

A monthly newsletter of the Philippine Rural Development Project National Project Coordination Office (NPCO)

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The Department Agriculture -Philippine Development Project (DA-PRDP) finally got the green light Co-financing grant (AF2-EU) on from the World Bank, as the Board of Executive Directors of the International Bank for Reconstruction and Development

(IBRD) formally approved Rural \$280 million Second Additional Financing with EUR18.3 million E.U. June 17, 2021.

> The AF2 is the second tranche of the \$450 million AF from the World Bank, which was approved

by the Investment Coordination Committee (ICC) in 2016. With the ongoing COVID-19 pandemic, the AF2 was retrofitted to complement the DA's initiatives towards food security and resiliency.

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World Bank approves... (from Page 1)

Together with the E.U. Cofinancing grant, the DA-PRDP's interventions will significantly expand to farmers and fisherfolk in supporting food productivity, promoting enterprise activities, and the upscaling of logistics to link production areas directly to the market. It is expected that the AF2-EU will be benefitted by more than 300,000 farmer and fisherfolk households, as well as more than 70,000 additional jobs created from rural infrastructure subprojects and enterprise activities.

Also included in the AF2-EU is the expansion of the DA-PRDP's implementation efforts in Mindanao, covering conflict-affected areas, areas with Indigenous People (IP), fourth to sixth class Local Government Units (LGUs), and the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

DA Secretary William Dar expressed his gratitude to the

World Bank and the PRDP for its commitment to better the lives of its beneficiaries for a progressive agri-fishery sector in the country.

"The approval of the AF2 with the EU Co-financing grant is a huge step towards the realization of a better future for our farmers and fisherfolk, as we gradually assist our beneficiaries in recovering after the pandemic. I am truly thankful to the World Bank for granting us the AF2, and to everyone at the PRDP for their hard work in enhancing communities, and expanding opportunities," Secretary Dar expressed.

PRDP National Project Director Undersecretary Ariel T. Cayanan also added that the approved AF2 gives the DA-PRDP a wider and more targeted form of assistance to its intended beneficiaries.

"As we continue to increase the rural income of our beneficiaries

all over the country, the approval of the AF2 by the World Bank marks a new chapter for the PRDP in enhancing and intensifying its support to its partners and stakeholders throughout the country. Let us continue to work hard in the next four years for the benefit of our kababayans," Usec. Cayanan said.

It is expected that the signing of the Loan Agreement and related documents for the DA-PRDP AF2 will happen on or before July 15, 2021.

The said loan is expected to take effect a maximum of 90 days at the latest from the date of the signing of the Loan Agreement expected to take place between August or September of this year, with its implementation to commence soon thereafter during the last quarter of 2021. The AF2-EU's closing date is on July 31, 2025. (Iconn Mel D. Cayabyab, NPCO InfoACE)

Project Performance Ratings

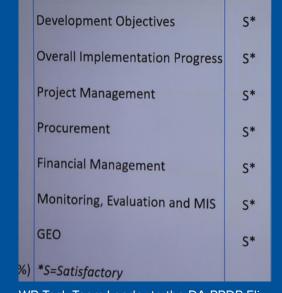
DA-PRDP receives Satisfactory Rating from World Bank

The DA-PRDP formally concluded its 12th Implementation Support Mission (ISM) on a positive note, receiving an overall Satisfactory rating from the World Bank (WB) during the wrap-up meeting on June 10, 2021.

Based on the WB's presentation of the 12th ISM Aide Memoire, the DA-PRDP received Satisfactory ratings covering Development Objectives, Overall

Implementation Progress, Project Management, Procurement, Financial Management, Monitoring, Evaluation, and Management Information System (MIS), and Global Environment Objectives (GEO). The DA-PRDP's overall rating was presented virtually by WB Task Team Leader Eli Weiss.

Read more on p. 3



WB Task Team Leader to the DA-PRDP Eli Weiss shares the satisfactory rating to the Project's overall performance during the wrap-up meeting



DA-PRDP receives Satisfactory... (from Page 2)

During the virtual meeting, PRDP National Project Director Undersecretary Ariel T. Cayanan lauded the whole of the DA-PRDP for its relentless dedication in improving its processes and implementation of programs and services for its intended beneficiaries.

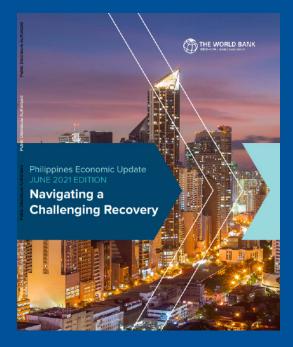
"Committed to our vocation, this mission is truly the epitome of our service to operationalize local-level convergence platform among stakeholders, to synergize DA programs and projects, and to facilitate the implementation of more relevant interventions that shall benefit a bigger segment of farmers and fishers, ushering them towards inclusive growth," Usec. Cayanan said.

