Effective Collaboration on SCP in the Philippines:

DENR-CCC-WWF's[1] partnership in SCP and green economy project

Patrick Co (Project Manager, WWF-Philippines)

ABSTRACT

DESCRIPTION

The Philippines needs enabling policy frameworks and sufficient technical and financial resources to move towards a green economy built on sustainable consumption and production (SCP). A collaborative environment between stakeholders can greatly speed up the process and improve the results of policy-making and capacity-building. Currently, initiatives from different sectors and organizations are largely uncoordinated.

Learning objectives:

To introduce students to the importance and benefits of stakeholder engagement.

To present a framework for initiating and facilitating a collaborative environment between various stakeholders.

Subjects covered:

Stakeholder engagement; Sustainable consumption and production; Green economy

Setting:

- Event year begin: 2009

DISCLAIMER

This educational case was developed using publicly available information. It is herewith explicitly stated that the author does not have any responsibility whatsoever in regard to the accuracy and comprehensiveness of the data provided. The information presented in this learning case is subject to change, based on the development of the case topic. Readers are reminded to seek independent advice prior to acting on any information provided in this case study.

BACKGROUND

According to the United Nations Environment Programme (UNEP), a green economy is:

> one that results in 'improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities' (UNEP 2010). In its simplest expression, a green economy is low-carbon, resource efficient, and socially inclusive. In a green economy, growth in income and employment are driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services… The concept of a green economy does not replace sustainable development; but there is a growing recognition that achieving sustainability rests almost entirely on getting the economy right.
>
> (UNEP 2011, p.16-17)

A closely related concept is sustainable consumption and production (SCP). The working definition provided by the Norwegian Ministry of Environment is:

> the use of services and related products which respond to basic needs and bring a better quality of life while minimizing the use of natural resources and toxic materials as well as the emissions of waste and pollutants over the life-cycle so as not to jeopardize the needs of future generations.
>
> (UNEP 2010, p. 12)

Figure 1. SCP cycle (UNEP 2010)

The Philippines has emerged as one of the fastest-growing economies in Asia. Following the after effects of the global economic downturn and 2009 gross domestic product (GDP) growth of 1.1%, the Philippines posted a 7.3% increase in GDP in 2010, driven by the industry and services sectors. Both short-term and long-term economic forecasts for the Philippines are optimistic, an opinion that is shared by numerous financial institutions and credit rating companies such as the World Bank (Ng 2012), Credit Suisse (Agcaoili 2012), and Moody's (Remo 2012).

However, the country is facing a number of challenges related to its patterns of production, consumption and economic growth:

- Population is expected to grow from 94 million at present to 141 million by 2040 (NSCB n.d.).
- While a steady positive growth in GDP was reported between 1997 and 2006, on the average, real per capita incomes have been declining over the same period, indicating a disconnect between the behaviour of the macro economy and per capita income levels. (HDN 2009) Amid bright spots, social and labour market indicators remain weak (World Bank 2010).
- Material flow accounts (MFA) analysis of the country shows economic growth has yet to be decoupled from the increasing consumption of raw materials (WWF-Philippines 2011).

