The Philippines: Renewing Prospects for Peace in Mindanao

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Executive Summary

The southern Philippines is potentially closer to peace than at any time in the four decades since Muslim insurgents started fighting for independence, but the substantial progress over the past six years is also fragile. President Rodrigo Duterte, who took office on 30 June, needs to build quickly on the foundations laid by President Benigno Aquino’s administration or the process risks collapsing. Duterte has suggested a new enabling law could be drafted by an ad hoc convention that brings together members of different southern ethnic, religious and political groups. The idea has some advantages, but not at the cost of prolonged delay. The greatest danger to peace is that the restive south, sceptical after watching at least three other agreements founder, will lose faith in the process and return to guerrilla warfare or tip deeper into lawlessness. The most effective way of avoiding these dangers is for the new government to pass enabling legislation quickly that delivers at least as much autonomy as was promised by the outgoing administration.

At the beginning of 2015, the government and the Moro Islamic Liberation Front (MILF) seemed on the brink of an historic peace to end a conflict in which more than 120,000 people have died. After years of neglect, factionalism and talks in bad faith, Aquino’s government and MILF leaders had broadly agreed on a package that would grant the five southern provinces, collectively called Bangsamoro (Muslim Nation), a large degree of political and financial autonomy in return for the MILF disarming and dropping independence demands. The Framework Agreement on Bangsamoro in October 2012, followed by the Comprehensive Agreement on Bangsamoro (CAB) in March 2014, laid out the architecture, but finalisation was contingent on Congress approving the enabling legislation before Aquino’s term ended. That did not happen, the result of a bungled police operation and politicking ahead of the May 2016 elections.

Duterte, the mayor of the southern city of Davao who won that election, was one of the peace deal’s most vocal supporters during the campaign. Though he has said he favours autonomy for Bangsamoro, all indications are that he will not follow the same route as the previous administration to deliver it. It is unclear whether he envisions the settlement for the south as an advance model for his broader plans of national federalisation or as an integral part of them. A long delay, or an autonomy bill that delivers less than the CAB’s promises, risks alienating key sections of the Bangsamoro population. A particular danger is that young people, disillusioned by failure of political negotiations, would seek alternatives, such as joining one of the militant groups waiting in the wings or turning to anarchic criminality.

There was no contingency plan for failure to pass the bill under Aquino, and by law the new government must start the process of drafting and approving legislation over. While doing so, it needs to put in place measures to preserve the gains of the previous administration and make significant good-will gestures fast to boost damaged confidence in the deal. Both sides need to prepare for the coming autonomy. The MILF leadership has invested most of its political capital in the negotiations and to maintain its credibility has to be able to show that the new administration will continue it in good faith. A number of interlocutors within the process and outside suggest the government should boost confidence through increased development assistance to local bodies in the south.
The south is ill-prepared for autonomy. Although the delay presents a threat to the process, it is also an opportunity. It allows the MILF and other groups, such as the Moro National Liberation Front (MNLF), time to transition from guerrilla organisations to political parties; create an inclusive political platform bringing together Mindanao’s disparate population; and convince sceptics within their own communities to support social change for a lasting peace.

Mindanao’s peace process has been innovative: it includes an International Contact Group to coordinate outside support and, at least on paper, commitment to involve women, minorities, and civil society during the negotiation and implementation of agreements. International partners, in particular Malaysia and the member states of the European Union (EU), have been a vital, constructive force in the peace process, facilitating and assisting as needed, but resisting the temptation to insert themselves so far into the mechanism as to detract from its essentially home-grown nature. Foreign governments, diplomatic missions and NGOs should now help escort the process through the delay, publicly supporting measures such as development aid and education programs, while impressing upon Manila’s political elite that Congress needs to build on the achievements of the previous administration.

Failure to pass an acceptable autonomy law would risk exacerbating disenchantment with negotiated change, fuelling criminality and facilitating religious radicalisation. Global jihadist movements like Islamic State (IS) have shown a clear ability to exploit social disorder in Muslim communities elsewhere to gain new recruits and have already gained some adherents among smaller and more opportunistic rebel groups in Mindanao.

Years of negative national media coverage of Muslim aspirations have had a harmful impact on how the rest of the Philippines views southern autonomy. The new government under Duterte must remember that ignoring or derailing the existing process would lead not to a return to the status quo ante but to an unpredictable, potentially much more violent future.
Recommendations

To maintain the momentum of the peace process

To the Philippines authorities:

1. Use the 2014 Comprehensive Agreement on Bangsamoro (CAB) as the basis of any future process.
2. Expedite the passage of enabling legislation to create a CAB-compliant autonomous region in Mindanao.
3. Ensure strong coordination with Mindanao-based security forces to avoid confidence-shaking clashes.
4. Use high-profile developmental and social investments, funnelled through local groups, to show goodwill, with a focus on infrastructure, education and health.
5. Develop a public communication strategy to prepare the rest of the country for Bangsamoro autonomy.
6. Establish a National Transitional Justice and Reconciliation Commission on Bangsamoro to deal with past injustices.

To the MILF:

7. Continue to show flexibility in negotiations with the new government on how autonomy is going to be delivered.
8. Reach out to non-Muslim constituencies, particularly Christian and indigenous groups, to ensure they do not feel threatened by the prospect of living in an autonomous Bangsamoro.

To the MNLF:

9. Do not attempt to renegotiate the CAB from scratch.

To international partners and donors:

10. Focus financial, programmatic and monitoring support on three main areas: governance and capacity building, strategic communications and peace diplomacy, and justice and rule of law.
11. Establish in coordination with various levels of government and the MILF a multi-donor normalisation trust fund to help pay for the transition.
12. Help facilitate inward investment in Bangsamoro to boost the local economy through jobs and commerce.

To prepare for autonomy

To the Philippines authorities:

13. Ensure that MILF fighters who agree to demobilise get their full socio-economic assistance package, so as to encourage other fighters to follow.
14. Extend the offer of amnesty and a demobilisation package to fighters of other once-secessionist groups, including the MNLF.
To the MILF:

15. Broaden the political base of its political vehicle, the United Bangsamoro Justice Party (UBJP), to give a greater voice to women, young people, Christians and members of the Lumad indigenous group.

16. Help build capacity for governance in Bangsamoro by identifying and nurturing talent across all ethnic, social and religious groups and genders, and seeking assistance and advice as necessary.

To international partners and donors:

17. Focus on boosting the technical capacity of the Bangsamoro bureaucracy, with specific emphasis on new areas of governance they will inherit with autonomy, including taxation and fiscal governance, investment policy, and land management.

Manila/Brussels, 6 July 2016
The Philippines: Renewing Prospects for Peace in Mindanao

I. Introduction

The insurgency in the southern Philippines is one of the world’s longest-running civil conflicts. For more than 40 years, armed groups in the Muslim majority areas of Mindanao have been fighting for independence from the Catholic-majority nation.¹ The issue has been on the agenda of every government since the Philippines gained independence in 1946. All attempts at a lasting solution have failed: the military has been unable to break the rebellion, and though agreements have established the parameters of a peace deal involving greater autonomy for the southern Muslim heartland within a unitary Philippine state, none have brought lasting peace. Political problems, constitutional obstacles and military confrontations have derailed all deals to date.

President Benigno Aquino, elected for a single six-year term in 2010, made peace in the south a key part of his platform and used his personal mandate and the power of his office to push through agreements with the main opposition group, the Moro Islamic Liberation Front (MILF), that brought the conflict closer to resolution than ever before. But his administration ran out of time to clear the final hurdle: adoption of enabling legislation. The process is now on hold until the new administration of Rodrigo Duterte, which took office on 30 June, can address the issue.

Based on interviews in 2015-2016 with lawmakers, local and national officials, fighters, community organisers and Bangsamoro residents, this report explains the history of the agreements between the government and Muslim rebels in the south; discusses the implications of the delay in passing the enabling legislation and potential failure of the peace process; and assesses measures the new administration should consider in order to keep it alive and bring it to successful conclusion. The report primarily focuses on peace processes with the MILF and the Moro National Liberation Front (MNLF) movements.²

² The main armed groups active in Mindanao are listed in Appendix B. They include the MNLF, the Bangsamoro Islamic Freedom Fighters (BIFF), the Abu Sayyaf Group (ASG), the Maute Group, the Royal Army of Sulu, the New People’s Army (NPA), and Ilaga.
II. The Roots of the Conflict

Independence from the U.S. was followed by attempts to accelerate political and social assimilation in the southern provinces, leading groups there to resist integration in the mainstream and Manila's authority. Mass resettlement of Christians from the northern islands and discriminatory changes to public land laws left Muslim and indigenous groups a minority in what they perceive as their traditional homeland. In the 2000 census, just 20 per cent of Mindanao's eighteen million people were classified as Muslim; 72 per cent were "migrant settlers".

