



**PATRICK DUGAN**  
Agro-Forestry Specialist

Nothing seems to faze Pat. Generous with his ideas shaped by a vast wealth of knowledge and experience, constantly buoyed up by a boundless optimism and energy for what can be done that is both pragmatic and creative, Pat is one of the most valuable faces in Philippine forestry. In both government and the private sector, Pat's contribution and presence in programs and forums provide a practical view and recommendations on simple and workable action points. Having come from the logging industry as well, and acknowledging the bad as well as the good from that sector, Pat's consistent focus on working with communities and the promotion of assisted natural regeneration (ANR) is received with greater credibility.

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And for 86 million people, the challenge is how to make forestry interesting; two things are key. People must be able to make a lot of money from a smaller piece of land and it must fit culture. For example, cardamom and cinnamon production can command higher values than other crops and are easy to transport. In Palawan, rubber is culturally appropriate as tapping a tree is not foreign to upland cultures used to tapping resin from the *almaciga* tree.



Managing the regeneration of *falcatta*

From his youth, Pat always experienced being different. The son of a Kankanna-ey mother and an American father, he grew up in the north and after high school, decided that he wanted to go south. He did not go to university; he went to Mindanao instead, at a time when abaca production was a booming industry. He really wanted to farm and he traveled with his buddy, an Igorot classmate and looked for some land where he harvested vegetables and did kaingin. Looking for a job, he ended up in a radio station where he initially worked as the janitor and the record librarian. He then transferred to Zamboanga to set up a radio station. By then, he was getting sick and tired of advertising people working in the broadcast industry and he quit the broadcasting business to go back to farming.

After meeting a Swiss friend, Pat was asked to join his father's plantation in Borneo and in Mindoro. It was called the British North Borneo then and they were looking at the forests and checking out how the Ministry could come in. There he met an American couple planting tobacco in 1959. During one dinner, he had some beer talk with 15 young Brits and seemingly, the "beer talk" landed him in trouble with the higher authorities. Pat got kicked out of Borneo and he rode with the Badjaos and landed in Tawi-Tawi.

He was 28 years old then, and he started ways to develop a plantation in Tawi-Tawi. His group cleared secondary growth and primary forests. He asked why they were burning and he eventually hired men to chop with axes and it did not work out. They turned to the modern way – using bulldozers then cutting. The flitches were sold in Zamboanga. He further developed the plantations and expanded forestry operations in Tawi Tawi and Palawan. He was invited to take over a company in Negros where he had lots of people pressure, but he managed to work with people on a corporate approach. But he had to fire supervisors and other people to deal with the corruption in the company.

Pat then went into consulting where he learned and was educated on participatory planning and how to get people's involvement in forestry. It was around this time he met Pedro Walpole and participated in Philippine Working Group (PWG) visits to various sites and upland communities in the Philippines.



A younger Pat in Bendum

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With the changing circumstances in the Philippines, the emphasis is now on community impact. “The forestry business is sustainable in its own right, but there were corporations doing the wrong things. During martial law, these corporations were cancelled and transferred to politicians, and then to the Chinese business people who were simply out for royalties. The advantage of corporate forestry is that pinpointing responsibility is clearer. Community forestry is different, as it cannot be regulatory and the community must make its own rules and enforce them,” Pat says.

“Now, there are no more commercial plantations where you can train and internalize people for management. Setting up a training ground for managers is something I’d like to do and I dream of this in Palawan and Bohol,” Pat wistfully remarks. His group, the Bagong Pagasa Foundation is training young men and women and doing ANR projects in Bohol, Davao, and Bataan, looking at the use of firebreaks through *saba* (plantains), *ube* (yam), and *pandan*.

In Bohol, Pat works with the media and the governor and the work is something the local government takes pride in. They work with people living on non-timber forest products in protected areas and Pat sees this as a good step forward. “There is a good governor and mayor involved and if this can become a showcase, how can we expand?” asks Pat.

According to Pat, the Philippines is now in a confused state in the management of its natural forests. There are currently about 2.5 million hectares of logged-over residual forests with a growth rate in these forests of around 2.5 cubic meters per hectare annually. In relation to the logging ban, the point is that forests aren’t static - they’re alive and growing and with good management forests are growing fast enough to supply most if not all of our wood requirements. Logging bans remove financial incentives to invest in forest protection, conservation and appropriate management.

“It is possible to do harvesting of natural forests on a sustainable basis, but this cannot be believed anymore as there are too many bad

practices. The logging industry did a bad job and the environmentalists jumped on this and made this a milking cow. Other environmentalists and NGOs were sincerely shocked, but there were those that sided with the wheeler-dealers,” Pat remembers. He recalls that a leading environmental figure was funded to do a smear campaign, and then he flip-flopped on total logging.

