

**T**he Philippines and the World Bank recently signed a US\$4.79 million loan for the Land Administration and Management (LAM) Project. The loan is the first step towards the implementation of the long-term Land Administration and Management (LAM) Program which seeks to establish an efficient system of land titling and administration. The initial project will assess the viability of the LAM Program and formalize institutional support for its development.

Finance Secretary Jose Pardo and Vinay Bhargava, WB Country Director for the Philippines, signed in behalf of the Philippine Government and the World Bank, respectively. Department of Environment and Natural Resources Assistant Secretary and LAM Project Executive Director Mylene Albano and Ms. Jemima Sy of the Australian Agency for International Development (AusAID), co-funder of the project, were also present during the signing ceremony. In his remarks, Bhargava said, "The Project will help eligible small landowners in the rural areas, where poverty is more prevalent, to improve their security of land tenure, and use their titles to increase their access to credit. In the urban areas, it will enable transparent and secure land transactions that will facilitate investment, growth and affordable housing."

The Project aims to establish a system of land titling and administration based on clear, coherent and consistent laws and policies, and supported by the appropriate institutional structure. At the national level, it is expected to improve the services of the Register of Deeds and hasten resource mobilization at the local and central government levels. The anticipated improvements will likewise result in better land administration and management, an area with broad-based impact.

## Philippines -World Bank Sign Land Management Project



L-R: DENR Asst. Secretary and LAM Project Director, Mylene Albano; Finance Secretary, Jose T. Pardo; WB Philippine Country Director, Vinay Bhargava; and WB Operations Officer, Rural Development, Ma. Theresa Quiñones.

This initial effort is being undertaken through a small "Learning and Innovation Loan" intended to test approaches, catalyze changes and establish workable institutional arrangements prior to supporting the long-term program. The Project is the first Learning and Innovation Loan approved by the World Bank for the Philippines. Alternative approaches will be considered to accelerate programs designed to improve the protection of rights to land, eliminate fake titles, and introduce a framework for an equitable system of land valuation.

The LAM Program has four components. The first component entails studies and recommendations on key policy areas such

as the land development process, land registration finance and fee structure, real property valuation framework, and land laws and regulations.

The second component implements a Land Administration prototype in six municipalities. A third undertaking involves support to the Project Management Office and two Project Implementation Offices for the prototypes in Quezon City and Leyte. The fourth part provides for the design of a long-term LAM Program.

An inter-agency committee chaired by the Department of Environment and Natural Resources will implement the Project.

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# WB's REPORT FOR FY 2000 AND PLAN FOR 2001

Low utilization of Official Development Assistance (ODA) has been recognized as a major development obstacle by the Philippine Government, following the joint review in late 1999 of ODA-assisted projects with the World Bank, the Asian Development Bank and the Japan Bank for International Cooperation.

As of June 30, 2000, the World Bank is financing 25 ongoing projects for which US\$1.8 billion have already been committed. About US\$1.2 billion of these commitments have remained untapped.

In his report on the operational results and plans of the World Bank's Assistance to the country for FY 2000-2001, Vinay Bhargava, WB Country Director for the Philippines, said, "We are happy to note that the disbursement for World Bank-assisted projects has improved from US\$152 million in Fiscal Year 1999 to more than US\$ 202 million at the close of FY 2000. For FY 2001, we are projecting to double our disbursements to US\$400 million."

The disbursement of US\$400 million in project financing will depend upon the release of the second tranche of the Banking System Reform Loan (BSRL) amounting to US\$100 million. BSRL supports the banking sector reform program that will enable the domestic banking system to better withstand current and future difficulties and shocks. A key component of the comprehensive reform program is the privatization of the Philippine National Bank, an increase in its capital, and a reduction in its non-performing loans.

Other reforms under the program include improvements in Central Bank supervision, streamlining disclosure requirements by banks, enhancing capital adequacy, and providing a resolution framework for troubled banks.

Legislative changes in laws governing government banking, the Bangko Sentral ng Pilipinas, the securities market and the Philippine Deposit Insurance Corporation

are also needed to ensure success of the reform package.