WB Task Team Leader Weiss also congratulated the DA-PRDP for rising above the challenges brought about by the COVID-19 pandemic to adapt and innovate in a difficult time.

"You (PRDP) should really be proud of yourselves. First, for advancing implementation during a very difficult period, in which it is just really challenging to do, but also second, for taking this pandemic as an opportunity, to make further transformational changes in the way you work and provide services," Weiss expressed.

Moreover, WB Sustainable Development Sector Leader Madhu Raghunath mentioned that the World Bank recently featured the DA-PRDP as a model for capacity building in its June 2021 issue of the Philippines Economic Update.

Read more on p. 4



June 2021 Issue of the Philippines Economic Update by the World Bank

The PRDP featured on the Philippines Economic Update can be found on Page 57, Box 10.



Box 10. The Philippine Rural Development Program: A Model for Capacity Building

The PRDP is the national government's flagship project for agriculture and rural development and provides best practice examples for capacity building. The PRDP promotes sustainable and equitable growth in productivity and the income of farmers and fisherfolks through sciencebased planning and synergistic partnerships among national government agencies, provincial and municipal governments, and the private sector. The PRDP has championed the local government's adoption of sciencebased tools and provided them with the capacity to establish systematic and objective decision-support platforms devoid of political biases. This has allowed local government's to design holistic roadmaps for local agricultural development, which are embodied in the Provincial Commodity Investment Plans. The PRDP has also improved the technical capacity for planning and subproject implementation of all 81 provincial local government units in the country, producing a total of 81 Provincial Commodity Investment Plans and

10 City Commodity Investment Plans that are anchored on 125 value chain analyses covering 74 commodities. The PRDP has advocated learning-by-doing approaches in order to build local government capacity, while strengthening transparency and accountability. The project guided the transition from national government agencyimplemented to local government-implemented rural infrastructure and enterprise development. With technical guidance from the PRDP, local government units —as cofinancers of investments—gained the capability to carry out subproject planning, procurement, and engineering. The project also introduced cutting-edge digital solutions to improve local government accountability and transparency.58 The PRDP was able to mainstream many innovations and best practices into the regular functions of the Department of Agriculture and local government units to shift public investments toward a modern, value-chain oriented, and climate-resilient agriculture and fisheries sector.



Undersecretary
Ariel T.
Cayanan
delivers his
message
during the
wrap-up
meeting of the
12th WB ISM to
the PRDP



WB Task Team Leader to the DA-PRDP Eli Weiss presents the findings regarding the performance of the Project during the 12th WB ISM

DA-PRDP receives Satisfactory... (from Page 3)

The recently concluded 12th World Bank ISM was a three-week event from May 24 to June 10, which consisted of several consultations and meetings between the World Bank and the DA-PRDP National Project Coordination Office (NPCO), Project Support Offices (PSOs), Regional Project Coordination Offices (RPCOs), as well as dialogues with contractors and various proponent groups. Virtual site visits were also conducted during the first week of the Mission, featuring major subprojects that

were completed and are ongoing from the North Luzon, South Luzon, Visayas, and Mindanao Clusters.

Present during the virtual wrap-up meeting are representatives from the World Bank, European Union, DA-PRDP NPCO, PSOs, and RPCOs.

With the recent ratings given by the World Bank, the DA-PRDP aims to further improve and enhance its processes and implementation readiness, in anticipation of the proposed \$280 million Second Additional Financing

(AF2) with EUR18.3 million E.U. Co-financing Grant that is set for approval of the World Bank Board on June 17, 2021.

The next 13th World Bank Implementation Support Mission to the DA-PRDP is expected to commence on November 15, 2021. The ISM is conducted twice a year to assess and give updates on the implementation of subprojects in the four (4) clusters - North Luzon, South Luzon, Visayas and Mindanao. (Iconn Mel D. Cayabyab, NPCO InfoACE)



National Project Director Undersecretary Cayanan and National Deputy Project Director Hubilla, together with the DA-PRDP NPCO staff, conclude the wrap-up meeting of the 12th WB ISM.



Cacao enterprise expands Maragusan Co-op operations



Every quality tablea produced by the Maragusan Multipurpose Cooperative (MAMPCO) carries with it a beautiful story of hard work and success.

MAMPCO, which started as a small cooperative with only a few members 50 years ago, has now grown into an organization with almost 4,000 members.

In 2010, they decided to get into the production and marketing of cacao fermented beans, with a dream of expanding into tablea production to help more cacao farmers achieve a stable source of income.

To make this dream a reality, MAMPCO applied for enterprise development support from the Department of Agriculture - Philippine Rural Development Project (DA-PRDP), to which the DA-PRDP provided MAMPCO through the PhP2.51 million "Tablea Processing and Marketing"

Enterprise" subproject.

