



Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM



DAR ODA PORTFOLIO REVIEW

As of 31 December 2006

The DAR ODA Portfolio

I. Overview

The Official Development Assistance (ODA) portfolio of the Department of Agrarian Reform (DAR) has increased significantly over the years. This is an indication of the foreign donor community's support to the Comprehensive Agrarian Reform Program (CARP) and confidence in the DAR to implement development cooperation projects.

With the ODA as a significant source of fund to supplement the limited government resources for Program Beneficiaries Development (PBD), the DAR has facilitated the provision of various basic rural infrastructure facilities and the delivery of other support services to the program beneficiaries particularly in the agrarian reform communities (ARCs).

Since 1992, DAR has generated an aggregate amount of PhP62.316 billion for a total of 57 projects with ODA, in loans and grants, from bilateral and multilateral donors (Table 1/Figure 1). Of the total investment requirement for these projects, 66.14% are funded through loans, 9.93% through grants, while 23.93% are considered as GOP counterpart (in cash or in kind from the national government agencies and local government units involved, and beneficiary-farmers/organizations/ cooperatives). As of December 2006, 35 foreign-assisted projects (FAPs) have already been completed, 20 projects are on-going and two (2) are approved for implementation. Meanwhile, 38 projects worth PhP61.20 billion 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 - December 2006

Project/Type of Assistance	No. of Projects	Total Cost (PhP Million)			Total
		Loan	Grant	GOP	
▪ Completed	35	6,478.69	3,989.00	4,325.02	14,792.72
▪ On-Going	20	27,422.64	2,196.30	8,542.12	38,161.06
- Capital Assistance (CA)	12	27,422.64	1,437.84	8,516.06	37,376.54
- Technical Assistance (TA)	8	-	758.47	26.06	784.53
▪ For Implementation	2	7,314.48	-	2,048.15	9,362.63
Sub- Total	57	41,215.81	6,185.30	14,915.30	62,316.41
▪ In the Pipeline	38	40,983.78	12,443.65	7,770.56	61,197.99

Table 2. **DAR ODA INITIATIVES FOR ARC DEVELOPMENT**
As of December 2006

Project Title/Funding Source		Regions Covered	ARCs Covered	Total Project Cost (In P million)	
COMPLETED PROJECTS (35)				14,792.72	
ON-GOING FAPs (Capital Assistance)				37,376.54	
1	Agrarian Reform Infrastructure Support Project II (ARISP II)	JBIC	CAR, I, II, III, IV, V, VI, VII, VIII, IX, X, XI, XII, & CARAGA	149	6,740.00
2	Agrarian Reform Communities Project (ARCP)	ADB	I, II, III, IV, VI, XI, XII, CARAGA, & ARMM	167	7,207.22
3	Belgian Integrated Agrarian Reform Support Project (BIARSP) Phase III	Government of Belgium	VII and IX	76	600.46
4	Mindanao Sustainable Settlement Area Development Project (MINSSAD)	JBIC	X, XI, XIII	8	3,102.50
5	Support to Agrarian Reform in Central Mindanao (STARCM)	EU	XII, ARMM	52	1,049.63
6	Western Mindanao Community Initiatives Project (WMCIP)	IFAD	IX	23	774.56
7	Support for the Indigenous Communities and MNLF in the Zone of Peace with ARCs (SPICCNZPARC)	IFAD	ARMM	1	33.94
8	Northern Mindanao Community Initiatives and Resource Management Project (NMCIREMP)	IFAD	Northern Mindanao	38 ^B	1,130.58
9	Solar Power Technology Support Project to Agrarian Reform Community Initiatives and Resource Management Project II (SPOTS II)	Spain	IX, X, XI, XII, XIII	44	5.20 1,460.21
10	Second Agrarian Reform Communities Development Project (ARCDP II)	WB	Nationwide	121	3,419.46
11	Community-Managed Agrarian Reform and Poverty Reduction Program (CMARPRP)	Japan Social Development	II, III, IV, VII, IX, X, XI	10	110.00
12	Tulay ng Pangulo Para sa Magsasaka (ARC Bridge Program)	Government of UK			11,742.77
ON-GOING FAPs (Technical Assistance)				784.53	
13	Philippine-Australia Technical Support for Agrarian Reform and Rural Development (PATSARRD)	AusAid	Northern Samar, Misamis Occidental, Agusan Sur, Surigao Norte, Bohol, Aklan	236	288.94
14	Philippine-German Cooperation in Agrarian Reform and Rural Development Phase II	German Government			124.90
15	In-Country Training Course on the Improvement of Operation and Maintenance System and Technology for ARCs with ARB Participation	JICA			20.00
16	Development and Testing of Innovative Approaches for Mainstreaming Indigenous People in Selected Agrarian Reform Communities	WB-Japan Social Development Fund (Grant)	II, III, IV-B, IX, X, XI		67.00
17	Philippine-Israel Center for Agricultural Training Project	State of Israel (Grant)			6.20
18	National Program Support to Agrarian Reform (NPSAR) (TA)	Japan-PHRD for TA (Grant)			44.00
19	Integrated Programme for the Empowerment of Indigenous Peoples and Sustainable Development of Ancestral domains (IP-EIPSDADS)	UNDP			78.45
20	Program Support to Asset Reform Implementation (PSARI)	UNDP			155.04
APPROVED FOR IMPLEMENTATION				9,362.63	
21	Italian Agrarian Reform Community Development Support Program	Government of Italy	XI, ARMM	19 ^C	1,398.00
22	Agrarian Reform Infrastructure Support Project III (ARISP III)	JBIC			7,964.63
Total ARCs Covered			1,053^D		
Total Cost of Ongoing Projects				47,523.69	

Table 2. **DAR ODA INITIATIVES FOR ARC DEVELOPMENT**
As of December 2006

Project Title/Funding Source		Regions Covered	ARCs Covered	Total Project Cost (In P million)	
PIPELINE				61,197.99	
<i>Loan</i>					
1	Agrarian Reform Communities Project (ARCP II)	ADB		7,758.95	
2	National Program Support to Agrarian Reform (NPSAR)	WB		2,500.00	
3	ARC Connectivity Development Project	Saudi Arabia & Region	64 ARCs	4,350.00	
4	Cadastral Support to CARP Phase V	SIDA	IV,V,VIII,XI,CARAGA, Nationwide	368.61	
5	MINSSAD II	JBIC	S Cotabato Set. Area I, N Cotabato Res. Area I & II,Sultan Kudarat Res. Area I & II	3,958.00	
6	KENAF Production & Processing for Alaminos, Pangasinan			1,194.48	
7	National Program for the Completion of Land Acquisition & Distribution (NPCLAD)		Region V,VI,VIII,XI & CARAGA	6,630.00	
8	Agrarian Reform Community Food Security Program (ARCFSP)		ARCs with poverty-stricken ARCs (14 Regions)	8,000.00	
9	North Luzon Mega-Region ARC Connectivity-Based Agribusiness Dev't. Project		Region I,II & CAR	3,000.00	
10	Metro Luzon ARC Connectivity - Based Agri-Business Project		Region III, IV & V	1,500.00	
11	Central Philippines ARC Connectivity-Based Agribusiness Project		Region IV, V,X,CARAGA,	3,500.00	
12	Mindanao ARC Connectivity-Based Agribusiness Project		Region IX,X,XI,XII, CARAGA & ARMM	4,500.00	
13	ARC Connectivity Pilot Project on Local-Based Resources for Bio-Fuel (Ethanol)		Region IX,X,XII,XIII	4 ARCs	5.00
14	Jathropa Project for ARC Connectivity		CAR,Region I, II,V,VIII & CARAGA	5.00	
15	Arc Connectivity Project on Vegetable Production for Food Sufficiency		ARMM	250.00	
Sub-total				47,520.04 ^E	

Table 2. **DAR ODA INITIATIVES FOR ARC DEVELOPMENT**
As of December 2006

Project Title/Funding Source		Regions Covered	ARCs Covered	Total Project Cost (In P million)
PIPELINE				61,197.99
<i>Grant</i>				
16	Bridge Construction to Support Expanded ARCs	JICA	III, IV	295.00
17	Development of Agrarian Reform Communities in Marginal Areas II	JICA	CAR, II	275.82
18	Agrarian Reform Communities Devt. Project for Upper Agno River Basin	JICA	CAR	287.67
19	Emergency Assistance for the Rehabilitation of Access Road in Bagong Silang-Tagumpay ARC	Embassy of Japan	Municipality of Real, Quezon	78.00
20	Development of Viable ARC in Southern Palawan	JICA	Puerto Princesa City, Southern Palawan	424.12
21	Agrarian Community Economic Support Project (ACES)	FAO/AusAid		500.00
22	Study on Comprehensive & Integrated Delivery of Support Services to ARCs & ARC Clusters	JICA	Nationwide	220.00
23	Agricultural Tramline Project in Benguet	JICA	CAR	31.14
24	Integrated Development Program for Disaster Prone Agrarian Reform Areas	United Kingdom	Region VIII	68.50
25	Economic Enterprise Development for Peace-Building in Muslim-Majority ARCs	Saudi Arabia	Region IX,X,XI,XII & ARMM	8,327.00
26	Project Preparatory Technical Assistance (PPTA) for the Sustainable Rural Development and Empowerment Project (SRDEP)	IFAD		18.97
27	Program on Environment, Agrarian Reform, Ancestral Lands and Domain (PEARL)	SIDA	CAR	280.58
28	Mitigating Measures to Climatic Changes in the ARCs	WB,UNCCC Special Climate Change Fund	Region IV, VIII	55.25
29	Livelihood Project for One Hundred Ninety-One ARB Families Affected by Landslides & Floods in Liloan S. Leyte		Region VIII	2.38
30	Technical Assistance in Feasibility Study Preparation for ARC Bridges	Korea	Luzon,Visayas, Mindanao	50.00
31	Integrated Banana Production Plantation Project		Davao del Norte	32.24
32	Integrated Mango Processing Plant for Arc Cooperatives		Nueva Ecija	9.28
33	Mushroom Production and Processing		Nueva Ecija	3.50
34	development of ARC clusters in South Nueva Viscaya (ARC Connect)		Binuangan,Kayapa,Dupax, Bambang ARCs	4 ARCs 1.00
35	Agrarian Reform Mngt. Information System Development (ARMIS)			850.00
36	Accelerated justice Delivery for Agrarian Reform Beneficiaries		Region IV,V,VI,VIII,CARAGA	467.50
37	Agrarian Reform Community Development & Capability Building Project (ARCDB)		Region IV,V,VI,VIII,CARAGA	400.00
38	Coconut-Based Enterprise Development Project		Region IV,V,VI,VIII,CARAGA	1,000.00
Sub-total				13,677.95 ^E
TOTAL				123,514.40

^A 74 ARCs but only 40 ARCs will be covered under Phase I

^B 28 ARCs (81 brgys) + 33 lowland/coastal communities covered by DA and 61 upland communities covered by DENR

^C Other ARCs are to be identified in 2 provinces in ZSPAD areas, 3 ARCs identified in Sarangani

^D Total No. of FAPs-covered ARCs (w/o double counting)

^E Including GOP

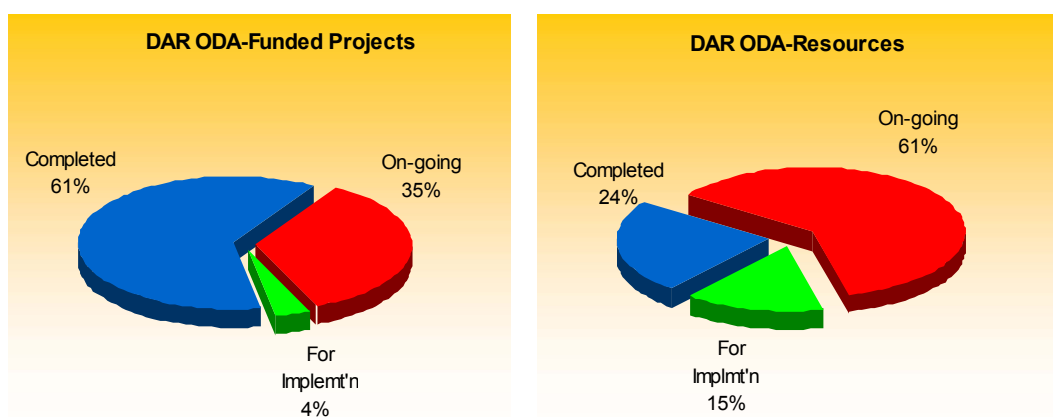
Table 3. **List of Completed Foreign-Assisted Projects**
CY 1992 - December 2006

	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)	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)	ADB	12.50
34	Solar Power Technology Support Project to Agrarian Reform Community Initiatives and Resource Management Project (SPOTS I)	Spain	2,110.69
35	Replacement of GPS Equipment and Software Data Downloading	JICA	3.96
TOTAL			14,792.72

Table 4. List of FAPs with ICC-Approval
1995 - September 2006
(PhP Million)

PROJECT TITLE	PROJECT DURATION	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
1 ARSP (EU)	1995-2001	1,354.30											
2 ARISP (JBIC)	1996-2002	2,505.13											
3 ARCDP (WB)	1997-2003		4,434.42										
4 RASCP (JBIC)	1997-2001			109.62									
5 ECSCARP (SIDA)	1997-2001			231.91									
6 SARC-TSARRD/	2002-2002		282.96										
TSARRD II-Exi.	2002-2003								25.50				
Phase (ITALY)													
(AusAID-Bridge	July-Aug.								4.87				
Financing)	2002												
7 PAPSRA (CIDA)	1999-2001			87.10									
8 SARDIC (UNDP)	1997-2003			151.26									
9 IFAP II (ITALY)	1997-			4.00									
10 BARSP/	1995-1998	140.00											
BIARSP (BELGIUM)	1998-2003				1,302.36								
11 ARCP (ADB)	1999-2005				7,207.22								
12 WMCP (IFAD)	1999-2004				678.30								
13 SPICcinZPARC	1999-2004				33.94								
14 ARISP II (JBIC)	2000-2004					6,740.00							
15 MINSSAD (JBIC)	2001-2006						3,102.50						
16 STARCM (EU)	2001-2008						1,049.63						
17 DAROMA (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								3,368.20				
21 ARCDP II (WB)	2003-2006								3,419.45				
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-									520.26			
(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
Sub-total		3,999.43	4,717.38	583.89	9,221.82	6,740.00	4,152.13	2,540.67	7,179.46	520.26	-	1,460.21	19,707.40
Cumulative Total		3,999.43	8,716.81	9,300.70	18,522.52	25,262.52	29,414.65	31,955.32	39,134.78	39,655.04	39,655.04	41,115.26	60,822.66

Figure 1. **Profile of DAR ODA Portfolio**



Of the DAR's fifty-seven (57) FAPs, twenty-eight (28) projects, with total investment requirements of PhP60.822.66 billion, passed through the Investment Coordination Committee (ICC)-approval prior to their implementation (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 billion. On an annual basis, excluding 2006, DAR generated the largest amount of funding assistance in 1998, with the approval of four (4) projects worth PhP9.22 billion. These include the ADB-Agrarian Reform Communities Project (ARCP), the Belgian Integrated Agrarian Reform Support Project (BIARSP), and the IFAD assisted-Western Mindanao Community Initiatives Project (WMCIP), which includes the Support Project for the Indigenous Communities and MNLF in the Zone of Peace within the Agrarian Reform Communities (SPICcinZPARC).