## Update on New Loans

The Bank's assistance to the Philippines is governed by a Country Assistance Strategy, which supports a partnership among Government, the private sector and civil society, to reduce poverty and make people's lives better. The current CAS framework provides for a lending program in the range of US\$1 billion to US\$1.5 billion for fiscal years 2000 to 2002. For FY 2000,

Approved Projects for FY 2000	
Project Name	Amount(US\$M)
Social Expenditure Management Project	100
National Roads and Improvement Project	150
Mindanao Rural Development Project	27.5
<b>Total Loan Amount</b>	<b>277.5</b>

Pipeline Projects for FY 2001	
Project Name	Amount(US\$M)
Land Administration and Management Project	4.79
Second Local Government Units Urban Water and Sanitation Project	100
Second Social Expenditures Loan Project	100
Metro Manila Urban Transport Integration Project	60
<b>Total Loan Amount</b>	<b>264.79</b>

three loans have been approved totaling US\$277.5 million. These loans are for the Mindanao Rural Development Project, National Roads Improvement Project and Social Expenditure Management Project. The loans have been signed and became effective early this year.

For FY 2001, the Bank has signed one loan, and is processing three additional loans amounting to US\$260 million directed at assisting the Government in its drive to alleviate poverty. The loans are for the Land Administration Management Project, the Metro Manila Urban Transport Integration

Project, the Second Local Government Unit Urban Water Supply Project, and the Second Social Expenditure Management Project. The lending package reflects the Government's intent to exercise restraint on new borrowings and focus more on increasing its utilization of committed funds. The Bank fully supports this strategy, which will result in further reduction of unutilized funds.

## Non-Lending Assistance

In FY 2000, the Bank also mobilized grants amounting to US\$20 million. Ongoing grants total US\$18 million, which support initiatives by Government and civil society to enhance capacity building, knowledge sharing and partnership development. For example, a US \$900,000 grant provides for projects involving out-of-school youth under partnerships among Government, business and NGOs.

Other non-lending services include policy advice, technical assistance, and related analytical and advisory activities. These services have become increasingly important as the Bank promotes a wider understanding of development issues in support of public debate and a national consensus. For this purpose, the Bank prepares and publishes reports and studies. Relevant materials are now available at the Bank's local website at [www.worldbank.org.ph](http://www.worldbank.org.ph). Reports and studies are not only made available but participation in discussions through the electronic forum at the web site is also possible.

## Projects for Mindanao

The Government has requested donors to accelerate on-going foreign-assisted projects in Mindanao. There are presently about US\$700 million in World Bank loans for 16 ongoing projects under which provinces in Mindanao are eligible to receive funding. (Most of these projects also cover provinces in regions outside of Mindanao.)

The World Bank may consider Government proposals for a reallocation of funds for Mindanao from ongoing projects, to fast track meeting urgent rehabilitation needs in conflict-affected areas in Mindanao provided that the trouble spots are made safe for development workers to operate.

**T**he latest World Development Report, the World Bank's most comprehensive study of global poverty, was launched in the Philippines coinciding with a discussion on the preliminary Philippine Poverty Assessment Report and the Bank's activities for poverty reduction in the country.

Highlights of the World Development Report and Poverty Assessment Report were presented by John Page, Director, Poverty Reduction Strategies and Development Policy at the World Bank; Monica Das Gupta, Senior Social Scientist, WB Development Research Group; and Tamar Manuelyan Atinc, Lead Specialist in the WB Poverty Reduction and Economic Management Unit of the East Asia and Pacific Region. Lloyd McKay, Lead Economist at WBOM, acted as moderator of the forum. Vinay Bhargava, WB Country Director for the Philippines, discussed the World Bank's anti-poverty programs and projects in the Philippines.

The launch provided an opportunity to put a local spin to the global outlook of the newest World Development Report. The panel of reactors included SGV founder Washington Sycip, socio-political feminist activist Ana Maria Nemenzo, and Socio-Economic Planning Secretary Felipe Medalla.

## WORLD DEVELOPMENT REPORT 2000/2001 ATTACKS POVERTY

In his opening remarks, Agrarian Reform Secretary Horacio Morales Jr. said, "(The World Development Report) is an important testament to the unending search for emancipation from poverty, hunger and disempowerment. It is a daring attempt to bring together experts, activists, practitioners and donors from within governments, civil society and the private sector to develop a common and consensual framework in eradicating poverty in this millennium."