The interventions provided by the DA-PRDP to MAMPCO included a one-unit tablea processing building, roaster, cracker, grinder, stainless molding equipment, chiller, vacuum sealer, air conditioning unit, and other inputs for tablea processing.

Almost three years since the completion of the subproject, the beneficiaries from MAMPCO said that the tablea processing center has made a big impact to their cooperative when it comes to value adding of cacao beans, and generating additional income for their farmer members.

According to MAMPCO Manager Armando Escuadro, their cacao farm expanded after the DA-PRDP provided their processing building and equipment, followed by an increase in the number of their farmer members.

"We started with only 70

farmer-members with a production area of around 70 hectares dedicated to cacao. But with the help of PRDP our production area has expanded to 156 hectares and the number of our cacao farmers has doubled," Escuadro said.

MAMPCO is currently producing around 3,800 kilograms of fermented cacao beans per month. Their institutional buyer, Kennemer Foods International Inc., gets 70% of their produce, while the remaining 30% goes to their tablea processing. From this, they can make an average of 800kgs of chocolate tablets per month.

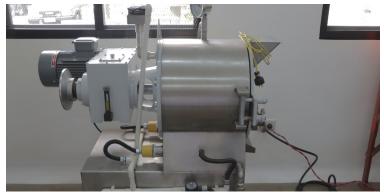
In a day, they can make two batches of 222 packs of tablea with each pack containing 100 grams. This is the result of the processing equipment that helped them fast track their processing and ensure a good quality tablea in the end.

Read more on p. 6













Cacao Enterprise expands... (from Page 6)

Through the DA-PRDP. other agencies were also able to provide support to MAMPCO, market expanding their allowing them to tie-up with their institutional buvers. Some these agencies and institutions include the Department of Trade and Industry (DTI), Department of Labor and Employment (DOLE), Provincial **A**ariculture Office (PAGRO) of Davao de Oro, Cacao Industry Development Association of Mindanao (CIDAMI), and more recently, the Foundation for Sustainable Society, Inc., which will partner with them for their planned expansion of their production area to another 100 hectares including establishment of agri-tourism and farm resort.

Engrasio Detomal Jr, one of the farmer members of MAMPCO, said that the buying price for cacao really increased, and many farmers were motivated to go back into farming because MAMPCO acted as a sure buyer of cacao wet beans.

"When I started farming, the price of wet beans was at P25 to 28 per kilo. But now we can sell it

at P32 to 35 pesos. In fact, many farmers here are working again in their cacao farms because they know that we have MAMPCO as a sure buyer of our beans, and they give us a good price," said Detomal.

A year after she was hired, tablea processor Rose Villa Amores has already mastered the steps in processing the cacao beans into finely ground tableya, "With my income here, I am able to support our family's daily consumption and send my children to school." Amores said.

MAMPCO continued its operation amidst the pandemic and despite the disruption and challenges they encountered, they were still able to secure their Certificate of Product Registration and passed the requirement of the Food and Drug Administration.

MAMPCO is now planning to release new products within the year such as cacao nibs, chocolate, and cocoa powder. They are also crafting new proposals under the additional financing 2 (AF-2) of the DA-PRDP which would include a delivery van, additional equipment, refinery

grinder, and a printing machine to customize their label.

Best Practices

As MAMPCO committed to sustain the project and to continually help their members, especially the cacao farmers, they decided to come up with an idea of taking over the farm management of cacao farms whose owners decided to discontinue farming or are having a hard time managing their farm areas.

The strategy is to rent the farm to make use of it while introducing a diversified farming system and provide 3-in-1 support which include financial, technical, and marketing assistance. Upon the expiration of the rental, they will turn-over the farm back to the owner already fully developed.

The cooperative also hired additional production technicians to supervise their farmers in increasing their harvest and to reach their target of P2000 kilograms of dried beans per hectare. (Joy M. Montecalvo, PSO Mindanao InfoACE)

NEWS BRIEFS

North Luzon

Infra Project expands road network in Bulacan

The construction of the PhP50 million road network that will lead progression in the barangays of Sumandig and Bubulong Malaki has now been completed, in support to the "One DA" Infrastructure Investments.

On June 4, 2021, technical staff of the RPCO 3 and the PSO conducted the final inspection of the FMR slated to be turned over to the local government this month.

In a brief interview with RPCO 3 I-BUILD Rural Infrastructure Engineer Michael Angelo Maglaque, the 2.9-kilometer road is seen to provide a more convenient path for residents, farmers and motorists, which will reduce travel time from Bubulong Malaki to the town proper by at least 10 minutes.

Some farmers recalled that the road was seldom used due to its poor condition, but with the improvements made, the road network will provide convenience in the delivery of agricultural produce to nearby markets.