During the year, the "Tulay ng Pangulo para sa Magsasaka sa ARCs" (President's Bridge Program in the ARCs) and the "Agrarian Reform Infrastructure Support Project III (ARISP III), involving PhP11.7 billion and PhP7.96 billion, respectively, were approved by the ICC-Cabinet Committee. The Tulay Project shall be financed through a loan guaranteed by the United Kingdom Government. The second project shall be financed through a loan guaranteed by JBIC.

The Department's 20 on-going FAPs have an aggregate project cost of P38.161 billion. Of these, eight (8) are categorized as mainly capital assistance (CA) projects, two (2) provide both CA and technical assistance (TA) while another eight (8) projects provide technical assistance (TA) only. (Table 5).

Table 5. **Profile of DAR Foreign-Assisted Projects**
As of December 2006

Project Title and Fund Source	Type of Assistance	Total Cost (PhP million) ¹			
		Loan	Grant	GOP	Total
Loans					
1 JBIC - ARISP II	CA/TA	5,663.00		1,077.00	6,740.00
2 JBIC - MINSSAD	CA/TA	2,326.95		775.55	3,102.50
3 ADB - ARCP	CA/TA	3,976.47		3,230.75	7,207.22
4 SPAIN - SPOTS II	CA/TA	1,430.00		30.21	1,460.21
5 WB - ARCDP 2	CA/TA	2,632.98		786.48	3,419.46
6 WB - CMARPRP (grant)	CA/TA		110.00		110.00
7 IFAD - WMCIP (w/ SOF grant)	CA/TA	664.40	1.75	108.40	774.56
8 IFAD - SPICCNZPARC	TA		30.00	3.94	33.94
9 IFAD - NMCIREMP (w/ SOF grant)	CA/TA	728.83	5.20	401.75	1,135.78
10 UK - Tulay ng Pangulo Para sa Magsasaka (ARC Bridge Program)	CA	10,000.00	0.00	1,742.77	11,742.77
Grants					
11 BELGIUM - BIARSP III	CA/TA		461.89	138.57	600.46
12 EU - STARCM	CA/TA		828.99	220.64	1,049.63
13 Phil - German CARDD II	TA		118.00	6.90	124.90
14 WB - Japan Social Development Fund - Development and Testing of Innovative Approaches for Mainstreaming Indigenous People in Selected ARCs	TA		67.00		67.00
15 AUSAid - PATSARRD	TA		275.98	12.96	288.94
16 JICA - In-Country Training Course	TA		20.00		20.00
17 Philippine - Israel Center for Agricultural Training Project ²	TA			6.20	6.20
18 WB - NPSAR	TA		44.00		44.00
19 UNDP - IP-EIPSDADS ²	TA		78.45		78.45
20 UNDP - PSARI	TA		155.04		155.04
For Implementation					
21 Italian - ARCDSP	CA/TA	1,341.00		57.00	1,398.00
22 JBIC - ARISP III	CA/TA	5,973.48		1,991.15	7,964.63
GRAND TOTAL		34,737.12	2,196.30	10,590.27	47,523.69

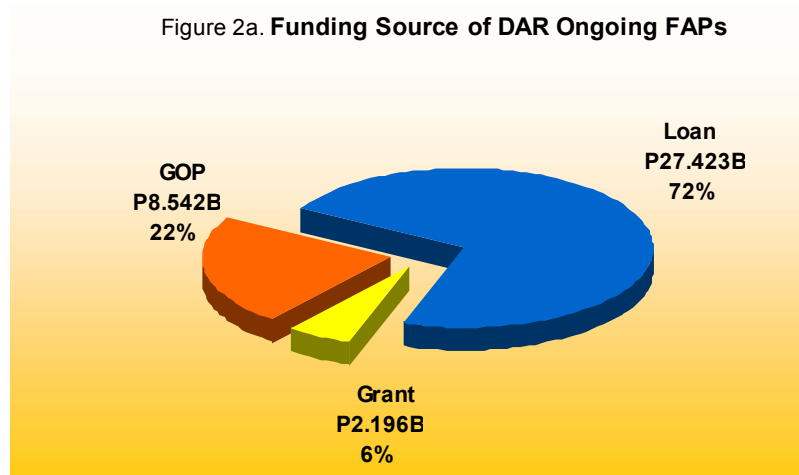
¹ Based on BP 203 submitted to DBM

² New Projects

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.

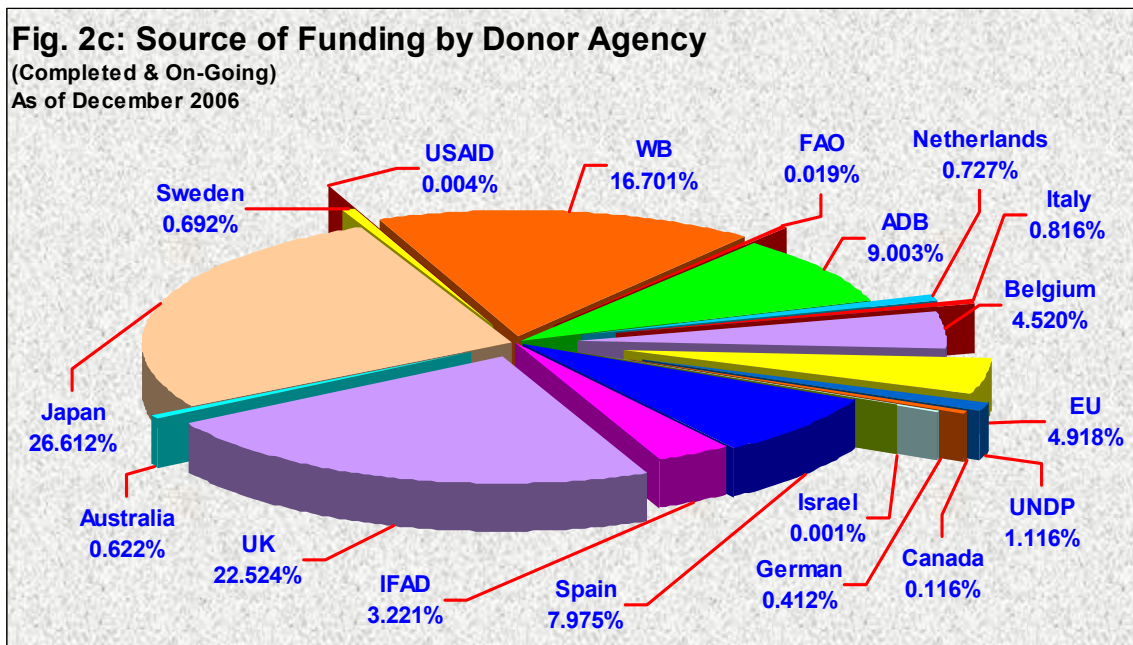
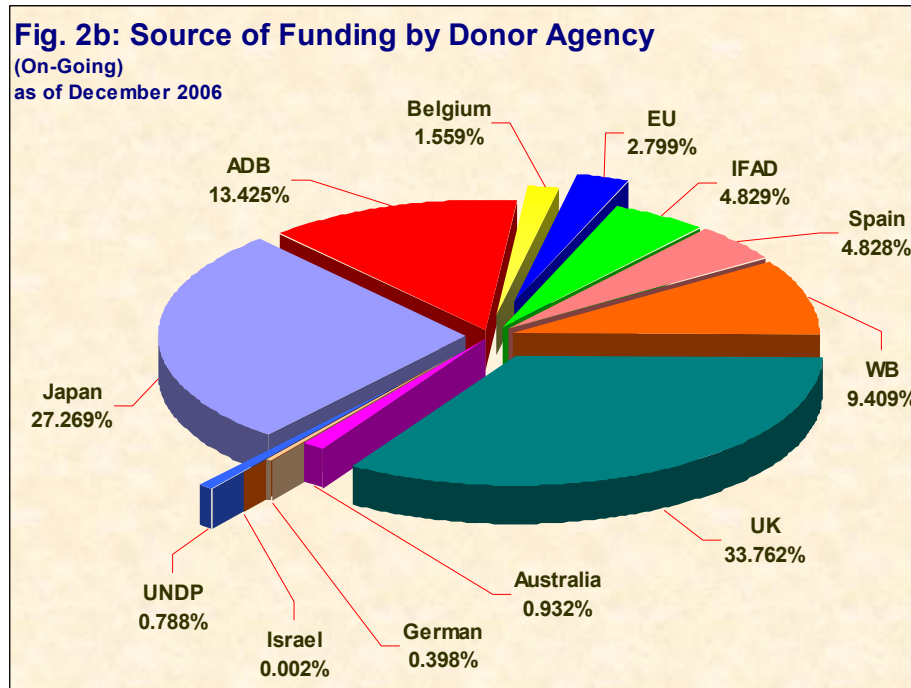
The bulk, or 72%, of the combined cost of these on-going projects are financed through loans while the remaining 22% and 6% are sourced from the GOP and grant, respectively (Table 5/Figure 2a). Eight (8) projects worth ₱27.4226 billion are assisted with loans from the Government of Japan through the Japan Bank for International Cooperation (JBIC), the Asian Development Bank (ADB), the World Bank-International Bank for Reconstruction and Development (IBRD), the International Fund for Agricultural Development (IFAD), the Government of Spain, and the United Kingdom (UK). The other on-going projects are assisted with a total of ₱2.196 billion grant funds from the governments of Belgium, Japan through the Japan International Cooperation Agency (JICA), and Germany; the European Union (EU), IFAD, Australian Agency for International Development (AusAID), WB-Japan Social Development Fund (WB-JSDF), and the United Nations Development Programme (UNDP).

Figure 2a. Funding Source of DAR Ongoing FAPs



Of the DAR's total ODA Portfolio, covering on-going projects and net of GOP counterpart, by funding agency/government, the United Kingdom's loan assistance for the newly approved bridge program accounted for 33.8% (Figure 2b). Total funding support from Japan ranked second with 27.3%; from ADB, 13.4%; from World Bank, 9.4%; from the Government of Spain, 4.8%; and from the IFAD, 4.8%. Grants from the European Union, the Government of Belgium, Australia and the UNDP accounted for 2.8%, 1.6%, 0.9% and 0.8% of the total, respectively.

Counterpart fund requirements from the Government of the Philippines (GOP) for these on-going projects were estimated at ₱8.542 billion, or 22.38% 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 26.6% (Figure 2c). Fund support from the United Kingdom (UK) accounted for 22.5%; 16.7% from the World Bank; 9.0% from the ADB; 8.0% from Spain; and 3.2% from IFAD. Grants from the European Union, the Government of Belgium and UNDP accounted for 4.9%, 4.5%, and 1.1% of the total, respectively.

II. Scope and Coverage

As of December 31, 2006, a total of 1,053 FAPs ARCs have been assisted in 79 provinces and 821 municipalities. Development interventions in these ARCs are focused

ARC SCOPE By Island Group

As of December 31, 2006

ISLAND	SCOPE					
	PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB	No. of FAP
Luzon	38	282	322	1,401	216,116	9
Visayas	16	215	255	1,210	155,294	12
Mindanao	25	324	476	1,732	255,002	22
Grand Total	79	821	1,053	4,343	626,412	

on five major areas: physical infrastructure, community & institutional development, agricultural productivity & rural enterprise, basic social services, and land tenure improvement.

Cumulative FAPs reach is 626,412 ARBs in 4,343 barangays. Forty-five percent of FAPs ARCs are located in Mindanao, 31% in Luzon and 24% in Visayas. Mindanao accounts for the most number of ARBs (40%) while Region X accounts for the widest ARC coverage with 103. Regions VI and IX cover 98 ARCs each. Regions VIII and CARAGA have the largest ARB count, 62,044 and 58,530, respectively. Region X has the most number of projects with 16 FAPs, inclusive of completed and on-going projects. Region VIII has the largest number of FAPs-assisted barangays at 621.

Among the FAPs providing capital assistance, 2 projects cover the most number of ARCs, ARCP (167 ARCs) and ARISP II (149 ARCs). For technical assistance projects, PATSARRD has the largest figure with 276 ARCs. Completed FAPs have provided assistance to 783 ARCs; on-going projects, which are at various stages of implementation, cover 979 ARCs.

ARC SCOPE By PROJECT

As of December 31, 2006

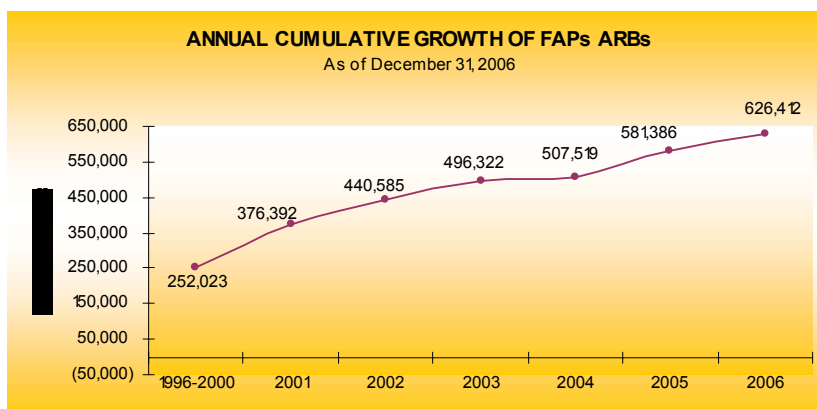
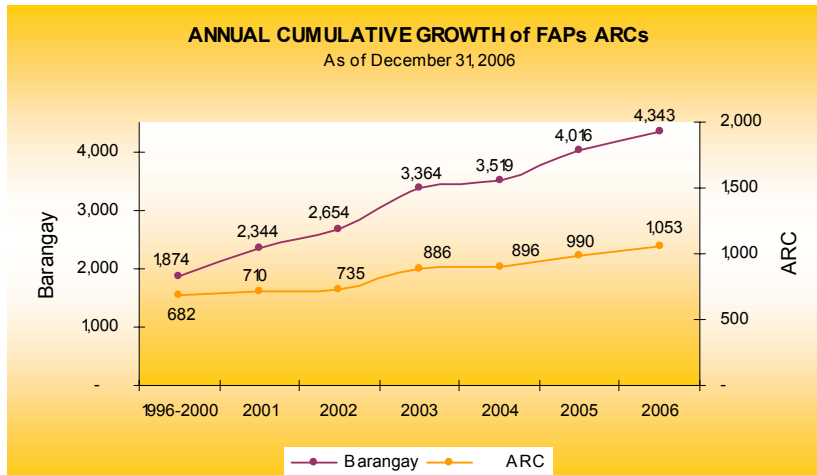
FAP	DURATION	SCOPE				
		PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB
Completed						
ARSP-EU	1995-2001	5	51	61	199	44,914
BIARSP I/II - GoB	1995-2003	8	60	74	74	52,168
ARISP I - JBIC	1996-2002	64	72	75	318	40,634
RASCP - JBIC	1997-2001	64	72	75	318	40,634
ARCDP I - WB	1997-2003	14	101	101	505	70,190
SARDIC-UNDP	1997-2003	7	62	75	207	35,797
IFAP-GoI	1997	1	1	1	-	-
PAPSRA-CIDA	1999-2001	6	9	10	11	3,654
SPICcinZPARC	1999-2004	1	1	1	-	-
DARCMA-JICA	2002-2003	2	2	2	15	2,777
SARC-TSARRD (TA)	1997-2002	64	334	-	1398	218,422
SPOTS-GoS I	2003-2005	16	37	40	157	37,291
On-going						
ARCP-ADB	1999-2005	34	164	167	546	92,798
WMCIP-IFAD	1999-2004	4	20	23	57	4,115
ARISP II - JBIC	2000-2004	61	142	149	623	105,839
MINSSAD-JBIC	2001-2006	6	16	8	51	13,666
STARCM-EU	2001-2008	4	43	52	137	32,316
PATSARRD-AusAid	2002-2005	6	94	113	554	66,750
SPOTS-GoS II	2005-2006	-	-	44	-	-
CMARPRP-JDSF	2003-2005	9	10	11	17	665
ARCDP II - WB	2003-2006	16	84	84	316	82,711
BIARSP III - GoB	2003-2007	8	60	76	74	52,168
NMCIREMP-IFAD	2003-2008	5	28	38	270	19,421
Implementation Period	1995-2008					
			Total Province			79
	Total ARC	1,053	Total Municipality			821
	Total ARB	626,412	Total Barangay			4,343

