



**Initiative for Global Arts & Sciences** グローバルな学術の共創

INTERNATIONAL GRADUATE SCHOOL OF SOCIAL SCIENCES

IBLAW Field Study Trip 2013

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***“In Quest for a Sustainable, Prosperous and  
Peaceful World”***

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25 January – 2 February 2013



## Field Study Trip to the Philippines 2013

As a joint programme with University of Santo Tomas, Philippines, a group of 13 students, 4 professors, and an administrative staff from International Graduate School of Social Sciences of Yokohama National University conducted a field study trip to the Philippines from January 25<sup>th</sup> to February 2<sup>nd</sup> 2013.

13 students were consisted from 8 different nationalities and 13 different fields of interests, ranging from agriculture to competition law, from human rights of children to migration, and from e-commerce to education, and so forth.

With the assistance of the faculty members and UST counterparts, students took primary initiatives to organise their own visit to various departments and agencies which directly relate to their research.

The purpose of the field study trip to the Philippines, which was entitled “*IB Law Field Study Trip 2013: In Quest for a Sustainable, Prosperous and Peaceful World*”, was to achieve the following goals:

1. To gain knowledge and first-hand experience regarding issues involving development through interviews and seminars;
2. To collect materials and develop personal contacts that would contribute to the students’ thesis; and,
3. To promote exchange between YNU students and local students in the Philippines.



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## **II. List of Abbreviations**

<b>ADB</b>	<b>Asian Development Bank</b>
<b>AI</b>	<b>Amnesty International</b>
<b>BOI</b>	<b>Philippine Board of Investments</b>
<b>FMI Inc.</b>	<b>First Metro Investment Corporation</b>
<b>DA</b>	<b>Department of Agriculture</b>
<b>DFA</b>	<b>Department of Foreign Affairs</b>
<b>DOJ</b>	<b>Department of Justice</b>
<b>IOM</b>	<b>International Organization of Migration</b>
<b>JICA</b>	<b>Japan International Cooperation Agency</b>
<b>NEDA</b>	<b>National Economic Development Authority</b>
<b>NFA</b>	<b>National Food Authority</b>
<b>NIA</b>	<b>National Irrigation Administration</b>
<b>NWRB</b>	<b>National Water Resource Board</b>
<b>PhilRice</b>	<b>Philippine Rice Research Institute</b>
<b>SC</b>	<b>Supreme Court of the Philippines</b>
<b>TESDA</b>	<b>Technical Education and Skills Development Center</b>
<b>UST</b>	<b>University of Santo Tomas</b>
<b>YNU</b>	<b>Yokohama National University</b>



### III. Detailed Itinerary

TIME	ACTIVITY	REMARKS
January 25 (Friday)		
1030	Notice from Jetstar about the cancellation of JQ78	
1100	Meet up at Narita International Airport	
1300	Moved to Tokyo Station and departed for Osaka	Via Shinkansen
1530	Arrived at Shin-Osaka Station	
1630	Checked-in at Washington Hotel Plaza Shin-Osaka	
January 26 (Saturday)		
1300	Meet up at Shin-Osaka station and left for Kansai International Airport	
1400	Arrived at Kansai International Airport and Checked-in at Jetstar Asia	
1725	Departed from Kansai International Airport	Via 3K364
2015	Arrived at Ninoy Aquino International Airport (NAIA), Manila	
2130	Checked-in at Charter House, Makati City	
January 27 (Sunday)		
0530	Breakfast at Charter House and checked-out	
0600	Departed for NAIA	
0700	Checked-in at Cebu Pacific	
0750	Departed for Davao	Via 5J993
0935	Arrived at Davao International Airport	
1030	Moved to Hotel Vincente and picked up UST counterparts	Via hired bus
1110	Eden Nature Park	
1430	Japanese Museum, Japanese Cemetery, Ohta Kyozaiburo Monument, Japanese Tunne	Calinan, Mintal, meet with the Town Captain at Barangay Office
1800	Dinner at Jack Ridge Restaurant	
2030	Checked-in at Hotel Vincente	
January 28 (Monday)		
0730	Breakfast at Hotel, checked-out	
0900	Meeting at Davao Kokusai Daigaku (Davao International University)	Presentation by Mr. Kazuhiko Anzai, Consul and Director of the

			Consular Office of Japan in Davao
1100	Meeting at Davao City Hall		
1200	Departed for General Santos		Approximately 4 hour road trip
1800	Dinner at Seafood Restaurant		
2000	Checked-in at Richeva Gensan Suites Hotel		
January 29 (Tuesday)			
0530	Breakfast at Hotel, checked-out		
0700	General Santos Fish Port		Observation of fish port, presentations made by Philippine Fisheries Development Authority
0830	Departed for Dole Philippines Pineapple Plantation		Polomolok
0900	Seminar at Dole Philippines	Andrea: Individual Appointment	
1030	Sightseeing of pineapple plantation		
1130	Lunch at Dole Philippines		
1300	Departed for General Santos Airport		
1535	Checked-in and departed back to Manila		Via 5J996
1725	Landed at NAIA		
1800	Checked-in at Charter Hotel		
2100	Prof. Araki and Men Ping arrived to Manila and checked-in at Charter House		Via JQ78
January 30 (Wednesday)			
AM			
0630	Breakfast at Charter House		
0630	Departed for Salt Payatas Foundation	YNU Participants: Yasoda Basnet, Kenta Kido, Nami Han, Prof. Ikeda	
0730	Departed for DFA	YNU Participants: Wai Mon, Yumiko Ampo, Cao Duc Tien, Qiao Yuxiang, Men Ping, Andrea Xu, Prof. Araki, Lect. Ueda	UST Attendees: Frances Absalon, Katherine Bayona, Earl Pantoja, Lorraine Luis
0730	Departed for SC	YNU Participants:	UST Attendee:

		Zhant Zin Win, Melis Tagaev, Ms Suto	Kate Rigor
0730	Departed for DA	YNU Participant: Akihiro Ishimoto	UST Attendees: Francis de Jesus, Prof. Tiu
0800	Departed for First Metro Investment Corporation	YNU Participants: Ruslan Ziganshin, Prof. Kabashima	UST Attendee: Ruel Ferrer
<b>PM</b>			
1300	Meeting at Court of Appeals	YNU Participants: Zhant Zin Win, Melis Tagaev, , Ms Suto	UST Attendee: Kate Rigor
1300	Meeting at NIA	YNU Participant: Akihiro Ishimoto	UST Attendees: Francis de Jesus, Prof. Tiu
1400	Meeting at Dole Philippines HQ	YNU Participant: Andrea Xu	UST Attendee: Lorraine Luis
1400	Meeting at IOM	YNU Participants: Wai Mon, Yumiko Ampo, Lect. Ueda.	UST Attendee: Katherine Bayona
1400	Meeting at BOI	YNU Participants: Cao Duc Tien, Ruslan Ziganshin, Prof. Kabashima	UST Attendees: Early Pantoja, Ruel Ferrer
1500	Meeting at Trade Advisory Group	YNU Participants: Qiao Yuxiang, Men Ping, Prof. Araki	UST Attendee: Frances Absalon
1500	Meeting at NFA	YNU Participant: Akihiro Ishimoto	UST Attendees: Francis de Jesus, Prof. Tiu
January 31 (Thursday)			
<b>AM</b>			
0500	Departed for Nueva Ecija and PhilRice	YNU Participant: Akihiro Ishimoto	UST Attendees: Rhonel Cajustin, Janel Devinagracia
0630	Departed for Manila Water	YNU Participants: Ruslan Ziganshin, Prof. Ikeda	UST Attendees: Eng. Gagarin, Goldwin Fontanilla
0900	Departed for DOJ	YNU Participants: Zhant Zin Win, Melis Tagaev, Prof. Kabashima, Ms Suto	UST Attendee: Kate Rigor

0930	Departed for TESDA	YNU Participants: Yasoda Basnet, Yumiko Ampo, Kenta Kido, Nami Han, Cao Duc Tien, Qiao Yuxiang, Men Ping, Andrea Xu, Wai Mon, Lect. Ueda	UST Attendees: Frances Absalon, Earl Pantoja
PM			
1330	Visit to NWRD	YNU Participants: Ruslan Ziganshin, Prof. Ikeda	UST Attendees: Eng. Gagarin, Goldwin Fontanilla
1500	Visit to AI	YNU Participants: Zhant Zin Win, Melis Tagaev, Yasoda Basnet, Yumiko Ampo, Kenta Kido, Nami Han, Cao Duc Tien, Qiao Yuxiang, Men Ping, Andrea Xu, Wai Mon, Prof. Kabashima, Lect. Ueda, Ms Suto	UST Attendees: Kate Rigor, Frances Absalon, Lorraine Luis, Earl Pantoja
1800	Joint UST-YNU Seminar at UST		
2000	Dinner at UST		
1 February (Friday)			
0700	Breakfast		
0800	Departed for ADB		Via MRT
0900	Seminar at ADB		
1100	Lunch at ADB		
1200	Left for JICA		
1300	Seminar at JICA		
1800	Dinner at Saisaki, Glorietta		
2 February (Saturday)			
0430	Breakfast		
0500	Checked-out Charter House, left for NAIA		
0600	Checked-in at Jetstar		
0650	Departed NAIA for Narita International Airport		Via JQ79
1210	Landed Narita International Airport		
1300	Dismissed		

## IV. List of Participants

### Students

Ms.	BASNET, Yasoda	Nepal	M1	International Cooperation on Gender Equity
Ms.	HAN, Nami	Korea	M2	Social Enterprises
Mr.	ISHIMOTO, Akihiro	Japan	M2	Agriculture, Green Box, and Domestic Supports
Mr.	KIDO, Kenta	Japan	M1	Human Rights of Children
Ms.	AMPO, Yumiko	Japan	M1	Development Education/ Immigrants
Ms.	XU, Lingzhe	China	M2	TBT and Standardisation Policy
Ms.	MEN, Ping	China	M1	Anti-Dumping Law
Mr.	QIAO, Yuxiang	China	Ph.D. Candidate	Competition Law
Mr.	TAGAEV, Melis	Kyrgyz	LPP, M2	International Sales Law/ E-Commerce
Mr.	ZIGANSHIN, Ruslan	Tajikistan	M1	Sustainable Access to Water Supply and Sanitation
Mr.	Thant Zin Win	Myanmar	LPP, M1	Legal System and Court Practices
Ms.	Wai Mon	Myanmar	LPP, M1	Trainings for Yong Generation Diplomats in the Philippines
Mr.	Cao Duc Tien	Viet Nam	M1	Economic Development

### Faculty Members

Assoc. Prof	KABASHIMA	Hiromi	Japan
Prof.	IKEDA	Tatsuhiko	Japan
Prof.	ARAKI	Ichiro	Japan
Lect.	UEDA	Naoko	Japan
Ms.	SUTO	Kasumi	Japan

## V. Group Reports by Participating Students

Altogether 18 agencies were visited this year. Table below shows the agencies each students visited on 30<sup>th</sup> and 31<sup>st</sup> of January. ADB and JICA are attended by all students on 1<sup>st</sup> February.

	30 <sup>th</sup> January, Wednesday	31 <sup>st</sup> January, Thursday
BASNET, Yasoda	- Salt Payatas Foundation	- TESDA - Amnesty International
Han, Nami	- Salt Payatas Foundation	- TESDA - Amnesty International
ISHIMOTO, Akihiro	- Dept. of Agriculture - National Irrigation Administration - National Food Authority	- Nueva Ecija - Philippine Rice Research Institute
AMPO, Yumiko	- Dept. of Foreign Affairs - Int'l Org. of Migration	- TESDA - Amnesty International
KIDO, Kenta	- Salt Payatas Foundation	- TESDA - Amnesty International
XU, Lingzhe	- Dept. of Foreign Affairs - Dole Philippines	- TESDA - Amnesty International
MEN, Ping	- Dept. of Foreign Affairs - Trade Advisory Group	- TESDA - Amnesty International
QIAO, Yuxiang	- Dept. of Foreign Affairs - Trade Advisory Group	- TESDA - Amnesty International
TAGAEV, Melis	- Supreme Court - Court of Appeal	- Dept. of Justice - Amnesty International
ZIGANSHIN, Ruslan	- First Metro Investment - Philippine Board of Investment	- Manila Water - National Water Resource Board
Thant Zin Win	- Supreme Court - Court of Appeal	- Dept. of Justice - Amnesty International
Wai Mon	- Department of Foreign Affairs - Int'l Org. of Migration	- TESDA - Amnesty International
Cao Duc Tien	- Dept. of Foreign Affairs - Philippine Board of Investment	- TESDA - Amnesty International

## i. Mindanao Trip

Our trip to Mindanao was originally scheduled from 26<sup>th</sup> till 29<sup>th</sup> of January. However, with the cancellation of flight to Manila, our schedule in Mindanao has changed to between 27<sup>th</sup> till 29<sup>th</sup>. However, original plans did not get big amendment. It was only the activities originally proposed on the 26<sup>th</sup> had been shifted to 27<sup>th</sup>, and the rest was remained as original.

### Eden Nature Park

On our second day of study tour, 27<sup>th</sup> January, all the members of YNU and UST visited to Eden Nature Park in Davao Mindanao. After we reached there by hired bus, first we had a buffet lunch in an open air restaurant inside the park. There we found more than 15 types of meal, varieties of deserts and ice-creams.

After lunch, we had a round tour of park by Jeep with English speaking guide. He explained us the history and specialty of Eden Nature Park.



Eden Nature Park is a mountain resort which is above 3,000 feet above sea level. This park is 95% man-made. It is a model of how to re-create and rebuild a lost environment. This place was discovered sometime in 1971, and the area used to be a logged-over area covered by a blanket of wild grass.

Later, terraces were carved out of the mountain slope, and thousands of pine tree seedlings were planted. As pine trees grew, they provided canopies, allowing other trees and plants grow and creating a secondary forest. Today, there are over 100,000 pine trees spread throughout 80 hectares of land.

Children performed the cultural dance of Ethnic people in southern Philippines (called lumad). The music was live from traditional musical instrument and the movomentss of dance was very interesting.

Not only for nature lovers, but Eden Nature Park is the best destination for the people who like adventure and games. There is a facility of sky rider experience and you can also enjoy play, move, hike, and exercise. Fishing, swimming, horseback riding can also be experienced.

There are numbers of deer, birds, pine trees, fruit trees, herbs, and also the organic cultivation of the vegetables in greenhouse inside the park. These products are served in the restaurant of the park where we had our lunch and to the guests who stay there overnight. Eden Nature Park also has





facilities for the accommodation of all types of guests like couple to big size families. Their accommodation cares for privacy and peace environment to the visitors.

Therefore, Eden Nature Park is surely one of the main tourists destinations from inside and outside the country.

### **Barangay Mintal**

Our next destination was Barangay Calinan and Barangay Mintal, which were located approximately 8 miles from the central Davao and Eden Nature Park on roads. Despite the fact of short distance, the time it took was more than what people usually expect. The road traffic in Davao was not as jammed as Manila however, relatively weak infrastructural system in Davao city compared to Manila caused the traffic to get jammed easily. There were thousands of Jeeps in Davao, but the size and the type of vehicles used in Davao was different from Manila that the Jeeps in Davao was smaller in size and the type of vehicle used was what is so-called “Kei truck” in Japan.

Our first stop in the afternoon was Barangay Calinan and Philippine-Japan Historical Museum. It was located in a back alley from the main street. After we stepped out the bus, we went into the small street and walked through the back alley. Distance was roughly 300 metres from the main street, and Philippine-Japan Museum was built inconspicuously in the residential area.

The museum features a rich collection of historical artefacts dating from various periods in the history of Davao City, in particular the tools and documents which characterises the lives of Japanese community during the early decades of the 20<sup>th</sup> century. One of the first Japanese settlers in Davao was Mr. Kyozauro Ohta, who was from Kobe Prefecture in Japan and was living in Manila. In 1903, Mr. Ohta attained the permission for abacá (*Musa textillis*) plantation and developed the huge plantation area to produce mainly abacá and coconuts. During that period, in Luzon Island, many Japanese labourers particularly from Okinawa were engaged in the construction of roads what is now so-called Kennon Road. Mr. Ohta convinced those labourers in Luzon Island to migrate to Davao and carry out plantation business. Abacá plantation business had succeeded because of the high demand of abaca-made rope for sea vessels. Mr. Ohta along with Mr. Kozo Oshiro, who was the leader for the construction work by Okinawa people in Luzon Island, established the first Japanese company in Davao called Ohta Kougyo Co. Ltd.

The number of Japanese migrants in Davao increased dramatically during the 1910s and the Japanese population in Davao reached as high as 10,000 in 1916. Special procurement of abacá rope during the First World War encouraged more plantations of products, and thus encouraged the inflow of Japanese migrants. Recession after the War resulted in the decline of Japanese population, but immigrants from Okinawa remained in Davao. Japanese population in Davao reached as high as 18,000



in 1938, and amongst which 70 percent was dominated by people from Okinawa. The increased Japanese population in Davao resulted in a creation of new Barangay for Japanese people called “Mintal”. Barangay Mintal had inevitably become Japanese town where they constructed such as Japanese schools, Japanese newspaper, Japanese consulate, hospitals, brothels, Buddhism temples, churches, and shrines.

However, increased influence by America in the region changed the situations for Japanese community. The conflict between the Japanese and local Filipinos escalated on the issue of land property trade and proprietorship, and the militarism of the Imperial Japan during the inter-war period enhanced the anti-Japan movement. Many Japanese people were forcefully confined and sometimes were being killed. Landing of Japanese troops in Mindanao and the initiation of Japanese administration freed Japanese people, however, indirect control of the Commonwealth Government of the Philippines by America recognised the *ex ante* autonomy of Mindanao by Juan dela Cruz and conducted a guerrilla activities to protest against Japanese occupation. The Japanese town of Mintal inevitably became the site of the most hard-fought battle. Anti-Japan sentiment remained after the defeat of Japan, which led many Japanese survivors to live quietly in the mountainous areas of the region.

The museum possessed a rich collection of historical materials which specifically indicates the lives of Japanese people during the early decades of 20<sup>th</sup> century both prosperous times and difficult times. Without doubts, the information exhibited in the museum genuinely tells the development of the relationship between Japan and the Philippines.

After we left the museum, we headed back to Barangay Mintal and visited Barangay office. We thank the Town Captain that despite our visit was made on Sunday afternoon, the Captain generously welcomed us at the Barangay office and very briefly explained the historical development of the Barangay and the relationship with Japan.

As mentioned above, the City of Davao accommodated as high as 18,000 Japanese people and Mintal was the central region for Japanese immigrants. Within that number, many lives have been lost, on one hand, due to the war, and on the other hand, due to destiny. We visited the Japanese cemetery in the region to worship the deceased. The cemetery was rather quaint because the cemetery was also used for local people. Thus, the cemetery had both Japanese style gravestone and Christianity coffins.



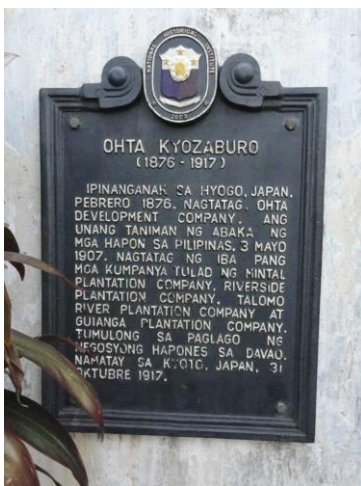
We then proceeded to one of the primary schools in Mintal, called Mintal Elementary School, where the monument of Mr. Kyozauro Ohta was built. As Mr. Ohta was a pioneer to the development of Mintal, his excellent achievements and contributions to the community were expressed by constructing the monument which can be easily noticed. The monument was approximately 8 metres tall. The upper part of the monument left a kind of symbol that



probably commemorated his contribution. However, most parts of that symbol had been removed and it was impossible to identify what that symbol was meant for. However, Mr. Ohta's contribution to the society has no room for doubts, the Barangay name of Mintal was named by Mr. Ohta and the Barangay still exists without re-naming.

Our final destination in Mintal area was Japanese tunnel. Japanese tunnel has been dug during the Second World War period and used by the Japanese as a hide-out and for transport of goods. The tunnel was also used for the movement of people and mobilise the forces against the American liberating troops.

The tunnel was excavated with the width of roughly 2 metres and 3 metres height. However, while the width of the tunnel was consistent, the height slightly got narrowed down as we stepped deeper. The low height of the tunnel probably reflects the smaller body size of Japanese people back in that time as well as the difficulty to dig the tunnel with consistent height due to extreme hard rocks in the ground and insufficient excavation technologies.



The east-side of the City of Davao leaves many legacies of Japanese migration from the early decades of the 20<sup>th</sup> century. Barangay “Mintal” *per se* is absolutely the vestige of the Japanese migration and their involvement in the community. Japanese Museum in Calinan enriched our understanding and knowledge of Japanese history, and in fact provided a new insight of the history. Japanese cemetery, the monument of Mr. Kyozaaburo Ohta, and the Japanese tunnel, they all describe the history of Japanese migrants in Davao. We all acknowledge their contributions and achievement in the rural community of the Philippines.

## General Santos Fish Port

Located in the city General Santos, a city in the southern Philippine, this fish port is the biggest tuna fish port in Philippine. The tuna here are very famous. We are very lucky that we have this chance to visit this fish port.

To enter the fish port, the sanitary inspection is required. We are not allowed to go there wearing own shoes, but changing to the boots only for fish port to confirm the clearness of this port.

There are several fish business companies here. They have fishing boats to go the sea for fish hooking, worker to weight and process tunas. The government here is in position of management. They set rules for the fish companies and make sure the sanitary of the port and they provide public facilities





for the development of fish companies.

Every day, tonnes of fresh tuna are caught. They are very big size, at least one metre long, fifty kilograms weight, which are excellent indigence for Japanese Sushi. After simple process, they are transported to other places. Only small amount of the fish here are consumed by domestic use. Most of the tuna are exported to foreign countries. Hearing from the staff there, China together with Japan, EU, the US now are the biggest consumer of the tuna.



### **Dole Philippines Pineapple Plantation**

This Pineapple Plantation is located near General Santos, about 20 minutes drive. It is the largest pineapple Plantation in the world. It has total 6571 hectares planting with pineapple and beet in the plantation. Sitting in bus and seeing the field of pineapple, what we could see is only pineapple plants lasting to the edge of the sky. It is really like a sea of pineapple plants. Because of the tropical climate of Philippine, pineapples



here could be harvested all over the years. According to this advantage, the pineapple trees are planted by different seasons, which could make sure the supply of pineapple through the year. And this plantation is located in the latitude of best latitudes of planting pineapple, so the pineapple grown here are extremely sweet.

To make sure the quality of pineapple, Dole tried there best to get international certifications, which also helps Dole when their pineapple are exported to foreign countries. Sometime, one international certification could be recognized by several countries which save money for domestic sanitary measure and save the freshness of pineapple.

Dole pineapples are popular in foreign countries like Japan China and Korea. Nearly 70% of the Pineapple production is exported to foreign countries. Japan is the largest consumer of Dole pineapple. Except Okinawa, Japan has no other place of pineapple production. So in Japan, pineapple supply mostly relies on import. We could see Dole pineapple in every big supermarket, which is very common and the prices are very reasonable.

This year is the 50 Anniversary of this plantation. They are still working hard to provide good quality pineapple for customers.





## ii. Salt Payatas Foundation

In the morning of January 30, a group of three students and one professor visited Payatas Dumpsite. Students who visited Payatas Dumpsite were Kenta Kido, Yasoda Basnet, and Nami Han, and supervised and accompanied by Prof. Ikeda. The members of SALT who kindly helped our tour were Ms. Millee Ness, Elsa, Jo Salt Staff, and Ms. Erika Matsumoto, a Japanese volunteer staff. The tour was organised in cooperation with Salt Payatas Foundation Inc. (SALT), the Japanese NGO.



SALT is a private, non-governmental, non-for-profit, non-stock, organisation established in 1995. The SALT taken from a white crystalline substance that give good taste and keeping fresh to our foods. In the same way, SALT Foundation wants to function like this substance by giving quality service to the poor.

SALT support for the children and women of live beside Payatas Dumpsite in Quezon City, Philippines.

### Orientation

Ms. Elsa, a SALT staff, guided our tour. The place name “Payatas” means “the promised place” in Tagalog.

Payatas dumpsite is a huge open pit-dumping site located northeast part of Metro Manila, where a large number of trucks dump garbage of Quezon City every day. It had been called Smoky Valley because of the cloud of smoke from the spontaneous combustion. The real name of the area is Lupang Pangako, Payatas B, Quezon City in Metro Manila.

People who are called Scavengers live just beside the dumping site. They sort out plastics, metals, bottles, etc, out of the garbage in terribly hot and smelly environment in order to sell them to the nearby junk shop.

About 40,000 people live in Payatas B, where SALT conducts supporting programmes. Many of the residents came to the area to search for jobs. Jobs in Payatas are limited to drivers of Jeepneys and bikes and construction workers, so only a few regular employment opportunities.

The SALT's Mission is to help the less privilege individuals and families to become self-reliant through participatory and humanitarian approach. To assist privileged people understand the real faces of poverty, its background and its root cause through facilitating their participation in support programmes and mutual



exchange activities.

The SALT's Vision is to empower young children and their parents to live with concern to their fellowmen and willingness to work for the progress of our society. It also envisioned to alleviate poverty to enable to raise their living conditions and realise their goals in life.

### **A visit to a memorial for the victims of an accident**

The accident in which garbage collapsed in the morning of 10<sup>th</sup> of July 2000 is remembered as one of the most devastating incidents at the Payatas dumpsite. 500 households were buried under the trash, and more than 300 people were killed or went missing in the disaster. Three students who were recipients of scholarship from SALT at that time also died. Families of the identified victims were paid 3,000 pesos by the municipal government, but there was no compensation for the other unidentified victims. The names of the identified victims are listed on the memorial. We offered flowers and prayed.



### **A visit to home of SALT scholars**

We visited the home of SALT's scholars and heard the background. And we met a lady and her son. She used to live in Manila but she preferred living in Payatas because it was more difficult to get job in Manila for her.

Her son has graduated from lower secondary school with SALT's support. Now he has a dream to be a police man in the future. We cheered his dream.

### **Livelihood Programme**

This programme is for those who want to upgrade their living by way of finding jobs alternative to scavenging. SALT provides chance to women to earn by making cross-stitch products. 20 beneficiaries are involved with Livelihood programme in Payatas.

This tour was good experience for us. We were able to go inside the houses of families living there and directly hear about their lives and views. We would not be able to have observed the lives of people unless we actually visited the houses of ordinary or less privileged citizens.





### iii. Department of Foreign Affairs

For those students who are interested to visit DFA within the study trip, DFA officials kindly shared their times for our group, eight members supervised by Professor Araki and four UST friends who accompanied with us.

After welcome remarks and introduction of DFA officials by Hon. Kadatupan P. Usop, the Executive Director of the Foreign Service Institute, the officials from the concerned departments gave us briefing on three specific fields; first, the training courses for young diplomats, second, the stance and strategy of DFA on Filipino migrant workers and finally, the maritime disputes in the South China Sea.



Firstly, Ms. Marichu C. Liwang, Head of Carlos P. Rolamo School of Diplomacy, briefly explained about Foreign Service Institute (FSI) and how young diplomats are trained in that institute. FSI was established on 9 December 1976 as the career development arm of the DFA. It was also tasked to provide training to personnel of the DFA and other government agencies assigned to Philippine Foreign Service posts. Since 1987, the FSI has been mandated to provide research assistance to the DFA and to participate in the Department's planning review process. The main visions of the Institute are:

- To upgrade the FSI personnel's capability in order in to be credible in everything they do;
- To train and develop with excellence the capabilities of its clients to their maximum potential through programmes attuned to changes in international relations and diplomacy;
- To influence substantially through its research output every foreign and security thrusts of the government.

The diplomats created by the Institute are experts by experience and academic training in their respective areas of specialisation or function who are totally committed to providing the best training and research output to the complete satisfaction of its clients.

Then, the briefing on the stance and strategy of DFA on Filipino Migrant Workers was followed. Ms. Anne Kristine D. Salvador, Principle Assistant of the Office of the Undersecretary for Migrant Workers Affairs, DFA, presented about the overview of the topic. Approximately 8.7 million overseas Filipino



workers in about 190 countries as the Philippines has long history of sending workers abroad paved way for the development of a highly organised process and sets of institutions to oversee migration. Remittances contribute to around US\$12 to 15 billion in annual revenue. Under Philippines system, protection of overseas migrant workers is prioritised as a key pillar of foreign policy. To this end, DFA works to optimise the number of Filipino workers channelled



through the system while ensuring adequate rights safeguards. The system operates under the assumption that the best way to protect workers' rights is to ensure skills development and appropriate job placement. Top performing licensed Filipino employment agencies are working to achieve this objective by building good relationships with destination country employers. For its part, the DFA exercises oversight over these relationships to help maximise benefits for workers and agencies alike.



The final and third presentation was about the maritime disputes in the South China Sea, which is a serious tension between six countries - China, Philippines, Viet Nam, Malaysia, Brunei and Indonesia, presented by Atty. Henry S. Bensurto, Jr., Secretary General of the Commission on Maritime and Ocean Affairs Secretariat, DFA. The interests of different nations include acquiring fishing areas around the two archipelagos, the potential exploitation of suspected crude oil and natural gas under the waters of various parts of the South China Sea, and the strategic control of important shipping lanes. After



several diplomatic efforts to resolve the dispute were failed, the Philippines government decided to bring the suit, against China, to a tribunal operating under the 1982 United Nations Convention on the Law of the Sea.

The participants from YNU got the chance to shoot several questions about their interests on the above mentioned presentations. The officials from DFA actively and perfectly contributed their comments regarding with the questions.

List of Participants	
YNU	UST
Prof. ARAKI, Ichiro	ABSALON, Frances
Lect. UDA, Naoko	BAYONA, Katherine
AMPO, Yumiko	FONTANILLA, Goldwin
Cao Duc Tien	LUIS, Lorraine
QIAO, Yuxiang	
XU, Lingzhe	
MEN, Ping	



#### **iv. Judicial Institutions**

Individual visits to the Supreme Court, Court of Appeals, and Department of Justice of the Republic of Philippines helped us to broaden the view on issues related with the roles of judiciary in developing countries and gave a chance to survey on the historical and contemporary aspects of the Philippines' judiciary. My expectation prior to the visit was slightly different. Because, telling the truth, I did not expect open discussion with the state officials from judiciary. I was pleasantly surprised with attorneys and judges working in aforementioned authorities who speak mind even on delicate matters: political influence on judiciary, salary level, lack of technical and material equipment, corruption, etc. In my consideration, such an extent of the openness in judiciary is important in itself and could be a good conductor of judiciary reform of any country.

In spite of entirely free mass media in the Kyrgyz Republic, unfortunately, we do not have the same level of the openness in the judiciary.

##### **A. Supreme Court of the Philippines**

Participants: From YNU: Delegate students Mr. Melis Tagaev and Mr. Thant Zin Win, university staff Suto san; from UST: Miss Kate Rigor and Mrs. Urica Destreza-Alcarde.

On January 30th 2013, our delegation participated in a fruitful morning session in the Supreme Court of the Philippines. We firstly were welcomed by the staff of the Public Information Office of the Supreme Court and then we met with Mr. Solomon F. Lumba, Chief Staff of the Chief Justice Office and his good skilful team he brought to our meeting. In the beginning of our session we saw a good presentation on the development of the Supreme Court of the Philippines from 1901 when the birth of the Supreme Court was marked. After a short video presentation, we started Q&A Session.

All our questions in Q&A Session were concerned with practical side or work of the Supreme Court as both Zhant Zin Win and myself are working in the judiciary in our respective countries, Myanmar and Kyrgyz Republic. Through this session and thanks to open and friendly discussion we could better understand the role of the Supreme Court in the development of the contemporary Philippines.



**Session in the Supreme Court of the Philippines**

Amongst many subjects we also discussed what kind of problems judges have in their everyday work and what kind of political influence takes place in formation of judiciary. Surprisingly, I found much similarity between the court systems of the Philippines and my home country, the Kyrgyz Republic. As in my home country, courts in the Philippines, especially in rural areas, still suffer from lack of financial and material provision: sometimes judges in the Philippines, like in my home country, need to buy paper and other stationery on their own expenses not waiting the adequate provision from

the Government, some courts have to work in old and hazardous facilities. The average salary is not high, but it is slowly getting higher. About as complete as in the Kyrgyz Republic, formation of the judiciary in the Philippines sometimes might depend on political issues.

Another interesting finding was the “Justice on Wheels” Project (JOW). Because of its geographical feature and poverty level in rural areas, in the Philippines, accessibility to justice by the poor remains a problem. One of the recommendations to address it was the creation of special courts for the poor people. Using the experience of Guatemala, the Supreme Court of the Philippines introduced the new system of bringing justice to the grassroots through the Mobile Court System (Mobile courts on the buses) as a means to bring justice closer to the poor, by providing a fast and free resolution of conflicts through conciliation, mediation or adjudication.

According to international donors, in the Kyrgyz Republic the situation with accessibility to justice is slightly better than in the Philippines, but during the presidential or parliament election our citizens may not always enjoy good access to justice and fast resolution of their elective disputes. So for such kind of cases study of JOW Project might be significant for the Supreme Court of the Kyrgyz Republic.

