

SPCPD and Economic Development in SZOPAD: High Expectations, Low Output

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The Peace Agreement between the Philippine government and the Moro National Liberation Front (MNLF) signed in 1996 after the four years of negotiations under then President Fidel V. Ramos, was met with much publicity and opposition from certain sectors of the Mindanao population. Implementing its promise of development was also not spared from criticism. But the weakness may be inherent to the terms of the agreement. For one, the powers and function of the Southern Philippines Council for Peace and Development (SPCPD) and the Consultative Assembly (CA) as mechanisms for the implementation of the Peace Agreement were limited by law. The SPCPD was not mandated to implement development projects but to coordinate and monitor projects being undertaken by line agencies that were reluctant to cooperate and credit their projects as part of the peace project. The CA was equally toothless as a forum to discuss and air problems in the SZOPAD areas. Budgetary and time constraints likewise hampered the efforts of the SPCPD and CA. Without sufficient funding support from the national government the project had to rely on supplementary donations from international organizations for the intensive development of SZOPAD areas. Three years were clearly not enough to turn Mindanao into an economic miracle or its leaders into development managers. The entry of government officials whose commitment to the Peace Agreement was not strong did not improve the situation either. However, the unrealized dreams of development cannot negate one accomplishment of the government — a moment of peace between two longtime enemies. The landmark peace treaty did bring peace, albeit, briefly to the war-torn region of Mindanao.

Introduction

The history of the Moro struggle to preserve their freedom goes back to the Spanish, American colonial periods, and on to the current Philippine Republic. At the declaration of martial law in the early 1970s, the simmering hostilities between the Moros and the government arising largely from political alienation, neglect in socio-economic development, including the increasing land problems, burst into a full blown war between the MNLF and the Philippine Armed Forces. The Moro National Liberation Front (MNLF), which became the armed political organization of the Moro people, raised the flag of secession and independence.

The aspiration for independence has been the basis of the Moro struggle and continues to inspire Moro groups to the present.

The military solution to the Moro problem under martial law was obviously not a viable option. Therefore, negotiations became the vehicle to attain peace. A number of peace negotiations was entered into by the Philippine government with the MNLF. By this time the OIC (Organization of Islamic Conference) had recognized the MNLF as the official representative of the Moro people and was granted by the organization an Observer status.

Because the government would not entertain talks of independence in the negotiations, other arrangements like autonomy was put forward. This kind of arrangement however is often judged on the basis of whether it approximated the sense of self-rule that an independent Moro state used to have during the Sultanate period. When the results fall short of the expectations, the call for independence is inevitably raised.

The first negotiation was undertaken by then President Marcos and resulted in the Tripoli Agreement signed between the Philippine government and the MNLF under the auspices of the OIC in 1976. One of the significant achievements of this Agreement was the MNLF's formal renunciation of secession and their acceptance of autonomy for the 13 (now 14) provinces and nine cities (now ten) identified as the Bangsamoro homeland. The word autonomy however is always described as "meaningful" and "genuine" to underline the scope and breadth of self-rule the Moros wanted.

Marcos' unilateral implementation of the Tripoli Agreement through PD 1618 did not sit well with the MNLF. By creating two autonomous regions (Regions 9 and 12) instead of one, Marcos appeared to have rewritten the terms and conditions of the Tripoli Agreement. Described by Ruben Canoy as paper autonomy, it was rejected by the MNLF who claimed that the two autonomous regions did not fulfill the letter and spirit of the Tripoli Agreement.

When Aquino came to power, another negotiation was undertaken in 1987 but it too failed to come to any fruitful conclusion. The Aquino government solved this dilemma by including provisions for an Autonomous Region for Muslim Mindanao (ARMM) in the new 1987 Constitution. To facilitate the process of formulating the Organic Act for an autonomous Muslim Mindanao, the President convened a Regional Consultative Commission (RCC), which was mandated "to participate in and assist

Congress with drafting an Organic Act on Autonomy." The RCC produced a Draft Organic Act, which was then submitted to Malacañang. But in the Congressional deliberations that followed, Taha Basman, one of the Commissioners, opined that "the Draft Organic Act 'did not see the light' when the final Autonomy Law was put in place."¹ It was commonly perceived by Moros that the Organic Act or RA 6734 was a watered down autonomy that will not be of much use in the development of their communities.

After the mandated plebiscite, only four provinces voted to join the ARMM Region, namely, Sulu, Tawi-Tawi, Maguindanao and Lanao del Sur. This was a much smaller aggrupation than the 13 provinces and nine cities that were identified in the Tripoli Agreement. Even Muslim-populated Marawi City and Basilan did not join, proof enough that the Organic Act was deemed not quite satisfactory to many Moros. Expectedly, the MNLF also rejected this plan.

When Ramos became president in 1992, his administration made peace in Mindanao a strong government initiative. After negotiating for four years, the Final Peace Agreement was signed on September 2, 1996 amidst much publicity and vociferous opposition from certain sectors of the Mindanao population. It is significant to note that the last whereas of the Peace Agreement stated: "The final peace agreement constitutes the full implementation of the Tripoli Agreement." Why does the Tripoli Agreement figure so prominently in peace talks? One observer puts it:

This constant reference to a quarter-century old document (Tripoli Agreement) is hardly surprising since the agreement was meant to serve as a basis for a just, lasting, honorable and comprehensive solution to the problem in Southern Philippines. It is a comprehensive record of the general concerns and aspirations of Mindanao's long-settled communities.²

The citation of the Tripoli Agreement in the Peace Agreement, therefore effectively shuts the door to any further claims on its non-implementation which by now has become a litmus test on the genuineness and meaningfulness of autonomy. Of course, it goes without saying that between statements and realities lies the big gap of implementing the peace agreement.

At the signing ceremony, Indonesian Foreign Minister Ali Alatas, while praising Ramos and Misuari for their achievement in bringing about the much sought after peace in southern Mindanao, also noted that "the real hard work begins after the signing of the agreement."³ He went on to say:

A peace agreement... does not implement itself. It assumes concrete reality only on the accretion of activities completed, the solid implementing achievements, contributions, cooperation and often inevitable sacrifices by all those who are supposed to make it work. So, there will be obstacles and challenges that will stand in the way of the implementation of the agreement and some of these will be no less formidable than those that had to be overcome in order to achieve the agreement.

Knowing the sad experiences of the Moro people when it comes to peace settlements, Alatas' observation regarding implementation is clearly a thought to ponder. What has taken place after two years of implementation? Has the Agreement brought peace and development to the Moro areas?

The Peace Agreement

The Peace Agreement was to be implemented in two phases. It is composed of 154 Articles. Of these, 20 would be implemented in the First Phase to be known as the three years Transition Period, a crucial stage that would set the tone for the success of Phase Two. It required the issuance of an Executive Order, which would establish the Special Zone of Peace and Development (SZOPAD), the Southern Philippines Council for Peace and Development (SPCPD), and a Consultative Assembly (CA). These three aspects of the Peace Agreement were intended to be the implementing structure and mechanism of the Peace Agreement and will be the scope of this report.

A. Executive Order 371 and the Special Zone of Peace and Development (SZOPAD)

EO 371 was titled "Proclaiming A Special Zone of Peace and Development in the Southern Philippines and establishing therefore the

Southern Philippines Council for Peace and Development and the Consultative Assembly". It was signed on October 2, 1996.

Among the 'whereases' that are important to take note in this EO are the following:

Whereas, peace and development in the Southern Philippines will enable our people to enjoy their just share in the fruits of progress;

Whereas, the Government and the Moro National Liberation Front (MNLF) embarked on a peace process to attain a just, comprehensive, peaceful and lasting resolution of the internal armed conflict in the Southern Philippines;

Whereas, there is a new window of opportunity to focus, promote and accelerate development efforts in the Southern Philippines arising from the signing of the Final Peace Agreement between the Government and the MNLF;

These statements provided not only a definitive purpose and direction to the peace agenda of the government, but they were also responsible for generating high expectations from the public, particularly from the target communities.

