



13 December 2010

Kinabuhi, Inc.

Central Visayas People's Network for Life and Environment
2nd Floor, Kudemus Building, Lower Butalid Street
6300 Tagbilaran City, Bohol, Philippines

Securities and Exchange Commission Reg. No. CN200525750

POSITION PAPER

Re: NIA's Treachery on the Content of the Memorandum of Understanding

We are deeply saddened and disgusted over the sheer deception and maneuvering employed by the National Irrigation Administration (NIA) under its regional director Engr. Modesto Membreve, right at our very eyes, and in front of the JICA (Tokyo and Manila) executives and the farmer-victims themselves.

The 2nd Multistakeholder's Meeting for the dam affected people held at NIA's Compound in Pilar town on 8 December 2010 did not flourish as the falsification of signatures of farmers particularly that of Maria Delantar, was uncovered. The NIA stole the signature of Mrs. Delantar to make it appear that her lot which was landleveled by NIA 13 years ago and has not availed of irrigation until now, has already been inspected and validated by NIA and that Delantar purportedly did not want to condone her loan for the landleveling and just wanted to let NIA build a ditch to her rice farm. Delantar even stood up and angrily denied having met any validating team from NIA and much more having signed any document with NIA. She stood by her decision to demand the cancellation of her loan as there was already a canal going to her farm before but still the water was not able to reach there.

As agreed during the first Multistakeholders' Meeting, thorough inspection and validation of un-irrigated leveled lands should be conducted to determine if physical intervention could still solve the water problem otherwise the loan incurred by the farmers for this landleveling would be recommended for condonation. However, NIA's brazen effort of stealing farmers' signatures even in front of the JICA executives, NGO representatives and even the farmers themselves, only shows that it is not going to do any truthful inspection and validation and cancel any loan of the farmers despite the grim fact that it failed to deliver irrigation service to these farmers' lands.

To make matters worse, the NIA also falsified the Memorandum of Understanding (MOU) that we signed with them, the JICA, and the farmers during the first multistakeholders meeting last 2 September 2010. The MOU version that they presented on 8 December 2010 contained the additional item number 10 which is "UPGRADE MALINAO DAM BY RAISING 2 M. HEIGHT" as one of the solutions regarding water shortage and water management (MOU page 3, I. Water Shortage and Water Management, Actions/Solutions #10). They witlessly copy-pasted our signatures on the third page of that fabricated version of the MOU. That was not the document we originally signed and we would never have signed that MOU had it contained the said item because we do not believe that raising the height of the dam is the real solution to the problem of water shortage. No matter if they raise it even up to the heavens, if the water intake/source is still the same, the problem will still persist.

Despite this shameless, palpable and unintelligent maneuvering, Engr. Modesto Membreve and his minions still made an effort to insist that the "#10" item was in the original document and lamely explained everything as clerical error, that it was the fault of the printer because that item was mistakenly omitted. We would be more than willing to show them our video documentation of the deliberation and drafting process of that MOU if only to remind them that "#10" was never there. Obviously, the NIA is so desperate to the point of employing sheer deception, to get endorsement for this Malinao dam upgrading project.

We, followed by the affected farmers, walked out from the useless meeting as we no longer see any reason to talk with bald-faced charlatans who lurk inside a government agency that has failed too much in serving the farmers. We do not want to be used for the endorsement of another project which is again begging for loans, this time from Korea, and which will be paid by our people but will only benefit the pockets of the corrupt politicians. We believe that they are just using the water shortage problem of the farmers as a back-up to their desperate effort of obtaining another loan.

Since 2004, we have been initiating dialogues with NIA and other concerned government agencies so that once and for all, the problem of the dam-affected farmers would finally be solved. Our effort has gone as far as urging the congress to conduct on site investigation of the problem. Bayan Muna Representative Teddy Casino has even sent a letter to the NIA about this water shortage and land leveling problem which Engr. Membreve has repeatedly denied. A committee resolution regarding the requested congressional inquiry was passed unfortunately, close to election time and the congress under the previous administration has already been dissolved. This resolution should now be re-filed under the present congress.

We unconditionally exerted so much effort to resolve the dam problems yet as we honestly cooperated with NIA, they deceived us, the concerned NGOs and affected farmers, right at our very eyes. With that foolish act, NIA's credibility and position to solve the irrigation problem in Bohol is put in question.

In behalf of the affected farmers, we reiterate the following demands:

1. Cancellation of the Memorandum of Agreement in land leveling that obliged the farmers to pay for the land conversion within ten years because after 13 years, no irrigation has ever delivered to these damaged areas.
2. Compensation of the damages caused by haphazard land leveling that rendered the farmlands unproductive for more than a decade.
3. Restoration of damaged lands.
4. Reduction of Irrigation Service Fee
5. Put a stop to BHIP III (raising 2 meters of Malinao dam's height) to cover up the failures of Malinao dam. The NIA should instead, do the first four demands. They should instead identify, in black and white, the range of the areas that Malinao could irrigate and could not irrigate. For the latter, especially those leveled lands, the loan should then immediately be cancelled and restoration be conducted. The farmers would then be compensated for the damages.

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(Sgd.) **REYNALDO LUCHANA**
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Cc: Office of the Governor of Bohol
Friends of the Earth (FoE)-Japan
Nagoya Center for Philippine Concerns (NCPC)

JICA-Tokyo and Manila Offices
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