners, it takes more than a year to develop the seedlings. However, due to the timelines set to meet the six-year target, community partners only have six months upon signing of the contract to produce the seedlings. As a result, community partners were forced to procure seedlings from private producers.

According to successful community partners, they were only able to gain from seedling production because they took a risk by investing on the seedlings even though the government contract is not yet awarded to them. One crucial key is that they were able to secure loans from other government entities. Fortunately, their risk paid off and they were able to secure profits from seedling production. With millions of pesos in their accounts, the community partners were

able to invest on other businesses, which allowed them to maintain their presence in the plantation sites.

At this point, the issue is that not all community partners have the ability to replicate what the successful community partners did. Not all community partners are eligible to secure loans or are equipped with skills and knowledge to build other income streams. The community partners needed additional interventions to make their stay sustainable. The solution is already present in the legal document creating the program convergence. Various agencies, such as Department of Agriculture, Department of Agrarian Reform and other government agencies are mandated to collaborate and implement this program.

At the National level, discussions tend to breakdown due to difference in priorities. Fortunately, at the local level, there were pockets of successes that could be used as a model. One example is the Municipality of Piddig. They were able to converge all government services and set-up a one-stop shop to help the partner communities. Through the Office of the Mayor, the partner communities were able to secure loans, equipment, trainings and other services from various government agencies.

Audit of implementation of a specific SDG

The National Greening Program was identified by the Philippine Government as one of the key programs which primarily contributes to the achievement of **Sustainable Development Goal 15: Protect, Restore and Promote Sustainable Use of Terrestrial Ecosystems, Sustainably manage Forests, Combat Desertification, Halt and Reverse Land Degradation, and Halt Biodiversity Loss.**

This program directly contributes to **SDG target 15.1 which is to ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, particular forests, wetlands, mountains, and dry lands, in line with obligations under international agreements.** One of the indicators for **SDG target 15.1 is forest area as a proportion to total land area.** This indicator is categorized under Tier 1 and thus, included in the Approved Initial List of 155 SDG Indicators for Monitoring in the Philippines. The implementation of the NGP also contributes to **SDG 13: Take urgent action to combat climate change and its impacts.** The related target under **SDG 13.2 is to integrate climate change measures into national policies, strategies and planning**.

However, the pertinent **SDG indicator 13.2.1 cannot be used yet by the team as it is classified under Tier 3 during the audit**. The indicator pertains to the number of countries that have communicated the establishment or operationalization of an integrated policy/strategy/plan which increases their ability to adapt to the adverse impact of climate change, and foster climate resilience and low greenhouse gas emissions development in a manner that does not threaten food production.