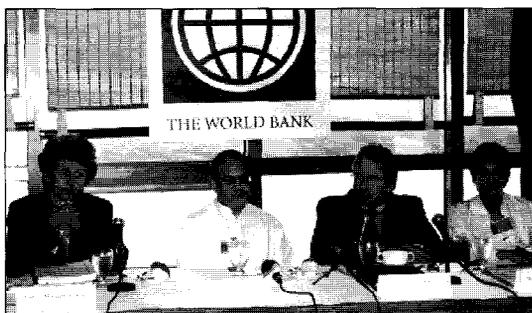
*(More on the Report on page 8.)*

The preliminary Philippine Poverty Assessment Report indicated that the incidence of poverty in the country remains high. A suggested framework for attacking poverty presented by Ms. Tamar Atinc involves creating opportunities for the poor through pro-growth policies, protecting the poor from crises and natural disasters, and empowering of the poor by improving

governance and combating corruption.

An open forum followed the presentations. The participants proceeded to organize themselves into small breakout groups to discuss the details of the WDR framework for attacking poverty.

Government officials; representatives from the private sector, NGOs and civil society; the media; and the staff and officers of World Bank Office Manila (WBOM) attended the launch.



L-R: Tamar Manuelyan Atinc, Vinay Bhargava, John Page, and Monica Das Gupta.

## R. M. Magsaysay Awardee Joins Urban Development Forum

**T**he World Bank's Country Assistance Strategy for 1999 to 2002 presents viable strategies that promote sustainable urban development and combat urban poverty.

To discuss ways in which the government, various concerned organizations, and international donor agencies can work together in advancing urban development programs in the Philippines, the Bank hosted a multi-sectoral consultation focusing on partnerships for urban poor initiatives. Representatives of urban poor groups, housing authorities from selected Metro Manila cities and urban development experts from the World Bank and Asian Development Bank attended the consultation. Jokim Arputham, this year's Ramon Magsaysay Awardee for International Understanding, joined the discussion as guest speaker.

A brief background on the state of urban renewal projects in the country set the tone for the consultation. The presentation by the NGOs stressed that the development of urban poor communities does not only help to improve the living conditions of poor settlers but also serves to enhance the city's infrastructure and physical appearance to pave the way for increased investments. As proven by success stories in other countries, urban community renewal efforts in the form of slum upgrading can be viewed as a social investment that pays itself off over the long term.

Jokim Arputham shared his life-long experience in helping the urban poor in India's most densely populated cities to find a place of their own. He argued that India's slum dwellers have tried various approaches, but until they had gathered sufficient leverage

to influence policy, their small achievements were like shots in the dark.

Mr. Arputham suggested that urban poor groups should first show what they can do together. Their solidarity and accomplishments will serve notice to government, or even international donor agencies, which may then be attracted as institutional cooperators in community-wide urban renewal.

The Ramon Magsaysay honoree commended those who attended the consultation for sparing the time to thresh out issues on a pressing social problem. He said, "It is important to have discussions and this (the consultation) has been a lively dialogue. You should have more open discussions among the urban poor, government and the donors. There's a still lot of work ahead of you."

# Promoting Sustainable Environmental Protection

The Philippines has been tagged as one of the environmental hotspots in the world. The World Bank helps Government pursue programs and projects that link poverty alleviation to sustainable development. These efforts try to ensure that economic development does not come at the expense of the environment and its underlying ecological systems.

Some of these initiatives are described in the following sections.

## Environment Monitor 2000

To provide benchmarks of key environmental and natural resource indicators and trends in the country, the Bank published the Philippines Environment Monitor 2000, a compact overview of the state of Philippine environment. It was formally presented in August 2000 before a multi-sectoral group comprising representatives from government agencies, non-government organizations, academe and the media.

In his opening remarks at the launch ceremonies of Environment Monitor 2000, Richard Anson, WB acting Country Director for the Philippines, said, "The goal of the World Bank's Country Assistance Strategy is to help reduce poverty and improve the quality of lives of more Filipinos. We believe we cannot reach this goal if we do not address environmental issues now. The environment simply cannot wait."

According to the Monitor, the presence of policies and laws has not prevented environmental degradation. Urban air and water pollution, natural resource degradation and declining quality of coastal and marine resources comprise the three broad challenges that need to be addressed on the local front.