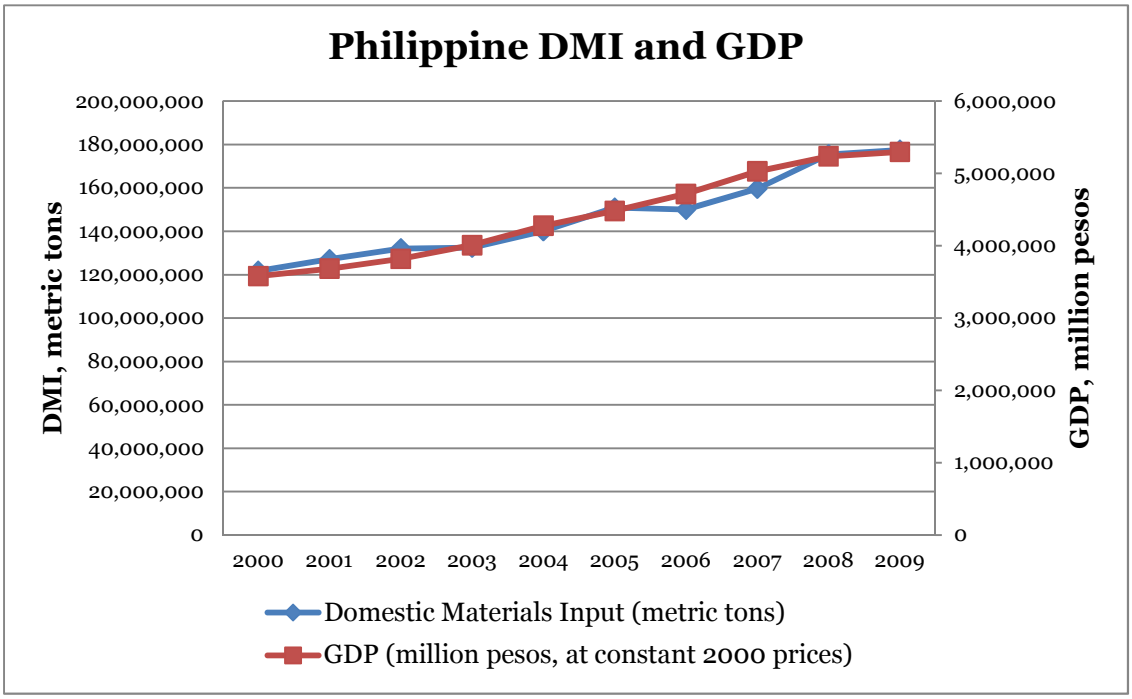


Figure 2. Philippine DMI and GDP trend, 2000-2009 (WWF-Philippines 2011)

- Rapid urbanization is taking place. Solid waste management systems in major cities are inadequate (DENR-EMB 2009).
- The agriculture and fishing industries have depleted the country's natural resource stock at a fast rate (DENR-EMB 2003). Farmers and fishermen comprise approximately one-third of the workforce (NSCB 2009), and households dependent on agriculture and fisheries comprise two-thirds of the rural poor (ADB 2009).
- As part of the Coral Triangle, the Philippines is expected to experience various climate change impacts:
    - high inter-annual climate variability due to El Niño Southern Oscillation Events (ENSO);
    - sea surface temperatures are likely to be between 1 to 4°C warmer;
    - ocean acidification will likely make the aragonite saturation state "marginal", within the period from 2020 to 2050, for coral reefs and marine life that require calcium carbonate;
    - tropical cyclones are likely to become more intense; and
    - some parts of country are likely to experience an upward trend in rainfall. Inversely, some other parts of the country are likely to experience an

intensification of drought associated with highly unpredictable rainfall deficits. (Hoegh-Guldberg et al. 2009).

- Water demand in 2025 is forecast to be approximately double the 2009 demand, with several urban areas projected to experience water deficit (see Figure 3) (ADB 2009).

City	Demand		Groundwater Availability	Surplus/ (Deficit) (%)	
	1995	2025		1995	2025
Metro Manila	1,068	2,883	191	(82)	(93)
Metro Cebu	59	342	60	2	(82)
Davao	50	153	84	69	(45)
Baguio City	12	87	15	21	(83)
Angeles City	11	31	137	1,148	343
Bacolod City	37	111	103	179	(7)
Iloilo City	9	47	80	788	70
Cagayan de Oro City	29	98	34	18	(65)
Zamboanga City	28	203	54	92	(73)

Figure 3. Water demand in major cities of the Philippines, m^3 per year (ADB 2009)

- Energy demand in 2030 is forecast to be approximately two and a half times the 2009 demand (see Figure 4) (DOE n.d.).