Another major finding was the efforts of the Supreme Court of the Philippines to address the case congestion problem. According to our Session, case congestion is the biggest problem of the judiciary of the Philippines. In 2012 more than 600,000 cases were considered by the courts. Of course, with limited number of judges consideration of such a huge number of cases seems to be very difficult and time consuming. In jails many people are waiting their turn for justice for years.

To solve this problem, the adoption of a computerised case management system (CMS) from first level courts to the Supreme Court was proposed. This project will allow the Chief Justice, presiding justices, the court administrator and the deputy court administrators to monitor real-time the caseload, aging, and the rate of disposition of cases of any judge or justice. Similar to the Philippines, Kyrgyz courts also suffer from the case congestion. Because we have less than 400 judges for 5,2 million people and number of all cases was doubled in last 4-5 years. So I suppose we might need to introduce such a computer system in near future.



**JOW Projects of the Supreme Court**



## **B. Court of Appeals**

Participants: From YNU: Delegate students Mr. Melis Tagaev and Mr. Thant Zin Win, university staff Suto san; from UST: Miss Kate Rigor and Ms. Urica Destreza-Alcarde. Former JDS Student: Ms. Singson Trina.

On the same day after fruitful session in the Supreme Court of the Philippines we had delicious lunch in Max's in big mall with UST friends Kate and Uri. Then after lunch time we visited the Court of Appeals of the Philippines (its building located next to the Supreme Court with the common gates).

Associate Justice, Hon. Amy C. Lazaro-Javier who welcomed our delegation in the second place of our personal visit introduced a wonderful presentation about Court of Appeals of the Philippines and explained the realities of their judicial work.

According to the presentation, the Court of Appeals was organized in 1936, initially composed of a Presiding Judge and 10 Appellate Judges. In 1945, due to political conditions, the Court was abolished by President, but soon after restoration of the democratic processes in the country in 1946 court was recreated with a Presiding Justice and fourteen Associate Justices. Since then the number of Justices has continuously been raising and now it is 69 Justices in Court of Appeals of the Philippines.

The Court of Appeals now reviews not only the decisions and orders of the Regional Trial Courts nationwide but also those of the Court of Tax Appeals, as well as the awards, judgments, final orders or resolutions of, or authorised by Quasi-Judicial Agencies exercising quasi-judicial functions. In its 65 years of experience, sixty-eight justices were promoted to the Supreme Court and six of them became Chief Justice. Such a historical understanding of the Court of Appeals was essential for me since the court system of the Kyrgyz Republic has a different "threefold structure" with separate appeal courts in each district and capital city Bishkek. We do not have nationwide appeal court with the exception of Military Court which might review all civil and criminal cases considered by local garrison military tribunals. Such a difference came from the fact that the legal system of the Philippines, as contrasted with the Kyrgyz Republic, refers to the mixed legal system.



**Session in the Court of Appeals**

Aside from historical aspects, Justice Javier explained us contemporary place of the Court of Appeals in the judiciary, its jurisdiction and composition. She also presented the order of appointment of justices, the features and order of precedence of Justices in the Court. The process of adjudication seems more difficult in comparison with those courts of the countries belonging to the civil law system.

In order to fulfil and promote CMS Project introduced by the Chief Justice, the Court of Appeals adopted a computerised case management system, which was widely acknowledged as a success (its aim has to be "zero backlog", as Justice Javier explained). This is very good achievement to study

with the possibility of its using in Kyrgyz courts. In the latter part of the session we learnt about mediation process, domestic and international arbitration cases (with famous cases introduced).

We are much obliged to Justice Javier and her assistants, Attorneys Mr. Lloyd Nicholas D. Vergara and Renee Stephanie B. Tiongson for the good (almost official) level of assistance and kindness.

Thanks to Justice Javier and Mr. Lloyd, we were also welcomed to see facilities of the Court of Appeals and court rooms and offices of the Justices and workers of the court. After this session we could get “practical picture” of the conditions judges carry out their work in the Philippines.

I strongly believe that our sessions in aforementioned judicial authorities were very useful for our studying, as well as for our future career. It also helped us to establish professional contacts with professionals working in above mentioned authorities. I would like to thank Kabashima sensei, Suto san, Kate and Uri for their priceless help and Professor Tiu for setting individual meetings, and all of our UST friends for making our trip unforgettable and successful.

### C. Department of Justice

We got the chance to visit DOJ, the Department of Justice, and the official concerns are warmly welcome us. Firstly, they gave a brief presentation on the background and responsibility of DOJ and mentioned about the agencies under the DOJ. The DOJ pursues its mandate through its 10 agencies: Bureau of Corrections (BuCor), Bureau of Immigration (BI), National Bureau of Investigation (NBI), Parole and Probation Administration (PPA), Presidential Commission on Good Government (PCGG), Public Attorney’s Office (PAO), Office for Alternative Dispute Resolution (OADR), Office of the Government Corporate Counsel (OGCC), Office of the Solicitor General (OSG), and Land Registration Authority (LRA).

These agencies serve with the important duties of the Philippines and there have other special programmes and projects under DOJ, such as, witness protection security programme, victim compensation programme, anti-trafficking in persons campaign, child protection programme, presidential human rights committee, DOJ academy, and DOJ refugee processing unit.

The DOJ is the executive department of the Philippines Government responsible for upholding the rule of law in the Philippines. It is the government’s principal law agency, serving as its legal counsel and prosecution arm. The department is led by the Secretary of Justice, nominated by the President of the Philippines and confirmed by the Commission on Appointments. The Secretary is a member of the Cabinet.

After the presentation, we asked the detail facts about some agencies under DOJ through the question and answer section. And then we discussed about present legal reform of the Philippines, the role of DOJ when the Philippines enters into international treaties, how DOJ provides for alternative dispute resolutions especially in arbitration. We also learnt about the legislative power of the Philippines and the importance of legal advice from DOJ in the process of enacting a new law.

The DOJ is an essential department for the Philippines that composed of ten important agencies. They can serve several functions of legal affairs that can generate legislative mechanism.

## v. Agricultural Organisations

I would like to first thank Professor Tiu for organising my visits to Department of Agriculture (DA), National Irrigation Administration (NIA), National Food Authority (NFA), and PhilRice in Nueva Ecija. Without his generous and kind assistance, visits to those organisations would not be possible. In addition, I also would like to thank Mr. Francis Lawrence de Jesus who kindly accompanied my visits to DA, NIA, and NFA on 30<sup>th</sup> of January. Francis also kindly took me and guided me around Quezon City and surrounding areas. Finally, my gratitude also extends to Mr. Rhonel Cajustin and Miss Janel Divinagracia whom accompanied me to PhilRice which is located in Nueva Ecija.

Appointments to DA, NIA, and NFA were scheduled on the same day, 30<sup>th</sup> of January 2013. Appointment at DA was scheduled at 9:30am, NIA was 13:30, and then NFA was at 16:00. Here are the summaries of each organisation.

### A. Department of Agriculture

My first visit was Department of Agriculture (DA) which is located in Quezon City. DA is the principal organisation of the Philippines that is responsible for the promotion of both agricultural and fisheries development and growth. In other words, DA is the main governmental body which deals with agricultural matters in general, and NIA, NFA, and PhilRice are the attached agencies under the umbrella of DA. The mission envisioned by DA is to increase the income of farmers and fisherfolk that will contribute to the achievement of the national goals of alleviation of poverty, generation of productive opportunities, fostering social justice and equity, and promotion of sustainable economic growth. DA also envisions guaranteeing food security by creating prosperous rural communities that are built on profitable farms.

DA launched a new programme what is so-called Food Staples Sufficiency Program (FSSP) in 2011 that will continue until 2016. FSSP predominantly aims to promote self-sufficiency in food staples, including rice, white corn, root crops, and plantain. FSSP contends to achieve self-sufficiency by prioritising productivity growth and boosting production, thereby improving access to affordable staples. In addition, FSSP sets up the target that is to produce sufficient domestic requirement by 2013, and beyond 2013 is to strengthen national resilience in production of food staples to impact of climate change.

Dr. Santiago Obien, Senior Technical Adviser of National Rice Program, emphasised the current achievement of the FSSP. According to Dr. Obien, in 2012 Philippines produced almost 18.46 million metric tonnes of palay, increased from 15.77 million metric tonnes in 2010. Increased amount of production partially stems from the increased area of harvest, that while the area of harvest of palay was 4.35 million hectares in 2010, the area has increased to 4.58 million hectares in 2012. Increased amount of production and increased area of harvest, these are exactly the opposite of the recent Japanese experience where both production quantity and paddy fields have been experiencing contraction. Dr. Obien also



explained that the improvement in the yield also contributed to the increased amount of production.

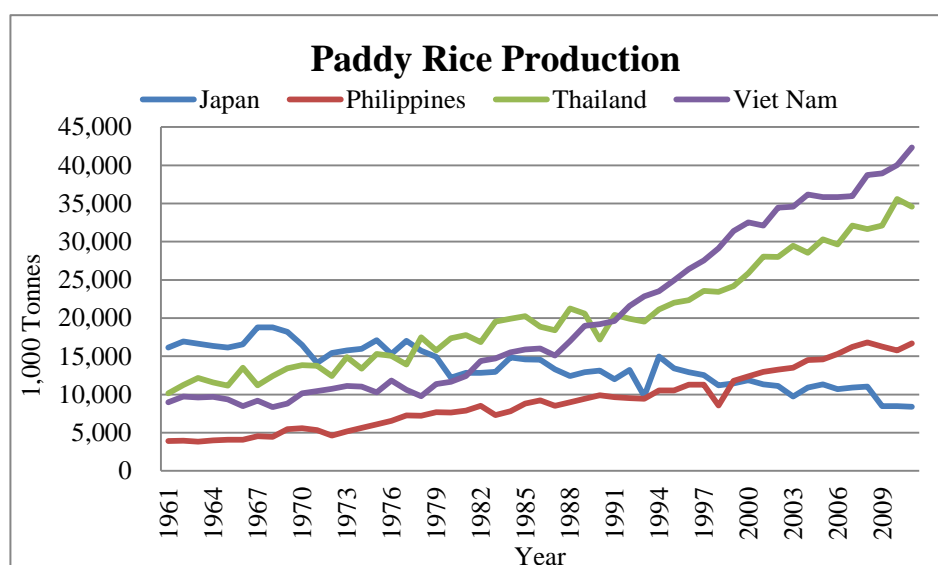
In 2012, the yield of palay per hectare was 4.03 metric tonnes for all ecosystems. However, yield differs significantly between irrigated and non-irrigated ecosystems. Irrigated ecosystem recorded the yield of 4.46 metric tonnes per hectare while non-irrigated ecosystem could produce only 2.95 metric tonnes per hectare in 2012. As will be summarised in the section on NIA, improvement of the non-irrigated ecosystem and the development of the irrigation system is one of the urgent tasks for the Philippines to produce sufficient quantity of staples for domestic requirement.

Dr. Obien enthusiastically explained the recent achievement of the staple production in the Philippines. Dr. Obien continued to explain the FSSP strategies, and according to which, there are four pillars for FSSP. These four pillars are: raise productivity and competitiveness of farmers; enhance economic incentives and enabling mechanisms; manage food staples consumption; and, strengthen programme management.

Dr. Obien stressed the irrigation system development for the productivity and competitiveness enhancement. The FSSP pursues generation, rehabilitation, restoration, and modernisation of irrigation systems. As mentioned above, the production quantity of palay in the Philippines has been increasing in recent years however, the yield per hectares differs significantly between irrigated and non-irrigated ecosystems. One of the tasks for the Philippines is to improve the productivity in the non-irrigated ecosystems that can be achieved by creating well-functional irrigation systems. The FSSP points out irrigation as one of the most prior strategies to enhance productivity and competitiveness. In particular, the FFSP prioritises rehabilitation and restoration of existing facilities, and construct new irrigation systems. Furthermore, under the irrigation maintenance strategy, the FSSP insists to maximise small scale irrigation systems. In general, the FSSP pursues to create and maintain well-designed irrigation system for various sizes of farms in order to boost overall productivity as well as yield per hectare.

The reason behind Philippines' heavy emphasis on productivity stems from its lagged development compared to its neighbouring countries particularly Thailand and Viet Nam. While both Thailand and Viet Nam gradually increased their productivity and expand their export ability, the Philippines lags behind of fast rice development of neighbouring countries. Graph 1 demonstrates the development of rice production in Japan, Philippines, Thailand, and Viet Nam. Japan is the country where the level of production is continuously decreasing, while three Southeast Asian countries progressively increasing the level of production since 1961. Particularly Viet Nam where it produced barely 9 million tonnes in

1961, the amount of production recorded 42 million tonnes in 2011, more than quadrupled compared to 1961 production. Along with Viet Nam, Thailand significantly increased the amount of production between 1961 and 2011. On the other hand, even though the amount of rice production has almost

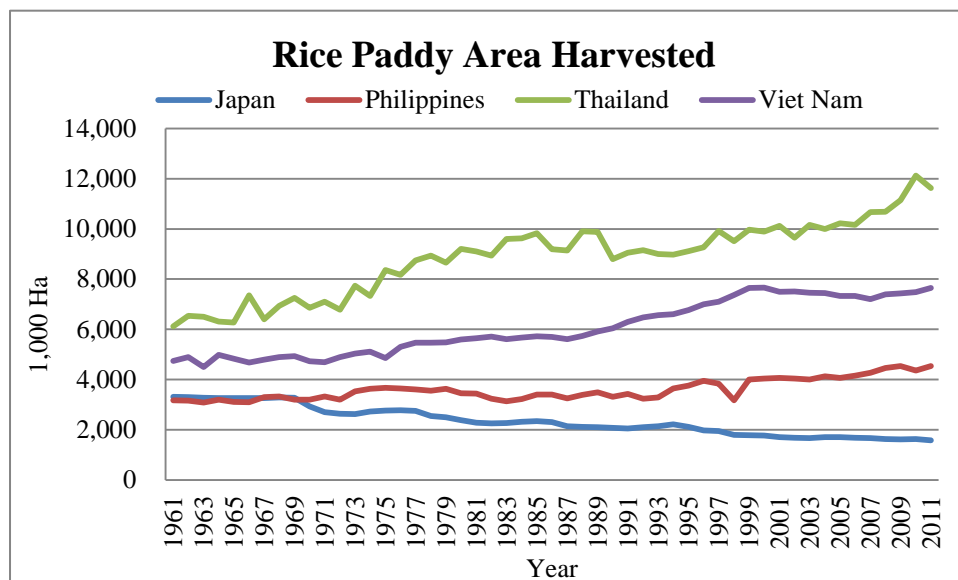


Graph 1 (Source: FAO Statistics)



quadrupled between 1961 and 2011, the Philippines produces significantly lesser amount of rice compared to Viet Nam and Thailand. In 1961 Philippines produced approximately 4 million tonnes of rice. The amount has recorded roughly 16.7 million tonnes in 2011, and the FSSP projects to produce approximately 22.7 million tonnes in 2016.

One of the crucial factors which hinder the Philippines to boost the amount of production is the limited available land for rice and staple production. Graph 2 represents the shift of rice paddy harvested area since 1961 between Japan, Philippines, Thailand, and Viet Nam. Once again Japan is experiencing the contraction in the rice paddy area while other three countries are expanding the area of rice production. Even though the area of rice production in the Philippines show the expanding trend since 1961, its enlargement is not as significant as Thailand and Viet Nam. Between 1961 and 2011, Thailand expanded its rice paddy area by 5.5 million hectares, from 6.1 million hectares in 1961 to 11.6 million hectares in 2011. For Viet Nam, it had approximately 4.7 million hectares of rice paddy in



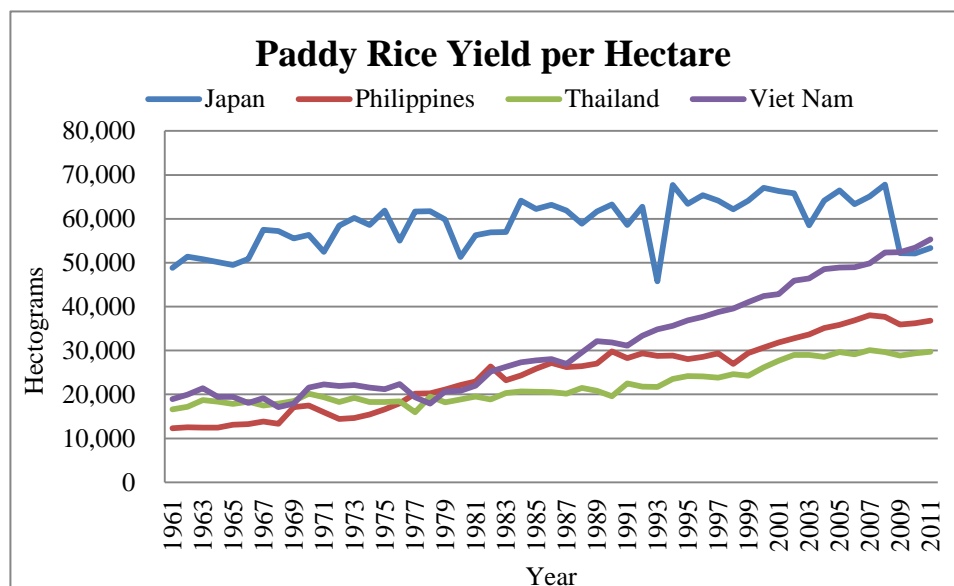
Graph 2 (Source: FAO Statistics)

7.7 million hectares in 2011, thus not as significant as Thailand though, Viet Nam also succeeded in expanding rice paddy areas between 1961 and 2011.

For the case of the Philippines, it had approximately 3.2 million hectares of rice paddy field, almost equivalent area to that of Japan. While the rice paddy area in Japan started to decline in the 1970s, in contrary that of the Philippines started to expand during the 1970s. Rice paddy area in the Philippines continued to expand however with a narrower speed than Thailand and Viet Nam. In 2011, the area of rice paddy in the Philippines was 4.5 million hectares, increased barely by 1.4 million hectares compared to 1961. According to the explanation of Dr. Obien, one of the fundamental disadvantages faced in the Philippines is its territorial feature that the Philippines is an island country shaped by the mountains. The territorial and geographical features of the Philippines overlap with those of Japan where the agricultural production is often been managed in severe mountainous areas. With the limited available land for agricultural and rice or staple production in the Philippines, the FSSP prioritises the irrigation system development to boost production from individual rice paddy. In other words, improvement in the yield per hectares is a more feasible strategy that the Philippines may implement.

Graph 3 demonstrates the shift of rice yield per hectare in four countries. Unlikely to graphs 1 and 2, the Philippines has been showing strenuous efforts in the rice yield. In fact, in 1961 Philippines could produce only 12,299 hectograms of rice from 1 hectare of rice paddy, which was less than 16,585 hectograms of Thailand and 18,966 hectograms of Viet Nam. It was 1977 when the Philippines' rice yield per hectare surpassed both of Thailand and Viet Nam. In 1977, Philippines recorded 20,142

hectograms of rice production from 1 hectare of rice paddy, while that of Thailand and Viet Nam was 15,910 and 19,378 hectograms, respectively. Since 1977, Philippines' rice yield per hectare has always been exceeding that of Thailand. However, while the Philippines and Viet Nam recorded almost equivalent yield per



Graph 3 (Source: FAO Statistics)

hectare between 1977 and 1987, Viet Nam accelerated the productivity from the 1990s while the Philippines moderately continued to increase the yield. In 2011, Viet Nam recorded the yield of 55,322 hectograms of rice per hectare that was more than the yield of Japan, 53,312 hectograms. In the same year, Philippines' rice yield was 36,776 hectograms per hectare of rice paddy.

One of the principal factors that the Philippines face is the regional imbalance in the productivity. Table 1 shows the level of yield in different regions in the Philippines. In 2011, the average yield in the Philippines according to DA was 3.78 metric tonnes per hectare. However, regional dispersion is explicitly shown in table 1. For example, in 2011 while region 3 recorded the yield of 4.65 metric tonnes per hectares, region 7 only recorded 2.70 metric tonnes. Along with region 3, regions 2 and 11 recorded above 4 metric tonnes of yield per hectares, thus these three regions are the leading regions for the Philippines' rice farming. On the other hand, most of other regions recorded below the average yield of 3.78 metric tonnes per hectare. Particularly, along with region 7, region 13 and ARMM are *inter alia* regions where struggling to enhance yield of rice.

DA and the FSSP set up the target level of yield for next five years, until 2016, and according to which, by 2016 Philippines insists to attain average rice yield of 4.53 metric tonnes per hectare. By 2016, region 3 is expected to produce 5.26 metric tonnes of rice from 1 hectare of paddy field, and region 11 is also expected to produce above 5 metric tonnes. In addition, by 2016 most of the regions are expected to produce above 4 metric tonnes of rice from 1 hectare of land. However, regions 7 and 13 as well as ARMM are the three regions where still face lower yield compared to other regions. The FSSP sets up the target yield for regions 7, 13, and the ARMM at 3.35, 3.88, and 3.57 metric tonnes per hectares, which, except region 13, are lower than the country average of 2011.

Once again, with the limited available land in the Philippines,

Region	2011	2016
CAR	3.80	4.71
1	3.77	4.14
2	4.27	4.91
3	4.65	5.26
4a	3.65	4.78
4b	3.42	4.46
5	3.61	4.29
6	3.37	4.37
7	2.70	3.35
8	3.50	4.35
9	3.74	4.61
10	3.98	4.85
11	4.21	5.00
12	3.51	4.38
13	3.12	3.88
ARMM	2.84	3.57
Philippines	3.78	4.53

Table 1 (Unit = metric tonnes per hectares, source: DA)

improvement in the yield of each rice paddy is the urgent but also quick task for the Philippines to enhance the amount of production. By putting the irrigation system maintenance as one of the prior tasks under the FSSP and the plan for next five years, it can explicitly observe that Philippines puts heavy emphasis on production boosting strategy. Along with the irrigation system, the FSSP insists to ameliorate the opportunity accessing to quality seeds and integrated crop management. In conjunction with the research and development (R&D) strategy of the FSSP, proliferation of the high quality and hybrid seeds can be considered as the prerequisite to improve the yield from individual rice paddy.

Irrigation systems, quality seeds, and R&D are not the only strategy which the FSSP pursues to enhance productivity and competitiveness of the Philippine rice and staple production, but FSSP also insists to promote mechanisation of farm operation, extension of farms, growth in rainfed areas and upland rice farming as the key sectors to achieve the target goal of self-sufficiency in food staples. As explained above, the yield of rice differs significantly in different region. The lower yield per hectare in some regions predominantly stems from the disadvantageous geographical situation compared to other regions, that the landscape difference has become the natural impediment factor to boost the yield. In order to equalise the impact of geographical features, the FSSP aims to promote strengthened growth in rainfed areas as well as upland rice farming areas. By stipulating the strategies to promote growth in these areas, the FSSP aims to enhance overall productivity of rice and staple, thus improve the self-sufficiency of staple foods.

While the FSSP donates and put extra emphasis on productivity and competitiveness enhancement, it also contends to strengthen the mechanisms that aim to encourage farmers to boost production by providing adequate economic incentives and improving access to credit and crop insurance. It sees that price support, procurement, distribution, and trade policy as the strong incentives to rice producers to adopt new technologies. Furthermore, increased access to credit and crop insurance that effectively direct at farmers' needs will enable farmers to take advantage of improved economic opportunities and manage risks.

The FSSP is a comprehensive set of strategies that does not only entail producer and supply side, but it also calls for the intervention in the consumer affairs. It involves in the consumer affairs to ease the pressure on rice production by encouraging the consumption of unpolished rice and waste reduction. The FFSP encourages the consumption of non-rice staples including white corn, kamoteng kahoy, kamote, and saba. However, encouragement of consumption must be complemented with the increased production of these staples. Raise the yield and expansion of harvest areas of non-rice staple production is one of the keys to address food security at the household level. On the other hand, promotion of diversified consumption of staple aims to enhance the awareness of the health, nutritional, and economic advantages for consumers.

Moreover, the FSSP briefly organises the plan for the reduction of food wastage. The 2008 National Nutrition Survey of the Food and Nutrition Research Institute determined that table wastes amount of 9 grams per day of milled rice. By multiplying that amount with the country's population, the survey also determined the annual wastage of 300,000 metric tonnes of rice which was enough to feed 2.6 million Filipinos for one whole year. The FSSP contends to conduct an advocacy campaign to encourage



responsible consumption of rice. In fact, in its report titled “Global Food Losses and Food Waste”, FAO considers that food losses have a direct and negative impact on the income of both farmers and consumers, and a reduction in food losses could have an immediate and significant impact on the livelihood of people particularly who live on the margins of food insecurity (FAO, 2011). Furthermore, according to FAO, in low income countries food is mostly lost during the production to processing stages of the food supply chain while the food in developed countries is more or less thrown away (FAO, 2011). In industrialised countries one of the fundamental causes for food losses is the over production compared to demand because farmers sometimes make production plans that fulfils sufficient amount to meet demand that quite often end-up producing larger quantity than actually needed. On the other hand, in developing countries, food often gets lost due to premature harvesting.

In case of the Philippines, and in case of rice, at the moment it is importing approximately 2.4 metric tonnes. Reliance on the import led the Philippines to boost productivity of staples. However, at the same, the FSSP encourages responsible consumption of rice in order to reduce the amount of losses. While the FSSP aims to enhance the productivity of rice and staple, it also calls for the consumer behaviours on the staple consumption. The promotion of responsible consumption of rice and such kind of domestic plan is basic but important action in order to reduce the avoidable food losses and improve the self-sufficiency of staples.

Finally, FSSP allocates specific roles and tasks each relevant agricultural organisation take in order to accomplish the aim of the FSSP. Table 2 below summarises the budget allocations for top 10 departments in the Philippines. From this table, DA places itself on the fifth rank in terms of budget allocation. In 2013, the Government of the Philippines proposed 2,006 billion PhP National Budget for 2013, up from 1,816 billion PhP of 2012. The DA budget of 61.4 billion PhP in 2012 composed approximately 3.38 percent of national budget. In 2013, DA proposed the budget of 74.1 billion PhP, increased almost by 20.7 percent from previous year, which composes roughly 3.69 percent of national budget. Compared to other department, the increased proposed amount of 2013 budget for DA is moderate that in general each department attained similar width of budget increase.

In general, during my visit to DA, Dr. Obien thoroughly explained the recent trend of the Philippines agricultural development in particular rice. His enthusiastic talks on rice and food self-sufficiency issue in the Philippines, unlikely to my expectation, revealed the Philippines’ issue on food security that the Philippines is also suffering from the low level, though higher than Japan, of staple self-sufficiency rate and relying on the import to supply adequate amount for domestic demand. The FSSP aims to boost productivity by enhancing the yield while at the same time it also insists to promote and develop consumer’s awareness of the staple consumption. Moreover, Philippines’ territorial features overlap with those of Japan where the available land is quite often limited to create large scale farms. In this kind of situation, improvement in the yield is the urgent and quick task to boost

Particulars	2012 Programme	2013 Proposed	Growth
	Level	Level	
	(PhP Billion)	(PhP Billion)	
DepEd	238.8	292.7	22.6
DPWH	126.4	152.9	21.1
DND	108.1	121.6	12.5
DILG	99.8	121.1	21.3
DA	61.4	74.1	20.7
DOH	45.8	56.8	24
DSWD	48.8	56.2	15.2
DOTC	34.7	37.1	6.9
DOF	23.6	33.2	40.7
DENR	17.5	23.7	35.4

Table 2 Budget allocation for programmes (Source: Official Gazette)



productivity. In addition, the introduction of suitable machineries is desired to promote efficient agricultural activities.

In sum at DA, Dr. Obien thoroughly explained the overall framework of the tasks of DA. Once again I would like to Dr. Obien to spare his time for my personal visit to DA. After I attained the overall tasks of DA, my next destination was the National Irrigation Administration (NIA), which was located approximately 10 minutes from the DA.



## **B. National Irrigation Administration**

NIA is a government-owned and controlled corporation which was established in 1963 under the Republic Act (RA) 3601 on June 22 1963 by detaching the irrigation division of the Bureau of Public Works. Currently NIA is an attached corporation to the DA. As of September 2012, there are total of 6094 personnel belonging to NIA.

Since NIA is a government-owned and controlled corporation, its mission directly follows the governmental guidelines. That is to say, the mission of NIA is the development and management of water resources for irrigation and provision of necessary services on a sustainable basis in accordance with the agricultural development programmes of the government. NIA also forms partnerships with the farmers and Local Governmental Unit (LGU) to provide adequate level of irrigation service. NIA further intends to support economic and social growth in the rural areas through irrigation development and management. Finally, as NIA takes the form of corporation, it insists to serve as a viable corporation and service-oriented agency.

The functions of NIA cover wide-range of activities that quite often collaborate with other governmental departments. For example, while NIA collaborates with DA and Department of Public Works and Highway (DPWH) for construction and repair/ rehabilitation of service and access roads, it also works with Department of Agrarian Reform (DAR) for irrigation support to agrarian reform communities. NIA also collaborates with Department of Health (DOH) for schistosomiasis control while it also works with Department of Energy and Natural Resources (DENR) for watershed protection projects. However, as the corporative name indicates, NIA's main function deals with general irrigation services and facilities.



Most fundamentally, NIA involves with the irrigation project preparation. Irrigation project preparation includes the identification, investigations, plan formulation, feasibility studies, project packaging, and detailed engineering of the proposed projects. It inevitably refers to the initial stage of the project operation. After the NIA gives an affirmative response to the project preparation stage, then it shifts to the implementation of the project. Under the implementation of irrigation project, it

predominantly conducts four main tasks. First of which is scheme of development. Scheme of development considers three different types of projects: diversion, storage or reservoir, or pump projects. Diversion projects entail drawing of water under controlled condition directly from the flow of rivers or streams. Reservoir projects involve the construction of dams to impound water to be released as needed. The third scheme of development, pump projects, entails lifting of water from underground or from rivers, streams, or lakes. In general, scheme of development identifies the most suitable water resource system for the irrigation management.



MARIIS Dam (Source: NIA)

Each scheme of development further classifies into three different types: single purpose, multipurpose, or irrigation packages. While single purpose type of project is solely for irrigation, multipurpose projects involve other components along with irrigation, such as hydropower generation, fishery, domestic water supply, flood control, recreation, and tourism. Multipurpose projects inevitably involve the collaborative works with other agencies as, for example, tourism is the out of scope of the function of NIA. While single purpose and multipurpose projects concentrate on one location of project, irrigation packages involves the investment in multiple locations to implement two or more projects. Irrigation packages may also combine generation of new areas and rehabilitation and restoration of already existed irrigation systems.

Implementation of irrigation project also involves the component of activities, predominantly divided into generation, rehabilitation, or restoration. Generation, rehabilitation, and restoration of irrigation systems, these three are already explained above that in order to raise productivity of crops, these three components of irrigation maintenance serve as the key to achieve the goals of the FSSP. NIA regularly considers such kind of components upon the initiation of the project and choose the most appropriate component in accordance with the necessity.

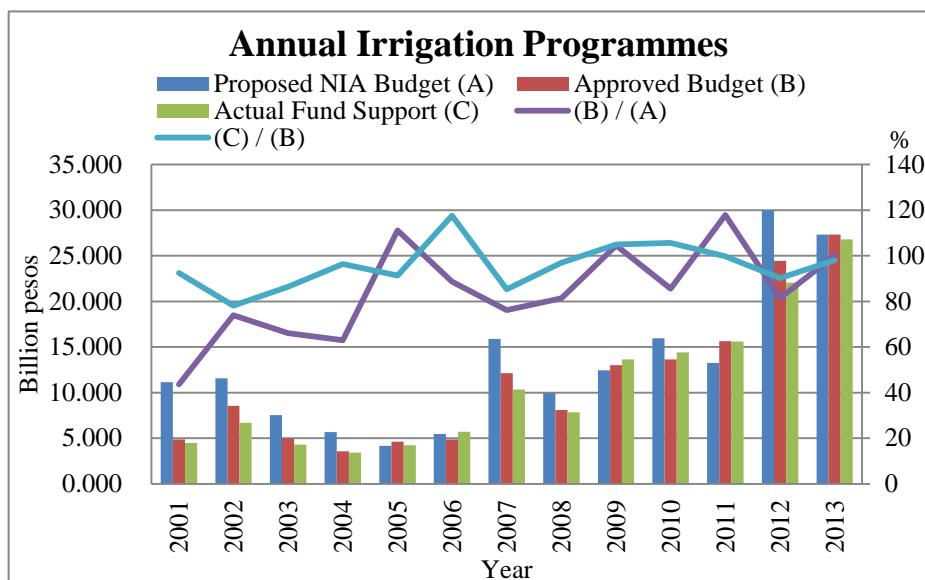
Finally, implementation of irrigation project determines the category of systems, either national or communal.