Violence grew in the 1960s, reaching a critical inflection point with the alleged Corregidor Island massacre in 1968. The details are disputed, but the narrative in the south is of young Muslim men recruited by the army for an unspecified special mission who mutinied on discovering they had been sent on a mission to foment unrest in the neighbouring Malaysian state of Sabah. Their military handlers allegedly took them to Corregidor and massacred them.

In 1969, Nur Misuari, then a University of the Philippines in Manila professor, founded the Moro National Liberation Front (MNLF), which aimed to forcibly establish an independent state of Bangsamoro (Muslim Nation), covering Mindanao, Sulu and the Palawan islands. The region descended into civil war, which worsened when President Ferdinand Marcos declared martial law in 1972, primarily in response to a violent, extensive communist movement. Thousands of soldiers and MNLF fighters died; tens of thousands of civilians were displaced.

Marcos reached out to the MNLF in 1975. As Misuari was then in Libya, which headed the influential Organisation of Islamic Conference (OIC), Muammar Qadhafi was asked to host negotiations the following year. The 1976 Tripoli Agreement outlined nominal autonomy, a separate Sharia (Islamic law)-compliant judicial system and independent security forces. Legislation followed to create Regional Autonomous Governments in Western and Central Mindanao.

The territory originally addressed in the legislation included thirteen provinces. Marcos unilaterally reduced this to ten the next year, and the short-lived truce broke down, with the MNLF saying the government had not fulfilled the Tripoli accord. Though it would take another decade for negotiations to resume under a new civilian government, the Tripoli terms, particularly regarding territorial claims, have framed both MNLF demands and the responses of successive governments. This dynamic even today remains at the heart of the disagreements between Manila and southern insurgents.

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6 The MNLF was given OIC observer status in 1977. The full text of the agreement is available at www.opapp.gov.ph. The legislation is Batas Pambansa (National Law) no. 20.
A. The 1996 MNLF Agreement

When Corazon Aquino came to power in 1986, ending 21 years of military rule under Marcos, she ushered in a new constitution that, in addition to other democratic reforms, created space for greater and more meaningful regional autonomy; cleared legal barriers to implementing the Tripoli Agreement; and resolved constitutional impediments to Moro autonomy in Muslim Mindanao. After further talks under OIC auspices, the MNLF signed a framework agreement, the Jeddah Accord, in January 1987, in which it agreed to give up its two-decade fight for independence in return for autonomy. Talks about the proposed autonomous region collapsed, however, over the terms of a referendum to ratify the final deal, and the MNLF returned to armed insurrection in February 1988. When the government pressed ahead in November 1989 with a plebiscite to establish an Autonomous Region in Muslim Mindanao (ARMM), only two provinces in mainland Mindanao (Maguindanao and Lanao del Sur) and two in the Sulu Islands (Sulu and Tawi-Tawi) accepted autonomy.

The peace process remained moribund until 1996, when President Fidel Ramos offered to expand the ARMM and give MNLF leadership of the Southern Philippines Council for Peace and Development (SPCPD), a body set up to “monitor, promote and co-ordinate ... development efforts” in the autonomous zone, and promised the region more aid. Misuari accepted, but even before he signed the ambitiously named Final Peace Agreement (FPA), the MNLF, always an unlikely coalition of ethnic, ideological and religious groups, split. A large faction under Salamat Hashim, a former student leader and graduate of Cairo’s al-Azhar University, formed the breakaway Moro Islamic Liberation Front (MILF), which returned to the battlefield. In 2000, it took over the town of Kauswagan, Lanao del Norte, seizing hundreds of hostages and provoking Ramos’s successor, President Joseph Estrada, to declare “all-out war” on it.

B. The Autonomous Region in Muslim Mindanao (ARMM)

The MNLF, specifically Misuari, a rebel leader recast as lead government administrator in a dysfunctional regional bureaucracy, now led the ARMM. Based in Cotabato City, it soon failed to address the conflict’s main drivers, though not always due to its own fault. Manila set funding and spending priorities; patronage politics and clan-based power centres unafraid of violence undermined its institutions; and significant indigenous populations in Mindanao, particularly the Lumad, believed both sides in the conflict had ignored them, marginalising their way of life and traditions. Misuari was dogged by allegations of corruption and jailed for rebellion in 2001, after his followers attacked Jolo, Sulu to prevent elections to replace him as governor. He remained under house arrest until 2008, when he ran for ARMM governor and lost.

7 1987 Constitution Article X, Sections 15-21, on Autonomous Regions, essentially confirming what is already contained in the Tripoli document.
9 Crisis Group Report, Southern Philippines Background, op. cit.
The MNLF maintains that the 1996 agreement remains unfulfilled. However, apart from a violent siege of Zamboanga by Misuari’s MNLF faction in September 2013 in which more than 200 died and over 150,000 were briefly displaced, its splinter groups have not mounted a sustained armed campaign.13

C. The MILF and the Failed Memorandum of Agreement

Despite fitful attempts by the successive presidencies of Ramos, Estrada and Gloria Arroyo to negotiate, the situation in Mindanao oscillated between uneasy peace and all-out civil war. Soon after Arroyo came to power in 2001, she sought Malaysian assistance to resume talks with the MILF. In August 2008, a Memorandum of Agreement on Ancestral Domain (MOA-AD) was signed, which again envisioned the ARMM’s expansion through plebiscites.14

The agreement included areas with many Christians, who feared they would lose their land.15 Christian politicians from the south challenged it in the Supreme Court, which ruled it unconstitutional in October 2008.16 That was a further blow for Arroyo, who was battling unresolved electoral controversies and a fourth impeachment attempt in Congress, and the MILF interpreted the ruling as Manila backtracking. Disgruntled commanders attacked Christian communities, aggravating a situation already rife with mistrust. Over half a million people were displaced by fighting between government and MILF forces in Central Mindanao.

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III. 2010-2016: The Push for an Agreement

Benigno Aquino succeeded Arroyo in June 2010 with one of the largest electoral margins in Philippine history. His platform promised a transparent, consultative peace process with the MILF and a complete review and assessment of the law that set up the ARMM. Negotiations struggled initially because the MILF insisted on reverting to the nullified 2008 MOA-AD, and the government held out for a politically and constitutionally watertight deal. But both sides also displayed new pragmatism – Aquino personally met MILF Central Committee Chairman Murad Ebrahim several times – and four years later they agreed on a series of ground-breaking documents. In October 2012, they signed the Framework Agreement on Bangsamoro (FAB), followed by the Comprehensive Agreement on Bangsamoro (CAB) in March 2014.17

A. The Comprehensive Agreement on Bangsamoro (CAB)

The most significant difference between the FAB and the cancelled agreement on ancestral domain was that the MILF accepted the risk of losing “core territory”. In the earlier understanding, ARMM territories would be included in any political setup resulting from the new negotiation. In the FAB, the MILF agreed that the people in ARMM territories could vote on whether to join the new deal.18

The FAB also directed negotiators to agree on four annexes within a year: on transition and implementation, wealth sharing, power sharing and normalisation (referring to human and security issues such as disarmament and transitional justice). These were to provide details and clarification, notably on definition of the “asymmetric” relationship between the central and Bangsamoro governments and on how the MILF intended to implement Sharia.19 The first three annexes were signed in 2013. The annex on normalisation and an additional annex on “Bangsamoro Waters and Zones of Cooperation” were signed in January 2014, completing the CAB. That comprehensive agreement laid down a detailed framework for a final political settlement consolidating and adapting all agreements made since negotiations began in January 1997.20 However, Congress needed to pass enabling legislation to replace


18 FAB, op. cit., Section V (Territory), Article 2. The plebiscite will be held in the envisioned core territory of the Bangsamoro, namely, the current ARMM provinces and Marawi City; the cities of Cotabato and Isabela; the six municipalities in Lanao del Norte that voted for inclusion in the ARMM in the 2001 plebiscite (Baloi, Munai, Pantar, Nunungan, Tagaloan, Tangkal); and the 39 barangays (smallest political unit in the Philippines, a community village) in six municipalities of North Cotabato province that likewise voted for inclusion in 2001 (Kabacan, Carmen, Alosan, Pigkawaya, Pikit and Midsayap). All other contiguous areas may ask for a resolution from the local government unit or a petition signed by at least 10 per cent of the qualified voters may ask to participate in the plebiscite for ratification of the Bangsamoro Basic Law and the process of delimitation of the Bangsamoro two months prior to its conduct.


the ARMM, and a referendum was to be held in the Bangsamoro territory within 120 days of that action.