"The underlying theme of the Monitor

is that environmental concerns in the Philippines, as in other developing countries, cannot and should not be neglected," Patchamuthu Illangovan, Sr. Environment and Team Leader for the Monitor, stated. "We hope that policymakers will find the Monitor a useful tool, a one-stop shop of information that will help them decide in formulating policies and plans. For the general public, we hope to see a higher level of awareness and understanding of environmental issues and challenges."

The Environment Monitor is the outcome of several workshops involving government, the academe, NGOs and civil society. Various stakeholders were also consulted before it was finalized. Most of the information used in the Monitor was gathered from reports of government agencies, universities, and NGOs and donor organizations, and other unpublished sources. (*More on The Environment Monitor on p. 8.*)

## GEF Country Program

The Bank, in partnership with the UN Development Program, UN Environment Program and the Secretariat of the Global Development Fund (GEF), sponsored a GEF awareness training and program development workshop from August 22 to 24, 2000. The training workshop aimed to strengthen country coordination and to enhance country capacities to identify, propose, prepare and implement GEF-financed projects and activities.

The GEF, and its sister organization, the Montreal Program, are among the first global partnerships to establish financial mechanisms to contend with global environmental issues, particularly those

relating to the depletion of the ozone layer. GEF has since expanded its scope to include initiatives against major diseases like HIV, international efforts to deal with the digital divide and concerted action to meet immediate demands such as giving rural communities access to electricity from renewable energy sources.

The World Bank is a founding member of the GEF. As a global, knowledge-based institution, the Bank is involved in all of the Environment Fund's initiatives. In the Philippines, the Bank has facilitated GEF assistance to a number of projects that contribute to national development as they impact on global environmental concerns. The Leyte-Luzon Geothermal Power Project helps expand power generation from a renewable resource. The Conservation of Priority Protected Areas Project develops alternative livelihoods for local communities in selected national parks and wildlife reservations. A component of the Mindanao Rural Development Program assists coastal communities in managing their marine resources. In Marikina City, the GEF will be promoting non-motorized transport to reduce road congestion and its attendant pollution. These four projects have been provided with over \$50 million in GEF funding since 1991.

## Other Ongoing Activities

Growing awareness of promoting sustainable environmental efforts has expanded the types of undertakings handled by the WB Office in Manila. With the assistance of Ms. Maya Villaluz, Operations Officer for the Environment, the Bank renders support to the re-engineering of the Ecology Center of the Subic Bay Metropolitan Authority under the Subic Bay Freeport Project II. Under the Philippine Human Resource Development Fund, it also extends technical assistance to the Laguna de Bay Environment Management Project, the Social and Environmental Assessment Capacity Building Project, and the Strengthening of Enforcement and Capacity Building Project for the Department of Environment and Natural Resources. Its analytical and advisory assistance is engaged in the pilot implementation of the Environmental Safeguard and Risk Management Study, which seeks to enhance safety guarantees for the different WB investment projects in the country.

## Allegations of Corruption Against Public Officials

The World Bank Office in Manila has received a number of calls from the media and others, asking for comment on the recent reports of allegations of corruption against high public officials in the Philippines. The World Bank has consistently advised its member countries of the serious economic and social consequences of corruption, especially within government. In the Philippines, we recently published a report, prepared at the government's request, on combating corruption. We are also assisting, at their request, the various government agencies and civil society organizations in combating corruption in the Philippines.

In this context, the World Bank views these allegations of corruption as a serious matter, and we are concerned about their impact on the economy. We note that the Philippines is a democracy; it has a functioning legal system, a free press, an active civil society, and a constitutional procedure for responding to such allegations. We have every hope and expectation that the allegations will be quickly resolved by the mandated Philippine institutions through a due process within the legal system.

*(October 18, 2000)*

## Status of Banking System Reform Loan

A World Bank mission visited the Philippines from October 13-19 and has reviewed the progress in the implementation of the actions required prior to the release of the second tranche of \$100 million out of US\$300 million Banking Sector Reform Loan (BSRL). It will be recalled that the BSRL is meant to strengthen the Philippine banking system to enable it to better withstand current and future difficulties and shocks through a comprehensive reform program. The Philippine Government and the World Bank have agreed in 1998, when the loan was signed, that this amount would be disbursed in three tranches, the timing of which would depend on specific actions. A summary of actions include: (i) mainte-



## LATEST STATEMENTS FROM THE WORLD BANK'S COUNTRY DIRECTOR

nance of a sound macroeconomic framework agreed to by the Government and the World Bank; (ii) implementation of a reform program in the banking sector which would require strengthening Central Bank and Philippine Deposit Insurance Corporation (PDIC) charters and banking regulation; and (iii) privatization and rehabilitation of the Philippine National Bank.