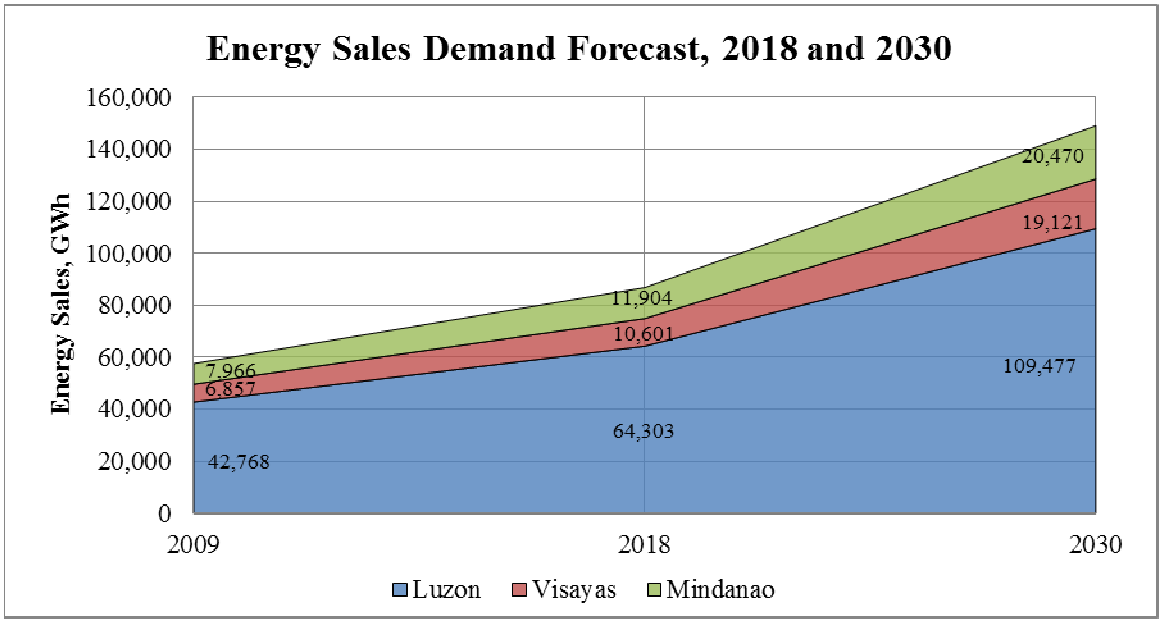


Figure 4. Energy sales demand forecast for the three principal geographical divisions of the Philippines, Luzon, Visayas and Mindanao, 2009-2030 (DOE n.d.)

STAKEHOLDER IDENTIFICATION, PRIORITISATION, AND INTERACTIONS

Based on their own objectives, stakeholder organizations create or participate in policies, plans, projects and activities which support or oppose the establishment of green economy and SCP to varying degrees. Stakeholders on an international, national, local or sectoral scale could include any or all of the following:

- international government organizations;
- national government agencies;
- legislative bodies;
- local government units and communities;
- private sector organizations and chambers of commerce;
- financial institutions;
- non-government and people's organizations;
- multilateral development and aid agencies; and
- academic institutions.

Among the resources which can be used to gather information on stakeholders include official government publications or websites (e.g. list of local government units pursuing renewable energy), reports from public and private sector groups and associations (e.g. list of Top 1000 companies), coverage in established media outlets, publications or statements on stakeholders' websites, and consultation with partner organizations and other project participants (e.g. identify local NGOs/POs with the help of the local governments).
Stakeholders have varying levels of power or influence with regards to a particular green economy or SCP objective. It is often necessary to prioritize engagement of stakeholders which are more powerful or influential in terms of:

- providing strategic policy direction, or determining regulations / incentives;
- operationalizing or enforcing these regulations / incentives;
- representing the majority or a large number of the organizations / people involved;
- responsibility for significant economic, environmental and social impacts (positive or negative);
- demanding or introducing a rapid or large-scale change in the system of production or consumption of key products or services
- providing or utilizing the most financial resources, or the best technical resources;
- providing knowledge, outlooks or perceptions which are most frequently utilized and referred to by other stakeholders or the media;

- having highly regarded 'thought leaders' in leadership positions; and
- inducing other stakeholders to cooperate with each other, or with your organization.

