

**The Philippine Rural Development Project (PRDP)  
Terms of Reference for the Conduct of Baseline Study**

**1. Background.**

The Philippine Rural Development Project (PRDP) is a World Bank assisted project being implemented by the Department of Agriculture (DA). It is a national government platform for a modern and climate-smart agriculture that aims to partner with the 80 Provincial Local Government Units (PLGUs) and agri-fishery stakeholders in realizing the goals of improved food security and increased incomes, climate resiliency and enhanced policy environment and governance as expressed in the Philippine Development Plan (PDP) 2011-2016.

**1.1.1. Project Development Objectives.** The PRDP aims to increase rural incomes and enhance farm and fishery productivity in targeted areas. The Project will promote more inclusive rural development by supporting smallholders and fishers to increase their marketable surpluses, and their access to markets. The PRDP would also support changes in the planning, resource programming and implementation practices of the Department of Agriculture. It will facilitate the integration and financing of priority local investments derived from the DA's agricultural and fisheries modernization plans which have been developed using a value chain approach, and through a consultative process with local stakeholders.

The results indicators for the Project are: (a) at least five (5) percent increase in annual real household incomes of farmer beneficiaries and 30% increase in incomes for targeted beneficiaries of Enterprise development, (b) seven (7) percent increase in value of annual marketed output, and (c) twenty (20) percent increase in the number of farmers and fishers with improved access to DA services.

**1.2 Project Duration, Cost and Components.** The PRDP is a six-year project. It became effective on 03 December 2014 and will close in May 2021. The project costs PhP 27.48 Billion for the implementation of the four components briefly described below.

**Component 1: Local and National Level Planning.** This will support the implementation and mainstreaming of the DA's AFMP planning framework, thereby providing an operational platform for integrated technical support service delivery at the local and national levels. At the regional and local levels, regional AFMPs will be developed taking into account spatial and value chain analysis and using tools for vulnerability and suitability assessment, participatory resource analysis. The local AFMPs shall build on the success of local governments in the implementation of their own development plans.

**Component 2: Infrastructure Development.** A network of strategic rural infrastructure will be established, linking priority value chains in targeted areas that are identified through the regional AFMPs. By the end of the Project, the component will be able to establish an improved access to strategic and climate-resilient rural infrastructure and facilities that primarily benefit target beneficiaries. These rural infrastructures will include farm-to-market roads (FMRs), bridges, communal irrigation systems (CIS), potable water systems (PWS),

production and post-production facilities and other infrastructure such as fish landings, fish sanctuary/Protected Area guardhouses, among others.

**Component 3: Enterprise Development (I-REAP).** This aims to: (i) increase productivity and marketability of agriculture and fishery products through increased access to information and support services; and (ii) increase farm and fishery household incomes through engagement in value-adding activities. I-REAP represents a two-pronged approach: (i) support to communities for agriculture and fishery-based entrepreneurial activities with the goal of engaging more provincial LGUs in agri-fishery enterprises through strengthened public-private partnerships in value-adding activities and market (vertical and horizontal) linkages; and (ii) enhancing LGUs' access to information, support and technologies throughout the value chain, i.e., production, post-harvest and processing, product testing, quality control, packaging technology, among others, and empower farmers and fisher groups to implement and sustain rural enterprises.

**Component 4: Implementation Support.** This aims to introduce innovations and reforms towards more effective and efficient administrative support system in project implementation, mainly working through the existing DA bureaucracy. The management and implementation support mechanisms in PRDP is a scaled-up approach that builds on the systems and practices that were proven effective under the Mindanao Rural Development Program (MRDP) Phase 2. Project Support Offices (PSOs) are established to manage implementation at the four clusters namely; Luzon A, Luzon B, Visayas and Mindanao. The Regional Project Coordination Offices (RPCOs), likewise, are created in each Regional Field Office of the DA to manage the project at the regional level. Support structures take into consideration varying levels of technical support and capacity building requirements based on the level of DA-RFU experience in implementing rural infrastructure and enterprise projects with LGUs. Institutionalization of the harmonized guidelines for DA-LGU engagement is also one of the key outputs of this component.

