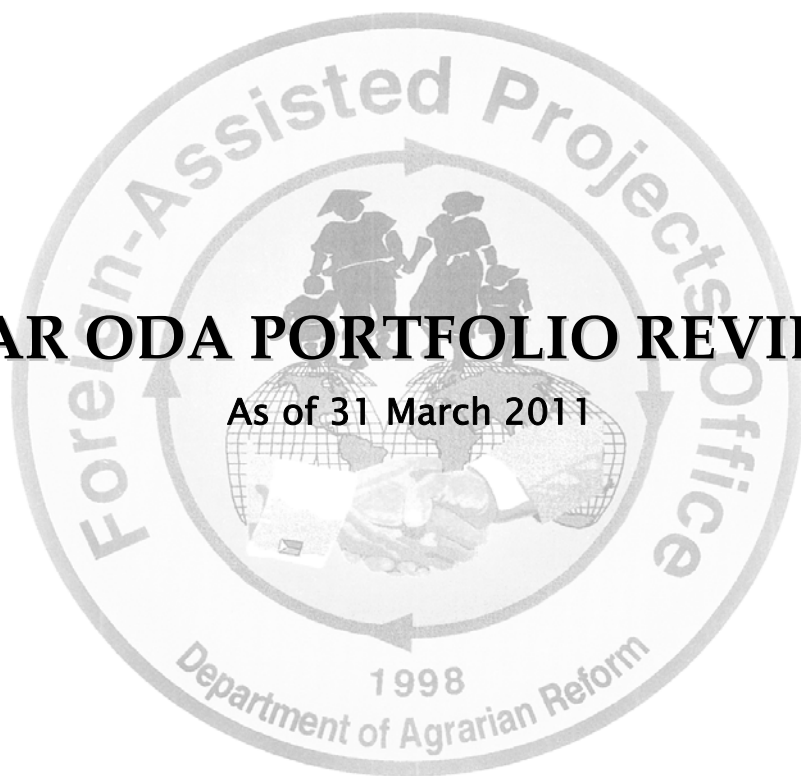




Republic of the Philippines
DEPARTMENT of AGRARIAN REFORM

DAR ODA PORTFOLIO REVIEW

As of 31 March 2011



Department of Agrarian Reform
OFFICIAL DEVELOPMENT ASSISTANCE PORTFOLIO REVIEW
As of March 31, 2011

I. Overview

The approval of the Comprehensive Agrarian Reform Program Extension with Reform (CARPER) in July 2009 reinforces the legal mandate of the Department to integrate land tenure improvement (LTI) and program beneficiaries development (PBD), which includes support services delivery to beneficiaries, including farmers (Agrarian Reform Beneficiaries), landowners, indigenous peoples and rural women. Under Republic Act 9700, the CARPER Law, the funding allocation for PBD is increased to ensure that adequate support services are provided to achieve the goal of reducing poverty in the rural areas and thereby improving the quality of life of the program beneficiaries. However, the large scope of beneficiaries who are yet to be served and have to be moved from the clutches of poverty remains to be a great concern and challenge. Thus, the Department has to take more aggressive moves to ensure that additional resources for the delivery of the support services are made available.

DAR shall therefore continue to tap Official Development Assistance (ODA) to supplement the limited government funds, particularly for PBD. Exploratory talks with Development Partners (DPs) have been accelerated, particularly for funding assistance for projects in the pipeline addressing the thrusts and priorities of the new DAR Management in line with the directives under RA 9700. A total of 16 projects, with an aggregate funding support of P32,999.80 billion, are in the pipeline and under various stages of project development and evaluation as of 31 March 2011. (*Table 1*)

Table 1. **DAR ODA INITIATIVES FOR ARC DEVELOPMENT**
As of March 2011

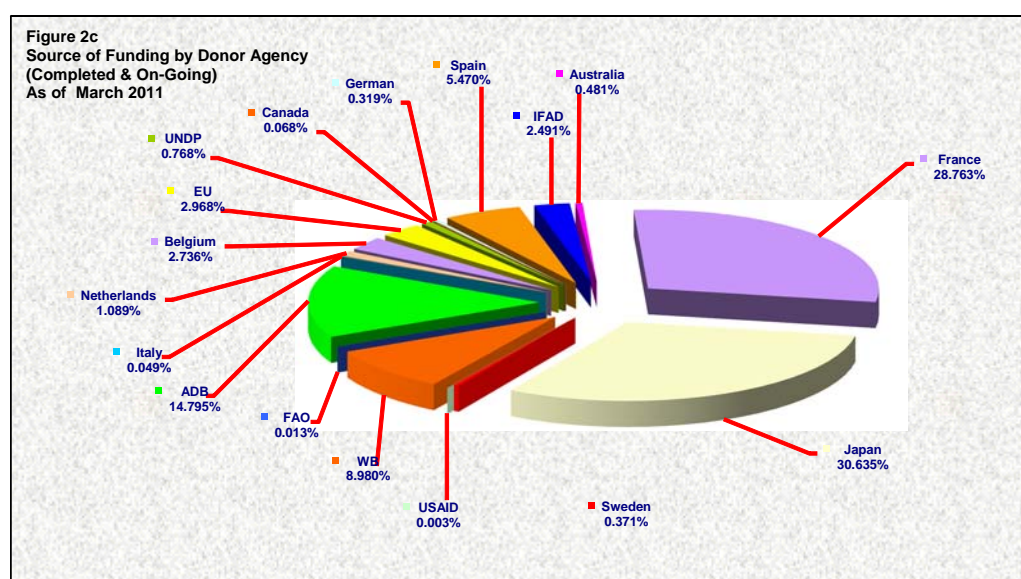
Project Title/Funding Source		Regions Covered	ARCs Covered	Total Project Cost (In P million)	
COMPLETED PROJECTS (55)				38,113.42	
ON-GOING FAPs (Capital Assistance)				38,505.86	
1	Agrarian Reform Infrastructure Support Project III	GOJ/JICA	54 Provinces	134	7,964.63
2	Agrarian Reform Communities Project (ARCP II)	ADB/OFID	Regions IVB,V,VI,VIII, IX, ARRM	152	8,647.21
3	Tulay ng Pangulo Para sa Kaunlarang Pang-Agraryo	Gov't. of France	Nationwide		18,474.56
4	Second Agrarian Reform Communities Development Project (ARCDP 2)	WB	16 Provinces	125	3,419.46
				28.00	
5	In-Country Training Course -Phase II (Empowering Farmers through Capacity Development & Maintenance System & Technology in ARCs)	GOJ/JICA	JICA-Assisted areas	25	25.00
6	Phil. Israel Center for Agricultural Training - 2	Gov't. of Israel	Region III	8	3.00
Total Cost of Ongoing Projects				38,533.86	
TOTAL ON-GOING & COMPLETED PROJECTS				76,647.28	
PIPELINE				32,999.80	
Loan					
1	MINSSAD II	GOJ/JICA	(12 Settlement areas) Lanao del Norte, Bukidnon, S. Cotabato, N. Cotabato, Compostela Valley, Sultan Kudarat, Davao del Sur		4,703.68
2	Italian Agrarian Reform Community Development Support Program	Gov't of Italy	Region X, XII, ARMM		2,518.75
3	ARC Connectivity Development Project (formerly CARCDP)	WB	Isabela, N.Vizcaya, Quezon II, Palawan, Albay, Bohol, Negros, Or. Misamis Or., Misamis Occ., Bukidnon, Davao Norte, Sultan, Kudarat, & Surigao Norte		5,062.27
4	Korean Support to Solar Power Technology Support to ARCs (KS-SPOTS 3)	Korean	Region IX,X,XI,XII,XIII		1,682.90
5	Convergence on National Value-Chain Enhancement for Rural Growth and Empowerment	IFAD	Region IX, X & CARAGA		1,691.31
6	ARC Bridges (Tulay 2)	Gov't of France/Spain	Nationwide		7,354.15
7	Support to Convergence Initiatives for Agrarian Reform Areas	World Bank	Nationwide		5,000.00
8	Commodity-Based Productivity and Competitiveness Enhancement Project for ACR Clusters	Australia/Japan /USAID	Identified ARC Clusters/Nationwide		2,250.00
Sub-total					30,263.06
Grant					
9	Bridge Construction Project for Expanded ARCs Development (Umiray Bridge)	GOJ/JICA	Gen. Nakar, Quezon Dingalan, Aurora		628.00
10	Livelihood Improvement Project in Remote ARCs	GOJ/JICA			328.85
11	Climate Change Adaptation/Resiliency of Upland Agrarian Reform Beneficiaries	GOJ/JICA	S. Leyte		130.00
12	Re-skilling Program for DAR Staff and Agrarian Reform Beneficiaries	Canada	Nationwide		600.00
13	Agri-business Development Assistance for Smallholders in Mindanao	ADB-JFPR	ARMM and Region IX		165.00
14	Canada Poverty Alleviation Support to Sugarcane Agrarian Reform Beneficiaries in Panay & Negros Islands	Canada International Development Agency	Sugarcane areas in Negros and Panay Islands		294.37
15	Action Research for Climate Change Adoption	Australian/ACIA R/FAO	Region VIII, IV-B, X and CARAGA		130.00
16	Sustainable Development of Water Systems for Agrarian Reform Communities (SWAC)	Netherlands (ORIO)	Marinduque, Romblon, Catanduanes, Masbate, Guimaras, Siquijor, Camiguin		460.52
Sub-total					2,736.74
TOTAL (Completed, On-going & Pipeline)					109,647.08

As of 31 March 2011, DAR has generated an aggregate amount of PhP 76.6 billion for a total of 61 foreign-assisted projects (FAPs), in loans and grants, from bilateral and multilateral donors since 1992 (Table 2). Of the total investment requirements for these projects, 66% are funded through loans, 9% through grants, and 25% come from GOP counterpart, in cash or in kind, from the national government/DAR/local government units involved, and/or beneficiaries-farmers/organizations and cooperatives.

Table 2. **Status of Resource Mobilization**
CY 1992 - March 2011

Project/Type of Assistance	No. of Projects	Total Cost (PhP Million)			Total
		Loan	Grant	GOP	
▪ Completed	55	21,268.34	6,501.18	10,343.90	38,113.42
▪ On-Going	6	29,614.90	20.00	8,898.96	38,533.86
- Capital Assistance (CA)	4	29,614.90		8,890.96	38,505.86
- Technical Assistance (TA)	2	-	20.00	8.00	28.00
Sub- Total	61	50,883.24	6,521.18	19,242.86	76,647.28
▪ In the Pipeline	16	23,800.07	2,226.04	6,973.70	32,999.81

In terms of source of funding (loan/grant) assistance for the Department's total ODA Portfolio of completed and on-going projects, the Government of Japan has made the biggest contribution, accounting for 30.6% (Figure 2c). Fund support from the Government of France accounted for 28.8%; 14.8% from Asian Development Bank (ADB); 9.0% from the WB; 5.5% from Spain; and 2.5% from IFAD. Grants from the European Union, the Government of Belgium and UNDP accounted for 3.0%, 2.7%, and 0.8 % of the total, respectively.