National Irrigation System (NIS) is the irrigation system with an area of more than 1000 hectares and NIA directly involves the construction, operation, and management of the irrigation. On the other hand, Communal Irrigation System (CIS) has an area generally less than 1000 hectares, and constructed by NIA with the farmers' participation. Once the

	National	Communal
Area	> 1,000 ha	< 1,000 ha
Implementation	NIA with farmer's participation	NIA with farmer's participation
Operation & Maintenance	NIA & IA	IA
Water Charges	Farmers pay ISF per ha/ crop/ season	Farmers pay amortization

Table 3 NIS and CIS (Source: NIA)

system is constructed, management of the system will be hand over to the Irrigators Association (IA). Bigger project size of NIS is dealt by NIA and also IA for operation and maintenance of the irrigation while the CIS is handled by IA alone. Moreover, in NIS farmers pay Irrigation Service Fee (ISF) in accordance with the acreage, crop, or seasons while in CIS farmers pay amortization.



Graph 4 (Source: NIA)

Thus, implementation of irrigation project is planned with the right scheme in the right type with the right activities and the right category of the systems. According to NIA, irrigation development ratio is 55.19 percent in the Philippines. In total of approximately 3.1 million hectares of potential irrigable area, only 1.7

million hectares has been irrigated. In conjunction with the FSSP, NIA puts heavy emphasis to promote irrigation facilities in recent years.

NIA's presence in the Philippines' irrigation system development is explicitly becoming more apparent in recent years. Graph 4 clearly shows the increasing trend of the NIA budget in recent years. More important, NIA's proposed budget has been attaining high approval in recent times. For example, in 2001, only 4.858 billion PhP, 44 percent, was approved out of the proposed budget of 11.137 billion PhP. However, the approval ratio is clearly improving over the last decade that in 2011, the NIA actually attained higher amount of budget than what it proposed. In terms of absolute value, in 2012 NIA proposed 30 billion PhP, almost tripled from the proposed budget in 2001, and out of that 30 billion PhP NIA got approved 24.458 billion PhP, nearly five-fold of the approved budget in 2001. Even though the proposed budget in 2013 is slightly lower than the previous year, the approved budget is higher than 2012.

The initiation of the FSSP brought the favourable situation for the NIA to capture higher amount of budget as well as higher value of approval. Under the slogan of "*Ang gusto nating mangyari: Una, hindi na tayo aangkat ng hindi kailangan. Ikalawa, ayaw na nating umasa sa pag-aangkat. Ang isasaing ni Juan dela Cruz dito ipupunla, dito aanihin, dito bibilhin*", Philippines has now moving towards to build a hunger-free nation. Recent increase in the budget of NIA clearly reflects Philippines' high priority on the irrigation development to boost productivity. Without the coherent national direction, such dramatic increase in the NIA budget would not be possible. But the FSSP surely



Farmers' participation (Source: NIA)

enhances the voice of the NIA and accelerate the construction of irrigation systems.

As year 2013 is selected as the National Year of Rice, introduction of irrigation system in non-irrigated area must be pursued in order to guarantee production enhancement in the up-coming years. This is because the construction of heavy infrastructure, such as dams and drainage



systems, cannot be accomplished in overnight, but as the NIA projects take number of steps, irrigation system development may take several years until one project finish, and may take several more years to observe the effect of irrigation systems.

Overall, at the NIA, it was inevitable that the corporation itself was overwhelmed with the vigour to fully utilise the tailwind that the NIA enjoys in recent years. NIA bears a significant responsibility under the FSSP as the FSSP prioritises and focuses on the irrigation development to enhance productivity and raise staple self-sufficiency. Recent increase of the budget allocation for irrigation development expresses the nation's expectation on the roles NIA takes in the short- to medium-term perspectives. Within the total agricultural budget of 74.1 billion PhP, NIA and irrigation services attained 27.3 billion PhP, which consists almost 36.8 percent of total budget of agricultural development. Indeed, construction of hard infrastructure requires a larger amount of monetary means compared to grass-root programmes such as responsible rice consumption advocacy.

In sum of NIA visit, I would like to thank Atty. Genever M. Dionio and Ms Angelina P. Angeles to coordinate my visit and arranged the schedule. I also would like to thank all NIA staff members who generously spared their time to attend the meeting. The numbers of staffs were beyond my expectation. While my morning visit to DA established the fundamental aspects of Philippines' agricultural and rice strategies, afternoon visit to NIA encompassed the specific and detailed aspects of the agricultural development from the infrastructural and irrigation aspects. The introduction of the FSSP certainly focuses on the irrigation development and as a consequence, it is expected to accelerate the construction of irrigation for at least next few years.



### C. National Food Authority

While the visit to NIA was focused on the hard dimension of the agricultural programmes, the last visit of the day to National Food Agency (NFA) was arranged to understand the Philippines' agricultural strategies in a soft dimension. As Quezon City is a mecca of agricultural organisations, NFA was located just around the corner from DA, and the street was occupied with various attached agencies and organisations of DA.

NFA was established in 1972 under the name of National Grains Authority (NGA) with the fundamental mission of the promotion of integrated growth and development of the grains industries including rice, corn, feed grains and sorghum. The establishment of NFA resulted in a centralisation of rice matters because then-Rice and Corn Board (RICOB) and the Rice and Corn Administration (RCA) had been incorporated into newly created NGA, and continued respected tasks under the new

agency. It was 1981 when the NGA changed its name to NFA. NFA has a wider mandate than the NGA that now NFA deals not only deals with grains, but also non-grains commodities such as raw or fresh fruits, vegetables, and fisheries products as well as manufactured, processed, and packaged food products.



During the very last era of the NGA, Philippines became one of the rice exporting countries though only limited times of between 1977 and 1981. Reliance on the import and the growing concern on the food security and domestic production, NFA is now vested the functions to ensure the food security of the country and the stable supply and price of the staples, in particular rice. The roles of NFA include procurement of paddy, buffer stocking, processing activities, and distribution and marketing of the staple grains to various markets. Thus, while the NIA is the agency that supports hard systems of the agricultural sector, the NFA supports the agricultural sector from the soft dimensions that often involve the grass-root activities. In addition, one of the distinctive characteristics of the NFA is that it also has the mandate of consumer protection.

NFA involves in the selling of products from farmers and agricultural organisations. NFA buys the products at the government support price in order to ensure market to accommodate farmers' supply and enable farmers to gain reasonable return for their production investment. Table 4 shows NFA's selling price of different types of rice. NFA categorises the rice in accordance with the process and quality, and put different price for different rice. As table 4 indicates, NFA sells higher quality rice with a higher price. One characteristic of Philippines' rice selling by NFA is that a consumer is also eligible to purchase rice directly from the NFA. While the collectivised rice selling system of the Philippines may lack the freedom to buy rice, consumers can directly request the NFA when they insist to purchase the rice. In addition, it might be true that since NFA categorises rice by different quality, consumers may choose the right rice for their purposes. In other words, clearly distinguished rice quality is somewhat guarantees the quality of rice consumers purchase.

NFA also buys rice either directly from farmers or through farmers' organisation, associations, or groups (table 5). Lower buying price compared to selling price secures certain amount of returns for farmers. Unlikely to selling, NFA does not categorise the rice into different levels upon buying. Thus, farmers are free to choose the type of rice they grow and sell the products to NFA regardless the quality of rice with the same price. It is NFA's task to determine the quality of rice. Thus,


	Selling Price (per kg / PhP) Ex-Warehouse including container			
	Accrdited Retailers		Government Agencies	Private Institutions
	Whole Sale	Consumer	Cash/Credit	Cash
<b>A. Well-Milled Rice</b>				
WM0	26.00	28.00	26.00/28.00	28.00
WM1	25.00	27.00	25.00/25.00	27.00
WM2	24.00	26.00	24.00/26.00	26.00
<b>B. Strong Regular-Milled Rice</b>				
SR0	26.00	28.00	26.00/28.00	28.00
SR1	25.00	27.00	25.00/25.00	27.00
SR2	24.00	26.00	24.00/26.00	26.00
<b>C. Regular-Milled Rice</b>				
RM0	25.00	27.00	25.00/25.00	27.00
RM1	24.00	26.00	24.00/26.00	26.00
RM2	23.00	25.00	23.00/25.00	25.00
RM3	23.00	25.00	23.00/25.00	25.00

Table 4 NFA Rice Selling Price (Source: NFA)

NFA bears the double burden that on one side NFA must guarantee certain returns for the farmers, and on the other hand, NFA also must consider selling the staples with a reasonable and affordable price.

It must be pointed out that since NFA predominantly involves in marketing and distribution of rice

and other agricultural products, its effort to support farmers is rather vague. NFA's involvement in the production is not as significant and thick as such organisation as NIA, rather NFA's involvement becomes apparent once the production has been harvested. Without products to purchase, NFA cannot sell the products unless it withdraws from the stockpile, and when the products have being sold, then NFA must purchase more.

NFA, as an attached agency to DA, necessarily involves in the FSSP. As mentioned above, NFA supports the agricultural sector from soft aspects. Thus, under the FSSP, NFA is assigned to take roles in four main areas. First of which is to implements the modernisation of grain processing facilities especially in the countryside. Since NFA purchases rice under one category, but sells it in different types, i.e. strong regular-milled or regular-milled, upgrade of NFA facility is to enhance the efficiency of the processing of rice and grains. In addition, modernisation of processing facilities may reduce the unnecessary losses and costs. Secondly, NFA will re-consider the management of buffer stocks.

Third role the NFA predominantly takes under the FSSP is to consider and implement grains supply and price stabilisation policies. The second role and the third role interconnect each other. The NFA manages the buffer stock to control the supply of commodities. Buffer stocked commodities will be withdrawn when the supply of commodities is getting scarce due to increased demand or poor harvest, and as such, withdrawal of buffer stocked commodities will suppress the price of commodities from rise. On the other hand, in case of bumper harvest, buffer stock temporarily stores commodities and serve as the safety valve for the drop of price. Thus, efficient use of buffer stock has dynamic impact on the stabilisation of price.

Finally, the NFA will assist farmers for more marketing opportunities. NFA implements diverse range of programmes that aim to empower farmers and to assist the development of food industries. In order to achieve sound development of the agri- and food industry, NFA involves in the monitoring of the market through licensing and registration of all rice and corn businesses. As a consequence to regulatory framework for marketing of rice and corns, it ascertains farmers' marketing channels. Even

	Buying Prices (per kg)				
	Basic Buying Price	CDIF	Delivery Fee	Drying Fee	Effective Buying Price
<b>FOs/ FAs/ FGs</b>					
Palay	17.00	0.30	0.20	0.20	17.70
White Corn	13.00	0.30	0.20	0.20	13.70
Yellow Corn	10.00	0.30	0.20	0.20	10.70
<b>Individual Farmers</b>					
Palay	17.00		0.20	0.20	17.40
White Corn	13.00		0.20	0.20	13.40
Yellow Corn	10.00		0.20	0.20	10.40

Table 5 NFA Rice Buying Prices (Source: NFA)

though the buying prices by NFA can be more beneficial, the diversified channel of rice marketing and distribution provides the opportunity for farmers to decide where to sell their products.

As the Philippines is rice importing country, the NFA also involves in the importation and distribution of rice. Under the WTO obligations of the Agreement on Agriculture (AoA), Philippines was allowed to maintain Quantitative Restrictions (QR) of rice from June 2005 until 30 June 2012. In return of this special obligation





under the AoA, Philippines bore the Minimum Access (MA) annual importation of 350,000 metric tonnes. According to the discussions with NFA staffs, Philippines also faces the same challenges faced by Japan. Those challenges include the opening the local market to foreign goods, reduction or elimination of protective tariffs, and also treatment of rice sector upon negotiating the regional trade agreement.

The works of the NFA are rather modest that it does not involve huge one time project to boost productivity. Instead, NFA's tasks are being implemented in a longer time span, and the effects of such tasks are recognised rather silently. However, it does not undermine the significance of the NFA. The formulation and appropriate implementation of right policies in accordance with various needs from all related stakeholders, i.e. farmers, consumers, and traders, are conducted by the NFA, and to decide the best outcome for each stakeholder cannot be done easily. The NFA carefully balances the different interests of different stakeholders. To achieve the goals of FSSP, the NFA inevitably takes a tremendous role that can be managed only through coordination with various interested groups.

In sum of the visits made on 30<sup>th</sup> of January, all three organisations started their presentation by stipulating the current issues in agricultural sector in the Philippines. Even though DA, NIA, and NFA all belong to the family of agricultural organisations, all of them had distinctive issues in their areas of performance. However, what I could also observe was the coherence amongst the agricultural organisations. Under the umbrella of FSSP, each organisation was assigned certain roles, and unless each organisation maximises their effort to achieve the target level of goals, the proposed goals of the FSSP cannot be achieved on time. Philippines surely has the potential to enhance its level of production as close as its neighbouring countries. At the moment Philippines' capacity to produce rice is far less than Thailand and Viet Nam. However, with the increased level of yield, Philippines may regain its status of rice exporting country. As will be summarised in the next section, having two rice research institutes, international and national, show the Philippines' potential to become region's main rice production centre.



## D. Philippine Rice Research Institute

Rice is the most important food commodity in the Philippines. Rice is a staple diet for average Filipinos that provide half of their calorie requirement and one-third of protein intake. 20% of household expenditure is accounted for rice, and the share increases to 30% for household belonging to the bottom third of the society. Philippines has two rice research institute. One of which is Philrice, the other one is International Rice Research Institute (IRRI).

PhilRice is one of the attached agencies to DA. Then-President Ferdinand Marcos signed the document that approves the establishment of the PhilRice in 1985. It has a mission to help the country attain rice self-sufficiency through



increasing productivity and profitability of rice farmers in a sustainable and competitive manner. PhilRice envisions a self-sufficient, sustainable, and competitive rice economy through responsive research and development system and a strong innovative scientific and technological advancement. The establishment of PhilRice coincidentally overlaps with the

end of rice booming eras of the 60s and 70s. PhilRice supports

the agricultural sectors and in particular rice farmers from the technological aspects of the farming practices.

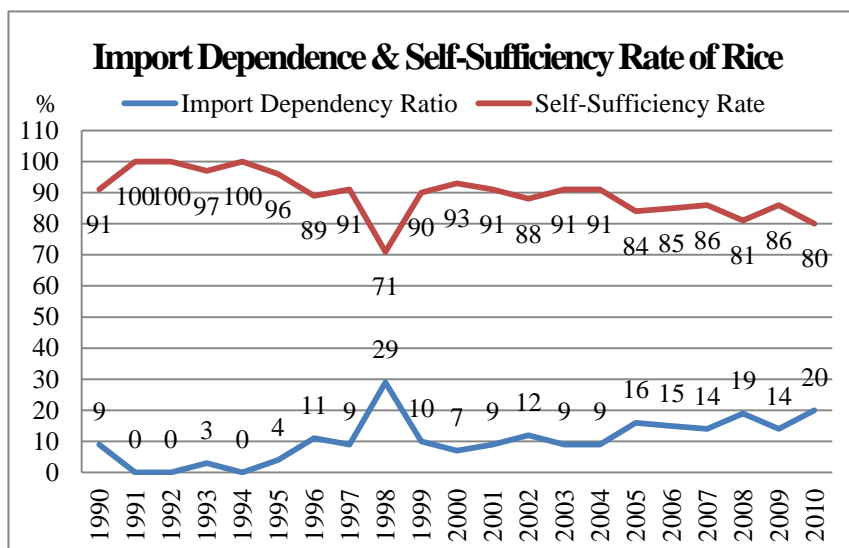
Dr. Rolando Cruz, Chief Science Research Specialist & Scientist 1, began his presentation by showing the change of import dependence and self-sufficiency rate of rice in the Philippines. As Graph 5 demonstrates, since the mid-1990s self-sufficiency rate of rice has been declining, and as a consequence import dependence rate has been increasing. As mentioned elsewhere in the part of DA, the production quantity of rice has been increasing in recent years in the Philippines. Despite the fact of increasing quantity of rice, the decline in self-sufficiency rate stems from the increasing population and rapid development in demand for rice. Even though various agricultural organisations encourage the consumption of alternative staples such as corn and cassava, rice is deeply connected to the lives of Juan dela Cruz that the Philippines is struggling to diversify its staple commodities.

As PhilRice predominantly conducts R&D of rice production, its major concern in recent years is the low yield in the disadvantaged areas such as rainfed and upland areas. Dr. Obien of DA stressed that the rice yield per hectare in every regions in the Philippines is improving, but there is still regional dispersion of yield. The yield of rice in the Philippines differs significantly in different geographical



conditions. What PhilRice insists to achieve in the next few years is to develop the technologies that will break the barriers that impede the improvement of yield in lesser advantaged areas. These technologies include such as the new varieties that are more drought-prone in the rainfed low land, improvement of resistance against external factors, and development of new upland rice varieties that match with different features of lands.

In addition to technological advancement in rice varieties, PhilRice also contends to promote differentiated crop management systems for rainfed, upland, and other adverse environment. The climatic and environmental difference between, such as, central Luzon and the mountainous region in Mindanao may require different



Graph 5 (Source: PhilRice)

crop management systems. Rice farming methods used in a more adverse environment of mountainous region in Mindanao are different from the ordinary rice farming practices in the irrigated low lands. In addition, different ecosystems in rainfed and upland areas from low land inevitably result in different habitation of pests. The pesticide used in the low land may not have same effect on other regions because of difference in habitation. Thus, PhilRice is now striving to develop new technologies especially for rainfed, upland, and less advantaged areas.

There is no doubt that PhilRice insists to develop technologies for lesser advantaged areas. However, this does not mean that other areas are left from the programme implementations of PhilRice. For example, PhilRice is now implementing the programme that aims to develop technologies to surpass the dry season irrigated low land rice cropping. Once again it involves the development of new rice varieties that is particularly bred for irrigated low land areas. The development of such variety takes number of steps. First is to evaluate donor germplasm, then make hybridised seed from the selected germplasm. The newly created variety then will be assessed for its insect pest resistance and disease resistance strength. Finally, overall grain quality will be evaluated.

However, what it would like to stress out about the R&D of the PhilRice is the development and promotion of rice-related products. Rice is not only consumed as rice, but rice can be used for variety of commodities. For example, rice can be used to produce alcoholic beverages. The notable example of rice beverages is Japanese Sake. PhilRice also manufactures rice wines, and other value-added rice-produced beverages. Other types of value-added rice products being research at the Philrice are such as rice-based snacks made from natural fortificants, and condiments and natural fortificants from rice.

At the moment, these value-added products are still in the discovering stage and not commercialised yet. However, if the PhilRice successfully develops the technology to produce commodities from rice, it will widen the use of rice. Farmers may sell their rice to fragrance industry to produce aroma products. Farmers may also approach snack industry to produce rice crackers as an alternative to corn or potato chips. Widened rice consuming methods may motivate rice farmers to



re-consider their crop management system and what type of rice to produce. R&D on value-added rice products indirectly touches farmers' production activities by providing examples of possible products made by rice.

Last but not least, apart from conventional R&D and the scheme under FSSP, PhilRice now conducts special project that directly aims for the development of technologies that will



propel the growth of Mindanao as the next Philippine rice bowl. Mindanao Island, as shown in Table 1 above in DA section, has two contrasting rice farming features. One is characterised by regions 10 and 11, and perhaps also 9, where the yield of rice exceeds the national average. Other regions in Mindanao, 12, 13, and ARMM are under-developed rice farming areas where the yield is far less than national average. PhilRice contends to exploit the potential Mindanao has through developing Mindanao-specific rice varieties and discovering integrated pest and nutrient management systems appropriate for Mindanao's rice farming.

In sum of PhilRice, the place was the excellent organisation to conclude my visits with different agricultural agencies. Under the auspice of FSSP, PhilRice is obliged to continue developing updating technologies on rice production with the emphasis on productivity enhancement and sustainability. The discovery of different seeds and varieties that adjust to the different conditions of rice farming can be considered as an epoch-making strategy. Fortunately, PhilRice is equipped with necessary tools and laboratories as well as testing farm lands to develop new rice technologies. In addition, existence of IRRI in the other side of Manila fosters partnership and creates desirable condition for technological advancement.

Department of Agriculture, National Irrigation Administration, National Food Authority, and Philippine Rice Research Institute, all of these organisations work coherently to achieve the same goal of self-sufficiency of rice. DA as the central body, NIA bears responsibility on the maintenance and expansion of irrigation systems, NFA works in a micro perspective that enhances the welfare and well-being of rice farmers, and PhilRice strives to discover new technologies of seeds, varieties, value-added rice products, and machineries. Even though NIA quite often works with different departments, specified responsibility given for each agricultural organisations clearly differentiate the roles in different aspects of the Philippines' rice production.

Indeed, the rice production of the Philippines is less prosperous compared to Thailand and Viet Nam. However, Philippines cannot stop rice production and rely on imports every time. But in order to meet growing demand of rice due to increasing population, it must increase the amount of production through expansion of irrigation and technological development. As the phrase "*ang isasaing ni Juan dela Cruz dito ipupunla, dito aanihin, dito bibilhin*" suggests, what Philippines need is rice produced in the Philippines, harvested in the Philippines, and eaten by the Filipinos.



## vi. Role of the State and Private Sectors in Sustainable Development in the Philippines

### A. Introduction

During the study trip of the YNU students to Philippines, every member of the group had an opportunity to conduct the individual meetings preliminary set up with the kind support of Professor Tiu from University of Santo Tomas. In total two days (January 30 – 31, 2013) were allocated in the programme for individual meetings based on the research interests of every student.

Before this trip I formulated two learning objectives for myself:

1. To learn more about investment climate in Philippines (e.g. attraction of foreign direct investment) and the financial sector developments;
2. To collect data for my research theme of study in YNU that is focused on sustainable access to water supply and sanitation services (legal and institutional framework, tariff policies, ability and willingness of consumers to pay for the service).

In relation to the above mentioned objectives I had an opportunity to conduct four (4: First Metro Investment Corporation; Manila Water, National Water Resource Board and Metropolitan Waterworks and Sewerage System Regulatory Office) individual meetings and jointly participate in one (1 – Board of Investment) with another YNU student – Mr. Cao Duc Tien.

A reader of this report may ask a reasonable question, how investment and water supply can be connected between each other? A fair enough question... I am from Tajikistan. In the first time when the country appeared on the map was in 1929, the state was one of the socialist republics of the USSR. Later, in 1991, as the result of collapse of the Soviet Union it gained sovereignty and independence. During Soviet Era, the Social Sectors were heavily subsidized by the state (up to 70%), all social infrastructure was owned and managed by the State and State Operators. Private Property almost did not exist. Since the end of Soviet Era, Tajikistan is making transition steps from centrally planning towards market oriented economy. Therefore, it was very useful to learn the experience of Philippines in terms of creation a better enabling environment for business, foreign and locally generated direct investments, division of roles and responsibilities between state and private sector regarding ownership regulatory framework and operation of the water supply and sanitation infrastructure.

### B. Background Information about Two Countries

#### PHILIPPINES:

##### People:

**Population:** 104 million. Annual population growth rate: 1.9%. Ethnic groups: Malay, Chinese. **Religion:** Roman Catholic 80.9%, Muslim 5%, Evangelical 2.8%, Iglesia ni Kristo 2.3%, Aglipayan 2%, other Christian 4.5%, other 1.8%, unspecified 0.6%, none 0.1%. **Languages:** Filipino (based on Tagalog), official national language; English, language of government and instruction in education. **Education:** *Years compulsory*-6 (note: 6 years of primary education free and compulsory; 4 years of secondary education free but not compulsory). *Attendance*

#### TAJIKISTAN:

##### People:

**Population:** 8 million. Population growth rate: 1.9%. Ethnic groups: Tajik 80%, Uzbek 15%, Russian and others 5%. **Religion:** Sunni Muslim 85%, Shi'a Muslim 5%, other 10% (Christians, Buddhists, Jewish, etc). **Language:** Tajik (the official state language as of 1994, with follow-up legislation in 2009); Russian is widely used in government and business; 74% (est. 2010) of the population lives in rural communities where mostly Tajik is spoken. **Education:** *Years compulsory*-9 (note: 4 years of primary, 5 years of secondary education is free & compulsory; 2



(2009-2010 net enrolment rates) 85% in elementary grades, 62% in secondary grades. *Functional literacy* (2008, for ages 10-64)-86.4%. *Basic literacy* (2003)-93.4%. **Health:** *Infant mortality rate* (2008)-25 per 1,000. *Life expectancy* (2011)-68.7 yrs. for males; 74.7 yrs. for females. **Work force** (2012): 38.9 million. *Services* (including commerce and government)-52%; *agriculture*-33%; *industry*-15%. *Remittances inflow:* US\$24 bln (10% of the GDP). **Poverty index:** 32.9% live below the poverty line according to the World Bank (2006 estimate). **UNDP Human Development Index:** 112<sup>th</sup> out of 187 countries.

## Government

*Type:* Republic. *Independence:* 1946. Constitution: February 11, 1987.

*Branches:* *Executive*-president and vice president. *Legislative*-bicameral parliament. *Judicial*-independent.

*Administrative subdivisions:* 16 regions and Metro Manila (National Capital Region), 80 provinces, 122 cities. *Political parties:* Liberal Party, Lakas-Christian Muslim Democrats/KAMPI, Nacionalista, Nationalist People's Coalition, Laban ng Demokratikong Pilipino, Pwersa ng Masang Pilipino, Aksiyon Demokratiko, Partido Demokratikong Pilipino-Lakas ng Bayan, and other small parties. Suffrage: Universal, but not compulsory, at age 18.

## Economy

*GDP (2010):* \$188.7 billion. GDP growth rate (2010): 7.6%. GDP Per Capita (2010): \$2,007. *Natural resources:* Copper, nickel, iron, cobalt, silver, gold. *Agriculture: Products*-rice, coconuts, sugar, corn, pork, bananas, pineapples, aquaculture, mangoes, eggs. *Industry: Types*-textiles & garments, pharmaceuticals, chemicals, wood, paper products, tobacco, beverage manufacturing, food processing,

years of secondary education is free not compulsory). *Literacy*-98.4%. Some evidence suggests that literacy rate is lower due to decline of education system in the times of transition since collapse of the USSR and obtaining Independence. **Health** (2010 est.): *Life expectancy* - 62.97 years men; 69.25 years women. *Infant mortality rate* - 38.54 deaths/1,000 live births. **Labour force** (2012): 2.2 million. By occupation: *agriculture*-49.8%; *services* (including commerce and government)-37.4%; *industry*-12.8%. *Remittances inflow:* 3.4 bln (47% of the GDP). **Poverty index:** 38.3% (2012). **UNDP HDI:** 127<sup>th</sup> out of 187 countries.

## Government

*Type:* Republic. *Independence:* September 9, 1991 (from Soviet Union). *Constitution:* November 6, 1994.

*Branches:* *Executive*-chief of state: President; head of state and executive power; Prime Minister is appointed by the President. *Legislative*-bicameral parliament. *Judicial*-Supreme Court; judges are appointed and dismissed by the President on the basis of proposals made by the Council of Justice. *Administrative subdivisions:* 2 provinces<sup>1</sup>, 1 autonomous province<sup>2</sup>, 13 direct rule districts from Dushanbe (Capital). 58 districts + 4 (in Dushanbe) are in total. *Political parties and leaders:* People's Democratic Party of Tajikistan or PDPT; Islamic Revival Party or IRPT; Tajik Communist Party; Democratic Party; National Social Democratic Party; Socialist Party of Tajikistan; Agrarian Party; Party of Economic Reform. Suffrage: Universal, at age 18.

## Economy

*GDP (2011):* \$6.3 billion. GDP growth rate: 6.5% (2010). GDP Per Capita (2011): \$815. *Natural resources:* hydropower, some oil, uranium, gold, mercury, brown coal, antimony, zinc, tungsten. *Agriculture: Products*-cotton, grain, fruits, grapes, vegetables; cattle, sheep, goats. *Industry: Types*-aluminum, gold, silver, antimony, zinc, lead, chemicals and fertilizers, cement, vegetable oil, gas, textiles, metal-cutting machine tools,

<sup>1</sup> Sugd Province (North)-14 districts; Khatlon Province (South West and South East Part) 24 districts.

<sup>2</sup> Gorno-Badakhshan Autonomous Oblast (GBAO) -7 districts

machinery & transportation equipment, electronics & semiconductor assembly, mineral & hydrocarbon products, fishing, business process outsourcing services. Trade (2010): *Exports*-\$50.7 billion. *Imports*-\$61.1 billion. Total public external debt: \$93.4 billion (2010). Debt / GDP ratio: 49.4% (2010). **World Bank (WB) Doing Business Report rank**: in 2012, 136<sup>th</sup> out of 183 economies. **Transparency International Corruption Perception Index**: 129<sup>th</sup> out of 183 countries.

### History:

The history of the Philippines can be divided into four distinct phases: the pre-Spanish period (before 1521); the Spanish period (1521-1898); the American period (1898-1946); and the post-independence period (1946-present).

refrigerators and freezers. Trade (State Statistics Agency data): *Exports* (2011)-\$1.2 billion. *Imports* (2011)-\$3.2 billion. Total public external debt: \$2.1 billion (2011). Debt / GDP ratio: 33.4% (2011). **WB Doing Business Report rank**: in 2012, 147<sup>th</sup> out of 183 economies (in 2010 was in top 10 reformers). **Transparency International Corruption Perception Index**: 152nd out of 183 countries.

### History:

The history of Tajikistan can be divided into eight distinct phases: pre-Islamic period (600 BC – AD 651); Islamic Empires (710–1218); the Mongols and their successors (1218–1740); Persian and Bukharan rule (1740–1920); Tsarist Russian Empire Protectorate (1860-1920) Soviet Rule (1920 – 1991), and Independent Tajikistan as the result of dissolution of Soviet Union (1991 – present).

## Geography



**Philippines:** Area: total: 300,000km<sup>2</sup> (land: 298,170km<sup>2</sup>, water: 1,830km<sup>2</sup>). Land boundaries: 0km. Coastline: 36,289km. Archipelago comprising 7,107 islands between the Philippine Sea and the South China Sea, east of Vietnam. Lowest point: Philippine Sea 0m. Highest point: Mount Apo 2,954m. Irrigated land: 152,500km<sup>2</sup>.

**Tajikistan:** Area: total: 141,978 km<sup>2</sup> (land: 140,338 km<sup>2</sup>, water: 2,590km<sup>2</sup>) Land boundaries, total: 3,651km. landlocked, border countries: Afghanistan 1,206km, China 414km, Kyrgyzstan 870km, Uzbekistan 1,161km. Lowest point: Syr Darya River 300m. Highest point: Ismoil Somoni Peak 7,495m (93% of the territory is mountains). Irrigated land: 7,220 km<sup>2</sup>.

## Information in brief on water supply and sanitation in both countries

**PHILIPPINES - Water Resources:** Although water resources become scarce in some regions and seasons, the Philippines as a whole has more than enough surface and groundwater. However, the neglect of a coherent environmental policy led to the actual situation, in which 58% of the groundwater is contaminated.<sup>3</sup> **Access to Water Supply:** 85%<sup>4</sup> (Urban: 87%; Rural: 85%) Independent surveys describe a much lower access rate. The estimates of 2000 indicate that 63% of the population had access (Urban: 62%; Rural: 38%)<sup>5</sup>. **Sanitation coverage:** 72%<sup>6</sup> (Urban: 80%; Rural: 59%). Only 5% (Urban: 7%; Rural: 2%) of the total population is connected to a sewer network. The vast majority uses flush toilets connected to septic tanks. Since sludge treatment and disposal facilities are rare, most effluents are discharged without treatment<sup>7</sup>. **Average residential water use (l/c/d):** national average is (before losses, 2000) 175 l/c/d<sup>8</sup>. In small towns it is 119 l/c/d.<sup>9</sup> **Non-revenue water:** According to the concessionaire Manila Water, the share of NRW continued to fall until reaching 11% at the end of 2010<sup>10</sup>. **Drinking water quality:** Especially in urban areas, water quality does not meet the national standards. As a result, waterborne diseases remain a severe public health concern in the country. About 4,200 people die each year due to contaminated drinking water.<sup>11</sup> **Water Supply and Sanitation Tariffs:** In 2004, the average tariff was US\$0.29 per m<sup>3</sup>, while the average connection fee was US\$47.<sup>12</sup> In average urban water tariff (US\$/m<sup>3</sup>) in Metro Manila: US\$0.33 (East Zone), US\$0.46 (West Zone)<sup>13</sup>. The connection fees are high so impede new connections for poor consumers<sup>14</sup>. **Ownership of water supply and sanitation infrastructure:** Since 1971, the management has been decentralised to

**TAJIKISTAN - Water Resources:** Tajikistan is one of the richest countries of the world on water resources. Underground water resources approved for operation amounts to 6.4 million m<sup>3</sup> / day (830 l/c/d). The potential underground water reserves are estimated at 19.1 million m<sup>3</sup> / day (2480 l/c/d)<sup>17</sup>. **Access to Water Supply:** 58.1% (Urban: 95.3%; Rural: 44.2%). Independent survey results are not available in Tajikistan yet, however, evidently that these figures are overestimated<sup>18</sup>. **Sanitation coverage:** 98.6%. Around 47% of latrines in rural areas fall below the minimum standards for hygienic facilities, so the prevalence of faecal-related diseases is still very high. Only 3% (mainly in biggest cities) of the population connected to the proper sewerage<sup>19</sup>. **Average residential water use (l/c/d):** The average urban water supply varies from 250 to 700 l/c/d. The average rural water is usually less than 100 l/c/d<sup>20</sup>. **Non-revenue water:** Losses account 60-50% due to inefficient water use and leakage through old infrastructure<sup>21</sup>. **Drinking water quality:** 63.3% of the water supply systems are not meeting WHO sanitation standards. 21.1% do not have adequate water treatment, 34.2% are in violation of sanitary protection zones and 31.4% lack facilities for disinfection<sup>22</sup>. **Water Supply and Sanitation Tariffs:** The tariffs are varying from 0.4-1 TJS/m<sup>3</sup> (\$0.09-0.22) in average are -25% below of breakeven point. In areas where water supply is not available locally, water is brought by trucks. The price of water supplied by private truck tankers varies from 45-200/m<sup>3</sup> TJS (\$10-45)<sup>23</sup>. **Ownership of water supply and sanitation infrastructure:** There are 722 water supply systems, 103 of which are owned by municipalities and 619 by state authority enterprises<sup>24</sup>. **Millennium Development Goals:**

<sup>3</sup> Asian Development Bank (ADB) (September 2004). Country Environmental Analysis for Philippines.