ARC SCOPE By REGION

As of December 31, 2006

REGION	SCOPE					
	PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB	No. of FAP
CAR	6	23	23	151	24,820	4
Region I	4	47	48	215	25,251	6
Region II	5	53	61	306	39,292	9
Region III	7	56	63	227	48,252	8
Region IV	10	58	74	253	45,877	8
Region V	6	45	53	249	32,624	9
Sub-total Luzon	38	282	322	1,401	216,116	9
Region VI	6	80	98	281	44,977	8
Region VII	4	52	68	308	48,273	8
Region VIII	6	83	89	621	62,044	9
Sub-total Visayas	16	215	255	1,210	155,294	12
Region IX	3	65	98	347	41,991	12
Region X	5	74	103	418	40,418	16
Region XI	4	46	72	232	48,466	14
Region XII	4	46	74	164	52,485	12
CARAGA	4	63	92	454	58,530	12
ARMM	5	30	37	117	13,112	10
Sub-total Mindanao	25	324	476	1,732	255,002	22
Grand Total	79	821	1,053	4,343	626,412	

Yearly growth rate of ARCs is 8% or an average of 59 new ARCs covered per year; annual growth rate for ARB is 19% or 64,000 ARBs per year; and an average of 17% or an additional 405 barangays per year. (Figure 3 & 4)



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

In this review, only 12 of the 20 on-going FAPs were included. The implementation of the new loan-assisted project, the “Tulay ng Pangulo Para sa Magsasaka sa ARCs”, is still at the take-off stage. The other FAPs not included are those under small grant-assistance and/or TA projects such as the JICA In-Country Training Programme, the UNDP-Integrated Programme for the Empowerment of Indigenous Peoples and Sustainable development of Ancestral Domains (IP-EIPSDADs), the Philippine-Israel Center for Agricultural Training Project, and the Philippine-German Cooperation in Support to Agrarian Reform and Rural Development, among others.

A. Physical Accomplishment

As of December 2006, overall physical performance of the twelve (12) FAPs was reported at 91.95% of their physical targets, reflecting a substantial increment of 13.01% from the previous year's level of 78.94%. However, FAPs performance for the year exhibited a downward trend, from last year's record of 98.79% to this year's 86.12% (Table 7/Figure 5).

Table 7. **PHYSICAL PERFORMANCE**
As of December 31, 2006

NAME OF PROJECT	Target Cumulative/Global	PERFORMANCE RELATIVE TO TARGETS (%) ^{1/}			
		Overall	For the Year	Cumulative	Time Elapsed (%)
LOAN	97.22	93.06	86.33	97.10	76.88
1 Western Mindanao Community Initiatives Project *	96.29	96.26	44.77	108.27	94.05
2 DAR-ADB Agrarian Reform Communities Project	100.67	113.78	73.93	108.48	93.8
3 Agrarian Reform Infrastructure Support Project - Phase II (ARISP II)	105.96	100.00	100.64	94.51	96.48
4 Solar Power Technology Support (SPOTS) Project to ARCs	63.79	43.51	12.01	38.68	50.00
5 Mindanao Sustainable Settlement Area Development Project (MINSSAD)*	91.64	98.97	145.20	118.34	63.43
6 Agrarian Reform Communities Development Project (PH-4109-WB)	103.07	63.14	73.15	87.59	78.00
7 Northern Mindanao Community Initiatives and Resource Management Project (NMCIREMP)	69.30	70.87	81.78	98.70	62.00
GRANT	95.23	79.49	83.82	78.24	77.19
8 Support to Agrarian Reform Communities in Central Mindanao (ALA-99/50-EU)	102.56	81.99	88.88	80.60	80.02
9 Philippines-Australia Technical Support for Agrarian Reform and Rural Development (GCP/PHI/047/AUC) (PATSARRD)	91.22	138.42 ^{2/}	95.18 ^{2/}	102.63 ^{2/}	100.00
10 Belgian Integrated Agrarian Reform Support Project	84.96	64.21	82.81	68.56	83.36
11 Community-Managed Agrarian Reform and Poverty Reduction Project (C-MARP) JSDF *	78.94	55.70	19.95	72.14	93.20
12 Program Support to Asset Reform Implementation (PSARI) *	84.29	84.64	78.77	98.16	29.38
Over-all Weighted Accomplishment	97.05	91.95	86.12	95.56	80.11

^{1/} Weighted

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

* Based on September Accomplishment Report

Preliminary report for ARCDP-WB

The overall physical accomplishment of the loan-assisted projects also exhibited an upward trend, from 79.37% in December 2005 to 93.06% in December 2006. For the year, they reported a downward trend, from 100.35% accomplishment in 2005 to 86.33% in December 2006.

Figure 5a. **Comparative Overall Physical Accomplishments**
As of Dec 2005 vs. As of Dec 2006

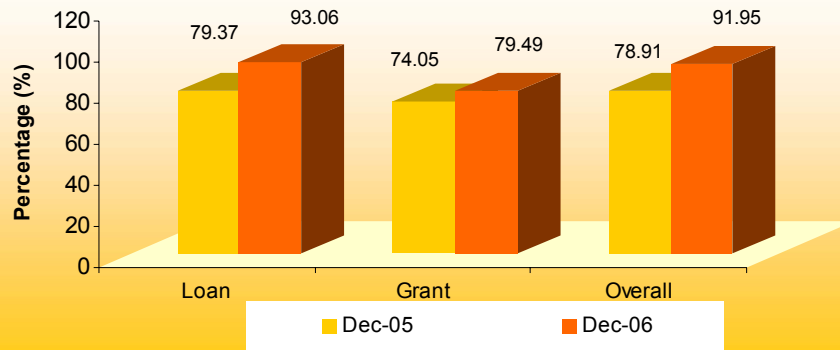
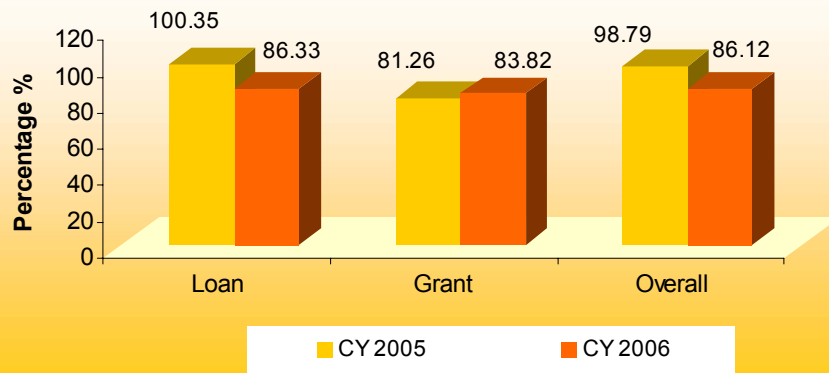
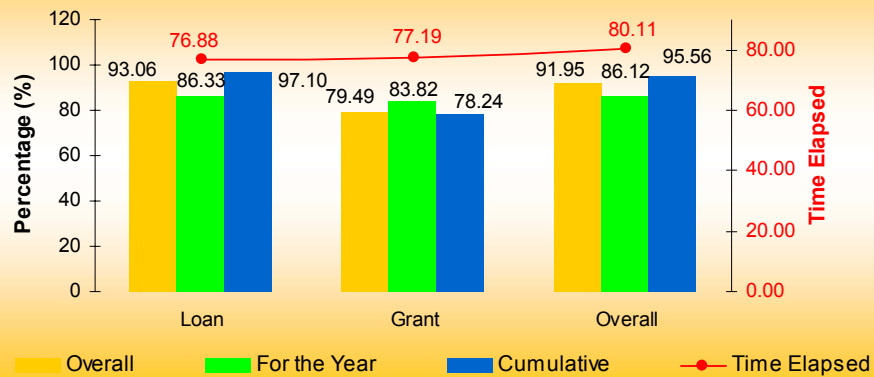


Figure 5b. **Comparative Annual Physical Accomplishments**
CY 2005 vs. CY 2006



Physical Accomplishment vs. Time Elapsed
As of December 31, 2006



The grant-assisted projects reported above satisfactory performances. Their physical accomplishments, based on their overall and for the year targets, showed remarkable improvements from last year's accomplishments. Overall physical accomplishment was posted at 91.95% with a total elapsed time of 80.11%.

B. Financial Performance (As of December 30, 2006)

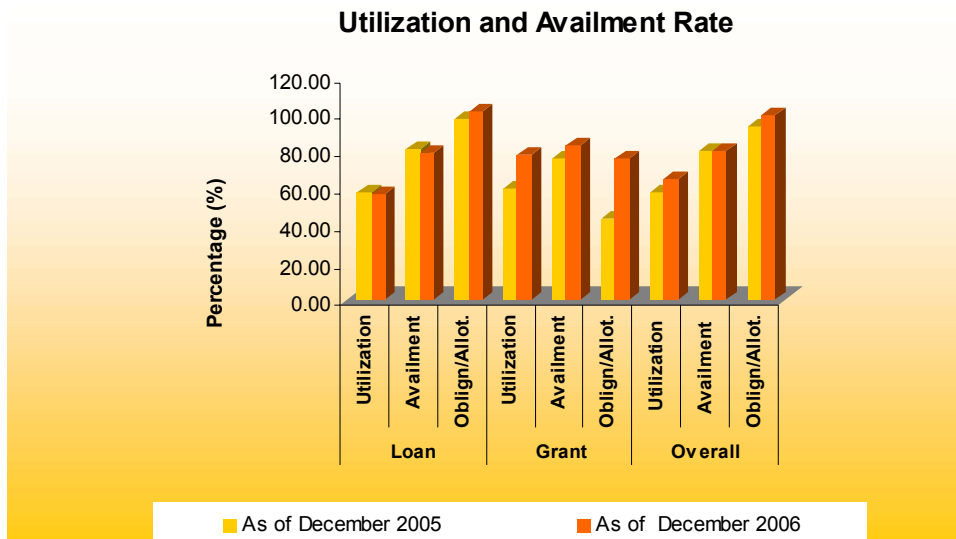
The average ODA utilization rate for the FAPs under review was 64.35% of the total committed funds. On the other hand, the average availment rate was 80.37%. (Table 8 and Figure 6.)

Table 8. Utilization and Availment Rate of On-going Foreign -Assisted Projects
As of December 2006

Project Title and Fund Source		Net Commitment	Sheduled Availment	Actual Availment	Utilization Rate (%)	Availment Rate (%)	Time Elapsed (%)
LOAN							
JBIC - ARISP II	Y	16,990.00	12,129.16	12,110.53	77.75%	99.85%	95.24%
IFAD-WMCIP	\$	11,522.92	10,692.98	8,108.47	78.00%	85.00%	
ADB-ARCP	\$	60.36	48.63	35.699	59.14%	73.41%	
JBIC-MINSSAD	Y	6,515.00	3,626.95	4,065.02	62.39%	112.08%	83.33%
SPAIN-SPOTS II	Php	1,430	0.786	0.501	35.00%	63.63%	16.00%
ARDCP II	\$	50.00	36.67	22.11	44.20%	60.30%	88.00%
NMCIREMP	Php	728,833.00	581,867.50	313,397.50	43.00%	58.00%	63.00%
GRANT							
EU-STARCM	Euro	15.176	14.138	12.340	81.30%	87.30%	80.00%
BELGIUM-BIARSP Phase III	P	461.892	452.214	308.274	66.74%	68.17%	70.83%
AusAID-PATSARRD*	\$	5.013	5.013	4.797	96.00%	96.00%	93.73%
PSARI	P	7.111	5.792	4.759	66.93%	82.17%	29.00%

* As of September 2006

Figure 6. **Financial Performance**



In terms of cash support, loan-assisted projects received 71.12% of their total allotment while grant-assisted projects received 73.15%. On the average, cash support amounted to 74.62% of the allotment. Total obligations as of December 2006 reached 96.13% of the total allotment. (Table 9 and Figure 7a and 7b.)

Table 9. Cash allocation and Cash Disbursement Status
As of December 2006

Fund Source	Allotment (PM)	Obligations (PM)	Cash Allocation (PM)	Cash Disb. (PM)
Loan				
Total	18,425.076	18,136.371	13,104.273	12,372.330
Loan Proceeds	14,486.549	14,323.327	9,551.208	9,063.724
Peso Counterpart	3,938.527	3,813.044	3,553.065	3,308.606
Grant				
Total	1,822.739	1,327.252	1,333.308	1,326.452
Grant Proceeds	1,791.649	1,267.707	1,273.763	1,266.907
Peso Counterpart	31.090	59.545	59.545	59.545
Grant Total	20,247.815	19,463.623	14,437.581	13,698.782
Loan & Grant	16,278.198	15,591.034	10,824.971	10,330.631
Peso Counterpart	3,969.617	3,872.589	3,612.610	3,368.151