In order to effectively engage stakeholders, an organization must not only have sufficient understanding on the influence of organizations but also on the different roles they take in relation to other organizations in a multi-stakeholder landscape, for example:

- jurisdiction / governance;
- production / consumption of goods and services (intermediary or end-user);
- partnerships or other cooperation agreements;
- competition;
- provider / recipient of technical and/or financial support; and
- driver / target of information/education/communication initiatives or lobbying.

THE CHALLENGE AHEAD

Students must now use stakeholder engagement in developing a plan to address an issue hindering SCP and the green economy in the Philippines. The following sessions will meticulously direct the processes involved in stakeholder engagement.

Working Session 1: Identifying unsustainable development effects

1. Based on the conditions described in the Background section, what corresponding negative impacts would you expect, to the economic, environmental and social facets of sustainable development in the Philippines?

Worksheet 1: Sustainable development matrix

Challenges	**Economy** (e.g. % of GDP, gross revenue, production quantity)	**Environment** (e.g. ecological footprint, resource use/yield, pollution)	**Society** (e.g. employment, per capita income, HDI, vulnerable subgroups)
Rapid population growth			
Declining per capita income in spite of GDP growth			
GDP growth coupled to raw material consumption			
Rapid urbanization			
Depletion of natural resources			
Projected climate change impacts			
Increasing water demand			
Increasing energy demand			

Working session 2: Stakeholder identification and prioritization

1. Select one set of linked economic, environmental and social issue from Worksheet 1 and restate it in Worksheet 2. Drawing from the background given on the case, identify your goal for addressing this set of issues that is in line with the concepts of SCP or green economy.

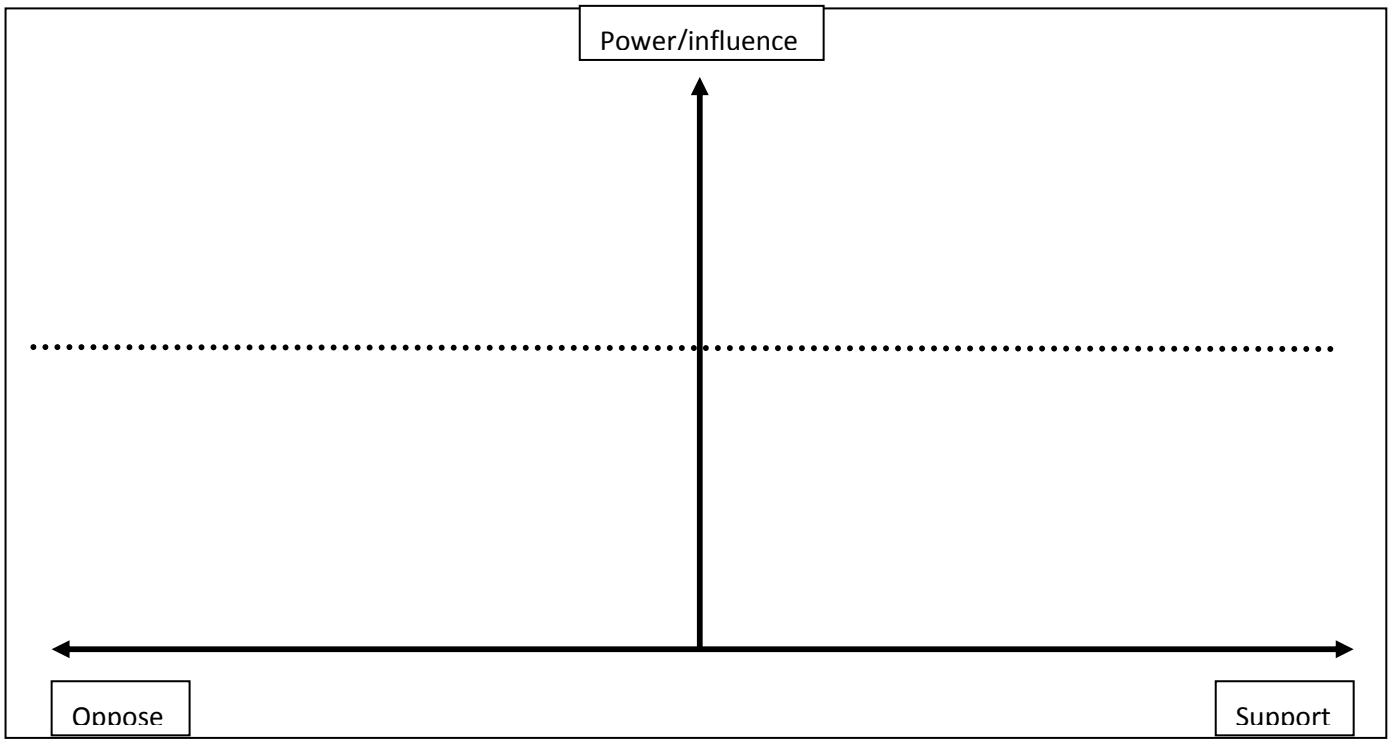
2. Based on your own experience, identify stakeholder organizations which have an interest or involvement in this, whether their objectives support or oppose your own. Write their names on sticky notes.