Of the DAR's 61 FAPs, 55 projects have already been completed (Table 3), and a total of 32 projects passed through the Investment Coordination Committee (ICC) and NEDA Board deliberation and approval process (Table 4).

The Department's six (6) on-going FAPs have an aggregate project cost of P38.5 billion. Of these, four (4) provide both capital assistance (CA) and technical assistance (TA). Two (2) projects are categorized as solely technical assistance (TA) Projects (Table 5). TA projects provide or implement training programs, manpower and equipment support, policy studies and other activities that will augment the capability of ARBs/ARB organizations, staff of DAR and CARP Implementing Agencies (IAs), Local Government Units (LGUs) and other stakeholders. CA projects involve substantial investments in infrastructure, economic activities, livelihood and agri-business with some TA components.

The bulk, or 76%, of the combined cost of these on-going projects is financed through loans. Only about 1% is funded under grant assistance. The remaining 23% come from the GOP/DAR and the LGUs (Table 5/Figure 2a). The four (4) projects, worth P38.5 billion, are assisted with loans from the Government of Japan (GOJ), the World Bank - International Bank for Reconstruction and Development (WB-IBRD), Government of France, the Asian Development Bank (ADB)/OPEC Fund for International Development (OFID). The other on-going projects, involving a total of P28.00million, are implemented with grant funds from the GOJ, through the Japan International Cooperation Agency (JICA).

Table 3. **List of Completed Foreign-Assisted Projects**
CY 1992 - March 2011

	TITLE OF PROJECT	FUNDING AGENCY	PROJECT COST (P million)
1	Feasibility Study on the Development of Viable Agrarian Reform Communities in Southern Palawan	Government of Japan (JICA) Grant	17.77
2	Integrated Jala-Jala Rural Development Project	Government of Japan (JICA) Grant	510.50
3	Feasibility Study for the Nucleus Estate Rubber Project	World Bank Grant	2.80
4	Cadastral Support to CARP (Phase I & II)	Sweden/Swedsurvey Grant	36.53
5	Cadastral Support to CARP (Phase III)	Sweden/Swedsurvey Grant	39.00
6	DAR-JICA Study Tour	Government of Japan (JICA) Grant	0.25
7	Feasibility for the Agrarian Reform Communities	USAID Small Studies Fund Grant	1.80
8	FAO-Technical Support to Agrarian Reform and Rural Development	Government of Italy Grant	332.78
9	Feasibility Study for the Development of ARCs in Marginal Areas	Government of Japan (JICA) Grant	79.35
10	Support Activities to Indigenous Groups in Agrarian Reform Communities	FAO-TCP Grant	8.50
11	Mapping of CARP Areas	Government of Japan (JICA) Grant	41.20
12	Database Support to CARP	Government of Japan (JICA) Grant	158.00
13	Technical Assistance: Project Preparation Support to ARCs	Asian Development Bank (ADB) Grant	8.27
14	Technical Support to Agrarian Reform and Rural Development (TSARRD)	Government of Netherlands Bridging Fund	4.87
15	Isabela Masterplan	Government of Japan (JICA) Grant	20.00
16	Belgian Agrarian Reform Support Project (BARSP)	Government of Belgium	140.00
17	Agrarian Reform Infrastructure Support Project	Japan Bank for International Cooperation (JBIC)	2,505.87
18	Rural Agricultural Credit Support Project	Japan Bank for International Cooperation (JBIC)	109.62
19	Agrarian Reform Support Project	European Union (EU)	1,354.30
20	Expansion of Cadastral Support to CARP - Phase IV	Swedish International Development Cooperation Agency	231.85
21	Poverty Alleviation Program for Social Reform Agenda (PAPSRA): Support to Selected Indigenous Cultural Communities (ICCs) and Agrarian Reform Communities in Mindanao	Philippines Canada Development Fund (PCDF) Grant	51.34
22	Italian Food Aid Programme II	Government of Italy Grant	4.00
23	Project Preparation for Agrarian Reform Communities Development Project Phase II	World Bank Grant	37.26
24	Sustainable Agrarian Reform Communities-Technical Support to Agrarian Reform and Rural Development	Royal Government of Netherlands Government of Italy-FAO Grant	332.78
25	Agrarian Reform Communities Development Project (ARCDP)	World Bank Loan	4,587.81
26	TSARRD II Ext. Phase	Government of Italy Grant	25.50
27	Support to Asset Reform thru the CARP and Development of Indigenous Communities (SARDIC)	UNDP Grant	214.81
28	SARDIC-ARCP Collaborative Project	UNDP, ADB	39.71
29	Belgian Integrated Agrarian Reform Support Project (BIARSP)	Government of Belgium Grant	1,404.98
30	Development of Agrarian Reform Communities in Marginal Areas (DARCMA)	GOJ/JICA	291.62
31	Empowering the ARBs thru Tenurial Security (EARBETS)	UNDP	7.50
32	Phil-German Cooperation in Agrarian Reform & Rural Development (Phase I)	German Government	65.00
33	Agrarian Reform Communities Project Phase II (TA)	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	GOJ/JICA	3.96
36	Philippine-Australia Technical Support for Agrarian Reform and Rural Development (PATSARRD)	AusAid	288.94
37	Program Support to Asset Reform Implementation (PSARI)	UNDP	155.04
38	Agrarian Reform Infrastructure Support Project II (ARISP II)	GOJ/JICA	6,740.00
39	Community-Managed Agrarian Reform and Poverty Reduction Program (CMARPRP)		110.00
40	Philippine-German Cooperation in Agrarian Reform and Rural Development - Phase II	German Government	124.90
41	Belgian Integrated Agrarian Reform support Project (BIARSP) (Phase III)	Gov't of Belgium	600.46
42	Agrarian Reform Communities Project (ARCP)	ADB	7,207.22
43	Western Mindanao Community Initiatives Project (WMCIP)	IFAD	774.56
44	Support for the Indigenous Communities and MNLF in the Zone of Peace with ARCs	IFAD	33.94
45	Support to Agrarian Reform in Central Mindanao (STARCM)	EU	1,049.63
46	Phil-Israel Center for Agricultural Training Project	State of Israel	6.20
47	National Program Support to Agrarian Reform (NPSAR-TA)	Jpan-PHRD	44.00
48	Development and Testing of Innovative Approaches for Mainstreaming Indigenous People in Selected Agrarian Reform Communities	WB-Japan Social Dev. Fund	67.00
49	Solar Power Technology Support Project to Agrarian Reform Community Initiatives and Resource Management Project (SPOTS II)	Spain	1,460.21
50	In-country Training Course on the Improvement of Operation and Maintenance System and Technology for ARCs with ARB Participation	GOJ/JBIC	20.00
51	Integrated Programme for the Empowerment of Indigenous Peoples and Sustainable Development of Ancestral Domains (IP-EIPSDAD)	UNDP	49.64
52	Mindanao Sustainable Settlement Area Dev't Project (MINSSAD)	GOJ/JICA	3,102.50
53	Northern Mindanao Community Initiatives and Resource Management Project (NMICIREMP) (SOP Grant)	IFAD	1,135.78
54	Preparatory of Detailed Design for the Bridge Construction Project for Expanded ARCs (Basal & Umiray)	GOJ/JICA	33.00
55	Project for Bridge Construction for Expanded ARCs Development (Basal)	GOJ/JICA	317.68
TOTAL			38,113.42

Table 4. List of FAPs with ICC-Approval
1995 - March 2011
(PnP, Million)

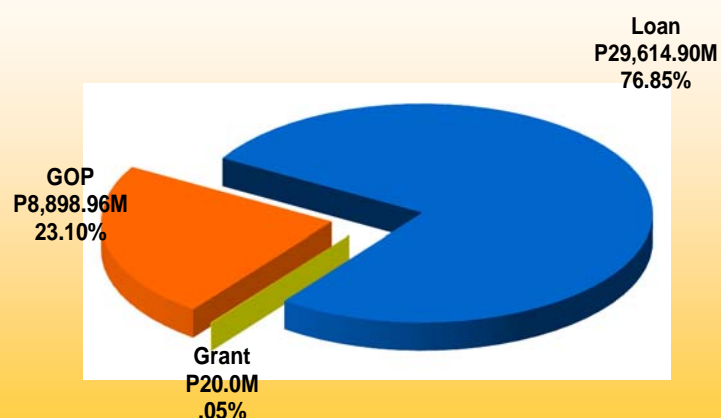
PROJECT TITLE	PROJECT DURATION	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
1 ARISP (EU)	1995-2001	1,354.30																	
2 ARISP (JIBC)	1996-2002	2,505.87																	
3 ARCDP (WB)	1997-2003		4,587.80																
4 RASCP (JIBC)	1997-2001		109.62																
5 ECSCARP (SIDA)	1997-2001		231.85																
6 SARC-TSARRD	2002-2002		332.78																
TSARRD II-Ext.	2002-2003						25.50												
Phase (ITALY)																			
(AusAID-Bridge	July-Aug.								4.87										
Financing)	2002																		
7 PAPSRA (CIDA)	1999-2001		51.34																
8 SARDIC (UNDP)	1997-2003		214.81																
9 IFAP II (ITALY)	1997-		4.00																
10 BARSP.	1995-1998	140.00																	
BIARSP (BELGIUM)	1998-2003																		
11 ARCP (ADB)	1995-2005		1,404.98																
12 WIMCIP (IFAD)	1999-2004		7,207.22																
13 SPICCINZPARC	1999-2004		33.94																
14 ARISP II (JIBC)	2000-2004					6,740.00													
15 MINSSAD (JIBC)	2001-2006						3,102.50												
16 STARCM (EU)	2001-2008					1,049.63													
17 DARGMA (JICA)	2002-2003							291.62											
18 NNICREMP (IFAD)	2003-2008						1,130.58												
19 ITALIAN ARCS	2010																		2,518.75
20 SPOTS (SPAIN)	2003-2005								2,110.69										
21 ARCDP II (WB)	2003-2006								3,419.46										
22 PGCSARRDP	2002-2004								65.00										
(GERMAN)																			
23 PATSARRD	2002-2005								288.94										
(AusAID)																			
24 EARBETS (UNDP)	2002-2004								7.50										
25 BIARSP III	Sept 2003-									600.46									
(BELGIUM)	Aug 2007																		
26 SPOTS II (SPAIN)	June 2005-										1,460.21								
Dec 2006																			
27 TULAY NG	2006-2011												11,742.77						
PANGULO (UK)																			
28 ARISP III (JIBC)	2007-2013												7,964.63						
29 ARCP II (ADB)	2008-2013													8,647.21					
30 TULAY NG	2008-2012														18,474.56				
PANGULO (France)																			
31...Bridge Construction																			
to Support Expanded	2008-2009																		
ARCs (Basal-																			
Aurora)																			
32 ARCDP - Additional																			
Financing	2009																		500.00
Sub-total		4,000.17	4,920.58	611.62	9,420.72	6,740.00	4,152.13	1,422.20	5,921.96	600.46	-	1,460.21	19,707.40	8,647.21	18,792.24	500.00	2,518.75		
Cumulative Total		4,000.17	8,920.75	9,532.37	18,953.09	25,693.09	29,845.22	31,267.42	37,189.38	37,789.84	37,789.84	39,250.05	58,957.46	67,604.67	86,396.91	86,896.91	89,415.66		

Note: Pls. refer to Table 3 for the words/lilies of projects.

