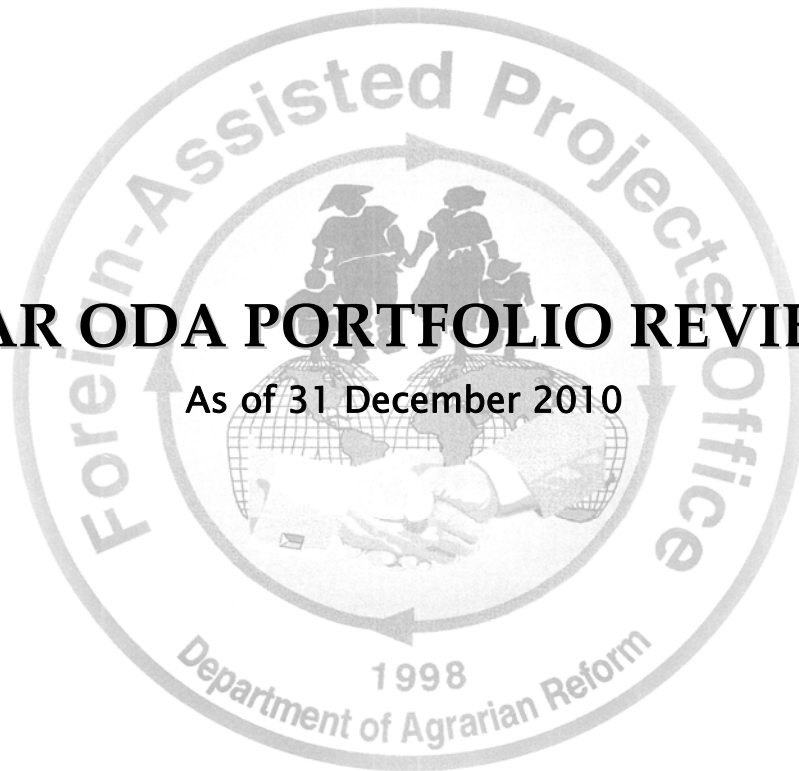




Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

DAR ODA PORTFOLIO REVIEW

As of 31 December 2010



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DAR-ODA PORTFOLIO REVIEW EXECUTIVE SUMMARY

Status of Resource Mobilization for ARC Development

The DAR's Official Development Assistance portfolio has reached PhP 76.6 billion as of December 31, 2010. Loan and grant proceeds account for 67% and 8%, respectively; while the GOP counterpart represents 25%. The three biggest sources of funds are: the Government of France (55%), Government of Japan (21%) and the Asian Development Bank (15%).

ARB and ARC Coverage – Investments through the various foreign-assisted projects have directly benefited an estimated 881,143 agrarian reform beneficiaries in 1,284 ARCs.

Status of On-Going Foreign-Assisted Projects (FAPs)

In this review, five (5) of the seven (7) on-going FAPs were covered, namely: ARISP 3, ARCP 2, ARCDP 2, TP-KP and ICTP. Projects not included in the physical and financial review are those under grant-assistance and/or TA projects such as Project for the Bridge Construction to Support Expanded ARCs Development (Basal, Aurora) and the Phil-Israel Center for Agricultural Training.

I. Physical Accomplishment

As of December 2010, overall physical performance of the five (5) FAPs was posted at 18.97% down by 23.03% from the previous year's 42%. Delay in implementation is mainly attributed to the NG-LGU cost-sharing policy which requires LGUs to provide a minimum of 50% equity. Performance for the year, however, slightly improved by 2% from last year's 15.84% to 17.81% due to the implementation of catch-up plans for the ARISP 3 and ARCP 2.

II. Financial Performance

The average ODA utilization rate for the FAPs under review was 34.86% of the total committed funds, while the average availment rate was 84.03%. Of the Php 8,530.899 million allotment, more than three-fourth (76%) or Php 6,453.297 million have been obligated.

Total disbursements amounted to Php 4,406.441 million (82.87%) from a cash allocation of Php 5,317.469 million.

III. Outputs

Physical Infrastructure

The primary goal of physical infrastructure is to ensure farmer beneficiaries' access to basic social, and market facilities that would expand their opportunities for production and remunerative employment and welfare. The construction and rehabilitation of roads, irrigation, post-harvest facilities and power facilities in the ARCs open up new potentials for diversifying incomes and employment. Potable water supply, health centers and sanitary facilities reduce mortality and morbidity, and enable farmers to live healthier, more productive lives. Similarly, better school

buildings help improve the quality of education and ensure the children of farmer beneficiaries a good educational foundation.

Overall Accomplishment - Since the start of physical infrastructure implementation in 1996, a total of 4,751 subprojects were completed amounting to Php 22 billion; 59 subprojects are undergoing construction with a total cost of Php 919 million; and 115 subprojects amounting Php 1.6 billion are under pre-construction stage.

CY2010 Accomplishment – For the year, 31 subprojects were completed amounting to PhP 536 million.

Jobs Generated - Subproject construction in the ARCs were largely labor-based and it provided an alternative source of employment for local residents. The estimated cumulative employment generated from completed infrastructures have reached 398,089 jobs.

Non-Physical Infrastructure

Institutional building and strengthening, agricultural productivity and rural enterprise development *and* provision of basic social services that are growth-inducing and market-oriented generate valuable benefits for the farmer beneficiaries in terms of sustaining increases in economic growth at the community level. A total of 1,279 ARCs have been provided with support under the different FAPs.

Community and Institutional Development – This component aims to capacitate ARB organizations to enhance their participation in local development processes as well as in productive economic activities. It focuses on the strengthening the capabilities of existing peoples' organizations and the establishment of new organizations that would ensure the active involvement of ARBs in the social, economic and political undertakings in the community. Under the community and institutional development component, 282,636 ARBs were organized` and 103,067 ARB leaders were assisted in terms of skills enhancement in organizational management and enterprise planning and implementation. Corollary to this, 31,841 DAR field staff and LGU partners were also given enhancement training and seminars.

Agricultural Productivity & Rural Enterprise Development - Interventions under the agricultural productivity and rural enterprise development include: adoption of new and appropriate farm technologies by 144,104 farmer beneficiary cooperators/adopters and the establishment of 12,266 rural enterprises. Most FAPs provide access to micro-finance, technology and information *and* market facilities. Activities under this component are focused on transforming the ARCs as areas for sustainable agriculture through the promotion and adoption of indigenous technologies, organic farming, soil management and other ecologically sound agricultural practices.

Basic Social Services – The basic social services component promotes the establishment of basic education and primary health care systems. A total of 961 school classrooms have been completed. Health and nutrition services have benefited 53,262 school children. The provision of adequate and quality instructional facilities and materials, improvement/rehabilitation of school structures and the enhancement of instructional skills have benefited primary level schools.

IV. Results and Benefits

The cumulative effect of project interventions are assumed to drive the positive change in the over-all socio-economic condition in the ARCs leading to the improved quality of life of the ARBs. Increase in average annual household income ranges from 19% to 49% or PhP 20,656.00 to PhP 71,778.00 in nominal terms (As of December 31, 2009). Aggregate results showed the following changes from comparative baseline figures of six FAPs, i.e., ARCP I, MinSSAD, NMCIREMP, WMCIP, STARCM and SPOTS I.

Physical Infrastructure

Farm-to-Market Road

- ▶ Reduction in hauling cost of palay by 71% from P17.00 to P5.00
- ▶ Reduction in average travel time by 39% from 38 minutes to 23 minutes
- ▶ Increase in daily traffic of light vehicles by 41% from 17 vehicles to 24 vehicles
- ▶ Increase in daily traffic of heavy vehicles by 100% from 5 vehicles to 10 vehicles

Communal Irrigation System

- ▶ Provision of sufficient irrigation water supply resulted to an increase in palay yield by 32% from 2,178 kgs to 2,873 kgs

Potable Water Supply

- ▶ Strategic location of common faucets reduced time in fetching water from an average baseline of 6 minutes to 4 minutes

Non-Physical Infrastructure

Community and Institutional Development

- ▶ Improved savings of Peoples' Organizations by 640% from P10,000.00 to P74,034.00
- ▶ Increased membership of PO's by 38% from 527 to 727
- ▶ Increased capital build-up of new PO's and coops by 41% from P227,314 to P321,405

Gender and Development

- ▶ Increased number of women members in organizations by 16% from 1,553 to 1,790
- ▶ Increased in proportion of female board members from 42% to 47%.

OFFICIAL DEVELOPMENT ASSISTANCE PORTFOLIO REVIEW

As of December 31, 2010

I. Overview

The Department of Agrarian Reform (DAR) has been tapping Official Development Assistance (ODA) as a significant source of fund to supplement the limited government funds for the Comprehensive Agrarian Reform Program (CARP), particularly for Program Beneficiaries Development (PBD).

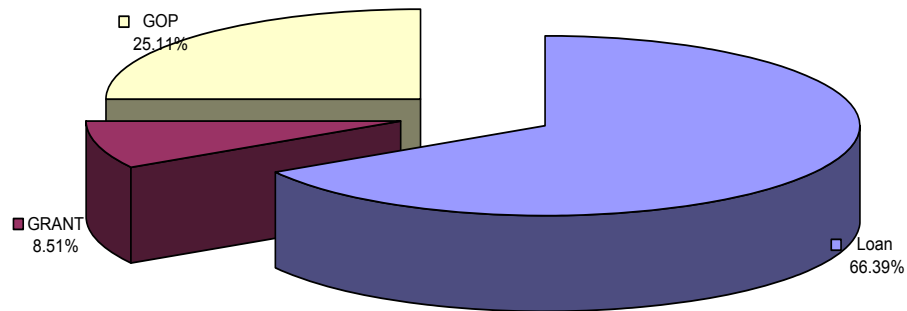
Since 1992, DAR has generated an aggregate amount of PhP76,647.28 million for a total of 61 projects with ODA, in loans and grants, from bilateral and multilateral donors (Table 1). Of this total, 66.39% came from ODA loans, 8.51% from grants, while 25.11% came from GOP as its counterpart, in cash or in kind, through the DAR, other national government agencies and local government units involved, and/or beneficiary-farmers/ organizations/cooperative (Figure 1). As of December 2010, fifty four (54) foreign-assisted projects (FAPs) have already been completed, seven (7) projects are on-going. Meanwhile, 20 projects worth PhP41,367.56 million are in the pipeline and under various stages of project development/evaluation. (For details, please refer to tables 2 & 3.)

Table 1. **Status of Resource Mobilization**
CY 1992 - Dec. 2010

Project/Type of Assistance	No. of Projects	Total Cost (PhP Million)			Total
		Loan	Grant	GOP	
▪ Completed	54*	21,268.34	6,183.50	10,343.90	37,795.74
▪ On-Going	7	29,614.91	337.68	8,898.95	38,851.54
- Capital Assistance (CA)	5	29,614.91	317.68	8,890.95	38,823.54
- Technical Assistance (TA)	2	-	20.00	8.00	28.00
Sub- Total	61	50,883.25	6,521.18	19,242.85	76,647.28
▪ In the Pipeline	20	29,929.37	2,211.16	9,227.03	41,367.56

* includes IP-EIPSDAD (transferred to NCIP on its 3rd year of implementation)

**Figure 1 – ODA projects/FAPs by Type of Financing
As of December 2010**



Of the DAR's sixty one (61) FAPs, thirty two (32) projects, with total investment requirements of PhP88,015.38 million, passed through the Investment Coordination Committee (ICC)-deliberation and approval process (Table 4). The first three (3) projects approved in 1995 were the EU-assisted Agrarian Reform Support Project (ARSP), the JBIC-Agrarian Reform Infrastructure Support Project (ARISP I) and the Belgian Agrarian Reform Support Project (BARSP) which involved PhP4 million.

Table 2. **DAR ODA INITIATIVES FOR ARC DEVELOPMENT**
As of December 2010

Project Title/Funding Source		Regions Covered	ARCs Covered	Total Project Cost (In P million)	
COMPLETED PROJECTS (54)				37,795.74	
ON-GOING FAPs (Capital Assistance)				38,823.55	
1	Second Agrarian Reform Communities Development Project (ARCDP II)	WB	Nationwide	124	3,419.46
2	Agrarian Reform Infrastructure Support Project III	GOJ/JICA	54 Provinces	130	7,964.63
3	Agrarian Reform Communities Project (ARCP II)	ADB	Regions IVB,V,VI,VIII, IX, ARRM	152	8,647.21
4	Tulay ng Pangulo Para sa Kaunlarang Pang-Agraryo	Gov't. of France	Nationwide		18,474.56
5	Project for Bridge Construction for Expanded ARCs Development (Bazal-Aurora)	GOJ/JICA	Regions III,IV		317.68
ON-GOING FAPs (Technical Assistance)				28.00	
6	In-Country Training Course -Phase II (Empowering Farmers through Capacity Development & Maintenance System & Technology in ARCs	GOJ/JICA			25.00
7	Phil. Israel Center for Agricultural Training - 2	Gov't. of Israel			3.00
Total ARCs Covered					
Total Cost of Ongoing Projects				38,851.55	
PIPELINE				41,367.55	
Loan					
1	MINSSAD II	GOJ/JICA	(12 Settlement areas) Lanao del Norte, Bukidnon, S. Cotabato, N. Cotabato, Compostela Valley, Sultan Kudarat, Davao del Sur		4,703.68
2	Italian Agrarian Reform Community Development Support Program	Gov't of Italy	XI, ARMM		2,518.75
3	ARC Connectivity Development Project (formerly CARCDP)	WB			5,062.27
4	Solar Power Technology Project III	Gov't of Spain	Region IX,X,XI,XII,XIII		1,682.90
5	DAR-IFAD Sustainable & Empowerment Project	IFAD			2,850.00
6	ARC Bridges (Tulay 2)	Gov't of France/Spain	Nationwide		7,354.15
7	Support to Convergence Initiatives for Agrarian Reform Areas	World Bank	Nationwide		5,000.00
8	Productivity Enhancement Project for ARC Clusters	Australia	Identified ARC Clusters/Nationwide		2,750.00
9	Support to ARC Clusters for Rural Development (ARCP 3)	ADB			7,000.00
Sub-total					38,921.75
Grant					
10	Bridge Construction Project for Expanded ARCs Development (Umiray Bridge)	GOJ/JICA	Gen. Nakar, Quezon Dingalan, Aurora		728.00
11	Road Map for Post-LAD Scenario	WB			40.00
12	Livelihood Improvement Project in Remote ARCs	GOJ/JICA			328.85
13	Climate Change Adaptation/Resiliency of Upland Agrarian Reform Beneficiaries	GOJ/JICA	S. Leyte		103.31
14	Re-skilling Program for DAR Staff and Agrarian Reform Beneficiaries	Canada	Nationwide		600.00
15	Technology & Livelihood Improvement Program for ARBS and ARB Coops	Canada	Nationwide		125.00
16	Agricultural Tramline Project in Benguet	JICA	CAR		31.14
17	Strengthening the Institutional Capacity of ARISP III Covered ARC clusters	GOJ/JICA			247.50
18	Technical Asst. for Project Formulation for Agribusiness	ADB			2.00
19	Agri-Business Pilot Project for Banana & Sugarcane	ADB			180.00
20	Agriculture, Enterprise & Agribusiness Dev. Project	FAO-TCP			60.00
Sub-total					2,445.80
TOTAL (Completed, On-going & Pipeline)					118,014.84