<http://www.adb.org/Documents/Reports/CEA/phi-jan-2005.pdf>.

<sup>4</sup> World Health Organization; UNICEF. "Joint Monitoring Program", June 2006

<sup>5</sup> WB (Dec 2005). Philippines: Meeting Infrastructure Challenges. <http://siteresources.worldbank.org/INTEAPINFRASTRUCT/Resourses/PHInfra.pdf>

<sup>6</sup> World Health Organization; UNICEF (June 2006). "Joint Monitoring Programme for Water Supply and Sanitation. Coverage Estimates Improved Drinking Water"

<sup>7</sup> World Bank, "Philippines: Meeting Infrastructure Challenges", 2006

<sup>8</sup> 28.52 bln m<sup>3</sup> were withdrawn, of which 17% was used for domestic consumption: Asian Development Bank; Asia-Pacific Water Forum (2007). Country Paper Philippines, Asian Water Development Outlook'07. The Philippines had 75,766,140 inhabitants in 2000; source: <http://devdata.worldbank.org/query/>

<sup>9</sup> 45 small towns as of data from 2004 [Cesar E. Yñiguez, Benchmarking Advisor, WSP-SA: Philippines Small Towns Water Utilities Performance, World Bank Water Week, Feb 2009]

<sup>10</sup> Manila Water website: <http://www.manilawater.com/downloads/MWC%20Performance%20Summary%203Q%207Nov2011.pdf>

<sup>11</sup> World Bank, 2006 "Philippines: Meeting Infrastructure Challenges", page 107

<sup>12</sup> All figures taken from the National Water Resource Board, Philippines: Towns Water Utilities 2004 Data Book are converted into real US Dollars of 2006:

<sup>13</sup> Municipal Water Supply and Sanitation Regulatory Office. Tariff matrix, 2008

<sup>14</sup> Asian Development Bank; Asia-Pacific Water Forum (2007) "Country Paper Philippines, Asian Water Development Outlook'07".

municipalities. There is no national water and sanitation company. Sub-sector regulators are: National Water Resources Board (public supply) & Department of Environment and Natural Resources (policy setting). There are about 1,500 urban service providers and thousands of private providers<sup>15</sup>. **Millennium Development Goals:** By 2015 86.6% of the population have access to safe water supply and 83.8% to a sanitary toilet facility. The UNDP ascertained that the targets will likely be achieved, given the current trend<sup>16</sup>.

Tajikistan is one of the pilot countries for implementation of the Millennium Development Goals (MDGs), including MDG7, which is “to halve, by 2015, the proportion of people with sustainable access to safe drinking water and basic sanitation”. There is strong political will in Tajikistan to attain the drinking water target, but at current level of progress and lack of focus will miss the sanitation target<sup>25</sup>.

### C. First Metro Investment Corporation (FMIC)

Meeting with: 1. Mr. Roberto Juanchito T. Dispo, President; 2. Mr. Justino R. Ocampo, Senior Vice President, Head – Investment Banking Group; 3. Ms. Carlota Salazar-Reyes, Assistant Vice President, FMIC Investors Center; 4. Mr. Albert S.Uy, Equity Sales Officer; 5. Ms. Michi Sacramento-Lapuz, FMIC Investors Center Associate.

First Metro, incorporated on August 30, 1972, started its operations as an investment house with quasi-banking (similar to the bank) functions in May 1974. Currently, FMIC provide the following services to its clients:

- **Investment Banking & Strategic Finance** (build businesses through **debt and equity underwriting**<sup>26</sup> and **arranging**, as well as syndicating large, long-term funding requirements and financial advisory; loans to institutional clients to support liquidity or capital buildup, expansion, restructuring, and acquisitions or buyouts);
- **Treasury** manages the liquidity and funding requirements of First Metro Investment, and the distribution of financial instruments such as government securities and corporate papers.
- **Investment Advisory** develops and enhances the wealth of private clients, uncovering investment opportunities and seeking a thorough understanding of the market through first-hand research.



<sup>17</sup> Booklet of the Project “Water Supply and Sanitation in Tajikistan”, 2010 for the World Water Week in Stockholm

<sup>18</sup> Programme on improvement of the provision of safe drinking water to the population of Republic of Tajikistan for 2008-2020

<sup>19</sup> Booklet of the Project “Water Supply and Sanitation in Tajikistan”, 2010 for the World Water Week in Stockholm

<sup>20</sup> Booklet of the Project “Water Supply and Sanitation in Tajikistan”, 2010 for the World Water Week in Stockholm

<sup>21</sup> Data from Khojagii Manziliyu Komunal (State housing services operator in urban areas) and Tojik Ob Ddehot (State operator in rural areas), 2008

<sup>22</sup> Data from Ministry of Health, State Sanitary Epidemiological Control Agency.

<sup>23</sup> Data from Khojagii Manziliyu Komunal (State housing services operator in urban areas) and Tojik Ob Ddehot (State operator in rural areas), 2008

<sup>24</sup> Data from Ministry of Health, State Sanitary Epidemiological Control Agency.

<sup>15</sup> Asian Development Bank; Asia-Pacific Water Forum (2007) “Country Paper Philippines, Asian Water Development Outlook’07”.

<sup>16</sup> UNDP Midterm Philippines Progress Report on the Millennium Development Goals. Philippines. [http://www.undp.org.ph/midterm\\_mdg\\_report.pdf](http://www.undp.org.ph/midterm_mdg_report.pdf)

<sup>25</sup> Booklet of the Project “Water Supply and Sanitation in Tajikistan”, 2010 for the World Water Week in Stockholm

<sup>26</sup> The process by which investment bankers raise investment capital from investors on behalf of corporations and governments that are issuing securities (both equity and debt)



**Mr. Uy, Equity Sales Officer  
from FMIC Binondo  
Investors Center is presenting  
the Corporation's Products  
and Services Portfolio**

**Joint photo in FMIC HQ  
office, from left to the right:  
Mr. Uy, Prof. Kabashima, Mr.  
Roberto Juanchito T. Dispo,  
Mr. Justino R. Ocampo and  
myself (Ruslan)**

**Joint photo in FMIC Investors  
Center office in Binondo:  
Mr. Cao Duc Tien, Ms.  
Carlota Salazar-Reyes, Ms.  
Michi Sacramento-Lapuz and  
myself.**

FMIC subsidiaries companies are:

- **First Metro Asset Management Inc. - FAMI** (<http://fami.com.ph/>) is the investment advisor to manage and distribute mutual funds<sup>27</sup>, promote savings mobilisation and advocate investment literacy among Filipinos. The company is licensed by the Philippine Securities and Exchange Commission.
- **First Metro Sec** (<https://www.firstmetrosec.com.ph/>) is the professional stock brokerage company, member of Philippines Stock Exchange.
- **Metrobank** (<http://www.metrobank.com.ph/>) founded in September 5, 1962 has since become the premier universal bank in the Philippines. It offers a full range of banking and financial services: corporate, commercial & consumer banking, credit card, remittances, leasing, investment banking & trust banking. Metrobank has the network of more 1,400 ATMs nationwide; over 760 domestic branches; and 38 foreign offices in China, Hong-Kong, Taiwan, Japan, Singapore, Korea, Europe (UK, Spain, Italy) US (New-York, California, Hawaii, Bahamas), Canada, Middle East (Saudi Arabia, United Arab Emirates, Kuwait, Qatar).
- **First Metro Investors Center** (<http://www.firstmetro.com.ph/ictest/investorscenter.asp>) is a one - stop investment hub that is open to both big and small investors. Through the Center, investors can get information on First Metro's and its subsidiaries financial products and services, such as indicative investment rates on various financial instruments, FAMI Save and Learn Mutual Funds and the First Metro Securities on-line stock trading facility.

## D. Board of Investment of the Republic of Philippines



Meting with: 1. Mr. Ramon L. Rosales, Director of the National Economic Research and Business Assistance Center; 2. Mr. Ed C. Nunag, Chief Investment Specialist, Business One-Stop Shop Action Center; 3. Ms. Marilou O. Avellanosa, Senior Investment Specialist Business One-Stop Shop Action Center.

The Philippine Board of Investments (BOI - <http://www.boi.gov.ph/>) is the attached agency of Department of Trade and Industry (DTI). It is the lead government agency responsible for the promotion of local and foreign investments in the Philippines.

BOI services include: Advisory, Actualisation and Aftercare; Knowledge-based Research & Information; Marketing & Promotions; Policy and Advocacy.

In 2012 the BOI published the new Investment Priorities Plan (IPP) under the name of “A New

<sup>27</sup> A mutual fund is a company whose capital is invested by a professional fund manager in investment-grade instruments like stocks, bonds, and so on.



Day for Investments. Coherent, Consistent, and Creative”. Main priorities of the new plan are: Agribusiness, IT Industry, Energy, Tourism, Mining, Electronics, Logistics, Shipbuilding, etc. All 13 categories are mentioned in the table below. The key feature of the new IPP is to focus on elaboration of Public-Partnership- Projects (PPP) to tap the private sector into improvement of public infrastructure (including water supply and sanitation), job creation, increase competitiveness, etc.

INDUSTRY	2005	2006	2007	2008	2009	2010	Total
Agriculture	770.5	4,734.1	1,856.1	2,498.0	2,873.5	2,271.6	15,003.8
Communication	2,079.5	47,042.1	14,221.8	2,186.0	5.7	-	65,535.1
Construction	83.3	3,857.5	14,089.7	215.9	179.5	1,079.8	19,505.7
Electricity	21,659.4	45,402.6	139,078.3	131,922.6	32,296.1	189,920.5	560,279.5
Finance & Real State	10,019.5	28,833.4	54,927.0	114,088.2	89,111.1	72,107.8	369,087.0
Gas	268.6	-	561.0	-	16.8	-	846.4
Manufacturing	150,160.6	151,983.6	94,676.7	75,517.6	106,299.6	215,152.5	793,790.6
Mining	8,293.8	16,146.7	13,775.6	48,269.1	2,018.9	8,107.5	96,611.6
Services	15,343.9	29,105.3	37,631.3	71,416.9	29,352.7	40,255.1	223,105.2
Storage	26.2	35.3	1,340.5	1,059.4	-	-	2,461.4
Trade	357.0	26,332.3	779.9	531.3	2,155.4	1,460.5	31,616.4
Transportation	22,172.2	3,530.5	10,328.8	16,515.8	3,829.7	12,247.7	68,624.7
Water	-	-	2,537.0	-	45,974.8	-	48,511.8
TOTAL	231,234.5	357,003.4	385,803.7	464,220.8	314,113.8	542,603.0	2,294,979.2
Notes:							
1. Approved investments refer to the project cost or committed investments by Filipino and foreign investors.							
2. Details may not add up to total due to rounding.							

#### **Total Approved Investments of Foreign and Filipino Nationals by Industry, 2005-2010 (in million pesos)**

According to the statistics of the BOI (only one of the actors in the Republic involved in investment attraction), for 2011, it posted unprecedented investment approvals of over PHP368 billion (US\$8.39 billion – as of 2011 exchange rate).

AGENCY	2005	2006	2007	2008	2009	2010	Total
BOI	163,878.7	187,616.4	215,342.7	289,334.0	124,171.8	302,099.5	1,282,443.1
CDC	3,110.1	12,692.5	1,983.2	9,643.7	5,866.4	26,520.1	59,816.0
PEZA	62,761.2	83,761.1	133,732.5	154,783.6	175,365.6	204,394.6	814,798.6
SBMA	1,484.4	72,933.3	34,745.3	10,459.7	8,709.8	9,588.8	137,921.3
TOTAL	231,234.4	357,003.3	385,803.7	464,221.0	314,113.6	542,603.0	2,294,979.0
Notes:							
1. Approved investments refer to the project cost or committed investments by Filipino and foreign investors.							
2. Details may not add up to total due to rounding.							

#### **Total Approved Investments of Foreign and Filipino Nationals by Promotion Agency, 2005-2010 (in million pesos). Abbreviations stand for: BOI – Board of Investment; CDC - Clark Development Corporation ([www.clark.com.ph](http://www.clark.com.ph)); PEZA - Philippine Economic Zone Authority ([www.peza.gov.ph](http://www.peza.gov.ph)); SBMA - Subic Bay Metropolitan Authority ([www.sbma.com](http://www.sbma.com)). Source: <http://www.investphilippines.gov.ph/statistic.html>**

The Government of Philippines guarantees the following incentives of doing business in the country: Income tax holiday from 3 to 6 years (3 years for expensing / modernisation of the project; 4 years for non-pioneer status, and 6 years for projects with pioneer status, duty exemption on imported capital equipment, spare parts and accessories. exemption of variety of dues and taxes, additional

deduction for labour expense and employment of foreign nationals, simplification of customs procedures, access to available infrastructure, etc.

It is possible for the foreign investor to invest up to 100% capital in domestic entity, if the following conditions are met: the proposed activity is not among listed in Foreign Investment Negative List (<http://www.boi.gov.ph/pdf/laws/eo/eo20858.pdf>), the paid-up capital is at least US\$200,000, which may be lowered to US\$100,000 (in the case of introducing of advanced technology, or employment of 50 direct employees – Filipino nationals), and if the product / service is for export. Foreign nationals can get the long-term “Special Investor Resident Visa”, if a person invested US\$75,000 to set up the business domestically.



**Business One-Stop Shop Action Center of the BOI. It requires additional resources, capacity building to be able to provide “one stop” reliable service to a potential investor**



**Mr. Cao Duc Tien, Student of YNU during consultation with Ms. Marilou O. Avellanosa, Senior Investment Specialist in the Business One-Stop Shop Action Center**

Main challenges in the field of investment attraction that came up and discussed during meeting were: lack of coordination – there are about 23 governmental agencies that have stake in investment attraction that creates difficulties to coordinate; the BOI has limited coverage nation-wide, it has few branch offices; the one-stop shop is currently lacking number of staff and capacity, e.g. to provide one-window (one-stop shop) service to potential investor. Investors are requested to contact different ministries, departments, other agencies by themselves. If BOI introduce one-stop service (a potential investor submits required documents to open the business and BOI staff deals with the whole process of registration), it will increase effectiveness and efficiency of dealing with clients and reduce associated risks (e.g. corruption, abuse of power) during registration process.

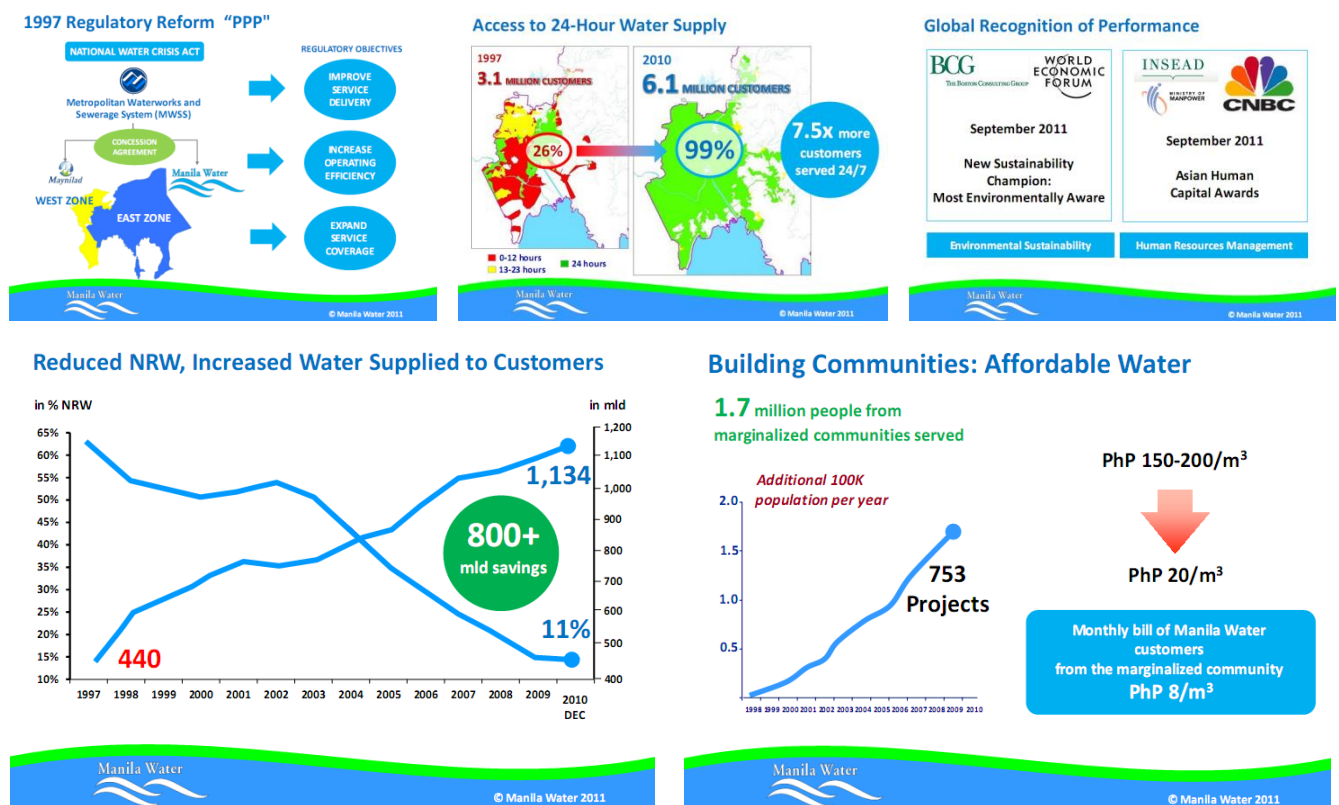
## **E. Manila Water**

Meeting with: 1. Mr. N. Jeric T. Sevilla, Jr., Head of Communication Affairs Department; 2. Ms. Heidi S. Demaisip, Lakbayan Manager. Communication Affairs Department; 3. Mr. Jeffrey Ryan L. Pundanera, Stakeholder Information Manager, Corporate Communications; 4. Ms. Rowena Dalosa, Manager of the East La Mesa Water Treatment Plant; 5. Jocelyn General, UP Sewage Treatment Plant Manager.

Undoubtedly, Manila Water is one of the best examples of successful project build on the Public

Private Partnership Principles of collaboration as well as clear division of roles and responsibilities between State and Private Sector. In 1995, as the result of year by year deteriorating situation with access to water supply in Manila Capital, the Government enacted the National Water Crisis Act. In accordance with this act the government-owned Metropolitan Waterworks and Sewerage System (MWSS – the owner of the infrastructure and, currently the regulator of the water supply and sanitation services in Metro Manila) handed over the operation and maintenance role to the private sector. The Ayala-led<sup>28</sup> Manila Water Company took over the East Zone of Metro Manila<sup>29</sup> under a 25-year concession agreement. The current partners of the Manila Water Inc. are: Ayala Corporation, Mitsubishi Corporation, International Finance Corporation and PhilWater Holdings Company, Inc.<sup>30</sup>

This public-private contract guarantees the company exclusive rights to the use of land and facilities for the production, treatment and distribution of water, as well as the rights to operate the sewerage system and prolong the agreement with the government in case of additional investment done in improving the infrastructure, currency inflation rates, other factors to ensure the return of investment done to the operator.



Manila Water Story is impressive and encouraging case. The onsite operations started since 1997. During the past 15 years of service there are lots of tangible and visible results around: 99% (26% was in 1997) coverage of the customers with 24/7 access to potable water; extension of the water supply

<sup>28</sup> Ayala Corporation is the Philippines' oldest business house. Ayala is a publicly listed diversified conglomerate with businesses in real estate, banking and financial services, telecommunications, utilities, electronics and information technology, automotive, and international operations. Its subsidiaries are market leaders in their respective fields.

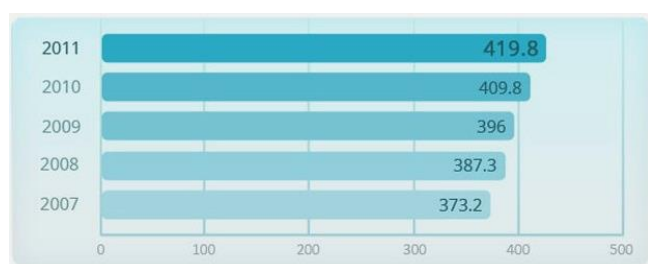
<sup>29</sup> As of 2011: 6.95 mln customers (99% coverage) of the East Zone residents of the city, around 25% mostly live in deep poverty, US\$1.25 p/c/d (some are in illegal settlements). 7.9 mln people (92.5%) served in the West Zone of the Metro Manila and in 16 most populated municipalities are expected to be served by other operator Maynilad. I myself did not have a chance to meet with Maynilad directly, however with the reference to the interview conducted by Mr. Edwin Muchebve (YNU Master Course Student of the Infrastructure Management Programme) during his visit to the company's office in Manila in March 2, 2012.

<sup>30</sup> Please follow these links to learn more about

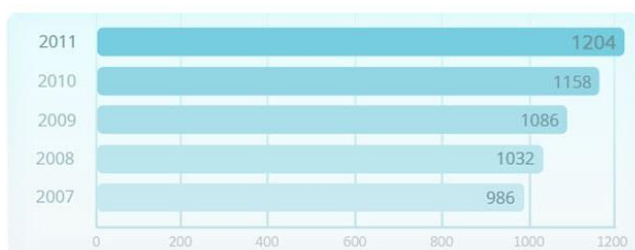
- Manila Water Partners: <http://www.manilawater.com/investor/Corporate%20Governance/Pages/Partners.aspx> and
- Board of Directors: <http://www.manilawater.com/investor/Corporate%20Governance/Pages/BoardofDirectors.aspx>

network to cover 6.1 million customers (3.1 million in 1997); coverage with sustainable access to service in urban area up to 87% (67% in 1997); non-revenue water losses reduction at least up to 11% (63% in 1997); introduction the outsourcing concept (service contracts with external suppliers of goods and services) and more efficient utilisation of permanent employees, only 1.5 staff/1000 connections (similar to the level of Tokyo Waterworks Bureau!); 1.7 million people who live in poverty gained access to water through affordable, subsidised, diversified tariff policy. The average unsewaged connection all-in-tariff/m<sup>3</sup> is US\$0.94 (PHP38.48). The average severed non-domestic connection all-in-tariff/m<sup>3</sup> is US\$1.37 (PHP55.83) Implementation of “affordable water to marginalised communities” resulted with decrease of spending from US\$3.67 – US\$4.90/m<sup>3</sup> (PHP150 – 200) before interventions to US\$0.49/m<sup>3</sup> (PHP20) after intervention. Currently, the average monthly bill of Manila Water to the customer from marginalised communities constitute of m<sup>3</sup> US\$0.19/m<sup>3</sup> (PHP8). The current tariffs are cost-effective to cover the O&M costs, pay competitive wage on the market to be able to attract professional staff and gradually return the invested capital with good profit. By accepting this task, Manila Water proved to be capable and reliable service supplier to keep its promise to make millions of lives better.

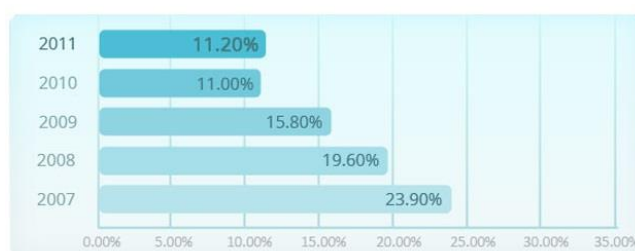
### Operational Performance of the Manila Water Inc.



### Billed volume (in million cubic meters)

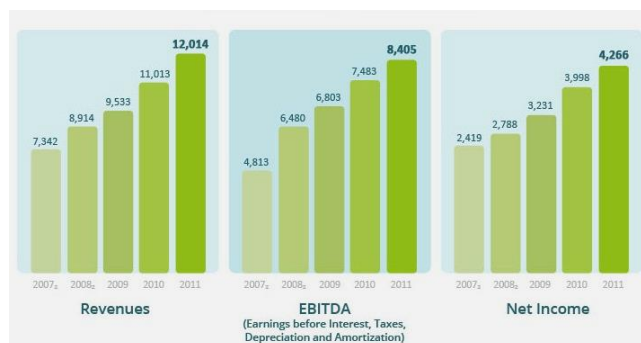


### Number of Housese Served (in thousands)



### Operational Non-Revenue Water

### Financial Performance Indicators of the Manila Water Inc.



### Operating Results



### Resources



### Stockholders' data



Since gaining the positive results, recognition of its clients, regulators and other stakeholders, Manila Water won the public bidding in other parts of Philippines to provide service in Clark, Laguna and Borakay; as well has started its operations at the international level, opening businesses in Viet Nam and Indonesia.



**Mr. Jeric Sevilla, Corporate Communications Head**



**Corporate Communication Dep't of Manila Water**



**Group photo in Manila Water Main Office**



**Ms. Rowena Dalosa, Rowena Dalosa, Plant Manager, East La Mesa Water Treatment Plant, Water Supply Operations. She is explaining the automated system of at the main operation desk of the water purification process (coagulation/flocculation, sedimentation, filtration and disinfection).**



**Group photo at the Sewerage Treatment Plant (from the left:: Heidi Demaisip, Lakbayan Manager, Communications Affairs Department; Eng. Oliver Gagarin, Head Electrical Engineer, UST; Jocelyn General, UP Sewage Treatment Plant Manager; Prof. T. Ikeda, YNU; Professor T. Tiu, Professor of UST, and myself.**

The Republic of Philippines made very good progress in terms of enhancing access to safe drinking water supply; however the sanitation targets are behind to be attained by 2015. According to the UNICEF (UN Children's Fund) / WHO (World Health Organization) Joint Monitoring Report, the country sanitation coverage is 72% (Urban: 80%; Rural: 59%), however only 5% (Urban: 7%; Rural: 2%) of the total population is connected to a sewer network. The vast majority uses flush toilets connected to septic tanks. Major challenges in this direction are mainly the lack of awareness of consumers on the negative impact of the waste water for the people health and environment. Since sludge treatment and disposal facilities are rare, most effluents are discharged without treatment<sup>31</sup>.

<sup>31</sup> World Bank, "Philippines: Meeting Infrastructure Challenges", 2006

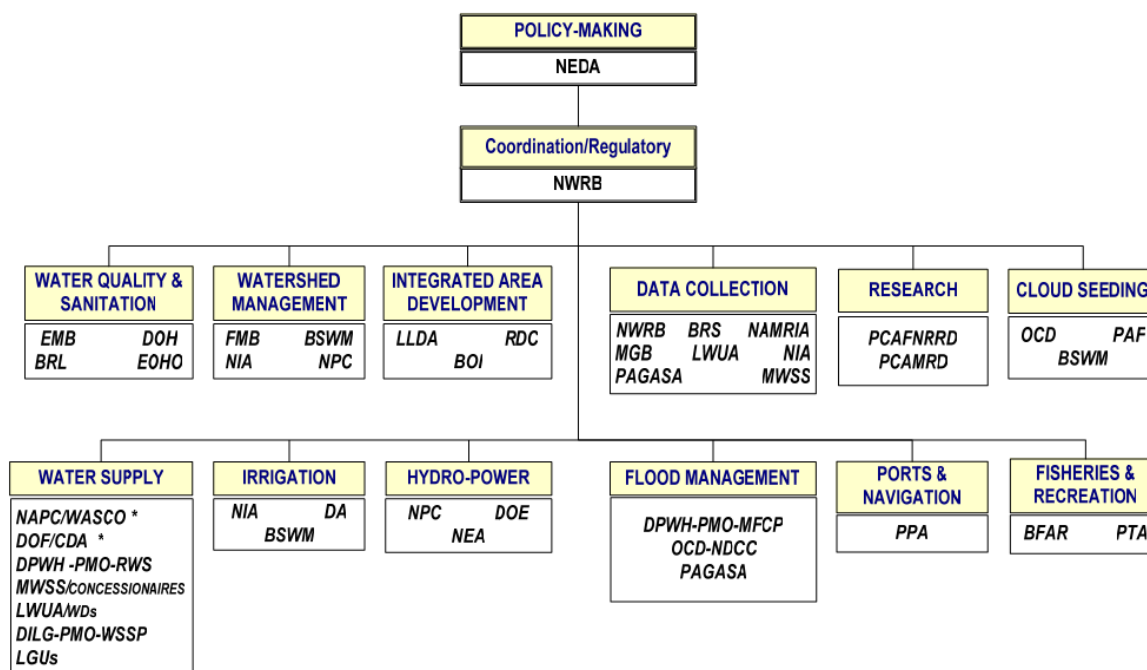
During the meeting with Manila Water Staff, the issue of importance to plan and conduct the long-term public awareness campaigns aimed on changing the behaviour of customers regarding the equally important access to sanitation and sewerage facilities. It was mentioned that Oxfam office in Philippines (<http://www.oxfam.org.uk/what-we-do/countries-we-work-in/philippines>) is one of the active NGOs in the field of advocacy and campaigning on issues of poverty and development. Manila Water Inc. is willing to build a long-lasting, constructive and development-oriented relationship with Oxfam or any other NGOs, Donors and International Financial Institutions working in this field.

## **F. National Water Resources Board (NWRB)**

Meeting with: 1. Ms. Susan P. Abano, C.E., M.Sc., Head, Water Resource Assessment Section; 2. Ms. Isidra D. Penaranda, Officer in Charge, Policy and Program Division Planning Officer IV.

The NWRB was established in 1974 as National Water Resources Council by President Ferdinand E. Marcos. It was later renamed to NWRB. The NWRB (<http://www.nwr.gov.ph/>) is the lead government agency in the Philippine water sector, responsible for facilitation of policy-making and play regulatory role at the national level. The NWRB is responsible for issues water permits for the appropriation and use of waters, ensuring the optimum exploitation, utilisation, development, conservation and protection of the country's water resource, consistent with the principles of Integrated Water Resource Management (IWRM). As an economic regulator for waterworks systems its other function of a regulator for water tariffs for water districts was transferred in 2002 to the Local Water Utilities Administration (LWUA), another government body in charge of regulating local water utilities in different parts of the Philippines.

The NWRB is the attached agency to the Department of Environment and Natural Resources and operates under its administrative supervision. The agency is also has strong link to the National Economic Development Authority. The institutional framework of the water sector in Philippines remains to be complex and engage at least 32 governmental institutions at different level. Overlaps and conflict of interests appear amongst different agencies, departments, commissions, etc involved. E.g., for new player (e.g. investor), it would require sometime to understand how the management system works, how the roles and responsibilities are divided between different actors involved. Below is current functional chart of water-related agencies in the Philippines.



*Abbreviations: NEDA – National Economic Development Authority; NWRB: National Water Resource Board; EMB – Environmental Management Bureau; DOH – Department of Health; BRL – Bureau of Research and Laboratories; EOHO - Environmental and Occupational Health Office; FMB – Forest Management Bureau; BSWM – Bureau of Soil and Water Management; NIA – National Irrigation Administration; NPC – National Power Corporation; LLDA – Laguna Lake Development Authority; RDC – Regional Development Council; BOI – Board of Investment; BRS – Bureau of Research and Standards; NAMRIA- National Mapping and Resource Information Authority; MGB - Mines and Geosciences Bureau; LWUA - Local Water Utilities Administration / Water District; PAGASA - Philippine Atmospheric, Geophysical and Astronomical Services; MWSS - Metropolitan Waterworks and Sewerage System; PCAFNRRD - Philippine Council for Agriculture Forestry, Natural Resources and Resource Research; PCAMRD - Philippine Council for Aquatic and Marine Research and Development; OCD – Office of Civil Defence; PAF – Philippine Air Force; NAPC / WASCO – National Anti-Poverty Commission / Water Supply Coordinating Office; DOF / CDA – Department of Finance / Cooperative Development Authority; DPWH-PMO-RWS- Department of Public Works and Highways - Program Management Office – Rural Water Supply Association; DILG-PMO-WSSP - Department of Interior and Local Government - Program Management Office - Water, Sanitation & Solid Waste Program; LGU - Local Government Unit; DA – Department of Agriculture; DOE – Department of Energy; NEA - National Electrification Administration; MFCP - Mutual Fund Company of the Philippines; NDCC - National Disaster Risk Reduction and Management Council; PPA - Philippine Ports Authority; BFAR - Bureau of Fisheries and Aquatic Resources; PTA - Philippine Tourism Authority. NOTE: the President’s office is also one of the executive agencies that have stake in the water and sanitation. (Source: The Philippines Water Supply Sector Roadmap, 2008)*

Several agencies appropriately oversight responsibilities for the sector resulting to overlap in resource and economic regulation. The Department of Environment and Natural Resources and Local Government Units both have resource regulatory functions. On the other hand, while economic regulation is the core function of the NWRB, the same role is also played by Local Government Units



(for LGU-run utilities), Local Water Utility Administration (for water districts), Metropolitan Waterworks and Sewerage System (for private supply providers in Metro Manila) and etc.