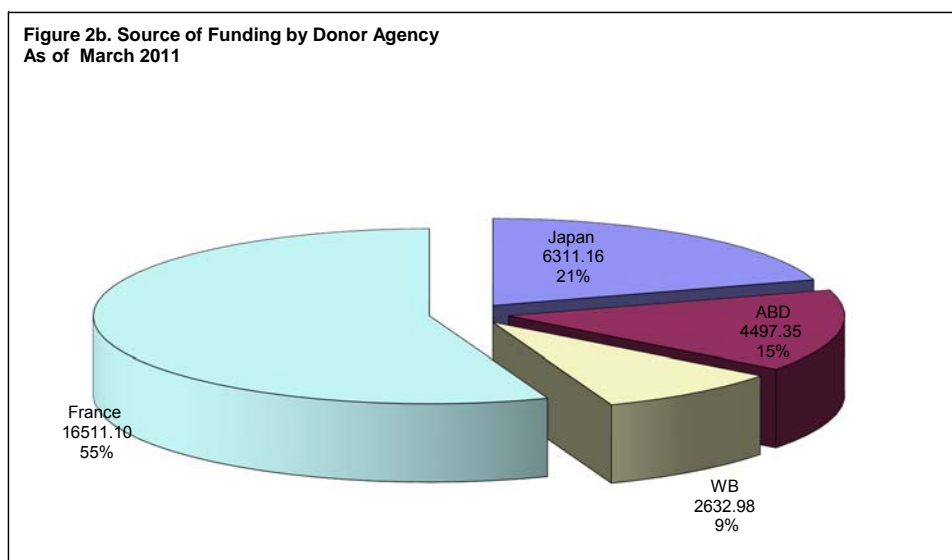
Table 5. **Profile of DAR Foreign-Assisted Projects**
As of March 2011

Project Title and Fund Source	Type of Assistance	Total Cost (PhP million) ¹			
		Loan	Grant	GOP	Total
Loans					
1 JICA - ARISP III	CATA	5,973.48		1,991.15	7,964.63
2 Agrarian Reform Communiites Project (Phase II)	CATA	4,497.35		4,149.86	8,647.21
3 Tulay ng Pangulo Para sa Kaunlarang Pang-Agraryo	CATA	16,511.09		1,963.47	18,474.56
4 Second Agrarian Reform Community Dev't. Project.	CATA	2,632.98		786.48	3,419.46
Grants					
5 In-country Training Course - Phase II (Empowering Farmers through Capacity Development in Operation & Maintenance System & Technology in ARCs)	TA		20.00	5.00	25.00
6 Phil-Israel Center for Agricultural Training - 2	TA			3.00	3.00
GRAND TOTAL		29,614.90	20.00	8,898.96	38,533.86

Figure 2a. **Funding Source of Ongoing FAPs**



In terms of funding source for the Department's Portfolio of on-going projects, the Government of France extended the biggest share, accounting for 55%. The GOJ accounted for 21%; ADB/OFID, 15%; and WB, 9% (Figure 2b).



II. Scope and Coverage

As of March 31, 2011, a total of 1,326 FAPs ARCs have been assisted in 79 provinces and 977 municipalities. Development interventions in these ARCs are focused on five major areas: physical infrastructure, community and institutional development, agricultural productivity and rural enterprise, basic social services and land tenure improvement.

FAPs ARC SCOPE By ISLAND GROUP

As of March 31, 2011

ISLAND	SCOPE					
	PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB	No. of FAP
Luzon	38	362	446 34%	1,923	319,565	17
Visayas	16	244	299 23%	1,438	216,968	19
Mindanao	25	371	581 44%	2,249	355,496	28
Grand Total	79	977	1,326	5,610	892,029	30

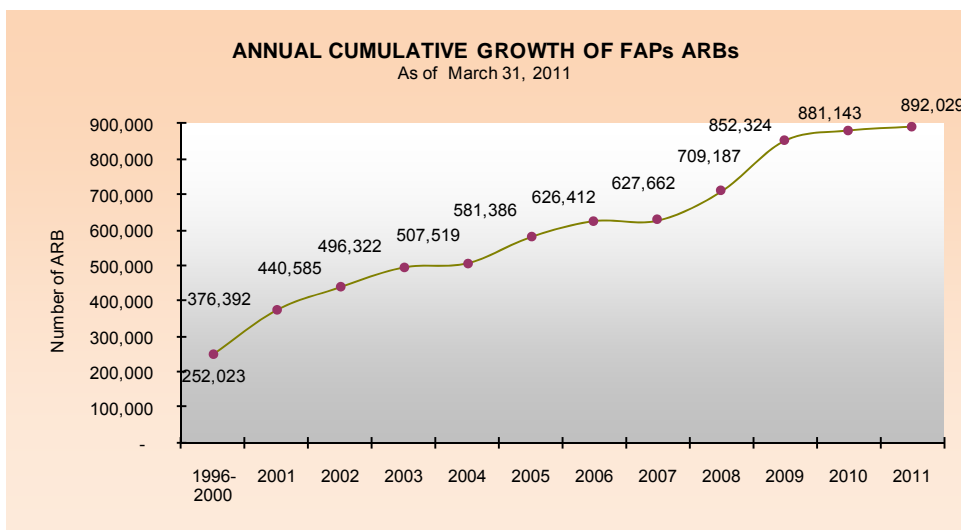
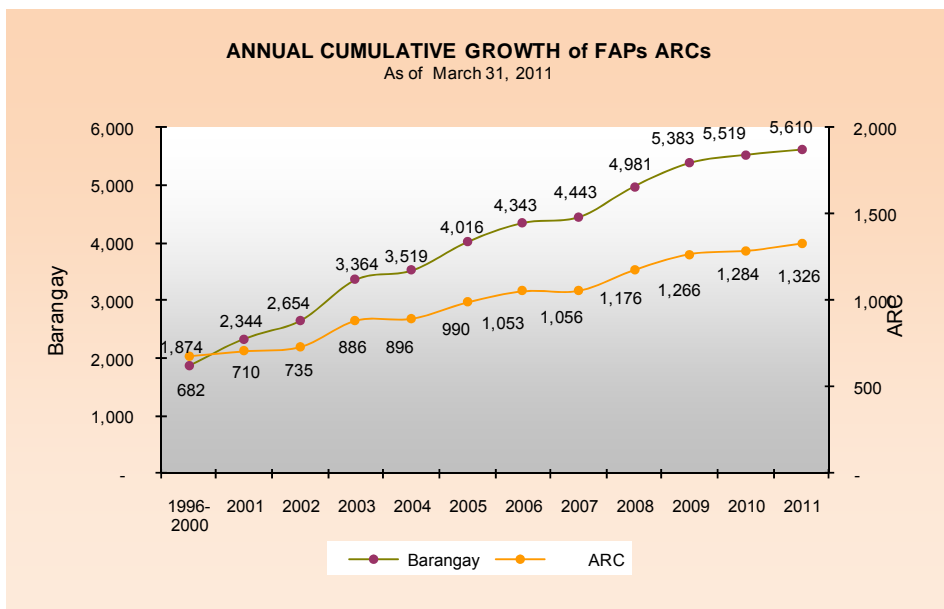
Note: The total number of FAPs has been corrected for double counting (some FAPs have common areas in island groups). Hence, the number of FAPs per island does not add up to the grand total.

The cumulative FAPs ARBs is 892,029 in 5,610 barangays. Forty-four percent of FAPs ARCs are located in Mindanao, 34% in Luzon and 23% in Visayas. Region X and IX account for the

widest ARC coverage with 131 and 119, respectively; while CAR and Region I have the least ARCs. Region VIII and CARAGA have the largest ARB count, 86,019 and 72,840, respectively. Region X has the most number of projects with 21 FAPs, inclusive of completed and on-going projects. Region VIII has the largest number of FAPs-assisted barangays at 753.

Among the FAPs providing capital assistance, the projects that have the most number of ARCs are: ARCP I (167 ARCs), ARISP II (149 ARCs) and ARCP 2 (152 ARCs). For technical assistance projects, SARC-TSARRD has the largest coverage with 357 ARCs.

Yearly growth rate of ARC is 9% or an average of 64 new ARCs covered per year; annual growth rate for ARB is 15% or 54,000 ARBs per year; and an average of 423 additional barangays per year.