Table 3. **List of Completed Foreign-Assisted Projects**
CY 1992 - December 2010

Title of Project	Funding Agency	Project Cost (P million)
1 Feasibility Study on the Development of Viable Agrarian Reform Communities in Southern Palawan	Government of Japan (JICA) (Grant)	17.77
2 Integrated Jala-Jala Rural Development Project	Government of Japan (JICA) (Grant)	510.50
3 Feasibility Study for the Nucleus Estate Rubber Project	World Bank (Grant)	2.80
4 Cadastral Support to CARP (Phase I & II)	Sweden/Swedsurvey (Grant)	36.53
5 Cadastral Support to CARP (Phase III)	Sweden/Swedsurvey (Grant)	39.00
6 DAR-JICA Study Tour	Government of Japan (JICA) (Grant)	0.25
7 Feasibility for the Agrarian Reform Communities	USAID Small Studies Fund (Grant)	1.80
8 FAO-Technical Support to Agrarian Reform and Rural Development	Government of Italy (Grant)	332.78
9 Feasibility Study for the Development of ARCs in Marginal Areas	Government of Japan (JICA) (Grant)	79.35
10 Support Activities to Indigenous Groups in Agrarian Reform Communities	FAO-TCP (Grant)	8.50
11 Mapping of CARP Areas	Government of Japan (JICA) (Grant)	41.20
12 Database Support to CARP	Government of Japan (JICA) (Grant)	158.00
13 Technical Assistance: Project Preparation Support to ARCs	Asian Development Bank (ADB) (Grant)	8.27
14 Technical Support to Agrarian Reform and Rural Development (TSARRD)	Government of Netherlands Bridging Fund	4.87
15 Isabela Masterplan	Government of Japan (JICA) (Grant)	20.00
16 Belgian Agrarian Reform Support Project (BARSP)	Government of Belgium	140.00
17 Agrarian Reform Infrastructure Support Project	Japan Bank for International Cooperation (JBIC)	2,505.87
18 Rural Agricultural Credit Support Project	Japan Bank for International Cooperation (JBIC)	109.62
19 Agrarian Reform Support Project	European Union (EU)	1,354.30
20 Expansion of Cadastral Support to CARP - Phase IV	Swedish International Development Cooperation Agency	231.85
21 Poverty Alleviation Program for Social Reform Agenda (PAPSRA): Support to Selected Indigenous Cultural Communities (ICCs) and Agrarian Reform Communities in Mindanao	Philippines Canada Development Fund (PCDF) (Grant)	51.34
22 Italian Food Aid Programme II	Government of Italy (Grant)	4.00
23 Project Preparation for Agrarian Reform Communities Development Project Phase II	World Bank (Grant)	37.26
24 Sustainable Agrarian Reform Communities-Technical Support to Agrarian Reform and Rural Development	Royal Government of Netherlands Government of Italy-FAO (Grant)	332.78
25 Agrarian Reform Communities Development Project (ARCDP)	World Bank (Loan)	4,587.81
26 TSARRD II Ext. Phase	Government of Italy (Grant)	25.50
27 Support to Asset Reform thru the CARP and Development of Indigenous Communities (SARDIC)	UNDP (Grant)	214.81
28 SARDIC-ARCP Collaborative Project	UNDP, ADB	39.71
29 Belgian Integrated Agrarian Reform Support Project (BIARSP)	Government of Belgium (Grant)	1,404.98
30 Development of Agrarian Reform Communities in Marginal Areas (DARCMA)	GOJ/JICA	291.62
31 Empowering the ARBs thru Tenurial Security (EARBETS)	UNDP	7.50
32 Phil-German Cooperation in Agrarian Reform & Rural Development (Phase I)	German Government	65.00
33 Agrarian Reform Communities Project Phase II (TA)	Asian Development Bank (ADB)	12.50
34 Solar Power Technology Support Project to Agrarian Reform Community Initiatives and Resource Management Project (SPOTS I)	Government of Spain	2,110.69
35 Replacement of GPS Equipment and Software Data Downloading	GOJ/JICA	3.96
36 Philippine-Australia Technical Support for Agrarian Reform and Rural Development (PATSARRD)	AusAid	288.94
37 Program Support to Asset Reform Implementation (PSARI)	UNDP	155.04
38 Agrarian Reform Infrastructure Support Project II (ARISP II)	GOJ/JBIC	6,740.00
39 Community-Managed Agrarian Reform and Poverty Reduction Program (CMARPRP)		110.00
40 Philippine-German Cooperation in Agrarian Reform and Rural Development - Phase II	German Government	124.90
41 Belgian Integrated Agrarian Reform support Project (BIARSP) (Phase III)	Government of Belgium	600.46
42 Agrarian Reform Communities Project (ARCP)	ADB	7,207.22
43 Western Mindanao Community Initiatives Project (WMCIP)	IFAD	774.56
44 Support for the Indigenous Communities and MNLF in the Zone of Peace with ARCs	IFAD	33.94
45 Support to Agrarian Reform in Central Mindanao (STARCM)	EU	1,049.63
46 Phil-Israel Center for Agricultural Training Project	State of Israel	6.20
47 National Program Support to Agrarian Reform (NPSAR-TA)	Japan-PHRD	44.00
48 Development and Testing of Innovative Approaches for Mainstreaming Indigenous People in Selected Agrarian Reform Communities	WB - Japan Social Development Fund	67.00
49 Solar Power Technology Support Project to Agrarian Reform Community Initiatives and Resource Management Project (SPOTS II)	Government of Spain	1,460.21
50 In-country Training Course on the Improvement of Operation and Maintenance System and Technology for ARCs with ARB Participation	GOJ/JBIC	20.00
51 Integrated Programme for the Empowerment of Indigenous Peoples and Sustainable Development of Ancestral Domains (IP-EIPSDAD)	UNDP	49.64
52 Mindanao Sustainable Settlement Area Development Project (MINSSAD)	GOJ/JBIC	3,102.50
53 Northern Mindanao Community Initiatives and Resource Management Project (NMCIREMP) (SOP Grant)	IFAD	1,135.78
54 Preparatory of Detailed Design for the Bridge Construction Project for Expanded ARCs (Basal & Umiray)	GOJ/JBIC	33.00
TOTAL		37,795.74

Table 4. List of FAPs with ICC-Approval
1995 - December 2010
(P=PHP Million)

PROJECT TITLE	PROJECT DURATION	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1 ARSP (EU)	1995-2001	1,354.30															
2 ARISP (JBIC)	1996-2002	2,505.87															
3 ARCDP (WB)	1997-2003	4,587.80															
4 RASCP (JBIC)	1997-2001		109.62														
5 ECSCARP (SIDA)	1997-2001		231.85														
6 SARC-TSARRD/	2002-2002		332.78														
TSARRD II-Ex.	2002-2003							25.50									
Phase (ITALY)									4.87								
(AusAID-Bridge	July-Aug.																
Financing)	2002																
7 PAFSRA (CIDA)	1999-2001			51.34													
8 SARDIC (UNDP)	1997-2003			214.81													
9 IFAP II (ITALY)	1997-			4.00													
10 BARSP/	1995-1998	140.00															
BIARSP (BELGIUM)	1998-2003				1,404.98												
11 ARCP (ADB)	1999-2005				7,207.22												
12 WMCIP (IFAD)	1995-2004				774.58												
13 SPICcinZPARC	1995-2004				33.94												
14 ARISP II (JBIC)	2000-2004					6,740.00											
15 MINSSAD (JBIC)	2001-2006						3,102.50										
16 STARCOM (EU)	2001-2008						1,049.63										
17 DARCOMA (JICA)	2002-2003							291.62									
18 NMCIREMP (IFAD)	2003-2008							1,130.58									
19 ITALIAN ARCDP	2003-							1,118.47									
20 SPOTS (SPAIN)	2003-2005								2,110.69								
21 ARCDP II (WB)	2003-2006								3,419.46								
22 PGCSARRDP	2002-2004								65.00								
(GERMAN)																	
23 PATSARRD	2002-2005								288.94								
(AusAID)																	
24 EARBETS (UNDP)	2002-2004								7.50								
25 BIARSP III	Sept 2003-									600.46							
(BELGIUM)	Aug 2007																
26 SPOTS II (SPAIN)	June 2005-											1,460.21					
	Dec. 2006																
27 TULAY NG	2006-2011												11,742.77				
PANGULO (UK)																	
28 ARISP III (JBIC)	2007-2013												7,964.63				
29 ARCP II (ADB)	2008-2013													8,647.21			
30 TULAY NG	2008-2012														18,474.56		
PANGULO (Gov't of																	
France)																	
31. Bridge Construction																	
to Support	2008-2009																
Expanded ARCs																	
(Basal-Aurora)																	
32 ARCDP - Additional																	
Financing	2009																500.00
33 Italian Agrarian																	
Reform Community																	
Sub-total		4,000.17	4,920.58	611.62	9,420.72	6,740.00	4,152.13	2,540.67	5,921.96	600.46	-	1,460.21	19,707.40	8,647.21	18,792.24	500.00	-
Cumulative Total		4,000.17	8,920.75	9,532.37	18,953.09	25,693.09	29,845.22	32,385.89	38,307.85	38,908.31	38,908.31	40,368.52	60,075.93	68,723.14	87,515.38	88,015.38	88,015.38

The Department's seven on-going FAPs have an aggregate project cost of P38,851.54 million. Of these, five (5) provide both CA and technical assistance (TA) while another two (2) projects are categorized as solely technical assistance (TA) projects. (Table 5)

Table 5. **Profile of DAR Foreign-Assisted Projects**
As of December, 2010

Project Title and Fund Source	Type of Assistance	Total Cost (PhP million) ¹				
		Loan	Grant	GOP	Total	
Loans						
1	WB - ARCDP 2	CA/TA	2,632.98	786.48	3,419.46	
2	JICA - ARISP III	CA/TA	5,973.48	1,991.15	7,964.63	
3	Agrarian Reform Communities Project (Phase II)	CA/TA	4,497.35	4,149.86	8,647.21	
4	Tulay ng Pangulo Para sa Kaunlarang Pang-Agraryo	CA/TA	16,511.09	1,963.47	18,474.56	
Grants						
5	Project for Bridge Construction for Expanded ARCs Development (Basal - Aurora)	CA/TA		317.68	317.68	
6	In-country Training Course - Phase II (Empowering Farmers through Capacity Development in Operation & Maintenance System & Technology in ARCs)	TA		20.00	25.00	
7	Phil-Israel Center for Agricultural Training - 2	TA		3.00	3.00	
GRAND TOTAL			29,614.91	337.68	8,898.95	38,851.54

TA projects provide/implement training programs, manpower and equipment support, policy studies and other activities that will help augment the capability of DAR staff and the ARBs themselves, while CA projects involve substantial investments in infrastructure, economic activities, livelihood and agri-business with some TA components.

The bulk, or 76.23%, of the combined cost of these on-going projects are financed through loans while the remaining 22.90% and 0.87% are sourced from the GOP and grant, respectively (Table 5/Figure 2a). The four (4) projects worth P38,505.86 million are assisted with loans from the Government of Japan, the World Bank-International Bank for Reconstruction and Development (IBRD), Government of France, Asian Development Bank, and OPEC Fund for International Cooperation. The other on-going projects are assisted with a total of P345.68 million grant funds from the governments of Japan through the Japan International Cooperation Agency (JICA).

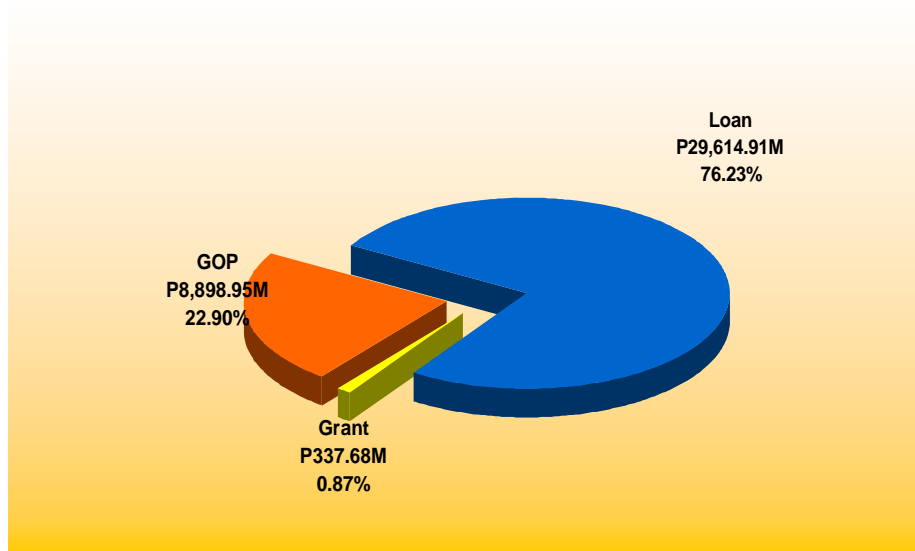


Figure 2a – Funding Source of On-going FAPs

In terms of the Department’s total ODA Portfolio of on-going projects, the Government of France emerged with the biggest share accounting for 55%. The Government of Japan (GOJ) accounted for 21%; ADB/OFID, 15%; and WB, 9% (Figure 2b).

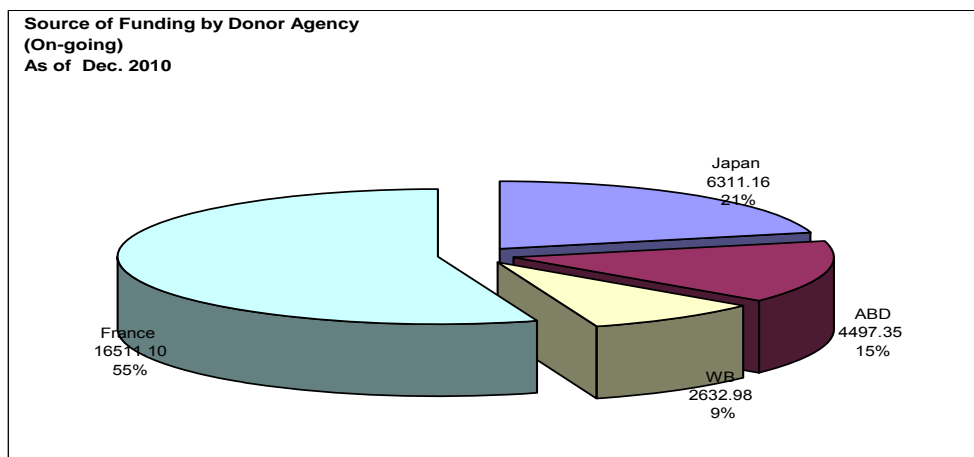


Figure 2b

Counterpart fund requirements from the Government of the Philippines (GOP) for these on-going projects were estimated at ₱8,898.95 million, or 22.90% of the consolidated total project cost of all on-going FAPs.

In terms of the Department's total ODA Portfolio of completed and on-going projects, the Government of Japan still emerged with the biggest share accounting for 30.635% (Figure 2c). Fund support from the Gov't. of France accounted for 28.763%; 14.795% from Asian Development Bank (ADB); 8.980% from the WB; 5.470% from Spain; and 2.491% from IFAD. Grants from the European Union, the Government of Belgium and UNDP accounted for 2.968%, 2.736%, and .768% of the total, respectively.

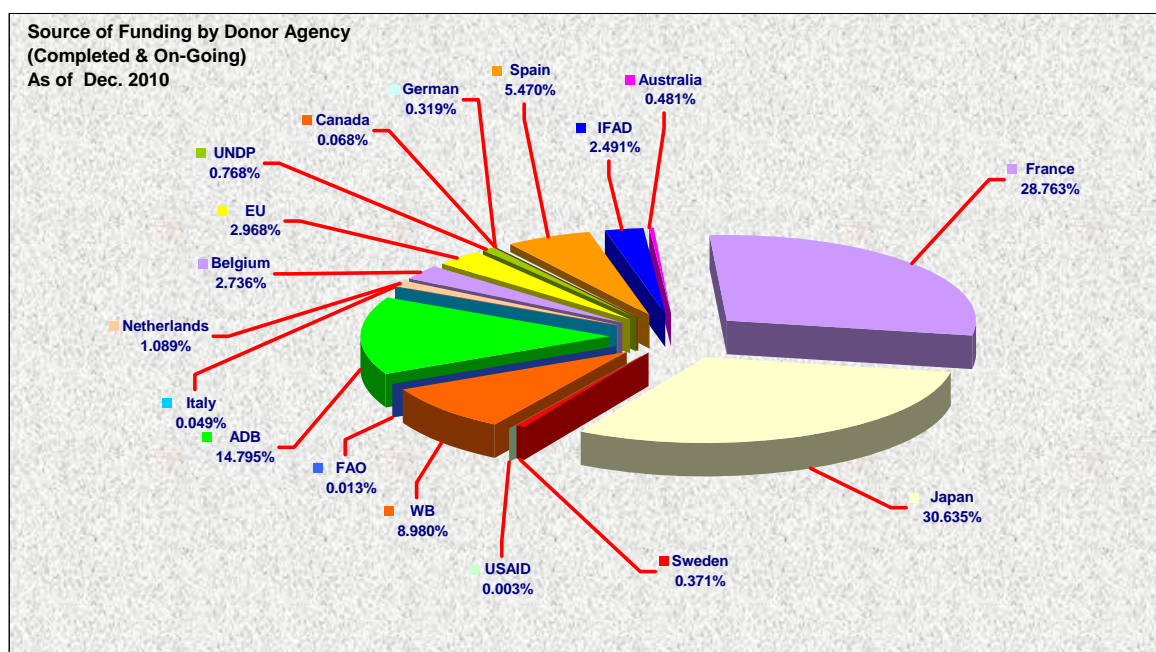


Figure 2c

II. Scope and Coverage

As of December 31, 2010, a total of 1,284 FAPs ARCs have been assisted in 79 provinces and 965 municipalities. Development interventions in these ARCs were focused on five major areas: physical infrastructure, community and institutional development, agricultural productivity and rural enterprise, basic social services, and land tenure improvement.