The CAB and its annexes include:

- **Transitional Arrangements and Modalities**, establishing a Bangsamoro Transition Commission to draft the Bangsamoro Basic Law (BBL); a Third Party Monitoring Team (TPMT); and the Bangsamoro Transition Authority (BTA) to prepare for the transition.21

- **Revenue Generation and Wealth Sharing**, detailing taxation, revenue sharing and other issues related to autonomous fiscal administration. The CAB grants the new administration greater control for raising and spending revenue. The MILF said that while previous agreements granted nominal political autonomy, successive regional governments, such as that of the ARMM, remained fiscally dependent on Manila.22

- **Power Sharing**, specifying “asymmetric” governance, with reserved powers to be exercised by the central government; concurrent powers to be jointly exercised; and exclusive powers of the Bangsamoro government. The central government maintains, among others, authority over defence and security, foreign policy, citizenship and naturalisation and immigration. Concurrent powers are social security and pensions, human rights and humanitarian protection and promotion, administration of justice and public order and safety. Four of the 58 exclusive powers were controversial: regulation of businesses and banking; budgeting; establishment of Government Owned and Controlled Corporations (GOCCs) and the Sharia courts and justice system. A joint intergovernmental relations body is to be created to address disputes.23

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21 “Annex on Transitional Agreements and Modalities”, signed 27 February 2013. The Bangsamoro Transition Commission has eight members chosen by the MILF, including Chairman Mohagher Iqbal, and seven chosen by the government. President Aquino formed it by Executive Order 120, 17 December 2012, and by Executive Order 187 in August 2015 extended its duration until ratification of the BBL and added authority to draft a “Code of Parliamentary Procedures for the Future Bangsamoro Parliament and a Bangsamoro Administrative Code for the consideration of the Bangsamoro Transition Authority”. The TPMT has five members (two nominated by the MILF, two by the government, and a jointly nominated chair): Rahib Kudto (United Youth for Peace and Development, Philippines), Huseyin Oruç (IHH, Turkey), Steven Rood (The Asia Foundation, U.S.), Karen Tañada (Gaston Z Ortigas Peace Institute, Philippines) and Alistair MacDonald (chair, ex-EU Ambassador to the Philippines, now retired). “Seize the Moment TPMT Statement on the Basic Law for the Bangsamoro, now in Congress”, Bangsamoro Online, 7 November 2015.

22 Annex on Revenue Generation and Wealth Sharing, signed 13 July 2013.

23 Annex on Power Sharing, signed 8 December 2013. The application of law should be “with due regard to the powers of the Supreme Court and the competence of the Bangsamoro government over Sharia courts and the Sharia justice system in the Bangsamoro”, Provision II-11, Part Three – Delineation of Powers. Addressing persistent fears stoked by CAB critics that the exclusive powers could result in Bangsamoro’s secession, the government’s chief negotiator, Miriam Coronel-Ferrer, said, “[c]lipping the powers of the Bangsamoro can very well be justified by these reserved powers”, and that many had already been given to the ARMM but were never exercised because of “the utter lack of initiative of its Regional Legislative Assembly, the weak governance, and its misaligned resources”. Speech in Manila, 19 February 2014, www.opapp.gov.ph/milf/news/salient-provisions-comprehensive-agreement-bangsamoro-between-gph-and-milf-and-how-they. The special joint
Normalisation, pertaining to policing, decommissioning of arms under an International Decommissioning Body (IDB), disbanding of private armed groups and confidence-building measures from the government, such as transforming six MILF camps and granting amnesties and pardons. It also establishes a Transitional Justice and Reconciliation Commission (TJRC).24

B. Drafting the Bangsamoro Basic Law (BBL)

The Bangsamoro Transition Commission, led by the MILF’s lead negotiator, Mohagher Iqbal, and the Office of the Presidential Adviser on the Peace Process (OPAPP) had been drafting a basic law in parallel for over a year when the CAB was signed in March 2014. After the MILF objected that the OPAPP was using a conservative interpretation of the constitution to limit devolution of powers, that office, overseen by Aquino’s executive secretary, Paquito Ochoa, reviewed its draft using the Bangsamoro Transition Commission’s document as a basis, and Aquino sent a consolidated version to Congress in September 2014.

C. The BBL Runs into Problems

The Philippine Congress has two chambers, a House of Representatives and a Senate. Each assigns a committee to consider and amend any proposed bill. Once the chambers have approved bills, the committees prepare a consolidated draft, if necessary, to be approved in a joint session. By the end of 2014, though neither chamber had submitted a final committee report, the Congressional leadership still said the basic law could be passed in early 2015.25 This was a miscalculation. The president had used his popularity throughout his tenure to overcome scepticism in Congress and the country more broadly, but decades of anti-Bangsamoro propaganda meant the BBL compromises were unpopular. A close observer likened the process to a “bullet train running on old railways”.26 There was similar mistrust of Manila’s intentions in Muslim Mindanao.

1. The Mamasapano incident

It took a single incident to push the train off the rails. On 25 January 2015, the police launched a secret operation to arrest two explosives experts affiliated with the Indonesian militant group Jemaah Islamiyah, Zulkifli Abdhir (Marwan) and Abdul Basit Usman, in the Mamasapano town of Maguindanao in Mindanao. The men were hiding in a camp run by a radical Islamist MILF splinter group not involved in the peace talks, the Bangsamoro Islamic Freedom Fighters (BIFF). The camp was surrounded by MILF-controlled territory, but the police had not notified MILF officials of the operation. As a result, as government forces entered the BIFF camp, they became
embroiled in a skirmish, and had to fight their way out. 44 police, eighteen MILF members, five civilians and an unknown number of BIFF fighters were killed.27

Legislators, the media and the public rushed to blame the MILF for the numerous police deaths. In February, some legislators, including earlier co-authors, withdrew support for the bill. Senator Ferdinand “Bongbong” Marcos Jr., son of the ex-president and chair of several key Senate committees, used his position to postpone consideration of the BBL indefinitely.28

A drawn-out, much-publicised investigation into the incident amplified national mistrust of the process and deepened fears that, rather than bringing peace, enhanced autonomy could strengthen Muslim separatists and foment violent extremism in the south. Critics in Congress used the televised hearings to portray the MILF as an advocate of extremism, comparable to IS. The wider global context of international terror and headline-grabbing videos of groups like IS further undermined the process.29

2. The fallout from Mamasapano

Peace process sceptics in Congress used the post-Mamasapano delay to modify and weaken the BBL drafts.30 Arguing that it was to allay fears of eventual secession, both the House and Senate revised their version (the Senate renamed the BBL Basic Law for the Bangsamoro Autonomous Region, BLBAR) to redefine framework terms on power sharing in ways that reaffirmed Manila’s dominance.31 The House version also redefined reserved powers as “all other powers not granted to the Bangsamoro Government by this Basic Law” and as “retained exclusively” by the central government, while the BLBAR restricted exclusive powers “within its [the Bangsamoro Autonomous Region’s] geographical areas” and reiterated the primacy of the constitution and the supervision of the president.

