



## Kanlaon Spring Water Plant, Philippines

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### What is the problem?

Both migrants and indigenous people living in the Mt. Kanla-on Natural Park are economically and culturally dependent on the forest and its watershed. The activities of these populations has led to watershed deterioration and deforestation, creating a need to invest in watersheds and forest protection in the region. The Kanla-on Spring Water Plant, a bottling company owned by La Tondena Distillers, Inc., draws spring water mainly from the park and has provided the financial resources for watershed protection.

### Which approach was taken?

Kanla-on Spring Water Plant supports farmers within the Mt. Kanla-on Natural Park to implement sustainable agroforestry activities (Porras et al. 2006). The company protects the watershed function of the forest in order to safeguard its supply of good quality water. It does so by supporting improvements to the livelihoods of upland farmers through agroforestry, social services, and the development of infrastructure (Huang et al. 2009).

The La Tondena Foundation (along with Philippine Business for Social Progress and the People's Organization of Barangay Ilijan) carried out the project. Specifically, 20 hectares were reforested and 80 hectares rehabilitated (Arocena-Francisco, 2003). In 1997, almost 28 upland farmers were involved in the process of reforestation and rehabilitation, with a budget of P200,000 (US\$ 4,311 according to current exchange rates) (Porras et al. 2006).

### What ecosystem services were considered and how?

The ecosystem services considered are water quality protection, soil preservation through maintaining a healthy watershed and biodiversity conservation.

### What input was required to do so?

The National Integrated Protected Area System Act (NIPAS) was necessary to implement the project. The legal basis for fee collection for environmental services (defined in the NIPAS (RA 7586)) instigated the creation of the Integrated Protected Area Fund (IPAF) to channel funds for resource protection and management (Porras et al. 2006).

Upland communities also played an important role in resource protection, conservation, and management. By 2000, 26 People's Organizations (comprising 1,617 members) were organized. This membership includes 200 Kanlaon Green Brigade (KGB) members, deputized for forest protection efforts. They regularly patrol the park to deter illegal activities and forest fires, historically a major threat in the area. People's Organizations are also involved in biodiversity assessment in collaboration with the Protected Area Superintendent (PASu)'s and the host NGO. This has resulted in the documentation of 183 species of flora and 48 species of endemic and migratory fauna (Arocena-Francisco, 2003).

**What was the policy uptake, and what were the conditions for this effort to actually influence public management?**

The case of the Kanla-on Spring Water Plant demonstrates the important role of the business sector in protecting the environment. Its efforts have provided funds and community organization for reforestation of the headwater source of its water business. The company's success is reflected in its ability to reward the upland poor in last three years. It has directly benefitted the community in this area by investing in social development projects – building a school, providing free medical clinics, feeding programs and cash donations.

The company has assisted the organization of the Ilijan Development Organization (IUDO), a People's organization (PO) of 98 farm family members. This public organization was contracted to do reforestation activity and was provided with livelihood enhancement programs. The project also financed reforestation projects with the involvement of the People's Organizations. As of 1999, some 500 hectares were reforested (Arocena-Francisco, 2003). The IUDO, which performed very well in forest management, was awarded a Department of Environment and Natural Resources (DENR) Tag-Amlig annual Award for its activities from 1998 to 2000. Kanla-on Spring Water Plant's community and forest management initiatives have also been awarded. It received an award in the industry category for the period between 1999 and 2001 for its efforts in the community.

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