## **2. Baseline Study.**

The baseline data, which describe conditions in targeted areas to be addressed by a project needs to be established before investments and interventions take place. This is crucial to ensure that the baseline data are available and actually used as reference to measure achievement of desired changes and over time, evaluate success or effectiveness of the project by comparing conditions in targeted areas before, during and after carrying out investments. The result indicators requiring baseline data are indicated in the attached PRDP Results Framework and Monitoring Matrix.

In 3<sup>rd</sup> Quarter 2013, the Department of Agriculture contracted a consulting firm to conduct the PRDP Baseline Study. The study mainly employed (i) survey of households<sup>1</sup>, (ii) focus group discussions (FGDs) and key informant interviews (KIIs) with the concerned personnel from the DA Central and Regional Offices, and (iii) collection of secondary data. A Final Report was accepted by the PRDP Baseline Technical Working Group (TWG)<sup>2</sup> and endorsed to the World Bank (WB) in December 2014.

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<sup>1</sup> 5,000 respondents were randomly selected, of which 2,000 were from project areas and 3,000 were from non-project areas.

<sup>2</sup> The TWG for the PRDP Baseline Study is manned by the focal persons of PRDP components and representatives from the concerned offices of the DA Central Office.

This is in compliance with the covenant of the DA to provide the WB results of the Baseline Study by December 2014. The baseline study including the survey methodology and survey questionnaire is attached with this RFP for review.

The Study is found to be satisfactory and in order with the data gathering methodology indicated in the Inception Report approved by the TWG. However, results of the household survey concerning indicators related to the I-REAP Component appear will need to be recaptured as it may not be substantially used for project monitoring and evaluation (M&E). The findings are summarized in Table 1.

**Table 1: TWG Findings on Baseline Study Focusing on the Indicators under the I-REAP Component.**

<b>Anticipated Results</b>	<b>Baseline Data Required (2012)</b>	<b>Key Issues</b>	<b>Remarks</b>
<b>PDO Indicator 2:</b> Increased income of beneficiaries involved with enterprise development.	Average household incomes	1. No baseline data for project areas in three Regions namely; CAR, Region 8 and ARMM.  2. Huge average incomes in Regions 1, 4B and 6.	Respondents only involved those who claimed to be members of enterprises. This limited number of respondents by province / region.
<b>I-REAP Intermediate Outcome Indicators:</b>  Increased Producer Groups participating in vertically linked commodity value chain clusters  Producer productivity enhanced through arrangements for marketing and /or technical services  Increased producer groups and fisher resilience to climate change and adverse weather conditions	Number of groups operating viable enterprises  Number of women directly benefiting from enterprise development  Number of producers having formalized arrangements for marketing and/or technical services  No. of producers using climate smart technologies	No baseline data in 10 of 16 Regions  No baseline data in ARMM  Formalized arrangements limited with the livestock contract growers  Baseline data do not show number of groups. Findings pertain to the number of households surveyed	The number of groups was established based on the number of respondents who claimed to be members of enterprises. This limited the no. of groups covered by the study.

Given the limitations of the household survey in providing the I-REAP component with the necessary baseline data, the PRDP Baseline Study TWG has recognized the necessity to have a supplemental

study that will employ survey and FGDs among producer / enterprise groups, which is not part of the task of the Study Team engaged in the completed PRDP Baseline Study.

## **2.1 Specific Objectives.**

A supplemental baseline study shall be made not to supplant the recently completed PRDP Baseline Study. Rather, this is to complement with the study by covering the specific data requirements that were not substantially collected through the household survey. The specific data to be collected and reflected in the previous baseline question include:

### **2.1a PDO Level**

- (i) Year 2012 average household incomes of members of various enterprises / producer groups.

### **2.1b Intermediate Outcomes**

- (ii) Number of groups operating viable enterprises following good business practices;
- (iii) Number of women engaged / benefiting from enterprises;
- (iv) Number of producers / enterprises having formalized arrangements for marketing and/or technical services; and
- (v) Number of producer groups (including smallholders) with awareness, access and use of climate-smart technologies.

## **III. Scope of Work and Methodology Requirements**

The baseline study will include the following activities:

The development of a detailed methodology for gathering and compiling primary and secondary data from the target beneficiaries such as survey design, sampling and instruments and guidelines for data gathering. Examples of such secondary data sources to be compiled include information on number of members by proponent group disaggregated according to gender, annual household income of members, annual income of the proponent group and others.