Meaningful exclusive powers were either deleted, reduced or moved to reserved and concurrent powers. The BLBAR even reduced and deleted powers already devolved to ARMM, including over foreign investments, budgeting, operation of pioneering public utilities and authority to grant leases, permits and licenses over agricultural land and forest management. The government peace panel’s acting legal counsel, ex-Senator Rene Saguisag, said “peace proponents and Bangsamoro stakeholders” questioned the amendments and called passage of the BLBAR “an exercise in futility” that would “render the Bangsamoro weaker than the ARMM”.32 The ARMM Regional Board of Investments (RBOI) argued a BBL with fewer powers than devolved to

27 “At least 17 MILF fighters die in Mamasapano clash”, Rappler.com, 6 February 2015.
28 Angela Casauay, “Maguindanao clash casts doubt on peace process”, “Two Senators withdraw as authors of Bangsamoro Law”, both Rappler.com, 27 January 2015. Marcos ran for and lost the vice presidency in the May elections.
29 For more on global trends in jihadist violence, see Crisis Group Special Report, Exploiting Disorder: al-Qaeda and the Islamic State, 14 March 2016.
30 House Bill no. 5811 approved by the Ad-Hoc Committee on the Bangsamoro chaired by Cagayan de Oro Representative Rufus Rodriguez. Senate Bill no. 2804 approved by the Committees on Local Government; Peace, Unification and Reconciliation; and Constitutional Amendments and Revision of Codes Committee chaired by Senator Ferdinand “Bongbong” Marcos, Jr.
31 Among other things, the BLBAR also reworded the relationship between the government and Bangsamoro, changing “Central Government” to “National Government” and “Bangsamoro” to “Bangsamoro Autonomous Region”.
ARMM would have a negative economic impact, including by potentially derailing an almost $33 million project to install a submarine cable linking the southern Philippines to Malaysia.33

Other amendments to provisions on local governance, taxation and finance and natural resource management also greatly diminished any chance for real autonomy. All this led to the draft laws being seen as non-compliant with the CAB. Though no politician wanted to be considered the one who killed the BBL, the issue became a political hot potato.34 Legislators seeking re-election skipped the debates, which frequently meant there was no quorum. As a result, few plenary discussions were held on the bill, and it soon became clear that Congress would not pass the BBL before it adjourned on 3 February 2016, ahead of the elections.

3. The Duterte administration

Rodrigo Roa Duterte, a lawyer and seven-term mayor of Davao City in Mindanao, was the surprise winner of the May 2016 presidential elections. Despite coming to power with the support of both the Marcos family (he is the son of a provincial governor under the former president) and ex-President Arroyo, he was one of the most vocal supporters of a negotiated peace in Mindanao, speaking on the campaign trail about the “historical injustice” done to the Muslims – Duterte identifies as a Christian, but has Muslim ancestry – and how “nothing will appease the Moro people” except autonomy.35 However, he has given clear signals that he is unlikely merely to pick up where the Aquino administration left off, by asking Congress to re-debate the drafts that already exist. At a meeting with the MILF and MNLF officials in Davao City on 17 June, he suggested forming a “Moro Convention to ensure wide representation” for discussion of a new bill. Rather than use the existing architecture of the Bangsamoro Transition Commission, he envisions that participants would “draft a law that will replace the BBL, akin to a special federalised system”.36

The MNLF has embraced the plan, but the MILF has given it a more qualified welcome. “It’s too early to understand the idea. We need to abide by the roadmap that is part of the signed documents”, said Iqbal, its chief negotiator. “Any other tracks will be considered unofficial and therefore could only help but not replace the formal track. The BBL has to be compliant with the CAB, but the MILF is open to ideas or efforts either to improve or enhance it”.37

A Bangsamoro Convention would go some way to address concerns about the MILF not representing other constituencies, particularly Christians, Lumad and rebel groups like the MNLF. Though it would not be strictly democratic, it would encour-
age buy-in from a broader range of Bangsamoro residents. However, it would also risk dissipating into a faction-ridden talking shop that paralyses the process. MNLF leader Misuari, a BBL critic, will have allies in the cabinet, including Emmanuel Piñol, Duterte’s choice for agriculture secretary, who was the prime mover of the successful constitutional challenge to the MOA-AD.

There is also uncertainty about the timing of the proposals. Duterte is a long-term supporter of the idea of a federal Philippines, and it is unclear whether he will pass a Bangsamoro autonomy law and use it as a template for a nationwide federalisation policy – as suggested by the MILF – or defer passing the BBL while seeking a broader solution. He has suggested that he would put the question of a federal Philippines to a referendum in 2019, but it will be hard for the MILF and others in Bangsamoro to sell a three-year delay of autonomy. “The best is immediate, the second best is as soon as possible”, as Iqbal put it. The MILF will clearly protest if the proposed convention is tasked with renegotiating the CAB from scratch or if the changes result in a multi-year delay.

38 Ibid.
IV. The Risks of a Failed Process

The MILF, with some 12,000 fighters, is the largest armed group in Mindanao and has worked hard in recent years to earn legitimacy. It will need to retain a central role in future negotiations. Any process or agreement that sidelines it or undermines its leadership risks metastasising the conflict by loosening its control over potentially disruptive elements both within and outside its ranks.

The Aquino administration’s failure to pass the BBL encouraged belief in some constituencies that Bangsamoro had been “tricked again.” Most Muslim communities blame the government and say the Bangsamoro community still trusts the MILF. Should the process stall, however, there are concerns regarding its ageing leadership and internal stability, and that disaffected cadres could be swayed by extremist ideologies. If leaders are forced to compromise too much to keep the process alive, they will be vulnerable to accusations of selling out in return for quiet retirement. Iqbal, the chief MILF negotiator, said “when peace is moving forward, the chance of violence is reduced, but if it stalls, the moral ascendancy of the MILF will decline among our own people, and there will be other groups who espouse a more radical agenda”.

There are growing concerns the MILF will fragment as the MNLF did in the past; a young commander warned that it could “break into 100 armed bands”.

A. Fragmentation of Consensus in Mindanao, Loss of Confidence in MILF

The MILF leadership has staked its political capital on the peace agreement. Non-implementation, regardless of the political or legal reasons, would strengthen the belief Manila was reneging on yet another deal, as MILF supporters believe happened to the MNLF under the 1987 Jeddah Accord and the 1996 pact, and to them under the 2008 MOA-AD. MILF-affiliated organisations are walking a fine line, reiterating that enabling legislation not compliant with the CAB is unacceptable, but that the MILF is committed to the peace process with or without such legislation. A senior regional commander of the Bangsamoro Islamic Armed Forces (BIAF), the MILF’s armed wing, said its chain of command is intact and supports the hierarchy, and that field commanders will not splinter or ally with the more extreme BIFF.

Despite this, there are credible, widespread fears that young, frustrated supporters of the agreement could turn away. Many younger generation Muslims are professionals who never joined armed political groups but trusted the MILF with the negotiations. Their frustration with the delays is palpable. The biggest risk of violence “is not the MILF waging an all-out offensive but basically their losing control of younger ones in Bangsamoro society”, said a close observer of the process. Teresita Quintos-Deles, Aquino’s peace process adviser, echoed those concerns: “hard-
liners are not coming from combatants but [from] young ideological supporters".46 As early as June 2015, the League of Bangsamoro Organisations, a grouping of 137 youth organisations, circulated a petition urging rejection of a diluted BBL and the MILF to again call for independence. Gazali Jaafar, MILF vice-chair for political affairs, immediately called for all parties to remain calm and committed to the peace process.47

It is difficult to judge how credible the danger of violent youth discontent is. A process supporter said young Moro professionals or students were more likely to “blow [up] social media with posts” than resort to organised violence.48

B. Banditry/Anarchy

The MILF leads the peace negotiations, but the power equation in the region is complex. Heavy militarisation, criminality, corruption and clan feuds impact the process.49

The MILF has been the de facto government in areas of the ARMM region in Central Mindanao. Combined law and order initiatives by it and the armed forces (AFP) have reduced, if not ended, the near-epidemic levels of kidnapping.50 A breakdown of the chain of command would affect security in communities, and poor security in the context of slow development efforts could make these areas “sanctuaries of lawlessness”, a journalist said.51 In March, the Philippine National Police (PNP) said it was monitoring at least 76 private armed groups, most in the ARMM, to prevent electoral violence.52 While the recent campaign was less violent than in the past, these armed groups will likely persist into an autonomous Bangsamoro, potentially providing a focal point for political disaffection.

Clan-based warlords are deeply embedded in Mindanao, predating the conflict, but the longstanding hostility between government and rebel forces has created a power vacuum that benefits warlords. Failure of the peace process would expand the ungoverned space in Mindanao and create a ready supply of recruits among young people who, having already suffered due to limited educational and job opportunities, see the promise of a peaceful and prosperous future fading rapidly. Conversely, successful devolution should create an environment where the forces of law and order can tackle them effectively.