Table 6. **FAPs ARC SCOPE BY ISLAND GROUP**

As of December 31, 2010

ISLAND	SCOPE						
	PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB	No. of FAP	
Luzon	38	361	443	34%	1,911	316,431	14
Visayas	16	243	294	23%	1,431	213,428	15
Mindanao	25	361	547	43%	2,177	351,284	25
Grand Total	79	965	1,284		5,519	881,143	25

* The total number of FAPs has been corrected for double counting (some FAPs have common areas in all three island groups). Hence, the number of FAPs per island does not add up to the grand total.

Cumulative FAPs reach is 881,143 ARBs in 5,519 barangays. Forty-three percent of FAPs ARCs are located in Mindanao, 34% in Luzon and 23% in Visayas. Region IX and Region VI account for the widest ARC coverage with 119 and 114, respectively; while CAR and Region I have the least ARCs. Region VIII and CARAGA have the largest ARB count, 86,019 and 72,840, respectively. Region X has the most number of projects with 18 FAPs, inclusive of completed and on-going projects. Region VIII has the largest number of FAPs-assisted barangays at 753.

Among the FAPs providing capital assistance, the projects that have the most number of ARCs are: ARCP I (167 ARCs), ARISP II (149 ARCs) and ARCP 2 (152 ARCs). For technical assistance projects, SARC-TSARRD has the largest coverage with 357 ARCs. Completed FAPs have provided assistance to 876 ARCs; on-going projects, which are at various stages of implementation, cover 129 ARCs.

Yearly growth rate of ARC is 10% or an average of 67 new ARCs covered per year; annual growth rate for ARB is 28% or 67,000 ARBs per year; and an average of 405 additional barangays per year.

Table 7. **FAPs ARC SCOPE By REGION**

As of December 31, 2010

ISLAND	SCOPE						No. of FAP
	PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB		
CAR	6	38	39	248	39,795	6	
Region I	4	62	64	283	37,002	9	
Region II	5	63	72	367	50,341	11	
Region III	7	66	82	322	70,950	11	
Region IV	10	68	100	327	68,599	13	
Region V	6	64	86	364	49,744	13	
Luzon	38	361	443 34%	1,911	316,431	14	
Region VI	6	86	114	328	63,530	10	
Region VII	4	55	71	350	63,879	9	
Region VIII	6	102	109	753	86,019	12	
Visayas	16	243	294 23%	1,431	213,428	15	
Region IX	3	69	119	547	65,381	13	
Region X	5	76	109	440	48,445	18	
Region XI	4	49	80	276	70,812	16	
Region XII	4	46	72	174	68,225	13	
CARAGA	4	64	93	484	72,840	14	
ARMM	5	57	74	256	25,581	13	
Mindanao	25	361	547 43%	2,177	351,284	25	
Grand Total	79	965	1,284	5,519	881,143	25	

Table 8. ARC SCOPE By PROJECT

As of December 31, 2010

FAP	DURATION	SCOPE				
		PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB
Completed						
ARSP-EU	1995-2001	5	51	61	199	44,914
BIARSP I/II - GoB	1996-2003	8	60	74	74	52,168
ARISP I - JBIC	1996-2002	64	72	75	318	40,634
RASCP - JBIC	1997-2001	64	72	75	318	40,634
ARCDP I - WB	1997-2002	14	101	101	505	70,190
SARDIC-UNDP	1997-2003	7	62	75	207	35,797
IFAP-GoI	1997	1	1	1	2	164
PAPSRA-CIDA	1999-2001	6	9	10	11	3,654
DARCOMA-JICA	2002-2003	2	2	2	15	2,777
SARC-TSARRD (TA)	1997-2002	64	334	357	1,398	218,422
SPOTS-GoS I	2003-2004	16	37	100	157	37,291
PATSARRD-AusAid	2003-2006	6	94	288	554	66,750
CMARPRP-JDSF	2003-2007	9	10	10	17	665
BIARSP III - GoB	2003-2007	8	60	76	74	52,168
ARISP II - JBIC	2000-2007	61	142	149	623	105,839
ARCP-ADB	1999-2007	34	164	167	546	92,798
WMCIP-IFAD	1999-2007	4	20	23	57	4,115
SPICcinZPARC	1999-2007	1	1	1	3	1,435
STARCM-EU	2001-2008	4	43	52	137	32,316
MINSSAD-JBIC	2001-2009	6	16	8	51	13,666
NMCIREMP-IFAD	2003-2009	5	28	38	270	19,421
SPOTS-GoS II	2006-2009	30	94	109	217	55,000
On-going						
ARCDP II - WB	2003-2009	16	84	125	316	82,711
ARISP III - JBIC	2008-2014	54	131	132	518	68,330
ARCP2-ADB	2009-2014	18	134	152	678	78,597
TP-KP	2009-2012	-	-	418	-	-
Total ARCs	1,284		Total Provinces	79		
Total ARBs	881,143		Total Municipalities	965		
			Total Barangays	5,519		

Figure 3. ANNUAL CUMULATIVE GROWTH of FAPs ARCs

As of December 31, 2010

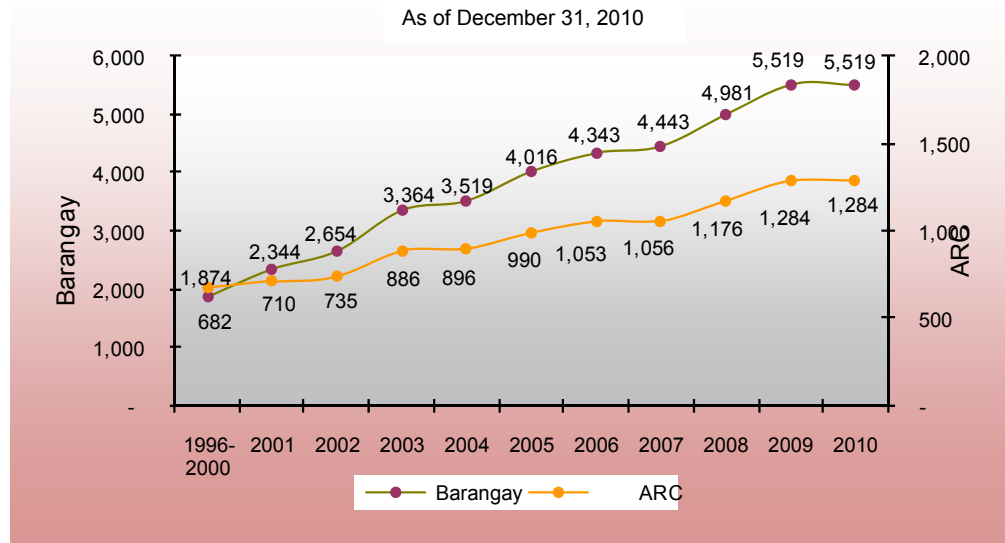
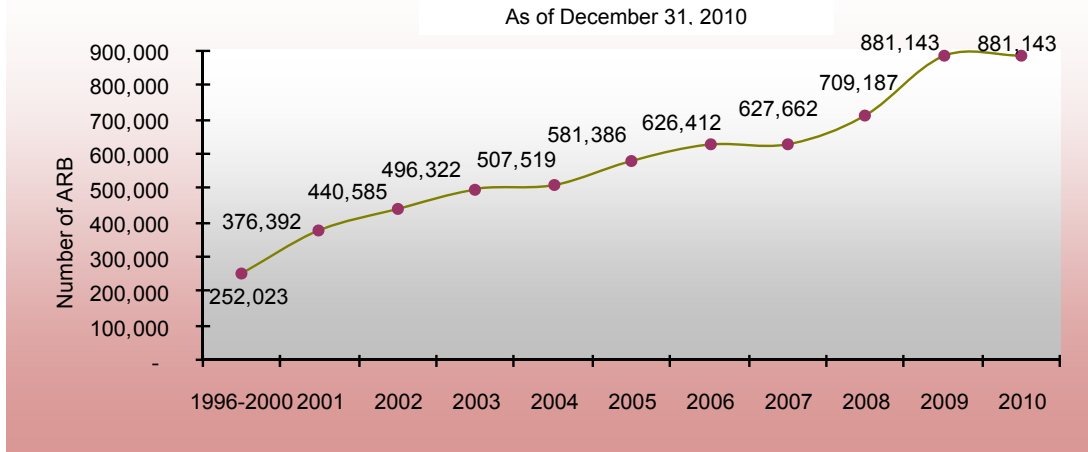


Figure 4. **ANNUAL CUMULATIVE GROWTH OF FAPs ARBs**



III. **Status of On-Going Foreign-Assisted Projects (FAPs)**

In this review, only five (5) of the seven (7) FAPs were covered. Projects not included in the physical and financial review are those under grant-assistance and/or TA projects such as Project for the Bridge Construction to Support Expanded ARCs Development(Basal-Aurora) and the Phil-Israel for Agricultural Training.

A. **Physical Accomplishment**

As of December 2010, overall physical performance of the five (5) FAPs was reported at 18.97% of their physical targets, reflecting a decrease of 23.03% from the previous year's level of 42%. Similarly, FAPs performance for the year exhibited an upward trend, from last year's record of 15.84% to this year's 17.81% (Table 9).

Table 9. **PHYSICAL PERFORMANCE**

As of December 31, 2010

NAME OF PROJECT	Target Cumulative/ Global	PERFORMANCE RELATIVE TO TARGETS (%) ^{1/}			TIME ELAPSED
		Overall	For the Year	Cumulative	
LOAN	44.11	18.96	17.76	25.82	64.17
1 Agrarian Reform Infrastructure Support Project Phase III (ARISP III)	59.62	24.67	34.83	33.25	42.11
2 Agrarian Reform Communities Project 2 (ARCP 2)	40.61	21.62	40.58	39.47	31.43
3 Agrarian Reform Communities Development Project (PH-4109-WB)	99.20	98.85	0.00	98.85	100.00
4 Tulay ng Pangulo Para sa Kaunlarang Pang-Agraryo	29.58	1.31	4.10	3.92	47.30
GRANT	40.99	40.99	93.52	100.00	23.33
5 *JICA In-Country Training Programme	40.99	40.99	93.52	100.00	23.33
Over-all Weighted Accomplishment	44.11	18.97	17.81	25.87	45.75

^{1/} Weighted^{2/} Based on revised set of performance indicator.

* data as of March 2010

On the other hand, the overall physical accomplishment of the loan-assisted projects exhibited a downward trend, from 42% in December 2009 to 18.96% in December 2010. However, for the year, an upward trend was exhibited, from 15.84% accomplishment in December 2009 to 17.76% December 2010.

The grant-assisted project reported a satisfactory performance. Overall physical accomplishment was posted at 40.99% with a total elapsed time of 23.33%.

Figure 5. **Comparative Overall Physical Accomplishments**
As of Dec. 2009 vs. Dec. 2010

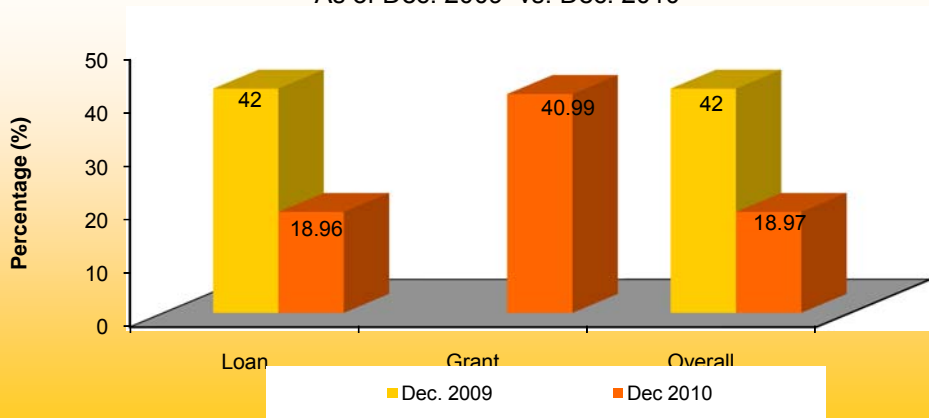


Figure 6. **Comparative Physical Accomplishments**
CY 2009 vs. CY 2010

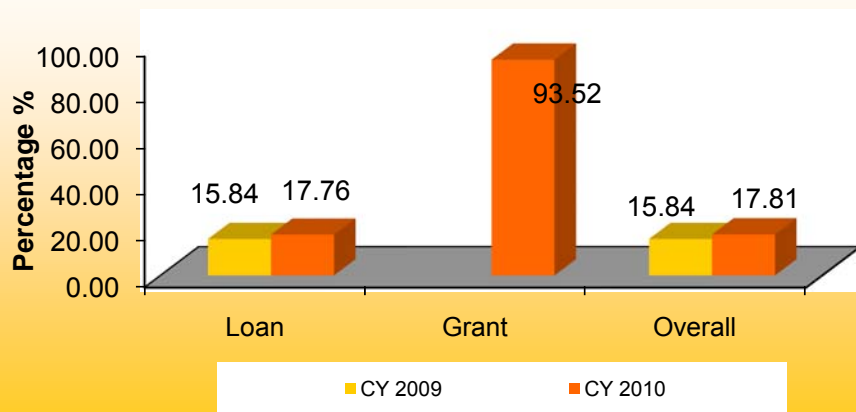
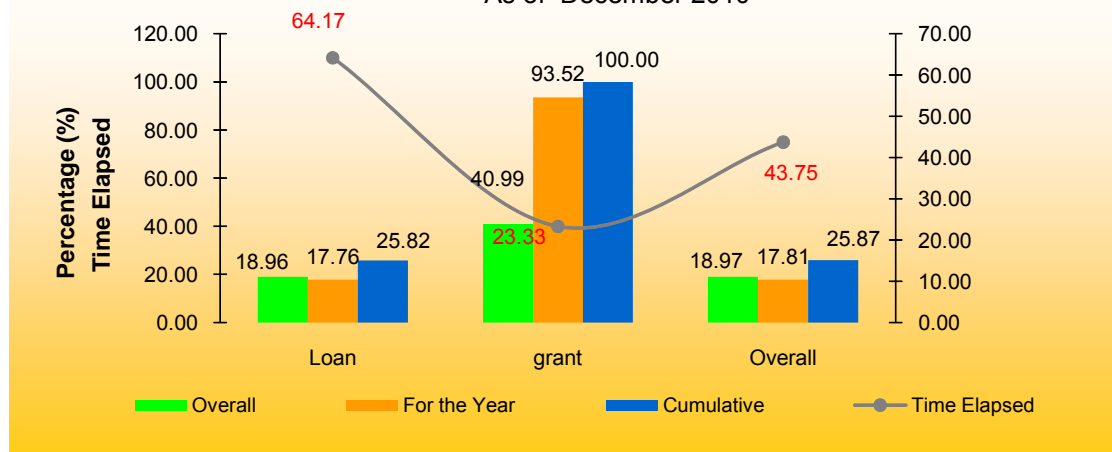


Figure 7. **Physical Accomplishment vs. Time Elapsed**

As of December 2010



B. Financial Performance

As of December 2010, the average ODA utilization rate for the FAPs under review was 34.86% of the total committed funds. On the other hand, the average availment rate was 84.03% (Table 10).