3. It is often necessary to prioritize engagement of stakeholders which are more influential. Based on your assessment of their position, arrange the sticky notes on the worksheet. Try to situate around half of the stakeholders above the dotted line, and half below. (Note: the vertical arrow labeled 'Power/influence' signifies 'high' power/influence at the top and 'low' power/influence at the bottom)

Worksheet 2: Power graph

Issue:

Goal:



Working session 3: Stakeholder interaction mapping

1. Take the stakeholders which are more influential (above the dotted line) from Worksheet 2 and write them down in the boxes. (Note: you may add boxes.)

2. Within each box, briefly describe their desired outcome in the sector as well as activities.

3. Based on your own experience, draw an arrow between stakeholders which have existing direct/indirect relationships, Briefly describe the relationship along the arrow's line. How do (or can) these organizations make use of their power/influence in the context of these relationships?

Worksheet 3: Stakeholder map

Stakeholder 1	2	3
4		5
6	7	8

Working session 4: Overcoming barriers to collaboration

1. Review the stakeholders' desired outcomes and existing relationships from Worksheet 3.

2. Can you identify barriers to collaboration between stakeholders, towards your common goal? What action can your organization take to strengthen or change interactions, or even facilitate new relationships that will contribute towards meeting your goal?

3. For stakeholders (referred as Stakeholder B, in Worksheet 4) whose desired outcomes are not aligned to yours, what action can your organization take to engage these stakeholders, to align their positions toward your (referred as Stakeholder A) desired goal? (List as many stakeholder B and respective barriers and actions in the respective columns)

Worksheet 4: Relationship management matrix

Stakeholder A	Stakeholder B	Barrier	Action

Working session 5: Work plan

1. Based on information gleaned from the previous worksheets, design a work plan in Worksheet 5, that will lead to your desired goal, with some or all of the activities engaging the identified key stakeholders. These can range from policy reform to a localized initiative.

2. For the Assumptions column:
   - What do you envision the stakeholders' respective roles/contributions will be in these activities?
   - What is the decision-making level of these stakeholders' representatives that you would wish to engage with, for each activity?