The mission found that good progress continues to be made in implementing the banking sector reforms. The legal framework governing the banking sector has been strengthened with the enactment of the General Banking Act. Prudential regulation is being strengthened. Capital structure of banks is continuing to improve, including the Philippine National Bank with the infusion of over 10 billion in pesos in additional capital.

The main remaining challenges to the banking reform agenda are to: (i) pass the legislation amending the respective charters of the Central Bank (BSP) and Philippine Deposit and Insurance Corporation (PDIC) charters; (ii) strengthen the protection of Bangko Sentral ng Pilipinas (BSP) and PDIC staff from lawsuits brought against them in connection with actions taken in their official capacities; and (iii) continue the rehabilitation of PNB to restore its financial health. The authorities are aware of these challenges and expect the remedial actions to be completed soon.

It will be noted that one of the requirements for the release of the second tranche of BSRL is "maintenance of a sound macroeconomic framework." Such a framework involves, among other things, targets pertaining to fiscal, monetary and external policies. In consultation with the International Monetary Fund (IMF), we review compliance with this requirement based on the government's commitment to the World Bank. In this regard, we note

with concern that the government's budget deficit is now well above target for this year, primarily due to shortfalls in tax revenue. It is now critical that actions be taken to contain the fiscal deficit during the rest of 2000 and to include actions in the 2001 budget that will ensure that the budget deficit gets progressively smaller in line with the medium-term trajectory for the budget deficit which now deviates from that envisaged in the medium-plan. Actions are needed to strengthen government revenue and to restrain expenditures. The decline in government revenue as a share of Gross Domestic Product (GDP) urgently needs to be reversed, and improved tax administration can contribute to this. Second, overall expenditures need to be kept to a fiscally sustainable level, while taking care to maintain strategic social programs that are critical to the poor, (e.g. education, health, and social services) and to accelerate implementation of the Official Development Assistance (ODA)-financed projects that are vital to poverty reduction in outlying areas. We are requesting the authorities to take action to address the fiscal problem to achieve a satisfactory macroeconomic framework in 2001 and thereby help restore investor confidence.

The Mission has returned to the World Bank Headquarters and will discuss its findings with the Regional Vice President. We have agreed with the authorities that discussions on the program in banking sector and macroeconomic reforms will continue through the World Bank Office in Manila. Since, the closing date for the BSRL has been extended from June 30, 2000 to June 30, 2001 authorities have until then to complete the implementation of the actions required for the second and third tranche release. The tranches can be released any time between now and June 30, 2001, depending upon completion of the required actions for the respective tranches. *(October 20, 2000)*

# CITY DEVELOPMENT STRATEGY: *Creating Vibrant Urban Centers of the Future*

The challenges to make cities more livable and sustainable are daunting. It is projected that 24 billion more people will be residing in cities in the next 30 years. Each city will find its resources severely strained by the demands of a rising population.

In the past, the World Bank has responded to the development needs of cities through individual projects or sector loans. Over time, however, this strategy proved inadequate for cities facing multifaceted problems.

The Bank also realized that it could not act alone in assisting clients in the development of livable cities. The entire development community and the city government need to develop common policies and institutional approaches that offer sustainable solutions. Hence, the evolution of the City Development Strategy (CDS).

## Holistic Approach

A City Development Strategy is designed to assist the city government and concerned stakeholders in articulating a shared vision for the city's future. It entails identifying strategies to attain the vision, facilitating resource mobilization and allocation, formulating priority actions for each strategy, and implementing specific priority programs and courses of action.

This new approach calls for broad coalitions of local stakeholders and development partners, both local and international, to develop a strategy for a particular city/urban area in recognition of its distinct socioeconomic structure, constraints and prospects and a shared "vision" of goals, priorities and requirements. In the process, the cities themselves define their own City Development Strategy.