The SZOPAD covers the provinces of Basilan, Sulu, Tawi-Tawi, Zamboanga del Sur, Zamboanga del Norte, North Cotabato, Maguindanao, Sultan Kudarat, Lanao del Norte, Lanao del Sur, Davao del Sur, South Cotabato, Sarangani and Palawan including the cities of Cotabato, Dapitan, Dipolog, General Santos, Iligan, Marawi, Pagadian, Zamboanga and Puerto Princesa and the newly created city of Kidapawan. These areas are to be the focus of intensive Peace and Development efforts for a period of three years. Both public and private investments will be channeled to these areas in order to spur economic activities and uplift the conditions of the people.

Some of the intensive development efforts to be provided to these areas are described in Section 2 of EO 371:

1. Basic services for depressed areas such as water, electricity, educational facilities, socialized housing, health and sanitation;
2. Adequate infrastructure facilities to support the development requirements of the area;
3. Domestic and international trade investments to generate employment opportunities for economic development;
4. Livelihood assistance and credit facilities especially for vulnerable sectors — women, farmers and fisherfolk, unemployed, and urban and rural poor, among others, so that they will have greater control over their economic destinies; and,
5. Capability-building assistance for local communities and organizations, especially women's groups.

What are the target areas of these plans and projects? Section 4 states that among the priority areas are those belonging to the 20 poorest provinces in the country (namely Basilan, Sulu and Tawi-Tawi); all fifth and sixth class municipalities in the provinces included in the ZOPAD (Zone of Peace and Development); and depressed communities within towns and cities covered by ZOPAD. The various projects to be implemented included: human development, socialized housing, water supply development, road and bridges, airports and seaports, telecommunications and power/electrification programs, development and promotion of tourism, environmental and marine resources improvement program, irrigation and post-harvest and marketing facilities, food processing facilities, establishment of Provincial Industrial Centers and People's Industrial Enterprises, and People Empowerment programs.

Looking at these provisions one cannot but feel that finally the long neglected areas of the Moros will be on the road to being at par with other areas in the country. But development of Moro areas has lagged so far behind the rest of the country, that it is difficult to think of three years as sufficient time to complete the task. Additionally, the word 'massive' has been used to describe the volume of development that is supposed to occur in these areas. Obviously, the development thrust must be infused with a tremendous amount of financial support.

Section 10 identifies where such support will come from, namely, all departments, agencies, and instrumentalities of government including government-owned and controlled corporations in coordination with the

SPCPD. Although not stated, it is safe to assume that the Executive Body, in particular, the Office of the President, will be responsible for making this support available and accessible.

B. The Southern Philippines Council for Peace and Development (SPCPD)

The SPCPD is envisioned to be a transitory body to coordinate and promote the economic and social growth, and development of the SZOPAD. Since it is under the Office of the President, it is subject to the control and supervision of the latter.

The Council is composed of a Chairman, a Vice-Chairman, and three Deputies, one each representing the Muslims, the Christians, and the Cultural Communities, to be appointed by the President. The Council is to be assisted by the Darul Iftah (Advisory Council) to be created by the Chairman of the SPCPD.

The powers and functions of the Council are the following (Section 7):

- a) To take charge in promoting, monitoring and coordinating the improvements of peace and order in the ZOPAD;
- b) To focus on peace and development efforts more particularly in the depressed areas and cause the implementation of peace and development projects;
- c) To provide support to local government units as necessary;
- d) To exercise such other powers and functions necessary for the effective implementation of its mandate as may be delegated by the President;
- e) To assist in the preparation for the holding of elections, referenda, or plebiscite and peoples initiatives in the ZOPAD as may be duly deputized by the Commission on Election (COMELEC); and,
- f) To cause the creation of such offices or instrumentalities as shall be necessary for the effective and efficient administration of the affairs of the areas — to be approved by the President for budgetary purposes.

The SPCPD also performs certain roles with respect to development concerns in the ZOPAD. These are (Section 8):

- a) Promote, coordinate, and monitor development efforts in the ZOPAD, including the encouragement of domestic and foreign investments, subject to existing laws, especially from the Organization of Islamic Conference and the Association of Southeast Asian Nations;
- b) Network with government and other development institutions to generate resources and economic opportunities for the ZOPAD; and
- c) Coordinate for the Office of the President with concerned departments and local government units in the promotion and the implementation of the programs and projects of the following agencies, namely: the Southern Development Authority (SPDA), the Office of Muslim Affairs (OMA), and the Office of Southern Cultural Communities (OSCC), only insofar as their respective offices or projects located in the ZOPAD are concerned; and the Basilan Development Task Force, the Central Mindanao Development Task Force, the Sulu Development Task Force, and the Special Development Planning Task Force Group; and, keep itself informed of peace and order programs and situation obtaining in the area, through coordination with military and police forces, and request such police or military forces to address specific contingencies in accordance with law, provided, however, that the control and supervision of the police and the military forces shall remain and continue to be vested in their respective chains of command under existing laws; and,
- d) Submit reports and make recommendations to the President on matters pertaining to peace and order in the ZOPAD, in coordination with the Consultative Assembly.

Under the Peace Agreement, however, appropriate government agencies engaged in peace and development would be placed under the control and supervision of the Council as its implementing agencies. These are: the SPDA, OMA, OSCC, Task Force Basilan (reorganized into Basilan Developing Task Force), Task Force Malmar (reorganized into Central Mindanao Development Task Force), Sulu Development Task Force, and Special Development Planning Groups such as Department of Trade and Industry (DTI), National Economic and Development Authority (NEDA), and Department of Public Works and Highways (DPWH) (Section 8, letter c). There is quite a difference in the wordings of this provision as found in the EO and that of the Peace Agreement document. In the former document, the SPCPD merely acts as a monitoring and

coordinating body where these agencies are concerned; in the latter, it has control as well as supervision over these agencies.

In general, the main task of the SPCPD as spelled out in EO 371 was simply to promote, coordinate and monitor peace and development efforts in the ZOPAD areas. It had no powers whatsoever to act on its own initiative without the knowledge and approval of the President. It can recommend but cannot implement programs. It did not have the authority nor the budget to do so. Recognizing these restrictions would have moderated the expectations that the SPCPD elicited.

In describing the SPCPD, then President Ramos had this to say:

The SPCPD is not a regional government. It is not a governing authority. It has no law-making power. It has no power over local government units. Neither will it have control over the local police and military.

The SPCPD is neither an autonomous region nor a political subdivision of government. It is simply a transitory administrative arm under the control and supervision of the President. Its powers and functions are an extension of the powers of the President.⁴

By defining what SPCPD is not, Ramos probably intended to allay the fears of those who opposed its establishment. Nevertheless, what he said was quite true. In spite of this, the Peace Agreement raised such high expectations from the public probably because of the euphoria produced by the success of the negotiations. Members of the SPCPD Consultative Assembly had similar high expectations.

Perhaps, it was in this light that the statement of Misuari during the signing on September 2 seemed foreboding: "We have to warn people not to expect too much, but this is not an excuse not to maximize our efforts."⁵

Such a caution appeared to be prophetic.

C. Consultative Assembly

This Assembly is composed of 81 members distributed as follows:

- a) The Chairman of the SPCPD is the head and presiding officer of the Assembly;
- b) The Governor and the Vice-Governor of ARMM, the 14 Governors of the provinces and the nine City Mayors in the SZOPAD;
- c) Forty-four (44) members from the MNLF; and
- d) Eleven (11) members from various sectors recommended by Non-Governmental Organizations (NGOs) and Peoples Organizations (POs);

The Assembly's functions and powers are:

- a) To serve as a forum for consultation and ventilation of issues and concerns;
- b) To conduct public hearings as may be necessary and to provide appropriate advice to the SPCPD; and,
- c) To formulate and recommend policies to the President through the Chairman of the SPCPD and make rules and regulations to the extent necessary for the effective and efficient administration of the affairs of the area.

The composition of the Consultative Assembly is quite broad considering its membership. The MNLF majority in the assembly is explained in a Primer prepared by the GRP Peace Panel as "a concession to allow full responsible participation of the MNLF in the democratic process and within the fold of law as a confidence-building measure.." The justification further goes on to show that in return for this concession, the MNLF agreed to the following:

- a) drop demand for a provisional government;
- b) Recognize the need for a plebiscite in establishing a new autonomous government;
- c. Accede that the new area of autonomy will be determined by the choice of the people in said plebiscite; and
- d. Implicitly recognize the constitution.⁵

From this explanation, it appeared that the MNLF gave up many of its strongly held positions for membership in a council that had no real powers.