FAPs ARC SCOPE By REGION

As of March 31, 2011

ISLAND	SCOPE					
	PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB	No. of FAP
CAR	6	39	40	250	39,996	7
Region I	4	62	64	283	37,002	10
Region II	5	63	73	372	50,945	11
Region III	7	66	82	324	70,950	14
Region IV	10	68	101	330	70,928	13
Region V	6	64	86	364	49,744	14
Luzon	38	362	446 34%	1,923	319,565	17
Region VI	6	86	118	333	66,320	13
Region VII	4	56	72	352	64,629	11
Region VIII	6	102	109	753	86,019	13
Visayas	16	244	299 23%	1,438	216,968	19
Region IX	3	69	119	547	65,381	15
Region X	5	84	131	497	50,048	21
Region XI	4	49	81	276	70,812	17
Region XII	4	48	82	188	68,225	17
CARAGA	4	64	93	484	72,840	13
ARMM	5	57	75	257	28,190	14
Mindanao	25	371	581 44%	2,249	355,496	28
Grand Total	79	977	1,326	5,610	892,029	30

ARC SCOPE By PROJECT

As of March 31, 2011

FAP	DURATION	SCOPE				
		PROVINCE	MUNICIPALITY	ARC	BARANGAY	ARB
Completed						
ARSP-EU	1995-2001	5	51	61	199	44,914
BIARSP III - GoB	1996-2003	8	60	74	74	52,168
ARISP I - JBIC	1996-2002	64	72	75	318	40,634
RASCP - JBIC	1997-2001	64	72	75	318	40,634
ARCDP I - WB	1997-2002	14	101	101	505	70,190
SARDIC-UNDP	1997-2003	7	62	75	207	35,797
IFAP-GoI	1997	1	1	1	2	164
PAPSRA-CIDA	1999-2001	6	9	10	11	3,654
DARCMA-JICA	2002-2003	2	2	2	15	2,777
SARC-TSARRD (TA)	1997-2002	64	334	357	1,398	218,422
SPOTS-GoS I	2003-2004	16	37	100	157	37,291
PATSARRD-AusAid	2003-2006	6	94	288	554	66,750
CMARPRP-JDSF	2003-2007	9	10	10	17	665
BIARSP III - GoB	2003-2007	8	60	76	74	52,168
ARISP II - JBIC	2000-2007	61	142	149	623	105,839
ARCP-ADB	1999-2007	34	164	167	546	92,798
WMCIP-IFAD	1999-2007	4	20	23	57	4,115
SPICCIinZPARC	1999-2007	1	1	1	3	1,435
STARCM-EU	2001-2008	4	43	52	137	32,316
MINSSAD-JBIC	2001-2009	6	16	8	51	13,666
NMCIREMP-IFAD	2003-2009	5	28	38	270	19,421
SPOTS-GoS II	2006-2009	30	94	109	217	55,000
On-going						
ARCDP II - WB	2003-2010	16	84	125	316	82,711
ARISP III - JBIC	2008-2014	54	131	132	518	68,330
ARCP2-ADB	2009-2014	18	134	152	678	78,597
TP-KP	2009-2012	79	418	418	-	-
ICTP II - JICA	2009-2013	4	20	25	77	-
PICAT II - GoI	2009-2011	8	8	8	41	-
Total ARCs	1,326	Total Provinces		79		
Total ARBs	892,029	Total Municipalities		977		
		Total Barangays		5,610		

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

In this review, only five (5) of the six (6) FAPs were covered. The project not included in the review is the Phil-Israel for Agricultural Training.

A. Physical Accomplishment

As of March 2011, overall physical performance of the five (5) FAPs was reported at 20.29% of their physical targets, reflecting an increase of 5.96% from the previous year's level of 14.33%. Similarly, FAPs performance for the year exhibited a downward trend, from last year's record of 15.82% to this year's 6.42% (Table 9).

Table 9. **PHYSICAL PERFORMANCE**
As of March 31, 2011

NAME OF PROJECT	Target Cumulative/ Global	PERFORMANCE RELATIVE TO TARGETS (%) ^{1/}		
		Overall	For the Year	Cumulative
LOAN	42.06	20.28	6.42	27.32
1 Agrarian Reform Infrastructure Support Project Phase III (ARISP III)	66.50	43.84	16.50	61.65
2 Agrarian Reform Communities Project 2 (ARCP 2)	24.35	9.43	14.13	19.51
3 Agrarian Reform Communities Development Project (PH-4109-WB)	100.00	100.00	0.00	100.00
4 Tulay ng Pangulo Para sa Kaunlarang Pang-Agraryo	29.58	1.31	0.14	3.92
GRANT	40.99	40.99	0.00	100.00
5 JICA In-Country Training Programme *	40.99	40.99	0.00	100.00
Over-all Weighted Accomplishment	42.06	20.29	6.42	27.37

^{1/} Weighted
* as of Jan 2011

On the other hand, the overall physical accomplishment of the loan-assisted projects exhibited an upward trend, from 14.33% in March 2010 to 20.28% in March 2011. However, for the year, a downward trend was exhibited, from 15.75% accomplishment in March 2010 to 6.42% in March 2011.

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

Figure 5. Comparative Overall Physical Accomplishments
As of March 2010 vs. As of March 2011

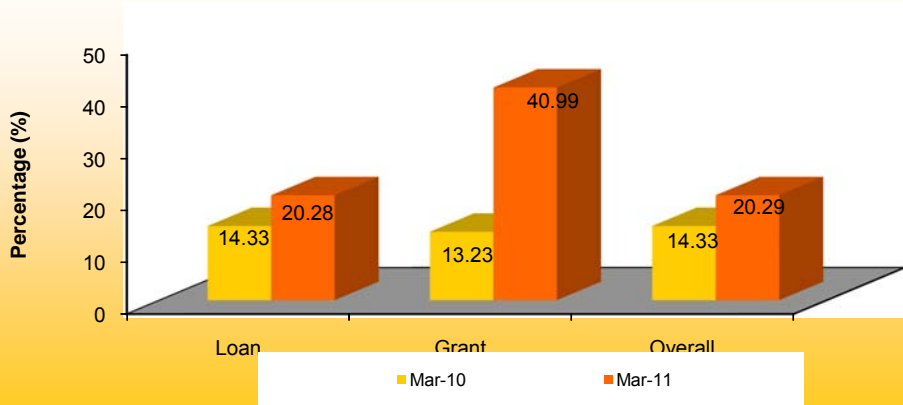
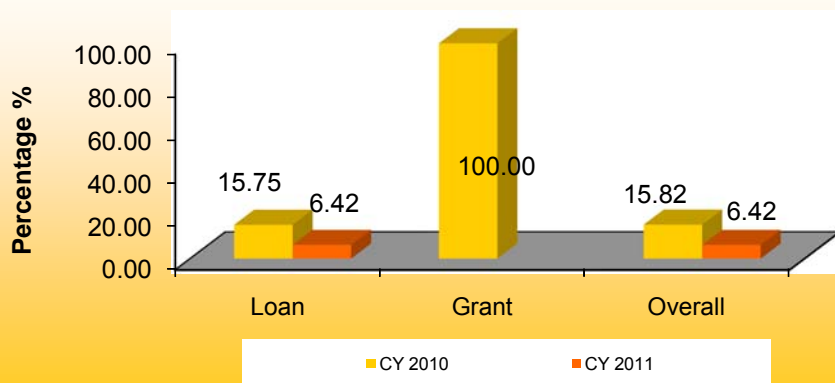
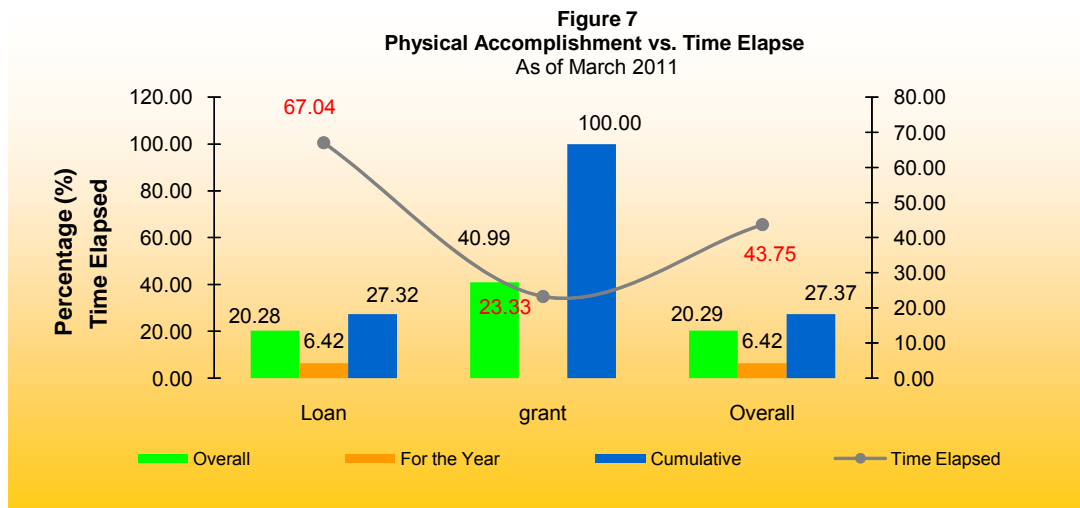


Figure 6. Comparative Physical Accomplishments
CY 2009 vs. CY 2010





B. Financial Performance

As of March 2011, the average ODA utilization rate for the FAPs under review was 35.47% of the total committed funds. On the other hand, the average availment rate was 84.63% (Table 10).

Table 10. Utilization and Availment Rate of On-going Foreign -Assisted Projects
As of March 2011

Project Title and Fund Source		Net Commitment	Scheduled Availment	Actual Availment	Utilization Rate (%)	Availment Rate (%)	Time Elapsed (%)
LOAN					49.76%	81.87%	67.04%
ARDCP II							
Original loan	\$	50.00	50.00	49.81	100.00%	100.00%	100.00%
Additional Financing	\$	10.00	8.00	8.33	83.00%	104.00%	100.00%
ARISP III	Y	11,802.00	2,727.23	2,653.84	23.47%	97.31%	46.05%
ARCP II	\$	70.00	29.21	4.47	6.39%	15.00%	34.82%
Tulay	Euro	227.00	87.75	81.64	35.96%	93.04%	54.35%
GRANT					21.17%	87.38%	23.33%
JICA-In Country Training	Php	20.000	4.848	4.236	21.17%	87.38%	23.33%
					35.47%	84.63%	45.19%

Of the Php 10,543.476 million allotment received, Php 6,818.331 million have been obligated or 64.67%. On the other hand, total cash allocation released was Php 5,714.777million. Total cash disbursements amounted to Php 4,612.343 million or 80.71% of the cash allocation. (Table 11 and Figure 7a & 7b)

**Table 11. Cash Allocation and Cash Disbursement Status
As of March 2011**

Fund Source	Allotment (PM)	Obligations (PM)	Cash Allocation (PM)	Cash Disb. (PM)
Loan				
Total	10,538.628	6,814.095	5,710.541	4,608.107
Loan Proceeds	7,505.664	4,825.395	3,745.507	3,064.101
Peso Counterpart	3,032.964	1,988.700	1,965.034	1,544.006
Grant				
Total	4.848	4.236	4.236	4.236
Grant Proceeds	4.848	4.236	4.236	4.236
Peso Counterpart				
Grand Total	10,543.476	6,818.331	5,714.777	4,612.343
Loan	7,505.664	4,825.395	3,745.507	3,064.101
Grant	4.848	4.236	4.236	4.236
Peso Counterpart	3,032.964	1,988.700	1,965.034	1,544.006