46 Crisis Group interviews, legislator, Makati City, 10 September 2015; Quintos-Deles, Ortigas City, 8 September 2015.
47 “MILF urged to reject diluted BBL and pursue independence”, League of Bangsamoro Organisations press release, 10 June 2015. Crisis Group interviews, officials of youth NGO in the ARMM, Cotabato City, 26 October 2015.
48 Crisis Group phone interview, Maguindanao Muslim youth working with an international organisation and with BIAF relatives, Makati City, 27 October 2015.
50 Crisis Group interview, journalist, Makati City, 7 September 2015. The MILF and AFP created the Ad Hoc Joint Action Group (AHJAG) in 2002 and have amended its operative guidelines subsequently.
51 Crisis Group interview, journalist, Makati City, 7 September 2015.
52 Crisis Group interview, media, Makati City, 7 September 2015. In August 2015, the PNP reported that crime increased in the first half of 2015 up to 46.81 per cent. PNP General Ricardo Marquez had included Central Mindanao as an area where the PNP intended to focus operations. Julie M. Aurelio, “Crimes up by 50% in first half of 2015 – PNP”, Philippine Daily Inquirer, 2 August 2015. “PNP Monitoring 76 Private Armies”, Philstar.com, 30 March 2016.
C. Radicalisation

There appear to be strong cultural barriers in Mindanao against the ideology of global jihadist groups like IS. Though the protagonists in the Bangsamoro region are Muslim, the principal identities driving the conflict are nationalist and cultural. Violence in Mindanao is largely related to the shadow economy; when it is political, there is little evidence that it is driven by a religious agenda or framed as such.\(^{53}\) In the past, the MILF and other participants in the fight for autonomy have sheltered jihadists from movements like Indonesia’s Jemaah Islamiyah, but the welcome has generally been lukewarm.

There is limited danger of the MILF becoming radicalised. BIAF’s head, Sammy Al-Mansoor, has assured international observers that all his 32 regional commands are on board with the process. The head of President Aquino’s National Security Agency, General Cesar Garcia Jr., agreed, but qualified his assessment, saying it would not take many radicals to provoke serious violence.\(^{54}\)

Delays in delivering autonomy could aggravate a sense of alienation and frustration, especially among youth, and encourage a turn toward more radical groups that engage in greater violence and criminality.

There is precedent for radicalisation. When the MOA-AD collapsed in 2008, disaffected MILF fighters broke away to form the BIFF.\(^{55}\) The MILF Central Committee and mainstream commanders consider BIFF a “ragtag band” that commits crimes against civilians and has neither legitimacy nor influence with the BIAF.\(^{56}\) But it takes advantage of current disillusionment. A young NGO worker described being approached by BIFF recruiters during a community gathering in Nabalawag, Midsayap North Cotabato in 2015, even before it was clear the Aquino administration would not pass the BBL. A BIAF officer downplayed the risk but acknowledged that members have been doing “community rounds” to encourage other members and communities to join their ranks.\(^{57}\) In recent skirmishes in Maguindanao province, BIFF has “[tried] to drag the military into potential clashes” with MILF’s armed wing, according to monitors.\(^{58}\) BIFF attacks have become more frequent in Maguindanao.
não communities. Military operations against the group since February have resulted in over 20,000 displaced people in Maguindanao.\(^{59}\)

Other groups are also using the delay and disaffection to ramp up activities. Abu Sayyaf, a small but long-established radical criminal group operating on the islands of Basilan and Sulu, has also become more active, pledging allegiance to IS and resuming kidnapping for ransom.\(^{60}\) Hard-line Islamist radicals across the globe looking to expand their franchise are considering the Philippines. IS leader Abu Bakr al-Baghhdadi mentioned the Philippines as one of thirteen countries and regions in which Muslims were urged to rise up in a speech in December 2015, and a video posted in June shows a man identified as Mohammed Rafi Udin, a Malaysian militant based in Syria, urging IS followers to go to the Philippines and unite under Isnilon Hapilon, an Abu Sayyaf leader.\(^{61}\) Despite this, the Philippines military maintain there is “no direct relation” between IS militants and home-grown extremists in the country.\(^{62}\)

BIFF and Abu Sayyaf declared their allegiance to IS in 2014. Their reputation as kidnapping gangs that use Islamic extremist ideology as a post hoc justification of criminal enterprise limits their attraction to potential recruits. Nevertheless, IS and other movements have shown a clear ability to capitalise on social disorder and disenchantment to find new recruits. It would be unwise to assume that young people disillusioned with MILF leadership; cynical about Manila’s goodwill; and struggling to survive in an increasingly insecure environment would not find attractive an ideology that has carved out its own “caliphate” in the Middle East in less than three years.\(^{63}\)

The Maute group, a clan-based gang which claims association with Jemaah Islamiyah resurfaced in Lanao del Sur in the ARMM in February 2016 with a prolonged attack on an army post that displaced 30,000. Security forces say they found IS related documents in an abandoned camp (See Appendix B below).\(^{64}\) It has barely 200 members but is reportedly using the failure to pass the BBL to recruit young people.

BIFF claimed to be talking to and setting up alliances with IS through social media in 2015 but denied having foreign IS trainers in its camps. Though smaller than Abu Sayyaf or BIFF, Maute gunmen allegedly “flew IS flags” during recent fighting, and “bandanas with the group’s insignia were found when soldiers overrun their


\(^{64}\) Roel Pareno, “Military recovers ISIS-related documents from Maute group camp”, Philstar.com, 10 March 2016.
base” in Lanao del Sur. Apart from delivering appropriate law and enforcement measures, the key to keeping the attractions of Abu Sayyaf, BIFF and the Maute group in check will be to maintain the momentum of the peace process during the hiatus enforced by the change of administrations.

The risk of further religious radicalisation is limited, but real. The best way to address the risk is to regain the momentum for peace and rapidly pass enabling legislation that will grant Bangsamoro autonomy.

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V. The Hiatus: Opportunity and Threat

There will be a delay before new enabling legislation is passed. Under Philippines law, the process of Congressional drafting and reconciliation of the BBL must start again under the new administration. Though the hiatus presents a threat to the process, it is also an opportunity. It gives both sides more time to reinforce the social and administrative foundations of the autonomous region and allows the government to mount an information program to generate public support for the deal.

In the short term, the new government needs to make good-will gestures to regain momentum and reassure sceptics of its commitment to the peace process. These need to be significant enough to counter the narrative that Manila acted in bad faith in failing to steer the BBL through the legislative process. In practical terms, this means backing newly-elected ARMM officials who have the support of Muslim groups; immediately making considerable social investments in the ARMM; helping build capacity to govern a future autonomous region; and moving forward on transitional justice. Reaffirming and strengthening ceasefire mechanisms would help avoid another Mamasapano. Finally, public information/education campaigns are needed in Mindanao and across the Philippines more broadly to stave off confusion and suspicion.

A. Support Leadership Roles for Pro-autonomy Politicians

The Duterte government should unambiguously back ARMM officials who were victorious in the recent election who share the MILF’s peaceful objectives and support the transition to the new devolved entity. Aquino set the precedent by asking Governor Mujiv Hataman to run again but also advising him “to be ready to step down once the BBL is passed to allow room for transition”.66 Hataman, who won, publicly sought the MILF's blessings for re-election, reassuring its leaders he fully supported the BBL.

No member of the MILF’s United Bangsamoro Justice Party (UBJP) ran for a public office, but showing support for MILF-friendly winners in the recent elections would signal that the government believes in a long-term, sustainable partnership with the group and is willing to invest in that relationship even before the legal framework is established. If the failure to pass the BBL is not to risk being seen as betrayal, it needs to demonstrate that it trusts MILF promises of responsible citizenship and that the process will continue.

B. Implement TJRC Recommendations

The Transitional Justice and Reconciliation Commission (TJRC) was founded in 2014 under the CAB to study and make recommendations to address the “legitimate grievances of the Bangsamoro people”, historical injustices, and human and land rights violations. The three-member commission – a Swiss chair and one delegate each of the government and MILF – released its much-anticipated report in March 2016.67 It recommends the president create a National Transitional Justice and Rec-

onciliation Commission on Bangsamoro and, to build confidence, that fact-finding research related to transitional justice cases be completed and the justice department promptly resolve cases.