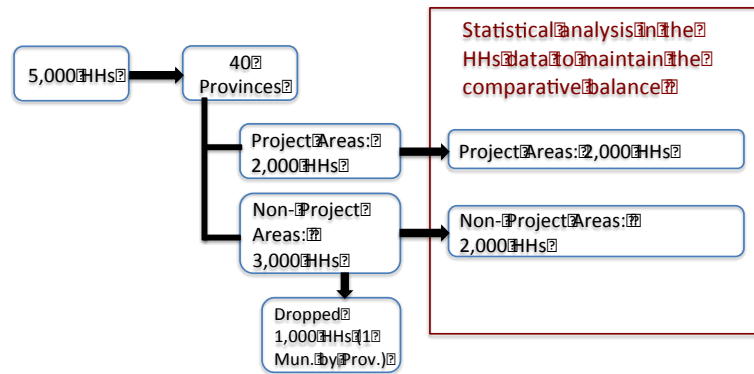
**The firm will be required to use the same sampling areas for project and non-project areas, sampling frame and methodology to ensure consistency and comparability to the previous PRDP baseline survey in 2014.** A Stratified Random Sampling shall be adopted covering 1,000 producer groups<sup>3</sup>. Of which, 400 and 600<sup>4</sup> producer groups shall be taken from the Project and Non-Project areas respectively, which involve the same 200 Municipalities and 40 Provinces covered by the Baseline

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<sup>4</sup> The main sample in Non-Project areas is 400 PGs. However, since the exact composition of Non-Project areas may change during the Project implementation, additional 200 PGs should be covered in Non-Project areas to provide sufficient baseline data for the mid-term and final studies, which will be conducted in the middle and by the end of the Project. In the baseline comparative analysis, the survey results of 400 PGs as respondents from the Project areas should be compared with the survey results of 400 PGs from Non-Project areas, selected randomly from the survey database of 600 PGs. It is assuming that the survey sample in the mid-term and final studies will be limited to 400 PGs for each study in total (400 PGs each from Project and Non-Project areas). By that time, the composition of the Project and Non-Project areas will be more determined.

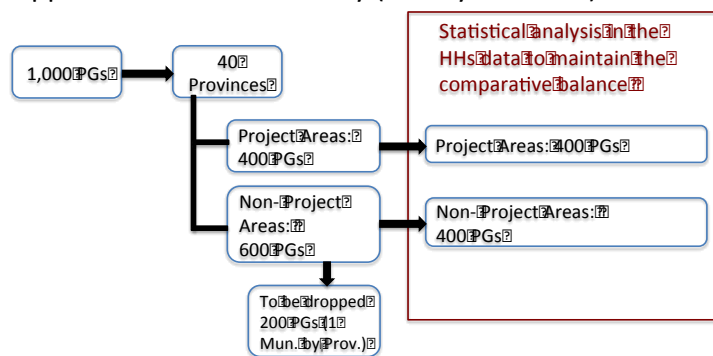
Study completed in 2014. The approach with regard to the distribution of the respondents (producer groups) across Project and Non-Project areas must be the same as with the stratification for household survey applied in the PRDP Baseline Study completed in 2014. The distributions of respondents in Project and Non-Project areas are illustrated in Figures 1 and 2 respectively.

Figure 1: Stratification Technique Applied in the PRDP Baseline Study Completed in 2014 (Survey with Households)



(1) Least matched in identified priority commodity; (2) Least matched on economic indicators like on-farm, off-farm, non-farm, and total household income; (3) Least matched in household size; and (4) least matched in number of years residing in the barangay. The municipality found to be least matched to any of the two identified program municipalities in the province was dropped in the present data analysis.

Figure 2: Stratification Technique To Be Applied in the PRDP Supplemental Baseline Study (Survey with PGs)



(1) Least matched in identified priority commodity; (2) Least matched on economic indicators like on-farm, off-farm, non-farm, and total household income; (3) Least matched in household size; and (4) least matched in number of years residing in the barangay. The municipality found to be least matched to any of the two identified program municipalities in the province was dropped in the present data analysis.