The FMR will improve the quality of life for farmers considerably in terms of increased income, expanded access to health and social services, and ease in traveling to and from the barangays.

Also present during the inspection are Geomapping and Governance GIS Data Officer Alvin Mariano, Social and Environmental Safeguards Associate Prince Roy Cruz, PSO I-BUILD Engineer Sheidel Delicano and PSO Administrative Staff Patrick Ian Mones. (Ma. Reina Len G. Luna, RPCO III InfoACE)

South Luzon

Magsaysay FMR hits 100% completion, welcomes first onion harvesting season

The Upgrading/Concreting of the Barangay Poblacion FMR of the DA-PRDP welcomed its first onion harvesting season with the completion of its subproject on June 4, 2021.

The FMR, which started rehabilitation works on May 22, 2020, runs for 5 kilometer long and 5 meter wide, passing through three sitios in Barangay Poblacion, Magsaysay.

Completion of the FMR came at a time where the onion harvesting season started, despite a few setbacks due to the COVID-19 pandemic. Despite the challenges, F.A. Torres Construction Project Manager Engineer Cesar Bernardo cited that the Municipal ang Barangay Health Offices were a huge help in ensuring the safety of the team.

"Ang pandemic na naranasan natin sa ngayon ay talagang malaking challenge sa construction industry. Actually, kami dito, may ilang linggo rin kaming natigil ang trabaho dahil nga sa pagputok nitong COVID-19 virus. Nakipag-ugnayan kami sa municipal health office, sa barangay health office, sila ang magte-test dun sa mga tao at magce-certify na bago sila pumasok, sila ay COVID-free," Bernardo said.

With the FMR now operational, project beneficiaries were able to immediately experience the benefits of the subproject during the first onion harvesting season. According to the Project Affected Persons (PAPs), vehicles are now able to drive inside their sitio from the highway to pick up onions directly from their doorsteps, lowering transportation and hauling costs.

"Dinadala namin sa highway [ang mga pananim noon]. Ngayon 'ho, hindi na po kami maghahakot, kasi dito na mismo sa amin kinukuha. 'Yung mga nakaraan po, 2018, minsan meron lang bente, meron pa nga hong disi-otso [ang presyo ng kilo ng sibuyas]. Pero 'ho ngayon, maganda po ang sibuyas, at nabebenta naming sa 45 pesos," Eugenio Madrid, one of the 53 PAPs expressed.

At present, more than 8,000 subproject beneficiaries can look forward to poverty alleviation and socio-economic upliftment of their locality through the use of a quality FMR. (Danica A. Brutas, DA-PRDP MIMAROPA RPCO InfoACE)

Visayas

RPAB nods PhP687-M worth of PRDP subprojects for 2021 in Western Visayas

The Regional Project Advisory Board (RPAB) of Western Visayas held a virtual deliberation and review of various proposed subprojects of the DA-PRDP on May 20, 2021.

Spearheaded by RPAB Chairman and Project Support Office (PSO) Visayas Remelyn R. Recoter, a total of five (5) subprojects, with an estimated total cost amounting to PhP687,341,507.76, were presented and deliberated. After approval from the RPAB, the subprojects will advance for endorsement to the NPCO to be able to secure a fair chance for funding this year.

"As we are now anticipating the second additional financing of PRDP amounting to US\$280 million retrofitted budget with EUR18.3 million E.U. co-financing grant, we aim to cater the proposals of LGUs and endorse them to the NCPO," Director Recoter said.

"The RPAB meeting is very significant as we were able to review the five proposed subprojects in the region with respect to the timeline set by the national office," she added.

The infrastructure development subprojects by respective Local Government Units include the Establishment of Abbatoirs in Roxas City, Capiz; Oton, Iloilo; Concepcion, Hinoba-an, Negros Occidental; and the Construction/Concreting of Manika - Oyang -Dalagsaan FMR with Bridges in Aklan.

The five subprojects presented are set to be endorsed to the NPCO subject for issuance of No Objection Letter (NOL) 1. Likewise, projects that are bound to be lined up for the additional financing of the DA-PRDP are also presented to the board.

Director Recoter lauded the LGUs for answering the call of fostering the agri-fishery sector in their respective towns and provinces. She also expressed her gratefulness to the members of the RPAB for the continuous support with the agency's projects focused on the welfare of the farmers and fishers in the region.

The RPAB team are composed of representatives from the Department of Environment and Natural Resources (DENR), Trade and Industry (DTI), Public Works and Highways (DPWH), Interior and Local Government (DILG), Agrarian Reform (DAR), DA-Bureau of Fisheries and Aquatic Resources (BFAR), and the DA-National Meat Inspection Service (NPIS). (September Noon Macahilo, PSO Visayas InfoACE)

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