The report did not focus on the contentious amnesty issue, which must eventually be addressed. Under the constitution, amnesty is an executive prerogative requiring approval by a majority in Congress. The limits of amnesty will also define who is to be prosecuted for the many crimes committed by all sides in the conflict. Continuing uncertainty on this undermines support for the process, particularly among powerful figures who have been associated with violence.

C. **Disburse Funds for Development, Working Together with the MILF**

When people, particularly in the interior, are asked what peace means to them, they typically refer to basic needs such as “food on the table, education for their children, a means of livelihood” and to a sense of security with “no gunfire, no forced evacuation”, as a young woman put it. For many years, social welfare spending was a key element of Manila’s counter-insurgency program, and the MILF still suspects that the government’s Mindanao social programs are designed to supplant its legitimacy. “The political has to be ahead of the socio-economic”, MILF negotiator Iqbal said. But the front is willing to support development spending through joint bodies, particularly for infrastructure and health projects. Possible channels include the Joint Normalization Committee (JNC), which coordinates aspects of the peace process, specifically the bodies charged with transforming MILF camps and decommissioning its combatants. If the MNLF or other secessionist groups can be brought fully into the peace process, this should be extended to it as well.

Accelerating social welfare investments and payments in ways that allow Bangsamoro regional interlocutors to share the credit would demonstrate, a diplomat said, an “early dividend of keeping the peace”. Administrators would need to take care that the disbursements are made impartially and do not become another toxic by-product of the political patronage machine.

National health insurance cards issued to people long underserved and marginalised often become their “first source of legitimate or documented identity”. Such issuance was part of the Sajahatra Bangsamoro (Peace in Bangsamoro Program) the government and MILF launched in February 2013 to increase access to national healthcare/health insurance and other social welfare measures and provide skills training, education opportunities, jobs and small-scale infrastructure. By January 2016, some 59 per cent of the $12.7 million budget had been spent.

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68 1987 Constitution, Article VII, Section 19.
69 Crisis Group interview, Party List Representative, Makati City, 10 September 2015.
70 Crisis Group interview, Mohagher Iqbal, Manila, 8 September 2015.
71 Crisis Group interviews, Party List Representative, Makati City, 10 September 2015; Iqbal, Manila, 8 September 2015. The JNC is co-chaired by National Security Council Undersecretary Zenonida F. Brosas for the government and Muhammad Nassif for the MILF. It includes the Joint Task Force for Camps Transformation (JTFTC) and the Task Force for Decommissioned Combatants and their Communities (TFDCC). “GPH, MILF formalize normalization bodies”, OPAPP website, 28 September 2014.
72 Crisis Group interview, diplomatic official, Makati City, 9 September 2015.
73 Crisis Group interview, Party List Representative, Makati City, 10 September 2015.
widely publicised continuation or expansion of the scheme during the political hiatus would benefit the local population and give it a greater stake in supporting both the peace process and the established organs of governance.

Infrastructure is another uncontroversial area. The OPAPP runs the government’s Peaceful and Productive Community (PAMANA) project as a “complementary track to peace negotiations” aimed at “isolated, hard-to-reach and conflict-affected communities”. Almost $76 million has been allocated to the ARMM budget in 2016, a significant increase to PAMANA’s $273 million budget for investments to improve governance, deliver social services and construct infrastructure such as roads and water facilities. Starting more such medium-scale infrastructure projects in cooperation with the MILF and other local groups, would mean extra income for people in the short term and economic development in the longer term. The focus on economic development must be part of a coherent process, however, and as transparent and efficient as feasible.

D. The MILF’s Role

Whatever mechanism is used to deliver autonomy, the MILF must have a significant part in it, but after years of armed struggle, it needs to gain governance and management capacity. It recognises the challenge: “You can’t expect a militant to become a democrat overnight; we need institutions. This is a herculean task. We’re like a small child; we need help to stand on our own feet”, said Iqbal.

1. Governance

By the original timetable, power in Mindanao would have devolved to an autonomous MILF-led administration in June 2016. The MILF would have been woefully underprepared. Throughout the negotiations, it has kept its distance from the ARMM, which it associates with the failed 1996 MNLF peace deal. The region’s history and bureaucracy are an “unacceptable status quo” for the front, which at one point said ARMM employees would have to re-apply for their jobs under the new administration. It backtracked, but the threat highlighted the capacity and judgment constraints under which the new government would operate.

In the current peace architecture, the Coordination Team for the Transition (CT4T) – the ARMM, national government and MILF officials – would be the natural platform to explore new governance structures, and identify and nurture talent from a broad range of Mindanao communities to work with the new autonomous government. Though the MILF has reservations about the ARMM, it would be self-...
defeating to undermine its collateral benefits; in a region not known for the quality of its governance, the ARMM recently achieved International Organization for Standardization (ISO) certification for its governance procedures, and its skills base is important to the region’s functioning and prosperity. Peace would be best served by optimising any support offered by the ARMM leadership, especially since the re-election of Regional Governor Hataman.

2. Political development

The MILF political vehicle, the UBJP, has little capacity so far to participate in law-making or governance. It held its first assembly only in 2014, a three-day event gathering a reported 100,000 to MILF Camp Darapanan in Cotabato. In May 2015, it registered as a regional political party with the Commission on Elections (COMELEC), a move welcomed by the ARMM governor and President Aquino. “Whether you get into government is something that your constituents will decide, because we have free and democratic elections. But the fact that they are moving to put their organisation under a political party for 2016 is better than bearing arms against the government”, ex-presidential spokesperson Abigail Valte said.78 The MILF needs to clarify the boundaries between the movement and the UBJP. The ambiguity of that relationship makes the party legally vulnerable under the law governing political party accreditation, which states that “no religious sect or a political party that seeks to achieve its goal through violence shall be entitled to accreditation as a political party”.79

Though it is open to all Mindanao residents regardless of race or religion, the UBJP needs to engage much more broadly with non-Muslims, such as Catholics and other Christians, and under-represented sectors, such as women, youth and indigenous groups, if it is to become a truly regional party with broad appeal and a pillar of the peace process. If handled properly, the Bangsamoro Convention proposed by President Duterte could encourage wider consensus.

Women’s inclusion is an important issue in Mindanao, and the peace process is recognised as having generally been responsive to gender issues. Miriam Coronel-Ferrer, the government’s lead negotiator, whom Duterte’s new head of OPAPP, Jesus Dureza has signalled he will retain, is a woman, and both sides took care to include gender-sensitive language in the FAB and CAB. In 2011, the MILF appointed two women, one with indigenous roots, as consultants to its negotiating panel. A yet broader and more visible process of consultation with Mindanao’s women and religious and ethnic minorities would help consolidate support for all actors in the process.80

80 A Muslim woman who has long been an advocate for children in conflict areas said the MILF and OPAPP had conducted “almost 1,000” consultations in the period between the signing of the FAB and the Mamasapano incident, but there was still no compelling narrative presented to the wider public of a more inclusive peace process. Crisis Group interview, Makati City, 14 November 2015.
3. Disarmament

On 16 June 2015, five months after Mamasapano, the government and MILF began the first phase of the disarmament and demobilisation process, involving 145 MILF fighters and 75 firearms in Barangay Simuay, Sultan Kudarat town of Maguindanao. MILF Chairman Murad Ebrahim told his commanders it was “not a surrender” but rather the start of MILF transformation “from an armed revolutionary organisation to a political organisation”. The Independent Decommissioning Body (IDB), a seven-member team chaired by Turkish Ambassador Mustafa Pulat and including two foreign and four local experts nominated by the negotiating panels, is responsible for verifying and validating the list of weapons and combatants submitted by the MILF.\(^{81}\)

It is unclear what will happen to the disarmament process if the Duterte administration does not move to pass a BBL. According to the CAB timeline, the next phase of decommissioning is to occur after the basic law has been passed and ratified. To prepare the ground and in addition to agreeing on how the process overall will proceed, the government and MILF should ensure that the first decommissioned fighters receive in full what has been promised: cash amounting to $540, government health insurance cards and choice of a socio-economic assistance package roughly amounting to an additional $2,900 per person.\(^{82}\) The MILF must work closely with the government and IDB to show that ex-fighters can have a successful return to civilian life, so as to encourage those who come after them to turn in their arms.