Pat affirms that there is productivity in the forest, but gaining credibility is difficult, as the means to act are few. “A place to start is to focus on ANR, even if this may be viewed as still going against the stream, and not to go too much against the flow. ANR is still a little piece of forestry that can restore forest, and we need to start small things like this moving. We failed to communicate that community and corporate forestry can be conducted successfully.”

In Vietnam, this is working. Pat works with a contractor who harvests tops and branches, and the government allows this. It is good to show that this can be done on a major scale, for example using buffalo logging. The Vietnamese may take a long time to make up their minds, but there is continuity in policy once a decision is made.

In the Philippines, forestry decisions are done through sound bites such as highway planting or logging bans, or other media-focused campaigns. “We need to focus more on building society and thereby changing people’s attitudes and hearts. We must get 20% of the population to buy in. Forest restoration and poverty reduction are attainable,” Pat insists.

The technical and financial needs should be easily met. A crew of two to three persons can easily produce 100 flitches of board per day. At PhP30.00 per board foot, there is a potential income of PhP450.00 from logging. Contractors can haul so that there would be no need for roads as in commercial logging.

“But it’s really how to convince people that the rules today are the rules tomorrow, and that there will be no abuse. One way is to deregulate



Pat Dugan with Lumads in Bendum

because at the local level, there is still a regulatory attitude prevailing, because then you can milk the system. Corruption is such that no inroads can be made. And having a corrupt president does not really help.”

Recalling his Negros experience in the company he took over, Pat says the system was very corrupt and firing people was the only way to clean up the system. “As a people, we go easy. We are not a guilt society, we are a shame society. *Nakakahiya ‘yon* (It’s shameful),” is how Pat puts it. “It is not discipline we have, but consideration, and we do not crack the whip.”

There should be minimum opportunity for corruption and maximum opportunity for fast, visual results. There must be an opportunity for community to take pride in and talk with other communities. With

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At home with wife Mercedes

“It is still fluff, but useful fluff, to capture the imagination. This means packaging different things for the future, such as ANR, tourism, carbon credits, but these have to mean something at the local level. Perhaps it is not forestry as before, but better land use management in forestry, agro-forestry, pasture.”

the PWG<sup>1</sup>, opportunities were facilitated that allowed him and other consultants such as Bill Granert, Del Ganapin, Percy Sajise to talk with communities. Pat sees this as an opportunity to create a momentum and keep a “cadre” of people actively involved over the long haul.

“We need to bite off 10 years to create a vision, for example in carbon credits, in corporate social responsibility. The Danao mayor we work with in Bohol wants tourism and he needs to develop the road from Tagbilaran City. It is still fluff, but useful fluff, to capture the imagination. This means packaging different things for the future, such as ANR, tourism, carbon credits, but these have to mean something at the local level. Perhaps it is not forestry as before, but better land use management in forestry, agro-forestry, pasture.”

Meaningful fluff, soundbites, consistency in rules and regulations, community participation, ANR, culture fit, better land use and management, training young men and women to be good managers, and minimizing corruption as much as we can: these are Pat’s hoped-for ingredients in restoring forests and the forestry sector in the country.

<sup>1</sup>More recently, PWG in 2006 and 2007 moved around a number of people, especially local government officials, to look at the various local natural resource management (NRM) alliances emerging and the different responses local governments and communities are doing to deal with NRM concerns in their areas, from bay-wide approaches to upland-to-valley landscapes.





ART MERCADER  
Small Scale Tree Farmer



## Preaching the seven commandments of tree planting

Art Mercader is a small-scale tree farmer and wood processor and a member of the tree planters' federations of northern Mindanao. Their group mostly does training and distributing of seeds and seedlings to the rural areas through the barangay. They have several contracts with holders of community-based forest management (CBFM) agreements and peoples' organizations (POs).

"To encourage them, we tell them about the seven commandments of tree planting, so that they won't get discouraged. We don't have to do the 10 commandments, just seven," Art laughs. "And these include soil analysis, soil preparation, preparing the proper seedling, selection of seeds, water distribution. We also hope to 'indoctrinate' the people who are planting trees as to the importance of pruning because many people just plant the seeds and forget about them, and there is no more cultivation afterwards. So the trees grow crooked. If you have a crooked tree, it's very hard to sell and maybe it will get a value of about PhP200-300 only. But if you have a long, straight tree, it can sell for PhP2,000-3,000 per cubic meter."