The Council's function to "make rules and regulations..." at first glance may be taken as a duplication of similar functions of the elective assemblies on the provincial, city or municipal levels. However, this phrase as clarified in the Primer "refers to matters of internal affairs of the Council and the Assembly and inter-agency coordination in order for the Council and the Assembly to effectively perform their functions."⁷

Eric Gutierrez, after an examination of the EO and the Peace Agreement, also draws attention to what he called as "mismatches" between the EO and the Agreement. Two of these are crucial in the implementation of the Peace Agreement:

- a. The EO provision on funding did not specifically allocate funds for the transition structures – neither was the Department of Budget and management instructed to draft a supplementary budget for recommendation to Congress as stated in Point 15 of the Agreement;
- b. The EO created a complicated bureaucratic maze — its provisions on the role of the SPCPD were merely declarations of policy, too general to be of any use for ground level executive actions. The Agreement itself was more specific: it named seven government agencies whose operation in the SZOPAD region would be placed under the control and supervision of the SPCPD.⁸

Under this EO, the SPCPD and the Consultative Assembly were merely recommendatory bodies to the Office of the President (OP). Unless the President acts on these recommendations, nothing happens. Budgetwise, the SPCPD and CA were also dependent on the OP.

Status of Implementation After Two Years

After two years of implementing the Peace Agreement, it was time to find out whether the promises have been kept. There were several factors, which were found to have hampered the implementation. Some of these are the following:

A. *Circumscribed roles of the SPCPD and the CA*

As a mechanism for development, SPCPD was described by Macapado Muslim as a "toothless development agency and a weak peace-building instrument" with no real authority "to influence the development efforts of national or local government agencies or units within SZOPAD." Because of this, it has "minimal involvement and visibility in the development undertakings of these agencies."⁹ Muslimin Sema, former Executive Director of SPCPD, now Mayor of Cotabato City, used the word "wingless" and "powerless" to describe SPCPD.¹⁰

Hatimil Hassan, Deputy-Chairman of SPCPD Council makes this observation:

Some people and government agencies in the area looked at the SPCPD as something new, strange. Some thought that the SPCPD was a duplication of another bureaucracy. These people are not familiar with the peace Agreement and do not understand what we are supposed to do.

We must not forget that there are people who opposed the Peace Agreement and the creation of the SPCPD. It is even the subject of court proceedings at the Supreme Court questioning the legality of the Peace Agreement. We must keep this in mind. This is one of the hindrances — from the beginning. When President Ramos planned to establish the SPCPD, there were constraints on his part to find ways to make the SPCPD fit into the present arrangements.¹¹

The Consultative Assembly meanwhile was duly constituted immediately after the signing of the Peace Agreement. Initially, Sema noted a palpable enthusiasm among the members and in fact several committees were formed.

Assembly meetings were scheduled almost every month or every two months in different parts of SZOPAD. Hassan recounted that during these meetings, some members of the CA thought that they were like a regular congress with similar powers to legislate when in fact their functions were just to advise the council and ventilate issues in their areas. Members also held public hearings with their constituents to find out what the

needs and problems were in order to find suitable solutions. In fact, several resolutions (182 in all) were filed in response to issues raised in these consultations and submitted to the Office of the President and to different national and local government agencies for appropriate action. Sema recalls that one of the relevant resolution was the floating of a bond for the massive development of Mindanao with an initial budget of P38 billion. Sema likened this to the floated bonds for Pinatubo. Until now he laments that nothing happened from these initiatives.

Unfortunately, none of these resolutions were ever approved and no explanations were given to the Assembly. Ambassador Hartono, Chair of the JMC (Joint Monitoring Committee on the implementation of the Peace Agreement) explained that the main reason for the non-approval of these resolutions was that government needed concrete and prioritized project proposals from the CA, not resolutions.¹² That this response was made after the Office of the President had been bombarded with these resolutions seems unduly late. At this juncture, it would seem that government and CA did not quite know what to expect from the other.

However, not all resolutions were rejected. At least two had been approved: the creation of a new trade center in the SZOPAD areas like a one-stop-shop, and the establishment of a Build-Operate-Transfer (BOT) scheme project. A Presidential Memorandum dated May 11, 1997 established the Zamboanga City-based SZOPAD BOT Center to assist in identifying, evaluating, screening and packaging projects which can be implemented through BOT or other related means pursuant to RA 7718 or the Philippine Infrastructure Privatization Program.¹³

In spite of the restricted mandate of the CA, some noteworthy accomplishments of the body have been forwarded:¹⁴

1. Constituted the Task Force Resettlement as the technical arm of the Committee on Resettlement, Housing and Poverty Alleviation;
2. Conducted Capability-Building Workshops for CA Members and officials of the SPCPD Executive Council for the organization of the following sectoral and area clustering of CA members:
 - Governance and institutional Development
 - Social Development Sector

- Human Development Sector
- Economic Development Sector

3. Adoption of the SZOPAD Integrated Development Framework Plan and Public Investment Assembly;

4. Establishment of the SZOPAD Livelihood and Development Foundation which served as the conduit to the P12 million livelihood assistance generated by the President's Social Fund for cooperatives organized by the MNLF combatants not integrated into the military and police establishments;

5. Declaration of joint cessation of hostilities by both the GRP Panel and the Moro Islamic Liberation Front Panel;

6. Conceptualization by the Philippine National Police of a crash course designed to enable MNLF combatants to meet the minimum 72-unit academic requirement for their integration into the PNP;

7. Fast-tracking of the establishment of seaweed centers in the Province of Tawi-Tawi and approval of a P10 million financial assistance to a federation of more than 16 primary seaweed cooperatives under the Tawi-Tawi Seaweed Project;

8. Conduct of intensified operations by the AFP's Southern Command against illegal fishing activities in the Zamboanga peninsula;

9. Conceptualization of the Bakahan sa Basilan Project in cooperation with the Livelihood Corporation, Department of Agriculture and the National-Agri-Business Corporations;

10. Approval by the National Historical Institute of the declaration of the Sheik Karimul Makhdum Mosque in Simunul, Tawi-Tawi as a National Shrine and provision of an annual appropriation for said landmark;

11. Submission by the Philippine Ports Authority of certain flagship projects for the SZOPAD — a Masterplan and Feasibility Study for the port of Basilan, to include consolidation, fencing and initial reclamation, and construction of fast crafts, ferry berths and passenger terminal building; and,

12. Identification by the Department of Agrarian Reform of about 6,000 hectares of expired Pasture Lease Agreements as an MNLF Resettlement Area in the Municipalities of Alamada and Basilan in the Province of Cotabato.

Of these, at least three can be identified as having economic significance.

At any rate, since majority of the CA's resolutions were never converted to projects, it was not surprising that attendance in the Consultative Assembly went down after a year of consultative meetings. This observation was made by Brig.Gen. Abidin, OIC Monitoring Team Commander, in a report submitted to the Joint-Monitoring Committee (JMC) in August 1998.¹⁵ Some governors and mayors never showed up after their resolutions did not produce any significant development in their areas. It also became evident that the Assembly discussed the same issues and problems already discussed in other local forum. Nothing came out of these discussions except a sense of *deja vu*.

Naturally, this created a negative impact on the high expectations that the general public has had on the SPCPD as the harbinger of development in the SZOPAD areas. In fact, people blamed the SPCPD for the development projects "are slow in coming or never came at all."¹⁶

B. Budgetary Constraints

Clearly, one of the biggest stumbling blocks in the performance of the SPCPD and the Consultative Assembly was the lack of budgetary support from the national government. Since the SPCPD and CA were attached to the Office of the President, their budgets were also dependent on the pleasure of the President and the availability of funds. The Office of the President has many other pressing concerns and its funds are not inexhaustible. Thus the SPCPD and its attached agencies needed compete for the President's attention and available resources.