Table 10. Utilization and Availment Rate of On-going Foreign-Assisted Projects
As of December 2010

Project Title and Fund Source		Net Commitment	Sheduled Availment	Actual Availment	Utilization Rate (%)	Availment Rate (%)	Time Elapsed (%)
LOAN					48.54%	80.67%	64.17%
ARDCP II							
	Original loan	\$ 50.00	50.00	49.81	100.00%	100.00%	100.00%
	Additional Financing	\$ 10.00	8.00	8.33	83.00%	104.00%	100.00%
	ARISP III	Y 11,802.00	2,524.25	2,320.30	20.52%	91.92%	42.11%
	ARCP II	\$ 70.00	28.97	4.35	6.21%	15.00%	31.43%
	Tulay	Euro 227.00	80.966	74.853	32.97%	92.45%	47.30%
GRANT					21.17%	87.38%	23.33%
	JICA-In Country Training	Php 20.000	4.848	4.236	21.17%	87.38%	23.33%
					34.86%	84.03%	43.75%

Of the Php 8,530.899 million allotment received, Php 6,453.297 million have been obligated or 75.65%. On the other hand, total cash allocation released was Php 5,317.469 million. Total cash disbursements amounted to Php 4,406.441 million or 82.87% of the cash allocation. (Table 11 and Figure 7a & 7b)

Table 11. **Cash Allocation and Cash Disbursement Status**
As of December 2010

Fund Source	Allotment (PM)	Obligations (PM)	Cash Allocation (PM)	Cash Disb. (PM)
Loan				
Total	8,530.899	6,453.297	5,317.469	4,406.441
Loan Proceeds	6,455.542	4,721.614	3,483.572	3,000.720
Peso Counterpart	2,075.357	1,731.683	1,833.897	1,405.721
Grant				
Total	4.848	4.236	4.236	4.236
Grant Proceeds	4.848	4.236	4.236	4.236
Peso Counterpart				
Grand Total	8,535.747	6,457.533	5,321.705	4,410.677
Loan	6,455.542	4,721.614	3,483.572	3,000.720
Grant	4.848	4.236	4.236	4.236
Peso Counterpart	2,075.357	1,731.683	1,833.897	1,405.721

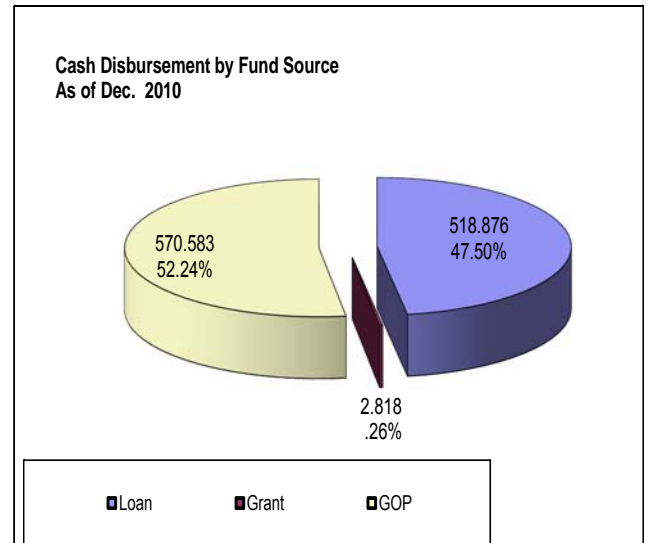
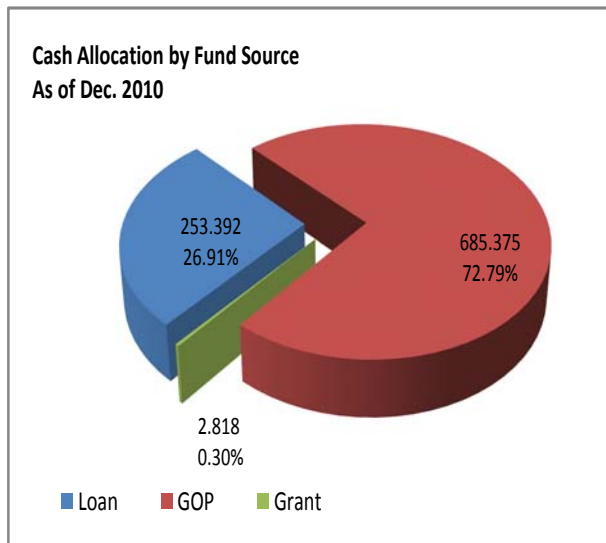
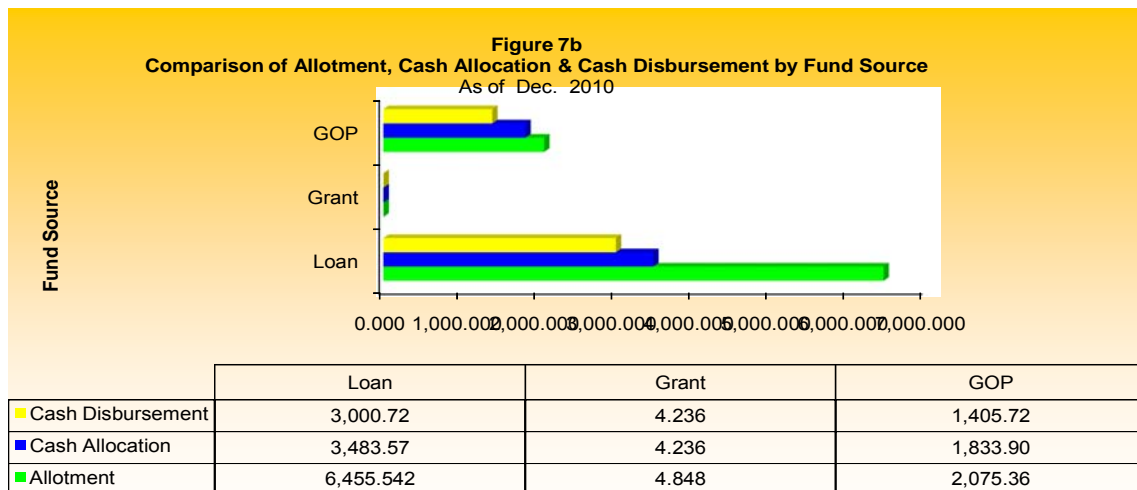


Figure 7a. **Cash Allocation and Cash Disbursement by Fund**



1. Loan Performance

As of December 2010, the average loan utilization and availment rates were 48.10% and 79.87%, respectively. ARDCP II-Additional Financing reported the highest loan availment rate of 104% (Table 10).

For the period covering January to December 2010, the Department of Budget and Management (DBM) have released the total allotment for loan proceeds amounting to P1,948.793 million. The total obligations incurred amounted to P1,495.809 million. On the other hand, total cash allocation released was P253.392 million or 13% of the total allotment released. Total cash disbursements amounted to P518.876 million. (Table12)

Table 12. **Cash Allocation and Cash Disbursement Status**
January to December 2010

Fund Source	Allotment (PM)	Obligations (PM)	Cash Allocation (PM)	Cash Disb. (PM)
Loan				
Total	2,796.872	2,283.038	938.767	1,089.459
Loan Proceeds	1,948.793	1,495.809	253.392	518.876
Peso Counterpart	848.079	787.229	685.375	570.583
Grant				
Total	3.307	2.818	2.818	2.818
Grant Proceeds	3.307	2.818	2.818	2.818
Peso Counterpart				
Grand Total	2,800.179	2,285.856	941.585	1,092.277
Loan Proceeds	1,948.793	1,495.809	253.392	518.876
Grant Proceeds	3.307	2.818	2.818	2.818
Peso Counterpart	848.079	787.229	685.375	570.583

2. GOP Counterpart Performance

As of December 2010, the government allotted 2,075.357 million as GOP counterpart to support various activities by virtue of the loan and grant agreements. Actual cash allocated amounted to ₱1,833.897 million, cumulative from project start. The actual cash disbursements reached ₱1,405.721 million. (Table 11)

For the period January – December 2010, total allotment released by DBM amounted to Php 848.079 million. Total obligations reached Php787.229 million. Cash allocation and disbursements were at Php 685.375 million and Php 570.583 million, respectively (Tables 12 & 14).

3. Grant Performance

For the grant-assisted project, the average utilization and availment rates were 21.17% and 87.38%, respectively. (Table 10)

As of December 2010, total allotment received amounted to Php4.848 million with a 87.38% cash support. Total disbursement reached to Php 4.236 million or 100% of the amount obligated. (Table 11 and Table 13)

Table 13.

Department of Agrarian Reform
Financial Performance of On-going Foreign-Assisted Projects
 January to December 2010

FUND SOURCE-PROJECT TITLE	ALLOTMENT (Pmillion)	OBLIGATIONS (Pmillion)	OBLIGN/ ALLOT. (%)	CASH ALLOCATION (NCA) (Pmillion)	CASH SUPPORT (D)/(A)	EXPENDITURES				RATE (%) Total Disb. (H)/(A)	Cash Disb. Oblighn. (F)/(B)								
						A	B	C	D			E	AMOUNT (Pmillion)		F	G	H	I	
													Cash Disb. (F)/(D)	Non-cash Expd.					Cash Disb. (F)/(D)
LOANS																			
Total	2,796.872	2,283.038	81.63%	866.596	30.98%	1,089.459	49.530	254.242	1,393.231	125.72%	49.81%	47.72%							
Loan Proceeds	1,948.793	1,495.809	76.76%	253.392	13.00%	518.876	49.530	102.767	621.643	204.77%	31.90%	34.69%							
Peso Counterpart	848.079	787.229	92.82%	685.375	80.81%	570.583	49.530	151.475	771.588	83.25%	90.98%	72.48%							
1.0 JAPAN BANK FOR INTERNATIONAL COOPERATION (JBIC)																			
1.a Agrarian Reform Infrastructure Project (ARISP III)																			
Total	1,949.205	1,358.409	69.69%	575.001	29.50%	502.483	49.530	107.384	659.397	87.39%	33.83%	36.99%							
LP	1,569.503	1,068.360	68.07%	181.221	11.55%	267.698	49.530	102.767	370.465	147.72%	23.60%	25.06%							
GOP	379.702	290.049	76.39%	393.780	103.71%	234.785	49.530	4.617	288.932	59.62%	76.09%	80.95%							
2.0 WORLD BANK (WB)																			
Agrarian Reform Communities Development Project (ARCDP)																			
Total	176.010	239.490	136.07%			239.490			239.49		136.07%	100.00%							
LP	161.010	225.260	139.90%			225.26			225.26		139.90%	100.00%							
GOP	15.000	14.230	94.87%			14.23			14.230		94.87%	100.00%							
3.0 Asian Development Bank (ADB)																			
Agrarian Reform Communities Project II (ARCP II)																			
Total	287.636	321.560	111.79%	79.932	27.79%	153.314		3.284	156.598	191.81%	54.44%	47.68%							
LP	218.280	202.189	92.63%	72.171	33.06%	25.918			25.918	35.91%	11.87%	12.82%							
GOP	69.356	119.371	172.11%	79.932	115.25%	127.396		3.284	130.68	159.38%	188.42%	106.72%							
4.0 French Government																			
Tulay ng Pangulo Para sa Kaunlarang Pang-Agrayo																			
Total	384.021	363.579	94.68%	211.663	55.12%	194.172		143.574	337.746	91.74%	87.95%	53.41%							
LP	384.021	363.579	94.68%	211.663	55.12%	194.172		143.574	337.746	91.74%	87.95%	53.41%							
GOP																			
GRANT																			
Total	3.307	2.818	85.21%	2.818	85.21%	2.818			2.818			100.00%							
Grant Proceeds	3.307	2.818	85.21%	2.818	85.21%	2.818			2.818			100.00%							
Peso Counterpart																			
Total	3.307	2.818	85.21%	2.818	85.21%	2.818			2.818			100.00%							
GP	3.307	2.818	85.21%	2.818	85.21%	2.818			2.818			100.00%							
GOP																			
1. JICA In-Country Training Program II																			
Total	2,800.179	2,285.856	81.63%	941.585	33.63%	1,092.277	49.530	254.242	1,396.049	116.00%	49.86%	47.78%							
Loan	1,948.793	1,495.809	76.76%	253.392	13.00%	518.876	49.530	102.767	621.643	204.77%	31.90%	34.69%							
Grant	3.307	2.818	85.21%	2.818	85.21%	2.818			2.818	100.00%	100.00%	100.00%							
GOP	848.079	787.229	92.82%	685.375	80.81%	570.583	49.530	151.475	771.588	83.25%	90.98%	72.48%							

Table 14.

Department of Agrarian Reform
Financial Performance of On-going Foreign-Assisted Projects
As of 30 December 2010

FUND SOURCE-PROJECT TITLE	EXPENDITURES											RATE (%)					
	ALLOTMENT (Pmillion)			OBLIGN/ ALLOT. (%)			CASH ALLOCATION (NCA) (Pmillion)		CASH SUPPORT (%)		AMOUNT (Pmillion)			Cash Disb. (F)/(D)	Total Disb. (H)/(A)	Cash Disb. Oblign. (F)/(B)	
	A	B	C	D	E	F	G	H	I	Non-cash Expd.	TOTAL						
LOANS																	
Total	8,530.899	6,453.297	75.65%	5,317.469	62.33%	4,406.441	49.530	407.035	4,863.006	82.87%	57.00%	68.28%					
Loan Proceeds	6,455.542	4,721.614	73.14%	3,483.572	53.96%	3,000.720	248.208	248.208	3,248.928	86.14%	50.33%	63.55%					
Peso Counterpart	2,075.357	1,731.683	83.44%	1,833.897	88.37%	1,405.721	49.530	158.827	1,614.078	76.65%	77.77%	81.18%					
1.0 JAPAN BANK FOR INTERNATIONAL COOPERATION (JBIC)																	
Total	4,126.685	2,403.606	58.25%	1,461.460	35.41%	769.035	49.530	258.317	1,076.882	52.62%	26.10%	32.00%					
LP	3,298.532	1,813.534	54.98%	687.869	20.85%	267.698	248.208	248.208	515.906	38.92%	15.64%	14.76%					
GOP	828.153	590.072	71.25%	773.591	93.41%	501.337	49.530	10.109	560.976	64.81%	67.74%	84.96%					
2.0 WORLD BANK (WB)																	
Total	3,192.220	3,139.760	98.36%	3,141.070	98.40%	3,143.270			3,143.270	100.07%	98.47%	100.11%					
LP	2,750.330	2,698.640	98.12%	2,699.180	98.14%	2,698.640			2,698.640	99.98%	98.12%	100.00%					
GOP	441.890	441.120	99.83%	441.890	100.00%	444.630			444.630	100.62%	100.62%	100.80%					
3.0 Asian Development Bank (ADB)																	
Total	706.154	477.205	67.58%	382.057	54.10%	296.255	5.144	5.144	301.399	77.54%	42.68%	62.08%					
LP	406.680	209.440	51.50%	96.523	23.73%	34.382			34.382	35.62%	8.45%	16.42%					
GOP	299.474	267.765	89.41%	285.534	95.35%	261.873			267.017	91.71%	89.16%	97.80%					
4.0 French Government																	
Total	505.840	432.726	85.55%	332.882	65.81%	197.881	143.574	143.574	341.455	59.44%	67.50%	45.73%					
LP																	
GOP	505.840	432.726	85.55%	332.882	65.81%	197.881	143.574	143.574	341.455	59.44%	67.50%	45.73%					
GRANT																	
Total	4,848	4,236	87.38%	4,236	87.38%	4,236			4,236	100.00%	87.38%	100.00%					
Grant Proceeds	4,848	4,236	87.38%	4,236	87.38%	4,236			4,236	100.00%	87.38%	100.00%					
Peso Counterpart																	
Total	4,848	4,236	87.38%	4,236	87.38%	4,236			4,236	100.00%	87.38%	100.00%					
GP	4,848	4,236	87.38%	4,236	87.38%	4,236			4,236	100.00%	87.38%	100.00%					
GOP																	
GRAND TOTAL																	
Total	8,535.747	6,457.533	75.65%	5,321.705	62.35%	4,410.677	49.530	407.035	4,867.242	82.88%	57.02%	68.30%					
Loan	6,455.542	4,721.614	73.14%	3,483.572	53.96%	3,000.720	248.208	248.208	3,248.928	86.14%	50.33%	63.55%					
Grant	4,848	4,236	87.38%	4,236	87.38%	4,236			4,236	100.00%	87.38%	100.00%					
GOP	2,075.357	1,731.683	83.44%	1,833.897	88.37%	1,405.721	49.530	158.827	1,614.078	76.65%	77.77%	81.18%					

IV. Program Assistance to the Beneficiaries

Assistance to project beneficiaries involves physical and non-physical infrastructure support designed to lay the foundation for a sustainable growth in the ARCs focusing on the development of the social and economic well-being of ARBs and non-ARBs.

The interventions from various FAPs set the well-being of the ARBs at the center of ARC development and, with these in place, their productive potentials will be unleashed.