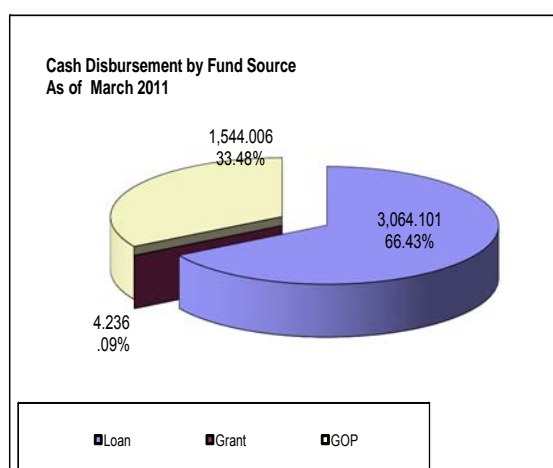
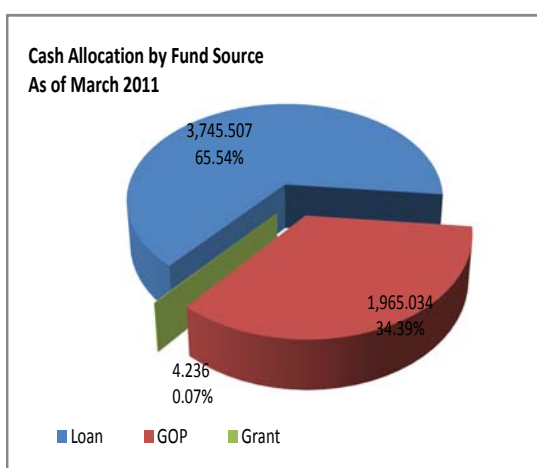
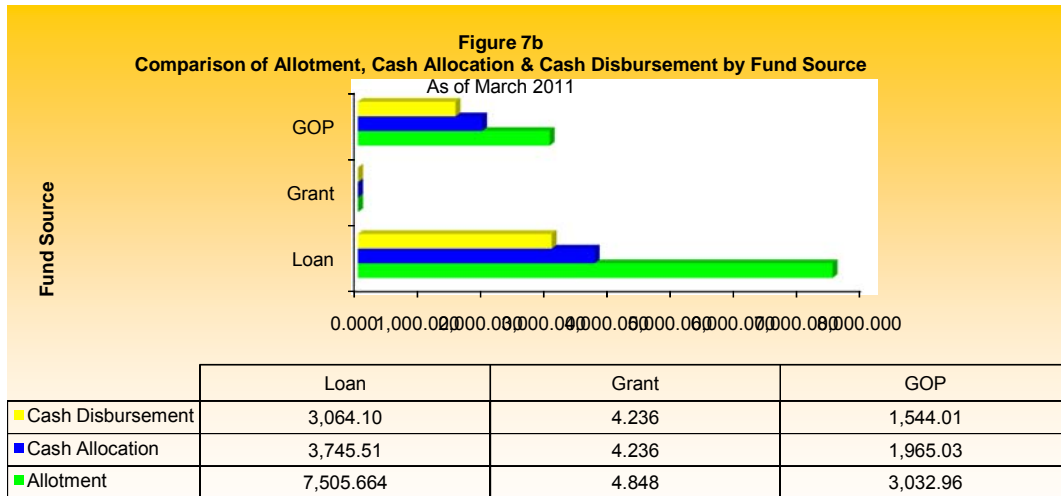


Figure 7a. Cash Allocation and Cash Disbursement by Fund



1. Loan Performance

As of March 2011, the average loan utilization and availment rates were 49.76% and 81.87%, respectively. ARDCP II-Additional Financing reported the highest loan availment rate of 104% (Table 10).

For the period covering January to March 2011, the Department of Budget and Management (DBM) have released the total allotment for loan proceeds amounting to P1,049.582 million. The total obligations incurred amounted to P44.381million. On the other hand, total cash allocation released was P210.245million or 20.03% of the total allotment released. Total cash disbursements amounted to P3.981million. (Table12)

**Table 12. Cash Allocation and Cash Disbursement Status
January to March 2011**

Fund Source	Allotment (PM)	Obligations (PM)	Cash Allocation (PM)	Cash Disb. (PM)
Loan				
Total	2,007.189	300.627	344.346	145.006
Loan Proceeds	1,049.582	44.381	210.245	3.981
Peso Counterpart	957.607	256.246	134.101	141.025
Grant				
Total				
Grant Proceeds				
Peso Counterpart				
Grand Total	2,007.189	300.627	344.346	145.006
Loan Proceeds	1,049.582	44.381	210.245	3.981
Grant Proceeds				
Peso Counterpart	957.607	256.246	134.101	141.025

2. **GOP Counterpart Performance**

As of March 2011, the government allotted 3,032.964 million as GOP counterpart to support various activities by virtue of the loan and grant agreements. Actual cash allocated amounted to ₱1,965.034 million, cumulative from project start. The actual cash disbursements reached ₱1,544.006 million. (Table 11)

For the period January – March 2011, total allotment released by DBM amounted to ₱957.607 million. Total obligations reached ₱256.246 million. Cash allocation and disbursements were at ₱134.101million and ₱141.025million, respectively (Tables 12 & Table 13).

3. **Grant Performance**

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

As of March 2011, total allotment received amounted to ₱4.848 million with a 87.38% cash support. Total disbursement reached to ₱4.236 million or 100% of the amount obligated. (Table 11 & Table 14)

Table 13
Department of Agrarian Reform
Financial Performance of On-going Foreign-Assisted Projects
January to March 2011

FUND SOURCE-PROJECT TITLE	ALLOTMENT (Pmillion)	OBLIGATIONS (Pmillion)	OBLIGN/ ALLOT. (%)	CASH ALLOCATION (NCA) (Pmillion)	CASH SUPPORT (D)/(A)	EXPENDITURES					RATE (%)		
						AMOUNT (Pmillion)			CASH DISB.		TOTAL	Total Disb.	Cash Disb. Oblign.
						Cash Disb. F	Accts. Payable G	Non-cash Exptd.	(F)/(D)	(H)/(A)			
A	B	C	D	E	F	G	H	I	(H)/(A)	(F)/(B)			
LOANS													
Total	2,007.189	300.627	14.98%	338.795	16.88%	0.849	150.274	301.265	42.80%	15.01%	48.23%		
Loan Proceeds	1,049.582	44.381	4.23%	210.245	20.03%	3.981	24.228	105.653	1.89%	10.07%	8.97%		
Peso Counterpart	957.607	256.246	26.76%	134.101	14.00%	0.849	126.046	267.920	105.16%	27.98%	55.04%		
1.0 JAPAN BANK FOR INTERNATIONAL COOPERATION (JBIC)													
Total	1,329.269	109.312	8.22%	312.705	23.52%	0.849	25.154	66.675	13.01%	5.02%	37.21%		
LP	825.477	40.888	4.95%	197.524	23.93%	77.444	24.228	101.827	0.08%	12.34%	0.38%		
GOP	503.792	68.424	13.58%	115.181	22.86%	0.849	0.926	42.292	35.18%	8.39%	59.21%		
2.0 WORLD BANK (WB)													
Total	7.170			7.170	100.00%								
LP	7.170			7.170	100.00%								
3.0 Asian Development Bank (ADB)													
Total	564.602	18.148	3.21%	18.920	3.35%	5.136	1.321	22.245	83.45%	3.94%	87.00%		
LP	216.935	3.493	1.61%	5.551	2.56%	1.066	3.826	3.826	68.92%	1.76%	109.53%		
GOP	347.667	14.655	4.22%	18.920	5.44%	4.070	1.321	13.283	63.22%	3.82%	81.62%		
4.0 French Government													
Total	106.148	173.167	163.14%				123.799	212.345		200.05%	51.13%		
LP													
GOP	106.148	173.167	163.14%				123.799	212.345		200.05%	51.13%		
GRANT													
Total													
Grant Proceeds													
Peso Counterpart													
1. JICA In-Country Training Program II													
Total	2,007.189	300.627	14.98%	344.346	17.16%	0.849	150.274	373.573	42.11%	18.61%	48.23%		
Loan	1,049.582	44.381	4.23%	210.245	20.03%	3.981	24.228	105.653	1.89%	10.07%	8.97%		
GOP	957.607	256.246	26.76%	134.101	14.00%	0.849	126.046	267.920	105.16%	27.98%	55.04%		
GRAND TOTAL													
Loan	2,007.189	300.627	14.98%	344.346	17.16%	0.849	150.274	373.573	42.11%	18.61%	48.23%		
Grant	1,049.582	44.381	4.23%	210.245	20.03%	3.981	24.228	105.653	1.89%	10.07%	8.97%		
GOP	957.607	256.246	26.76%	134.101	14.00%	0.849	126.046	267.920	105.16%	27.98%	55.04%		

Table 14
Department of Agrarian Reform
Financial Performance of On-going Foreign-Assisted Projects
As of 30 March 2011