Towards the end of 1997, the SPCPD Executive Director Utuh Salem Cutan, who took over the position from Sema, submitted a budget for 1998 worth 10 billion to include projects that would allow the SPCPD to make a difference in the SZOPAD area. The SPCPD was given 110

million, minus 25% mandatory savings. Sema claimed that this was only sufficient for personnel salaries or PS and the Maintenance and other Operating Expenses (MOOE) like the travels of the 81 CA members to attend meetings and consultations, and the rental of building for their uses. The approved 1999 budget was P88 million. Utuh Salem Cutan noted that if the previous budget was not sufficient, then this reduced budget would not be of much help to the SPCPD. He noted that for convening the CA, SPCPD spends 200-400,000 per meeting, excluding the 5,000 allowance each CA member received per meeting.¹⁷ From February 1997 to February 1998, there was a total of 10 meetings of the CA held in the cities of General Santos (February 18-19, 1997), Zamboanga (March 15-16, 1997) Puerto Princesa (May 2-4, 1997) Dapitan (June 17-18, 1997), Pagadian (July 25-26, 1997) Cotabato, and Davao (September 19-21, 1997); and in the provinces of Koronadal, South Cotabato (October 16-18, 1997), and Alabel, Sarangani (November 21-22, 1997). Only two meetings were held in 1998 namely in Davao City (February 20, 1998) and General Santos City (May 28, 1998).¹⁸

Budgetary constraints therefore was one of the reasons why the CA had not been convened this year. The second reason is the fact that none of the CA members had been reappointed by the Estrada administration since their appointment was considered co-terminous with President Ramos' term which ended in June 1996. As of this writing, however, reappointments had already been made to coincide with the extension of the SPCPD.¹⁹ Actually, what this means is that, even had there been sufficient funds, there were no CA to convene since no one was reappointed after the Estrada administration took over in 1997.

Government was also unable to make funding support available for Phase One of the Peace Agreement. This phase was supposed to be the period of building the trust and confidence of MNLF members and demonstrating the sincerity and commitment of the Government. As such, it should have been given top priority in terms of funding. But instead of fresh resources being made available, government pointed to the expenditures, programmes and services of national and local government agencies within SZOPAD. However, these were already in the pipeline long before the signing of the peace agreement as its contribution. Moreover, government began to rely on foreign assistance like the UN and other external donors to assume the greater role in providing development projects in the SZOPAD areas.²⁰

There has been some misunderstanding even in the release of funds. Sema has referred to the controversial P42 billion that government claimed was released to SZOPAD. However, in its announcement, government failed to mention that this amount was released to all line agencies, not to SPCPD itself. Of this amount, Sema noted that only P5 to 7 billion were actually released or implemented for infrastructure.

The same amount was also the subject of a report during the 6th JMC meeting held in Quezon City in March 1998. Accordingly, of the 41.9 billion appropriated by the government for the development of SZOPAD, only 2.8B billion had been released. The report went on to note that "the promised assistance and investments from Abroad had also not been realized."²¹

This controversy arose out of the claim of government to provide "massive" development project in the SZOPAD areas and people were asking about these promised projects. Many MNLF members began to doubt the sincerity of the government because the expected changes in their lives were not forthcoming.

One of the outstanding reasons given for this situation was the Asian currency crisis which resulted in the increase of foreign debt and the reduction of government budget for infrastructure projects.²² Election spending may also partly explain government's depleted resources.

To get over the budget dilemma and make SPCPD more development-oriented and relevant, Ambassador Hartono suggested that a mini-Marshall Plan mechanism worth P39 billion over a period of three years should be undertaken in order to develop the economic and social infrastructure of Regions 4, 9 and 12, including ARMM. The funding would be raised from the national budget and loans from the World Bank, Asian Development Bank, ODA, UNDP and other lending agencies. This suggestion has not been taken up by the Government. However, it would appear that the idea of a mini-Marshall plan was in fact a subject already brought up during the peace negotiation. Misuari has claimed that the government had promised the MNLF a mini-Marshall plan for reconstruction and rehabilitation of Mindanao — a promise, he stressed, that never materialized.²³ For the SPCPD to undertake this function however means that amendments to EO 371 should be made.

This was the intent of the 8-point proposal submitted by the SPCPD. The three important ones with respect to the body are:

1. Review and amend immediately Executive Order 371... by giving it a new mandate that includes additional powers and authority to implement livelihood programs and projects;
2. Extend the life of SPCPD and its Consultative Assembly for three years and postpone the plebiscite for an expanded autonomy to year 2003, as well as defer the ARMM polls;
3. Exempt the SPCPD from the 25% mandatory cut in budget allocation, and instead increase its monthly allowance to allow it to produce tangible results.²⁴

Of these, point number two has been addressed by Congress through the passage of a bill postponing the ARMM elections to September 2000 and extending the life of the SPCPD until the same period. The rest of the proposals have still to be taken up

Utuh Salem Cutan urged the Philippine government to call a policy meeting of the national line agencies. A recent Tripartite meeting amongst the MNLF, GRP and JMC with Executive Secretary Ronaldo Zamora was held in order to thresh out some of these problems. But it did not produce positive results in terms of empowering the SPCPD as desired by the MNLF.

C. Lack of coordination and cooperation from line agencies

As a direct result of the inadequacies of the EO, there was an obvious lack of coordination and cooperation between the SPCPD and the national and local government units.

Mercado attributes this to the fact that EO 371 "failed to spell out the concrete relations between these new structures with existing ones" to such an extent that the SPCPD and the CA were regarded as "unwelcome" by some of the line agencies.²⁵

According to Sema, the SPCPD tried to perform monitoring and coordinating functions along with NEDA and the Presidential Management Staff (PMS) headed by Aguirre. Initially, meetings were called along with line agencies so the SPCPD would have a chance to interface with the projects of the various agencies. In all, five meetings were held during his time. But the frequency lessened because not all the participants were always present. Utuh Salem Cutan mentioned as an example, the UNDP Tripartite program which initiated a meeting with all line agencies in Manila last November 19, 1998 to urge the latter to undertake similar activities. When the meeting was convened, many of the department heads were absent while some sent their local representatives who could not make any decision or commitment in behalf of their agencies. To Utuh Salem Cutan this was just another exercise in futility.

Information regarding projects were also not forthcoming from line agencies. In addition, projects were not labeled as being in support of the Peace Agreement. An official of the DPWH was reported to have said that "there was no need to label their project - a bridge on the Cotabato-Davao highway (as an SPCPD project) - because it was part of the Department of Public Works and Highways (DPWH) regular projects." On the other hand, a major port in General Santos City was labeled a project of the SPCPD even when it was started before the SPCPD was set up.²⁵

Sema noted that this situation may be due to the fact that most of the projects were already under the name of politicians. In addition, some of the local politicians opposed to the SPCPD did not want government projects to be identified with the former.

Finally, since the SPCPD has no authority to influence line agencies on their projects, they continued to set their own priorities; regardless of whether these priorities coincided with those of the SPCPD.

In sum, Sema felt that the national line agencies were not coordinated to support the peace process. Utuh Salem Cutan, on the other hand was more direct. He said that "most of the government agencies were bent on not involving the SPCPD in the formulation of program thrusts and strategies and in the identification of government projects despite a presidential memorandum in late 1997." He identified only three agencies which have "displayed keen interest in establishing close linkages with the SPCPD." These are the NEDA, the Technological

Education and Skills Development Authority (TESDA) and Department of Agrarian Reform (DAR).²⁷

TESDA has designed the SPCPD-TESDA Training and Livelihood Program for MNLF combatants and their families. The plan calls for the MNLF's 16 State Committees to receive a maximum of P500,000 grant based on project proposals conceptualized by MNLF officials. The National Command of the MNLF's Bangsamoro Armed Forces and its women sector were allocated P2 million and P1 million worth of training and livelihood projects respectively.²⁸

TESDA has also extended a number of post-secondary technical vocational scholarship grants to qualified dependents of MNLF combatants in line with the national government's Private Education Student Financial Assistance program, and conducted training programs for the SZOPAD under the agency's Task Force on Community-Based Training and Entrepreneurship Development. The Livelihood Corporation facilitated the approval of P3 million worth of loan assistance for the purchase of two units of tractor to two MNLF-organized groups: the Mandanawi Foundation in Cotabato City and the Kitagas Agricultural Marketing Cooperative in Kiamba, Sarangani.²⁹

Besides the above-mentioned agencies, the Department of Interior and Local Government (DILG) facilitated the grant of heavy equipment to eight depressed municipalities in the SZOPAD by JICA. Likewise, the Department of Finance granted the SPCPD's request for tax and duty exemptions on imported heavy equipment.³⁰

In Lanao del Norte, the DTI in coordination with the International Labor Organization (ILO) and the UNDP conducted a series of livelihood training to some 85 MNLF combatants in garment making, bakery operation, sash and furniture making and business planning.³¹

Meanwhile, the TLRC was issued a presidential directive on April 18, 1997 mandating its Director-General to set aside the amount of P230 million to fund programs for MNLF combatants in the SZOPAD areas. Although the TLRC submitted a project proposal for the area, no project has so far been realized.³²

The identified agencies like SPDA, OMA and the three Development Task Forces did not have much to contribute to the SPCPD developmental goals. However, after an Assessment and Planning Workshop on the implementation of the GRP-MNLF Peace Agreement convened by the Office of the Presidential Adviser on the Peace Process (OPAPP) on June 11, 1999, a Presidential Memorandum Order dated June 17, 1999, reiterated the authority of SPCPD over these agencies vis-a-vis the implementation of development programs in the SZOPAD areas.³³ Except for SPDA, these agencies are also cash-strapped.