A. PHYSICAL INFRASTRUCTURE

The provision of adequate physical infrastructure facilities is necessary to promote equitable agricultural development and foster rural growth. Hence, the Department, through its Foreign-Assisted Projects, has given significant emphasis on the provision/improvement of basic rural infrastructure, e.g., irrigation, post-harvest facilities, potable water supply, electrification, farm to market roads, bridges and school buildings.

All these infrastructure facilities aim to integrate the ARCs with the rest of the national economy. Combined with capacity building and local resource mobilization, physical infrastructure creates enabling conditions that lead to increased agricultural production, employment generation, improved household income, greater consumption and strengthened rural institutions.

The implementation of physical infrastructure involves the participation of Local Government Units and National Government Agencies which includes the Department of Public Works and Highways, National Irrigation Administration, Department of Energy, Department of Education, Culture and Sports, Department of Health, among others.

LGU assistance consists of the provision of counterpart in the form of financial and equipment support, road right of way, and operation and maintenance fund. The counterpart investment of LGUs is provided for under the cost sharing policy of the national government which requires a minimum 50-50 scheme between the implementing agency and partner LGU. After completion, LGUs are also mandated to ensure the sustainability of physical infrastructures over time.

CUMULATIVE ACCOMPLISHMENT



By Project

Out of the 59 projects of the DAR's ODA portfolio, 20 projects have physical infrastructure component. These projects have implemented various infrastructure subprojects with an aggregate cost of PhP 22.2 billion. Fund from the Japan Bank for International Cooperation (JBIC) accounts for almost half (40%) of completed subprojects which includes interventions from ARISP Phases I/II/III and MinSSAD; the World Bank (WB) has contributed 23% of the total infrastructure cost through the ARCDP Phases 1 and 2, while interventions from the Asian Development Bank (ADB) accounts for 17% through the ARCP Phase 1.

PHYSICAL INFRASTRUCTURE

Table 15. Cumulative Accomplishment Project
As of December 31, 2010

PROJECT	FUND SOURCE	No. of Subprojects	COST (PhP)
1 ARCDP 1	World Bank	436	2,091,824,025
2 ARCDP 2	World Bank	266	3,037,662,854
3 ARISP I	JBIC	277	1,766,571,342
4 ARISP II	JBIC	466	5,037,743,553
5 ARISP III	JBIC	7	43,082,554
6 ARCP 1	ADB	458	3,806,642,262
7 ARSP	EU	267	203,961,533
8 BCSEA	JICA	1	
9 BIARSP I/II	Belgium	221	244,886,514
10 BIARSP III	Belgium	195	250,608,799
11 CMARPRP	JSDF	16	106,499,032
12 DAROMA	JICA	12	69,670,000
13 MinSSAD 1	JBIC	763	1,992,789,038
14 NMCIREMP	IFAD	155	396,004,765
15 PAPSRA	SIDA	27	22,020,250
16 SPOTS 1	Spain	308	1,054,791,430
17 SPOTS 2	Spain	449	1,003,918,634
18 STARCM	EU	246	534,723,701
19 TP-KP	France	2	36,684,523
20 WMCIP	IFAD	179	207,652,476
TOTAL		4,751	21,907,737,283

While most FAPs provide physical infrastructures which are related to the improvement of farm production, e.g. irrigation, post-harvest facility and farm-to-market road, other FAPs supply social services relevant to the enhancement of education, health and access to energy. Solar power technology is exclusively provided under the SPOTS 1 and 2; education, health and sanitation facilities were introduced under the BIARSP packages; market structures and fish landing facilities were initiated under the IFAD and EU projects.

For new FAPs, the intervention mix have expanded to include processing centers and modular bridges.

Two new projects, Agrarian Reform Communities Project Phase 2 (ARCP 2) and Tulay ng Pangulo para sa Kaunlarang Pang-Agraryo (TP-KP) became effective on March 4, 2009 and March 19, 2009, respectively. ARCP 2 subprojects are under various stages of pre-engineering, while several TP-KP subprojects are undergoing construction.



By Subproject

Physical infrastructure investments under the various FAPs were translated into 4,751 completed subprojects. Access infrastructures, i.e. farm-to-market road and bridge, accounted for half (50%) of the cost of completed subprojects; investment in irrigation, 26%; and 16% were translated into social infrastructures, i.e. potable water supply, health center, school building, electrification and sanitation system.

PHYSICAL INFRASTRUCTURE

Table 16. Cumulative Accomplishment By Subproject
As of December 31, 2010

SUBPROJECT TYPE	SCALE	COST (PhP)
1 Bridge	11,350 linear meter	1,538,734,259
2 Farm-to-Market Road	5,456 kilometer	10,930,931,564
3 Flood Control	12,500 linear meter	11,709,168
4 Health Center	194 unit	100,792,446
5 Irrigation	73,569 hectare	5,865,112,107
6 Market/Processing Structure	9 project	18,821,654
7 Multi-Purpose Building	195 unit	170,761,038
8 Post-harvest Facility	449 unit	292,294,398
9 Potable Water Supply		
- Level I	503 unit	195,463,576
- Level II	517 system	1,099,809,691
10 Rural Electrification		
- Grid Type	63 kilometer	22,167,930
- Solar Power	15,324 system	1,628,179,345
11 Sanitation System	594 unit	2,241,439
12 School Building	961 classroom	366,625,609
13 Wharf	5 project	11,093,059
TOTAL	4,751 subprojects	22,254,737,283

FMRs also delivered the greatest impact because where new roads were constructed or existing gravel roads were rehabilitated, progress somehow spontaneously came into being, i.e. access to health services, primary education, rural electrification. Also, investment in irrigation subprojects have direct effect on ARBs' household income as a result of higher cropping intensity, crop diversification and improved production yields.



By Region

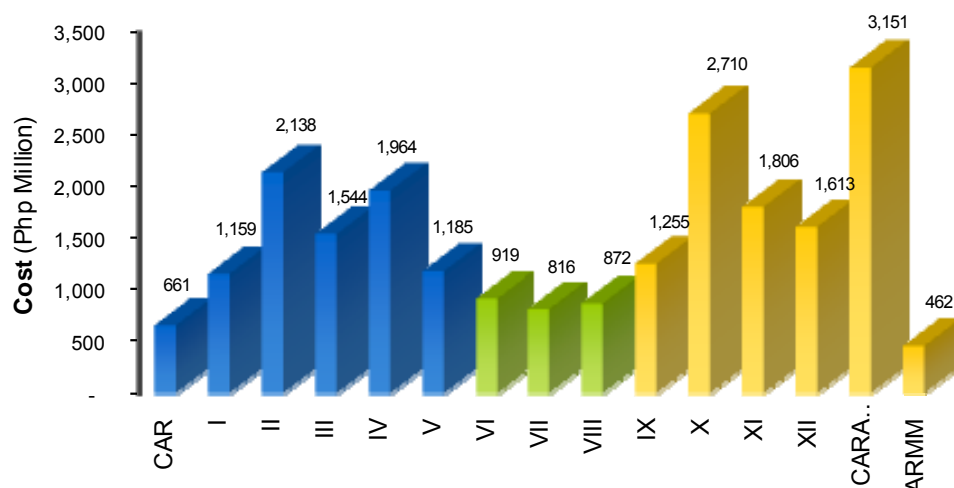
The level of investment among island group varies significantly. Almost half (49%) of the cost of completed subprojects were implemented in Mindanao, while Luzon and Visayas had 39% and 12%, respectively. In terms of regional investment, CARAGA has the highest exposure at 14% of the total infrastructure cost, while ARMM has the lowest at 2%.

PHYSICAL INFRASTRUCTURE

Table 17. Cumulative Accomplishment By Region
As of December 31, 2010

REGION		No. of Subprojects	COST (PhP)
CAR	Cordillera Administrative Region	63	661,173,925
I	Ilocos	158	1,159,023,432
II	Cagayan Valley	216	2,138,469,126
III	Central Luzon	154	1,543,853,608
IV-A	Calabarzon	116	1,111,844,185
IV-B	Mimaropa	99	851,895,266
V	Bicol	211	1,184,995,698
Subtotal Luzon		1,017	8,651,255,240
VI	Western Visayas	197	919,171,315
VII	Central Visayas	254	816,022,413
VIII	Eastern Visayas	143	871,730,349
Subtotal Visayas		594	2,606,924,077
IX	Zamboanga Peninsula	580	1,255,058,237
X	Northern Mindanao	650	2,709,999,805
XI	Davao	477	1,805,628,210
XII	SOCCSKSARGEN	408	1,612,685,831
XIII	Caraga	884	3,151,058,882
ARMM	Autonomous Region of Muslim	141	462,127,001
Subtotal Mindanao		3,140	10,996,557,967
GRAND TOTAL		4,751	22,254,737,283

Figure 8. Investment By Region
As of December 31, 2010



Department of Agrarian Reform
Foreign-Assisted Projects Office

Status of FAPs Physical Infrastructure
Table 18. Summary by Subproject Type

As of December 31, 2010

Sub-Project Type	Completed			On-Going			Pre-Construction			Pipeline			Total		
	#	Indicator	Cost	#	Indicator	Cost	#	Indicator	Cost	#	Indicator	Cost	#	Indicator	Cost
BRIDGE	195	11,349.66 km.	1,538,734,258.89	8	262.60 km.	80,544,145.84	21	708.60 km.	526,074,446.76	14	876.00 km.	132,591,590.00	238	13,186.86 km.	2,278,944,441.49
FARM-TO-MARKET ROAD	1502	5,456.04 km	10,830,981,564.30	26	108.07 km	279,523,541.92	50	218.76 km	844,530,730.51	166	707.38 km.	2,346,774,587.00	1,744	6,490.27 km	14,401,760,423.73
FLOOD CONTROL STRUCTURE	6	12,500.00 km.	11,709,168.22	1	0.00 km.	2,923,748.00							7	12,500.00 km.	14,632,916.22
HEALTH CENTER	194	195.00 unit	100,792,446.36				3	3.00 unit	2,687,608.07				197	198.00 unit	103,480,054.43
IRRIGATION	457	73,568.72 ha	5,885,112,106.82	18	5,360.70 ha	531,012,423.94	8	487.00 ha	65,424,755.00	90	13,917.00 ha.	1,221,499,692.00	573	93,233.42 ha	7,683,043,977.86
MARKET/PROCESSING CENTER	9	9.00 proj.	18,821,653.62										9	9.00 proj.	18,821,653.62
MULTI-PURPOSE BUILDING/CENTER	195	195.00 unit	170,761,037.51				7	7.00 unit	13,580,940.28	2	4.00 unit	6,000,000.00	204	205.00 unit	190,341,977.79
POST HARVEST FACILITY	449	458.00 unit	292,284,398.09				6	6.00 unit	6,615,255.49	56	56.00 unit	71,515,450.00	511	520.00 unit	370,425,103.58
POTABLE WATER SUPPLY	498	517.00 sys.	1,059,909,691.23	5	5.00 sys.	24,312,981.60	10	10.00 sys.	24,697,824.81	69	72.00 sys.	171,137,542.00	582	604.00 sys.	1,319,955,039.64
Level II	119	503.00 unit	195,463,576.49										119	503.00 unit	195,463,576.49
RURAL ELECTRIFICATION	17	62.60 km.	22,167,930.00										17	62.60 km.	22,167,930.00
SANITATION SYSTEM	66	594.00 unit	2,241,438.50										68	594.00 unit	2,241,438.50
SCHOOL BUILDING	365	961.00 classr.	366,625,609.04	1	1.00 classr.	823,073.09	10	15.00 classr.	11,931,715.93	9	20.00 classr.	13,350,000.00	385	997.00 classr.	362,750,397.96
SOLAR POWER TECHNOLOGY	674	15,324.00 sys.	1,628,179,345.09										674	15,324.00 sys.	1,628,179,345.09
WHARF	5	5.00 proj.	11,093,059.17										5	5.00 proj.	11,093,059.17
TOTAL	4,751	22,254,737,283.43	22,254,737,283.43	59	919,139,914.39	919,139,914.39	115	1,595,543,276.75	1,595,543,276.75	406	3,863,868,861.00	3,863,868,861.00	5,331	28,633,289,335.57	28,633,289,335.57

Monitoring and Evaluation Staff
Physical Infrastructure Monitoring System

Note: Pipeline subprojects are subject to further validation and evaluation
Print Date: 2/22/2011

Department of Agrarian Reform
Foreign-Assisted Projects Office

Status of FAPs Physical Infrastructure

Table 19. Summary of Completed Sub-Projects by Year

As of December 31, 2010

Sub-Project Type	CY 1996 - 2008			CY 2009			CY 2010			Total		
	#	Indicator	Cost	#	Indicator	Cost	#	Indicator	Cost	#	Indicator	Cost
BRIDGE	174	10,442.54 km.	967,924,394.29	13	521.48 km.	99,862,563.63	8	385.64 km.	470,927,300.97	195	11,349.66 km.	1,538,734,258.89
FARM-TO-MARKET ROAD	1428	5,092.64 km.	10,201,135,837.19	62	303.48 km.	611,939,008.30	12	59.92 km.	117,856,718.81	1,502	5,456.04 km.	10,930,931,564.30
FLOOD CONTROL STRUCTURE	6	12,500.00 km.	11,709,168.22							6	12,500.00 km.	11,709,168.22
HEALTH CENTER	192	193.00 unit	99,755,271.58	2	2.00 unit	1,037,174.78				194	195.00 unit	100,792,446.36
IRRIGATION	420	67,470.72 ha.	5,106,213,006.73	21	3,365.00 ha.	312,679,263.11	16	2,733.00 ha.	446,219,837.08	457	73,568.72 ha.	5,865,112,106.92
MARKET/PROCESSING CENTER	9	9.00 unit	18,821,653.62							9	9.00 unit	18,821,653.62
MULTI-PURPOSE BUILDING/CENTER	194	194.00 unit	170,161,037.51	1	1.00 unit	600,000.00				195	195.00 unit	170,761,037.51
POST HARVEST FACILITY	419	429.00 unit	284,029,315.24	30	30.00 unit	8,265,082.85				449	459.00 unit	292,294,398.09
POTABLE WATER SUPPLY	597	999.00 sys.	1,207,519,153.17	16	16.00 sys.	82,089,325.71	4	5.00 sys.	5,664,789.84	617	1,020.00 sys.	1,295,273,287.72
RURAL ELECTRIFICATION	17	62.60 km.	22,167,930.00							17	62.60 km.	22,167,930.00
SANITATION SYSTEM	66	594.00 sys.	2,241,438.50							66	594.00 sys.	2,241,438.50
SCHOOL BUILDING	344	918.00 clasm.	354,135,995.84	21	43.00 clasm.	12,489,613.20				365	961.00 clasm.	366,625,609.04
SOLAR POWER TECHNOLOGY	674	15,324.00 sys.	1,628,179,345.09							674	15,324.00 sys.	1,628,179,345.09
WHARF	5	5.00 proj.	11,093,059.17							5	5.00 proj.	11,093,059.17
TOTAL	4,545		20,085,086,606.15	166		1,128,982,031.58	40		1,040,668,645.70	4,751		22,254,737,283.43