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

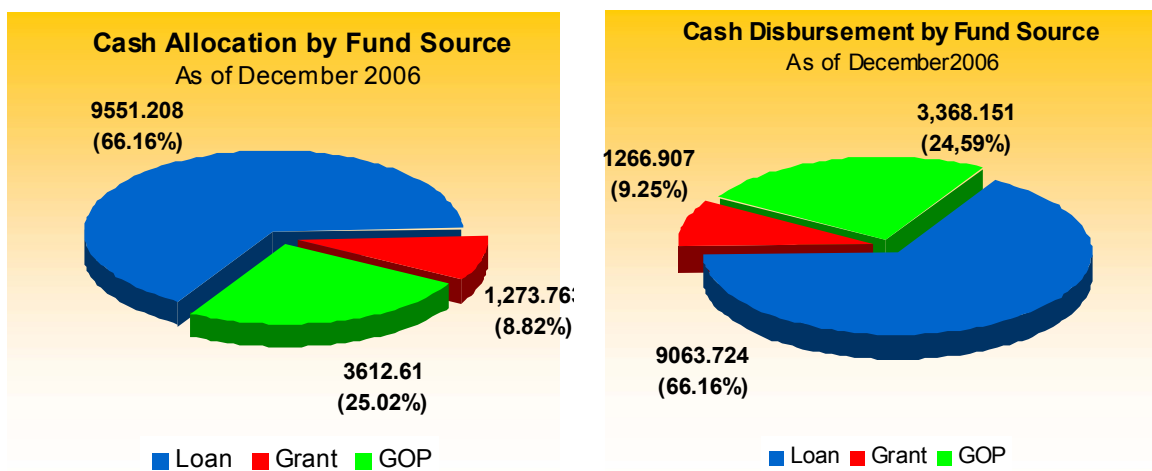


Figure 7b

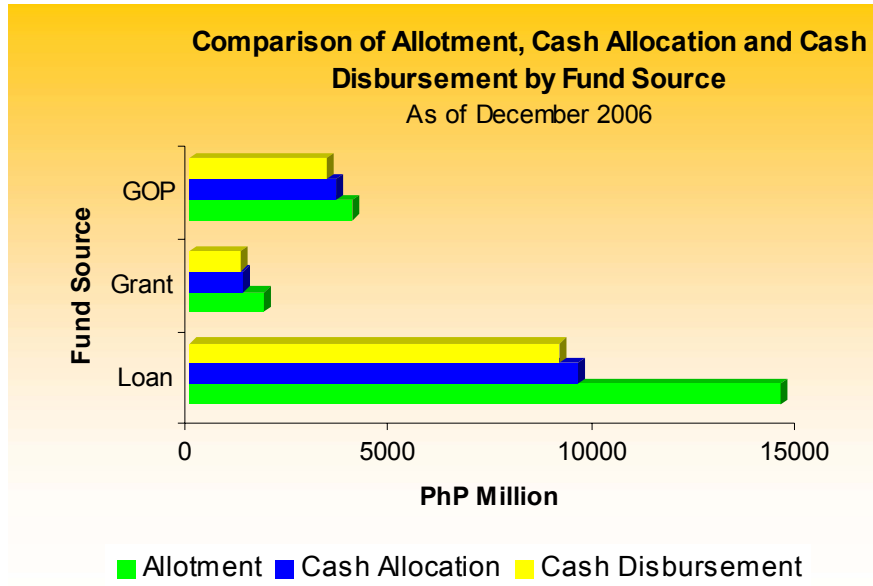


Figure 7c. Cash Allocation/Cash Disbursement by FAP

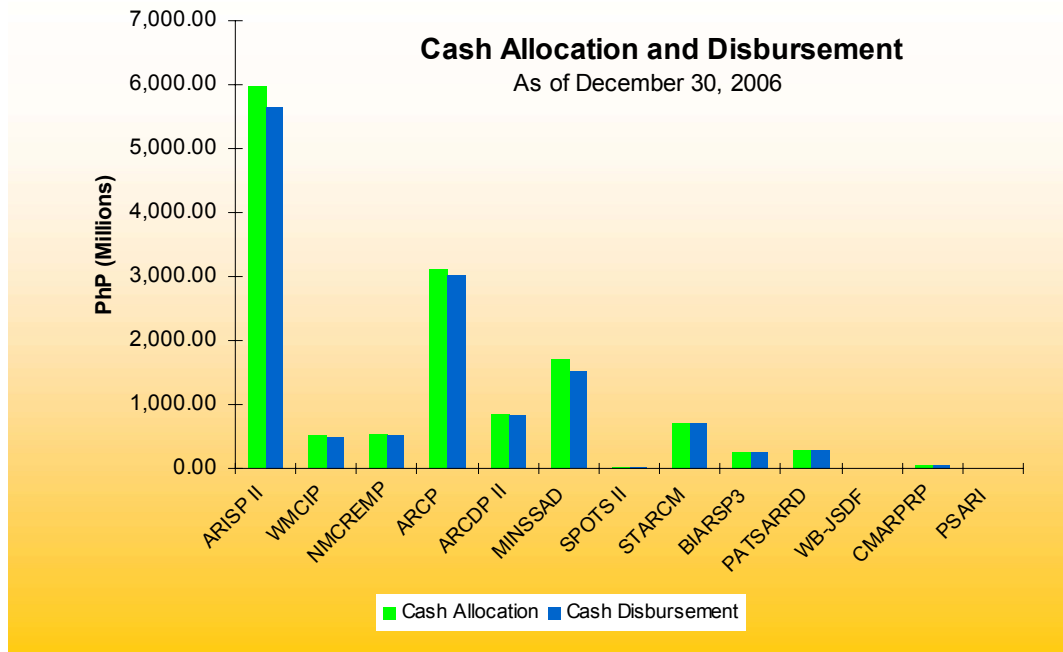


Table 10. Cash Allocation and Cash Disbursement Status for CY 2006

Fund Source	Allotment (PM)	Obligations (PM)	Cash Allocation (PM)	Cash Disb. (PM)
Loan				
Total	2,823.971	2,844.962	1,673.536	2,035.470
Loan Proceeds	2,229.919	2,271.550	1,078.147	1,456.443
Peso Counterpart	594.052	573.412	595.389	579.027
Grant				
Total	564.068	523.275	342.677	458.936
Grant Proceeds	555.058	511.295	330.697	446.956
Peso Counterpart	9.010	11.980	11.980	11.980
Grant Total	3,388.039	3,368.237	2,016.213	2,494.406
Loan & Grant	2,784.977	2,782.845	1,408.844	1,903.399
Peso Counterpart	603.062	585.392	607.369	591.007

1. Loan Performance

As of December 2006, the average loan utilization and availment rates were 57.07% and 78.90%, respectively. JBIC-MINSSAD reported the highest loan availment rate of 112.08%. (Table 8)

For the one year period covering January to December 2006, the Department of Budget and Management (DBM) already released a total of P2,229.919 million in the form of allotment for loan proceeds (LP). This represents 78.96% of the total FAPs budget for LP for CY 2006. Of this amount, 101.87% has been obligated. On the other hand, total cash allocation released was P1,078.147 million, or 48.35% of total allotment. Total cash disbursements amounted to P1,456.443 million, or 135.09% of the cash support (Tables 10 and 11).

2. Grant Performance

For grant-assisted projects, average utilization and availment rates were estimated at 77.74% and 83.41%, respectively. (Table 8)

Total allotment for the year reached P555.058 million with a total cash allocation amounting to P511.295 million. Of the total allotment, P511.295 million have been obligated. Total disbursements reached P446.956 million, or 80.52% of the total allotment received. (Tables 10 and 11)

3. GOP Counterpart Performance

The government allotted ₱3,969.617 million as of December 2006 as counterpart funds to support various activities by virtue of the loan and grant agreements. Actual cash allocated amounted to ₱3,612.610 million, cumulative from project start. The actual cash disbursements reached ₱3,368.151 million

For the year 2006, total allotment released amounted to P603.062 million. Total obligations however reached P585.392 million, representing 97.07% of the total allotment. Cash allocation and disbursements were at P607.369 million and P591.007 million, respectively. (Tables 10 and 11)

Details on the financial performance of the FAPs as of December 2006 and for CY 2006 are shown in Tables 11 and 12.

Table 11a

Department of Agrarian Reform
Financial Performance of On-going Foreign-Assisted Projects
 January to December 2005

FUND SOURCE-PROJECT TITLE	ALLOTMENT (Pmillion)	OBLIGATIONS (Pmillion)	OBLIGN/ ALLOT. (%)	CASH ALLOCATION (NCA) (Pmillion)	CASH SUPPORT (D)/(A) (%)	AMOUNT (Pmillion)					EXPENDITURES			RATE (%)				
						A	B	C	D	E	F	G	H	I	J	K	L	M
LOANS																		
Total	2,812.460	3,172.289	112.79%	2,106.205	74.89%	1,910.766	15.364	935.426	2,291.576	90.72%	81.48%	60.23%						
Loan Proceeds	2,400.463	2,652.327	110.49%	1,688.259	70.33%	1,450.585	0.000	915.492	1,795.077	85.92%	74.82%	54.69%						
Peso Counterpart	411.997	519.962	126.21%	417.946	101.44%	460.201	15.364	19.934	495.499	110.11%	120.27%	88.51%						
1.0 JAPAN BANK FOR INTERNATIONAL COOPERATION																		
(JBIC)																		
1.a Agrarian Reform Infrastructure Project (ARISP II)																		
Total	949.173	955.317	100.65%	828.412	87.28%	721.658		117.583	839.241	87.11%	88.42%	75.54%						
LP	899.998	879.004	97.67%	781.364	86.82%	673.575		116.872	790.447	86.21%	87.83%	76.63%						
GOP	49.175	76.313	155.19%	47.048	95.67%	48.083		0.711	48.794	102.20%	99.23%	63.01%						
1.b Mindanao Sustainable Settlement Area Development Project (MINSSAD)																		
Total	657.590	595.233	90.52%	558.632	84.95%	441.018	1.300	94.002	536.32	78.95%	81.56%	74.09%						
LP	542.472	486.464	89.68%	454.612	83.80%	331.698		93.714	425.412	72.96%	78.42%	68.19%						
GOP	115.118	108.769	94.48%	104.020	90.36%	109.320	1.300	0.288	110.908	105.10%	96.34%	100.51%						
2.0 WORLD BANK (WB)																		
Agrarian Reform Communities Development Project (ARCDP)																		
Total	351.184	584.363	166.40%	323.075	92.00%	347.383	0.007	138.972	486.362	107.52%	138.49%	59.45%						
LP	276.791	501.275	181.10%	236.728	85.53%	244.377		134.906	379.283	103.23%	137.03%	48.75%						
GOP	74.393	83.088	111.69%	86.347	116.07%	103.006	0.007	4.066	107.079	119.29%	143.94%	123.97%						
3.0 INTERNATIONAL FUND FOR AGRICULTURAL DEV. (IFAD)																		
Western Mindanao Community Initiatives Project (WMCIP)																		
Total	0.000	1.354		57.948		57.551		0.020	57.571			4250.44%						
LP		0.990		55.875		55.438		0.020	55.438			5599.80%						
GOP		0.364		2.073		2.113			2.133			550.49%						
3.b Northern Mindanao Community Initiatives Projects (NMCIREMP)																		
Total	132.980	185.190	139.26%	146.133	109.89%	127.891	0.753	0.093	128.737	87.52%	96.81%	69.06%						
LP	100.950	143.972	142.62%	110.763	109.72%	90.807			90.807	81.98%	89.95%	63.07%						
GOP	32.030	41.218	128.69%	35.370	110.43%	37.084	0.753	0.093	37.93	104.85%	118.42%	89.97%						
4.0 ASIAN DEVELOPMENT BANK (ADB)																		
DAR-ADB Agrarian Reform Communities Development Project (ARCP)																		
Total	108.628	177.301	163.22%	123.298	113.50%	140.299	13.304	6.638	160.241	113.79%	147.51%	79.13%						
LP	10.252	70.622	688.86%	48.917	477.15%	54.690			54.69		533.46%	77.44%						
GOP	98.376	106.679	108.44%	74.381	75.61%	85.609	13.304	6.638	105.551	115.10%	107.29%	80.25%						
5.0 SPANISH GOVERNMENT																		
Solar Power Technology Support Project to Agrarian Reform Communities (SPOTS)																		
Total	612.905	673.531	109.89%	68.707	11.21%	74.986		578.118	653.104	109.14%	106.56%	11.13%						
LP	570.000	570.000	100.00%	68.707	160.14%	74.986		570.000	83.104	109.14%	193.69%	72.43%						
GOP	42.905	103.531	241.30%					8.118										

1/18/2006

Department of Agrarian Reform
Financial Performance of On-going Foreign-Assisted Projects
 January to December 2005

Table 11b

1/18/2006

FUND SOURCE-PROJECT TITLE	EXPENDITURES																	
	ALLOTMENT (Pmillion)			OBLIGATIONS (Pmillion)			OBLIG. ALLOT. (%)		CASH ALLOCATION (NCA) (Pmillion)		CASH SUPPORT (%)		AMOUNT (Pmillion)			RATE (%)		
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P		
	(Pmillion)	(Pmillion)	(%)	(NCA) (Pmillion)	(%)	(Pmillion)	(%)	(NCA) (Pmillion)	(%)	(Pmillion)	(Pmillion)	(Pmillion)	(Pmillion)	(Pmillion)	(Pmillion)	(Pmillion)	(%)	
GRANT																		
Total	542.533	429.572	79.18%	551.563	101.66%	427.714	0.000	0.000	427.714	0.000	0.000	427.714	77.55%	78.84%	78.84%	99.57%	99.57%	
Grant Portion	542.533	429.572	79.18%	551.563	101.66%	427.714	0.000	0.000	427.714	0.000	0.000	427.714	77.55%	78.84%	78.84%	99.57%	99.57%	
Peso Counterpart																		
6.0 EUROPEAN UNION (EU)																		
Support to Agrarian Reform Communities in Central Mindanao (STARCM)	398.798	292.548	73.36%	285.646	71.63%	280.009	1.121	1.121	280.009	98.03%	280.009	1.121	98.03%	70.49%	72.83%	7.81%	100.00%	100.00%
Total	398.798	292.548	73.36%	285.646	71.63%	280.009	1.121	1.121	280.009	98.03%	280.009	1.121	98.03%	70.49%	72.83%	7.81%	100.00%	100.00%
7.0 GOVERNMENT OF BELGIUM																		
Belgian Integrated Agrarian Reform Support Project (BIARSP III)	78.079	90.276	115.62%	78.059	99.97%	90.276			90.276				115.65%	115.62%	115.62%	100.00%	100.00%	
Total	78.079	90.276	115.62%	78.059	99.97%	90.276			90.276				115.65%	115.62%	115.62%	100.00%	100.00%	
8.0 AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AusAID)																		
Philippines-Australian Technical Support for Agrarian Reform and Rural Development (PATSAARRD)*	57.188	39.180	68.51%	165.527	289.44%	39.180			39.180				39.18	68.51%	68.51%	100.00%	100.00%	
Total	57.188	39.180	68.51%	165.527	289.44%	39.180			39.180				39.18	68.51%	68.51%	100.00%	100.00%	
9.0 WORLD BANK (WB)																		
Community-Managed Agrarian Reform and Poverty Reduction Project (C-MARP) JSDF	15.328	15.846	103.38%	16.079	104.90%	14.436			14.436				14.436	94.18%	94.18%	91.10%	91.10%	
Total	15.328	15.846	103.38%	16.079	104.90%	14.436			14.436				14.436	94.18%	94.18%	91.10%	91.10%	
Agrarian Reform Communities Development Project II Indigenous People	7.490	4.261	56.89%	6.252	83.47%	3.813			3.813				3.813	50.91%	50.91%	89.49%	89.49%	
Total	7.490	4.261	56.89%	6.252	83.47%	3.813			3.813				3.813	50.91%	50.91%	89.49%	89.49%	
GRAND TOTAL	3,354.993	3,601.861	107.36%	2,657.768	79.22%	2,338.500	15.364	935.426	2,719.290	87.99%	2,719.290	15.364	87.99%	81.05%	81.05%	64.92%	64.92%	
Loan & Grant	2,942.996	3,081.899	104.72%	2,239.822	76.11%	1,878.299	0.000	915.492	2,223.791	83.86%	2,223.791	0.000	83.86%	75.56%	75.56%	60.95%	60.95%	
GOP	411.997	519.962	126.21%	417.946	101.44%	460.201	15.364	19.934	495.499	110.11%	495.499	15.364	110.11%	120.27%	120.27%	88.51%	88.51%	

Department of Agrarian Reform
Financial Performance of On-going Foreign-Assisted Projects
As of December 2006