The MNLF's unfamiliarity with the nature of the government bureaucracy and its attendant features — the red tape that slowed down the work of the bureaucracy, the "turf" notions that pervaded government units and line agencies, the cumbersome and complicated procedures, the graft and corruption, and the tendencies toward centralization of powers — might have also been responsible for the poor coordination. For things to get moving, it is considered standard operating procedure (SOP) to go to Malacañang to get the necessary approval and release of budget. In other words, for the SPCPD to get some of its request, it must play politics like any other government unit.

Mercado underlined this situation by saying that the "government bureaucracy is not customer/client friendly" and that the MNLF was having a hard time dealing with the system. For Rudy Rodil, a member of the GRP panel, it is the conscious attitude to reach out that is lacking in the government. He suggested that the "government conduct seminars within its ranks to inculcate in the minds of each official and employee the need to consciously work for peace."³⁴

In addition, the SPCPD Council and Secretariat tasked with the coordination and monitoring functions did not have the necessary personnel with management skills needed for these tasks. Serna explained that while they were able to hire people for the job, the pay was too low to attract highly qualified people. But more significant perhaps is the perceived bias among some line agencies against the SPCPD and their reluctance to work with the former. It was consistently stated that line agencies in SZOPAD do not send reports to the SPCPD. This goes back to the fact that government failed to give a clear mandate to the line agencies vis-a-vis their relations with SPCPD. Obviously the presence of attitudinal problems also counted a lot.

D. MNLF Partnership with the National Government

After signing the Peace Agreement, the MNLF entered into a new relationship with the Philippine government. It became a partner in the implementation of the Peace Agreement.

For a start, MNLF Chairman, Nur Misuari, was appointed Chairman of SPCPD, and Presiding Officer of the SZOPAD Consultative Assembly. He was also elected as Governor of ARMM. The MNLF Vice-Chairman and MNLF Spokesman were both appointed as Deputy Chairmen of the SPCPD while the MNLF Secretary General was appointed its Executive Director. Forty four MNLF leaders were appointed as Assemblymen/women of the 81 member Consultative Assembly. The stage was set for what Mercado described as the "transformation" of the MNLF from a revolutionary politico-military organization into a political organization and a "junior" partner of the LAKAS-NUCD-NUMD party headed by Fidel Ramos.³⁵

The partnership with the Ramos government included some personal ties that were built up during the four years of negotiation. Some relationships went back to years when the MNLF Chairman was in the University of the Philippines (UP). To a great extent, the high optimism regarding the Peace Agreement was due to the presence of people from UP in government with whom the MNLF leadership related on a personal basis. But this personalized channels naturally became obsolete when the Estrada administration took over.

This rendered the partnership short-lived. This is because the Ramos administration got busy campaigning for the presidential elections and except for issuing a memo, had no time to prepare the line agencies for their new role in the peace efforts. After that the LAKAS-NUCD lost the presidency, the MNLF was largely left alone to carry the burden of implementing the Peace Agreement. When Estrada won, Ramos became a lameduck president without any authority to exert on the bureaucracy, more so since many of the agencies were to get new department secretaries allied to Estrada.

Under the Estrada administration, a new focus, including new programmes and priorities were immediately announced. Although

Mindanao remained a centerpiece of the administration, the focus was on food security and poverty alleviation. The implementation of the Peace Agreement was kept hanging until the President designated a committee to take charge. An added factor probably is that many of the oppositionists to the SPCPD in Congress as well as in local government are now political allies of the present administration. It is the perception that these people do not want SPCPD to succeed.

Thus, some critics now see the settlement as merely a way of "buying peace". They claim that the MNLF had been "caught in a net" and that after all is said and done, the peace agreement was "meant to fail."

E. Leadership Style

No less than former President Fidel V. Ramos described Misuari as a visionary leader. In an interview, Ramos said that Misuari was " a man with a statesmanlike vision to perform his mission for his people...He has not veered from his cause to bring Muslims in the Philippines a better life."³⁶ The MNLF Chairman's appointment to the SPCPD and election to the ARMM governorship was therefore a welcome development and made many Muslims optimistic about the future.

Misuari's administrative leadership however was untested. Soon after taking office, he shifted his field of operation from Cotabato City, where the ARMM and SPCPD Offices are, to Metro Manila. Among the reasons given was the need to be accessible to the numerous potential investors interested in doing business in the SZOPAD/ARMM areas. Another reason cited is that perhaps, even this early, Misuari already realized the great handicap of running SPCPD under the conditions set forth in the EO. Still another reason was that the constant demand for jobs and other services that he could not provide due to the meager budget allotment to his office was creating too much tension. For whatever reasons, his frequent trips to Manila and abroad and his long absences left much of the administrative functions of ARMM in the hands of the Executive Secretary, and in the case of the SPCPD, of the Executive Director. Although delegation of functions can be an effective managerial technique, the presence of the administrator is still necessary to keep things moving smoothly.

This situation has been the focus not only of public comments but also a matter of concern inside the JMC. Brigadier General Zainal Abidin in his report noted that:

Foreign trips made by the Chairman is indeed commendable. However, this has resulted in the lack of time for the Chairman to make visits to the field to see and assess the real facts in the countryside. This reality has brought negative impact, and those who do not understand the real score felt that they have been forgotten and abandoned by the Chairman.³⁷

Sema explained that the frequent trips of Misuari to Manila and abroad were necessary. For example, at the 1997 pledging session in Paris, 11 projects for SZOPAD obtained a share of \$531 million out of the \$2.9 pledged for the Philippines mainly because Misuari was there to present the case of SZOPAD. Sema concluded that "It is not true that he (the chairman) is not around and has abandoned the ARMM and the SPCPD."³⁸

But the issue refused to die down. Even Ambassador Hartono was forced to ask Misuari regarding the truth of newspaper reports stating that the latter stays in Cotabato only 50 to 60 days a year. This only emphasized how important this aspect of leadership was to those concerned with the implementation of the Peace Agreement. When asked by the press why he had to travel often, Misuari often stressed the necessity of sourcing funds for his people.³⁹

The same issue surfaced during the September 10, 1999 meeting of the JMC when Secretary Aguirre pointed out that "Chairman Misuari should take a more pro-active role in the SPCPD and not delegate everything to Director Cutan."⁴⁰ More recently, Secretary Aguirre was more pointed in saying that Misuari was an "absentee governor" and should be designated as governor not of ARMM Mindanao but of the Autonomous Region of Metro Manila.⁴¹

Misuari's type of leadership was even the subject of a *Manila Times* editorial asking a provocative question: "Can warriors be good administrators?" The editorial suggested that the answer is No.⁴²

However, rather than addressing the criticisms, the MNLF chair continues to blame the limitation of the Agreement as the cause of the failure of the ARMM/SPCPD to perform well.⁴³ Chairman Misuari reiterated the same point of view in the September JMC meeting by saying that the implementation of the Peace Agreement in Phase One was "not quite successful" and claimed that the MNLF got the "raw end of the deal" in the whole process.⁴⁴

In spite of the sometimes harsh criticism against the MNLF chair, Misuari continues to enjoy the loyalty of the MNLF as evidenced by the strong support given by the National Ulama Conference through a Resolution during its meeting held on September 26, 1999 in Cotabato City. In its Resolution, the Ulama called "on the government, its different apparatus and instrumentalities to refrain from undermining the unity and integrity of the MNLF leadership..."⁴⁵ An earlier resolution was also passed by the MNLF Central Committee in a meeting on August 8, 1999 opposing any attempt to undermine the power and authority of the MNLF leadership.