FUND SOURCE-PROJECT TITLE	ALLOTMENT (Pmillion)		OBLIGATIONS (Pmillion)		OBLIG. ALLOT. (%)		CASH ALLOCATION (NCA) (Pmillion)		CASH SUPPORT (%)		EXPENDITURES (Pmillion)			RATE (%)			
	A		B		C		D		E		TOTAL		TOTAL		TOTAL		
LOANS																	
Total	10,538.628	6,814.095	64.66%	5,710.541	54.19%	4,608.107	65.599	557.309	80.69%	5,308.459	50.37%	5,308.459	80.69%	50.37%	67.63%		
Loan Proceeds	7,505.664	4,825.395	64.29%	3,745.507	49.90%	3,064.101	81.81%	272.436	81.81%	3,413.981	45.49%	3,413.981	81.81%	45.49%	63.50%		
Peso Counterpart	3,032.964	1,988.700	65.57%	1,965.034	64.79%	1,544.006	65.599	284.873	78.57%	1,894.478	62.46%	1,894.478	78.57%	62.46%	77.64%		
1.0 JAPAN BANK FOR INTERNATIONAL COOPERATION (JBIC)																	
Total	5,455.954	2,512.919	46.06%	1,774.165	32.52%	809.707	138.973	283.471	45.64%	1,232.151	22.58%	1,232.151	45.64%	22.58%	32.22%		
LP	4,124.009	1,854.422	44.97%	885.393	21.47%	267.853	77.444	272.436	30.25%	617.733	14.86%	617.733	30.25%	14.86%	14.44%		
GOP	1,331.945	658.497	49.44%	888.772	66.73%	541.854	61.529	1,1035	60.97%	614.418	46.13%	614.418	60.97%	46.13%	82.29%		
2.0 WORLD BANK (WB)																	
Total	3,199.930	3,199.930	100.00%	3,199.930	100.00%	3,199.930	3,199.930	3,199.930	100.00%	3,199.930	100.00%	3,199.930	100.00%	100.00%	100.00%		
LP	2,758.040	2,758.040	100.00%	2,758.040	100.00%	2,758.040	2,758.040	2,758.040	100.00%	2,758.040	100.00%	2,758.040	100.00%	100.00%	100.00%		
GOP	441.890	441.890	100.00%	441.890	100.00%	441.890	441.890	441.890	100.00%	441.890	100.00%	441.890	100.00%	100.00%	100.00%		
3.0 Asian Development Bank (ADB)																	
Total	1,270.756	495.353	38.98%	403.564	31.76%	312.043	5.136	6.465	77.32%	323.644	25.47%	323.644	77.32%	25.47%	62.99%		
LP	623.615	212.933	34.14%	102.074	16.37%	38.208	1.066	38.208	37.43%	38.208	6.13%	38.208	37.43%	6.13%	17.94%		
GOP	647.141	282.420	43.64%	301.490	46.59%	273.835	4.070	6.465	90.83%	284.37	43.94%	284.37	90.83%	43.94%	96.96%		
4.0 French Government																	
Total	611.988	605.893	99.00%	332.882	54.39%	286.427	267.373	267.373	86.04%	553.8	90.49%	553.8	86.04%	90.49%	47.27%		
LP																	
GOP	611.988	605.893	99.00%	332.882	54.39%	286.427	267.373	267.373	86.04%	553.8	90.49%	553.8	86.04%	90.49%	47.27%		
GRANT																	
Total	4,848	4,236	87.38%	4,236	87.38%	4,236	4,236	4,236	100.00%	4,236	87.38%	4,236	100.00%	87.38%	100.00%		
Grant Proceeds	4,848	4,236	87.38%	4,236	87.38%	4,236	4,236	4,236	100.00%	4,236	87.38%	4,236	100.00%	87.38%	100.00%		
Peso Counterpart																	
Total	4,848	4,236	87.38%	4,236	87.38%	4,236	4,236	4,236	100.00%	4,236	87.38%	4,236	100.00%	87.38%	100.00%		
GP	4,848	4,236	87.38%	4,236	87.38%	4,236	4,236	4,236	100.00%	4,236	87.38%	4,236	100.00%	87.38%	100.00%		
GOP																	
1. JICA In-Country Training Programme II																	
Total	10,543.476	6,818.331	64.67%	5,714.777	54.20%	4,612.343	65.599	557.309	80.71%	5,312.695	50.39%	5,312.695	80.71%	50.39%	67.65%		
Loan	7,505.664	4,825.395	64.29%	3,745.507	49.90%	3,064.101	81.81%	272.436	81.81%	3,413.981	45.49%	3,413.981	81.81%	45.49%	63.50%		
Grant	4,848	4,236	87.38%	4,236	87.38%	4,236	4,236	4,236	100.00%	4,236	87.38%	4,236	100.00%	87.38%	100.00%		
GOP	3,032.964	1,988.700	65.57%	1,965.034	64.79%	1,544.006	65.599	284.873	78.57%	1,894.478	62.46%	1,894.478	78.57%	62.46%	77.64%		
GRAND TOTAL																	
Loan	10,543.476	6,818.331	64.67%	5,714.777	54.20%	4,612.343	65.599	557.309	80.71%	5,312.695	50.39%	5,312.695	80.71%	50.39%	67.65%		
Grant	7,505.664	4,825.395	64.29%	3,745.507	49.90%	3,064.101	81.81%	272.436	81.81%	3,413.981	45.49%	3,413.981	81.81%	45.49%	63.50%		
GOP	3,032.964	1,988.700	65.57%	1,965.034	64.79%	1,544.006	65.599	284.873	78.57%	1,894.478	62.46%	1,894.478	78.57%	62.46%	77.64%		

IV. Program Assistance to the Beneficiaries

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

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

A. PHYSICAL INFRASTRUCTURE

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

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

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

LGU assistance consists of the provision of counterpart in the form of financial and equipment support, road right of way, and operation and maintenance fund. The counterpart investment of LGUs is provided for under the cost sharing policy of the

national government which requires a minimum 50-50 scheme between the implementing agency and partner LGU. After completion, LGUs are also mandated to ensure the sustainability of physical infrastructures over time.

CUMULATIVE ACCOMPLISHMENT



By Project

Out of the 61 projects of the DAR's ODA portfolio, 21 projects have physical infrastructure component. These projects have implemented various infrastructure subprojects with an aggregate cost of PhP 22.5 billion. Fund from the Japan Bank for International Cooperation (JBIC) accounts for almost half (42%) of completed subprojects which includes interventions from ARISP Phases I/II/III and MinSSAD; the World Bank (WB) has contributed 23% of the total infrastructure cost through the ARCDP Phases 1 and 2; while interventions from the Asian Development Bank (ADB) accounts for 17% through the ARCP Phase 1.

PHYSICAL INFRASTRUCTURE Cumulative Accomplishment Project As of March 31, 2011

PROJECT	FUND SOURCE	No. of Subprojects	COST (PhP)
1 ARCDP 1	World Bank	436	2,091,824,025
2 ARCDP 2	World Bank	269	3,110,831,910
3 ARISP I	JBIC	277	1,766,571,342
4 ARISP II	JBIC	466	5,037,743,553
5 ARISP III	JBIC	12	207,233,029
6 ARCP 1	ADB	458	3,806,642,262
7 ARCP 2	ADB	-	-
8 ARSP	EU	267	203,961,533
9 BCSEA	JICA	1	347,000,000
10 BIARSP I/II	Belgium	221	244,886,514
11 BIARSP III	Belgium	195	250,608,799
12 CMARPRP	JSDF	16	106,499,032
13 DAROMA	JICA	12	69,670,000
14 MinSSAD 1	JBIC	766	2,011,537,980
15 NMCIREMP	IFAD	155	396,004,765
16 PAPSRA	SIDA	27	22,020,250
17 SPOTS 1	Spain	308	1,054,791,430
18 SPOTS 2	Spain	449	1,003,918,634
19 STARCM	EU	246	534,723,701
20 TP-KP	France	2	36,684,523
21 WMCIP	IFAD	179	207,652,476
TOTAL		4,762	22,510,805,756

While most FAPs provide physical infrastructures which are related to the improvement of farm production and marketing, e.g. irrigation, post-harvest facility and farm-to-market road, other FAPs supply social services relevant to the enhancement of education, health and access to energy. Solar power technology is exclusively provided under the SPOTS 1 and 2; education,

health and sanitation facilities were introduced under the BIARSP packages; market structures and fish landing facilities were initiated under the IFAD and EU projects. For new FAPs, the intervention mix have expanded to include processing centers and modular bridges.

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



By Subproject

Physical infrastructure investments under the various FAPs were translated into 4,762 completed subprojects. Access infrastructures, i.e. farm-to-market road and bridge, accounted for half (49%) of the cost of completed subprojects; investment in irrigation, 26%; and 15% were translated into social infrastructures, i.e. potable water supply, health center, school building, electrification and sanitation system.

PHYSICAL INFRASTRUCTURE Cumulative Accomplishment By Subproject As of March 31, 2011

SUBPROJECT TYPE	SCALE	COST (PhP)
1 Bridge	11,350 linear meter	1,538,734,259
2 Farm-to-Market Road	5,478 kilometer	11,118,492,528
3 Flood Control	12,500 linear meter	11,709,168
4 Health Center	194 unit	100,792,446
5 Irrigation	74,204 hectare	5,930,156,513
6 Market/Processing Struct.	9 project	18,821,654
7 Multi-Purpose Building	195 unit	170,761,038
8 Post-harvest Facility	449 unit	292,294,398
9 Potable Water Supply		
- Level I	503 unit	195,463,576
- Level II	518 system	1,103,272,794
10 Rural Electrification		
- Grid Type	63 kilometer	22,167,930
- Solar Power	15,324 system	1,628,179,345
11 Sanitation System	594 unit	2,241,439
12 School Building	961 classroom	366,625,609
13 Wharf	5 project	11,093,059
TOTAL	4,762 subprojects	22,510,805,756

FMRs also delivered the greatest impact because where new roads were constructed or existing gravel roads were rehabilitated, progress somehow spontaneously came into being,

i.e. access to health services, primary education, rural electrification. On the other hand, investment in irrigation subprojects have direct effect on ARBs' household income as a result of higher cropping intensities, crop diversification and improved production yields.



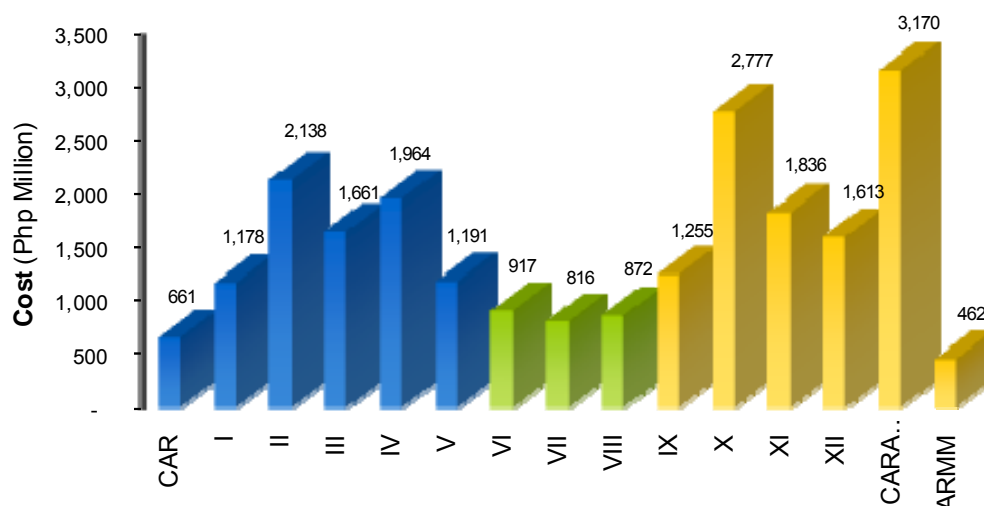
By Region

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

PHYSICAL INFRASTRUCTURE Cumulative Accomplishment By Region As of March 31, 2011

REGION		No. of Subprojects	COST (PhP)
CAR	Cordillera Administrative Region	63	661,173,925
I	Ilocos	160	1,177,748,083
II	Cagayan Valley	216	2,138,469,126
III	Central Luzon	156	1,660,940,204
IV-A	Calabarzon	116	1,111,844,185
IV-B	Mimaropa	99	851,895,266
V	Bicol	212	1,191,324,647
Subtotal Luzon		1,022	8,793,395,436
VI	Western Visayas	197	917,386,833
VII	Central Visayas	254	816,022,413
VIII	Eastern Visayas	143	871,730,349
Subtotal Visayas		594	2,605,139,595
IX	Zamboanga Peninsula	580	1,255,058,237
X	Northern Mindanao	652	2,776,839,911
XI	Davao	478	1,835,751,920
XII	SOCOSKARGEN	408	1,612,685,831
XIII	Caraga	887	3,169,807,824
ARMM	Autonomous Region of Muslim	141	462,127,001
Subtotal Mindanao		3,146	11,112,270,725
GRAND TOTAL		4,762	22,510,805,756