The stratified random sampling for the selection of PGs shall be executed based on the list of farmers / fishers organizations (i.e. cooperatives, associations, etc.) from the concerned Provincial Agriculture Offices, Cooperative Development Authority (CDA), RSBSA, Securities and Exchange Commission (SEC), Department of Labor and Employment (DOLE) and others as agreed with DA.

The survey for number of producer groups must retain a standard / marginal error of 3% to 5%, thus, yielding a confidence level of 95% to 97%. The stratification

design to be detailed in the proposal must have an aggregate view by region, province, municipality / city, and by barangay both for Project and Non-Project areas.

- (i) Pilot test of the survey and submission of the field test report to TWG is also necessary as basis for revising the instrument and methodology (if needed) before conducting a full-scale field survey. This test, adopting the stratified random sampling method may cover at least five producer groups from each Cluster as initial respondents out of the 1,000 sample proponent groups.
- (ii) Conduct of Focus Group Discussions (FGDs) and survey among producer groups (stratified random sampling) to collect data covered by the study.
- (iii) Submission of the field-work progress reports to the TWG showing status of survey works, etc, shall also be made to allow discussion and resolving of issues / concerns that affect the conduct of study.
- (iv) Random verification of questionnaires (conducted together with PSOs and RPCOs) shall also be done to validate over time the integrity of the process being undertaken that is crucial towards achieving reliable results or findings.
- (v) Encoding of survey results and organization of primary as well as secondary data.
- (vi) Establishment of a database of survey results.
- (vii) Analysis of survey results.
- (viii) Baseline Study Report writing on findings, conclusions and recommendations.
- (ix) Report submission (together with the survey database and the copies of the filled out questionnaires).
- (x) Presentation of the study results to the TWG; and
- (xi) Finalization of the Study Report.

The National Project Coordinating Office (NPCO), with support from the PSOs and RPCOs shall coordinate with the Provincial Local Government Units (PLGUs) all activities to be carried out by the Study Team in their respective areas and communities. The Study team is expected to maximize the participation of key stakeholders to ensure credibility of data gathered as well as to gain ownership of findings or results of the study. The specific mechanisms to collect baseline data according to indicator to be detailed, clarified and improved in methodology for data collection of the Supplemental Baseline Study are summarized in Table 2.

**Table 2: Mechanism for Tracking Baseline Data (Selected Indicators)**

<b>Anticipated Results</b>	<b>Baseline Data Required (2012)</b>	<b>Perceived Data Collection Mechanism</b>	<b>Description (Indicator)—for Baseline Study</b>
<b>PDO Indicator 2:</b> Increased income of beneficiaries involved with enterprise development.	Average household incomes	Stratified random survey among members of enterprises	Household incomes from on & off-farm and non-farm activities associated with enterprise development
<b>I-REAP Intermediate Outcome Indicators:</b>  Increased Producer Groups participating in vertically linked commodity value chain clusters  Producer productivity enhanced through arrangements for marketing and /or technical services  Increased producer groups and fisher resilience to climate change and adverse weather conditions	Number of groups operating viable enterprises  Number of women directly benefiting from enterprise development  Number of producers having formalized arrangements for marketing and/or technical services  No. of producers using climate smart technologies	FGD with the producer groups (using criteria of viable enterprises to be agreed)  Registry / Masterlist of members of enterprises / groups  FGD with the producer groups and review of contract arrangements  FGD with the producer groups	Viable Smallholder enterprises following good business practices (base on criteria)  Contractual and formalized arrangements for marketing of produce and /or provision of technical services  Smallholders & fishers have awareness, access and use of climate-smart technologies

#### **IV. Study Team**

In preserving the integrity of both process and results, the study will be undertaken by a consulting firm to be commissioned by the PRDP NPCO following the Harmonized Procedures on Procurement of Consultancy Services. The study requires four (4) months works, which entails services by a multi-disciplinary team of consultants with the expertise described below.

- (i) **Team Leader:** Economist with evident strong research experience (6 person-months). To lead the Study team, he/she must have at least 10 years experience in at least three significant experiences in the conduct of baseline and evaluation studies in the rural development sector. He / She must also bear at least five years of professional

experience as a team leader in projects dealing with the same nature and complexity of tasks described in this TOR.