Table 12a

2/6/2007

FUND SOURCE-PROJECT TITLE	ALLOTMENT (Pmillion)			OBLIGATIONS (Pmillion)		OBLIGN/ ALLOT. (%)	CASH ALLOCATION (NCA) (Pmillion)	CASH SUPPORT (%)	EXPENDITURES			RATE (%)	
	A	B	C	D	E	F	G	H	I	J	K	L	M
	ALLOTMENT (Pmillion)	OBLIGATIONS (Pmillion)	OBLIGN/ ALLOT. (%)	CASH ALLOCATION (NCA) (Pmillion)	CASH SUPPORT (%)	Cash Disb. (F)	Accts. Payable	Non-cash Expd.	TOTAL	Cash Disb. (F)/(D)	Total Disb. (H)/(A)	Cash Disb. Oblig.	Cash Disb. Oblig.
LOANS													
Total	18,425,076	18,136,371	98.43%	13,104,273	71.12%	12,372,330	390,763	3,384,523	15,647,116	94.41%	84.92%	68,22%	68,22%
LP	14,486,549	14,323,327	98.87%	9,551,208	65.93%	9,063,724	147,347	2,985,036	11,695,607	94.90%	80.73%	63,28%	63,28%
GO	3,838,527	3,813,044	96.81%	3,553,065	90.21%	3,308,606	243,416	399,487	3,951,509	93.12%	100.33%	86,77%	86,77%
1.0 JAPAN BANK FOR INTERNATIONAL COOPERATION (JBIC)													
Total	6,739,995	6,703,025	99.45%	5,970,533	88.58%	5,645,917	265,876	903,089	6814,882	94.56%	101.11%	84,23%	84,23%
LP	5,543,105	5,506,215	99.33%	4,850,256	87.50%	4,679,923	111,593	667,069	5458,585	96.49%	98.48%	84,99%	84,99%
GO	1,196,890	1,196,810	99.99%	1,120,277	93.60%	965,994	154,283	236,020	1,356,297	86.23%	113.32%	80,71%	80,71%
1.1 Mindanao Sustainable Settlement Area Development Project (MINSSAD)													
Total	2,234,111	2,111,731	94.52%	1,727,17	77.31%	1,506,988	5,372	344,730	1,857,09	87.25%	83.12%	71,36%	71,36%
LP	1,707,217	1,659,181	97.19%	1,285,848	75.32%	1,071,039	342,053	342,053	1,413,092	83.29%	82.77%	64,55%	64,55%
GO	526,894	452,550	85.89%	441,321	83.76%	435,949	5,372	2,677	443,998	98.78%	84.27%	96,33%	96,33%
2.0 WORLD BANK (WB)													
Total	1,111,705	1,071,292	96.36%	870,37	78.29%	837,96	5,953	150,398	994,311	96.28%	89.44%	78,22%	78,22%
LP	784,949	757,932	96.56%	512,329	65.27%	485,872	134,906	134,906	620,778	94.84%	79.09%	64,10%	64,10%
GO	326,756	313,360	95.90%	358,041	109.57%	352,088	5,953	15,492	373,533	98.34%	114.32%	112,36%	112,36%
3.0 INTERNATIONAL FUND FOR AGRICULTURAL DEV. (IFAD)													
Total	651,440	651,104	99.95%	521,882	80.11%	480,804	39,388	0.229	520,421	92.13%	79.89%	73,84%	73,84%
LP	537,057	537,057	100.00%	414,359	77.15%	377,079	35,754		412,833	91.00%	76.87%	70,21%	70,21%
GO	9,349	9,349	100.00%	9,349	100.00%	9,349			9,349	100.00%	100.00%	100,00%	100,00%
GO	105,034	104,698	99.68%	98,174	93.47%	94,376	3,634	0.229	98,239	96.13%	93.53%	90,14%	90,14%
3.1 Northern Mindanao Community Initiatives Projects (NMCI/REMP)													
Total	727,887	715,156	98.25%	552,156	75.86%	512,798	0,753	0.172	513,723	92.87%	70.58%	71,70%	71,70%
LP	547,464	547,243	99.96%	383,986	70.14%	345,381			345,381	89.95%	63.09%	63,11%	63,11%
GO	180,423	167,913	93.07%	168,170	93.21%	167,417	0,753	0.172	168,342	99.55%	93.30%	99,70%	99,70%
4.0 ASIAN DEVELOPMENT BANK (ADB)													
Total	4,453,140	4,378,145	98.32%	3,113,746	69.92%	3,040,509	73,237	56,049	3,169,795	97.65%	71.18%	69,45%	69,45%
LP	3,345,262	3,294,204	98.47%	2,104,430	62.91%	2,104,430	30,724	30,724	2,135,154	100.00%	63.83%	63,88%	63,88%
GO	1,107,878	1,083,941	97.84%	1,009,316	91.10%	936,079	73,237	25,325	1,034,641	92.74%	93.39%	86,36%	86,36%
5.0 SPANISH GOVERNMENT													
Total	1,779,436	1,779,436	100.00%	332,766	18.70%	332,583	0,184	1,429,356	1,762,123	99.95%	99.03%	18,69%	18,69%
LP	1,309,784	1,309,784	100.00%	1,309,784	100.00%	1,309,784		1,309,784	1,309,784	100.00%	100.00%		
GO	469,652	469,652	100.00%	332,766	70.85%	332,583	0,184	119,572	452,339	99.95%	96.31%	70,81%	70,81%
Solar Power Technology Support Project to Agrarian Reform Communities (SPOTS - I)													
Total	736,711	735,831	99.88%	25,000	3.39%	24,120		500,500	524,620	96.48%	71.21%	3,28%	3,28%
LP	711,711	711,711	100.00%	25,000	100.00%	24,120		500,500	500,500	96.48%	96.48%	100,00%	100,00%
GO	25,000	24,120	96.48%	25,000	100.00%	24,120			24,120				

Department of Agrarian Reform
Financial Performance of On-going Foreign-Assisted Projects
As of December 2006

Table 12b

2/6/2007

FUND SOURCE-PROJECT TITLE	ALLOTMENT (Pnillion)		OBLIGATIONS (Pnillion)		OBLIGN/ ALLOT. (%)		CASH ALLOCATION (NCA) (Pnillion)		CASH SUPPORT (%)		AMOUNT (Pnillion)			EXPENDITURES			RATE (%)		
	A		B		C		D		E		G		H		I		Total		
	Total	GP	Total	GP	Total	GP	Total	GP	Total	GP	Accts. Payable	Non-cash Expd.	Total	Cash Disb.	Cash Disb.	Cash Disb.	Total	Cash Disb.	Oblign.
										(D)/(A)	(D)/(A)	(F)/(D)	(H)/(A)	(F)/(E)	(F)/(D)	(H)/(A)	(H)/(A)	(F)/(E)	(F)/(E)
GRANT																			
Total	1,822.739		1,327.252		72.82%	1,333.308		1,333.308		73.15%	0.000	10.741	1,337.193	99.49%	73.36%		99.49%	99.94%	
Grant Portion	1,791.649		1,267.707		70.76%	1,273.763		1,273.763		71.09%	0.000	0.000	1,266.907	99.46%	70.71%		99.46%	99.94%	
Peso Counterpart	31.090		59.545		191.52%	59.545		59.545		191.52%	0.000	10.741	70.286	100.00%	226.07%		100.00%	100.00%	
6.0 EUROPEAN UNION (EU)																			
Support to Agrarian Reform Communities in Central Mindanao (STARCOM)*	1,143.028		709.709		62.09%	715.454		715.454		62.59%	0.000	10.741	726.195	100.00%	63.53%		100.00%	100.81%	
	1,111.938		650.164		58.47%	655.909		655.909		58.99%			655.909	100.00%	58.99%		100.00%	100.88%	
	31.090		59.545		191.52%	59.545		59.545		191.52%		10.741	70.286	100.00%	226.07%		100.00%	100.00%	
7.0 GOVERNMENT OF BELGIUM																			
Belgian Integrated Agrarian Reform Support Project (BIARSP III)*	308.274		246.904		80.09%	246.904		246.904		80.09%			246.904	100.00%	80.09%		100.00%	100.00%	
	308.274		246.904		80.09%	246.904		246.904		80.09%			246.904	100.00%	80.09%		100.00%	100.00%	
8.0 AUSTRALIAN AGENCY FOR INTERNATIONAL DEVELOPMENT (AusAID)																			
Philippines-Australian Technical Support for Agrarian Reform and Rural Development (PATSAARRD)*	288.941		288.941		100.00%	288.941		288.941		100.00%			288.941	100.00%	100.00%		100.00%	100.00%	
	288.941		288.941		100.00%	288.941		288.941		100.00%			288.941	100.00%	100.00%		100.00%	100.00%	
9.0 WORLD BANK (WB)																			
Community-Managed Agrarian Reform and Poverty Reduction Project (C-MARP) -JSDF	53.633		53.407		99.58%	54.385		54.385		101.40%			47.755	87.81%	89.04%		87.81%	89.42%	
	53.633		53.407		99.58%	54.385		54.385		101.40%			47.755	87.81%	89.04%		87.81%	89.42%	
Agrarian Reform Communities Development Project II Indigenous People*	14.755		14.183		96.12%	13.516		13.516		91.60%			13.290	98.33%	90.07%		98.33%	93.70%	
	14.755		14.183		96.12%	13.516		13.516		91.60%			13.290	98.33%	90.07%		98.33%	93.70%	
10.0 United Nations Development Programme (UNDP)																			
Program support to Asset Reform Implementation	4.759		4.759		100.00%	4.759		4.759		100.00%			4.759	100.00%	100.00%		100.00%	100.00%	
	4.759		4.759		100.00%	4.759		4.759		100.00%			4.759	100.00%	100.00%		100.00%	100.00%	
GRAND TOTAL	20,247.815		19,463.623		96.13%	14,437.581		14,437.581		71.30%	390.763	3,395.264	16,984.309	94.88%	83.88%		94.88%	70.38%	
Loan & Grant	16,278.198		15,591.034		95.78%	10,824.971		10,824.971		66.50%	147.347	2,985.036	12,962.514	95.43%	79.63%		95.43%	66.26%	
GOP	3,969.617		3,872.589		97.56%	3,612.610		3,612.610		91.01%	243.416	410.228	4,021.795	93.23%	101.31%		93.23%	86.97%	

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. Development interventions under the various FAPs are classified under six major components:

1. Physical Infrastructure
2. Community & Institutional Development
3. Agricultural Productivity & Rural Enterprise Development
4. Basic Social Services
5. Gender & Development
6. Land Tenure Improvement

The implementation of these components places the well-being of the ARBs at the center of development concerns and, with these in place, the productive potential of the ARBs can be unleashed to serve not only the interests of the ARCs but the areas adjacent to these communities as well.

A. PHYSICAL INFRASTRUCTURE

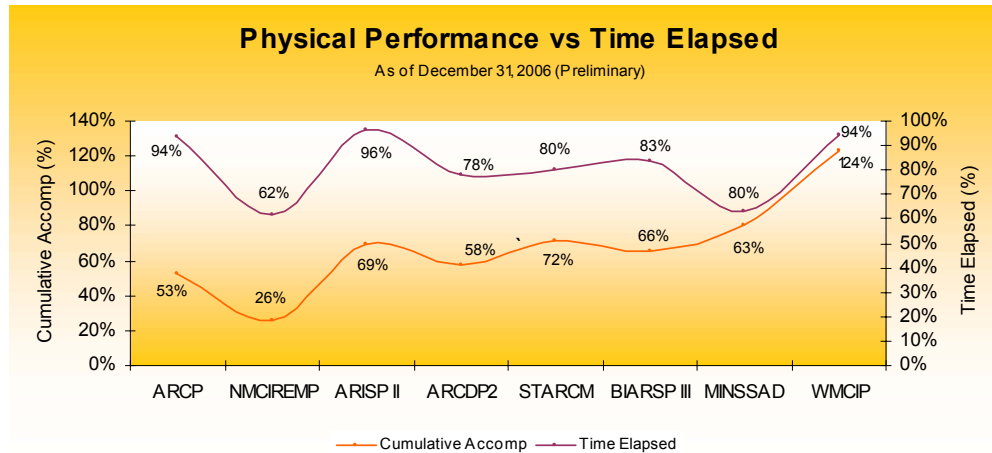
The provision of adequate physical infrastructure facilities is necessary to promote equitable agricultural development and foster rural growth. The Department, through its Foreign-Assisted Projects, has given significant emphasis on the provision/improvement of basic rural infrastructure, e.g., irrigation, 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.

OVERALL PERFORMANCE

By Project

Cumulative physical infrastructure accomplishment has reached 68% with a time elapsed of 81%. Most on-going FAPs are beyond midstream stage and a large part of subprojects are under construction and/or design phase.



By Subproject

Since the start of physical infrastructure implementation in 1996, a total of 2,795 subprojects were completed amounting to Php 12.46 billion; 862 subprojects are undergoing construction with a total cost of Php 6.51 billion; and 553 subprojects amounting Php 4.27 billion are in the various design and approval stages.

These investments were translated into completed physical infrastructure, which include: 307 irrigation systems amounting to Php 3.24 billion and servicing 46,378 hectares of agricultural land; 3,470 kilometers of farm-to-market roads with an aggregate amount of Php 6.6 billion; 8,591 linear meters of bridges with a total cost of Php 648 million; and 1,347 various sub-projects amounting to Php 1.97 billion.

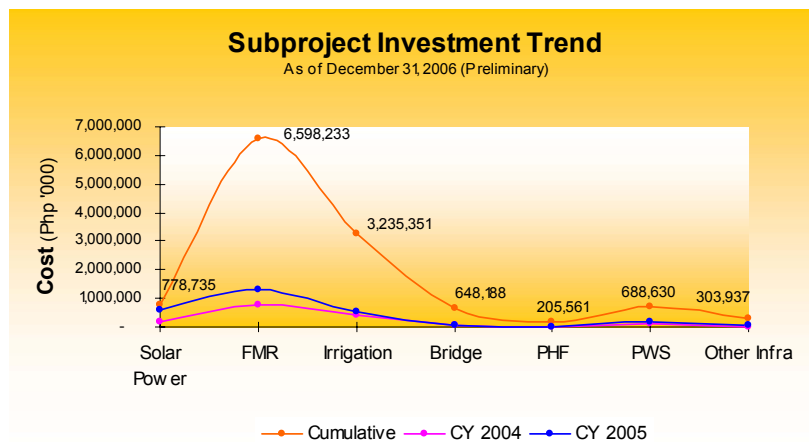
Farm-to-market roads account for 53% of total completed and turned-over interventions with an aggregate amount of Php6.6B. FMRs have the highest demand because where new roads are constructed or existing gravel roads are rehabilitated, progress somehow spontaneously came into being.