Investment By Region As of March 31, 2011



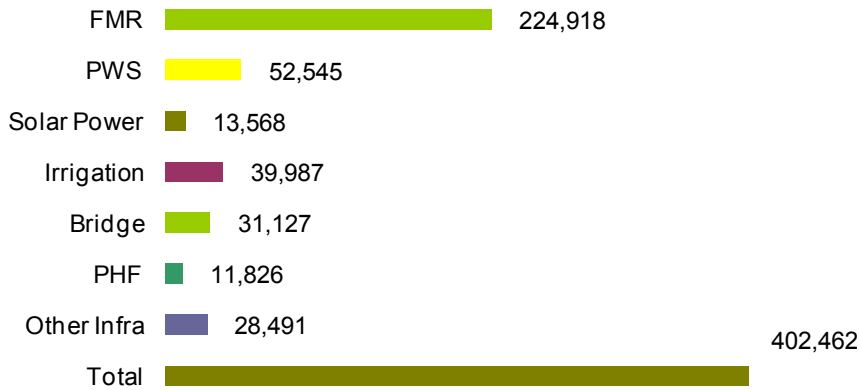


Estimated Jobs Generated

Total estimated generated jobs for completed infrastructures have reached 402,462. FMRs have generated the highest number of jobs at 224,918, accounting for 55.89% of the total. Subproject construction in the ARCs are largely labor-based and it provides an alternative source of employment for local residents. Getting involved in the actual construction of subprojects has strengthened the beneficiaries' sense of ownership and has resulted to more efficient and effective operation & maintenance for these services.

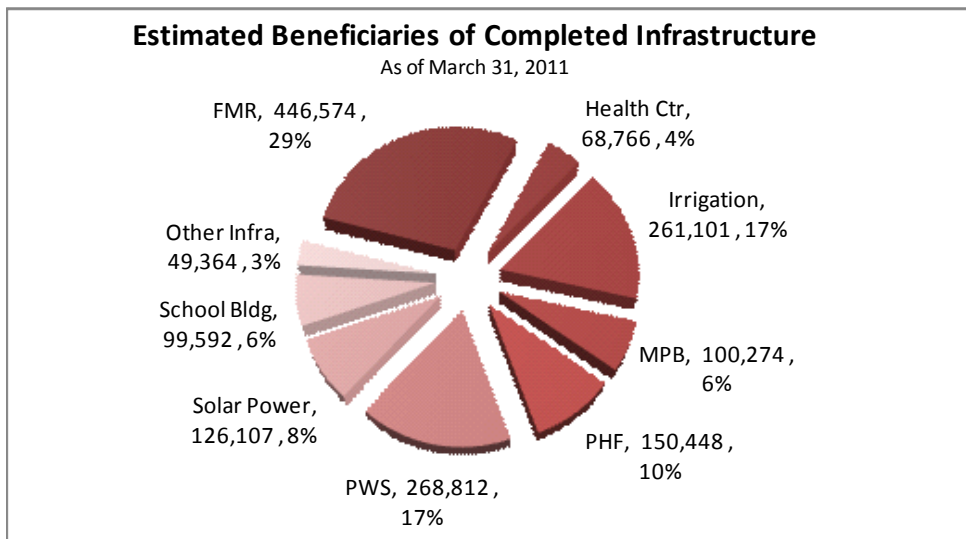
Estimated Jobs from Completed Infrastructure

As of March 31, 2011



ARB and ARC Coverage

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



inducing greater traffic volume, thus bringing in more commuters to and from the ARCs. Potable water supply level II subprojects, on the other hand, after sometime get upgraded into level III; consequently other users outside the original target area stand to benefit from the facilities. The total estimated direct ARBs of completed physical infrastructures have reached 557,684 ARBs in 917 ARCs. FMRs have the highest beneficiaries involving 446,574 ARBs in 697 ARCs.



Average Investment Costs

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

AVERAGE COSTS of PHYSICAL INFRASTRUCTURES

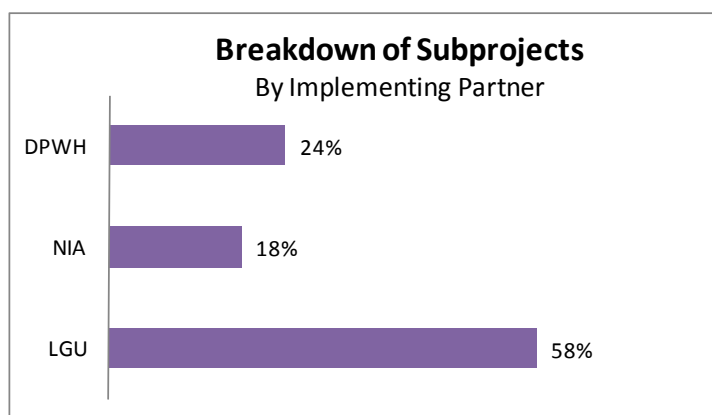
Subproject Category	Type	Unit	AVE. COST (PhP)	
Farm-to-Market Road	Gravel Surface:			
	Rehabilitaion	per km	1,995,694	
	Construction	per km	2,623,254	
Bridge	Concrete Surface (PCCP)	per km	3,775,294	
	Reinforced Concrete Deck Girder	per ln m	200,958	
	Rehabilitaion	per ha	63,117	
Irrigation	Construction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

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



Implementing Partners

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

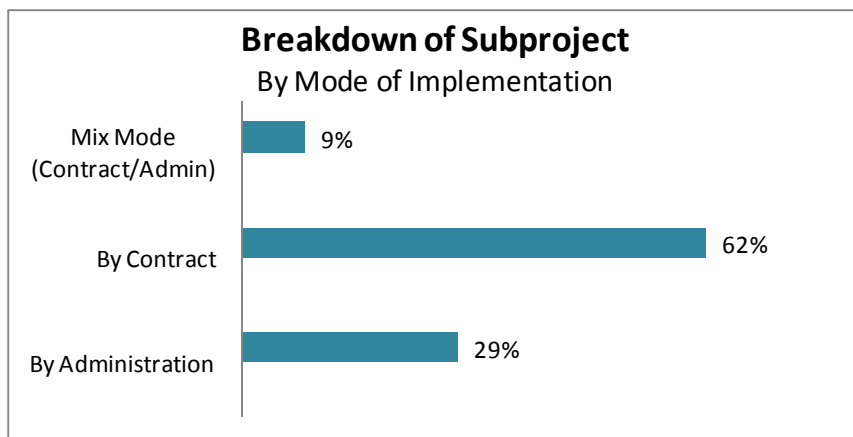


engineering practices and methodologies. LGUs have managed the construction of 58% of completed subprojects; while DPWH & NIA accounted for 24% and 18%, respectively.



Modes of Implementation

To a large extent, subprojects were undertaken by contract, especially for farm-to-market roads and irrigation systems. In most cases, certain items of work were executed thru pakyaw contract where local residents supervised and managed the construction



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

B. Non-Physical Infrastructure

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

1. Community Institutional Development Support (CIDS)

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

Further, this component also involves the efficient and effective complementation and coordination of activities between and among the DAR field offices, LGU counterparts and other CARP-implementing agencies (e.g. DA, DECS, NIA, DTI, DENR and

DPWH). It is trained on the four phases of ARC social institution building: (i) social preparation; (ii) organizational development; (iii) capability building; and (iv) enterprise & alliance building. The various FAPs provide technical support in terms of community organizing/strengthening, cooperative trainings on financial management, credit administration, enterprise planning, operation and management, among others.

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

A total of 300,360 ARBs were organized and 105,002 ARB leaders have been provided with training activities aimed at enhancing their skills in organizational management, agricultural and post-production technologies, and enterprise planning, implementation and management. Beneficiaries under this component have expanded to include indigenous peoples in CADC communities, fisherfolks in coastal villages and integrated social forestry localities through the WMCIP, NMCIREMP, ARCDP2 and IP-EIPSDADS. These activities were undertaken in collaboration with partner NGOs and local government units. Collaborative activities between and among FAPs have also been adopted as a strategy in the development process. Corollary to this, the strengthening of the capabilities of DAR field staff and LGU partners is a sub-component of the CIDS. A total of 32,051 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 demonstration farms which serve as micro models for farm productivity improvement involving 144,419 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.
- A total of 12,300 community-based projects/rural enterprises were established.

3. Basic Social Services

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

3.1 Basic Education

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

The BIARSP, STARCM and MinSSAD have invested in the rehabilitation/improvement of school classrooms, provision of school desks/materials and teachers' enhancement training. Under these projects improvements in enrolment rates of primary level schoolchildren were observed. Additionally, out-of-school youth were provided with various literacy, numeracy and skills training sessions. Non-formal education activities for adults were also undertaken. Activities for the organization of a municipal non-formal education council were also set as priority under this component e.g. orientation meetings,

planning workshops and literacy facilitators' training. Basic education activities are done in coordination with DECs, LGUs, Social Welfare and Development Offices, Day Care Workers, and Barangay/Municipal Health units.

3.2 Primary Health Care

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

4. Land Tenure Improvement

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

STATUS OF NON-PHYSICAL INFRASTRUCTURE

As of March 31, 2011

Project Component/ Description	Physical Indicator	Global Target	Cumulative Accomplishment	CY 2010
Community & Institutional Development Support				
ARCs Assisted	no. of ARCs	1,284	1,425	146
	# of ARB Leaders	37,872	105,002	324
Organized ARB	no. of ARBs	407,048	300,360	17,650
DAR/LGU/LA Implementers Trained	no. of staff	27,846	32,051	210
Agricultural Productivity & Rural Enterprise Development Support				
ARC Assisted	no. of ARCs	1,284	1,261	122
Improved Farm Technology adoption	no. of farmer techs	19,344	5,568	87
Farmer Cooperators/Adopters	no. of adopters	89,813	144,419	167
Rural Enterprise/Micro Projects	no. of projects	6,260	12,300	9
Basic Social Services				
Basic Education Services	no. of schools	1,102	961	-
Primary Health Care Services	no. of recipients	56,973	53,262	-
	no. of services	266	812	-
Land Tenure Improvement				
Area distributed with individual land titles	hectare	260,483	235,835	-
ARBs with individual land titles	no. of ARBs	158,989	156,966	-

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

The latest Sustainability Monitoring and Evaluation cycle was conducted by the Joint National-Regional-Provincial Inspectorate Teams from January to December 2010. It covered 841 completed sub-projects in 24 provinces, involving 185 municipalities, 541 barangays, 197 ARCs and an estimated 83,308 agrarian reform beneficiaries (ARBs). The sub-projects assessed were implemented by 13 FAPs which included ARCDP I, ARCDP 2, ARCP 1, ARISP I, ARISP II, ARSP, BIARSP I/II, BIARSP III, CMARPRP, NMCIREMP, SPOTS I, SPOTS II and STARCM.