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“We tell them these things because there are so many of us who became discouraged in the past. According to them, they planted and yet they got very little, because they did not use the seven commandments. So we tell them the importance of these seven commandments. That’s why almost every Saturday and Sunday, we dedicate ourselves to the group’s activities. We go to the different *barangays*, reaching out to tree farmers and teaching them the proper way to maximize recovery of the trees they plant.

“I have a dual role here because I represent also the processors at the same time. I teach our people in the rural areas how they can maximize their incomes by having good trees. And then I also teach the processors to deal directly with planters because there are many ‘commissioners,’ we call them, who do not do anything but just get in touch with the planter or the owner of the tree and then they are the ones selling to the processor. They are the ones who make more money than the planter or the processor. So with our way, we can help the rural folks,” Art explains.

In northern Mindanao, Art says their federation has 67 registered member-groups, but each of the groups has about 200-300 members. “We are federated associations, or POs, or groups of people in different areas. The tree planters are also members. We sign contracts with them stating that what they plant, we will buy. So this has encouraged them. More than 3,000 people are engaged in this business. I have already received three awards from DENR for doing this,” Art proudly states.

“I’m from Cebu but I came to Mindanao 30 years ago and have been in the tree planting business ever since. After only two years, we realized that unless we could market what we had planted, we could not continue our efforts at tree planting. So we had to go forward. To rationalize the process, from the time we plant the seedlings to the time we cut, it takes about seven to eight years, and in this way the tree has achieved its ecological reason for existence,” Art further explains.



“At the same time, we develop rural work or labor in the rural areas – from the time of nursery development, to soil preparation, then tree cultivation, up to the time of harvest. So there are several jobs that are created in the rural areas. When the logs arrive in the wood processor’s yard, they create again so many other jobs. With this, we are encouraged and also I love to see the trees grow. I go to the mountains and I’m very happy to see the improvement in the trees that we plant.”

Art’s involvement in the tree industry began in Cebu where he started off as a marine engineer by profession. “I met a plywood factory owner in Taiwan about 30 years ago and he asked me to do him a favor. He asked me if I could show him if there were industrial tree plantations in the Philippines. And I went with him around Mindanao. It so happened that he came here in summer and the mountains were brown, and he told me ‘my heart bleeds to see your mountains empty.’ With this statement I looked at myself in the mirror and I told myself that I should be the one to say that, not the foreigner.

“The Taiwanese encouraged me to go into industrial tree plantations because the report that we were able to make at that time (30 years ago) was that the plantation species around Mindanao were good only for about five years if we were able to harvest around 10,000 cubic meters per month. But since that time, we are now cutting more than 50,000 cubic meters monthly because economic returns are being given to land owners and farmers. I’m happy to really say that, although at the same time it is not really enough.

“The government is doing its share, but sometimes you see it is done half-heartedly. Sometimes the government itself, the DENR for example, becomes the stumbling block for landowners and farmers to continue tree planting because so many people are trying to make money out of planters – from the planters to processors and everybody else involved. So this discourages many. But it should not discourage the real reason or purpose of tree planting. There will be more tree planters because of the economic returns to farmers and landowners. This is why we are encouraged to continue.



He has set up a process for utilizing old rubber trees so there is greater productivity before the start of a new planting regime

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“We’re working very closely with the DENR. (Former) Secretary Reyes is very, very conscious about tree planting. Ever since he became Secretary, we have contributed more than two million seed and seedlings already.

“Right now, we are concentrating on falcatta because there is a tremendous demand for the next 50 years. Falcatta has been found to be a very good substitute to lauan in the manufacture of plywood and ply board for construction purposes. Falcatta is used in the inner core of the plywood. The outer core is still made mostly from lauan and natural trees. But Japan now has come out with a paper that looks and feels exactly like wood, but it is made of paper for the base and back.

“Falcatta is very cheap material. And if falcatta is planted four meters by four meters apart (the proper distance), it can generate an income of more than one million pesos a month. A 4m x 4m falcatta planting area will generate 625 trees, and even if you have 20% mortality, you will still have about 500 trees. If you can just make one cubic meter per tree x PhP 2,000, that’s one million pesos per hectare, and yet it is harvestable in between five to seven years, if the seven commandments are followed. When harvested, the diameter is at least 30 cm. Because of that, it can grow very long, up to 60-70 feet tall. So with that, it can really give the landowner or partner a very good return.

“About 10 years ago, there were foreign countries giving the Philippines donations for tree planting. But very often, this did not achieve their purpose. I believe that the only way to succeed is to ensure it is economically gainful and that they can feel they have stake in the process and get something out of it. Otherwise, the next year and the years after, these will all be gone and it’s all roadside planting. There has to be a return and people have to have a relationship with the land and they have to see that what they invest provides economic returns.