Worksheet 5: Logframe with stakeholder engagement

Project structure	Indicators	Means of verification	Assumptions
Goal			
Purpose			
Outputs			
Activities			

ACKNOWLEDGEMENT

The author would like to acknowledge the DENR, the CCC and WWF-Philippines as implementing partner organizations of the SCP and Green Economy Project, as well as Dr. Stefanos Fotiou and Dr. Anthony Chiu and his team for their instrumental work on the project. Facilitation, inputs and feedback critical to the development of the case were provided by Atty. Angela Consuelo Ibay, Emily Briggs, Zinaida Fadeeva, Mario Tabucanon and Dr. Ellisha Nasruddin.

REFERENCES

Agcaoili, L 2012, 'Credit Suisse hikes Phl growth forecast to 4.8%', *The Philippine Star*, 3 April, viewed 13 December 2012, http://www.philstar.com/business/793365/credit-suisse-hikes-phl-growth-forecast-48

Asian Development Bank (ADB) 2009, *Country environmental analysis 2008 – Philippines*, ADB, Mandaluyong.

Department of Energy (DOE) n.d., *Power development plan, 2009-2030,* DOE, Manila.

Department of the Environment and Natural Resources – Environmental Management Bureau (DENR-EMB) 2009, *National State of the Brown Environment Report (2005-2007)*, DENR, Manila, viewed 13 December 2012, http://www.emb.gov.ph/eeid/publications.html

Department of the Environment and Natural Resources – Environmental Management Bureau (DENR-EMB) 2003, *Guidebook on EMS, pollution prevention, cleaner production and environmental accounting,* DENR, Manila, viewed 13 December 2012, http://www.emb.gov.ph/portal/eeid/Resources.aspx

Hoegh-Guldberg, O, Hoegh-Guldberg, H, Veron, JEN, Green, A, Gomez, ED, Lough, J, King, M, Ambariyanto, Hansen, L, Cinner, J, Dews, G, Russ, G, Schuttenberg, HZ, Peñaflor, EL, Eakin, CM, Christensen, TRL, Abbey, M, Areki, F, Kosaka, RA, Tewfi KA, & Oliver, J 2009, *The coral triangle and climate change: Ecosystems, people and societies at risk,* WWF Australia, Brisbane.

Human Development Network (HDN) 2009, *2008/2009 Philippine human development report*, HDN, Manila.

National Statistical Coordination Board (NSCB) n.d., *Population projections,* NCSB, Manila, viewed 13 December 2012, http://www.nscb.gov.ph/secstat/d_popnProj.asp

National Statistical Coordination Board (NSCB) 2009, *Poverty statistics,* NSCB, Manila, viewed 17 June 2011, http://www.nscb.gov.ph/poverty/2006pov_asof%2025jun09/Final%20Tables-%20Poverty%20Statistics%20for%20the%20Basic%20Sectors,%2025jun09.pdf
Ng, J 2012, 'WB hikes PHL growth forecast', *Business Mirror*, 8 October, viewed 13 December 2012, http://businessmirror.com.ph/index.php/en/news/top-news/290-wb-hikes-phl-growth-forecast

Remo, M 2012, 'Moody's unit raises Philippines growth forecast', *Philippine Daily Inquirer*, 7 June, viewed 13 December 2012, http://business.inquirer.net/63707/moody%E2%80%99s-unit-raises-philippines-growth-forecast

United Nations Environment Programme (UNEP) 2011, *Towards a green economy: Pathways to sustainable development and poverty eradication,* UNEP, France, viewed 13 December 2012, http://www.unep.org/greeneconomy

United Nations Environment Programme (UNEP) 2010, *ABC of SCP: Clarifying concepts on sustainable consumption and production,* UNEP, France, viewed 13 December 2012, http://www.unep.org/resourceefficiency/Portals/24147/scp/go/pdf/ABC_ENGLISH.pdf

World Bank 2010, *Philippines Quarterly Update*- Laying Out the Exit Strategies, February 2010, The World Bank Group, Philippines.

World Wide Fund for Nature – Philippines (WWF-Philippines) 2011, *Scoping paper on green economy and sustainable consumption and production in the Philippines,* WWF-Philippines, Manila.