The SPCPD-NEDA-UNDP Multi-Donor Assistance Programme

The bright spot in the transition period was the participation of the United Nations Multi-Donor Assistance Programme in bringing livelihood and other assistance to the MNLF communities.

A. Phase One

Section 20, letter a. of the Peace Agreement states in part:

There shall be a special socio-economic, cultural and educational programme to cater to MNLF forces not absorbed into the Armed Forces of the Philippines (AFP), Philippine National Police (PNP) and Special Regional Security Force (SRSF) to prepare them and their families for productive endeavors, provide for educational, technical skills and livelihood training and give them priority for hiring in development projects.

Eight months into the Agreement, and nothing was happening. Many MNLF and their families had become restive due to the perceived delay,

or non-delivery of promised assistance by the Philippine government. There were talks of going back to the hills. According to a recent publication, this disaffected sector could number from 20,000 to 40,000 MNLF combatants who were not integrated into the Armed Forces as part of the Agreement.⁴⁶

On October 1, 1996, then President Ramos issued a Memorandum directing 21 government agencies to formulate "an overall framework for the provision of a socio-economic, cultural and educational package for displaced MNLF personnel who will not be absorbed into the military."⁴⁷

An inter-agency Special Development Planning Task Group (SDPTG) was then created headed by NEDA. Member agencies included the DTI, Department of Agriculture (DA), DAR, DPWH, Department of Transportation and Communication (DOTC), and Department of Budget and Management (DBM). The initial strategy was to look into the needs of the displaced MNLF personnel at the individual, family, and community levels and to provide corresponding program services through three entry points: direct to the MNLF individual or family; through community organizations; and through institutions or organizations including local government units.⁴⁸

After consultations with MNLF state chairmen and the SDPTG organized by the SPCPD, four categories of social projects were identified as priority needs of the MNLF. These are:

1. Education, training and social services
2. Livelihood and employment
3. Land ownership, distribution and production
4. Infrastructure and utilities⁴⁹

The UN institutional involvement was initially through the Needs Assessment and Pilot Emergency Assistance for Development of Basic Services, Livelihood, and Job Creation Programme for MNLF Soldiers and their Families (project/PHI97/004) which was designated as Phase One. The main beneficiaries are the MNLF members who were not absorbed by the AFP and the PNP. It was signed on April 22, 1997.⁵⁰

The Needs Assessment Survey (NAS) took four months to complete. Its objectives are as follows:

1. To generate specific information, through the conduct of a needs assessment and situation fact-finding, which would aid the SPCPD, the Government and other concerned organizations, including donors and local support groups, in designing an appropriate and comprehensive package of assistance to unabsorbed MNLF personnel, their families and communities;

2. Base on information gathered, to assist the SPCPD and government agencies specifically in developing a strategy and programme of assistance for meeting basic needs, livelihood, and job creation/employment in the immediate and short-term;

3. To facilitate the identification and/or establishment of community-based structures acceptable to the beneficiary communities for managing the programme assistance and to help set up delivery mechanisms responsive to varying situations; and,

4. To design a programme package for fund mobilization.⁵¹

Together with the NAS was the identification and packaging of emergency food assistance and livelihood projects. The target date for the deliveries was the end of July 1997.⁵²

Emergency assistance was considered necessary at this time because of the rising restlessness and demoralization among the MNLF who had not received the benefits of the peace agreement eight months after the signing.⁵³

These assistance were all made in kind rather than in cash, in the form of food items like rice, sugar, canned goods, coffee and medicines. Livelihood assistance were also to be in kind. A total of P1,751,814 worth of goods were distributed in six pilot areas.⁵⁴ The target beneficiaries were 1,800 or 300 combatants in each of the six pilot areas.⁵⁵

The six pilot areas were: Lumatil in Maasim, Sarangani; Salbu in Datu Piang, Maguindanao; Madalum in Lanao del Sur; Tictapul in Zamboanga City; Indanan in Sulu and San Jose in Puerto Princessa, Palawan.⁵⁶

The MNLF decision to have the emergency assistance in kind were due to the following reasons:

1. Unfamiliarity with handling donor cash;
2. Cash assistance would create more problems: jealousies, intrigues and false accusations among various interest groups within the MNLF;
3. The MNLF leaders thought that giving assistance in kind would allow them to learn by doing without the added complications that accounting for cash would entail.⁵⁷

The delivery of these assistance was warmly welcomed. This was the first assistance given to MNLF communities as a result of the Peace Agreement. While 1,600 were the official beneficiaries, because of the spirit of fraternity among the MNLF members, many more were able to benefit.⁵⁸

For the projects to be implemented, the following 16 MNLF states were identified and recognized:

North Palawan	Ranao Norte
South Palawan	Ranao Sur
Zamboanga del Norte	New Utara
Zamboanga del Sur	Western Kutawatu
Basilan	Sebangan Kutawatu
Tawi-Tawi	Central Kutaawatu
Lupah Sug	Selatan Kutawatu
Ranao Central	Saratan Davao

These states were converted into Cooperatives for project purposes, an idea that was promoted by then Executive Director, Muslimin Sema, based on the principle of *Tawhid* — or unity through stewardship under one God. This was approved by the MNLF state chairs.⁵⁹ A total of 355 cooperatives were organized with members numbering 52,035.⁶⁰

The beneficiaries of Phase Two were MNLF members in the 10 other revolutionary States not covered in Phase One. The duration of the project was for 18 months.

B. The UN Multi-Donor Program

The UN Multi-Donor Program had an allocation of \$8,300,207 as of March 1999 with the following six principal components:⁹²

1. *Agri-based Livelihood and Urgent Supply of Vegetable Seeds and Basic Agricultural Inputs to MNLF Families, Cooperatives and Women's Organizations* implemented by the Food and Agricultural Organization (FAO) of the UN in 16 identified MNLF States in SZOPAD. This package provided critical agricultural inputs such as: vegetable, fruit, rice or corn production, poultry or nursery upgrading, construction of solar dryers, multi-purpose drying pavements and basic agricultural equipment such as corn shellers, hand tractors and rice threshers and complementary training in agricultural production and marketing (\$1,920,284).

2. *Delivery of Basic Services and Emergency Food and Health Assistance through the UN Fund for Population Activities and the UNICEF.* Services include infant, child and maternal health care, conduct of trainings on reproductive health concerns, construction of safe water and sanitation facilities, provision of quality education for children and functional literacy classes for women, and training of paramedical workers and social/health workers (\$533,000).

3. *Vocational Skills Training and Enterprise and Cooperative Development* conducted by the International Labor Organization (ILO) with the Technical Education and Skills Development Authority. It provides for vocational and technical training for MNLF combatants and youths to develop their capabilities for planning, organizing and managing community-based and off-farm enterprises (\$1,526,860).

4. *Confidence Building Mechanism Through Information Services and Referral System* implemented by the Mobile Information Referral Community Assistance Programme of the International Organization for Migration (IOM-MIRCAS). It aims to establish a positive environment for peace by making accurate and up to date information readily and periodically accessible to all stakeholders and by facilitating the access of target beneficiaries to solutions, including information, technical assistance and direct support from various institutions and organizations (\$1,100,000).

5. *Human Resource Development and Capacity Building of MNLF Leadership for Community Development and Management* executed by the UNDP. This seeks to transform the MNLF's State and National Command structures into democratic participatory people's organizations and to mainstream MNLF state structures into the local government system through partnership building with the government and civil society (\$811,171).

6. *Programme Support and Coordination for the SPCPD*. UNDP supported to enhance the capability of the SPCPD Secretariat for the effective and efficient management of the expanded program of assistance to the MNLF, including coordination of its component projects, interfacing with other development initiatives of LGUs and non-government organizations, progress monitoring of program implementation, and evaluation of program performance and impact on the well-being of target beneficiaries (\$2,408,892).

The following countries share the costs of these programmes: Australia, Belgium, Canada, the Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland and Turkey.