The following are the highlights of the report:

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

A high percentage of completed sub-projects remains satisfactory in terms of physical condition, i.e. 88% of the sub-projects validated are still functional. Seven percent are partially functional with slight defects on minor structures requiring minimal repairs; while 11% of the sub-projects inspected are totally dysfunctional. These subprojects which were largely damaged by force majeure require immediate restoration works.

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

Functionality By Project

CY 2010

FAP	Fully Functional		Partially Functional		Dysfunctional			
	# of SP	%	# of SP	%	# of SP	%		
1 ARCDP 1 - WB	101	67%	32	21%	7	5%	10	7%
2 ARCDP 2 - WB	64	72%	23	26%	1	1%	1	1%
3 ARCP 1 - ADB	126	73%	38	22%	5	3%	3	2%
4 ARISP I - JICA	29	42%	23	33%	14	20%	3	4%
5 ARISP II - JICA	60	49%	44	36%	13	11%	6	5%
6 ARSP - EU	3	15%	8	40%	4	20%	5	25%
7 BIARSP I/II - Belgium	16	52%	10	32%	4	13%	1	3%
8 BIARSP III - Belgium	34	81%	6	14%	1	2%	1	2%
9 CMARPRP - WB/JSDP	3	75%	-	-	-	-	1	25%
10 NMCIREMP - IFAD	6	50%	5	42%	1	8%	-	-
11 SPOTS I - Spain	20	43%	11	24%	8	17%	7	15%
12 SPOTS II - Spain	26	65%	12	30%	2	5%	-	-
13 STARCM - EU	36	84%	6	14%	-	-	1	2%
Total	524	62%	218	26%	60	7%	39	5%

Functionality By Subproject Type

CY 2010

Subproject Category	Fully Functional		Functional		Partially Functional		Dysfunctional	
	Scope	%	Scope	%	Scope	%	Scope	%
Road Rehabilitation	125 sp 492 km	64%	57 sp 198 km	29%	13 sp 28 km	7%	1 sp 2 km	1%
Road Construction	141 sp 587 km	70%	51 sp 245 km	25%	8 sp 22 km	4%	2 sp 9 km	1%
Bridge Construction	50 sp 2,241 lm	83%	5 sp 90 lm	8%	2 sp 31 lm	3%	3 sp 651 lm	5%
Water Supply Level I	11 sp 47 unit	48%	8 sp 57 unit	35%	2 sp 19 unit	9%	2 sp 16 unit	9%
Water Supply Level II	31 sp 31 sys	52%	16 sp 16 sys	27%	4 sp 4 sys	7%	9 sp 9 sys	15%
Multi-purposeCenter	13 sp 13 unit	62%	4 sp 4 unit	19%	- sp - unit	-	4 sp 4 unit	19%
Post Harvest Facilities	29 sp 29 unit	55%	7 sp 7 unit	13%	13 sp 13 unit	25%	4 sp 4 unit	8%
Irrigation	38 sp 8,229 ha	41%	39 sp 7,754 ha	42%	8 sp 956 ha	9%	7 sp 671 ha	8%
Solar Power	46 sp 489 sys	53%	23 sp 329 sys	27%	10 sp 139 sys	12%	7 sp 9 sys	8%
Health Center	19 sp 19 unit	70%	8 sp 8 unit	30%	- sp - unit	-	- sp - unit	-
School Building	18 sp 32 clsm	100%	- sp - clsm	-	- sp - clsm	-	- sp - clsm	-
Flood Control	2 sp 578 lm	100%	- sp - lm	-	- sp - lm	-	- sp - lm	-
Market Center	1 sp 1 unit	100%	- sp - unit	-	- sp - unit	-	- sp - unit	-
Total	524 sp	62%	218 sp	26%	60 sp	7%	39 sp	5%

Functionality By Province

CY 2010

Region	Province	Fully		Functional		Partially		Dysfunctional		
		# of SP	%	# of SP	%	# of SP	%	# of SP	%	
I	1 Ilocos Norte	47	58%	25	31%	4	5%	5	6%	
II	2 Cagayan	25	68%	1	3%	7	19%	4	11%	
	3 Isabela	108	77%	21	15%	4	3%	7	5%	
	4 Nueva Vizcaya	16	73%	3	14%	3	14%	-	-	
III	5 Nueva Ecija-South	21	88%	3	13%	-	-	-	-	
	6 Nueva Ecija-North	19	90%	2	10%	-	-	-	-	
IV-B	7 Occidental Mindoro	7	64%	2	18%	1	9%	1	9%	
	8 Oriental Mindoro	6	35%	9	53%	2	12%	-	-	
	9 Marinduque	2	100%	-	-	-	-	-	-	
	10 Romblon	2	33%	2	33%	2	33%	-	-	
	11 Palawan	23	45%	21	41%	7	14%	-	-	
VI	12 Aklan	6	22%	19	70%	2	7%	-	-	
	13 Iloilo	34	85%	1	3%	1	3%	4	10%	
VII	14 Bohol	30	48%	27	44%	3	5%	2	3%	
	15 Negros Oriental	1	9%	10	91%	-	-	-	-	
	16 Siquijor	17	100%	-	-	-	-	-	-	
	17 Cebu	10	53%	6	32%	3	16%	-	-	
XI	18 Davao del Sur	22	69%	6	19%	3	9%	1	3%	
XII	19 North Cotabato	54	78%	8	12%	2	3%	5	7%	
	20 South Cotabato	3	75%	-	-	-	-	1	25%	
	21 Sarangani	29	74%	6	15%	2	5%	2	5%	
	CARAGA	22 Agusan del Norte	12	19%	33	53%	12	19%	5	8%
		23 Surigao del Sur	1	8%	9	75%	1	8%	1	8%
	24 Surigao del Norte	29	83%	4	11%	1	3%	1	3%	
	Total	524	62%	218	26%	60	7%	39	5%	

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

A. Background

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

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

B. Methodology

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

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

□ Survey Analytical Tools

There were attempts to employ panel data analysis in the two impact (2) studies, wherein previously interviewed sample households during baseline would again be the subject of the current surveys. However, based on actual interview results, majority of the baseline

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

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

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

Table 26. List of Completed Physical Infrastructure Facilities, 2009

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

For ARCP 2, the sampling design includes stratification by ARC with households representing the second level stratification. The study will cover 152 ARCs and 11 cluster ARCs in 18 provinces plus 36 control ARCs for the “with- and-without project” analysis. The ARCP 2 baseline study report is on its final stages of preparation. The Interim Report covering ARCP 2-covered ARCs located in the Luzon and Visayas areas has been submitted to DAR. The survey for the remaining 5 provinces in the ARMM region comprising 30 ARCs is almost complete with some of the completed questionnaires already with the

WCI for documentation and subsequent encoding and analysis. The ARMM survey was delayed due primarily to problems related to peace and order. The draft final report and the final report are scheduled for submission on March 15 and March 31, 2011, respectively.

C. Project Interventions, Outputs and Outcomes

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

1. Physical Infrastructure Support

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

□ Farm-to-Market Roads (FMR)

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

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

□ Communal Irrigation Systems

The establishment of irrigation systems enabled farmers to have suitable lands for farming, expand the area planted and enable crop diversification. Crop production increased, as

farmers who used to depend on rainwater are now able to plant even during the dry season. Provision of lined canals brought about efficient distribution of irrigation water as problems of conveyance-seepage losses, drainage and high annual maintenance costs that are associated with earth canals, were addressed. With the presence of irrigation, farmers are now having sustained production, crop intensification, and plant diversification.

Palay Productivity

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

Table 27. Crop Yield, metric ton per hectare

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

Corn Productivity

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

□ Potable Water Supply Systems (PWS)

As of 31 December 2009, an aggregate of 60 units of potable water supply (PWS) systems comprising 81 systems, have been constructed under SPOTS I and NMCIREMP. For SPOTS I, the number of households dependent on river for drinking water declined

significantly by about 13 percentage points. While households sourcing drinking water from Level I PWS remained the same, those dependent on Level II PWS declined by about 9 percentage points. As a whole, the preceding developments resulted to an increase in the number of households dependent on Level III PWS, to about 22 percent; most probably coming from households using Level II PWS.

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

Table 28. Incidence of Water-borne Disease

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

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

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

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

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

Table 30. Water Consumption, by Source (%)

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

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

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

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

Health Center

SPOTS I

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

Table 32. Immunization of New-born, SPOTS I

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

Using a different parameter, (i.e. proportion of newborn immunized), the 2009 household survey reflected a generally increasing trend of immunization of newborn compared with situation in year 2006. The increasing trend is also observed in NED Settlement ARC in South Cotabato. Immunization of newborns, however, was not sustained in LAMARISAN ARC in Davao del Sur, LUBIDA ARC in Agusan del Sur, project sites in Zamboanga Sibugay and Zamboanga del Norte, due to unavailability of medicine and absence of regular health workers assigned to the health center.

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

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

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

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

Teaching Methods

SPOTS I

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

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

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

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

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

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

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

NMCIREMP

Highest Educational Attainment of HH Head

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

Highest Educational Attainment of Children

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

2. Community and Institutional Development Support

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

social, economic and political undertakings. The ARBs play an active role in the planning, implementation and monitoring of social growth in the ARCs.

SPOTS

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

Table 36. Comparative ALDA rating, percent

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

Crucial to these improvements were the formation of 101 P.O.s in the SPOTS-covered ARCs. One hundred eighty nine (189) POs were assessed for readiness to manage the project. This implies that there were more than one PO assessed to assist the 98 ARC project sites. These POs were provided with capability-building and training interventions in the areas of basic organizational management, administration and finance and agri-development and sustainability. They were also prepared to manage the solar packages in anticipation of the commissioning and handover of the project through the three-tiered technical training program.

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

NMCIREMP

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

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

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

3. Agricultural Productivity and Rural Enterprise Development

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

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

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

□ Annual Crop Productivity Per Hectare

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

D. Immediate Impacts

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

□ Household income

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

Table 38. Average annual household Income, 2004 - 2009

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

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

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

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

□ Access to Physical Assets

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

households in control sites (i.e. 18 percent). Those using wood are slightly higher in NMCIREMP non-CADC sites (i.e. 47 percent) versus control (i.e. 50 percent).

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

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

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

E. Conclusion

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

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

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

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