The current challenges regarding the Philippines Water Sector developments are stipulated in the Sector Roadmap<sup>32</sup>: 1. Institutional fragmentation; 2. Inadequate Support to Rural Water Supplies; 3. Low Tariff and Cost-Recovery Level; 4. Low Performance of Water Utilities; 5. Weak and Fragmented Regulatory Framework; 6. Limited Sector Investment and Financing; 7. Lack of information about water and sanitation sector.



**During lively Presentation by National Water Resources Board officers Ms. Isidra D. Peñaranda (right), Officer-in Charge, Policy and Program Division, Planning Officer IV and Ms. Susan P. Abaño (left), Head of Water Resources Assessment Section about the workings of National Water Resources Board and Philippine national water resources policy making.**



**Group photo with Ms. Isidra D. Peñaranda,(2nd from right), Officer-in-Charge, Policy and Program Division, Planning Officer IV; Ms. Susan P. Abaño (2nd from left), Head Water Resources Assessment Section; Professor Tiu, UST (right) and me (left) after our meeting on Philippine national water resources policies at the NWRB Main Office in Quezon City.**

For me, it sounds that the system is too much decentralised that creates imbalance for water sector effective and efficient development. Decentralisation works well where strong institutions are in place (e.g. in big cities and municipalities as Metro Manila). I think, what is currently needed in Philippines is to identify one leader amongst stakeholders with right potential and attitude; who could play rather consultative, facilitative role at the national level; to put all pieces of the puzzle into clear scenery. Why shouldn't it be the NWRB? I believe, it has the adequate mandate for this task.

## **G. Metropolitan Waterworks and Sewerage System Regulatory Office**

Meeting with: 1. Mr. Christopher D. Chegan, Supervising Wayer Utilities Regulations Officer, Acting Manager, Tariff Control and Monitoring Department; 2. Mr. Samuel B. Cruz, Deputy Administrator, Financial Regulation; 3. Darren D. Fernandez, Technical Assistant, Technical Regulation.

- The history of MWSS gets started since 1919 (US colonial government) as the Metropolitan Water District, a public corporation to supply water and maintain a sewerage service to inhabitants of Manila and nearby settlements.

<sup>32</sup> The Roadmap was designed with the support of the Government of Germany (GIZ) and covers the timeframe for the period of 2008 - 2025



- For the purpose of consolidating and centralising all waterworks, sewerage and drainage systems in Philippines under one control, direction and general supervision, the National Waterworks and Sewerage Authority (NAWASA) was created in 1955 (during Ramon Magsaysay Presidency).
- Then in 1971 (during the Presidency of Ferdinand E. Marcos) the MWSS was created and dissolved the NAWASA. The MWSS owned and had jurisdiction, supervision and control of all waterworks and sewerage systems in the territory of Manila and surrounded municipalities.
- The role of the MWSS has changed in 1995, as the result of reform (during a term of the President Fidel V. Ramos) and inviting the private sector to manage social infrastructure. The ground for private sector attraction to become the manager of water supply and sanitation was the National Water Crisis Act<sup>33</sup> to adopt urgent and effective measures to address the degrading nationwide health, well-being, food security and industrialisation. The undertaken measures brought fundamental changes in the water sector, reorganisation of governmental agencies, including MWSS dealing with water supply and sanitation.



**Discussion about the role of MWSS as regulator of the two concessionaires Manila Water and Maynilad Water and its role in water tariff settings with Mr. Christopher D. Chuegan (center), Supervising Water Utilities Regulations Officer & Acting Manager, Tariff Control & Monitoring Department and Mr. Darren D. Fernandez (left), Technical Assistant, Technical Regulation.**



**Group photo with Mr. Samuel B. Cruz (2nd from left), Deputy Administrator, Financial Regulation; Mr. Christopher D. Chuegan (left), Supervising Water Utilities Regulations Officer and Acting Manager, Tariff Control & Monitoring Department; Mr. Darren D. Fernandez (right), Technical Assistant, Technical Regulation; Professor Tiu, UST (2nd from right)**

Currently, the MWSS (<http://www.mwss.gov.ph/>) is the economic regulatory agency that supervises two concessionaires (private operators): Manila Water Company Inc. and Maynilad Water Services Inc.<sup>34</sup> under 25 years concession agreement (1997 – 2022 with possibility for extension). The MWSS handed over the responsibility for operational management and capital investments to Manila Water and Maynilad. MWSS retains ownership of all fixed assets. The projects are implemented under Build-Operate-Transfer scheme. The MWSS monitors its concessionaries' service performance based

<sup>33</sup> [http://www.lwua.gov.ph/technical\\_matters\\_10/RA%208041-%20National%20Water%20Crisis%20Act.pdf](http://www.lwua.gov.ph/technical_matters_10/RA%208041-%20National%20Water%20Crisis%20Act.pdf)

<sup>34</sup> <http://manilawater.com/Pages/Index.aspx> and <http://www.mayniladwater.com.ph/>

on set Key Performance Indicators (KPI)<sup>35</sup> and Business Efficiency Measures (BEM).<sup>36</sup>

## H. Conclusions

After making the research and observations during my field trip I clearly see the great opportunity for Tajikistan to learn from Philippines experience, especially how change has happened, how country has taken the way forward to become the new Asia's Tiger, with GDP growth from 3.7% in 2011 to 6.6% in 2012 with new concept of socially responsible distribution of gains.

President's Benigno Aquino III and his administration commitment to keep its promise, *to open Philippines for real business*, shows visible results being in the office for only the last two years, e.g.: foreign direct investments are on the unprecedented rise, implementation of huge infrastructure development projects (roads, bridges, ports, facilities for the social welfare of the population, etc), new jobs creation. What are the preconditions to be in place for such growth? What Tajikistan can learn from experience of Philippines? Here are some most important points:



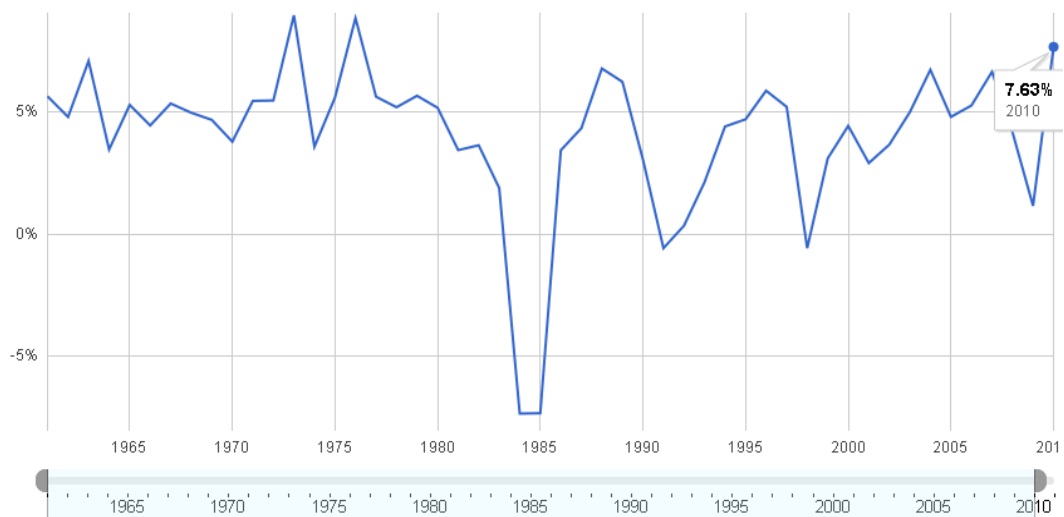
- Having honest, incorruptible and competent government that does action to end up with crony capitalism and widespread corruption;
- Independent judiciary that guarantees justice in courts hearings;
- Business enabling environment that provide guarantees to the investors;
- Freedom of access and spread of information (free, independent Manila);
- Gaining support at every level of society to conduct successful economic reforms.

I think, the most important and key priorities for the Government of the Philippines to ensure further growth are:

- Eradication of poverty and support the enlargement of the middle class in the country;
- Further support to the private sector creating more jobs in the country to become less dependent from remittances of 11 million labour migrant (28.3% of the labour-active population who transfereed US\$24 (10%) billion hoem to support their families;
- Continue reform to make Philippines the country of opportunities, encourage competition in all sectors, and grant those who do their job well.

<sup>35</sup> KPI: 1. Water Supply (W1 – Total Connections, W2 – Continuity of Supply, W3 – Pressure of Water Supply, W4 – Water Quality of Plant Outlet, W5 – Water Quality in Distribution, W6 – Sampling); 2. Sewerage and Sanitation (S1 – Domestic Connections, S2 – Sanitation, S3 – Wastewater Effluent Standards); 3. Customer Service (C1 – Response to Customer Service; C2 – Response to Customer Billing Complaints, C3 – Response to Request for New Connections, C4 – Response to Disruptive Mains)

<sup>36</sup> BEM: 1. Income (IN1 – Billed Volume and Connection, IN2 – Revenue Collection Rate (Water & Sewerage); 2. Operating Expense (OP1 – Labour, OP2 – Power, OP3 – Total Cumulative); 3. Capital Expenditure (CA1 – Total CAPEX, CA2 – Physical Accomplishment; 4. Non-Revenue Water (NR1 – Non-Revenue Water).

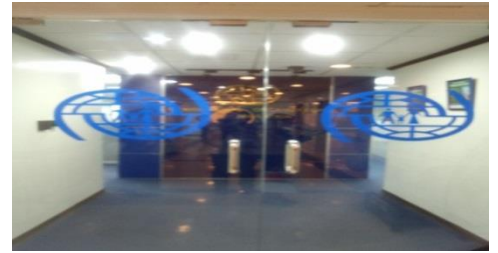


**GDP Growth in Philippines during 1960 – 2010. Source: World Development Indicators, World Bank**



## vii. International Organization of Migration

Visit to International Organization of Migration (IOM) was made in the afternoon of 30<sup>th</sup> January. Wai Mon, Yumiko Ampo, and Lecturer Ueda along with Katherine Bayona of UST were given the opportunity to hear the presentation made by Mr. Benjamin N. Lelis, Programme Assistant of Labour Migration/ Migration & Development Unit, on the topic about overall of IOM and its activities. First, we were given the lecture of IOM. We could know overall of IOM and its activities. And next, we had a discussion about migration in the Philippines and so on. Although we were very small group, thanks to that, we could discuss what we really wanted to know about migration and exchange each opinion.



Overall of this organisation is as follows: IOM is an intergovernmental organisation established in 1951, and is committed to the principle that humane and orderly migration benefits migrants and society. This organisation has 149 member states and 98 observers, more than 450 field locations. And more than 7800 staffs are working on more than 2700 projects. Their service areas are mainly seven: policy research & forum activities, migration & development, regulating migration, migration health, resettlement movement emergency and post-crisis, facilitating migration, and claims programmes. And IOM in the Philippines has long-standing relations with the Government of the Philippines. And it works to ensure that migration-related issues are given the attention they merit in the Philippine context. Here are missions of IOM Philippines: Labour Migration and Migration & Development, Emergency Response and Rehabilitation, Counter-trafficking, Movement & Return Support, and Immigration and Border Management.

This brief lecture taught us that their activities were advanced and its range was so wide. The Philippines is famous for so many workers who work abroad. And so, IOM in the Philippines especially promoted them to gain information and knowledge to work abroad. And they try various activities for migrant workers. The most memorable thing for me is “the Dream Map”. This is the planning of one’s life for next 10 years. It reminded me the importance of working with having a dream for future. We can know that IOM is promoting strongly a well-planned work life for migrants.

Then, we discussed mainly 3 points: (1) a new problem about immigrants in the Philippines, (2) Filipinos in Japan especially about women, and (3) the relation between emigrant workers and domestic situation.

(1) Although many Filipinos go over abroad, actually there are immigrants from abroad. And many of these immigrants are illegal. They sometimes take the place of Filipinos who are missing or passed away by using a false passport. This problem is becoming bigger in the Philippines than before. And so, they said that IOM and the government have to take a prompt action to improve this phenomenon. However, this is a very difficult problem and it will take time to solve it.

(2) In Japan, there are so many Filipinos. Their population is the fifth largest of foreigners living in Japan. The problem is that many Filipino women in Japan earn money by working for prostitution or something like that. IOM insists that migration







create benefit, but does this situation really create benefit for Japan and for Filipinos? I would like to say definitely no. To prevent it, not only IOM and the government of the Philippines but also the government of Japan should coordinate and strengthen the relationships. Moreover, they need to give not only information about going abroad but also skills to Filipino women to earn money by using those skills. But there is no programme like realising it, so they have to first of all create a concrete and inclusive programme for Filipino women or something like that.

Actually, there is another problem about Filipino women in Japan. While many Filipino women get married with Japanese men, they reach to get divorced. Some of them return to the Philippines after divorce, but they and their children cannot get used to life in the Philippines because of the difference of life style, culture and so on.

For them, some programmes or projects to integrate into the society will be also needed. IOM and governments need to make and implement the projects to realise the society where children like Japanese-Filipinos do not have to hesitate to live not only in the Philippines but also in Japan.

(3) When I think about migration, I am always worried about “brain drain”. And especially about Filipino migrants, they are very competitive, so I wondered more brain drain tends to happen. If brain drain happens, the domestic situation cannot improve or develop in the future. But I was given the answer I had never thought. It is as follows: They do not treat this situation as “brain drain”. When emigrant workers return to the Philippines with their skills, knowledge and experience, that makes surely positive effect for the Philippines and Filipino domestic workers. This answer taught me that everything has not only negative effect but also positive one. If negative effect or side catches our eyes, we must not forget there is positive one. So, we always have to think about both sides of things at the same time.

We could have a very fruitful time and discussion about migration and its future. By hearing the problems and their mind directly by the staff of IOM, we could rethink them more deeply and concretely. This visit to IOM gave us the strong motivation to do our research from now and I can say it is surely useful for our research.



## viii. Philippine Board of Investments

Philippine is a member of ASEAN and developing country as Viet Nam, but different developing level. Now Philippine is more developing than Viet Nam if we see the average income of a person per one year. In 2011, according World Bank, the annual average income of Philippines is around \$2,300, higher than Vietnamese is \$1,200.

Together domestic investor, foreign investors are more and more important factor in developing of country. In order to invite them come and invest money in some sectors as education, health, transportation, bank, etc, we have to do a lot of things as incentive policy, good environment investment, etc. From some experiences of Philippine, I will think about my country, Viet Nam and compare with knowledge that I study at university That is reason why I chose BOI when I took part in study trip in Philippine for one week from January, 26 until February, 2.



The Philippine Board of Investment (BOI <http://www.boi.gov.ph/>), an attached agency of Department of Trade and Industry (DTI), is the lead government agency responsible for the promotion of investments in the Philippines. It based on industry investment building, Makati City, 1200 Metro Manila.

It was the first time I visited Philippine and maybe it was the first time YNU students visited BOI, I think so. The first time of the meeting, Mr Ziganshin introduced about the exchange student's programme between YNU and UST and YNU's delegation.

During the meeting, I and Mr Ziganshin discussed about investment policy of Philippine and compared with Viet Nam and Tajikistan (Mr Ziganshin comes from Tajikistan).

Ms Marilou O. Avellannosa and Mr ED C. Nunag had a presentation about **“Philippine Laws on Foreign Investments”**.

The presentation focused on the incentives for investors. The Philippine Government has come up with a liberal programme of fiscal and non-fiscal incentives to attract foreign capital and technology that complements local resources. Different location and registration of the proposed business activity is different incentives. It means that: there are some organisations in Philippine where investors can register of the proposed their business. I will introduce some fiscal and non-fiscal incentives for investor if the register at BOI.

### **1. Fiscal incentives and non-fiscal incentives for investors who register business activity at BOI**

Fiscal incentives

*Income tax holiday*

New projects with a pioneer status for six years;

New projects with a non-pioneer status for four years;

Expansion projects for three years;



New or expansion projects in less developed areas for six years;  
Modernisation projects for three years.

Moreover new registered pioneer and non-pioneer enterprises and those located in the less developed areas may avail of a bonus year in each of the following cases:

- The indigenous raw materials used in the manufacture of the registered product must at least be fifty percent of the total cost of raw materials for the preceding years prior to the extension unless the Board prescribes a higher percentage; or
- Compliance with the Board's prescribed ratio of total imported and domestic capital equipment to the number of workers for the project.
- The net foreign exchange savings or earnings amount to at least \$500,000 annually during the first three years of operation.

#### **Non –fiscal incentives**

A registered enterprise may be allowed to employ foreign nationals in supervisory, technical or advisory positions for five years from date of registration.

## **2. Fiscal incentives and non-fiscal incentives for investors who register business activity at the economic zones and Freeport authorities**

### **Fiscal incentives**

#### **a. Economic zone export manufacturing enterprise**

##### *Income tax holiday*

100% exemption from corporate income tax if they meet some conditions:

- 4 years for Non-pioneer project
- 6 years for Pioneer project
- 3 years for Expansion project

#### **b. Information technology enterprise**

##### *Income tax holiday*

100% exemption from corporate income tax if they meet some conditions:

- 4 years for non-pioneer project
- 6 years for pioneer project
- 3 years for expansion project

#### **c. Tourism economic zone locator enterprise**

##### *Income tax holiday*

4 years. Upon expiry of the income tax holiday- 5 % special tax on gross income and exemption from all national and local taxes.

#### **d. Medical tourism enterprise**

##### *Income tax holiday*

4 years. Upon expiry of the income tax holiday- 5 % special tax on gross income and exemption from all national and local taxes.



During the meeting, I asked Ms Avellannosa that how many percent of capital that foreign

investor can invest in domestic enterprise? And it is possible for foreigners to invest up to 100% capital. Because, I think it also is incentive to investors. She answered that: Foreign investors are allowed to invest a maximum of forty percent. However, Foreigners can invest up to 100% if they meet some conditions:

- If the proposed activity he intends to venture in is not among these listed in the Foreign Investments Negative List

- If the paid-up capital for domestic market enterprise is at least \$200,000 which may be lowered to \$100,000 if the following conditions are met:

Introduction of advanced technology and employment of at least 50 direct employees

- If product and service is for export.

For foreign investor can get the Special Investor Resident Visa (SIRV) if he meets some requirements:

- He has not been convicted of a crime involving moral turpitude.

- He is not afflicted with any loathsome, dangerous or contagious disease.

- He has not been institutionalised for mental disorder or disability.

- He is willing and able to invest the amount of at least \$75,000 in the Philippines.

Visiting BOI was a good chance for me to more understand about the incentives policy of Philippine to Foreign investors. For one week in Philippine and very short time in BOI, it is very kind of YNU's professors, UST's professors and students and my friends who were supporting me during in Philippine. To most of students, it was the first time went to Philippine on study trip and also the first time we worked hard together. After come back to Japan, we have time to think over about the study trip and got some experiences that help us become stronger in the future.



## ix. Trade Advisory Group

Report on the Visit to the Trade Advisory Group, Inc.

Date and time: January 30, 2013 15:00-16:00

Interviewee: Ms. Lai-Lynn Angelica Barcenas, Senior Trade Specialist

Interviewer: Qiao Yuxian (assisted by Professor Araki)

Other participants: Men Ping  
Goldwin Fontanilla (UST)  
Frances Absalon (UST)



I first asked about the situation in the Philippines regarding the preparation for enactment of comprehensive competition (antitrust) legislation. Ms. Barcenas answered that although various legislative proposals have been introduced to the parliament since 1986, none of them were enacted into law. The primary reason for this was opposition from the business lobby known as “oligarchs”. However, this does not necessarily mean that there have been no political initiatives for a stronger competition policy in the Philippines. For example, President Ramos introduced more competition in the telecom sector under his leadership.

Ms. Barcenas studied national experiences in competition policy in various Asian countries – Korea, China, India and Indonesia. Her findings on Korea were very illustrative. Korea fully embraced effective competition law and policy only after the financial crisis of 1997. A stronger competition policy was necessary in order to deal with the market opening measures.

The Philippines may face a similar situation as a result of the ASEAN-wide market opening measures. The goal of the ASEAN community is to liberalise trade within ASEAN by 2015. This

pressure from the market could be an incentive for the Philippines to enact a comprehensive competition law soon. However, it is very difficult to predict when that is going to happen, particularly because a general election is scheduled for May 2013.

Then, I asked what will be the likely content of the Philippine competition law. Ms. Barcenas answered that it will be a “mish-mash” of international standards and an ASEAN model. The interests of small and medium enterprises will have to be taken into account. It will have to be something acceptable to the oligarchs. The key is how to make the Philippine competition policy compatible with its development policy.

Following that, I asked whether there is anything I can learn from the Philippines experience in my analysis of China’s competition policy, particularly in the area of state monopoly (known as “executive monopoly” in China). Ms. Barcenas answered that in the past there were many cases of state monopoly in the areas of air transport, long-distance communication and electricity. However, these sectors have been privatised over time. The National Oil Corporation is still a state monopoly.

Finally I asked about extraterritorial application of competition law. In the past, this type of action was monopolised by the United States, but now it seems many other jurisdictions are following suit. The European Union and even China are now actively applying their competition laws abroad, particularly in the area of merger. Ms. Barcenas answered that the Philippine experience in this area is zero, so it is difficult to comment but as a general matter, the definition of a “relevant market” is always an issue in those instances.

END

## x. TESDA

On 31<sup>st</sup> January, our group was divided in the group for Individual Visit. Nine students of us visited TESDA Women's Center (TWC) in Taguig city. Prof. Araki and Prof. Ueda and three friends from UST accompanied us. Our study programme was for almost two hours.

TWC is a training centre under TESDA (The Technical Education and Skill Development Authority). TESDA is the government agency tasked to manage and supervise technical education and skills development in Philippines.

TWC was established in 1998 through grant-aid from Government of Japan. It is the first technical-vocational training institution in Asia to earn the silver level accreditation status from the Asia Pacific Accreditation and Certification (APACC).

TWC is able to train 4000 women for self-employment in past 15 years from its establishment. TWC stands as a symbol of the Filipino women's capacity to engage in livelihood and wealth creation. TWC focuses on activities that promote the economic empowerment of women and gender equality. It has trained women in areas that are traditionally male dominated such as automotive servicing (7 months), commercial cooking (8 and half months), consumer electronic training (6 and half months), dressmaking (5 months), food and beverage services (4 months), food processing (5 and half months), housekeeping (4 and half months), shielded metal arc welding (3 months), pharmacy services (1 and half months). They are also going to start the new training for plumbing from March 2013.

TWC vision has changed its vision to "empower and educate the women from each household". It focuses for development of technical education skill so that women have choices for options. TWC advocates the women's through TVET (Technical Vocational Education Training) and help empower them. TWC Women graduates working not in national as well as international sectors. TWC provides trainings without discriminations like pregnant, single parents, lesbians, differently-abled women (disability in legs and hands, etc.) as long as they pass the screening process.

TWV provides free quality training, i.e. free of charge to make women able for employment and entrepreneurship. They also address the skills for people who are already in industry but want to enhance their skills and increase productivity and those who want to change career. It focuses on the economically poor women who cannot afford for studies. Therefore, TWC also provides subsidies for accommodation, regular medical check-up, and free day care facility to single parents, etc. to trainees.

TWC targets to improve and enhance the status of women in society. It hopes to raise their status through gender quality and raise their roles in family and community.

However, the seats for trainee are limited and there is high competition for selection. And also because only high school graduates could apply



for the scholarship, it is difficult to help raise socio-economic status of women from each household which is their mission. Therefore it is very important to focus on development of women of all groups like uneducated women also.





## xi. Amnesty International

国際開発協力・援助について勉強している私たちであるが、どの国でも経済開発が優先されると、人権というのは無視される傾向は常に存在してきた。韓国もそうだし、フィリピンも同じだと思う。アジアで最も目覚ましい経済発展を遂げた国であったフィリピンは、政治的混乱や腐敗などでその疾走を妨害され、今のような貧富格差や人権問題が生み出された。このような状況の中、フィリピンの人々自ら人権を守るためにどのような活動をしているかとても気になり、人権運動の代表的な機構である「AMNESTY INTERNATIONAL PHILIPPINES SECTION」に伺うことにしたのである。

まず「AMNESTY INTERNATIONAL」は、すべての人が差別されることなく、人間らしい権利を享受することができる世の中を作るために行動する国際人権団体である。AMNESTY INTERNATIONAL は非政府組織（NGO、Non-Governmental Organisation）として、国籍・人種・信仰などどんな違いも超越し、政治的イデオロギーや経済的利益から独立して活動している。1961 年、ポルトガル・リスボンで自由のために乾杯したという理由で逮捕された二人の学生が「7 年の刑」という重刑を受けてしまったが、それに怒った英国の弁護士 Peter Benenson（1921-2005）は、かれらの人権を擁護するために AMNESTY INTERNATIONAL の前身である「赦免のための嘆願 1961（Appeal for Amnesty 1961）」の活動を開始した。それによって開始された AMNESTY INTERNATIONAL は現在、世界 150 カ国以上で 300 万人の会員と支持者たちと一緒に、世界最大の人権団体として成長したのである。

フィリピン支部は 1980 年代から活動を開始し、1991 年 6 月に公式支部として認められたという。他の支部と同じに、1948 年に採択された国連の「世界人権宣言」に基づいて人権問題について調査し、これを全世界に知らせ、それぞれの国の政府機関や国際機関を対象に人権守護のためのロビー活動や危急な状況にある人々を救うためのキャンペーンを広げている。死刑、少年兵、超法規的殺害など様々なテーマでキャンペーンを行っているし、90 年代にすでに女性の権利のための運動を展開してきたのである。特にフィリピン支部で 1999 年から始まった「LGBT（レズビアン・ゲイ・バイセクシュアル・トランスジェンダー）」の権利のためのキャンペーンはどの国より活発で、2004 年 11 月、マニラで開かれた「国際レズビアン&



ゲイ協会（ILGA）会議」を主催することになる。いろんな分野の様々な人々が力を合わせて、フィリピン特有の明るさや元気を生かして活動している姿はとても印象深かった。特に大学生たちが主軸になり、街でフラッシュモブのようなイベントを開き、人権や人権運動についてあまり詳しくない一般市民にも呼びかける姿はものすごく格好よかった

実は、私たちのような普通の学生はあまり興味がなかったり、勉強してなかったりすると、「人権」の意義さ えよく分からないのが当然だと思うし、AMNESTY INTERNATIONAL がノーベル平和賞（1977 年）も受賞したすごい団体であることさえ



知らないと思う。しかし、ものすごく忙しい中でも、私たちの本当に基本的な質問に対してすごく丁寧で、分かりやすく、何よりも熱く説明して下さったフィリピン支部の Jeselle M. Papa (Organisational Development Officer)、Wilnor M. Papa (Campaign Coordinator) に感謝したいと思う。(お二人は実の兄弟である) 人と人が一緒に暮らしている世の中。私は「開発協力」という分野こそ、いつも「人権」を基本とすべきだと思う。これからももっと勉強して、もっともっと活発に人権運動に参加しなければならないと思った。





## **xii. UST-YNU Joint Seminar**

The joint seminar of YNU and UST was held at UST in the evening of 31<sup>st</sup> January. The seminar started at six o'clock with the participation of all members from YNU and hosted by Dean Lilian J. Sison, Ph.D, Dean of UST Graduate School, and other faculty members. The students of UST also participated in the seminar.



After welcomed remark given by Dean Sison, the attendants of both sides were introduced by their representatives concerned. The session was followed by two interesting presentations given by Mr. Laszlo Major, Ph.D. Associate Professor of UST, and Professor Tatsuhiko Ikeda from YNU.

For the first presentation, Mr. Laszlo Major explained about Business Process Outsourcing (BPO) Industry in Japan and the Philippines. Firstly, Mr. Laszlo gave short explanation about Business Process, which means a collection of related, structured activities or tasks that produce a specific service or product. He further explained about BPO's general idea, which is contracting of the operations and responsibilities of specific business functions to a third-party service provider. Mr. Laszlo also mentioned the different types of BPO: Back Office, Front Office, On-shoring, Near-shoring, and Off-shoring. He later explained about BPO in Asia-Pacific market. Within the region, the BPO industry in term of demand is relatively small, around 10 billion including Japan, which is less than 10 percent of the total global demand. Australia is the largest consumer and followed by India, the major provider of BPO services and Philippine is second largest BPO services provider.

Further discussion is about Japanese BPO industry. Japanese annual growth in BPO industry is 3% and contribution to the GDP is very small, less than 1%. The reasons behind the BPO is not so common in Japan unlike the US, Canada and Western Europe are that Japanese approach is very conservative, they discuss many times before they make decision, they also like to do in house business. These are some reasons of slow adoption rate compared to North America and Western Europe. Now off-shoring is also increasing mainly from China and India and more and more attempts from Japan come to Philippines because of English proficiency.

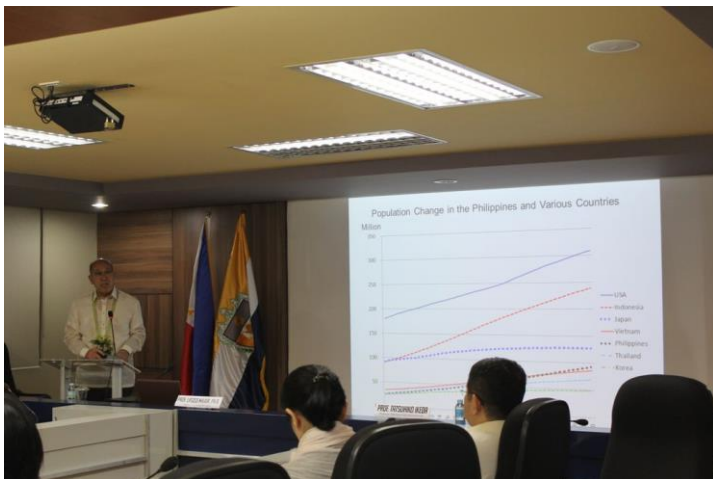
After explaining about Japan's BPO, Mr. Laszlo explained the Philippines's BPO services. Annual growth of BPO in the Philippines is about 30% and contribution to the GDP is US\$ 30 billion, which is 6% of the GDP and they are expecting continue growing and may reach 10% of GDP in 2016. It is also important contribution to the labour market demand.

Later, discussion about the advantages for two countries in the collaboration BPO industries was followed. For Japan the benefits will be cost efficiency, access to new markets, better service to English speaking clients, and improved English language capability. On the other side, the Philippines



will also get new revenue opportunity, more employment, and new technological process and, improve Japanese language capacity.

As the conclusion, Mr. Laszlo summarised that the global importance of the BPO industry is increasing due to benefits offered to the companies: such as flexibility, focus on the core business, efficiency and best practice. Although BPO industry is insignificant in Japan, it is significant in the Philippines. Both Japan and the Philippines can benefit from BPO collaborations.



The next presenter was Professor Tatsuhiko Ikeda, who also served as a port engineer for a long period. Professor Ikeda selected to discuss about Port Development and Economic Growth. Firstly, professor explained briefly about historical changes of the global population and then compared the population growth in the Philippines, Japan and other various countries. He also mentioned that economic growth depends on a continuing increase in absorptive capacity, which includes good governance: law and

order, democracy, political stability, work ethics, strong institutions and human resources, technology, and management. As professor had been working for infrastructural management for forty-two years, he went a little detail about the important of the infrastructure by considering the environment. When Japan transformed from Edo era to the modern society, in the Meiji restoration, there was not much infrastructure in Japan. Agriculture, silk and silver mining were the main economy of the country. There were almost zero infrastructures at that time but later, railways and industries increased. But during World War II, those infrastructures were destroyed and after the war, Japan's infrastructure was decorated again and the economic growth was very fast.

Then, Professor further explained how Japanese economy was developed. Firstly, the infrastructure, such as railway system was built, after that the industries were formed in those regions. As there were only some infrastructures remained after the war, Japan tried to build more for the demand. Within those times, because of limited infrastructure, most of the cargos are transported by shipping. But since railways were built up, the flows of cargos increased. Last one hundred years ago, automobile was not introduced. Japan tried to improve road infrastructure starting around 1950s. But, even now, as Japan was surrounded by sea, the costal shipping remains as the main cargo transportation. Professor Ikeda also discussed about Japanese economic growth by comparing the US, the Philippines and other countries. Now, Japan's GDP is around 20<sup>th</sup> or 19<sup>th</sup> in the world.

He continued to discuss about how Japan improved its highway systems. Last fifty to sixty years ago, Japan's roads were in the terrible saturations, including highways. In 1956, Japanese Government borrowed 830 million US dollar from World Bank and the first express way was constructed in 1963. Now, Japan's express way was completed with the total length of about 7,000





kilometres. Then, professor focused on the port system. Container transportation was started from the US in 1956 and spread throughout the world. In Japan, history of container transport and history of express way was almost the same. Then, he focused on the functions of some famous ports in Japan, including Yokohama Port, by comparing with other ports in such as China and the Philippines. Finally, Professor also gave suggestions concerning with Manila Port as he was involved in the Manila Port rehabilitation project in 1987 and 1988.