## The Philippine Experience

The Philippines is the site of one of the earliest implementation of the City Development Strategy. Through the Bank's assist-

ance, seven cities have been able not only to formulate multi-sectoral, medium-term strategies by themselves but have also established viable partnerships with all concerned sectors. By using their respective CDS, the participating cities have already seen a number of immediate results.

Most of the pilot cities have focused on aligning their long-term development strategies with their comparative advantages. Two of them, San Fernando and Olongapo, have shown their entrepreneurial capacities by tapping new financing opportunities to fund their respective development efforts.

San Fernando City was able to secure financing from the Land Bank of the Philippines for its flood control projects. This assistance will be provided under the ongoing Water District Development Project of the World Bank. The city will apply for additional support from the Municipal Development Fund for its sanitary landfill, health and education projects. This assistance will also be provided through the Local Government Finance and Development Project which is being implemented by the Department of Finance with assistance from the World Bank. On top of the WB assistance, the city was able to mobilize other technical aid identified in their CDS from the World Health Organization, the US Agency for International Development and the Ford Foundation.

Using their CDS as the primary document for project negotiation, Olongapo City got a credit line from the Development Bank of the Philippines for its power distribution and commercial area development projects. The city will access the Municipal Development Fund for other priority projects, which include such non-revenue generating undertakings as flood control and land use improvement.

## Top Priorities

In essence, a CDS spells out initiatives which emerging cities should consider to avoid the pitfalls of unplanned sprawl exemplified by today's megacities.

In its City Development Plan, Olongapo City presents its potentials in maximizing use of its limited areas for commerce and industry, the full implementation of free trade policies and tapping non-traditional revenue generating resources. Its immediate development thrusts are focused on three



Mayor Kate Gordon

areas: economic, social, and the environment. Under its economic action plan are the computerization of public services, development of a local investment code, and low cost housing projects. The city's long-term plans include the creation of a Metropolitan Subic Free Port, establishment of a corporate city and development of a banking and finance center as well as a communication hub.

San Fernando City distinguishes itself by being the regional center of government and commercial activities in Northern Luzon. Its CDS lays down concrete programs and projects on the environment, poverty alleviation and infrastructure development. Specific development projects include coastal resource management, livelihood training programs, radial and diversion roads, and comprehensive drainage system. The city's CDS even provides for capacity building in environmental management, information technology and vocational education.

## The Driving Forces

Not coincidentally, the two participating pilot cities are currently run by women—

Mayor Kate Gordon of Olongapo City and Mayor Mary Jane Ortega of San Fernando City. Both city executives have extensive exposure and experience in the preparation and implementation of development strategies. Mayor Gordon was the former representative of Zambales. Mayor Ortega, a first term in office, is a member of the UN Advisory Committee on Local Authorities and is the first Filipina to be awarded the prestigious Scroll of Honor given by the United Nations Center for Human Settlements. Also, she is a recipient of the World Bank certificate of excellence for her city's development strategy.

The two lady mayors took the time to share with *InTouch* how their particular CDS is guiding the fulfillment of a shared vision for their cities.

The central vision for Olongapo is the conversion of the former US bases into the first free port facility in the country. Mayor Kate Gordon explains, "That vision was easier said than done. We had to explain to our people what a free port is all about. It was a difficult time."

An opportunity to realize the vision of a free port presented itself when the Subic Bay Metropolitan Authority (SBMA) was created by law. It was further strengthened in 1998 when the World Bank came around offering to help turn Olongapo into a well-planned city of the future. Kate Gordon remembers, "The World Bank initiated this new program [the CDS] at the right time for us. They said that its focus would be for local governments, particularly the cities, to help themselves.



Mayor Mary Jane Ortega

"We felt relieved. Finally, we would be able to say and do what we wanted."

San Fernando City Mayor Jane Ortega went through a less thorny route. After she won the mayoralty race, the first thing Mayor Ortega did was to sit down and write her vision for the city. A former journalist, she expressed herself well by putting whatever she had in mind on paper.

When she attended a public management seminar in Germany, she learned that a vision for a city should not come from a single person alone. After she arrived home, Mayor Ortega immediately called all the stakeholders in San Fernando City. She recalls, "I told everybody we would be starting all over again. Let's come up with

our vision, not my vision."