Besides the UN programme, other donors are also extending development assistance to SZOPAD. These are:

a. *Australian Agency for International Development* has released P7 million to cooperative projects undertaken by MNLF combatants under the Philippine-Australian Special Community Assistance to SZOPAD (PASCATS). Thirty-three projects were granted financial assistance. An additional P19 million was released for 71 livelihood projects proposed by MNLF cooperatives in 16 identified areas within SZOPAD. A total of P35 million has been released by AusAid since July 1998.

b. *Canadian International Development Agency* (CIDA) through the Program for Peace and Development in the SZOPAD areas (PPDSA) and an NGO partner, the Philippine Development Assistance Program (PDAP) released 28 million; another 8 million was released for capability building projects.

c. *United States Agency for International Development* (USAID) through the Emergency Livelihood Assistance Program (ELAP) has

implemented throughout the SZOPAD areas the following: 1) ELAP Functional Literacy Program with 600 MNLF men and women learners (\$100,000); 2) Growth with Equity in Mindanao — GEM/ELAP Program consisting of agricultural inputs, production training, and marketing assistance to over 3,000 MNLF corn and seaweed farmer beneficiaries in all 16 MNLF States in the SZOPAD as of February 1999 (\$ 3,800,000), 3) Support with Implementing Fast Transition or SWIFT-ELAP Program consisting of barangay-based assistance to critical development areas identified by the SPCPD with approximately 7,000 families from 300 barangays as beneficiaries (\$1,400,000).

d. *Japan International Cooperation Agency (JICA)* — donation of heavy equipment to facilitate the construction of rural infrastructure projects in the following depressed communities: Taytay, Palawan; Lamitan, Basilan; T'boli, South Cotabato; Kalamansig, Sultan Kudarat; Maimbung, Sulu; Languyan, Tawi-Tawi; Upi, Maguindanao; Wa-o, Lanao del Sur. Additional assistance to be accessed are: 1) integrated Vocational Training Program for SZOPAD, 2) Rural Water Supply System Development Program for the SZOPAD; 3) Provision of Basic Medical Equipment for Provincial Hospitals, Rural Health Units and Barangay Health Stations in the SZOPAD. Another program being accessed through the national government's Investment Coordinating Committee, with DECS as implementing agency is the sixth phase of the Educational Facilities Improvement Program of the Japanese government which will eventually include Region XII and ARMM.

e. *World Bank SZOPAD Social Fund* — operationalized through EO No. 445, a total of P81.26 million has been released for 199 projects as of July 31, 1999 for small-scale social and economic infrastructure projects in SZOPAD.

f. *Asian Development Bank* — Small-scale technical assistance worth \$150,000 has been lined up to provide training courses for MNLF and other beneficiaries. The Special Project Office of the ADB has been hosting a series of capability-building programs and training workshops for SPCPD officials and planning and development coordinators of economically depressed areas when the Bank intends to implement its programs.

e. The *European Union* (EU) is considering emergency assistance to SZOPAD in such areas as potable water supply systems, health related projects, resettlement projects, skills development training, upland farming and social rehabilitation in selected SZOPAD barangays. The Financing Memorandum on the EU-funded SZOPAD Rehabilitation Project has been signed by the European Commission and will be ready for implementation.

Other potential donors:

a. *Organization of Petroleum Exporting Countries* (OPEC) Fund for International Development. The Chairman, Saleh Al-Omir and Director-General Seyyid Abdulai visited Mindanao to assess the status of OPEC-financed projects and obtain a better perspective of the socio-economic situation and development needs of SZOPAD.

b. *Saudi Fund for Development*. A proposal of an integrated resettlement cum livelihood projects to be known as the Rubber Plantation-Based Resettlement Project for the MNLF supporters and sympathizers covering thousands of hectares of lands with expired Pasture Lease Agreements in the municipalities of Alamada and Banisilan in Cotabato province as well as in Isulan, Sultan Kudarat and in Maasin, Sarangani. This proposed project is under review by the SPCPD, DAR and local governments covered by the project.

Although the UN Multi-Donor programme raised a total of \$8,300,207 (as of March 1999), the breakdown of its expenditures show that a large amount of its budget went to administrative support (43%) while 23% went to direct support; 6% to training and 28% to technical assistance.⁶²

C. *Stories of Changed Lives Resulting from the UN Multi-Donor Programs*

Teng Nur is a commander of the MNLF in the south Cotabato area. For years he lived in the mountain and only rejoined his family after the signing of the Peace Agreement. The Socsargen (South Cotabato, Sarangani and General Santos) area had 3,000 combatants. About 500 of them are now participating in livelihood programs sponsored by the UN. Teng is a participant in the agri-based livelihood project for MNLF soldiers in the SZOPAD and was sent, with other

commanders, on an educational tour to UP Los Banos, Phil Rice and Fresh Aquaculture Center in Munoz, Nueva Ecija, and Baguio City. The UN allotted P1.5 million for the MNLF men's education. "*Mas maganda talaga ngayon*" is Teng's comment on his present situation. He can now send his children to school.⁶³

Theng Salik, MNLF Zone Commander has organized a cooperative of more than 200 former MNLF fighters based in Sarif Aguak town in Maguindanao. They received UN assistance in the form of carabaos given to 20 of Salik's men. These were pooled together to plow five hectares of farmland. Co-op members were also given training in carpentry, livestock-raising and farm technology. Women were provided with more than 100 ducks to raise. Says Salik, "it is difficult to adjust to the post-war period. Help is slow and not for all."⁶⁴

Muhara! Mukaram, MNLF leader of Tawi-Tawi and 10 other MNLF families were given support to start seaweed farms by ELAP. His seaweed farm covers three hectares. Now his children are able to attend school in Bongao, the capital town of Tawi-Tawi.⁶⁵

Damming Hadjirul, MNLF State Chairman of Tawi-Tawi has formed 100 MNLF cooperatives, which according to Hadjirul included a total of 4,500 card-carrying MNLF members. He claims that "if not for the involvement of USAID and other international donor organization in livelihood projects for the MNLF, the peace process would have gone to waste."⁶⁶

Boone Jukupan, former MNLF Finance Officer and 200 former MNLF combatants in Sulu are now engaged in seaweed farming through the USAID's livelihood assistance program. "This is the first time we've been given assistance," says Jukupan, now employed by ELAP. As of August 1998, their first harvest netted the co-operative P58,000 for the community fund, which can be used to expand their business.⁶⁷

Ismael Palaw who has ten children, is also one of the beneficiaries of ELAP. The village in which he lived had no school so they contributed to hire a teacher for Grade One and Kindergarten. More than 70 children enrolled in the school which was a former MNLF training camp.⁶⁸

These stories illustrate the cases of only a few of the recipients of UN and other donors' livelihood assistance. They are one in saying that without these support, the peace accord would already have been over. Besides the target clients, many of the local UN area facilitators expressed appreciation for being part of the program. Many felt personal fulfillment and satisfaction in being able to serve their people.

D. Some Observations on these Program

In spite of successes, there were also some flaws and factors that in one way or another affected the implementation of the programs. Among these are:

a) Cultural preparation for the efficient and successful handling of projects was not very thorough owing to the constraints brought about by the limited 18-month period given to project implementation.

b) While projects were supposed to be cooperative-based, members however were often not very visible during project implementation.

c) The process and workings of a cooperative need to be inculcated not only among the leaders but also more urgently among the members so that they would be able to understand how a cooperative works.

d) The projects, while greatly appreciated, benefited only a small proportion of the MNLF sector; spreading these benefits will bring about a more even development among MNLF communities. Only 30% of the MNLF communities have been serviced by UN Programmes.

e) There are elements in the local government bureaucracy who do not support the projects of SPCPD. The observation made by some Area Facilitators is the indifference of government line agencies and the national government's lack of focus on the peace programme due to its concentration on the ERAP programme. They believed that without the UN programmes, the peace process would have collapsed a long time ago.

f) Many if not all the projects have a stop-gap character. How the government will sustain these kinds of initiatives after the funds are used up is a problem.

g) In one project area, the intended MNLF farmer beneficiaries for rice production have been outnumbered by non-Muslims who now constitute the majority members of the cooperative. While this is often pointed out as a positive development in breaking down the barrier between these two groups, care should still be taken to make sure that the majority does not take over the operation and repeat the historical mistakes that caused the conflict.

h) The need for training in financial management has been stressed repeatedly in project reports as well as by observers. Bookkeeping, recording and other matters concerning finance and accounting are not often practiced either due to lack of skill or because these are not usually part of the cultural orientation, where the oral rather than the written takes precedence.

i) The projects hoped to transform MNLF territories into Peace Development Centers and former combatants to development managers, in a period of 18 months. This goal, while praiseworthy, is not easy to achieve given the time restriction and the long-time habits of the people. Even if some leaders managed to transform themselves, they still have to deal with members of their communities, most of whom have not been prepared for the transformation described by a UN Project Manager as: "from guns to farms, from triggers to computers."

j) The projects have kept the restive MNLF forces partially involved. But those who were not given any projects felt that they had been left out. Charges of nepotism have been reported.

k) Some area facilitators were overloaded because they have too many projects to supervise.

l) In matters of discipline some State Chairpersons were unable to exercise their authority to discipline project implementors.

m) Finally, some project recipients have exhibited managerial talents in expanding their projects. They should be motivated to act as models to the others.