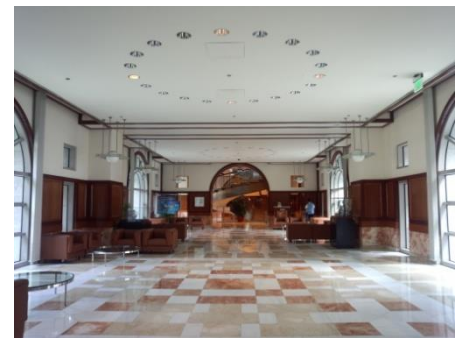
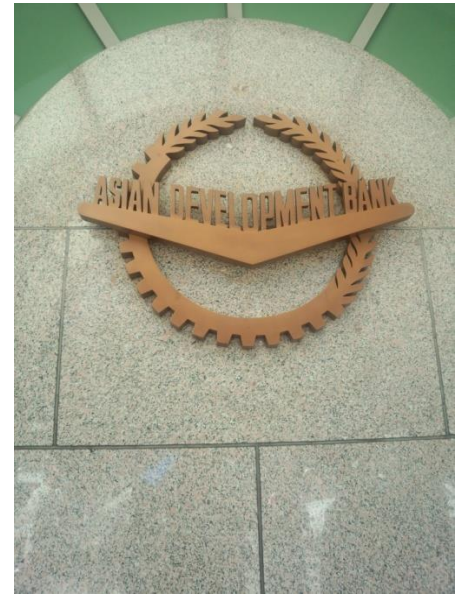


In the Question and Answer session, the participants asked the questions of their interests and the presenters gave detail explanations about the questions. Finally, all the participants were awarded the certificates of participation in the field study trip by the Dean Sison. Then, the joint seminar was successfully concluded by the dinner served by faculty of UST Graduate School.

### xiii. ADB

Our appointment at ADB was scheduled in the morning of 1<sup>st</sup> of February 2013. Professor Araki kindly contacted Ms Susan Hooper, Senior Communications Specialist, and organised our visit. ADB is located in Ortigas, Mandaluyong City. In order to avoid traffic jam on the road, we took MRT to ADB. We walked to Ayala Station, which is located at couple of blocks from our hotel, and Ortigas Avenue Station was 5<sup>th</sup> station from Ayala Station. From the station we once again used our feet to approach ADB. The ADB building was not difficult to find. The area was enclosed with a tall fence and surveyed with monitoring cameras. Upon our entrance to the building, we walked through first security check, then registered our identity at the reception. 13 students with 8 nationalities, 4 professors, and 1 administrative staff, the group is not that small and homogeneous, but our registration went smoothly that we headed to the main building of the ADB after a short break.

We went out and walked through an open space to reach the main building. The second security check was taken upon entrance to the building. We were told to proceed to the designated meeting room. Soon after our arrival to the room, Ms Susan Hooper briefly introduced herself, showed a clip on the history of ADB, and its recent development.



#### ADB and Post-2015

Ms Susan Roth, Senior Social Development Specialist, Regional and Sustainable Development Department was the first ADB Secretariat who kindly shared her time with us and presented about ADB and its Post-2015 approaches, and discussed key challenges faced throughout Asia and the Pacific regions. In addressing such topic, Ms Roth stressed the ZEN framework that emphasises the distinct challenges of achieving zero extreme poverty (Z), establish country-specific Epsilon ( $\epsilon$ ) benchmarks for broader development challenges (E), and to promote environmental sustainability both within and across borders (N).



In general, countries in Asia have undergone significant step to achieve MDGs. Asia also shows a mixed picture of achievement. Some areas showed difficulty to achieve by 2015, but in overall the development in Asia showed a tremendous progress compared to only one decade ago. Certain efforts and outcomes of the international community is shown from diverse range and types of data, but still much work remains to be done before the final deadline of the MDGs. International deliberations are actively engaged in the discussion of the post-2015 visions and goals. However, ADB is critical on that perspective that many of the analysts are focused too much on which of the MDG goals should be kept or dropped, and what new goals should be added. ADB takes different approach. Instead of focusing on the specific goals to be added, kept, or dropped, ADB, as already stipulated above, takes “ZEN” approach.



“Z” goals establish a set of absolute minimum standards for living conditions across all of humanity. ADB insists that Z goals should be considered in one of universality, that aims to address the most pernicious elements of global inequality. The minimum standards envisioned by the Z goals include such as income poverty, hunger, education, health, livelihood infrastructure, gender equality, and environmental resilience. In order to establish the goals, it is necessary to define a “zero” target that will be used for benchmarks to eliminate extreme poverty from the planet. Setting up of the targets or benchmark should be a starting point for all Z, E, N goals that reflect the lessons from the MDGs. All goals must be monitorable and measurable, with clear numeric targets and deadlines in order to serve their genuine purposes.

“E” goals encourage countries to achieve some Epsilon of complementary targets above the minimum Z standard. There are two defining attributes for E goals. First is that they pursue a higher standard than the minimum Z standards, focusing on the multidimensional challenge of extreme poverty. Second is that instead of setting the universal standards, Epsilon goals are to be pursued in a country-specific quantitative benchmark on shared priorities.

“N” goals address challenges of environmental sustainability that ensures a long-term prosperity and as a necessity in the face of planetary boundaries. N goals were designed by recognising the MDGs shortcomings on the environment and the major environmental impacts likely to emerge due to fast growing economies in Asia. N goals serve as a critical component of the ZEN framework. Goals under N component are presumed to be cross-referenced with Z and E goals. For instance, one of the basic needs of sanitation system would be included under the Z goals for zero extreme poverty. At the

same time, universal access to a particular standard of living might fit under the higher ambition of E goals.



In order to make N goals to be operational, it is important to distinguish the issues that can be solved by individual country and those that require collective and universal actions. In the Asian context, the spill-over challenge is particularly important since the rise of emerging economies renders the provisions of global public goods even





more complex. The crucial objective of spill-over issues is to identify ways for externalities to be internalised and to develop the new solutions that can solve the underlying problems. The challenge is most prominent in the context of green house gas emissions including CO<sub>2</sub>, CFC, and HCFC and climatic stability as a global public good.

E and N goals have been emphasised by ADB that a more novel global challenge would take shape through the

implementation of E goals and related N goals. In case of E goals, because each country may set its own specific goals, country may set up absolute targets based on aspirations or else relative targets based on initial conditions. However, spill-over issues remain as the most problematic issue in the international community since their successful achievement hinges on collective actions and cannot be solved solely by the effort of one country. While the ultimate requirement to combat spill-over issues might be the conclusion of international treaties and conventions with a clear compliance or even dispute settlement mechanisms, each country will need to set voluntary quantitative benchmarks through joint processes. To address spill-over issues and goals, it is ideal to entail a global or regional goal to be set first, then a backward induction process to be pursued in order to establish voluntary country-level targets.

Finally, more country-centred and country-identified goals do not mean to minimise the responsibilities of developed countries. Recent launch of the Mutual Assessment Process of the G-20 enhanced the cohesion between industrialised and emerging countries, and also affirmed the partnership between them. However, under the ZEN framework, high-income countries bear two foremost responsibilities. First of which is to provide the dominant share of ODA for the achievement of Z goals. Second major responsibility of the developed countries is to contribute appropriate actions and financing for spill-over N goals. Thus, while developed countries also establish their own country-specific goals, they are expected to assist lesser developed countries in terms of particularly financing.

In sum, Ms Roth gave us comprehensive and informative ideas of recent development of the Asian economies and how ADB formulates its strategies especially for post-2015. Mr. Ziganshin shared his belief, how development can be ensured in the countries of transition economies, what pre-conditions

and priorities should be set, as follows:

- Public sector reform to increase the effectiveness of public governance, competitive selection process in place to become the governmental officials / civil servants, capacity building programmes for governmental staff to build strong institutions, salary increase and provision of benefit packages (based on key performance indicators set to verify the confidence and proficiency) to the governmental staff / civil



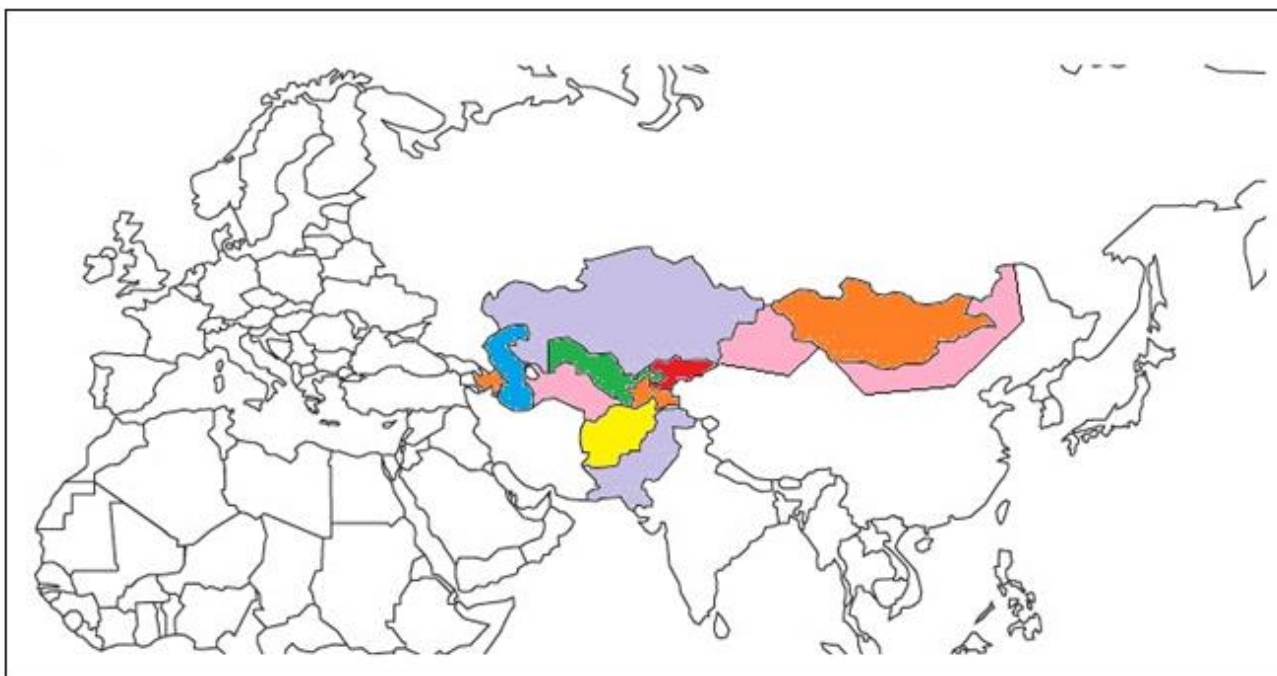


servants. Such measures will positively contribute to eliminate corruption and have more honesty in governmental institutions.

- Private sector development, business enabling environment legal and institutional frameworks set by the governments. Private sector (especially private entrepreneurs, small and middle enterprises) is the locomotive of any economy in the world. Private sector is far more efficient and effective than any government institution in creating the employment opportunities for people. Governments should play its regulatory role to ensure equality, protection of rights and interests of poor people.
- Freedom of access to information, freedom of speech and free mass media. Mass media should play a watch dog role in the society to monitor the situation and inform public about abuse of power, corruption in any sectors, etc.

### **CAREC Program**

The second topic of the presentation was titled as “The Central Asia Regional Economic Cooperation Program: CAREC”, presented by Ms Rose McKenzie, CAREC Secretariat. Countries involved in the CAREC Program are: Afghanistan, Azerbaijan, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan, People’s Republic of China, Tajikistan, Turkmenistan, and Uzbekistan. CAREC is supported by six multilateral institutions: ADA, EBRD, IMF, Islamic Development Bank (IsDB), UNDP, and IBRD. The leadership is taken by each country, but these ten countries and six multilateral institutions work together to promote and accelerate development through cooperation and reduce poverty. The Program establishes the long-terms vision of “Good Neighbors, Good partners, and Good Prospects”. The CAREC Program has been attaining wide sensation in recent years for the potentials the Central Asian and the neighbouring countries have. It is aimed to realise their tremendous potentials by promoting regional cooperation particularly in four priority areas: transport; trade facilitation; energy; and, trade policy.

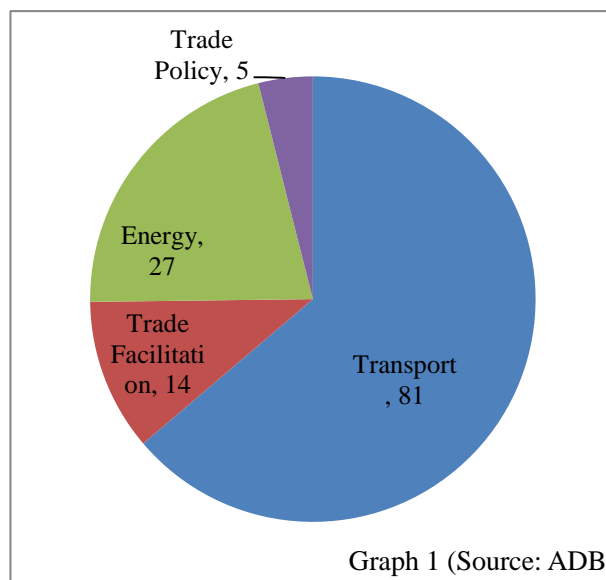


Map 1 CAREC Countries and Regions.

Transport section is one of the areas which has been putting more effort compared to other pillars of the priority areas. Its effort is easily perceived by observing the numbers of CAREC projects. Graph 1 demonstrates the numbers of CAREC projects planned in each of four areas. According to ADB, there have been altogether 127 projects planned under the CARE Program, and 81, almost 64 percent,

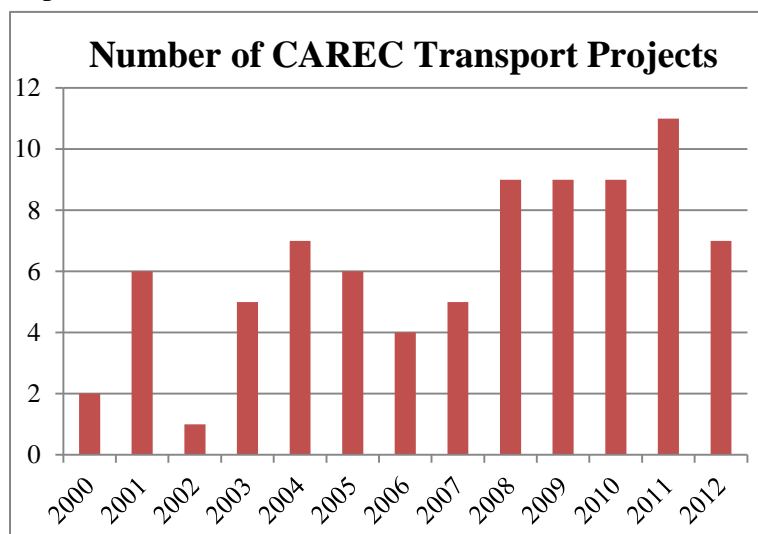
of which were planned for transport sector.

The CAREC region is considered as the important area that connects across Eurasian continent. Improvement in the region's transport infrastructure that will lead to the reduction in the cost of trade across regions, thus the CAREC Program puts extra emphasis on the construction and maintenance of the infrastructure to promote growth in the region. Furthermore, transport and trade facilitation areas are often combined together. In other words, the construction of infrastructure will consequently facilitate the trade, and conversely the trade will be facilitated through the development of the strong infrastructure.



Under the CAREC Program, ADB identified three goals for transport sector: establishment of competitive transport corridors across the CAREC region; facilitate efficient movement of people and goods across borders; and, develop safe, people-friendly transport systems. More specifically, in order to achieve these three goals, the CAREC Program determined four distinct goals: achievement of 100 percent corridors by 2017 compared with 64 percent in 2007; increased transit trade volume via the CAREC corridors to 5 percent of trade between Europe and East Asia by 2017, from less than 1 percent in 2005; increased intraregional trade volume by 50 percent by 2017 from the 2005 level; and, reduced time for border crossing along the CAREC corridors by 50 percent by 2012, and a further 30 percent by 2017 as compared with 2007.

Graph 2 represents the number of CAREC transport projects in each year since 2000. Out of 81 CAREC transport projects, 45 projects were initiated since 2008.



Between 2000 and 2007, there were average of 4.5 projects implemented each year. However, since 2008 the average number of projects doubled to 9 per year. Ironically to the occurrence of global financial crisis in 2008, the CAREC Program increased the amount of transport projects since 2008. It might be a pure supposition however, relatively scarce relation between the CAREC countries and the crisis-affected regions minimised the shocks amongst the CAREC countries, and the CAREC countries may take initiatives to haul the Eurasian continent from the economic recession.



Graph 3 demonstrates the numbers of CAREC transport projects in each CAREC countries. Top

four countries, Afghanistan, Azerbaijan, Kazakhstan, and Kyrgyz Republic dominate more than 60 percent of all CAREC transport projects. Recent promotion of Kazakhstan and Kyrgyz Republic should be pointed out.

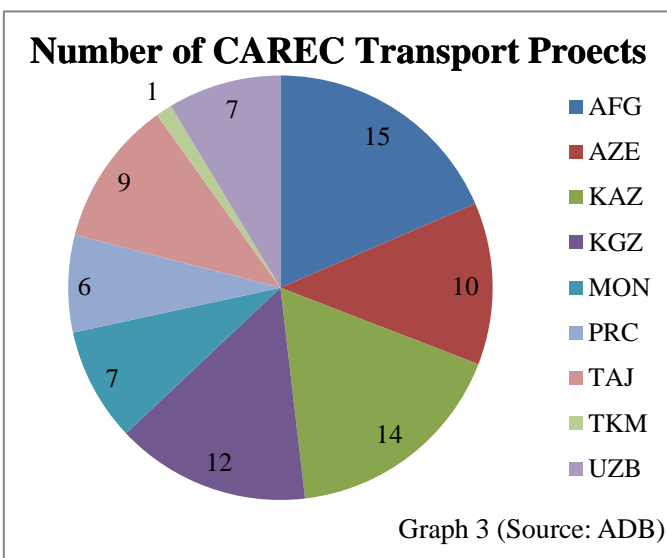
Both Kazakhstan and the Kyrgyz Republic joined the CAREC in 1997. Since 2001, the sum of \$6.96 billion \$614 million has been invested in transport, trade, and energy in Kazakhstan and Kyrgyz Republic under the auspice of the CAREC Program. Kazakhstan's sum of \$6.96 billion is the highest amongst the CAREC countries while Kyrgyz's \$614

million is ranked as 7<sup>th</sup> in the CAREC countries. The sum of investment in the Kyrgyz Republic is considerably lower than other new-comers such as Azerbaijan that joined the CAREC in 2003 but the sum of \$2.82 billion, the second highest amount, has been invested in transport, trade, and energy sectors. Moreover, Uzbekistan also joined the CAREC in 1997, but the sum \$2.46 billion, 3<sup>rd</sup> highest amount, has been invested in transport, trade, and energy sectors. Thus, Kyrgyz Republic has largely been ignored in the CAREC transport project implementation during the early years of the CAREC. However, out of 12 CAREC transport projects implemented in Kyrgyz Republic, 8 of those have been implemented since 2008, and the number of projects initiation in the Kyrgyz Republic since 2008 comes second highest just after Kazakhstan of 11 projects. Kazakhstan is similar to the Kyrgyz Republic. Even though its sum of investment is the highest amongst the CAREC countries, there were only 3 CAREC transport projects initiated in Kazakhstan. It was only since 2008 the number of transport projects in Kazakhstan dramatically increased.

The CAREC Programs take "corridor approach" to implement the transport sector strategy. In its 10-year timeframe (2008-2018), the CAREC Program selects the corridors that reflect current and potential trade flow patterns, which involve at least two CAREC countries, and implement by considering following five criteria: current traffic volume: prospects for economic and traffic growth; ability to increase connectivity between regional economic and population centres; prospects of mitigating delays and other hindrances such as the number of cross-border points, number of gauge

changes; and, economic and financial sustainability of infrastructure, management and technology improvements. There are six corridors identified by the CAREC.

Creation of such kind of massive corridors is expected to bring number of benefits both within the CAREC countries and with their neighbouring countries. Construction of new roads or rehabilitation of existing roads will eliminate the weak or missing road links that will reduce the transport cost and times between major CAREC cities and along principal Eurasian trade directions. Corridor performance will be monitored by establishing the integrated committees to promote their uses. By collectively monitoring the corridor uses, it is expected to facilitate the movement of people and goods across the borders. Transport regulation will be harmonised amongst CAREC





countries to create the level playing field for transport operators and enhance efficiency upon crossing borders. Furthermore, the creation of road transport system is also accompanied with the restructuring



Map 2 (Source: ADB)

of the railway and aviation sectors. Railway sector is currently restructuring to establish competitive regionalised services with the participation from private sector and integrated cross-border operations.

Finally, the CAREC transport systems pursue people- and environmental friendly networks. The CAREC transport network will comply with the best standards of safety and comfort and simplifies the border crossing procedures and visa requirements. The CAREC transport system will minimise the adverse effects on air, water, and land resources.

Construction of firm infrastructural systems will accelerate the trade facilitation amongst the CAREC countries and neighbouring countries and regions. According to the WTO, trade facilitation refers to the simplification and harmonisation of international trade procedures, including such as activities, practices and formalities involved in collecting, presenting, communicating, and processing data and other information necessary for the movement of goods (WTO, 2012). Trade facilitation also involves wider range of activities that include transport formalities and payments, insurance, and other financial requirements.

Under the trade facilitation strategies, the CAREC Program establishes three principal goals: to realise a significant reduction in transaction costs and time by improving administrative efficiency, and by simplifying, standardising, and harmonising trade procedures; encourage the free movement of goods and people; and, enhance the transparency of laws, regulations, procedures, and forms, and share relevant information and other trade issues.

The chart below summarises the key goals, objectives, and elements of the CAREC Programs on



trade facilitation. Trade facilitation strategy puts customs cooperation as the centrepiece of the programme. With the support from the Customs Cooperation Committee (CCC), the programme sets up the medium-terms objective to promote concerted customs reform and modernisation. Simplification and harmonisation of customs procedure will be achieved by using the Revised Kyoto Convention of the World Customs Organization (WCO). The strategy also contends to change the culture of customs administrations from control-orientation to compliance-facilitation which is considered as the crucial element of the customs reform and modernisation. Furthermore, it also insists to introduce risk management practices, joint customs control, and customs automation to enhance the trade facilitation of the CAREC countries.

### Goals

- 1. Reduction in transaction cost and time.
- 2. Free movement of goods and people.
- 3. Transparency and information sharing.

### Objectives

- 1. Strengthen customs co-operation.
- 2. Address broader issue of trade facilitation.
- 3. Focus on the CAREC transport corridors.
- 4. Results-based approach to monitor time and cost savings.
- 5. Support for logistics assessments and planning.
- 6. Bilateral initiatives and CAREC TFCC/ CCC.
- 7. Partnership between CAREC MIs and other relevant international agencies.

### Elements

- 1. Concerted customs reform and modernisation.
- 2. Integrated trade facilitation approach.
- 3. Efficient regional logistics development.

Trade facilitation not only involves “at-border” measures, but also “behind-the-border” measures. Improved at-border process and behind-the-border measure will result in economic benefits. The CAREC Programs see that the major impediments to trade fall mostly on export other than main primary products and on small and medium-size enterprises and traders. It also acknowledges that the effective trade facilitation cannot be achieved by a single national agency, but involves various agencies. In order to achieve concerted process of trade facilitation within the country, the CAREC Programs support each country by dispatch the TFCC/ CCC experts to establish or strengthen the national trade facilitation committees. Lack of human resources within the CAREC countries often



hinders the process of trade facilitation however, the CAREC Programs follows an integrated trade facilitation approach that enables the TFCC/ CCC experts to participate in the national committees to ensure effective functioning of the trade facilitation in each country’s relevant government agencies and other structures.

The creation of corridors and the facilitation of trade do not bring result without the logistic

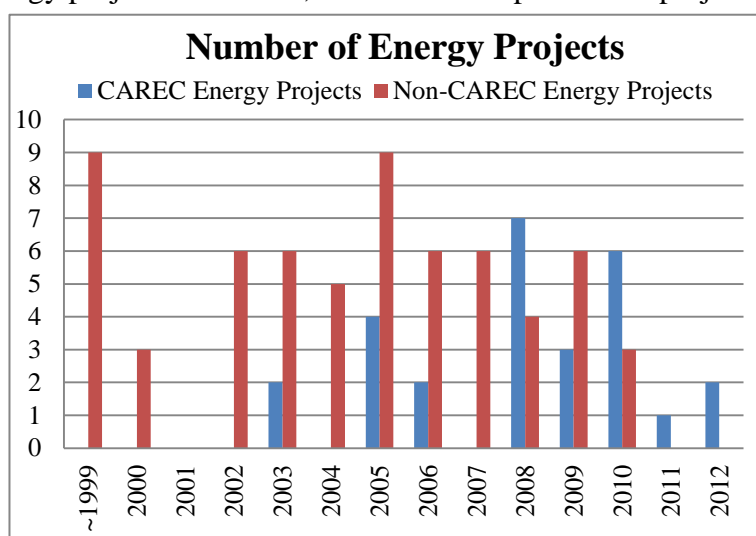
industry. Trade facilitation strategy also aims to develop the efficient regional logistics industry. With the coordination with the Transport Sector Coordinating Committee, the trade facilitation programmes will include establishment of regional forum to harmonise and plan trade logistic development, support national trade logistic assessments, and facilitate and finance key investments such as public-private partnerships.

Improvements in infrastructure and transport system, and the facilitation of trade both within and across the borders amongst the CAREC countries is necessary in order to uncover hidden mineral and natural resources in the CAREC countries. The CAREC countries are rich in natural resource, including gas, oil, and rare metals, but uneven distribution and inadequate and inefficient infrastructure often impede the countries to fully utilise those hidden minerals. The CAREC Programs accelerate the regional energy cooperation and provide an opportunity for integration of energy markets to overcome the impact of unequal distribution of energy resources, efforts to optimise existing energy interrelationships, and efforts to develop least-cost solutions to energy constraints. The CAREC region is sandwiched with the potential attractive markets, Russia on North, China on East, India on South, and Eastern Europe on West.

In order to maximise the potential capacity of energy extraction, the CAREC energy sector strategy assessed each country's strength and create the benefit in accordance with country's specificity. For example, Azerbaijan, Kazakhstan, and Uzbekistan are considered as energy and resources sufficient countries and urge to evolve medium- to long-term interrelationship to secure access to export markets and gain export revenues to support their energy export-led growth. Kyrgyz Republic and Tajikistan are rich in hydropower resource but lacking fossil fuels, thus they are urged to expand the export markets for hydroelectricity and earn export revenues to secure import of fossil fuels to capture enough energy to meet their winter energy deficits. Transits countries, such as Afghanistan and Mongolia, are to earn valuable transit and transmission fees. Thus, since each country has different natures, potentials, capacity, and resources, the CAREC energy sector strategy focuses on the particular area of each country's strength and maximize the output of that strong area to support weaker and needed areas in energy sector.

The total number of projects in energy sector is far less than transport sector but there have been more projects implemented compared to trade facilitation. Graph 4 demonstrates the number of energy projects, both CAREC and non-CAREC, since the 1990s. Once again the number of non-CAREC energy projects exceeds that of CAREC energy projects. However, similar to transport sector projects, the number of CAREC projects initiation increased from 2008 onward, and in 2011 and 2012, even though the number of projects is far less than previous years, only CAREC energy projects have been implemented.

Finally, the CAREC Programs see the trade as the most critical element to all CAREC countries. CAREC countries, except for the case of Pakistan, share the common background that these countries are landlocked and as a region in general, there are only tiny potential to use



Graph 4 (Source: ADB)

sea-gate to conduct international trade. As landlocked countries rich in natural and mineral resources, the ability to efficiently interact with world markets through land route is critical to promote and achieve sustainable economic growth.

	WTO Member?	Initiation	Stage of Negotiation	Date
AFG	No	21-Nov-04	Factual Summary	3-May-12
AZE	No	30-Jun-97	Factual Summary	8-Nov-12
KAZ	No	29-Jan-96	Draft Working Party Report	25-Jun-08
KGZ	Yes	20-Dec-98		
MON	Yes	29-Jan-97		
REG	Yes	1-Jan-95		
PRC	Yes	11-Dec-01		
TAJ	No	29-May-01	Accession Approval	10-Dec-12
TKM	No	N/A	N/A	N/A
UZB	No	8-Dec-94	MA Negotiations	September 2005

Table 1 (Source: WTO)

The CAREC Programs as well as other MIs identify three major trade barriers in CAREC countries: trade taxes, both tariffs and domestics taxes, and quantitative restriction (QRs); WTO and regional trade agreements (RTAs); and, border and transit trade impediments. Average tariff amongst CAREC countries is generally below 10 percent which is lower than the overall average of roughly 11 percent for developing countries in 2005. However, even though average tariff is generally low, it is stipulated that large number of tariff bands and a wide dispersion of tariffs in different tariff-lines result in high effective protection. Furthermore, various forms of domestic taxes, including VAT, excise, and import charges and fees, are still harmful and possessing trade distortive effects. Reform in tax and tariff system is desirable to gain benefit from trade liberalisation and also to help CAREC countries to accede to the WTO.

As of our visit to ADB on 1 February 2013, only four of the CAREC countries were the members of the WTO.<sup>37</sup> The estimate of WTO accession benefits varies, but it is often said that the welfare effect is always positive after adjustment periods. This general trend also applies to the Central Asian and transition economies: the immediate impact may cause some competitive pressure particularly on less efficient producers and industries; but soon adjustments take place and positive gains are registers; and then in a long-term, the gains will continue to accumulate and can be quite substantial.

Furthermore, in parallel to the accession to the WTO, CAREC countries are also involved in a number of RTAs. Conclusion of the RTAs in principle leads to trade creation in the region however, most of them are far from fully implemented in practice, have narrow coverage, and complex rules of origin. Thus, the expected and potential benefits from the RTAs are not fully realised and achieved. In addition, it is pointed out that the trade diversion and negatives effects of the RTAs are often greater than the benefits. One of the most crucial factors that serve as the barriers and impediments is the regulatory and administrative malfunctions. Visa requirements, high visa costs, non-existence of consular offices near border regions, slow processing at borders, periodic border closures, vehicular restrictions, limitations on volume of goods, and fees and surcharges at border, these



<sup>37</sup> Tajikistan is to become the 159<sup>th</sup> WTO member on 2 March 2013. Its accession was approved by the General Council on 10 December 2012.





regulatory and administrative weakness and malfunctions are widespread amongst the CAREC countries. The CAREC trade policy projects contend to take actions to deepen the understanding of the way in which the general institutional environment can be improved to support intra- and inter-regional trade.

With these four pillars as the central strategy of the CAREC Programs, the 10<sup>th</sup> Ministerial Conference, in 2011 held in Baku, Azerbaijan, endorsed “CAREC 2020: 10-year Strategic Framework for the CAREC Program”. Following year, in October 2012, the 11<sup>th</sup> Ministerial Conference was held in Wuhan, China, and affirmed to continue to pursue the strategic goals the CAREC countries have set for its second decade. While the CAREC achieved modest results during its first decade from 2001 until 2011, the first decade could be perceived as the experimental decade which was designed to determine future directions of the CAREC and individual country. During the first decade, following points have been identified as the lessons learnt and considered as the operational

imperatives: developing stronger country ownership and mainstreaming CAREC into the national development agenda; establishing a list of CAREC priority projects; mobilising more resources for CAREC; more attention and resources to sector capacity building; encourage greater private sector involvement in CAREC initiatives; and, coordination with other regional groupings.

CAREC 2020 adds economic corridor development and the CARECT Institute as well as second-tier areas as the prioritised areas of cooperation.

CAREC Institute (CI) was established in 2006 to provide training and of web-based information in transport, trade, and energy. CI is a virtual information hub that conducts analytical works, coordinate information to share amongst the CAREC countries, assist countries to build capacities and resources, and forge new partnerships and mobilise fresh fund from CAREC MIs and other development partners. Under the CAREC 2020 programme, CI will conduct capacity building and analytical work that are more directly relevant to priority sector requirements. By narrowing down the scope of analytical work of the CI, it focuses on the most necessary and urgent sectors of cooperation.