4. Flexibility

The Bangsamoro leadership needs to show enough flexibility to finesse the support of two sceptical but opposing groups. It needs to persuade a distrustful wider Philippine population and political establishment that an autonomous Bangsamoro would be neither a step toward independence nor a base for militancy, while being resolute enough to retain the confidence of its own restive Mindanao constituency. A leaked 2015 letter from MILF Central Committee Chairman Murad Ebrahim to the Manila diplomatic corps reflected this tension, saying that “irrespective of the legislative process, the MILF remains committed to the peace process and to the pursuit of Bangsamoro aspirations through political rather than violent means”, but also reiterating the position that no law was better than one “that fails to address the mistakes of the past or provide a better future”.\(^{83}\)

Despite its reassurances, the MILF is retaining the right to return to armed conflict if the current process fails terminally. The threat is veiled, but it is a threat nonetheless: if this process fails, “perhaps the Moro people have to create a compelling reason to create peace in Mindanao”, a MILF leader said.\(^{84}\)

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\(^{81}\) "Today, we begin the long walk towards transformation, not surrender’: Chairman Al Haj Murad”, Luwaran, 17 June 2015. “Independent decommissioning body convenes anew in anticipation of BBL passage”, OPAPP website, 22 October 2015.

\(^{82}\) Crisis Group interview, Makati City, 8 September 2015.

\(^{83}\) Crisis Group correspondence dated 4 September 2015.

\(^{84}\) Crisis Group interview, Manila, 7 September 2015.
VI. The Role of the International Community

A. Political Support of the Peace Process with a New Administration

In its most recent annual report, the Third Party Monitoring Team underscored that “no administration can afford to ignore the costs of conflict in Mindanao – the human costs, the developmental costs, the security costs, or the risk of worsening a climate conducive to the spread of violent extremism”. National poll results consistently suggest that the wider public still prefers peaceful negotiations over use of force.85 With the election over, the international community should focus again on shoring up political support for the peace process.

All such support should place the CAB as the cornerstone of peace. Internationals already are significant in the peace infrastructure, especially its ceasefire mechanism (the International Monitoring Team, IMT, in place since 2004) and program for normalisation (the Turkey-led IDB and Swiss-led TJRC).86 The OIC, EU, International Contact Group and TPMT continue to be vital, constructive forces, facilitating and assisting where necessary. The deep international engagement in the six years of the Aquino administration should be continued, on the ground in Bangsamoro and in Manila, to encourage the new government to expedite the BBL’s passage or agree quickly on a widely acceptable alternative.

B. Strategic Areas of Support

International actors should focus long-term support on three areas: governance and capacity building, strategic communications and peace diplomacy, and justice and rule of law. Governance and capacity building should ideally help prepare the ARMM bureaucracy to transition into the future Bangsamoro administration envisioned in the CAB. The new autonomous region will inherit new powers it has no experience of exercising. International donors should focus on providing training and expertise for managing taxation and fiscal governance, investment policy, and land management in particular. Building capacity also means enabling the MILF’s transformation from an insurgent group to a political organisation. To build on the MILF’s own actions – establishment of what it calls the Bangsamoro Leadership and Management Institute and UBJP registration – the international community should continue to support political party and legislative capacity building and public administration training.

International actors also need to help Muslim leaders retain the confidence of their core constituency by keeping them central to all interventions in the Bangsamoro region. One way is by quickly establishing a multi-donor normalisation trust fund.87 It would also be important to partner with the business sector to identify live-

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86 TPMT press release (www.scribd.com/doc/300582644/TPMT-Press-Release-Final-26-February-2016#scribd), 26 February 2016. The IMT is chaired by Malaysia and includes personnel from Brunei, the EU, Indonesia, Japan, Malaysia and Norway.
87 The parties signed two agreements in May 2016: the “Terms of Reference for the Establishment of the Bangsamoro Normalization Trust Fund (BNTF), a multi-donor trust fund envisioned in the Framework Agreement on the Bangsamoro (FAB) and the Annex on Normalization”, and the “Terms of Reference for the Project Board of the Mindanao Trust Fund for the Six Previously Acknowledged
lihood training projects and provide socio-economic assistance to ex-combatants from the first phase of decommissioning. They can also help create a conducive environment for demilitarisation by supporting training for police and the judicial system in Bangsamoro.88

The hostility that many in the rest of the country feel toward the south and the MILF, fed by years of propaganda which starts at school age, needs to be addressed through sustained public information programming and changes in school curriculums. The Aquino government already announced that students will learn Bangsamoro history.89 International support to platforms and spaces that bolster inclusive dialogue on a regional (local community and civil society organisation initiatives) and national scale (high-level consultations and national conversations) could help change the long-established negative national narrative on Bangsamoro and the MILF. All sides should agree on a strategic communications plan for the peace process – and for contingencies – to expand public understanding ahead of any legislative moves and to enable greater accountability in the media, which has not always been constructive.

88 The CAB stipulates that 30 per cent of MILF combatants and weapons are to be decommissioned when the BBL is passed, another 35 per cent after the referendum and appointment of members of the Bangsamoro Transition Authority (BTA) and the remaining 35 per cent when the elected Bangsamoro government is established. See also Crisis Group Report, The Philippines: Dismantling Rebel Groups, op. cit.

VII. Conclusion

The Philippines is on the cusp of an historic resolution of the long-running conflict in the south, but the process risks stalling unless President Duterte’s new government seizes it as an opportunity to move swiftly to convince an increasingly sceptical audience in Bangsamoro that Manila remains committed to the deal in the Comprehensive Agreement on Bangsamoro. Supporters of autonomy are unlikely to accept a three-year delay while the new government investigates the possibility of federalising the Philippines, as the president has suggested.

If the process is perceived as having failed, whether due to an inadequate basic law or a postponement that suggests Manila is reneging, there will not be a return to the status quo ante, but a progression to a much more volatile environment in which weak government control and an MILF diminished in stature result in a power vacuum that encourages criminality and religious militancy.

The new administration will need some time to find its feet and re-debate the BBL text or a mutually agreed alternative, as is required by law. It must make certain that the Mamasapano mistakes are not repeated during this period, however, by maintaining open dialogue with the MILF and ensuring the security organs are on the same page. Although the hiatus poses a threat to the peace process, it is also an opportunity for Bangsamoro to prepare better for autonomy by improving outreach to other constituencies – particularly Christians and Lumad – and to boost governance capacity. Simultaneously, the government and international community should underline commitment to a negotiated settlement by endorsing MILF efforts to prepare for autonomy and providing targeted development aid and investment. The government should also use the time to counter the broader public’s fears that the BBL is a precursor to national fragmentation or a militant south. In parallel, the MILF and other insurgent groups, such as the MNLF, should accelerate their transitions from guerrilla movements to democratic competitors for a popular mandate and build their governance capacity.

But this moment has been more than four decades in the making. There should be neither renegotiation nor open-ended delays.

Manila/Brussels, 6 July 2016
Appendix A: Map of South Philippines
Appendix B: Armed Groups in Bangsamoro

Though the MILF has led the peace negotiations in Mindanao, there is a complex matrix of other armed groups there, driven by a mix of religious, political, clan and ethnic ideologies. None present an existential threat to the process yet, but if it stumbles, they could be alternatives for disaffected fighters or youth.

A. Moro National Liberation Front (MNLF)

The MNLF, founded in 1969, is the oldest existing separatist Islamic group in Mindanao. It prides itself as “the sole legitimate representative of the Bangsamoro people” including at the OIC, which granted it observer status in 1977.

Most recently, in August 2013, its founder, Nur Misuari, declared the independence of the “United Federated States of Bangsamoro Republik” in Sulu but was largely ignored by the government. A month later, MNLF factions under his influence attacked Zamboanga City, leading to a standoff with government forces that lasted for almost twenty days. The following year, Misuari, hiding out in Jolo, Sulu, refused an invitation from the Congress to attend a hearing on the BBL. In a statement read by his group’s legal counsel, he said he had repeatedly expressed his opposition to that law, as the government had kept his group excluded from the peace talks it pursued with the MILF. Another MNLF faction, chaired by former Cotabato City Mayor Muslimin Sema, signed a unity statement with the MILF in October 2015, saying that a diluted BBL was unacceptable.