Around this time, the World Bank invited some 24 cities nationwide to compete for a technical assistance grant and the chance to go to Tokyo. The finalists were trimmed down to 7, which included San Fernando and Olongapo City.

### Realizing A Vision

Right now, both lady mayors are implementing the priority projects underlying their CDS. They are also sharing the CDS with everyone, including the next generation of leaders and stakeholders.

Mayor Ortega discloses, "We have presented our CDS in meetings with the presidents of academic institutions and the NGOs. We are now sharing it with all the teachers so they may know what the CDS is all about."

"Our next move is to share the CDS down to the barangay level. We also plan to do a campaign to educate the children about it."

As exemplified by the acts of Mayors Gordon and Ortega, the CDS is taking the challenge of city development to the local level. It is providing a mechanism of integrating stakeholders' views and attracting sustainable financing for cities. In fact, by encouraging public participation and joint ownership, the CDS is ensuring that everyone has a stake in their city's future.

## We're on the Net!



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Aside from the web site, our Public Information Office remains open, Mondays to Fridays, 9-12 noon and 1-3 pm.



**World Development  
Report 2000/2001  
Attacking Poverty**  
332 pp.

The World Bank's mission is to fight poverty with passion and professionalism. It also recognizes that poverty alleviation requires a comprehensive, multi-faceted, properly integrated mandate.

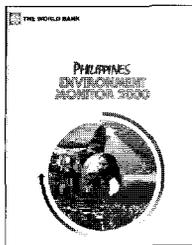
The new World Bank Development Report (WDR) builds on past thinking, and substantially broadens and deepens the understanding of poverty and its causes. It proposes a new strategy for attacking poverty in three ways: promoting opportunity, facilitating empowerment and enhancing security.

Promotion of opportunity means that poor people have access to jobs, credit, roads, and markets for their produce as well as water, schools, sanitation and affordable health services. Some core policies that respond to the growing demand for more opportunities include: a) encouraging effective private investments; b) expanding into international markets; and c) building up the assets of poor people. Of special interest is the policy consideration to expand infrastructure and knowledge into poor rural and urban areas, where, in the case of the Philippines, a majority of the population lives.

Facilitating empowerment entails collective initiatives that reduce bureaucratic and social constraints that prevent poor people from helping themselves. To address this anti-poverty strategy, the new WDR suggests these courses of actions: a) laying

down the political and legal basis for inclusive development; b) creating public institutions that foster growth and equity; and c) promoting inclusive decentralization and community development. Achieving greater security for the poor requires focus in dealing with economy-wide and region-wide risks and in helping the poor cope with individual adverse shocks. Among the measures recommended by the Report are: a) formulating a modular approach to helping people manage risks; b) developing national programs to prevent, prepare for and respond to macro shocks; and c) designing national systems of social risk management that promote growth.

The new World Development Report offers that there really is no simple, universal blueprint for implementing a sure-fire strategy to alleviate poverty. Developing countries like the Philippines must prepare their own mix of policies, reflecting national priorities and local realities. It hopes that the developing world and the international community work together to combine various insights with real resources so that concrete progress may finally be made in the fight to end poverty.



**Philippines  
Environment  
Monitor 2000**  
40 pp.

The Philippines is among the six threatened biological hotspots in the East Asia and Asia-Pacific Region. To keep track of major environmental trends in the country, the

Bank recently published the Philippine Environment Monitor 2000, which provides initial benchmarks of key indicators of production, consumption, pollution and ambient quality.

The Monitor points out the most pressing environmental challenges in the Philippines including deforestation and land degradation in the countryside, and air pollution caused by vehicles and inadequate sanitation in urban areas. It also surveys the policy and legal framework for environmental protection in the country and proposes a few measures to fine-tune their impact on an aggravating situation.

Among the major causes for alarm cited by the Monitor are:

- Air pollution in Metro Manila exceeds national air quality standards abroad;
- Nearly half of the country's rivers fall below normal quality norms;
- Almost half of the country's land area suffers from moderate to severe soil erosion.
- Forest cover has been substantially reduced by increasing urbanization, illegal logging and forest fires.

The Monitor will be updated regularly to keep policymakers, researchers and civil society in general up to date on the state of health of the Philippine environment.

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