- (ii) **Statistician/Researcher:** The Statistician must have at least 10 years of professional experience in his/her field and must have experience as statistician/researcher in at least three similar projects. He / She must have a good track record in field research particularly in developing survey design and actual field survey, database establishment and must have working knowledge of statistical software relevant to data processing, analysis and interpretation.
- (iii) **Enterprise Development Specialist:** He / She must have at least 10 years of professional experience related to the management and / or coordinating assistance to agri-based enterprises. He / She must also have experience in at least 3 similar projects and in undertaking baseline and evaluation studies.
- (iv) **Enumerators:** The Study Team will deploy enumerators to conduct FGDs and the survey with the enterprise groups.
- (v) Others as may be specified in the Bidding Proposal.

The number of person-months according to position shall be mentioned in the Inception Report.

#### **V. Expected Outputs and Tentative Timeframe**

The baseline study shall be done in the period of three months from the date the winning firm has received a "Notice to Proceed" (NTP) from the PRDP Special Bids and Awards Committee (SBAC). The indicative duration of the study will cover December 2015 to March 2016. The key outputs / deliverables are shown below. The specific timeframe for each deliverable shall be contained in the Inception Report of the Study Team, which will be reviewed and approved by DA PRDP Baseline TWG.

1. Inception Report (within 2 weeks after receipt of NTP);
2. Data gathering progress reports (twice a month during the duration of survey activities);
3. Draft Study Report (February 2016); and
4. Final Study Report (March 2016).

#### **VI. Administrative Arrangements**

The Study Team will be coordinating and work under the supervision of the NPCO. The DA PRDP Baseline TWG will be responsible to review and approve all deliverables made by the Study Team following DA's technical criteria / guidelines for acceptance.

The Project Support Offices (PSOs) in Luzon A, Luzon B, Visayas and Mindanao Clusters as well as the Regional Project Coordinating Offices (RPCOs) will provide support to the Study Team in terms of contacts with PLGUs, enterprise / producer groups. All deliverables will be subject to approval and



acceptance by the TWG before any payment is made following the usual accounting rules and regulations.



**Attachment 1: Philippine Rural Development Project (PRDP)  
 Results Framework and Arrangement for Monitoring**

<b>Project Development Objective (PDO):</b>													
To increase rural incomes and enhance farm and fishery productivity in the targeted program areas.													
PDO Level Results Indicators*	Core	Unit of Measure	Baseline	Cumulative Target Values**						Frequency	Data Source/ Methodology	Responsibility for Data Collection	Description (indicator definition etc.)
				YR1	YR2	YR3	YR4	YR5	YR6				
Annual increase in real household incomes of farmer beneficiaries	<input checked="" type="checkbox"/>	Real household incomes	Baseline study underway. Results due April 2014	5%	10%	15%	20%	25%	30%	1 <sup>st</sup> year of program  Mid-term  Year 6	Survey of each Region participating in Program	PMED through FOS, NPCO and PSOs	Household incomes in real terms including on & off-farm
Increased income of beneficiaries involved with enterprise development		Real household incomes	Baseline study underw ay. Results due April 2014			10%			30%	1 <sup>st</sup> year of program  Mid-term  Year 6	Survey of each Region participating in Program	PMED through FOS, NPCO and PSOs	Household incomes in real terms including on & off-farm and associated with enterprise development
Increase in value of marketed output	<input checked="" type="checkbox"/>	Value of marketed output	Baseline study underway. Results due April 2014	7%	14%	21%	28%	35%	42%	1 <sup>st</sup> year of program  Mid-term	Survey of each Region participating in Program	PMED through, FOS, NPCO and PSOs	Value of all products sold/exceeding domestic consumption

*TOR for the PRDP Supplemental Baseline Study  
Focused on the I-REAP Component (August 2015)*