On the volume of wood obtained, falcatta alone coming all the way from Surigao, fills up 200 truckloads that arrive everyday. These are distributed widely to more than 300 processors. For my operation, I receive about 30 truckloads per month. We usually get one truckload a day. Sometimes there are days there are none but all of a sudden two or three truckloads arrive. We also process mahogany, the plantation species, not only falcatta. I’m only processing plantation species.

This work has kept Art busy for the past 30 years. There was a time when PICOP (a large plantation company) was the only industrial plantation in their area. PICOP has more than 620,000 hectares, including areas with primary forests. Their species focus is *Acacia mangium*.

“Unfortunately mangium is not a very ideal wood because it is heavy and hard to transport. Falcatta is easy to process, easy to grow, easy to maintain. One truckload costs about PhP70,000, but you can load up to 35 cubic meters in one truck. So you have about PhP2,000 per cubic meter. Mangium can be loaded only up to 15 cubic meters per truck and yet the cost of trucking is the same.”

Some of their members are also producing cloned seedlings and putting up green houses. These are still minimal but show the various initiatives that the small scale tree farmers are exploring. Art’s 30-year investment seems to be paying off, but he is aware that much needs to be done. “I will be very happy to work with you, anything that will spell development around Mindanao.





## MILF COMMANDER

On a slope overlooking Marawi City and Lake Lanao, we spoke with an unnamed commander of the Moro Islamic Liberation Front (MILF), the armed Muslim group currently undertaking peace negotiations with the Philippine government.

Talking about forests with the MILF commander naturally directs the conversation to the peace negotiations and it is in this context that his thoughts flow. “The forest is really very useful to preserve Lake Lanao. I and my men know that if the forests around Lake Lanao disappear, the lake will also collapse.”

In the event that a peace agreement is obtained and finalized, he is aware that the government can come in and cut the forest. A balance needs to be struck as well between the cutting and the livelihood of the people and the lake, because around Lake Lanao there is so much cutting. There are the problems of forests, of livelihoods, of rebel forces, and the lake. And the question is how they, the rebels are protecting the forests? If they eventually become landowners and workers, the forests could be lost, and so will the balance of the lake.

When does development  
come into view ?





“This is the solution. In terms of negotiations between the MILF or the MNLF and the government, the government can come in and make use of the forest. But the rebels will have to advise the government not to cut all the trees. They should also have some programs to replace those trees that are being cut by the loggers; otherwise, there will be no balance. There must be a program to balance, similar to what the National Power Corporation (NPC) is doing. There are programs to plant trees around the Lake Lanao watershed. They are planting mahogany, gmelina, mangium, durian and other fruit trees, lauan, white lauan, almaciga, and bagras. The seedlings are from the NPC.”



In terms of craftsmanship and skills present in the community in working with wood, with rattan, or other cultural skills, little is sustained. The commander replied that, “people in the communities are mentored in livelihood, such as vegetable raising. Much of their interest is in rattan from the forest, but the rebels do not allow them.”

In their area, people are caught in time, and nothing much has happened for 40 years. There is rebel presence, the forest is there, but the traditional relationships with the forests are not there. The larger trees are cut and taken out and the land is used for agriculture. At the moment, the forest is the revenue and there are observations that if this peace accord is agreed upon, trees will re-emerge.

The commander agreed with these observations and half-jokingly said, “So perhaps without us, the forest will disappear.”

He continued, “If the negotiations are agreed upon, there are only two changes that will happen in the forest. If there are no good government programs, then there will be negative changes in the land. If they have some good programs to replace immediately the trees that will be cut, there will be positive change. I would rather not negotiate if the forest will just disappear,” he jested.



Admittedly, he has not seen a good program for the improvement of the forests in ARMM. The only thing he knows is the program by the NPC in the Lake Lanao Watershed. They have not seen any other program. And as far as he is concerned, “a program is good if the one who is implementing it lives in the area.” He hopes that there will be another program that will move alongside the NPC program which will be much bigger.

On a personal level, he disclosed that he has “five children and six grandchildren with one wife (laughing) and I would be very happy if I can see them getting college degrees, so I want to send them to school. If I have the means later, I want them to study agriculture, forestry, and education.”

We ended our conversation with the commander explaining those who have good plans for the people should not be afraid of the rebels, as they are not considered enemies. “What I want is that government must not only propose a program for the forest, but it must also benefit the people. And in turn the forest will benefit anew out of this people’s activity.”

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