Department of Agrarian Reform
Foreign-Assisted Projects Office

Status of FAPs Physical Infrastructure
Table 20. Summary by Region

As of December 31, 2010

Region	Completed		On-Going		Pre-Construction		Pipeline		Total	
	# Proj	Cost	# Proj	Cost	# Proj	Cost	# Proj	Cost	# Proj	Total Cost
CAR	63	661,173,925.00			5	106,898,978.52	30	389,824,031.00	98	1,157,896,934.52
I	158	1,159,023,431.67	5	118,741,402.85	6	98,593,855.96	21	148,512,376.00	190	1,524,871,066.48
II	216	2,138,489,128.26	2	12,965,790.48	3	147,148,749.00	21	186,871,193.00	242	2,485,454,858.74
III	154	1,543,853,607.72	3	28,895,793.00	6	99,919,044.68	23	209,670,587.00	186	1,882,339,032.40
IV-A	116	1,111,844,185.23	1	27,488,389.00	5	121,244,813.00	14	87,016,028.00	136	1,347,593,415.23
IV-B	99	851,895,266.25	1	21,068,115.00	3	41,997,094.00	33	260,023,108.00	136	1,174,983,583.25
V	211	1,184,995,697.60	4	68,627,219.27	21	86,395,633.33	48	453,323,186.00	284	1,793,341,736.20
Sub-Total Luzon	1,017	8,651,255,239.73	16	277,786,709.60	49	702,198,168.49	190	1,735,240,509.00	1,272	11,366,480,626.82
VI	197	919,171,315.34	3	58,389,662.97	7	78,902,293.96	30	266,831,415.00	237	1,323,304,687.27
VII	254	816,022,413.02			1	33,122,382.00	7	59,237,737.00	262	908,382,532.02
VIII	143	871,730,348.76	1	63,487,100.00	16	239,140,657.16	44	321,861,397.00	204	1,496,219,502.92
Sub-Total Visayas	594	2,606,924,077.12	4	121,886,762.97	24	351,165,333.12	81	647,930,549.00	703	3,727,906,722.21
IX	580	1,255,058,237.30			18	123,704,843.00	29	287,652,894.00	627	1,666,415,974.30
X	650	2,709,999,805.34	7	108,686,678.46	3	51,316,747.40	25	244,311,895.00	685	3,114,315,126.20
XI	477	1,805,628,210.46	2	78,182,211.00	2	12,603,775.00	19	184,786,980.00	500	2,081,201,176.46
XII	408	1,612,685,830.75	3	54,349,989.13	5	137,162,868.24	2	9,815,864.00	418	1,814,014,552.12
CARAGA	884	3,151,058,881.87	16	198,676,507.51	4	55,955,385.00	18	209,147,962.00	922	3,614,838,736.38
ARMM	141	462,127,000.86	11	79,571,055.72	10	161,436,156.50	42	544,982,208.00	204	1,248,116,421.08
Sub-Total Mindanao	3,140	10,996,557,966.58	39	519,466,441.82	42	542,179,775.14	135	1,480,697,803.00	3,356	13,538,901,986.54
Total	4,751	22,254,737,283.43	59	918,139,914.39	115	1,595,543,276.75	406	3,863,868,861.00	5,331	28,633,289,335.57

Monitoring and Evaluation Staff
Physical Infrastructure Monitoring System

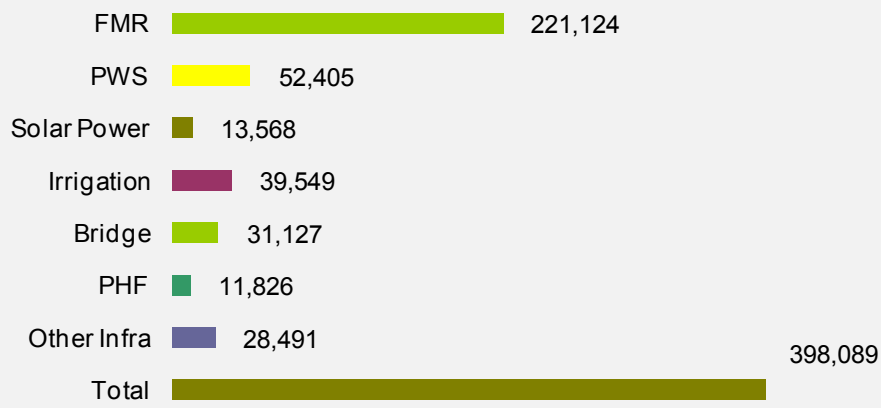
Note: Pipeline subprojects are subject to further validation and evaluation
Print Date: 2/22/2011



Estimated Jobs Generated

Total estimated generated jobs for completed infrastructures have reached 398,089. FMRs have generated the highest number of jobs with 221,124, which accounts for 56% of the total jobs generated. Subproject construction in the ARCs are largely labor-based and it provides an alternative source of employment for local residents. Getting involved in the actual construction of subprojects has strengthened the beneficiaries' sense of ownership and has resulted to more efficient and effective operation & maintenance for these services.

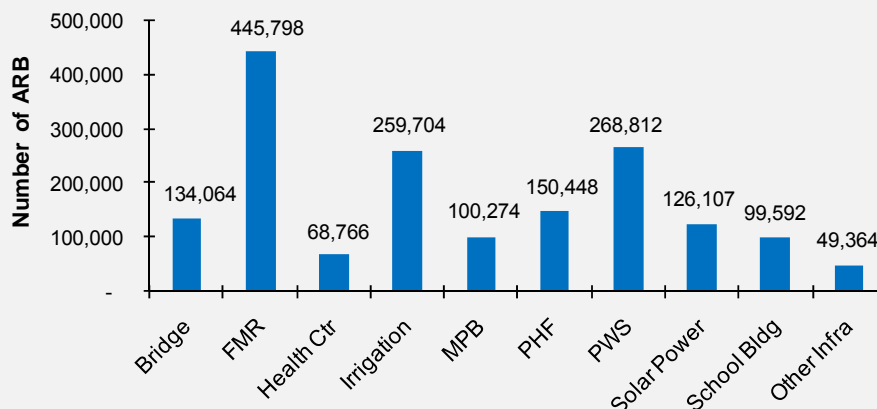
Figure 9. **Estimated Jobs from Completed Infrastructure**
As of December 31, 2010



ARB and ARC Coverage

Although DAR-FAPs infrastructure subprojects are located within ARCs, residents of neighboring localities also benefit from these subprojects. Most FMRs, for instance, lead to other barangays outside the ARC extending their influence area beyond its direct beneficiaries. In some communities, farm-to-market roads link to arterial roads (provincial and national) inducing greater traffic volume, thus bringing in more commuters to and from the ARCs.

Figure 10. **Estimated Beneficiaries of Completed Infrastructure**
As of December 31, 2010



Potable water supply level II subprojects, on the other hand, after sometime get upgraded into level III; consequently other users outside the original target area stand to benefit from the facilities. The total estimated direct ARBs of completed physical infrastructures have reached 556,874 ARBs in 913 ARCs. FMRs have the highest beneficiaries involving 445,798 ARBs in 693 ARCs.

Average Investment Costs

The unit cost per subproject type varies across FAPs. The disparity, however, is not significant. The average construction costs of physical infrastructure were derived from the actual costs of subprojects implemented under the various FAPs.

Table 21. **AVERAGE COSTS of PHYSICAL INFRASTRUCTURES**

Subproject Category	Type	Unit	AVE. COST (PhP)
Farm-to-Market Road	Gravel Surface:		
	Rehabilitaion	per km	1,995,694
	Construction	per km	2,623,254
Bridge	Concrete Surface (PCCP)	per km	3,775,294
	Reinforced Concrete Deck Girder	per ln m	200,958
	Rehabilitaion	per ha	63,117
Irrigation	Construction	per ha	95,702
	Level I	per unit	258,679
Potable Water Supply	Level II	per HH	3,314
		per sys	3,000,930
		per HH	10,733
Post-Harvest Facility	Warehouse	per unit	1,164,704
		per sq m	7,486
	Solar Dryer	per sq m	562

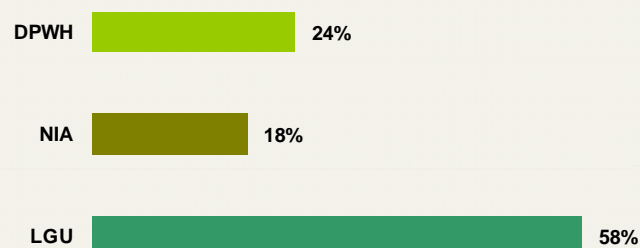
Note: Average Cost was derived from cost of physical infrastructures undertaken by ARISP I & II, STARCM, ARCDP2, ARCP and MinSSAD.

Implementing Partners

Construction was carried out by partner national government agencies (NGA's), i.e. DPWH and NIA; and local government units (LGU's). Their primary role is to ensure that day-to-day activities conform with approved work plans and that subproject implementation are consistent with sound engineering

practices and methodologies. LGUs have managed the construction of 58% of completed subprojects; while DPWH & NIA accounted for 24% and 18%, respectively.

Figure 11. Breakdown of Subprojects By Implementing Partner





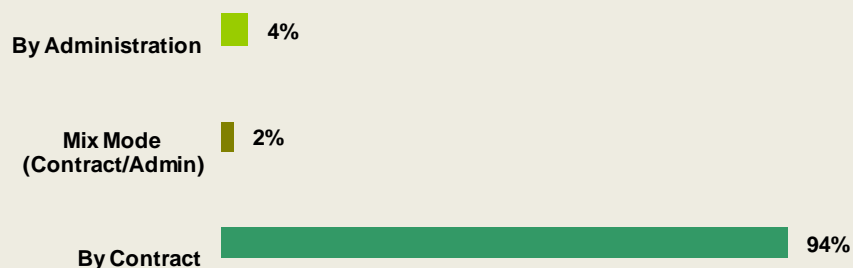
Modes of Implementation

To a large extent, subprojects were undertaken by contract, especially for farm-to-market roads and irrigation systems.

In most cases, certain items of work were executed thru pakyaw contract where local residents supervised and managed the construction

activities. This applies to work items requiring no heavy equipment and sophisticated machineries, e.g. excavation of side ditches, concreting of irrigation canal, etc. LGUs with available equipment and manpower implemented subprojects through force account (by administration).

Figure 12. Breakdown By Mode of Implementation



B. Non-Physical Infrastructure

The non-physical component refers to interventions without physical construction. It has the following sub-components: community & institutional development support (CIDS), agricultural productivity & rural enterprise development support (APREDS), basic social services (BSS) and land tenure improvement (LTI).

1. Community Institutional Development Support (CIDS)

The CIDS component aims to enhance the participation of ARB organizations and various implementing partners in the development processes, productive social and economic endeavors and local governance. It focuses on strengthening the capacities of individual ARBs and peoples' organizations in planning, implementation and monitoring of social services and in addressing relevant issues on the sustainability of interventions.

Further, this component also involves the efficient and effective complementation and coordination of activities between and among the DAR field offices, LGU counterparts and other CARP-implementing agencies (e.g. DA, DECS, NIA, DTI, DENR and DPWH). It is trained on the four phases of ARC social institution building: (i) social preparation; (ii) organizational development; (iii) capability building; and (iv) enterprise & alliance building. The various FAPs provide technical support in terms of

community organizing/strengthening, cooperative trainings on financial management, credit administration, enterprise planning, operation and management, among others.

The NGOs, line agencies and other institutions implement community organizational development activities through the deployment of community organizers (CO), institutional development organizers (IDO), development facilitators (DF), and development workers (DW).

A total of 282,636 ARBs were organized and 103,067 ARB leaders have been provided with training activities aimed at enhancing their skills in organizational management, agricultural and post-production technologies, and enterprise planning, implementation and management. Beneficiaries under this component have expanded to include indigenous peoples in CADC communities, fisherfolks in coastal villages and integrated social forestry localities through the WMCIP, NMCIREMP, ARCDP2 and IP-EIPSDADS. These activities were undertaken in collaboration with partner NGOs and local government units. Collaborative activities between and among FAPs have also been adopted as a strategy in the development process. Corollary to this, the strengthening of the capabilities of DAR field staff and LGU partners is a sub-component of the CIDS. A total of 31,841 implementers have been given various trainings, seminars and workshops.

2. Agricultural Productivity & Rural Enterprise Development

The Agricultural Productivity & Rural Enterprise Development component provides assistance to the ARBs by promoting new and appropriate technologies and increasing farm, off-farm, and non-farm income sustained through the development of viable rural enterprises. Support mechanism under this component includes improved access to agricultural extension, support service facilities, and establishment of community-based credit system.

The various FAPs provide access to capital, appropriate technology, information and market access. APRED activities focus on interventions related to sustainable agriculture which serve the ARCs as pilot areas for sustainable agriculture; promotion of indigenous technologies, organic farming, optimal use of land incurring minimal costs and the adoption of soil management and other ecologically sound agricultural practices; and crop diversification adopting cash crop and crop intercropping technologies.

Specific interventions under the APRED include:

- Establishment of 5,481 demonstration farms, which serve as micro models for farm productivity improvement involving 144,104 farmer-beneficiary cooperators/adaptors.
- Agricultural productivity related training serve as a support intervention for this component in order to promote the adoption of agri-production technologies; relative to this trainings on farming systems development cum planning methodology for income generating activities of ARBs were conducted; capacity building on livelihood and market linking have also been conducted as well as assistance on agribusiness training and resource matching activities.
- A total of 12,266 community-based projects/rural enterprises were established.

3. Basic Social Services

The basic social services component promotes the establishment of ARC-based social services systems like basic education and primary health. This is being implemented in close collaboration with Department of Health, LGUs and NGOs.

3.1 Basic Education

The provision of adequate and quality instructional facilities and materials, improvement of school building and the enhancement of instructional skills have benefited various primary level schools. Target beneficiaries also include out-of-school youth through the provision of out-of-school education and livelihood training. This aims to enhance the productivity of the out-of-school populace. Further, providing these support to the youth not only enhance their functional literacy and productivity but these services and other related activities contribute to the conditions for self-reliance and ARC development.

The BIARSP, STARCM and MinSSAD have invested in the rehabilitation/improvement of school classrooms, provision of school desks/materials and teachers' enhancement training. Under these projects improvements in enrolment rates of primary level schoolchildren were observed. Additionally, out-of-school youth were provided with various literacy, numeracy and skills training sessions. Non-formal education activities for adults were also undertaken. Activities for the organization of a municipal non-formal education council were also set as priority under this component e.g. orientation meetings, planning workshops and literacy facilitators' training. Basic education activities are done in coordination with DEC's, LGUs, Social Welfare and Development Offices, Day Care Workers, and Barangay/Municipal Health units.

3.2 Primary Health Care

The Primary Health Care component aims to provide quality health care services to the ARCs and the non-ARCs as well. Under the component, health system and services established have sustainability mechanisms as a major consideration. Sustainability is ensured through active participation of the empowered beneficiaries in the planning and operation of the health facilities. Assistance is in the form of medical equipment, rehabilitation and upgrading of district hospitals, barangay health stations and rural health units; and relevant trainings for health workers. Primary health care is a major component of BIARSP, STARCM and MinSSAD.

4. Land Tenure Improvement

Projects that have LTI as a component include: BIARSP, ARSP, ARCP and CMARPRP. Assistance consists of subdivision of collective CLOAs into individual land titles and the issuance of these titles to ARBs. Specifically, the component assists in the acceleration of subdivision survey activities; facilitate land acquisition and subdivision activities of through skills enhancement of DAR survey teams; provision of improved land survey equipment and techniques; and strengthen and broaden the capabilities of DAR in handling and processing data pertaining to the land title distribution and awarding process.

Table 22. **STATUS OF NON-PHYSICAL INFRASTRUCTURE**

As of December 31, 2010

Project Component/ Description	Physical Indicator	Global Target	Cumulative Accomplishment
Community & Institutional Development Support			
ARCs Covered	# of ARC	871	1,176
	# of ARB Leader	32,400	103,067
Organized ARB	# of ARB	329,786	282,636
DAR/LGU/LA Implementers Trained	# of staff	19,974	31,841
Agricultural Productivity & Rural Enterprise Development Support			
ARC assistance	# of ARCs	871	1,078
Improved Farm Technology adoption	no.	2,395	5,481
Farmer Cooperators/Adopters	no.	49,983	144,104
Rural Enterprise/Micro Projects	no.	6,027	12,266
Basic Social Services			
Basic Education Services	no. of school	1,102	961
Primary Health Care Services	no. of recipient	56,973	53,262
	no. of service	266	812
Land Tenure Improvement			
Area distributed with individual land titles	hectare	205,483	235,501
ARBs with individual land titles	# of ARB	136,989	157,001

C. SUSTAINABILITY STATUS OF PHYSICAL INFRASTRUCTURE (Post-Completion Status)

The latest Sustainability Monitoring and Evaluation cycle was conducted by the Joint National-Regional-Provincial Inspectorate Teams from January to December 2010. It covered 730 completed sub-projects in 22 provinces, involving 152 municipalities, 513 barangays, 183 ARCs and an estimated 79,517 agrarian reform beneficiaries (ARBs). The sub-projects assessed were implemented by 13 FAPs which included ARCDP I, ARCDP II, ARISP I, ARISP II, ARCP, ARSP, CMARPRP, NMCIREMP, STARCM, SPOTS1, SPOTS 2, BIARSP I/II and BIARSP III.

The following are the highlights of the report:

Evaluation results revealed that sub-project sustainability was a direct function of three major factors: stability of O&M groups, adequacy of O&M fund and consistency of support from LGUs. In provinces where O&M groups were active and LGU support were firm, sub-project conditions were very satisfactory. Allocations of O&M fund in these areas were adequate and consistent. As a consequence, sub-project functionality rates were high. Similarly, communities with active O&M groups and adequate LGU support showed strong indications of high functionality and very satisfactory sub-project physical condition.