										Year 6			
Increase in number of farmers and fishers with improved access to DA services	<input checked="" type="checkbox"/>	No of fishers & farmers reporting improved access to services	Baseline study underway. Results due April 2014			10%			20%	1 <sup>st</sup> year of program  Mid-term  Year 6	Survey of each Region participating in the Program	PMED through, FOS, NPCO and PSOs	Improved access/knowledge of technologies and services e.g., post-harvest handling and marketing, including strategies for coping with weather variables
GEO level – Increase in MPA management effectiveness at select sites in GEF target areas & seascapes		Number of globally significant biodiversity sites  World Bank – WWF MPA Scorecard	Baseline Scorecard percentage for each MPA evaluated.  Baseline study underway. Results due 2 <sup>nd</sup> qtr 2014			5% for each site		8% for each site		1 <sup>st</sup> year of program  Mid-term  Year 6	Survey of each Region participating in Program;	PMED through the NPCO, PSOs and RPCOs	Protected area scorecard that assess site management, financial stability, and capacity.
<b>Intermediate Result: Local and National Level Planning</b>													
Intermediate Results Indicators*	Core	Unit of Measure	Baseline	Cumulative Target Values**						Frequency	Data Source/ Methodology	Responsibility for Data Collection	Description (indicator definition etc.)
				YR1	YR2	YR3	YR4	YR5	YR6				
Provincial Commodity Investment Plans (PCIPs) agreed based on regional AFMPs	<input checked="" type="checkbox"/>	Number of Provinces	0	20	50	60	80	80	80	3-yr rolling business plan	Based on consultations between RFO, Province & other stakeholders	PMED through FOS, NPCO and PSOs	Number of Provincial LGUs with approved business plans based on the AFMP

*TOR for the PRDP Supplemental Baseline Study  
Focused on the I-REAP Component (August 2015)*

PCIP interventions being supported through effective technical backstopping		Number of Provinces	0	20	50	60	80	80	80			PMED through FOS, NPCO and PSOs	Number of effective joint work programming being implemented between RFOs and PLGUs, & between PLGUs and other service providers)
Enhanced Planning Programming & Budget Guidelines being effectively mainstreamed (across DA programs)		Number of Regions  Number of Agencies participating in joint planning & programming with RFOs	0	0	4	8	12	16	16	Enhanced Manuals to be issued & updated periodically as needed	Refinement of drafts prepared as part of Project prepn. and under MRDP2	PMED through FOS, NPCO and PSOs	Enhanced Planning Programming & Budget Guidelines issued & being used by RFOs to integrate programs & resources
			0	0	2	5	10	20	27				
Biodiversity conservation and coastal resources co-management features incorporated in the PCIPs		Number of provinces	8	8					8	3-yr rolling business plan	Based on consultations between RFO, Province & other stakeholders	PMED through FOS, NPCO and PSOs	PCIPs contain actions to conserve biodiversity and reduce pollution as critical to the commodity value chain

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Focused on the I-REAP Component (August 2015)*

<b>Intermediate Result: Infrastructure Development</b>													
Intermediate Results Indicators*	Core	Unit of Measure	Baseline	Cumulative Target Values**						Frequency	Data Source/ Methodology	Responsibility for Data Collection	Description (indicator definition etc.)
				YR1	YR2	YR3	YR4	YR5	YR6				
Improved road networks linking production areas with markets, leading to reduction in travel time by at least 30% at end of the Project	☒	increase %	Baseline study underway. Results due 2 <sup>nd</sup> Qtr 2014			10%			30%	1 <sup>st</sup> year of program  Mid-term  Year 6	Survey of each Region participating in Program. Expand on Sub-project Project logframe results.	PMED through FOS, NPCO and PSOs	Improvements made that allow all-weather road networks linking production areas and markets.
Producers satisfied with adequacy of access to post-harvest services and facilities	☒		Baseline study underway. Results due 2 <sup>nd</sup> Qtr 2014			8%			20%	1 <sup>st</sup> year of program  Year 6	Survey of each Region participating in Program. Expand on Sub-project Project logframe results	PMED through FOS, NPCO and PSOs	Improvements in post-harvest facilities and technical services providing information on post-harvest handling and technologies.
Area provided with irrigation and drainage services (ha)	☒	Increase in area with irrigation	Baseline study underway. Results due 2 <sup>nd</sup> Qtr 2014			10%			30%	1 <sup>st</sup> year of program  Year 6	Survey of each Region participating in Program. Expand on Sub-project Project log-frame results	PMED through FOS, NPCO and PSOs	New and rehabilitated irrigation and drainage systems increasing the effective area available for cropping

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