B. Bangsamoro Islamic Freedom Fighters (BIFF)

In 2008, Commander Ameril Umbra Kato broke away from the MILF, saying he wanted full independence, not just autonomy. He formed the Bangsamoro Islamic Freedom Movement with the BIFF as its armed wing and set up operations in central Mindanao. The BIFF was involved in the deadly encounter with government forces in Mamasapano in January 2015. Both MILF and BIFF were accused of sheltering wanted terrorists in exchange for training. Manila immediately questioned MILF sincerity in the peace process and soon after began an offensive in Maguindanao, citing BIFF’s “violent attacks” against communities as justification. Government forces claimed victory some weeks later, saying the BIFF had splintered into smaller groups. Soon after, Kato, almost 70, reportedly died after suffering a second stroke. The BIFF has sporadically attacked the army over the past year, under the

90 The Mindanao Independence Movement (MIM), formed 18 March 1968, is a few years older than the MNLF, but it ceased to exist after its leader, former Cotabato Governor Datu Udtog Matalam, yielded to the Philippine government, reportedly after meeting with then President Ferdinand Marcos. See Section II above for more on the MNLF’s history.


command of Esmael Abu Bakar alias Kumander Bungos, targeting smaller groups of soldiers in transit or otherwise away from camps.\(^{93}\)

C. **The Abu Sayyaf Group**

Abdurajak Janjalani, an MNLF member and Islamic scholar, founded Abu Sayyaf in 1989, demanding a fully independent Islamic state and seeking to recruit followers from both the MILF and MNLF. When he died in 1998, his brother, Khaddafi Janjalani, took over, and the group turned to bombings, high-profile kidnappings for ransom and other forms of banditry.\(^{94}\) It has bases in Zamboanga, Basilan, Sulu, and Tawi-Tawi.

The group was weakened by a government offensive launched against it in August 2006, and the death of the Libyan leader Qadhafi in 2011 lost its links to funding. Recently, however, it has become active again, kidnapping foreign nationals for ransom. In June 2015, it seized two Malaysians in Sabah, freeing one after months of negotiation with their government. An elderly Korean man kidnapped from Zamboanga Sibugay in January 2015 was found dead nine months later in Sulu. Two Canadians, a Norwegian, and a Filipina were kidnapped in Samal Island near Davao City in September 2015. The Canadians were subsequently beheaded, possibly because ransom demands were not met.\(^{95}\)

D. **The Maute Group**

The Maute Group, led by brothers Abdullah and Omar Maute, consists mostly of former MILF fighters. It emerged in 2013 with an attack on a checkpoint near the town of Butig in Lanao del Sur province. It went quiet until February 2016, when fighters attacked a military outpost near Butig. The army says it found IS training manuals when it overran its base in the subsequent security operation.\(^{96}\)

E. **The Royal Army of Sulu**

The Royal Army of Sulu, mostly recruited from the Tausug ethnic group, seeks to restore the Sultanate of Sulu and Basilan, which ruled over swathes of Mindanao and Malaysia’s Sabah state from the fifteenth to early twentieth century. In February 2013, more than 200 fighters arrived in Lahad Datu, a coastal area in Sabah, Malaysia, saying they wanted to restore it to the rule of Jamalul Kiram III, a claimant to the throne. A standoff with Malaysian forces lasted for more than a month, ending in the group’s overwhelming defeat. The incident indirectly threatened the peace process with the MILF, since Malaysia is the third-party host of the negotiations.

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\(^{96}\) “IS training manuals found at militants’ camp”, *The Philippine Star*, 11 March 2016.
Kiram’s daughter, Jacel, the sultanate’s spokesperson during the standoff, said the Philippine government had little interest in confronting Malaysia with its claim to Sabah, because it cared more about the peace process. Jacel, who ran unsuccessfully for the Senate in the recent elections, says the sultanate opposes the BBL.97

F. The New People’s Army (NPA)

The NPA, the armed wing of the Communist Party of the Philippines (CPP), is present across the country and has been described as its greatest internal security threat. It was formed on 29 March 1969 to launch a proletarian revolution and replace the government with a Maoist people’s republic. Half the NPA’s forces are thought to be deployed in Mindanao, in the provinces of Agusan del Sur, Agusan del Norte, Bukidon, Davao del Sur, Compostela Valley, Davao del Norte, Surigao del Sur, Surigao del Norte, and North Cotabato. The NPA has been accused of targeting members of the Lumad indigenous group in Agusan del Sur. However, Duterte’s willingness to reach out to the NPA – he has named four prospective ministers who are close to the NPA in his cabinet – should forestall any armed opposition by it to the BBL if the legislation moves forward.98

G. Ilaga

To quell an uprising against the government and growing support for the insurgency in Luzon and Visayas in the 1950s, President Ramon Magsaysay ordered the resettlement of landless farmers and peasants from the Christian Ilaga community in Mindanao. During the 1960s and 1970s, bands of Ilaga vigilantes killed hundreds of Muslims and displaced thousands. They slowly disappeared from the mainstream but have occasionally resurfaced in response to developments in the MILF-government peace process: in 2008, after the failure of the peace talks, and in 2011, when their talks resumed and BIFF attacks were rampant; and in 2013 and 2014, after the signing of the annexes of the CAB.99


### Appendix C: Glossary of Terms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>AFP</td>
<td>Armed Forces of the Philippines</td>
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<tr>
<td>AHJAG</td>
<td>Ad Hoc Joint Action Group</td>
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<tr>
<td>ARMM</td>
<td>Autonomous Region in Muslim Mindanao</td>
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<td>BBL</td>
<td>Bangsamoro Basic Law</td>
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<td>BIAF</td>
<td>Bangsamoro Islamic Armed Forces</td>
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<td>BIFF</td>
<td>Bangsamoro Islamic Freedom Fighters</td>
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<td>BLBAR</td>
<td>Basic Law on the Bangsamoro Autonomous Region</td>
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<td>BLMI</td>
<td>Bangsamoro Leadership and Management Institute</td>
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<td>BTA</td>
<td>Bangsamoro Transition Authority</td>
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<td>BTC</td>
<td>Bangsamoro Transition Commission</td>
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<td>CAB</td>
<td>Comprehensive Agreement on the Bangsamoro</td>
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<td>CCCH</td>
<td>Committee on the Cessation of Hostilities</td>
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<td>CCT</td>
<td>Conditional Cash Transfer</td>
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<td>COMELEC</td>
<td>Commission on Elections</td>
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<tr>
<td>DOJ</td>
<td>Department of Justice</td>
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<td>DSWD</td>
<td>Department of Social Welfare and Development</td>
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<td>FAB</td>
<td>Framework Agreement on the Bangsamoro</td>
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<td>FPA</td>
<td>Final Peace Agreement</td>
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<td>ICG</td>
<td>International Contact Group</td>
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<td>IDB</td>
<td>Independent Decommissioning Body</td>
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<td>IMT</td>
<td>International Monitoring Team</td>
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<td>JNC</td>
<td>Joint Normalization Committee</td>
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<td>JPSC</td>
<td>Joint Peace and Security Committee</td>
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<td>JTFCT</td>
<td>Joint Task Force on Camp Transformation</td>
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<tr>
<td>MILF</td>
<td>Moro Islamic Liberation Front</td>
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<tr>
<td>MNLF</td>
<td>Moro National Liberation Front</td>
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<td>NCMF</td>
<td>National Commission on Muslim Filipinos</td>
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<td>NPA</td>
<td>New People’s Army</td>
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<tr>
<td>OPAPP</td>
<td>Office of the Presidential Adviser on the Peace Process</td>
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<tr>
<td>SONA</td>
<td>State of the Nation Address</td>
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<tr>
<td>SWS</td>
<td>Social Weather Stations</td>
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<tr>
<td>TFCCT</td>
<td>Task Force on Camp Transformation</td>
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<tr>
<td>TFDCC</td>
<td>Task Force on Decommissioned Combatants and their Communities</td>
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<tr>
<td>TJRC</td>
<td>Transitional Justice and Reconciliation Commission</td>
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<tr>
<td>TPMT</td>
<td>Third Party Monitoring Team</td>
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<tr>
<td>UBJP</td>
<td>United Bangsamoro Justice Party</td>
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