A high percentage of completed sub-projects remains satisfactory in terms of physical condition. Eighty-eight percent of the sub-projects validated still maintains acceptable levels of quality. Of this, 35 percent is in "Good" condition and 53 percent is in "Fair" condition with slight defects on minor structures requiring minimal repairs. Eleven percent of the sub-projects inspected manifests substantial damages requiring immediate restoration works largely caused by natural calamities and 1% was assessed to be under severe condition.

On the whole, the effectiveness of beneficiaries in preserving the core network of infrastructure sub-projects in their locality has greatly relied on the strong alliance between the DAR, LGUs and POs. This partnership was largely instrumental in the achievement of a high percentage of sub-project functionality. The Memoranda of Agreements (MOAs) and Subproject Agreements (SPAs) which prescribe the responsibilities of LGUs and POs further strengthen the sustainability process. Finally, the established collaborative capacities of the LGUs and ARCs have led to improved governance of pro-poor investment packages in the rural communities.

Table 23. **POST-COMPLETION STATUS of PHYSICAL INFRASTRUCTURE**

By Project

Project	Rating							
	Good	%	Fair	%	Bad	%	Severe	%
ARCDP 1	45 sp	36%	66 sp	52%	11 sp	9%	4 sp	3%
ARCDP 2	53 sp	63%	30 sp	36%	1 sp	1%	- sp	
ARISP 1	8 sp	13%	39 sp	64%	13 sp	21%	1 sp	2%
ARISP 2	27 sp	27%	57 sp	57%	16 sp	16%	- sp	
ARCP	61 sp	52%	53 sp	45%	3 sp	3%	- sp	
ARSP	3 sp	15%	8 sp	40%	7 sp	35%	2 sp	10%
CMARPRP	3 sp	75%	- sp		1 sp	25%	- sp	
NMCIREMP	5 sp	45%	5 sp	45%	1 sp	9%	- sp	
STARCM	25 sp	58%	17 sp	40%	- sp		1 sp	2%
SPOTS 1	14 sp	30%	20 sp	43%	11 sp	24%	1 sp	2%
SPOTS 2	17 sp	52%	15 sp	45%	1 sp	3%	- sp	
BIARSP I/II	8 sp	47%	6 sp	35%	3 sp	18%	- sp	
BIARSP III	18 sp	55%	15 sp	45%	- sp		- sp	
Total	287 sps		331 sps		68 sps		9 sps	
%		41%		48%		10%		1%

Table 24. **POST-COMPLETION STATUS of PHYSICAL INFRASTRUCTURE**

By Province

REGION	PROVINCE	SPs	Good	Fair	Bad	Severe
I	1 Ilocos Norte	81	24	47	8	2
II	2 Cagayan	37	9	19	8	1
	3 Isabela	140	82	48	8	2
III	4 Nueva Viscaya	22	15	6	1	-
	5 Nueva Ecija-South	13	4	9	-	-
IV-B	6 Occidental Mindoro	11	1	8	2	-
	7 Oriental Mindoro	17	7	7	3	-
	8 Marinduque	2	-	2	-	-
	9 Romblon	6	1	2	3	-
VI	10 Palawan	51	14	30	7	-
	11 Aklan	27	4	22	1	-
VII	12 Bohol	32	13	19	-	-
	13 Negros Oriental	11	-	10	1	-
	14 Siquijor	17	13	4	-	-
	15 Cebu	19	3	12	4	-
XI	16 Davao del Sur	32	18	10	4	-
XII	17 North Cotabato	69	36	28	3	2
	18 Sarangani	39	28	10	1	-
CARAGA	19 South Cotabato	4	3	-	1	-
	20 Agusan del Norte	62	11	36	13	2
	21 Surigao del Sur	3	1	2	-	-
	22 Surigao del Norte	35	8	22	4	1
Total		730	295	353	72	10
%		100%	40.4%	48.4%	9.9%	1.4%

Table 25. POST-COMPLETION STATUS of PHYSICAL INFRASTRUCTURE

By Subproject

Subproject Category	Rating			
	Fully Functional	Functional	Partially Functional	Dysfunctional
Road Rehabilitation	114 sp 477 km	45 sp 152 km	12 sp 24 km	- sp - km
Road Construction	92 sp 435 km	45 sp 230 km	7 sp 17 km	1 sp 4 km
Bridge Construction	46 sp 2,137 lm	4 sp 75 lm	2 sp 31 lm	3 sp 651 lm
Water Supply L1	6 sp 32 unit	5 sp 30 unit	1 sp 6 unit	2 sp 16 unit
Water Supply L2	29 sp 29 sys	14 sp 14 sys	2 sp 2 sys	6 sp 6 sys
Multi-purposeCenter	9 sp 9 unit	6 sp 6 unit	- sp - unit	4 sp 4 unit
Post Harvest Facilities	21 sp 21 unit	5 sp 5 unit	13 sp 13 unit	3 sp 3 unit
Irrigation	33 sp 8,006 ha	35 sp 7,095 ha	8 sp 956 ha	6 591 ha
Solar Power Package 1	20 sp 197 sys	11 sp 223 sys	8 sp 137 sys	7 sp 9 sys
Solar Power Package 2	19 sp 52 sys	12 sp 200 sys	2 sp 2 sys	- sp - sys
Day Care Center	2 sp 2 unit	- sp -	- sp -	- sp -
Health Center/Station	15 sp 15 unit	4 sp 4 unit	- sp - unit	- sp - unit
District Hospital/RHU	2 sp 2 unit	- sp - unit	- sp - unit	- sp - unit
School Building/ESB	11 sp 25 unit	- sp - unit	- sp - unit	- sp - unit
Flood Control	2 sp 578 lm	- sp - lm	- sp - lm	- sp - lm
Sanitary Public Latrine	- sp - unit	- sp - unit	- sp - unit	- sp - unit
Warf	- sp - lm	- sp - lm	- sp - lm	- sp - lm
Market Center	1 sp 1 unit	- sp - unit	- sp - unit	- sp - unit

V. RESULTS-BASED MONITORING AND EVALUATION (RME) 2009

A. Background

Positive effects and initial gains from the use of physical outputs and services provided by DAR ODA-funded projects are being presented as culled from impact studies conducted on two (2) completed foreign-assisted projects (FAPs), i.e., the Solar Power Technology Support I Project (SPOTS I) and Northern Mindanao Community Initiatives and Resource Management (NMCIREMP). The SPOTS I study was conducted by the Woodfields Consultants, Inc. (WCI) while the NMCIREMP study was conducted by the Southeast Asian Center for Graduate Study and Research in Agriculture (SEARCA) both in 2010, with 2009 as reference year.

During the same year, the baseline study for the Agrarian Reform Communities Project 2 (ARCP 2) was initiated. The Department engaged the services of WCI to do the study. Baseline data is an integral part of the RME system inasmuch as it serves as a reference point for monitoring the ARCP 2 progress and measuring benefits accruing to its target beneficiaries, during specific evaluation periods.

B. Methodology

Household survey was the main source of primary data for the SPOTS 1 and NMCIREMP studies, complemented with focused group discussion (FGD) and key informant interview (KII). Secondary data were gathered from reports and project documentaries from relevant institutions. The questionnaires used during the conduct of individual baseline studies in 2004, were basically the same tool that was used in this 2009 RME resurvey for SPOTS I and NMCIREMP.

The main objective of the ARCP 2 baseline study, on the other hand, is to characterize the target beneficiaries and their communities in a descriptive manner. The analysis will, basically involve a comparison of existing situations between project beneficiary household ARBs and between ARBs and non-ARB households. Comparative analysis will, likewise, be conducted between beneficiaries in the project ARCs and control ARCs.

□ Survey Analytical Tools

There were attempts to employ panel data analysis in the two impact (2) studies, wherein previously interviewed sample households during baseline would again be the subject of the

current surveys. However, based on actual interview results, majority of the baseline respondents could not be accounted for. Some of the reasons cited for the “no show” respondents included the following: i) respondent was not at home during the interview date; ii) the family had migrated to another place; and iii) respondent was not in the list of supposedly FAPs beneficiaries.

To maintain the same number of target respondents, the “no show” respondents were replaced with randomly selected individuals from the list of FAPs beneficiaries provided by DAR field staff. Maintaining randomness in the selection of replacement respondents ensured statistical soundness of the survey design. This process also made it still possible to use the “before-and-after project” approach in the comparative analysis.

The impact analysis covered two levels: output level, where aggregate physical accomplishments of the two FAPS are reported; and, results level, where immediate impacts and benefits generated from the sample survey data, secondary data and focus group discussions are reported. At the output level, the two FAPs are included in the monitoring and reporting of overall accomplishments in various rural infrastructure facilities and institutional assistance provided to the ARCs. At present, these projects have information on the physical infrastructure being tracked by the FAPsO-MES. Other data used in this report were also taken from available progress reports, accomplishments summaries, and/or completion reports. The indicative physical infrastructures completed as of December 2009 under the two (2) FAPs are shown in *Table 26*.

Table 26. List of Completed Physical Infrastructure Facilities, 2009

FAPs	FMR	Bridge	Irrigation	Wharf	PWS	MPB/ Center	PHF	Solar Packages	School Bldg.	Flood Control Structure	Market/ Processing Center
1. NMCIREMP a. number b. indicator	68 134.25 km	6 220.0 lm	7 410 has.	1 1 proj.	33 33 sys.	14 14 unit	1 1 unit	- -	18 29 clstrm.	2 518 lm	2 2 projs.
2. SPOTS 1 a. number b. indicator	- -	- -	21 0.96 has.	- -	27 48 sys.	- -	- -	260 6,080 sys.	- -	- -	- -

For ARCP 2, the sampling design includes stratification by ARC with households representing the second level stratification. The study will cover 152 ARCs and 11 cluster ARCs in 18 provinces plus 36 control ARCs for the “with- and-without project” analysis. The ARCP 2 baseline study report is on its final stages of preparation. The Interim Report

covering ARCP 2-covered ARCs located in the Luzon and Visayas areas has been submitted to DAR. The survey for the remaining 5 provinces in the ARMM region comprising 30 ARCs is almost complete with some of the completed questionnaires already with the WCI for documentation and subsequent encoding and analysis. The ARMM survey was delayed due primarily to problems related to peace and order. The draft final report and the final report are scheduled for submission on March 15 and March 31, 2011, respectively.

C. Project Interventions, Outputs and Outcomes

Based on the physical outputs of two FAPs, the analysis of survey results, together with the progress reports and/or accomplishment summary, provide the highlights of immediate benefits derived from the implementation of various interventions under the FAPs components.

1. Physical Infrastructure Support

The provision of adequate physical infrastructure facilities is necessary to promote equitable agricultural development and foster rural growth. These infrastructure facilities are built to integrate the ARCs with the rest of the local and national economic, social and government centers and facilities. Combined with capacity building and local resource mobilization, physical infrastructure create enabling conditions that lead to increased agricultural production, employment generation, improved household income, greater consumption and strengthened rural institutions. Physical infrastructure subprojects under SPOTS I and NMCIREMP have been completed and majority are currently operational.

□ Farm-to-Market Roads (FMR)

As of 31 December 2009, NMIREMP under its rural infrastructure component, was able to contribute to the construction or rehabilitation of some 68 FMRs with an aggregate length of 134.25 kilometers.

In terms of benefits, the FMRs were assessed as to the cost and time spent by NMCIREMP beneficiaries to access basic social services in 2009 compared with 2004. Translated into beneficiary count, about half of beneficiaries located evenly in Surigao del Sur and Misamis Oriental enjoy benefits from FMRs. In Agusan del Sur, another 36,000 inhabitants are taking advantage of the construction and rehabilitation of FMRs. In Agusan del Norte, about 21,500 residents have now access to FMR. Investments in FMR also reached about 13,000 Bukidnon residents.

□ Communal Irrigation Systems

The establishment of irrigation systems enabled farmers to have suitable lands for farming, expand the area planted and enable crop diversification. Crop production increased, as farmers who used to depend on rainwater are now able to plant even during the dry season. Provision of lined canals brought about efficient distribution of irrigation water as problems of conveyance-seepage losses, drainage and high annual maintenance costs that are associated with earth canals, were addressed. With the presence of irrigation, farmers are now having sustained production, crop intensification, and plant diversification.

Palay Productivity

A total of 431 hectares of land are now irrigated as a result of the completion of 28 irrigation systems under SPOTS I and NMCIREMP. As a result of the rehabilitation/construction of the irrigation sub-projects, the palay-farming areas covered by SPOTS I and NMCIREMP registered improvements in palay yield ranging from 23 percent (i.e. in SPOTS I sites) to a high of 118 percent (i.e. in NMCIREMP non-CADC sites) see *Table 27*. The aforementioned improvement in palay yield in the two FAP sites are, however, still not at par with the 5,000 kg per hectare level targeted under the Department of Agriculture (DA).

Table 27. Crop Yield, metric ton per hectare

FAPs	2004		2009		Percent Change	
	Palay	Corn	Palay	Corn	Palay	Corn
1. NMCIREMP non-CADC CADC	1.49	1.09	3.25	1.26	118.12	15.60
	1.49	1.09	2.56	1.22	71.81	11.93
2. SPOTS 1	1.66	2.2	2.06	7.4	24.10	236.36

Corn Productivity

Corn producing areas also benefited from irrigation facilities established/rehabilitated under these two FAPs. Yield of yellow corn improved immensely in SPOTS I areas, increasing by approximately 236 percent. In NMCIREMP sites, average production per hectare of yellow corn increased by around 16 percent and 12 percent, respectively, in non-CADC and CADC areas.

□ **Potable Water Supply Systems (PWS)**

As of 31 December 2009, an aggregate of 60 units of potable water supply (PWS) systems comprising 81 systems, have been constructed under SPOTS I and NMCIREMP. For SPOTS I, the number of households dependent on river for drinking water declined significantly by about 13 percentage points. While households sourcing drinking water from Level I PWS remained the same, those dependent on Level II PWS declined by about 9 percentage points. As a whole, the preceding developments resulted to an increase in the number of households dependent on Level III PWS, to about 22 percent; most probably coming from households using Level II PWS.

Consequently, the average incidence of water-borne diseases in the SPOTS I ARCs have declined considerably by about 4 percentage points between 2004 and 2009 (see Table 28).

Table 28. Incidence of Water-borne Disease

FAPs	2004	2009	Percentage Points Change
	% of household members affected	% of household members affected	
1. NMCIREMP			
a. non-CADC		14.80	
b. CADC		23.20	
Total a. and b.		16.90	
Control		15.80	
2. SPOTS 1	4.92	0.48	-4.44

Two of eleven provinces (i.e. Agusan del Sur and Zamboanga del Norte) covered under the survey, however, showed increased cases of water-borne disease, despite the presence of PWS (see Table 29). The increase in incidence in these provinces was negated by the significant decline in the other provincial project sites, such that there was a considerable overall decline in of incidence by 4 percentage points.

Table 29. Incidence of Water-borne Disease in SPOTs ARCs with PWS and Control ARCs

Province	Ratio of Household Members Affected by Water-borne Disease (%)				Before and After		With and Without
	SPOTS I ARCs		Control ARCs		SPOTS ARCs	Control ARCs	Percent Change
	2004	2009	2004	2009			
Agusan del Norte	0.00	0.00	-	-	0.00	-	-
Agusan del Sur	0.00	0.91	0.00	0.36	0.91	0.36	0.56
Davao del Norte	5.03	3.19	-	-	-1.84	-	-
Davao del Sur	4.08	0.19	4.08	1.69	-3.89	-2.39	-1.50
Misamis Oriental	2.46	0.00	-	-	-2.46	-	-
North Cotabato	10.83	0.00	-	-	-10.83	-	-
Sarangani	5.93	0.00	-	-	-5.93	-	-
South Cotabato	7.52	0.00	-	-	-7.52	-	-
Surigao del Norte	2.26	0.33	-	-	-1.94	-	-
Zamboanga del Norte	0.52	0.66	-	-	0.14	-	-
Zamboanga del Sur	1.38	0.00	-	-	-1.38	-	-
Average	4.92	0.48	7.87	9.50	-4.44	-	-

This reduction was primarily due to a notable shift in the source of drinking water. About 14 percent of households dependent on river for drinking water in 2004, are now down to just 1 percent in 2009. Majority of these households source their drinking water now from level III PWS (see Table 30).