Status By Subproject Type

As of December 31, 2006 (Preliminary)

Type of Physical Infra		Target			Actual			Balance
		Completed FAPs	On-going FAPs	Total	Completed FAPs	On-going FAPs	Total	
Irrigation	hectare	26,591	59,961	86,552	23,122	23,256	46,378	40,174
PHF	unit	55	193	248	118	118	236	12
FMR	kilometer	1,327	3,993	5,320	1,511	1,959	3,470	1,850
Bridge	linear meter	2,560	3,152	5,712	4,193	4,399	8,592	(2,880)
PWS	system	144	1,402	1,546	489	267	756	790
MPB	unit	36	183	219	90	73	163	56
Rural Elect'n.								
- Grid Type	kilometer	17	-	17	63	-	63	(46)
- Solar Power	system	6,080	10,045	16,125	6,080	-	6,080	10,045
School Building	classroom	100	258	358	86	232	318	40
Health Center	unit	30	240	270	20	66	86	184
Sanitation System	system	200	-	200	305	-	305	(105)
Market Structure	project	-	-	-	-	2	2	(2)
Flood Control	unit	-	3	3	-	4	4	(1)
Wharf	project	-	3	3	-	1	1	2

In most ARCs benefits from FMRs are twofold: they enable ARBs to have access to services that were previously not readily available in the community, (e.g. health services, recreation, farm



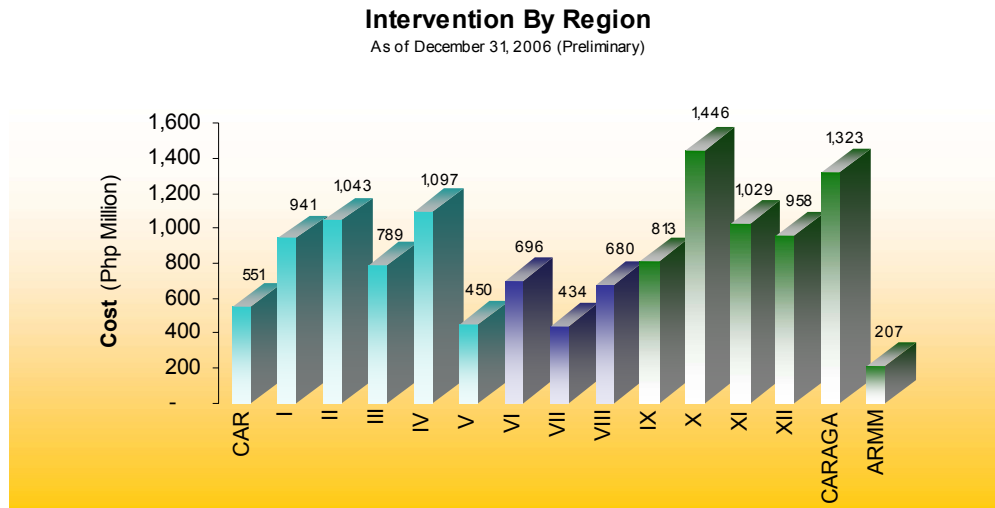
inputs, etc.); and they make possible the entry of businessmen and traders in the ARC therefore facilitating the marketability of farm produce. Next to FMRs, investment in irrigation systems have reached Php 3.23B (26%). Irrigation subprojects have direct effect on ARBs' household income although they require higher construction costs. To offset this, irrigators' associations are organized prior to subproject implementation and members provide a counterpart portion of the cost. They have the option to give their counterpart either in cash or by supplying materials that are available locally, e.g. gravel, timber, etc. Normally, cost sharing is 90% from the DAR and 10% to be raised by the beneficiaries.

Solar power technology support has a cumulative cost of Php 779M (6%); potable water supply, Php 689M (6%); bridge subprojects have a total amount of Php 648M (5%); and other infrastructure types account for 2% with a cost of Php 304M.



By Region

Subproject implementation varies across regions and two factors affect construction: *terrain* and *weather*. It is more challenging to put up an FMR in CAR than in any other flatter region as road sections tend to traverse hilly or steep sectors. Irregular terrains impede the operation of mechanized equipment and hamper the delivery of materials on site. On the other hand, the Type II weather in Region VIII¹ and in several areas in the Visayas has a great influence on construction due to pronounced periods of rainfall causing frequent suspension of activities. Subproject implementation takes longer periods in these areas than in locations with more pronounced dry season.



In terms of accomplishment, Region X and CARAGA posted the highest cumulative intervention amounting to Php 1.446B (11.6%) and Php 1.323B (10.6%), respectively. Luzon accounts for 39.1% of total intervention with an aggregate amount of Php 4.872B; Visayas, 14.5%, with a total cost of Php 1.810B; and Mindanao, 46.4%, amounting to Php 5.776B. Investment is lowest in three regions: ARMM, Php 207M (1.66%); Region VII, Php 434M (3.49%); and Region V, Php 450M (3.61%).



CY 2006 ACCOMPLISHMENT

As of December 31, 2006, 478 subprojects were completed amounting to Php 2.187B. Completed infrastructure for the year include: 39 irrigation systems covering 6,096 hectares with a total amount of Php 457.54M; 557.9 kilometers of farm-to-market roads with a cost of Php 1,339.71M; 1,410 linear meters of bridge amounting Php 82.10 M; and 286 various subprojects with an aggregate amount of Php 308.02M.

Accomplishment for the Year

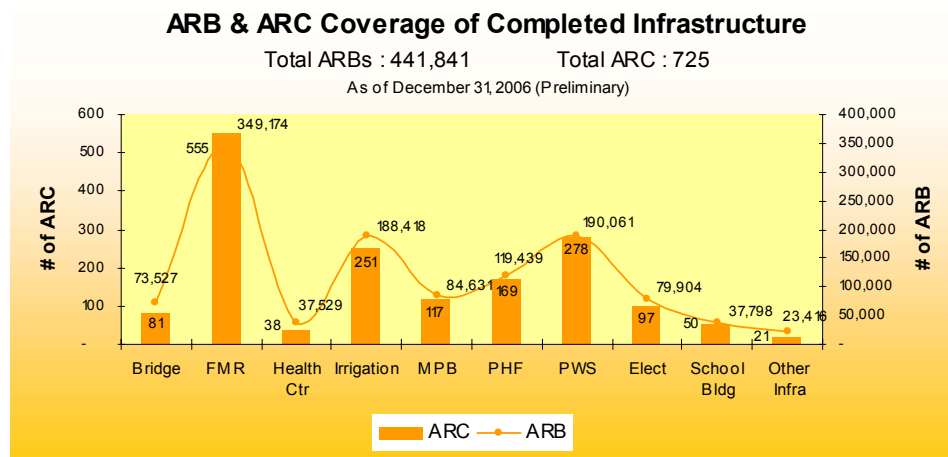
As of December 31, 2006 (Preliminary)

Type of Physical Infra	Unit	Unit	Cost (PM)
Irrigation	hectare	6,096	457.54
PHF	unit	62	34.62
FMR	kilometer	558	1,339.71
Bridge	linear meter	1,410	82.11
PWS	system	67	122.59
MPB	unit	27	29.81
School Bldg	clsrm	198	88.20
Health Ctr	unit	51	27.82
Solar Power	system	-	-
Flood Control	project	1	1.71
Market Structure	project	1	2.60
Sanitation System	system	203	0.68
Total			2,187.38



ARB and ARC COVERAGE

Albeit DAR-FAPs subprojects are located within ARCs, residents of neighboring barangays also benefit from these subprojects. Most FMRs, for instance, lead to other



barangays outside the ARC extending its influence area beyond its direct beneficiaries. In some localities, farm-to-market roads linked to arterial roads (provincial and national) inducing greater traffic volume, thus bringing in more commuters to and from the ARCs. In the same manner, users of completed potable water supply level II subprojects after sometime may opt to upgrade their facilities into level III, consequently other users outside the original target area get to benefit from the facilities.

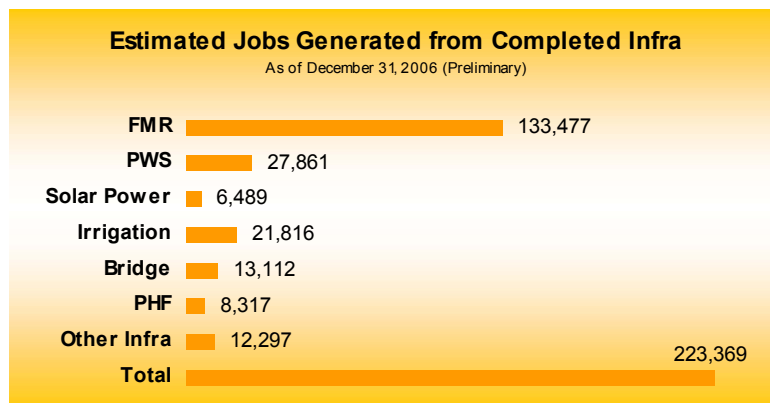
The total ARBs benefiting from completed physical infrastructure is 441,841 in 725 ARCs. FMRs have the highest beneficiaries with 349,174 ARBs and 555 ARCs.



JOBS GENERATED

Subprojects construction in the ARCs are largely labor-based and thus provide alternative source of employment for local residents. Taking part in the actual construction of subprojects strengthens the ARBs' sense of ownership of completed subprojects resulting to their self-motivated efforts in providing proper maintenance.

Total estimated generated jobs for



completed infrastructures reached 223,369. FMRs have generated the highest number of jobs, accounting for 60%, involving 133,477 jobs.



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.

AVERAGE COSTS for PHYSICAL INFRASTRUCTURE

Subproject Category	Type	Unit	COST (Php)
FMR	Gravel:	Rehab	per km 1,995,694.00
		Const	per km 2,623,254.00
	PCCP	per km 3,775,294.00	
Bridge Irrigation	RCDG	per ln m 200,957.00	
	Rehab	per ha 63,117.00	
		Const	per ha 95,701.00
PWS	Level I	per unit 258,678.00	
		per HH 3,314.00	
	Level II	per sys 3,000,929.00	
PHF	Warehouse	per HH 10,733.00	
		per unit 1,164,703.00	
	Solar Dryer	per sq m 7,485.00	
per sq m 561.00			

B. Non-Physical Infrastructure

Table 13 presents the cumulative accomplishment of non-infrastructure components of on going foreign-assisted projects as of December 31, 2006.

1. Community Institutional Development Support (CIDS)

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

Further, this component also involves improving the efficiency and effectiveness of DLR, LGU, NIA, DPWH and other CARP-implementing agencies (such as DTI, DENR and DA) and other project partners (NGOs) in undertaking development processes within the ARCs and in assisting the ARBs to manage, direct, and take responsibility for their sustained growth. It focuses on the four phases of ARC social institution building: social preparation, organizational development, capability building, and enterprise & alliance building. The different FAPs provide technical support in terms of community organizing/strengthening, cooperative trainings on financial management, credit administration, enterprise planning, operation and management.

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 244,430 ARBs were organized and 85,762 ARB leaders have been provided with training activities aimed at enhancing the ARBs' skills in organizational management, agricultural and post-production technologies, and enterprise planning, implementation and management. These activities were undertaken in collaboration with DAR field personnel, partner NGOs and various

STATUS OF NON-PHYSICAL INFRASTRUCTURE

As of December 31, 2006

Project Component/ Description	Physical Indicator	Global Target	Accomplishment	
			CY 2006	Cumulative
Community & Institutional Development Support				
ARCs Covered	# of ARC	871	-	1,053
ARB Leaders Trained	# of ARB Leaders	32,400	11,817	85,762
Organized ARB	# of ARB	329,786	21,651	244,430
DAR/LGU/LA Implementers Trained	# of staff	19,974	1,156	29,089
Agricultural Productivity & Rural Enterprise Development Support				
ARCs assisted	# of ARCs	871	-	1,053
Improved Farm Technology Established	no.	2,395	2,062	4,627
Farmer Cooperators/Adopters	no.	49,983	16,632	114,974
Rural Enterprise/Mcro Projects Established ¹	no.	6,027	2,582	7,176
Basic Social Services				
Basic Education Services	no. of schools	1,102	273	506
Primary Health Care Services	no. of pupils	56,973	22	51,269
	no. of services	266	88	504
Land Tenure Improvement				
Area distributed with individual land titles	hectares	205,483	15,496	228,399
ARBs with individual land titles	# of ARB	136,989	10,331	152,266

local government units. Collaborative activities between and among FAPs have also been adopted as a strategy to the development process.

Corollary to this, the strengthening of the capabilities of DLR field staff, NGO personnel and LGU partners is a sub-component of the CIDS. A total of 29,089 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 4,627 demonstration farms, which serve as micro models for farm productivity improvement involving 114,974 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 linkaging have also been conducted as well as assistance on agribusiness training and resource matching activities.
- To enhance the skills of the frontline community development workers, 2,038 paratechnicians and agri-extension workers were trained and development facilitators were given training on enterprise development.
- A total of 7,176 community-based projects/rural enterprises were established.
- Support to off-farm and other livelihood projects also include aquaculture, fruit processing, handicraft/metalcraft, ceramics, beekeeping, garment production, etc.

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 has invested in the improvement of school classrooms; provision of school desks and teachers' sets; conduct of teachers' enhancement training. The project also reported improvements in the scholastic performance of the pupils in all BIARSP-assisted schools.

The programme has also provided the needs of out-of-school youth and adults through various literacy, numeracy and skills training sessions. Non-formal education activities were also undertaken. Preparatory 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.

Activities under Basic education are done in coordination with DEC's, LGUs, Provincial/Municipal Social Welfare and Development Officers, Day Care Workers, Barangay and Municipal Health units.

3.2 Primary Health Care

The Primary Health Care component aims to provide quality health care services to the ARC populace and the non-ARCs as well. Under the component, health system and services promoted or established have sustainability mechanism as a major consideration. Sustainability is ensured through active participation of the empowered beneficiaries in the planning and operation of the health project affecting them.

The assistance is in the form of medical equipment, rehabilitation and upgrading of district hospitals, barangay health stations and rural health units; and facilitated trainings for health workers.

4. *Land Tenure Improvement*

Three projects have LTI as a component. These 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 DLR in handling and processing data pertaining to the land title distribution and awarding process.

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

As of December 2005

A. Scope/Coverage of the Report

The DAR RME Report for December 2005 reflects the agency's effort to further improve the existing analytical framework for its various FAPs, which, until the preparation for the 2005 June RME report, has relied on individual project management teams insofar as data collection and processing of the projects' RME performance indicators. For the current report, FAPsO-MES was supposed to include aggregate findings from selected survey data of EU-STARCM, SPAIN-funded SPOTS and additional survey data from IFAD-NMCIREMP (the 2005 June RME report contained preliminary findings in only five NMCIREMP ARCs with completed subprojects). Delays, however, hampered the conduct of the surveys given the onset of

the rainy season, among other reasons. The whole process of encoding and processing of the NMCIREMP and SPOTS survey data suffered considerable delays. In this regard, the December 2005 RME report would now comprise the aggregate findings contained in the June 2005 RME report, relevant survey data of EU-STARCM and additional data under the IFAD-NMCIREMP (survey was conducted in 13 ARCs). SPAIN-SPOTS would be included in the final version of the December 2005 RME report once the data have been processed.

The five projects cover some 288 ARCs representing about 14 percent of the total 2,000 ARCs targeted by the DAR for the entire country. These projects are: i) Agrarian Reform Communities Project (ARCP); ii) Mindanao Sustainable Settlements Area Development Project (MNSSAD); iii) Northern Mindanao Communities Initiatives and Resources Management Project (NMCIREMP); iv) Western Mindanao Community Initiatives Project (WMCIP); and v) Support to Agrarian Reform Communities in Central Mindanao (STARCM).

This report covers two levels: output level, where aggregate physical accomplishments of various FAPS of the Department are reported; and, results level, where immediate impacts and benefits generated from the sample survey data are reported.