Economic corridor development will also be prioritised in order to improve competitiveness. What CAREC anticipates is that the transport sector projects will surely improve the corridor systems. The constructed corridor will merely improve the transport amongst the countries, but eventually corridor will transform into logistic corridors and further into economic corridors. Even though transport corridors are expected to transform to economic corridors, the degree of transformation is likely to vary across the corridors and countries due to different level of development in each

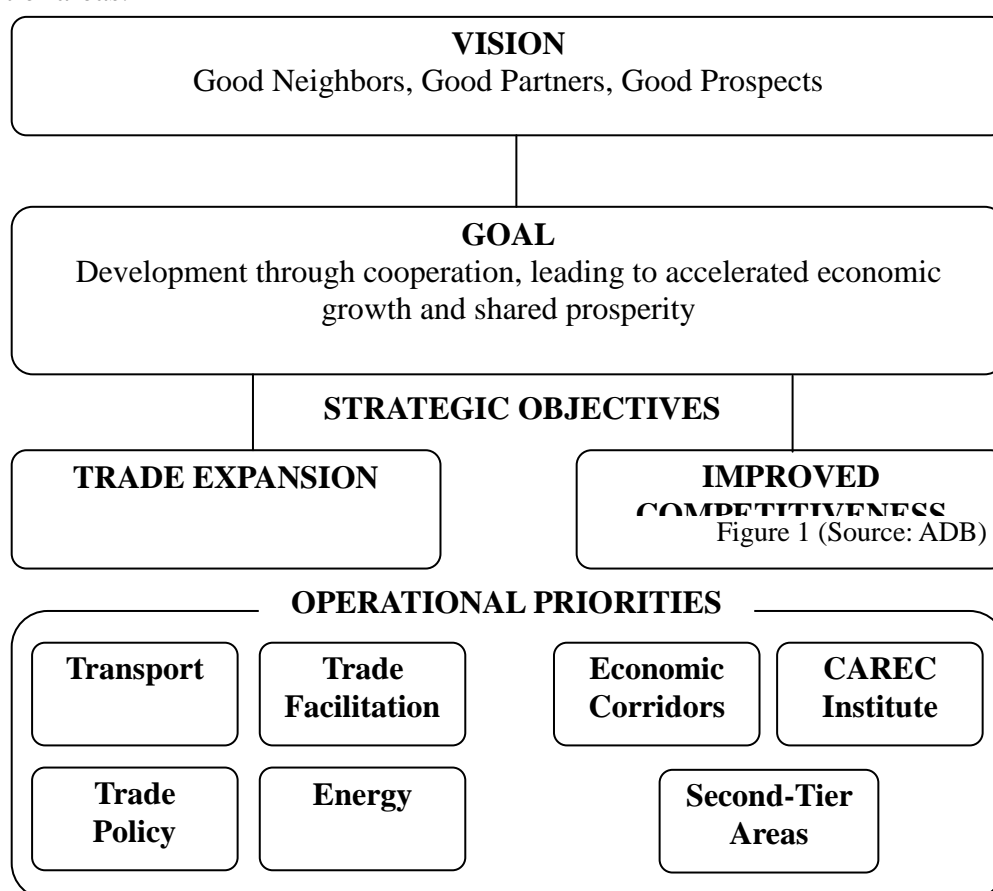




corridor's components and the intensity of goods being traded. Thus it intends to identify pilot transport corridors that could be transformed to economic corridors in a phased manner while a master plan for each corridor will be developed once the pilot corridor is determined.

The first phase of transformation is from transport corridor into logistic corridor. Transformation is expected be implemented primarily through public investment. The second stage of transformation, from logistic corridor into economic corridor, envisages market-driven initiatives. As a consequence to successful transformation of corridor from transport to logistic, it already created the policies and investment fundamentals. On top of those already-formed fundamentals, the transformation into the economic corridor will be pursued by increasing the private investments in productive activities. Regional value chains are expected to develop predominantly stemming from facilitation measures to ease the conduct of business along the corridors.

Finally, second-tier areas, which were discovered during the 5<sup>th</sup> CAREC Ministerial Conference in October 2006, will be considered to broaden and deepen the programme. The first-tier areas were four core areas, and the second-tier areas include new sector including human development, the environment, and disaster management, tourism, and agriculture. The second-tier areas are limited to highly focused projects. The second-tier projects have the characteristics of that these projects are not sector-wide unlikely to the first-tier, CAREC coordinating committees are not required, monitoring is conducted by the CAREC Secretariats, and the second-tier activities may involve new development partners. CAREC 2020 programmes reaffirm and strengthen the commitment of the CAREC to work on second-tier areas.



With the widened scope of priority areas, the CAREC 2020 determines four principles that will guide the design and implementation of CARECT projects and initiatives: country ownership;



pragmatism and result orientation; 2+X principle; and, development partners' strengthened partnership.

In sum of CAREC 2020, it precisely articulates the opportunities and challenges faced by each country in the region. While the first decade of the CAREC observed and analysed the situation and searched for the possibility and implemented the projects gropingly, the second decade of the CAREC will strengthen the commitment of each

member to continue to work to realise the prospects for the region. CAREC 2020 was formulated and built on top of the results created from the first decade, intensifying infrastructure connectivity, transport and trade facilitation, trade policy, and energy as the core of regional cooperation. On top of these traditional areas of core activities, CAREC 2020 envisages to expand the scope that now also considers second-tier areas, strengthened CI and institutional framework, and the full utilisation of corridor systems. CAREC has already attained experience and learnt lessons in the first decade, thus the second decade should be the opportunity for each CAREC country to realise the significant potential each country has, and promote economic growth by fully utilising the resources they have.

Following questions are asked by Mr. Tagaev and Mr. Ziganshin, and in repose, Ms. McKenzie answered as follows:

*Q.: In long run Kyrgyz Government is planning to build railway which might connect China with our country. Project is already developed but negotiations still take place. There is serious discussion on this project in our country. Shall we build it? What is the position of CAREC Program on this railroad Project?*

A: Regarding the railway. We do not govern on political issues in respective countries. The decision on this project has to be made by your government. Policy of CAREC 2020 Program concerning regional trade is promotion of regional trade and competitiveness.

*Q: What do you think about plans of our government to enter into Custom Union with Russia, Belorussia and Kazakhstan?*

A: Your President has not made official declaration about entering the Custom Union. This is again a question of policy, which cannot be governed by CAREC Program. Our strategy is implementation of the programme on national level but keeping in mind regional planning.

Ruslan asked about Scenarios for further development in the region, for instance, whether the national security (Territorial Dispute of Japan-China-Philippines, Israel-Gaza-Iran, India-Pakistan tensions, withdrawal of US Troops from Afghanistan) and political risks (Kazakhstan, Uzbekistan and Tajikistan leaders rule the country for more than 20 years, Tajikistan & Kyrgyzstan tough relationship with Uzbekistan) were taken



into consideration by the CAREC project. Ms. McKenzie answered that the Project Team (the Secretariat).

Ruslan also asked about what Ms. McKenzie opinion, what way Tajikistan to break up the cycle of being the factor-driven economy and have center-periphery relationship with more powerful actors such as Russia (Tajikistan was ruled by USSR and was a Soviet State for 70 years, currently 50% of labour active population of the country work in Russia, as labour migrants), China (huge infrastructure management projects investment, trade) and US (still remain more political, rather than economic, e.g. who amongst Central Asia Countries (Uzbekistan, Kyrgyzstan and Tajikistan) will receive the arms after US troops withdrawal from Afghanistan)?

Ms. McKenzie answered that they prefer concentrate only on economic development specific issues and do not touch such hot topics as they may destruct attention and cool down the relationship between counties-participants of the CAREC project.





## **xiv. JICA**

### **Introduction:**



JICA Philippines Office is located at the 40<sup>th</sup> floor of the Yuchengco Tower at the RCBC Plaza on Ayala Avenue, Makati City, in Manila. The first what we saw before we were invited to the meeting room was the beautiful and breathtaking view over Manila from the top of the building.

During that visit we had an opportunity to meet with JICA Programme Officers and learn from them what the key, strategic priorities of JICA's Programme in Philippines are.

There were in total four (4) presentations done by JICA staff during orientation session:

1. "JICA's Cooperation in the Philippines", by Ms. Misa Kemmiya, Chief, Administration and Coordination Sections;
2. "Cooperation in Agriculture, including Irrigation", by Ms. Sherilyn Aoyama, Programme Officer, Poverty Reduction Section;
3. "Cooperation in Water Resources Development including Potable Water Supply", by Ms. Flerida Chan, Chief, Poverty Reduction Section;
4. "Cooperation in infrastructure, especially highway construction" by Mr. Floro Adviento, Chief, Economic Growth Section

After the Presentations, students had a chance to communicate directly with JICA presenters during open forum session, and discuss the specific issues of their interest with professionals. At the end of the programme participants met individually with JICA professionals who made their presentations to discuss issues of their research interests, for e.g.:

- Issues related to Bridge Construction for Expanded Agrarian Reform Communities Development with Ms. Sherilyn Aoyama and Mr. Ervin Mella, Program Officer, Poverty Reduction Section (Participant: Mr. Akihiro Ishimoto)
- Promotion of regional trade relations with Ms. Joan Salapare, Program Officer, Economic Growth Section (Participant: Melis Tagaev);
- Issues related to women's welfare (Maternal and Child Health Project) with Ms. Martha Parrenas, Program Officer, Mindanao, Governance, and Health Section (Participant: Yasoda Basnet);
- Governance and private sector development, projects in the field of water supply and sanitation and issues and projects on education with Ms. Flerida Chan (participants: Ruslan Ziganshin and Kenta Kido);

### **About JICA ODA to Philippines:**

JICA development assistance to Philippines started in 1974 and successfully further growing until now. The country is the top 3<sup>rd</sup> recipient of the technical cooperation from JICA in the South East Asia



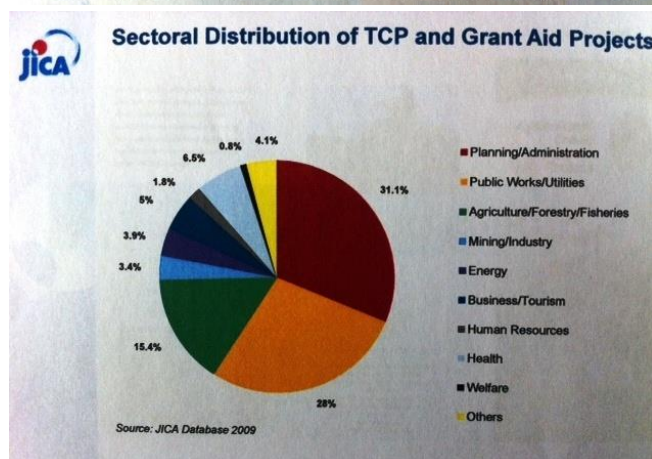
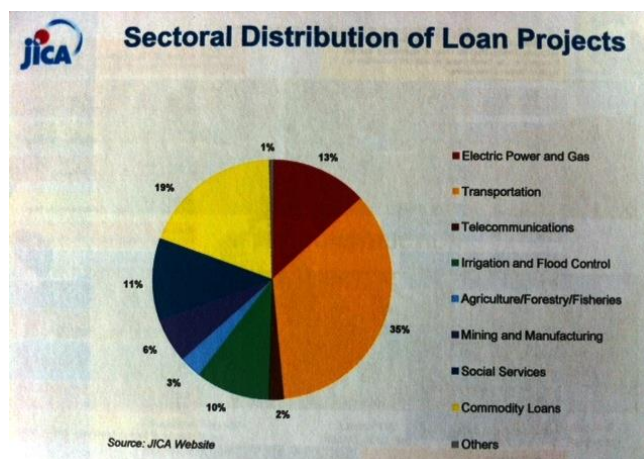
Region. Current priority areas of Japan's ODA to the Philippines are consisting of:

1. Promotion of sustainable economic growth and job creation
2. Poverty reduction
3. Peace and stability in Mindanao

In 2010, JICA's loan programme to the Government of Philippines constituted of US\$215.78 mln; Grant Aid of US\$45.69 mln; and Technical Cooperation of US\$81.09 mln.



**Ms. Misa Kemmiya is presenting the JICA's Cooperation in Philippines**



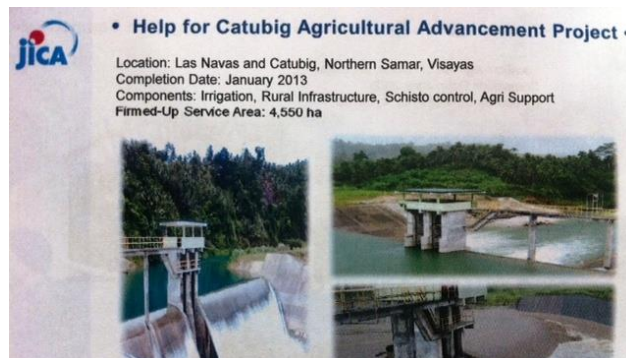
Probably the most influential programme of JICA in Philippines is about improving the roads infrastructure (including bridges and highways). These projects create value for all other projects and activities, as by increasing the mobility of people to help them break the cycles of poverty. JICA office in Philippines also facilitates the Volunteers Programme (Japanese Specialists who wish to come to Philippines to fill the demand for knowledge and skills of local residents, e.g. farming, livestock management, automobiles repair, etc). As cross-cutting issue, JICA Philippines Programme supports to local NGOs to strengthen the civil society links with government and private sector at different levels. JICA supports the Government of Philippines to apply Public-Private-Partnership Concepts in realisation of funded projects.

### **Cooperation in agriculture, including irrigation**

The surface area of Philippines constitutes of 30 million ha, 9.6 million of this territory is allocated for agricultural production. The Agro Sector contributes up to 12% of the country's GDP and provide employment opportunity for 33% of the labour active population of the Republic. JICA Philippines cooperation in Agro Sector includes projects aimed on improving irrigation infrastructure, access credits and building the capacity of farmers to do the agribusiness.



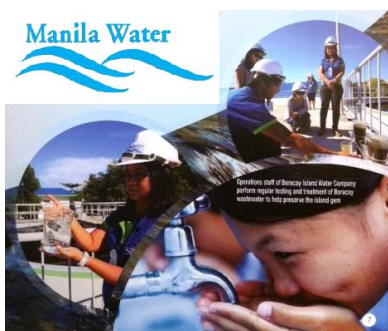
**Ms. Sherilyn Aoyama is presenting the JICA cooperation in Agriculture**



## **Cooperation in water resources development including potable water supply**

Water Supply and Sanitation Sector in the Philippines is supported by JICA through yen loan schemes, grants and technical cooperation assistance.

- Major yen loan supported projects are: Boracay Environmental Infrastructure Project (1995-2002), Rural Water Supply & Sanitation Project Phases 1 to 5 (1978 – 2007); Provincial Cities Water Supply Project Phases 1 to 5 (1988 – 2006); Environmental Development Project (2008 – ongoing until 2016)<sup>38</sup>.
- Major grants and technical cooperation projects are: Capacity Development Project on Water Quality Management (2005 – 2010); Rehabilitation Project for Cagayan de Oro Water District's Facilities Damaged by Typhoon Sendong (2012 – ongoing until May 2013); Water Security Master Plan for Metro Manila and its Adjoining Areas (Water Balance Study & Climate Change Impact Assessment and Hydrological Simulation, 2011 – 2012); Small Water Districts Improvement Project (2005 – 2012); Follow-up Cooperation for Water Quality Improvement in Local Areas Project (2010 – ongoing).



The successful example of Public-Private Partnership in practice is the Boracay Environmental Infrastructure Project: implemented through Philippine Tourism Authority (PTA) but now called Tourism Infrastructure & Enterprise Zones Authority (TIEZA). TIEZA's Boracay Water Supply and Sewerage Department handed over the operation role to Manila Water Inc. under concession agreement. Manila Water Inc. established the sister company – Boracay Water for this purpose.

<sup>38</sup> Several water supply and sanitation service providers are currently being financed: Boracay Island Water Company; Puerto Princesa City; Tarlac City Water District (WD); Ilagan Water District; Camarines Norte WD; Taguete Waterworks; City of San Fernando WD; Balanga WD; Don Carlos WD.

JICA's follow-up cooperation for the improvement of water quality in targeted programme area is an important effort. The demand for the new knowledge and environmentally sustainable practices is still high both from the regulators and operators of the water supply and sewerage facilities.

The project is implementing by Local Water Utilities Administration. Geographic Coverage: 6 WDs in Binmaley and Lingayen, Pangasinan; Pagsanjan, Laguna; Dingle-Pototan, Iloilo; Pontevedra, Capiz; Abuyog, Leyte.



**Ms. Flerida Chan is presenting the JICA programme in Water Resources Development including Potable Water Supply**

### **Cooperation in infrastructure, especially highway construction**

JICA started its cooperation in the road sector in the Philippines in 1974. Most of the JICA ODA for the road sector is in the form of loans. There are some grant-aid projects mostly for bridges in the rural areas. JICA extended 55 loans for the road sector in the Philippines with total amount of ¥399.7 billion (equivalent to US\$ 4.7 billion) representing about 21.2% of the total JICA ODA project loan portfolio to this country. JICA



ODA loans account for the improvement / upgrading of over 4,000 kilometres of roads and bridges representing about 16% of the paved national road system in the Philippines.





**Mr. Floro Adviento is presenting the JICA programme on infrastructure development, especially roads, highway and bridges construction**



**Subic-Clark-Tarlac Expressway**



Roads play a vital role in the economic development of a country. Good roads serve as important catalyst for sustainable economic growth, e.g.: promotion of trade and investments, facilitation of regional integration / development, support to agricultural production and rural development (poverty reduction), promotion of tourism, promotion of peace and stability in conflict-affected areas, prevention and mitigation of disasters alleviation of traffic congestion in urban areas.



## VI. Individual Reports

### Yasoda Basnet

My study tour to Philippines has been an incredible chance for me to learn various aspects about Philippines.

On our first day, we reach the Makati of Manila and on second day, we had a flight to Davao, Mindanao. Our very first visit was Eden Nature Park. There we had buffet lunch in the open air restaurant and later we had a round Jeep tour of the park with an English guide. There, we could enjoy the varieties of plants and also the cultural dance show of Indigenous people of Davao. Eden Nature Park is not only the garden but it also has accommodation facilities for all kinds of guests, like couple and family. It was very interesting that they provide the meal of organic vegetables produced inside the park.

After Eden Nature Park, we had the chance to learn about the Japan Philippines history through our visit to Japanese Museum, Japanese cemetery, Japanese tunnel, etc. The pictures and the ancient monuments were very unique and interesting to me. We had our dinner at Jack Ridge restaurant which has a pleasant environment with musical play service for customers.

On our third day, we went to Mindanao International College and attended the lecture from Consul Kazuhiko Anzai, Consul and Director of Consular office Japan in Davao. We learnt about the history of Japan Philippines bilateral relations and about Japan's role in support to Peace Negotiation between the Philippines Government and anti-government group. On evening, we drove to General Santos and stayed there.

On our fourth day, we visited Dole Philippines and attended the lecture. Establishment of Dole Philippines has successfully utilised the natural resources as well as the human resource in the area. That has result the economic progress of hundreds of people by providing job opportunities. Moreover, it has been contributing in development of social welfare of community by supporting in health, education, and environment, etc through CSR (Cooperative Social Responsibility) activities.

On the same day, we went to General Santos fish port. We could learn about the fishery business of General Santos and people surviving on it. It was very surprising that the tuna they fish are naturally gifted, they do not produce them and again this is another source of income for people there. I find them very lucky but on other side, there also remains the question of sustainability in the fishery business and their livelihoods. On that afternoon, we had flight back to Manila.

On fifth day, we divided into group and I visited Payatas, with two of another friends and our professor,





Prof. Ikeda. Visiting Payatas was a great experience to learn another part of Philippines. Payatas is a slum area, where poor people are spending their life and most of them are surviving by picking and selling garbage from the huge mountain of wastes. These people are called “Scavengers”. Our visit to Payatas reminded us the need of international cooperation continuously.

On our sixth day, I went to TESDA Women’s Centre (TWC) with a group of nine friends and two professors, Professor Araki and Professor Ueda. TWC is an organisation established by the support of Official Development Assistance (ODA) of Japanese Government. It is providing training to the women in Philippines to help them develop their skill to be self-independent and is free of charge. They operate the training courses on various fields like food, housekeeping, automotive, machinery, etc. It is a great activity that TWC has been targeting in development of women by skill building to empower who are economically poor. However, trainee selection is found very competitive. Only high school graduate women can apply for the scholarship whereas, huge number of women population has not graduated high school. In addition, even the fees are free of charge, lively expensive are payable. Therefore, TWC need more to focus on the development of all groups of poor women.

On evening, we went to Amnesty International and learnt about their programme and plans towards Human Rights of people from worldwide. Later, we attended lectures and closing ceremony at University of Santo Thomas (UST).

On seventh day, we visited Asia Development Bank (ADB) and Japanese International Cooperation Agency (JICA) Philippines and attended various lectures on International Development. It was very interesting that I had great chance to study about the various development plans, the successful stories and views of JICA Philippines.

This study tour has been very important chance for me to learn about many things. I am foreign student from Nepal, which is one of the developing countries as well. For me it is priceless opportunity to study about development process of Philippines as it making remarkable economic growth in recent years. Additionally, this study trip has contributed to develop the understanding about Philippines in me. For example, before departing Japan, I had a prejudice that whole Mindanao is not much safe place to visit as domestic conflict is going there for long time. But visiting there, I could learn about its best aspects also. Mindanao is naturally and culturally rich in resources. And the kind hospitality and beautiful smile of people there is the biggest treasure which could attract anyone of us to visit there again and again.

I would like to thank JASSO for supporting us to experience and study Philippines. This experience is going to contribute in my upcoming research and I would like to participate in these kinds of Study Trip in future too. Thank you very much.





## Salamat po ! Philippines

*My dreams, when life first opened to me, My dreams, when the hopes of youth beat high,  
Were to see thy lov'd face, O gem of the Orient sea.*

*From gloom and grief, from care and sorrow free; No blush on the brow, no tear in thine eye.*

- José Rizal (1861.6.19 ~ 1896.12.30)

旅行の初日からいろんな出来ことの連続だった。私たちが乗る予定だった飛行機がまさか‘delay’でもなく‘cancel’になるなんて想像もしてなかった。新幹線で大阪まで行き、関西空港から一日遅れてマニラに到着した。フィリピンに無事に到着することができて何よりも嬉しかったし、むしろこれからのフィリピンでの旅がより一層ワクワクする瞬間であった。

私たちは、1月26日の夜遅くマニラに到着し、27日から29日までMindanaoのDavaoやGeneral Santosで過ごした。実はミンダナオは宗教紛争や内戦のことで危険なところという認識が強かった。しかし、私が出会ったミンダナオは、豊かな自然や活気に満ちた、これからの発展がさらに期待される優れたところであった。地域の自然を活用して住民が共同体を構成し、一緒に農園を運営しながら観光産業を推進するEden nature parkが印象的であった。都市でのストレスが私の知らぬ間に解消される気分だった。

フィリピンと日本がさまざまな方法で交流してきた歴史をミンダナオのあちこちで見つけることができたが、実は私にとって興味深かったのは「学校」のことであった。ミンダナオ国際大学で上手な日本語で挨拶してくれる学生たち、まだ設備が劣悪な状況の小学校であるが、机や本がぎっしり詰まっている教室のことを見て、世界のどこでも「学ぼう」とする姿勢は美しく、教育こそ希望そのものということを改めて実感できる大切な時間であった。

この間の災害の時にいろんなところから寄付されたものを誇りのように展示しているダバオ市庁ロビーの色とりどりの美しい包み、Gensan fish portの活気に満ちた漁師たちの笑顔、地域社会に対して社会的責任を持って貢献している企業のdole。自然と共存して生きていく、その理由のためか自然にすごく似ている元気で純粋なミンダナオの人たちの魅力に夢中になってしまった。目の前に広がる広大な自然や美しい夕日を見ていると、これからどんなことに会っても全部うまくいけるようないい予感までした。ダバオ市のモットーが完全に納得できた瞬間であった。Life is here.

1月29日遅い時間にマニラに戻った私たちは、最後の日までマニラで過ごした。が、実は私のフィリピンでの経験は1月30日のPayatasへの訪問、その前後で分かれるといっても過言ではないと思う。マニラ都心から少しだけ離れているパヤタスという地域には、市のゴミをここに投機し、また投機してできてしまったゴミ山がある。またこのゴミ山でゴミを拾いながら生活する貧困層が集まって暮らしている。まず、マニラの中心部との貧富格差にあまりにも驚いたし、テレビでしか見れないスラムの姿にもう一度驚いた。しかし、子供たちが靴もないまま、手をつないでゴミ山からゴミを拾う姿を直接自分の目で見ると、言葉を失ってしまったのである。基本的なインフラや基礎教育・衛生など基本



権さえ保護されない人々。しかし、家族を守るために警察官になりたいという 17 歳の少年の夢や、LIKHA SHOP という、ある意味で社会的企業として運営されているその店で、工芸品を作りながら新しい人生を生活している地域の女性たちの笑顔、そして自分たちの生活の基盤をもう少し良くするために努力している NGO「SALT」の本気を感じながら、私は一体何のために国際開発協力という分野を勉強しているのか、これから私にできることは何であるか深く考えてみる事ができるきっかけになった。金持ちになるために活動するわけではなく、「人間らしく」生きるために努力しているという SALT 関係者の言葉がずっと私の心に残っている。



学部時代から名前だけ聞いてきた ADB に直接訪問することができ、講義も聞いて、食事をしたことは、私にとって本当に大きな幸運であった。豪華な建物や、世界各国の料理を接することができるレストランなどに本当に感激したが、あまり遠くないところに住んでいる Payatas の人々の笑顔がどんどん浮かんできて、「嬉しい」という感情だけではなかったのである。

私は前に一ヶ月ほどフィリピンで暮らした経験もあり、植民地・戦争・経済開発・民主化など、韓国とフィリピンはさまざまな面で似ているところが多く、ずいぶん前から愛情を持っていた。今回のフィリピンでの時間はそんな私の熱い心をもう一度確認することができる良い機会であった。ガバナンスの脆弱さや権力の腐敗、治安の問題などフィリピン社会が持っている弱さよりも、フィリピンの市民たちの無限の可能性はるかに大きいということを感じることができたと思う。今後、フィリピンについてもっと研究したい。そして機会があれば、フィリピン現地で活動したいと思う。なぜか近いうちにまたフィリピンに行くことができそうな嬉しい予感がする。

いつも感じることであるが、Santo Tomas 大学の先生や学生たちは本当に感動的ですばらしい。学校ものすごく素敵で、疲れているはずなのにもかかわらず、ずっとと明るい微笑で私たちと一緒に時間を過ごしてくれた彼らのことに本当に感動した。特に英語での会話が堪能ではない私にも優しく、素直で、楽しくしてくれたたくさんのフィリピンの友達に申し訳ない気持ちとありがたい気持ちでいっぱいである。フ



ィリピンの友達のおかげで、国際協力というものは大変なことではなく、私の小さな行動、小さな言葉一つ一つが、すぐに民間外交になり、自分の国を代表する顔になるということをもう一度感じる事ができた。フィリピンの友達が見せてくれたフィリピンは本当に元気で美しかった。フィリピンで、また日本で、私は韓国のどういう顔を見せているのか反省することができた。なぜか逆ホームシックのように、歓迎パーティーで UST singers が歌ってくれたフィリピンの代表的なラブソング







「Kailangan Kita」にはまってしまっ  
て、しばらくずっと繰り返して聞  
いたのである。

フィリピンでの数々の写真の中  
で、私にとって今回の旅を最もよく  
表現する写真を選ぶとするとこの  
写真にしたい。Payatas の LIKHA  
SHOP 前に揃え置かれている私たち



の履物である。池田先生から、ボランティア活動で日本から来  
たある学生、ネパールから来た友達、日本から来た友達、NGO「SALT」のスタッフ、SHOP で働いている Payatas  
の労働者、そして韓国から来た私まで、生きてきた環境も、考え方も、学んできたことも全部様々で非常  
に違う私たち。しかし、そういう人々が同じ気持ちでこういうところに集まり、「一緒に」同じところを眺  
めるという素晴らしい経験ができて、感謝の気持ちでいっぱいになった。ただの靴の写真であるかもしれ  
ないが、もしかしたらこれが私たちが「国際社会」というところで一緒に生きていく姿ではないか思っ  
てみた。

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## Akihiro Ishimoto

Four months after we YNU students hosted UST Japan trip in end of September 2012, our visit to the Philippines happened at the end of January 2013. I kept in touch with some of UST students over the last few months, and asked for some helps prior to my visit to the Philippines. Information about the Philippines is more known by local people, thus information shared by the UST students contributed a lot to organise my visit to various organisations in Manila.



Apart from our visit to Mindanao, ADB, and JICA, we all organised different visits in accordance with our research interests and concerns. Special thanks must be given to Professor Tiu of UST, who vigorously contacted various organisations in Manila to arrange my visits. After the discussions with Professor Tiu, I decided to visit Department of Agriculture (DA), National Irrigation Administration (NIA), National Food Authority (NFA), and Philippine Rice Research Institute (PhilRice). The detailed reports on the visit to these organisations are found in somewhere else in this report.

Our departure to the Philippines was delayed by one day due to technical problems of the aircraft. We moved ourselves to Osaka to catch the flight departing from Kansai International Airport on the following day. The temperature of Osaka was around 7 degrees Celsius on the day of departure, but the temperature in Manila was above 25 degrees Celsius. It is always hard to adjust our body from cold weather to warm weather. Even though I was wearing less, beads of perspiration broke out due to extreme humidity coupled with the temperature difference.

We landed onto Ninoy Aquino International Airport around 2015 Philippine time. Outside was already dark but the temperature was still warm. The hired bus was already waiting our arrival at the exit of the airport. As I expected, inside of the bus was so cold. The window was wet due to wide temperature difference between inside and outside. Anyhow, the bus took roughly 30 minutes to the





hotel which is located in the centre of Makati City.

It was my second time to visit the Philippines. It has been two years since I visited Manila last time. Makati City welcomed us as nice and warm as previous time, the construction site next to the hotel was still on-going, Jollibee in the Green Belt shopping centre was still there, heavy traffic of Ayala Avenue because of Jeeps and buses and cabs, the sceneries Makati City are constant that what I observed this time in the heart of Makati was same as the previous time. However, as this was my second time to Manila and met UST students prior to the visit, I could extend my feet to new areas to discover more of metro Manila.

For example, as many of the agricultural organisations were located in Quezon City, which is located in the Northern part of Manila, I could explore the surrounding areas of Quezon City after the meetings. University of the Philippines (UP) Dilman Campus is located in Quezon City which I could step into during the evening time. At least unlikely to YNU, UP Dilman was built in the open and flat areas, and all of the buildings were built with dignity and history. Warm evening time was very suitable for students to jog around the campus to get refreshment from study. Professor Tiu kindly explained the facilities in UP while Mr. Francis Lawrence carefully drove the car around the campus. The green campus of the UP surely creates the appropriate environment for students to concentrate on study while it also creates luxurious atmosphere for relaxation.

After the quick tour of UP, we then proceeded to one of the shopping centres in Quezon City called SM North Edsa. It was Wednesday evening however, the shopping centre was crowded by people and I could observe the activeness of the lives of people. Inside of the shopping centre was well-designed and divided into different sections in accordance with the commodities. For example, once I find one of the mobile phone manufactures such as Samsung, then that section is occupied by many of other mobile phone manufacturers. Thus once people decide what commodity to check, they visit one



section of the mall and go back and forth in the same section for different manufacturer's products. Such kind of interior design surely enhances the efficiency of shopping. The size of the shopping centre was gigantic that cannot bear comparison with the shopping centres in Japan. In addition, the Japanese textile manufacturer and retailer UNIQLO was also there in the shopping centre.

It was the first night in Manila since coming back from Mindanao, so I was taken to one of the restaurants in Quezon City nearby to the SM North Edsa. The restaurant was located in the residential area of Quezon and the place was enjoyed by the local people living surrounded by. One of the astonished but also the memorable experience I got from the restaurant was a "balut". A

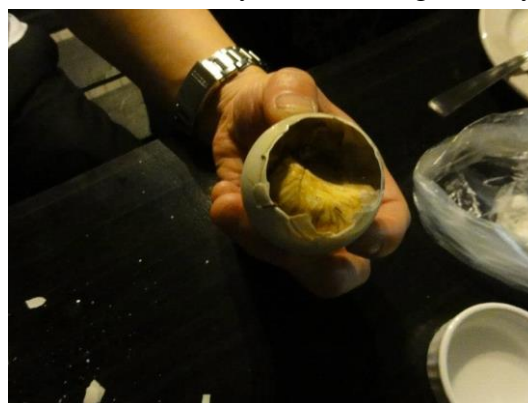
balut is not an official menu of the restaurant, but since we took the seat on outside terrace, we bought few baluts from a balut vendor. The cost was 19 pesos, approximately 38 yen. One of UST students explained and described balut as it is an exotic Filipino dish, a fertilised duck embryo that is already formed, boiled and eaten in the shell. He continued that local people would jokingly describe it as an aborted duck



chick that makes this delicacy disgusting to foreigners because of the dead chick, sometimes with a feather, you see inside once the shell is cracked. How the food looks is not an issue, but balut has a really scrumptious taste.

I caught a whisper of balut prior to my visit to the Philippines, and I was not expected to try it as, to be honest, it looks grotesque. However, since balut is almost not eaten in Japan, I decided to try it for the first time. Professor Tiu and other UST students kindly instructed me the procedure to eat it. It is same as a boiled egg, thus first crack the shell then peel the eggshell. Before actually eat the egg, I sipped the juice which was stored inside of the eggshell. It was salty but the taste was indescribable. I continued to peel the shell until I can clearly observe the chick. I sprinkled a bit of salt and slowly put them into the mouth. First impression on the taste was that it tasted same as normal boiled egg. An oral sensation was slightly different as the balut is the embryo. Unfortunately I could not reach to the bottom of the egg to completely finish the egg. I tried not to think what the balut is, but a preconception was too big that it was almost impossible to avoid imagining about it. Balut is only one example of exotic cuisine the Philippines offer, but the food like isaw, helmet, and betamax are other notable foods which I insist to try next time.