Table 30. Water Consumption, by Source (%)

Source	Proportion of Household	
	2004	2009
River	14.29	1.12
Rain Water	0.00	3.70
Sprng	25.10	25.29
Level I	23.88	23.88
Level II	43.75	34.55
Level III	0.00	22.22

About 15 percent of respondent households in the NMCIREMP non-CADC areas stated that they had cases of water-borne diseases compared with a slightly higher 16 percent in households in the control sites. The 23 percent incidence in NMCIREMP CADC sites is higher than the two sites. Of these cases in the non-CADC sites, half were diarrhea incidences compared with about 67 percent cases in the control sites. Amoebiasis cases were slightly higher in the non-CADC and CADC sites compared with control sites. The children were more predisposed to get sick from contaminated water than adults, by a ratio of about 2 to 3 children per adult (see Table 31).

Table 31. Incidence of Water-borne Disease, by Type of Disease, NMCIREMP

Water-borne Disease	Non-CADC	CADC	NMCIREMP	Control
Amoebiasis	26.70	27.30	26.90	21.20
Diarrhea	50.50	49.10	50.00	66.70
Stomach Ache	8.60	0.00	5.60	3.00
Typhoid	2.90	0.00	1.90	0.00
Vomiting	1.90	1.80	1.90	3.00
Others	9.50	21.80	13.80	6.10
Total	100.00	100.00	100.00	100.00
Household Members Who Got Sick				
Children	68.60	72.70	70.00	75.80
Adults	28.60	27.30	28.10	21.20
Children and Adults	2.90	0.00	1.90	3.00
Total	100.00	100.00	100.00	100.00

Health Center

SPOTS I

Health clinics in barangays supplied with lighting, vaccine refrigerators and medicine through the AC-10 solar package, registered improved number of newborns who received immunization of BCG, DPT, tetanus toxoid, polio, measles and hepatitis B between 2004 and 2005 (see Table 32).

Table 32. Immunization of New-born, SPOTS I

Type of Immunization	2004	2005	Percent Change
a. BCG	1,827	2,192	19.98
b. DPT	2,353	2,823	19.97
c. TT 1	777	932	19.95
d. TT 2	977	1,172	19.96
e. Polio	2,400	2,880	20.00
f. Measles	1,540	1,848	20.00
g. Hepatitis B	29	35	20.69

Using a different parameter, (i.e. proportion of newborn immunized), the 2009 household survey reflected a generally increasing trend of immunization of newborn compared with situation in year 2006. The increasing trend is also observed in NED Settlement ARC in South Cotabato. Immunization of newborns, however, was not sustained in LAMARISAN

ARC in Davao del Sur, LUBIDA ARC in Agusan del Sur, project sites in Zamboanga Sibugay and Zamboanga del Norte, due to unavailability of medicine and absence of regular health workers assigned to the health center.

For NMCIREMP, a little over half of the household respondents indicated that they are aware of NMCIREMP interventions. About two-thirds (2/3) of these households equate NMCIREMP interventions to provision of assistance to the community. About 10% specifically associate NMCIREMP with provision of financial assistance.

Respondents in NMCIREMP and control areas have a high degree of awareness of the presence of basic social services and facilities in their area. (see Table 33)

Table 33. Awareness of Respondents to Presence of Basic Social Services and Facilities, NMCIREMP (%)

Basic Social Services and Facilities	Non-CADC		CADC		NMCIREMP		Control	
	Number	%	Number	%	Number	%	Number	%
Amoebiasis	26.70	27.30	26.90	21.20	26.90	21.20	26.90	21.20
Diarrhea	50.50	49.10	50.00	66.70	50.00	66.70	50.00	66.70
Stomach Ache	8.60	0.00	5.60	3.00	5.60	3.00	5.60	3.00
Typhoid	2.90	0.00	1.90	0.00	1.90	0.00	1.90	0.00
Vomiting	1.90	1.80	1.90	3.00	1.90	3.00	1.90	3.00
Others	9.50	21.80	13.80	6.10	13.80	6.10	13.80	6.10
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Household Members Who Got Sick								
Children	68.60	72.70	70.00	75.80	70.00	75.80	70.00	75.80
Adults	28.60	27.30	28.10	21.20	28.10	21.20	28.10	21.20
Children and Adults	2.90	0.00	1.90	3.00	1.90	3.00	1.90	3.00
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Teaching Methods

SPOTS I

At the time of SPOTS I completion in 2005, the number of teaching methods in recipient schools increased with the addition of film showing method owing to the availability of solar lighting and solar-powered television sets and video player with educational tapes. Table 34 shows the increase in usage of the various teaching methods between 2004 and 2009.

Table 34. Teaching Methods used by SPOTS I-covered Schools, percent

FAP	2004				2009			
	Always	Occasionally	Seldom	Never	Always	Occasionally	Seldom	Never
1. Lecture	88.27	9.57	-	-	95.45	4.55	0.00	0.00
2. Workshop	85.10	7.44	4.25	-	18.75	50.00	18.75	12.50
3. Film Showing	-	2.12	8.51	81.91	0.00	26.32	36.84	36.84
4. Field Trips	24.46	51.06	10.06	11.70	0.00	0.00	23.53	76.47
5. Theater Arts	3.19	7.45	18.08	68.08	0.00	11.76	5.88	82.35
6. Demonstration	19.15	2.12	5.32	80.85	14.29	66.67	4.76	14.29
7. Others	-	45.74	22.34	5.31	90.91	0.00	9.09	0.00

The use of film showing, workshop and demonstration were adopted by teachers as indicated by the upsurge in frequency of usage in 2009 compared with 2004.

The availability of lighting inside the classrooms contributed to the increase in the survival rate in the SPOTS I project sites, increasing by 10 percentage points from 68 percent in 2004 to 78 percent in 2008. This increase is, however, negated by the decline in participation rate and completion rates, decreasing by 6 and 12 percent, respectively, between 2004 ad 2008 (see Table 35).

Table 35. Selected education indicators in the project sites, SPOTS I, 2004-2008

Selected Indicators	Year					Variance (2004 and 2008)
	2004	2005	2006	2007	2008	
Participation rate	87.60	-	79.00	79.50	81.50	-6.10
Completion rate	91.80	-	79.00	80.00	80.00	-11.80
Survival rate	68.00	-	76.50	77.50	77.50	9.50
Drop out rate	2.60	-	5.00	4.50	6.50	3.90

NMCIREMP

Highest Educational Attainment of HH Head

In the NMCIREMP non-CADC areas, more than half of the HH heads (i.e. 53%) are elementary undergraduates while in the control sites its higher at 57 percent. High school undergraduates comprise about 32 percent for both non-CADC and control sites. About 2 percent are college graduates compared with almost nil in the control sites. Control sites have a 3 percent of the HH heads with no schooling compared with about 2 percent in the NMCIREMP non-CADC sites. NMCIREMP non-CADC sites respondents are better on the strength of higher percentage of college graduates and lower percentage of non-schooled household heads.

Highest Educational Attainment of Children

Children in NMCIREMP non-CADC sites are better educated versus those in the control sites. There were fewer children (13.4%) who had no schooling compared with the 15.5 percent in the control sites. There were more children in the NMCIREMP non-CADC sites (i.e. 30.6 percent) who were able to reach high school than the control group (i.e. 23.7%). The same pattern was observed in the children who had some higher education where the NMCIREMP non-CADC children had the edge. Moreover there were few of the children in the NMCIREMP non-CADC sites that even had post-graduate education while none in the control group. The higher educational attainment of children in the NMCIREMP non-CADC sites over the control areas suggests possible effects of project intervention.

2. Community and Institutional Development Support

This component aims to capacitate ARB organizations and other project partners in ARC development and enhance their meaningful participation in local development processes as well as in productive economic activities. It focuses on strengthening the capacities of community organizations thus ensuring the active participation and involvement of ARBs in social, economic and political undertakings. The ARBs play an active role in the planning, implementation and monitoring of social growth in the ARCs.

SPOTS

Prior to the SPOTS I project in 2003, the average ALDA rating of the surveyed 31 ARCs was 2.5. From thereon, there was a general incremental trend peaking in 2008 where the average ALDA rating reached 4.0. In a span of 7 years (2003-09), there was an average overall increase in ALDA rating from 2.5 to 3.86 or about 54.5 percent increase (see Table 36). In addition, the OMA rating of the same ARCs prior to the project, averaged 2.7 and a general increment of up to 3.37 in 2009. This translates to an increase of about 25 percent.

Table 36. Comparative ALDA rating, percent

FAP	2004		2005		Percent Change	
	ALDA	OMA	ALDA	OMA	ALDA	OMA
SPOTS I	2.5	2.70	3.86	3.37	54.40	24.81

Crucial to these improvements were the formation of 101 P.O.s in the SPOTS-covered ARCs. One hundred eighty nine (189) POs were assessed for readiness to manage the

project. This implies that there were more than one PO assessed to assist the 98 ARC project sites. These POs were provided with capability-building and training interventions in the areas of basic organizational management, administration and finance and agri-development and sustainability. They were also prepared to manage the solar packages in anticipation of the commissioning and handover of the project through the three-tiered technical training program.

These POs were, therefore, assisted in both organizational management and operation and maintenance of the solar packages.

NMCIREMP

The Community Institutions and Participatory Development (CIPD) component of NMCIREMP was responsible primarily for organizing the self-help groups (SHGs) and the concomitant provision of credit under the Poverty Alleviation Fund(PAF). Under the PAF 1 (see Table 37), there were nearly 630 projects launched involving crop, livestock and poultry production, retails trade, labor-intensive crafts, fisheries and food processing.

Table 37. Project Outputs under the NMCIREMP CIPD Component, 2009

Province	Frequency of Sub-Project	Beneficiaries	Barangays	Municipalities
1. Agusan del Norte	67	1,452	42	29
2. Agusan del Sur	37	817	27	18
3. Surigao del Norte	194	3,962	148	90
4. Surigao del Sur	207	4,612	143	95
5. Misamis Oriental	112	2,482	66	45
6. Bukidnon	13	323	12	45
Total	630	13,648	438	322

3. Agricultural Productivity and Rural Enterprise Development

This component provides assistance to the ARBs by promoting new and appropriate technologies and increasing on-farm, off-farm and non-farm income sustained through the development of viable enterprises. Support mechanisms under this component include improved access to agricultural extension, support services facilities and establishment of community-based credit system.

The Agriculture and Rural Enterprise Development (ARED) component of SPOTS I played a major role in providing supplemental livelihood for the project beneficiaries. In 2005, a total of 273 agribusiness projects (using AC-10 and agri-water powered solar packages), were established in 16 provinces within 5 regions in Mindanao. These projects benefited around 45,148 households.

There are also non-quantifiable benefits which could be attributable to the use of solar power packages. The results of the KII and FGD showed that more household members (especially the women) have engaged in economically-productive activities even during night time.

□ **Annual Crop Productivity Per Hectare**

Average palay yield between baseline and 2009 increased in SPOTS I and NMCIREMP sites (see *Table 27*) registered improvements ranging from 23 percent to a high of 118 percent. Corn producing areas also registered notable increases specifically in SPOTS I areas; improving by about 236 percent in yield.

D. Immediate Impacts

The cumulative effects of the project interventions are expected to provide changes in the overall socio-economic conditions and hence, the quality of life of project beneficiaries in the ARCs. Changes in the income level of the households as well as improvement in access to various types of assets, i.e., physical, financial and human, would serve as quantitative and qualitative measures for a results-based policy making tool.

□ **Household income**

As of 31 December 2009, the estimated annual average income of sample beneficiary households under SPOTS I and NMCIREMP ranged from PhP30,704 to a high of PhP71,778 (see *Table 38*). On a per FAP basis, average annual household income levels of SPOTS I beneficiaries increased by 49 percent, from PhP20,656 to PhP30,704. On the other hand, NMCIREMP beneficiaries registered an increase of 19 percent or from PhP60,319 to PhP71,778.

Table 38. Average annual household Income, 2004 - 2009

Household Income	FAPs	
	SPOTS 1	NMCIREMP
Base Year	2004	2,004
Nominal Income	20,656	60,319
Resurvey Year	2009	2,009
Nominal Income	30,704	71,778
Percent Change	49	19

For SPOTS I, the 49 percent increase in average annual household income came primarily from improvements in on-farm income (i.e. 544 percent increase) and off-farm income (i.e. 167 percent increase) even as non-farm income levels declined by about 59 percent (see Table 39). For NMCIREMP, income improvements in nominal terms originated primarily from on-farm income (i.e. nominal 48.67%). The combined off-farm and non-farm incomes contributed 8.53 percent increase in average annual household income.

Table 39. Average annual household Income, by Source, 2004 - 2009

Household Income	FAPs	
	SPOTS 1	NMCIREMP
<i>1. On-farm Income</i>		
Base Year	2004	2004
Nominal Income	3,063	15,727
Resurvey Year	2009	2009
Nominal Income	19,731	23,384
Percent Change	544	49
<i>2. Non-farm Income</i>		
Base Year	2004	-
Nominal Income	15,910	-
Resurvey Year	2009	-
Nominal Income	6,487	-
Percent Change	-59	-
<i>3. Off-farm Income</i>		
Base Year	2004	-
Nominal Income	1,683	-
Resurvey Year	2009	-
Nominal Income	4,486	-
Percent Change	167	-
<i>4. Non-farm and Off-farm Income</i>		
Base Year		2004
Nominal Income		44,592
Resurvey Year		2009
Nominal Income		48,394
Percent Change		9

□ **Access to Physical Assets**

Aside from household income, improvements in dwelling facilities and household assets ownerships (e.g. radio, television, refrigerator, electric fan, karaoke, cell phone, etc.) were also studied as proxy measure of household wealth. For NMCIREMP beneficiaries, comparative 2009 data with control data, showed that ownership of dwelling units are almost the same at 84 percent. On the other hand, respondents which occupy their houses for free (i.e. with owners' consent) is slightly higher in control sites at 15 percent, compared with 14 percent in NMCIREMP non-CADC sites. Roofing materials used in dwelling units in NMCIREMP non-CADC sites, are better compared with the control sites. About 51 percent of the former used galvanized iron/aluminium compared with 45 percent of households in the control sites. Households which used wood are the same at 7 percent for NMCIREMP and control sites. Households in 32 percent of NMCIREMP sites used local materials (i.e. anahaw, cogon, nipa) compared with 39 percent in control sites. More households in NMCIREMP sites (i.e. 23 percent) used concrete/brick for their houses' outer wall versus the households in control sites (i.e. 18 percent). Those using wood are slightly higher in NMCIREMP non-CADC sites (i.e. 47 percent) versus control (i.e. 50 percent).

□ **Overall Socio-Economic Condition of Households**

From a scale of 1 to 10 with 10 as the highest, the project beneficiaries in non-CADC sites of NMCIREMP were asked to rate their socio-economic standing as of 2009. They were also asked their reasons for saying so.

On one extreme end of the scale, about seven percent of NMCIREMP non-CADC households perceived that their quality of life is at the worst level of 1. Eighty three (83) percent would rate their quality of life as between level 2 and 5. All in all that is about 90 percent saying they are halfway through a better life. A higher level of about 15 percent of the respondents in the control sites, however, placed their quality of life at the worst level of 1. There were fewer, 72 percent of the respondents who would rate their quality of life between 2 to 5 compared with the non-CADC. All in all a similar 90 percent of respondents in the control sites said they are halfway through an ideal level of 10.

E. Conclusion

Overall, the quantitative changes and qualitative effects generated from interventions under the two (2) completed FAPs have significantly contributed to the attainment of improvements in average annual household income. Specifically, the studies cited increases in the household income levels of the beneficiaries in the project sites ranging from 19 to 49 percent.

Agricultural productivity in the covered sites of the two FAPs likewise registered significant improvements, ranging from 23 percent to 118 percent in palay productivity levels. However, these levels are still below the targeted national average of five (5) metric tons per hectare.

In addition, to improvement in household income, access to basic social services by project beneficiaries have resulted to reduced cases of water-borne diseases, increasing trend in immunization of newborn and increase in survival rate of students.

To conclude, the studies have shown that the interventions provided under the two (2) FAPs are relevant to the needs of the beneficiaries and their communities. These results shall serve as valuable inputs for DAR in designing future development interventions for the ARCs.