The successful projects should become a learning experience that can be replicated in other areas. In addition, a module based on the success or failure of the programs/projects should be developed to serve as a future guide for similar projects in this country and elsewhere.

Conclusions

In a recent four-part Special Report series, the *Philippine Daily Inquirer* looked into the implementation of the Peace Program. In the third part, PDI journalist Bobby Timonera titled his article: Did Gov't Deliver on its Promise? Reading through the article, one cannot help but conclude that the implementation has not been as successful as expected although it cannot also be labeled as a complete failure.

The SPCPD and CA as mechanisms for the implementation of the Peace Agreement were not effective in bringing development to the SZOPAD areas or even in alleviating the depressed conditions of majority of the MNLF members. This is because the SPCPD was not mandated to implement development projects but simply to coordinate and monitor those that are being undertaken by line agencies. Even in this function, the SPCPD did not fare well owing to the reluctance of line agencies to provide information; or for that matter, to label their projects as part of the Peace Agreement. SPCPD personnel also needed training in the tasks of effective coordinating and monitoring.

Meanwhile, the CA was meant to be a forum to discuss and air problems in the SZOPAD areas; not a body that implements development projects. Since none of their resolutions were ever approved, the body lost its resonance, became redundant, and eventually ceased functioning.

With regard to financial allocation, constraints hampered the operation of the SPCPD and the CA, making the promise of intensive development in SZOPAD areas hard to realize.

The time frame of three years as transition period was too short for the kind of development envisioned in the Peace Agreement. This was made more difficult by the inadequate funding support and the reluctance of the government bureaucracy to actively participate in its implementation. The problem was further aggravated by the change in government officials whose commitment to the Peace Agreement may not be as strong. For example, the Peace Agreement is perceived to be mainly an agreement between the Ramos administration and the MNLF rather than with the Philippine government itself and between the Executive and the MNLF rather than with other branches of government. For this reason, the Executive department is perceived to be the sole body that should push for the implementation of the Agreement with very little contribution or cooperation from other branches of government.

The period of three years is also short for the kind of transformation required of the MNLF leaders to become development managers. But it is recognized by the MNLF that without the UN assistance, the Peace Agreement would have ended prematurely. In these projects, it is unfortunate that the presence of the government was hardly felt.

The final words regarding the implementation of the Peace Agreement in terms of its implementing mechanisms can be summed up by two persons who have been involved in this process: When asked whether the Peace Agreement has been implemented successfully, the answers were:

Indonesian Ambassador Hartono: "I can say not really."

PAPP chair and GRP panel chief Manuel Yan: "The implementation is satisfactory."

As far as the SPCPD is concerned, former Libyan Ambassador to the Philippines, Abdulazizz Rajab Azzarouk, who had been involved in the peace negotiations from the very start, summed up the situation more bluntly in a recent conference at the Asian Center on July 5, 1999: "No one is talking about the SPCPD. It is a dead horse."

However, there is one main accomplishment of the Peace Agreement that no one can deny: it brought peace between the MNLF and the government and so far it is still holding. ♦

Endnotes

- 1 Basman, June 17, 2000, p.1.
- 2 Marshall, June 2000, p.2.
- 3 Alatas, Sept. 2, 1996.
- 4 Ramos, 1996, p35.
- 5 Stankovitch and Carl, 1999, p.6.
- 6 Primer, 1996, p9.
- 7 Primer, 1996, p8.
- 8 1999, p.68.
- 9 Musim, 1999, p.34.
- 10 Sama, 1998.
- 11 Hassan, 1998.
- 12 Hartono, 1999.
- 13 *Breaking Through*, 1999, p15.
- 14 *Ibid*.
- 15 *The Highlights of Implementation of the Final Peace Agreement*, p.15.
- 16 Brig. Gen. Abidin, 1998, p.15.
- 17 Utuh Salem Cutan, 1998.
- 18 *Breaking Through*, 1999, p.11.
- 19 *Manila Bulletin*, November 13, 1999, p.30.
- 20 Muslim, 1999, p.33-34.
- 21 Brig.Gen. Abidin, August 26, 1998, p.16.
- 22 Gutierrez, 1999, p75.
- 23 Bureau of Information, CRG-ARMM, Aug. 6, 1999.
- 24 *The Bangsamoro Digest*, November, 1998, p.10.
- 25 Mercado, *Peace and Development: The MNLF and the SPCPD*, p.3.
- 26 *PDI*, Oct. 27, 1999.
- 27 *PDI*, October 27, 1999.
- 28 *Breaking Through*, 1999.
- 29 *Ibid*.
- 30 *Ibid*.
- 31 *Ibid*.
- 32 *Ibid*.
- 33 *Ibid*.
- 34 *PDI*, October 27, 1999.
- 35 Mercado, *Peace and Development: The MNLF and the SPCPD*, No date, p.2.
- 36 Ramos, 1996, 35.
- 37 Abidin, p.16.
- 38 *Today*, May 26, 1999.
- 39 *Manila Times*, July 16, 1999.
- 40 Minutes of the Meeting, p. 8.
- 41 July 3, 2000, Radio Broadcast, DZRH.
- 42 July 11, 1999, p.6.
- 43 Gutierrez, 1999.
- 44 Minutes of the Meeting, September 10, 1999, p.2.
- 45 Bureau of Public Information, ARMM, Sept. 1999.

- 46 *Crescent Moon*, 1999, p. 264.
 47 *Taking the Initiative*, 1998, p.5.
 48 *Ibid.*
 49 *Ibid.*
 50 *Ibid*, p.8.
 51 *Ibid*, p. 9.
 52 *Ibid*, p. 9.
 53 *Ibid*, p.9.
 54 *Ibid*, p. 11-12:
 55 *Ibid*, 8.
 56 *Ibid.*
 57 *Ibid*, 12.
 58 *Ibid*, p. 12.
 59 *Ibid*, 16.
 60 *Breaking Through*, 1999, p.18.
 61 *Breaking Through*, 1999.
 62 *Breaking Through*, 1999,p.4.
 63 *MT*, Aug. 4, 1998, p.4.
 64 *Crescent Moon*, 1999, 281.
 65 *Crescent Moon*, 1999, p.282.
 66 *Crescent Moon*, 1999, 285.
 67 *Crescent Moon*, 1999, 287.
 68 *Crescent Moon*, 1999, p.287.

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2. Final Peace Agreement, September 2, 1996

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2. Utuh Salem Cutan, Executive Director of SPCPD
3. Hatimul Hassan, Deputy Chair of MNLF
4. Ambassador Abu Hartono, Chair of JMT
5. Ambassador Manuel Yan, Chair, OPAP
6. Fr. Eliseo Mercado, Jr. OMI, Floor Leader, SZOPAD Consultative Assembly
7. Edel Selan, Administrative Officer, UNDP
8. Ali Abdul, Community Development Specialist for Region 9 and Shalma Nato, Community Development specialist for Jolo and Tawi-Tawi
9. Engr. Ibrahim Dugasan, Specialist, Appraisal Dept. SZOPAD Social Fund, Zamboanga City
10. Kalma Jikiri, UNDP Volunteer, Community Development Facilitator for Sulu
11. Alano Alihuddin, Consultant for FAO, Zamboanga City
12. Edward Lim, Executive Director of SZOPAD Social Fund, Zamboanga City
13. Angel Antonio Salanga, UN Program Manager, Cotabato City