The street in Manila during the night time has a different face from the day time. During the day time the street is packed with jeeps, tricycles and pedestrians and the traffic jam occurs on a daily basis. However, night time traffic went so smoothly that the day time lively street conditions turns to a total silence and darkness. It was already past midnight when I reached back to the hotel. Despite the fact of tight schedule during the day time, this kind of night time activity was essential to understand the Filipino culture and to interact with local people. It was also that unless I was accompanied by Professor Tiu and other UST students, I would not be able to spend night time outside Makati safely.



One week of stay in the Philippines was not long enough to observe the complete picture of the country. During this time I fortunately could extend my feet to Quezon City and surrounded areas, but it was only one tiny part of metro Manila. Indeed, visiting government organisations and institutions is important in order to understand the local problems and strategies. However, riding on jeeps or tricycle and step into the local residential





areas, the actual experience on how local people live in the city and how they spend their time is only perceivable through active interaction with local people. UST students kindly provided the opportunity for me to observe the various dimension of Manila.

Every country and city has different faces and dimensions which drastically change between day and night time and from town to town. Philippines and Manila are no exception. The populous city of Manila is similar to Yokohama where, especially in the metro area, can be described as people mountain people sea. However, the weak infrastructural system and the still-developing city of Manila create the distinctive feature of the city that differs significantly from Yokohama or other cities in Southeast Asia.

Manila and the Philippines always welcome foreigners with changing faces. On-going economic development of the country is under the construction boom of high-rise buildings. In fact, even though I did not have opportunity to visit, according to the explanation by one of the UST students, Bonifacio Global City in Taguig City, which is located in the adjacent to Makati City, is one of the prominent



areas in the metro Manila for recent urban development and planning. Ortigas, where ADB is located, is another area which has been rapidly developing that I could observe the difference compared to two years ago. Philippines is an island country possessing numbers of volcanoes. Philippines is also an earthquake-prone country and also suffer from a typhoon, many of the natural disasters in the Philippines often overlap with that of Japan. In this circumstance, Japan may share its past experience and offers disaster preventive technologies and strategies that appropriately suit with the Philippines' development strategies.

Once again, just a couple of short visit to the Philippines is only enough to observe the general and overall nature of the country. It will definitely be needed to visit more times or even reside in the country to apprehend the precise situation of the Philippines. Philippines is surely one of the most fascinating countries I ever visited. As the Philippines welcomes us with new faces every time, I strongly insist to visit there again and feel the changes. Next time I will surely observe the changes in various areas of Manila while the heart of Makati City will welcome us with unchanging face.



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## Kenta Kido

This study tour made me learn many things and wonderful experience to me in learning about developing country's culture as well.

Firstly, I got good opportunity to see people and listen to their idea who live in developing country. Especially for me, it was visiting to Payatas. We were able to go inside the house of families living there and here their thinking directly.

And I could compared hear some thinking from UST students. I felt that is the problem which now confronts Philippines and us, because there is a big difference even in Philippines.

It is an important task of government to implement policies. We did study at school in Japan about side of policy-makers and in Philippines, we could learn other side which the people who in need in.

On the other hand, I could feel their passion that they would like to develop through during some interviews. I could see people seemed to live with a energetic atmosphere in there.

I met a boy in Payatas who have a dream to be a police man. I was so impressed by his earnestness.

I think Japan has a lot of to learn from the Philippines. They have a dream and plan. That is important thing which we need to have in Japan.

I could feel that we have to cooperate with each other including both of people in developing countries and developed countries.

Secondly, during this study tour, UST students supported us kindly. I really appreciated to their helping. We have been the strong relationship and we enjoyed together.

This study tour is unforgettable for me because I got many valuable experiences. It encouraged me much harder on my development cooperation studies.



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## Yumiko Ampo

We were planned to arrive on 25<sup>th</sup>, but actually we arrived at Manila on 26<sup>th</sup> January because scheduled flight was cancelled. Our trip started from what nobody could expect, but thank to this happening, I could have grown the capacity to react unexpected things and learnt to enjoy anything that happens in my life.

This was my first visit to the Philippines. I heard about a gap between central and rural area,



but the gap was so much bigger than I had ever imagined. The central area in Manila was so developed like central at Tokyo that I got surprised. But when we went to outside of central area, we could see the sights which were totally different from central area. I could not believe both areas were in the same Manila. And in Mindanao where we stayed for 3 days, I saw the sights not developed like Japan just after World War 2. However, people who live in Mindanao look so powerful and actually I felt a strong energy from them. Their smile was really nice, and

moreover wonderful nature still remains there. Of course we should promote development to reduce poverty and improve their life situation, but I thought we should not change their life itself. I know this is a very difficult problem, but I felt so by seeing their life directly by my eyes. It is important to go to the field, see and confirm the situation by myself to understand more profoundly the people who live there.

Individual visit was also a wonderful and fruitful experience for me. I chose to visit DFA and IOM because my interest field is migration. Both organisation welcomed us warmly and gave nice presentations. If I have not joined this programme, I could have never experienced hearing their opinions directly or having discussion with them. This experience gave me a motivation for my study and research and a little more confidence to communicate in English.



Then, Filipinos have a wonderful hospitality. They helped me many times during the trip, and so I really appreciate them, especially our UST friends. I really enjoyed spending time with them. Interacting with them also gave me a strong motivation and I would like to interact with more foreign people in the world and find a new world to me.

Our field trip group was indeed international. There were only 3 Japanese including me out of 13 members, and so for me, there was a lot of difficult to prepare for this trip. But we could cooperate finally and really enjoyed this trip. I re-learnt it is important to understand and cooperate each other if each of us has a different mind, opinion or life situation. Maybe this seems to be not so special and new, but it is very difficult and most important. I really learnt many things through not only this trip itself but also its preparation. This trip is unforgettable to me and surely useful not only for research but also for my future.





## Xu Lingzhe (Andrea)

This Philippines trip is my first time to go to a tropical and an English speaking country, I cherished this chance very much. The nine days trip let me see a real Philippine with my own eyes. During this trip, we visited a lot of places, not only Manila, but also the other cities of Philippine Davao and General Santos. After this trip I have some feelings about this trip.



Firstly, it is the fast development of Manila. As the capital of Philippine, Manila is the centre of every respect, representing the whole country. Before I went there, I never thought Manila could be a modern city like that. High buildings, big shopping mall, restaurants, convenient stores, high speed transportation, all we have in Japan could also be found there. People could enjoy the finest living conditions, high fashion no later than developed countries, and also the convenience in a modern city. I cannot help to say that the development of Manila is real fast, admirable.

Secondly, it is the importance of learning English. In Philippine, English is its second official language, from children to old people, they all know English, which bring us a lot of convenience cause none of us could speak Philippine local language. During this trip, all visits were done in English and I felt good that I could understand them and never feel insecurity in the English speaking environment. This visit let me realise the importance of learning English and inspired me an idea that going to an English speaking country for study.

Thirdly, it is the big gap between rich people and poor people. One side, we saw the big spectacular houses of rich people, the luxury cars around the houses. On the other side, we also see the



small shabby houses of poor people. The gap between them is extremely big, which reflect the unbalance of the development of this country. During our visit, we know that a lot of organisations and community are doing their best to improve this situation. They adopt some measures to help the poor get rid of their position, such as subsidies, free training and so on.

This trip for me is a very precious experience in my life. It let see the world outside, know the different culture, and meet friendly people. I think I am really lucky to have this chance.





## Men Ping

フィリピンにおける各分野の国際援助の現状、実績及び欠点などをもっと把握するために、この旅行グループに入ることがした。

この素晴らしい修学旅行を通じて、今のフィリピンの発展状況を見ることができた。私はマニラに滞在していた。非常に多くの高層ビルが並んでいるが、汚くて、貧しいところも存在している。したがって、マニラは 国際援助の分野で発展していると共に、いろいろな問題も抱えている。今まで勉強した国際援助の知識を生かして、フィリピン現地の発展状況を認識して、理解しようと思ったが、訪問した組織が結構多いので、一番印象深いのは TESDA 女性センターである。

TESDA 女性センターは すべてのフィリピン人の家庭を支えて、生活のために女性に職業教育を与えている組織である。男女平等に向かって女性の地位を上昇するうえでも大きな役割を果たしている。このアプローチは 貧困を削減し、持続発展可能な社会を実現するために重要である。TESDA の活動は、人々の生活の持続可能性と自分の将来の改善にも影響を与える。



まず、目に入ったのは綺麗な庭を持っている建物である。中に入ったら、緩やかな空気を感じた。

担当は熱心で TESDA 女性センターのことを紹介してくれて、いろいろな教室も見学させていただいた。

この旅行は短いですけど、私にとって一生忘れられない経験でした。大変勉強になりましたが、同時にいくつかの課題を自分に残っていた。英語能力不足で、皆さんにご迷惑をかけまして、本当に申し訳ないと思った。みなさんのおかげで 順調で修学旅行を終わらせて、ありがとうございました。ショックを受けましたが、これからもっと勉強しなければならない。

## Qiao Yuxiang

——フィリピンの独占禁止法立法についての考察——

1月25日、私達はフィリピンの開発について学ぶため、研修の旅に出立しました。しかし、あいにく航空会社欠航のため、当日マニラへ行くことは出来ませんでした。当日先生の御指示で、みんなで関西に移動し、26日ようやくマニラに着きました。

今回、私はフィリピンの独占禁止法の立法状況を調査するため、アドバイザリー・グループ株式会社のシニア貿易スペシャリストのライさんを訪ねました。

1947年、東アジアにおける最初の包括的競争法として、日本で独占禁止法が制定されました。次いで、1980年には韓国において、1991年には台湾において、それぞれ競争法が制定されています。その後、1997年の東アジア通貨危機の結果、多くの国々で世界銀行や IMF 等の国際機関や先進国政府の支援を受けて法制度改革が行われ、その中で、競争法の制定が重要な要素の一つとされたこともあり、1999年に、タイ及びインドネシアで競争法が制定され、東アジアにおいて競争法が ASEAN 諸国にも拡大しました。また、東アジア諸国の更なる市場経済化の進展に伴い、2004年には、ベトナム及びシンガポールで競争法が制定され、2007年8月には、中国で独占禁止法が制定されました。貿易自由化に従い、公平



の競争を守るため、各国が独占禁止法を持つのは重要なこととなっています。

フィリピンは独占禁止法がありませんが、不公正競争を防ぐために、さまざまな法律で規制しています。例えば、1987 年憲法の第 12 条の第 19 節（独占および不当競争の禁止）にこのように書かれています。「国は公共の利益のため必要であれば、独占を規制し禁止するものとする。取引を阻害するための結合および不公正な競争は禁じられる」。それはフィリピン政府が独占禁止法を作る意欲を表わしています。ライさんによると、実は 1986 年から政府は独占禁止法の制定作業を続けているとのことですが、寡占企業の影響で、議会ではずっと法案が通らなかったそうです。



フィリピンには現時点で、全産業をカバーする競争法・反独禁法および公正取引委員会に相当する行政組織は存在せず、各産業や部門を管轄する省庁や監督機関に対応が任されている状態にあります。中国も当初はフィリピンのように、独占に関連する法律は作られたものの独立した独占禁止法はない状態でした。しかし、中国は JICA の技術協力の枠組を活用して、1998 年から 2007 年までの間、約 1 か月にわたる「独占禁止法と競争政策に関する技術研修」（訪日研修）を計 10 回開催しました。これまで中国の商務部、国家工商行政管理総局、国务院法制弁公室、全国人民代表大会各種委員会等より総勢約 100 名の中堅職員が参加し受け入れられました。日本とフィリピンもそのような経済連携協力と関連の条約を結んでいますので、独占禁止法が通るのは時間の問題と思われます。

私はフィリピンの独占禁止法の立法について、ライさんに、関心を持っている質問を投げかけました。中国の独占禁止法には域外適用に関連する規定があります。域外適用は、国際法上では効果理論といわれるもので、アメリカが提唱し、現在は各国に広がっています。中国でも独占禁止法に定められています。フィリピンの独占禁止法はこの分野に関しては経験がないとライさんに言われました。私の個人的な考えでは、域外適用は自国の利益を守るため、役割がある法律であり、フィリピンでも必要ではないかと思われます。

貿易自由化により、フィリピンの独占禁止法の立法作業は難航しても、きっと発効できると思います。現在のアキノ大統領は貧富の差の削減と汚職の撲滅のため、かなり力を入れています。それには平等な競争環境を作ることが必要と思われます。そのため、独占禁止法のフィリピンでの発効が期待されます。

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## Melis Tagaev

I strongly believe that all participants thoroughly enjoyed this trip. Thanks to JASSO scholarship and YNU-UST Student Exchange Programme I was pleased to be one of the fortunate students who “combine useful with pleasant” and get a chance to discover Philippines and gain invaluable experience.

My **primary goal** in the field study trip was to make successful meetings in the Supreme Court and the Court of Appeals to study development of judiciary in this country. **Second objective** was to take active participation in all group activities during field trip. Results of my study tour to SC and CA is introduced in a separate report. This report is the brief outline of the group sessions with my own comments provided.

27 January, 2013

Group sessions in our trip started from 27 January, 2013 from the visit to Eden Nature Park in





Davao. After a long journey from Yokohama to Davao (Yokohama - Narita – Osaka – Manila – Davao) open air session in man-made mountain resort on 3,000 feet above sea level was wonderful. I found this place as a good model of how we can re-create nature with our hands and good example of eco-tourism. With many fashionable guest houses in the centre part of the park, re-created old-style artificial housing of indigenous people living in these areas and good guide services provided this place might be the best option to spend a short vacation if you are ok with living in distant and quite calm places. All-you-can-eat lunch with delicious salads and dishes in the park's café was perfect.



After lunch we went to Calinan and Mintal to continue our group sessions. In Calinan we visited Japanese museum, where we could see rich collection of historical articles (antique) dating from the period when first Japanese settlers came to Davao to work in abaca plantations. Working instruments of plantation workers and things made from abaca were also introduced in the museum.

In Mintal we met with Mintal town Captain. I was bit surprised to know that he is businessman, because in our country local government's officials cannot carry on business.



Through Town Capitan's help we visited Davao Japanese Cemetery, Little Tokyo and Ohta Kyozauro monument. With these Sessions I could better understand historical influence of Japanese settlers to local community. Ohta Kyozauro Monument is an important historical structure erected in 1926 in Davao City in honour of Ohta Kyozauro, who migrated to Davao City and cultivated lands around the shores of Davao Gulf into abacá and coconut plantations. Thanks to his Abaca plantations vast areas of old Davao city started its development in early 1920s. During this development process irrigation channel which lays next the monument was constructed. Another good side of Japanese settlement in Davao was that nearly 20,000 local people were provided with job.



After the Ohta's monument we visited Japanese channel. During war period when Japanese soldiers occupied Davao, the 7km channel was constructed for military reasons. Some segments of this channel were accidentally found after war. We visited one of the re-constructed segments of this channel. According to Japanese Channel museum's staff, thousands of POWs and local people died in during construction works. Bad workers or "workers who ask something to eat" were punished by being placed in very small "bird cages" set directly into the rocks of side walls of the channel.



28 January, 2013

Sessions on this day started from visiting Davao Kokusai





Daigaku. We met with Mr. Kazuhiko Anzai, director of the Japanese Consular office in Davao city. He made presentation about Pilipino-Japanese cooperation in Davao. The style of presentation was interesting and everyone tried to find answers for the each tricky question of Mr. Anzai. For example, he asks Japanese students and professors whose monument was established in Hibiya Park in Tokyo. Fortunately, Ueda sensei answered that monument belongs to Rizal, national hero of the Philippines. After session we made

group photo with some daigaku teachers and students.

After departing from Kokusai daigaku we went to the Davao City Hall to have another interesting session with City Hall officials. Just in front of parade doors of City Hall we saw plenty of emergency packs ready to send to some Mindanao people who suffered from typhoon in December, 2012.

Presentation in City hall was devoted to newly introduced “911 project”. The system developed by the city authorities allows Central 911 to immediately locate the origin of emergency calls and cooperate all municipal emergency service and police (including operative anti-terrorist forces). It was interesting to know that Mayor and Vice Mayor of the Davao city are close relatives (daughter and father). Unfortunately I could not get answer is there any restriction by state laws for relatives to work together in local authorities. After two sessions in Davao we went to General Santos to participate in our last sessions in Mindanao.

*29 January, 2013*

On this day we had two sessions in General-Santos. First, for the morning Session we visited General Santos fish port. Before presentation in the office of the Director of Fish port, we very much enjoyed our open air session in fish port. We were welcomed to see the process of loading off, assortment and selling tuna fish by dealers. Many fishermen, port workers and potential clients from Manila and other cities of Philippines were gathered in one noisy place. Unforgettable experience!

After open air session we visited office of Fish Port Director, where presentation about Fish Port was introduced. After Fish Port we departed for Dole Philippines Pineapple Plantation

Since Dole is the world's largest producer and marketer of high-quality bananas and pineapples, it was very good experience for me to visit its plantation and see the process itself. But, unfortunately, we could not see the process of canning of fresh sun-ripened pineapples.

From the presentation, I became aware of that Dole dedicates big attention to stringent quality control measures, transportation technologies, continuous improvement through research and innovation, and dedication to the safety of employees, communities and the environment. After our sessions in General Santos we had delicious lunch in Dole Plantation.

*30-31 January, 2013*

These two days were dedicated to our personal visits. Outline of results of my personal visits to SC and CA is introduced in a separate report.



*1 February, 2013*

On the last day of our group sessions we have visited Asian Development Bank and JICA Manila Office. On the way to ADB we took a train. In contrast to Japan, I saw so many young people in almost all train cars. I was quite sure that majority of those young people were even younger than me. Study tour in ADB was another unforgettable session. Professional presentations of Susan Roth (“Post 2015 in Asia and Pacific”) and Rose McKenzie (“CAREC Program”) left an impression on me. During the presentations I asked the following questions:

Q1.: In long run Kyrgyz Government is planning to build railway which might connect China with our country. Project is already developed but negotiations still take place. There is serious discussion on this project in our country. Shall we build it? What is the position of CAREC Program on this railroad Project?

A1 (Rose McKenzie): Regarding the railway. We don't govern on political issues in respective countries. The decision on this project has to be made by your government. Policy of CAREC is promotion of regional trade and competitiveness.

My Q2: What do you think about plans of our government to enter to Custom Union with Russia, Belorussia and Kazakhstan?

A2 (Rose McKenzie): Your President hasn't made official declaration about entering the Custom Union. This is again a policy question, which cannot be governed by CAREC. Our strategy is implementation projects on national level but keeping in mind regional planning.

After delicious lunch in ADB dining hall we departed for JICA Office in Manila on taxi. Through 3 presentations in JICA Manila Office and final Q&A Session we could get the full information on work of the office and major JICA projects operating in Philippines. I was impressed by level of Japanese financial assistance to Philippines. During sessions I asked question about Japanese volunteers in the Philippines. According to answer, there are some features of Japanese-Pilipino Partnership under JICA Projects. First of all, Japanese volunteers are not so interested in working as volunteers in the Philippines. They are more interested to work, for example, in African countries. Second reason is the Philippines in comparison of other developing countries could achieve some extent of development. That also might be the reason of a few numbers of Japanese volunteers in the Philippines.

In conclusion I would like to express my deepest appreciation to all our beloved Professors from both YNU and UST universities and other people who contributed to this unforgettable trip. Thanks to your priceless help we managed to have fruitful sessions during 6 days in the Philippines.

Needless to say, all UST students participated in this trip were above all praise to take diligent efforts and always lend their kind support to YNU visiting delegates. Thank you very much, my friends!



## Ruslan Ziganshin

It was my first trip to Philippines and it became exciting and adventurous from the very beginning. When we came to Narita Airport, on the flights schedule board we saw a message that our flight (JQ78) was cancelled.



Due to the flight cancellation we got a chance to go to Osaka first (some of us visited this city also for the first time!!!). We changed our route to go to Kansai Airport to take another Jet Star flight from there to Manila. Thus it turned that found ourselves in speedy bullet train (Shinkansen) that drove us from Tokyo Station to Osaka (504.7 km) for 2 hours 30 min (average speed was 200 km/h including several stops on the way).



We stayed overnight in nice comfortable Washington Hotel located in the heart of the city. In the morning, before departure to Philippines, many of us decided also to have a quick sightseeing of new and old Osaka. Finally, in the evening of Jan 26 we were in Jet Star's A320 on the way to Ninoy Aquino International Airport.



**Hozenji Temple in Osaka  
(Namba area)**



**Kansai Int. Airport located on  
artificial island<sup>39</sup>**

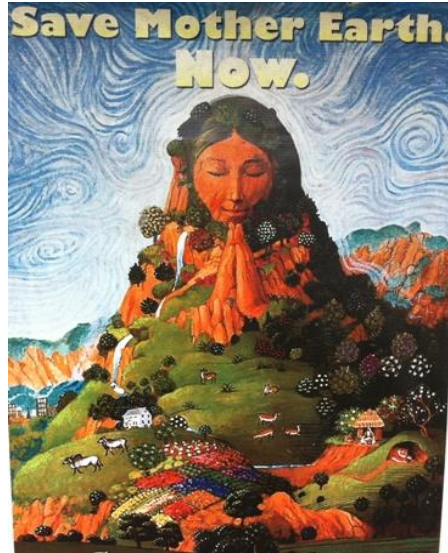
The trip was unforgettable, very energetic and rich with variety of events, visits to different cities and places, meeting very hospitable and with interesting people. Cultural programmes both in Davao and General Santos (January 28 – 29) was fantastic. Gorgeous nature, exotic flowers and fruits made me think I am in paradise. The sightseeing of these south cities was very useful to explore the positive developments taking place in the regions that will definitely attract more and more tourists (roads construction, huge malls and summer markets, comfortable hotels, etc).

<sup>39</sup> Watch amazing programme about Kansai International Airport filmed by National Geographic: <http://www.youtube.com/watch?v=TTC3U67pHxU>





**Exotic flowers in Eden  
Nature Park**



**Coconut cocktail ☺ during  
dinner in Davao**



**Filipino – Japanese  
Friendship, Statues  
Composition near Mindanao  
Int. College**



**Meeting friendly policeman &  
fishermen in the port of General  
Santos**



**DOLE plantation workers  
during pick up of delicious  
pineapples**



**Oh... Lovely Mangostin – I love You Forever!!!  
This incomparably tasty fruit makes the  
cancer cells self-destructed.**



**Mr. Jeepney - King of the Road & His  
Companion Mr. Tricycle – the most common  
public transport in Philippines**



**I am receiving the Certificate of Participation from the hands of Dean Lilian J. Sison of the UST Graduate School**



On the way back, in Manila, YNU students had an opportunity to meet (thanks to Prof. Tiu for great support in setting up these meetings) with different professionals depending on YNU students' research interests. Two days (Jan 30 – 31) were allocated in the programme for individual meetings.

At the end of the Jan 31 – there was a farewell party at the UST, where YNU students received their Certificates of Participation. As it is the retirement year of Ikeda Sensei, UST professors and students prepared really great, heart-touching presents, the masterpiece artwork – the portrait, where Ikeda Sensei is driving Jeepney and the slide show with selection of best photos of Ikeda Sensei, his colleagues and students taken during different events of collaboration between UST and YNU.

On February 1, the last day of the programme before departure to Japan, we had 2 very informative meetings in Asian Development Bank (ADB) and Japanese International Cooperation Agency (JICA) in Metro Manila.

- In ADB there were two very interesting presentations: consultations with relevant stakeholders (government, civil society, private sector, etc) in Asia on Millennium Development Goals attainment by 2015 and implementation of Central Asia Regional Economic Cooperation (CAREC) Project. It was good to learn ADB specialists' critical opinion on effectiveness of donors' aid to developing world. For me, it was a very nice surprise to find in the reception two *chapans* (traditional men's dress) from Uzbekistan and Tajikistan.





**I am standing between 2 Chapans from Uzbekistan (left) and Tajikistan (right)**

- In JICA Philippines we learnt about its projects in the field of agriculture and irrigation; water supply and sanitation; and infrastructure development. JICA's impressive construction to highways and bridges construction brought great impact on economic & social development in the country.



After making the research and observations during my field trip I clearly see the great opportunity for Tajikistan to learn from Philippines experience, especially how change has happened, how country has taken the way forward to become the new Asia's Tiger, considering the socially responsible development. President's Benigno Aquino III and his administration commitment to keep its promise, *to open Philippines for real business*, shows visible results (...being in the office for only the last two years), e.g.: foreign direct investments are on the unprecedented rise, implementation of huge infrastructure development projects (roads, bridges, ports, facilities for the social welfare of the population, etc), new jobs creation. I am very much wish to come back to Philippines again to explore further this beautiful archipelago of 7,107 islands, to learn more about its rich culture and enjoy the company of enthusiastic, happy people who can feel the rhythm of life! In future, it would also be great to learn the development experiences of other South East Asian States, especially Indonesia and Viet Nam.



## Thant Zin Win

Before I went to the Philippine, I thought this trip would be an ordinary for study. But in reality, from the beginning we stepped Manila to finally we left the Philippines, I was satisfied with pleasure. The hospitality of the Filipino people and very beautiful, green environment attracted me through the whole trip.

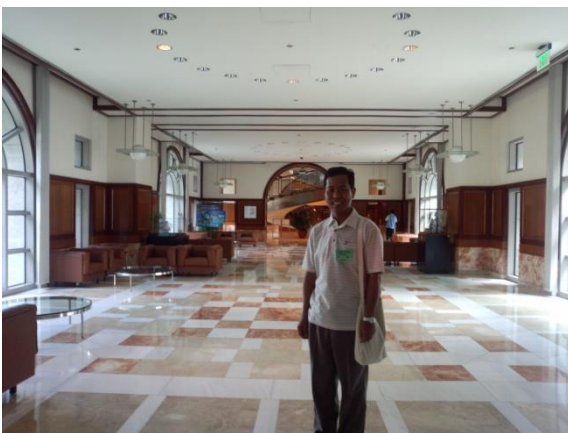
We arrived in Manila first but we have to rest for a while and we carried on to Davao city by flight.

The professors and students from the University of Santo Tomas warmly welcomed and started to join the trip with us. All the places we visited in Davao, especially Eden Nature Park, are very interesting and give us pleasure. Davao is much similar to my hometown in Myanmar and due to the hospitality of the hosts, I felt I was being in my own country and meeting with my own friends or relatives.

Along the way from Davao to General Santos, we met plenty of banana plants that grow on both sides of the road, mango plant gardens, coconut plantations and various kinds of fruits and vegetable plants. We can imagine the success of the agricultural sector of the business of the Philippines. I felt as an impressive achievement of their domestic food to create an export quality. Even only Dole pineapple plantation can provide much labour force and can earn foreign incomes for the Philippines, the agricultural sector is an impressive one.

General Santos Fish Port is also an interesting and wonderful place for me. We can learn the systematic way of fishery and how the coastal fisheries may provide the economies of a country.

In Manila, I got a chance to go to the Supreme Court, Court of Appeal and Department of Justice as the individual visits. The interesting presentations and the perfect lectures of these departments gave me a lot of knowledge and experiences. The open discussions from these places show the transparency of the legal system of the Philippines. In the Philippines, there is a great obstruction, legal examination, to become a professional lawyer. This is also their impression to raise the role of the lawyers.



From the visits of the ADB and JICA Manila, I saw the international relation of the Philippines and what and how they attempt to become a developed country. This trip is a special to learn about the development effort of a developing country.

To sum up, I got many friends that may be familiar forever and valuable knowledge that may improve my study in Japan. And also I got the international experiences that can share when I go back to my country. So, I want to say that studying abroad is a great experience and this trip is a valuable trip for me.

## Wai Mon

It was my second time to visit to the Philippines as I attended a seminar at Manila last two years ago while I was serving at MOFA, Myanmar. But at that time, I did not get the chance to explore the Philippine and I wanted to go back again. For my luck, I got the chance to join this study trip to fulfil my wishes.

As Myanmar and Philippines are situated in South East Asia, we share some common in culture, tradition, food, fruits and even climate. It was my greatest pleasure to visit to Davao and General Santos where I could found most common things with my country. I felt like I was going back to my country because of the climate, the smiles of people, and the fruits like durian which I could never find in Japan within my one and half year of study.

When we visited little Tokyo at Davao, I could understand that how Japanese people lived mutually with local people and how their generation, Nikkeijin, are surviving at Philippine. When I saw the Filipino's impress on Japanese people who lived at Davao, I thought Myanmar people would feel happier and impress Japan like Filipino, if they came to Myanmar about seventy years ago, with any other form, not as soldiers of the war.

The little worry from my mind gone when I actually reached to General Santos, the conflict area until last year. There were many people who said me to take care when they knew that I will visit to General Santos within my trip to the Philippines. I understood one important fact from that point. People from other area generally understood that an area will not be safe once they faced a conflict. After a long time the conflict was gone, they keep thinking that the area is still affective and dangerous. Influence of mass media is taking part the main role in this situations. Governments must arrange some plans to overcome such kind of worries from outsiders to improve socioeconomic development of conflict affected areas.

While we were staying at Manila, I got the chance to visit to Department of Foreign Affairs, in which I could learn how young diplomats of the Philippines are trained before their appointment to the department concerned, the migration of Filipino people around the world and the Philippine's concept

over the dispute of South China Sea. And I also visited to other organisations such as International Organization of Migration, Technical Education and Skill Development Center, AMNESTY International Philippine, Asia Development Bank and JICA Philippine. Visiting above places gave me a better understanding of the specific fields in which they are handling.

I would like to express my greatest thanks to all the professors and friends who





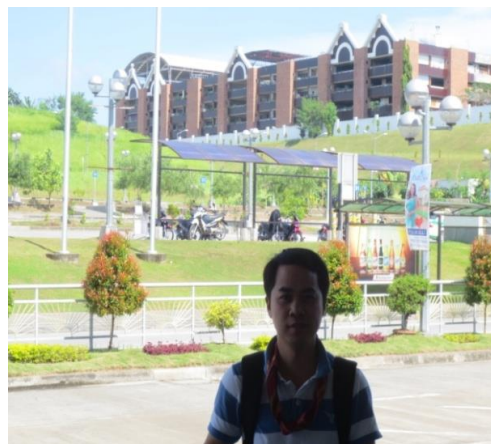
participated in this study trip. Without support from them, I would not enjoy my times at the Philippine. We could create a better friendship between us by sharing our times together since preparation meetings for the trip. Our study trip would not be a perfect trip without the help of professors and students of University of Santo Tomas. Their hospitality to us is beyond my words. I could build a strong relationship with new friends whom are worth to maintain my whole

lifetime.

For me, this study trip is one of the most fruitful experiences for my life. With the knowledge and confidence I gained from this trip, I will be able to take part in other programmes with people from different countries. And most importantly, this experience will also contribute in my career life in the future.

## Cao Duc Tien

For many years I am living in Japan and have a lot of friends who come from different countries. I also have some friend come from Philippine. However, there is a lot of thing about Philippine that I still do not know. It was the first time to take part in study trip, I feel quite nervous. To me, Philippine is one of member ASEAN countries and the average income of a person per one year is higher than Viet Nam, Laos, Cambodia and Myanmar and I understand that knowledge before I visit Philippine. However, how does the life of Philippine in urban and rural? How does Philippine use English or Philippines in normal life every day? Do they continue keeping and protecting traditional culture, traditional food in social or follow Europe Culture, America Culture? A lot of things I can't answer by myself before go to Philippine.



January 26 in the afternoon, around 5pm, we departed at Kansai International Airport and arrived at Manila International Airport around 8 PM. It was quite hotter than Japan, around 30 degree. From



Manila Airport, We got in the bus and go on the way to Charter House. I realized that: Car, taxi and bus is the most popular vehicle than motorbike in Philippine. It is different with my country, Viet Nam. The number of motorbike is bigger than car and bus. From point, I think that Philippine is more developing than Viet Nam. In fact, According to World Bank, the average income of a person per one year in Philippine is about \$ 2,300 in 2011 higher than Viet Nam \$1,200.

At the first day of trip, we went to Davao, is an island in the south of Philippine. It looks quite rural area, but the sightseeing is wonderful. Everywhere we can see mango,



banana, and pineapple that are sold along the street. Certainly, I also ate a lot of mango, and mango juice. It was delicious but cheaper than Japan.

At Davao, we visited Eden Nature Park, is famous and wonderful landscape. We had a great time to enjoy inside the Eden Nature Park. This was very nice pictures that I took with some boys and girls who were dancing the traditional dance at Eden Nature Park.

After one day in Davao, we went to visited General Santos, it is quite same Tsukiji Market in Japan. General Santos is selling tuna to abroad, but Tsukiji Market is selling in domestic of Japan.

January, 29 in the afternoon around 7pm, we came back to Manila and stayed at Charter House. For the next days, we visited some places as BOI, DFA, TESDA, etc. Every day we got up early and had a breakfast together and come back hotel around 9pm. We had one week to work hard. I realised that the cooperation of each student was very good.

It was the first time I have to speak English to communicate with other people. I know that, I do not speak English very well, but I still shocked and nervous during in Philippine. Sometime, I did not understand what they said. At this time, it is very kind of YNU friends and UST friends try to explain for me understand. I appreciated about that. During one week in Philippine, but It was big experience for me and help me stronger in the future. I had a great time and very friendly of UST students. I would like to thank you so much for supporting and helping to YNU teachers, staff, friends and UST student during in Philippine and before go to Philippine.

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