At the output level, the five 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 December 2005 are shown below:

FAPs	FMR	Bridge	Irrigation	PWS	Multi-Purpose Building	Health Center	Post - Harvest Facilities	School Building	Flood Control Structure	Mkt. Structure	Wharf
ARCP	195	17	19	59	-	-	-	-	-	-	-
MINSSAD	23	1	-	1	6	10	-	11	-	-	-
NMCIREMP	29	1	2	13	5	1	-	5	-	-	-
WMCIP	37	2	4	24	15	-	8	-	3	-	1
STARCM	13	5	-	19	17	4	17	-	-	1	-
Total	297	26	25	116	43	15	25	16	3	1	1

At the results level where attribution is intervention-dependent across projects in most cases, immediate impacts and benefits reported were consolidated by aggregating the

survey data findings under specific project components of the five FAPs. The consolidated comparative data for indicators in money value are presented in nominal terms.

B. Types of Intervention

In general, the various interventions provided by the FAPs under DAR could be broadly classified as either physical infrastructures or institutional support. Based on the component classification being followed by the Department for ODA and other development support projects, following are the key result areas under which the FAPs are periodically assessed:

<u>Name of Component</u>	
(i)	Physical Infrastructure Support
(ii)	Community and Institutional Development Support (CIDS)
(iii)	Agricultural Productivity and Rural Enterprise Development Support (APRED)
(iv)	Basic Social Services (BSS)
(v)	Gender and Development (GAD)
(vi)	Land Tenure Improvement (LTI)

Integral on the implementation of the FAPs is the project management, considered as the seventh component. All of the said projects include the said component, but being just a means to generate outputs and the corresponding results, this report will not emphasize on the same.

C. Interventions and Benefits

Based on the physical outputs of the 5 FAPs (all of which have infrastructure component), the analysis of survey results together with the progress reports and/or accomplishment summary, provide the highlights of impacts/benefits derived from the implementation of various interventions under the five major 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 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.

As of December 2005, various physical infrastructure sub-projects under the five projects (ARCP, MINSSAD, NMCIREMP, WMCIP and STARCM) have been completed and are currently operational.

A continuing thrust on the rural infra component is to ensure effective operation and maintenance of the completed rural infra subprojects by the LGUs. The Subproject Agreement (SPA) between the project and the LGU reflects the crucial role of the latter in maintaining effectively the subprojects for a period of at least 10 years. The SPA stipulates that failure on the part of the LGUs to fulfill its obligations warrants the conversion of the grant from the national government to a loan. This will be implemented through the interception of the Internal Revenue Allocation (IRA) of the LGU. The handover of completed subprojects to the LGUs and the closure of its book of accounts are part of the major milestones for the rural infra component. This marks the start of the LGUs' assumption of accountabilities and responsibilities in the operation and maintenance of the subprojects.

Farm-to-Market Roads (FMR)

As of December 2005, the 5 projects (ARCP, MNSSAD, MCIREMP, WMCIP and STARCM) with rural infrastructure components, were able to contribute to the construction/rehabilitation of some 297 FMRs with an aggregate length of 929.03 kilometers.

In terms of benefits, the aggregate results showed the following changes from the comparative consolidated baseline figures:

- i) increase in daily traffic of light vehicles (i.e. tricycle, motorcycle) by 41 percent from an average of 17 vehicles to 24;
- ii) increase in daily traffic of heavy-type vehicles (i.e. trucks, buses) by 100 percent from 5 to 10 vehicles;
- iii) reduction in average travel time by 39 percent from 38 to 23 minutes; and
- iv) reduction in the cost of transporting agricultural inputs such as fertilizer by about 6 percent; and,
- v) reduction in average palay hauling cost by 71 percent from P17.00 to P5.00.

There was, however, a noticeable increase in average commuters' travel cost by about 31 percent. Hauling cost of livestock and copra, likewise, increased by 21 percent and 25 percent, respectively. This was partially due to rising cost of local

fuel prices which started around third quarter of last year and continued till the first half of the current year. There were, for instance, several price adjustments that occurred within a particular month, like the four in March 2005 which totaled P2.00 per liter.

The overall benefit brought about by the FMR interventions insofar as vehicle traffic, travel time and a more stable hauling cost for fertilizer, encompasses the multiplier effects in basic services, agricultural productivity, and economic improvement. Depending on the combined impact of various sub-projects implemented, infrastructure interventions (aside from the visible construction in the area), is aimed at providing benefits to the residents in the ARCs in the medium-term.

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.

A total of 2,829 additional hectares of land are now irrigated as a result of the completion of 25 irrigation systems under ARCP, NMCIREMP and WMCIP. As a result of the rehabilitation/construction of the irrigation sub-projects, the palay-farming areas covered by the three FAPs, registered a 34 percent increase in yield with an average of 2,933 from baseline levels of 2,195 kgs. Despite this substantial improvement in palay yield, production levels are still 40 percent off the mean yield of 4,889 kgs. per hectare being promoted by the Department of Agriculture.

With four (4) units of irrigation systems rehabilitated covering a total target area of 151 hectares, WMCIP irrigation facilities now cover an aggregate area of 290.5 hectares. In terms of effective land area being planted, 621.6 has of total farming land in the provinces of Basilan and Zamboanga del Norte are benefiting from the irrigation sub-projects.

With regards to ARCP, there are nineteen (19) completed projects reported as of December 2005. The completed irrigation projects have a total service area of 2,416 hectares representing 37 percent of the project's global target. These facilities have contributed substantially to improvements in palay yield estimated at about 2,684 kgs.; up from baseline levels of 1,948 kgs.

Potable Water Supply Systems

As of December 2005, an aggregate of 116 units of potable water supply (PWS) systems have been constructed under 5 FAPs (ARCP, MINSSAD, NMCIREMP, WMCIP and STARCM).

Benefits exhibited as indicated by the reports of are the following:

- i) strategic location of the common faucets reduced time in fetching water from an average baseline of 6 minutes to 4 minutes; and
- ii) incidence of water-borne disease has remained almost at the same baseline levels.

Comparative aggregate number of disease cases resulting from not-so-clean drinking water indicated no significant increase from baseline figures. However, as proportion of total number of households affected, the incidence has actually increased by about 12 percentage points from 10 percent of baseline households, to about 22 percent.

Per ARCP's Progress Report, 59 units of PWS subprojects have been completed, representing 6 percent of the global target. Residents in the subproject area now have secured clean potable water 24 hours daily compared to the previous situation where water is available seven 7 hours at best. In terms of average time needed to fetch water, a 33 percent reduction is registered, from 6 to 4 minutes, for the households provided with PWS in ADB-ARCP, JBIC-MNSSAD and EU-STARCM sites.

2.) Community and Institutional Development Support

This component aims to capacitate ARB organizations and other project partners in ARC development to enhance their meaningful participation in local development processes as well as in productive economic activities. It focuses on strengthening the capacities of community organizations that ensures 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.

This strategy helps empower the ARCs as they go through the process of analyzing their own situation particularly their farming systems and development requirements. This also becomes the basis for preparing their business plans, investment packages and feasibility studies for rural infrastructure, agricultural production, rural enterprise, credit assistance and community and institutional development services.

Community Organizing and Development

Based on the partial list of data gathered from about 17 ARCs, 727 farmers were mainstreamed into various people's organizations. This represents a 38 percent increase in membership from the 527 members recorded at baseline.

The immediate results of the projects interventions are as follows:

- i. improved savings of POs by 640 percent from a baseline of Php10,000 to Php74,034;
- ii. increased CBU of new POs and coops by 41 percent from a baseline of Php 227,314 to 321,405; and a
- iii. 38% increase in membership of POs from a baseline of 527 to 727.

In the case of ARCP, operating policies were developed for organizational development and the strengthening for shallow tube well (STW) irrigation sub-projects. These guidelines and procedures include duties and responsibilities of farmers forming an STW cluster and cooperatives or irrigators association that will collaborate with LGU and DAR for the implementation of sub-projects.

On top of this, the project continues to empower the ARBs and community residents through various participatory planning approaches such as the ARCP-introduced Agrarian Reform Community Organizing and Capability Assessment (ARCOCA) approach. Through the Farming Systems Development (FSD) planning approach, on the other hand, ARC organizations were able to formulate plans catered to their objectives.

Institutional Strengthening

Existing organizations in the ARCs were further strengthened so that project interventions and other services can be effectively accessed and implemented in a sustainable manner.

The results of the interventions are the following:

- i. improvement in CBU by 33 percent from a baseline of Php 3,903,090 to 5,185,151 through ARCP and NMCIREMP;
- ii. increased savings of POs by 124 percent from a baseline of PhP178,472 to 400,465; and
- iii. a 14 percent increase in membership of POs from a baseline of 3,332 to 3,790.

The positive results above show the continued interest and support of members towards organizations in the ARC. The increase in CBU and savings means stability for the POs and an increased capacity to finance services such as extending financial assistance to its members and developing other profit-making activities which in turn would help strengthen the organization.

3.) Agricultural Productivity and Rural Enterprise Development

This 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 mechanisms under this component include improved access to agricultural extension, support services facilities, and establishment of community-based credit system.

Agriculture Development Support

Hybrid rice techno farms funded by MNSSAD, have been established in the provinces of Davao del Sur and Agusan del Sur. Latest palay production data of 4 cooperators in Cateel, Davalo del Sur indicate that average yield levels is about 4,395 kgs. So far, first cropping production levels of two adaptors of the technology showed promising results. Average production levels in their individual half hectare farms reached an average of 2,750 kgs. These relatively high palay yield levels have been achieved even as irrigation facilities have yet to be established under the project.

Under ARCP, a total of 109 ARCs were recipients of various alternative farming systems offered by the project covering major crops such as palay, corn and coconut. About 3,446 farmers in these ARCs are currently into hybrid rice and corn production and testing new coconut production technologies.

4.) Gender and Development

GAD mainstreaming activities are undertaken under this component. Although not all FAPs does not specifically address this component, project activities and

interventions have a positive impact on gender and development by providing basic physical infrastructure requirements that mainly benefit women and children and involving women in community organizing, planning and in all aspects of ARC development.

Results or benefits exhibited, so far, are as follows:

- i) increased number of women members in organizations by 16 percent from a baseline of 1,553 to 1,790 female members; and
- ii) increased in proportion of female board members from 42 percent to 47 percent.

ARCP provides assistance to women's groups and other production groups in income-generating activities for its members. As an example, 52 women groups with 1,468 ARBs/community residents as members were established. It has also strengthened 59 existing women's groups with 3,084 members. In the same way, the Project has organized 167 production groups with total membership of 3,540 and 1,584 of the members are engaged in agri-business enterprises.

WMCIP, on the other hand, mentioned that the role of women in the income generating activities and business skills trainings tend to improve their social status by their success in generating income through production specialization and/or diversification. WMCIP also strongly suggest a rising trend in the social status for women who have been involved in the project especially the Muslim women and the IPs. In terms of project activities, female managers and staff have demonstrated improved management competence and operational skills.

5.) Land Tenure Improvement

Assistance consists of subdivision of collective Certificate of Land Ownership Awards (CLOAs) into individual land titles and the issuance of these titles to ARBs. Specifically, this component assists in: i) acceleration of subdivision survey activities; ii) facilitating land acquisition and subdivision activities through skills enhancement of DAR survey teams; iii) provision of improved land survey equipment and techniques; and iv) strengthening and broadening the capabilities of DAR in handling and processing data pertaining to the land title distribution and awarding process.

During the 4th quarter ARCP reported that the project, through DAR had processed and distributed a total of 1,088 lands covering 1,684 hectares to 963

ARBs. Cumulatively, the Project has completed the distribution and awarding of 32,276 land titles to some 31,638 ARBs/farmer-beneficiaries.

In terms of land survey and processing of land titles, the DLR and DENR have completed the survey process for 99,509 hectares. These completed survey plans have been submitted to the Land Management Service (LMS) of DENR for inspection, verification and approval. For its part, the LMS has inspected, verified, approved and released survey plans for 93,416 hectares.

D. Immediate Impact from Implementation of Projects

The cumulative effect of the project interventions are assumed to drive the change in the over-all socio-economic condition and hence, the quality of life in the ARCs. Looking at the change in the income level of the households would provide an evidenced-based policy making tool.

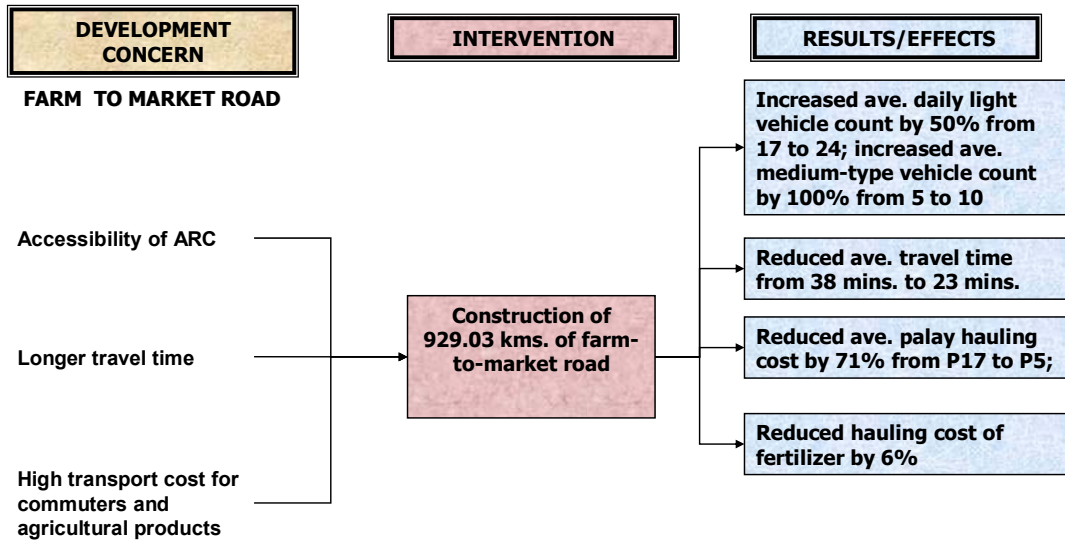
As of December 2005, the estimated annual average income of sample beneficiary households under four (4) FAPs (i.e. ARCP, MNSSAD, WMCIP and NMCIREMP) is PhP 66,985.00. This is 19 percent higher than the baseline figure of around PhP 56,367.00 in nominal terms.

To determine, however, whether these FAPs are making a dent in the government's effort to reduce poverty, comparison is made with current poverty threshold levels. Using available official rural poverty threshold estimates, the 2005 rural household poverty threshold level is generated; and is estimated to be about P74,390. The aforementioned annual average household income levels of sample beneficiaries under four FAPs is about 10 percent lower than the estimated poverty threshold. Relying solely on the averages (i.e. whether below or above the threshold), however, does not say anything about the poverty "spread", across the sample households. Estimated income distribution levels across household beneficiaries in the four project sites indicate that current poverty incidence is still high at about 75.51 percent relative to the P74,390 level. Similar distributional analysis of baseline data show almost similar incidence levels of about 74.96 percent relative to poverty incidence at the baseline year. These figures indicate that poverty levels have generally remained at about baseline rates despite substantial improvements in average annual household income levels.

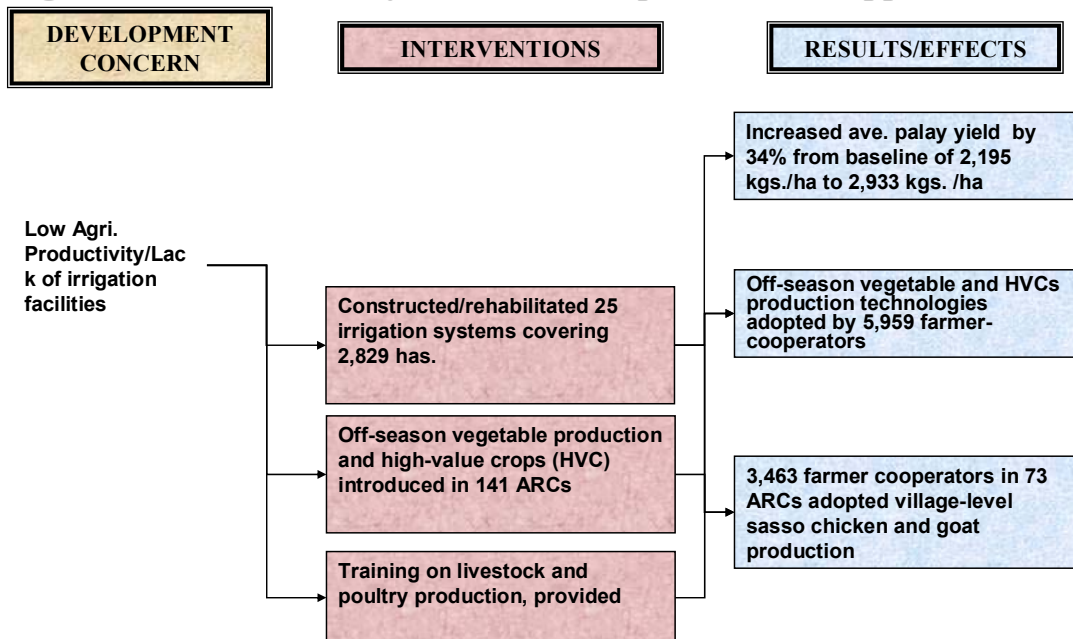
COMPARATIVE ANALYSIS OF BASELINE AND SURVEY (December 2005)							
INDICATOR	ADB-ARCP	JBIC-MNSSAD	IFAD-WMCIP	IFAD-NMCIREMP	STARCM	AGGREGATE AVERAGE/ TOTAL	% CHANGE
1. HH INCOME (AVE/YR) base resurvey(dec 2005)	63,663 71,879	76,783 75,061	38,144 59,042	62,595 71,766	- -	56,357 66,985	19
2. PALAY PRODUCTIVITY base resurvey(dec 2005)	1,948 2,684	3,079 4,439	- -	1,195 2,570		2,195 2,933	34
3. TRAFFIC DENSITY a. light vehicles base resurvey(dec 2005) b. heavy-type vehicle base resurvey(dec 2005)	16 24 110 114	19 24 6 5	- - - -	- - - -		17 24 5 10	41 100
4. TRAVEL TIME base resurvey(dec 2005)	46 38	36 14	- -	16 7	37 14	38 23	-39
5. HAULING COST a. fertilizer base resurvey(dec 2005) b. palay base resurvey(dec 2005) c. copra base resurvey(dec 2005) TRANSPORT COST d. commuting public base(2002) resurvey(dec 2005)	14 15 16 19 18 29 15 29	18 10 18 11 20 12 24 10	- - - - - - - -	- - - - - - - -		16 15 17 5 20 25 16 21	-6 -71 25 31
6. INCIDENCE OF WATER-BORNE DISEASE base HHs affected % of HHs resurvey(dec 2005) HHs affected % of HHs	0 25 9 3	44 17 3 7 6 1	86 419 0.2053 98 412 0.2379	100 531 0.1883 114 645 0.1767	13 1404 0.009 0 0 0	243 2371 0.10 244 1,072 0.22	0.12
7. TIME FETCHING WATER base resurvey(dec 2005)	11 5	11 8			5 2	6 4	-33
8. COST OF WATER base resurvey(june 2005)	100 104	169 96	- -	- -	21 44	35 58	66
9. CAPITAL BUILD UP NEW base resurvey(dec 2005) STRENGTHENED base resurvey(dec 2005)	227,314 321,405 3,332,044 5,116,339			571,046 68,812		227,314 321,405 3,903,090 5,185,151	41 33
10. SAVINGS NEW base resurvey(dec 2005) STRENGTHENED base resurvey(dec 2005)	10,000 74,034 105,363 292,668			73,109 107,797		10,000 74,034 178,472 400,465	640 124
11. MEMBERSHIP NEW base resurvey(dec 2005) STRENGTHENED base resurvey(dec 2005)	527 727 3,059 3,514	263 276				527 727 3,322 3,790	38 14
12. HOUSEHOLD ASSETS base radio tv refrigerator resurvey(dec2005) radio tv refrigerator	42 131 90 72 224 137		253 114 94 437 185 105	45 48 0 64 36 15		340 293 184 573 445 257	69 52 40

Initial Results from FAPs Implementation

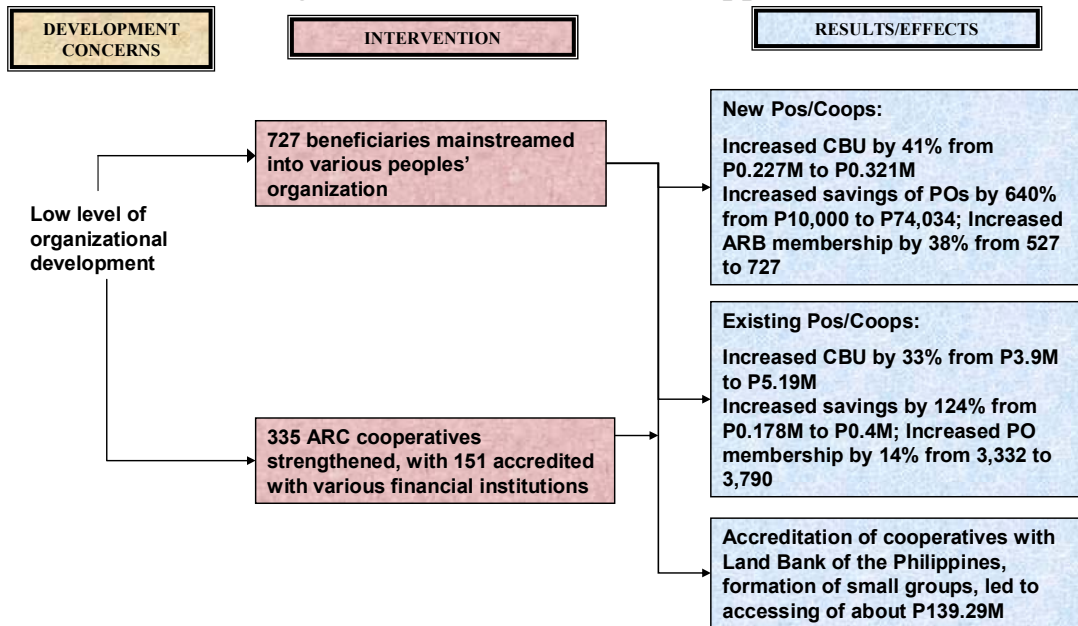
RURAL INFRASTRUCTURE (December 2005)



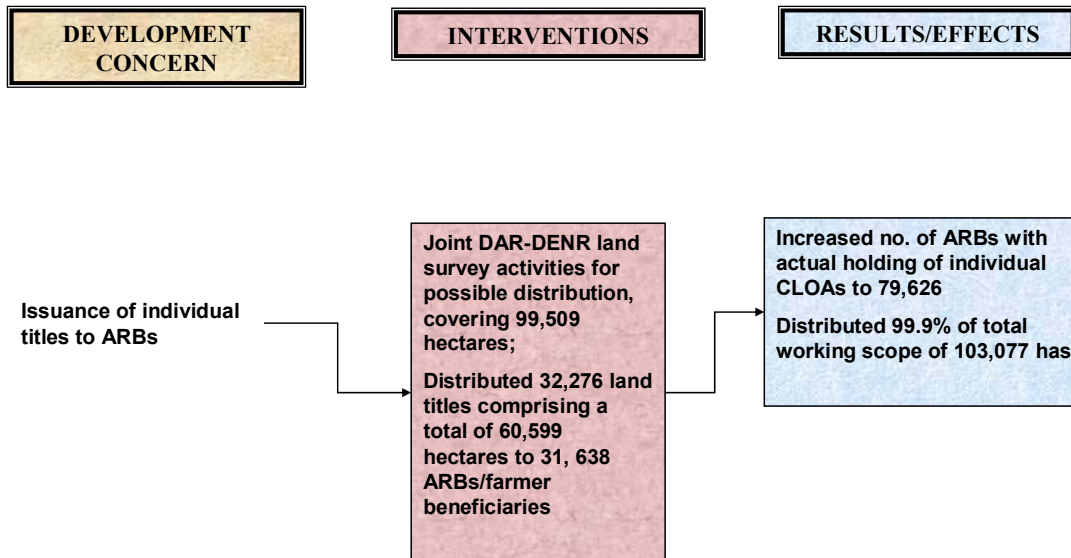
Agricultural Productivity & Rural Enterprise Dev't. Support



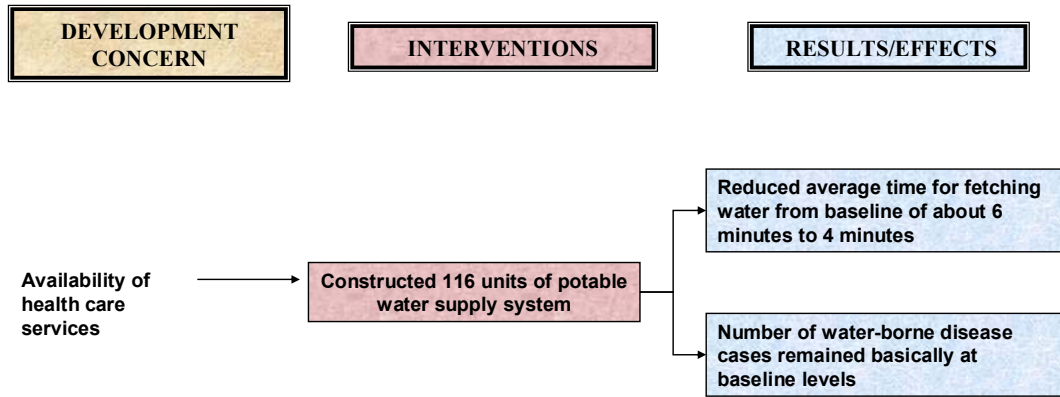
Community and Institutional Dev't. Support



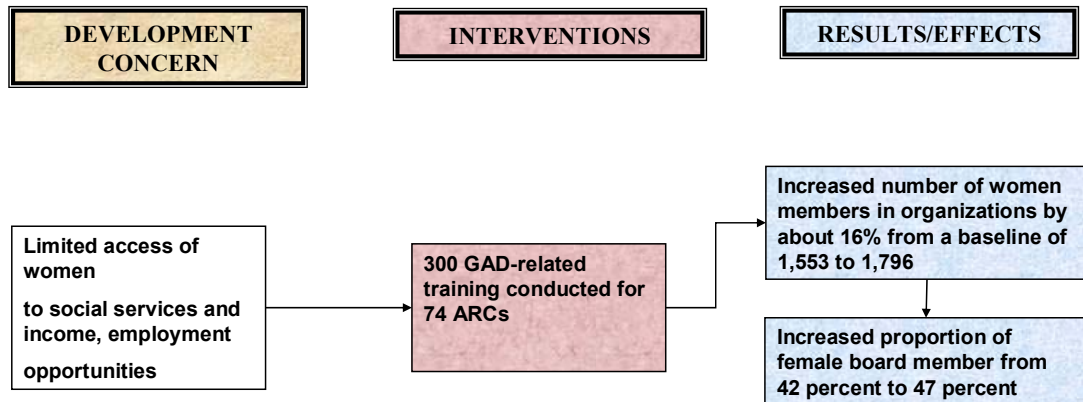
Land Tenure Improvement



Basic Social Services



Gender and Development





DAR Foreign-Assisted Projects

Summary of Results

As of December 2005

(ADB-ARCP, JBIC-MNSSAD, IFAD-WMCIP, IFAD-NMCIREMP, EU-STARCM)



Outputs

Effects

Impacts

Access Infrastructure

✓ Constructed/rehabilitated 297 farm-to-market roads w/ total length of 929.03 km

Increased daily traffic of light vehicles (i.e. tricycle, motorcycle) by 41% from an average of 17 vehicles to 24; increased daily traffic of heavy-type vehicle by 100%, from 5 to 10 vehicles
Reduced travel time from 38 minutes to 23 minutes
Reduced average palay hauling cost by 71% from P17.00 to P5.00; Reduced fertilizer hauling cost by 6%.

CIDS

✓ 727 beneficiaries mainstreamed into various peoples' organizations

New Coops/POs
Increased savings of POs by 640% from P10,000 to P74,034
Increased CBU by 41% from P227,314 to P321,405
Increased membership of POs by 38% from 527 to 727

✓ 335 ARC cooperators strengthened; 151 accredited with various financial institutions

Existing Coops/POs
Increased CBU by 33% from baseline of P3,903,090 to P5,185,151
Increased savings of POs by 124% from P178,472 to P400,465
Increased PO membership by 14% from a baseline of 3,332 to 3,790

Accreditation of cooperatives with Land Bank of the Phils, formation of small groups, has led to accessing of about P139.28 M

Savings from reduced transport and hauling cost

Better quality of ARBs' farm commodities

APRED

✓ Constructed/rehabilitated 25 irrigation systems covering 2,829 hectares

Off-season vegetable and HVCs production technology adopted by 5,959 farmer-cooperators

✓ Off-season vegetable production and high-value crops (HVC) introduced in 141 ARCs; training on livestock and poultry production provided

3,463 farmer-cooperators in 73 ARCs have adopted village-level sasso chicken and goat production

Final Outcome

Increased average annual household income by about 19% from P56,367 to P66,985 (4 FAPs)

LTI

Joint DAR-DENR land survey activities for possible distribution, covering 99,509 hectares
Distributed 32,276 land titles comprising a total of 60,599 hectares to 31,638 ARBs/farmer-beneficiaries

Increased no. of ARBs with actual holding of individual CLOAs to 79,626
Distributed 99.9% of total working scope of 103,077.00 ha

Increased ave palay yield by 34% from baseline of 2,195 kgs/hectare to 2,933 kgs./hectare

BSS

✓ Constructed 116 units of potable water supply systems

Reduced average time spent for fetching water from a baseline of about 6 minutes to 4 minutes
Number of cases of water-borne diseases maintained at baseline levels

Assumption: Beneficiaries and their households in better health to engage in more productive economic activities

GAD

✓ 300 GAD-related training conducted for 74 ARCs

Increased number of women members in organizations by about 16% from a baseline of 1,553 to 1,796

Assumption: Beneficiaries have better opportunities to engage in productive activities

Increased proportion of female board members from 42 to 47 percent

HARNESSING
GLOBAL & LOCAL
RESOURCES



FOR
AGRARIAN
REFORM
BENEFICIARIES
DEVELOPMENT

Department of Agrarian Reform
Elliptical Road, Quezon City, 1102
Telephone: 92877031 loc. 114/606
Website: dar.gov.ph

**Foreign-Assisted Projects Office
Monitoring & Evaluation Staff**
FAPsO Building, DAR Compound,
Elliptical Road, Quezon City,
Telephone: 927-0752
E-mail: info@fapsodar.org.ph
Website: www.fapsodar.org.ph