

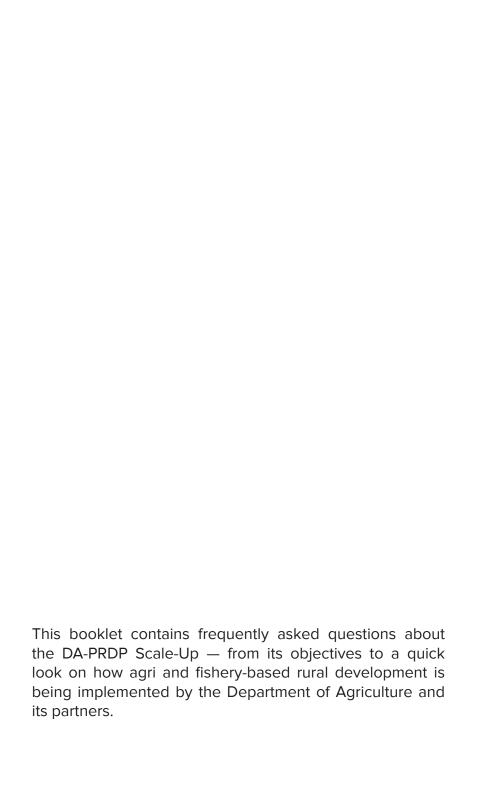


Department of Agriculture PHILIPPINE RURAL DEVELOPMENT PROJECT SCALE-UP Enabling Communities. Expanding Opportunities.











What is the DA-PRDP Scale-Up?

The Philippine Rural Development Project (PRDP) Scale-Up is one of the flagship programs of the Department of Agriculture (DA) designed to address the gaps in the commodity value chains by improving the efficiency of the food supply chain towards greater connectivity, mobility, accessibility, availability, and affordability of food in the market.

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How does the DA-PRDP Scale-Up differ from the PRDP Original Loan, AF1, and AF2?

The Philippine Rural Development Project has evolved over the years, responding to the needs and peculiarities of challenges and demands of the agri-fishery sector. The PRDP Original Loan (OL) was implemented in 2014.

It received its first additional financing in 2018. The Original Loan and the First Additional Financing (AF1) were committed to achieve increased productivity, incomes, and climate resiliency in rural communities. The DA-PRDP's second additional financing received (AF2) in 2022 was retrofitted to address the demands of the New Normal post-COVID pandemic. It supports the DA's agri-fishery recovery and stimulus programs (PLANT, PLANT, PLANT; KADIWA, etc.) through interventions such as logistics and food access.

Considered a new project, the DA-PRDP Scale-Up will address the persistent challenges besetting the sector. Notably, the project will highlight clustering and consolidation as a strategy, enhanced participation of the private sector, and climate resiliency of project interventions. In a nutshell, the DA-PRDP Scale-Up will be a bigger, expanded version of the original DA-PRDP.

Banking on the gains of the original Project, the DA-PRDP Scale-Up will roll out a new basis for investment through a regional and interprovincial perspective in investment planning and the inclusion of rice and corn as priority commodities.

Also, the DA-PRDP Scale-Up will utilize a new, innovative approach to agri-fisheries development to focus on clustering and consolidation strategies and promote a productive partnership with farmers' and fishers' cooperatives and associations (FCAs)/cluster FCAs and the private sector for value-adding and increased market access, which is a level-up from the proponent group-specific approach. The project will also highlight climate resilience as a common feature across interventions. It will also establish scaled-up enterprise investments including small to large-scale enterprises as common service facilities.

What is the aim of the DA-PRDP Scale-Up?

The DA-PRDP Scale-Up aims to contribute to developing the sector by improving farmers' and fisherfolk's access to markets and increasing income from selected agri-fishery value chains.



Where will the DA-PRDP Scale-Up be implemented?

The DA-PRDP Scale-Up covers all 82 provinces from the 16 regions in the country.



Who are the beneficiaries of the DA-PRDP Scale-Up?

Actors within the commodity value chains, such as smallholder farmers and fishers' groups, FCAs, clusters of FCAs, producers, associations, federations, processors, consolidators, food manufacturers, and other players within the value chains will directly benefit from the project. They are also eligible proponents of enterprise investments in partnership with the private sector. Moreover, the Local Government Units (LGUs) at the provincial, municipal, and city levels as primary project implementers will benefit from the project and are eligible proponents for infrastructure and enterprise investments.

What are the FCAs and FCA clusters?

FCA (Farmer–Fisherfolk Cooperatives and Associations)

FCA refers to farmers and fisherfolk cooperatives, associations or non-stock corporations duly registered with appropriate government agencies (i.e. CDA, SEC, DOLE-BRW), which are composed primarily of small agricultural producers, farmers, farm workers, agrarian reform beneficiaries, and fisherfolk who voluntarily join together to form business enterprises.

FCA Cluster

FCA Cluster shall be defined as a group of producers of crops, livestock and/or fish within a community or adjacent communities on the basis of proximity of their production areas, similarity of inputs, and shared production activities/processes and/or common final products.



Who are the partners in implementing the DA-PRDP Scale-Up?

The Project will partner with the private sector for enterprise development. These are private business entities that are willing to enter into a marketing contract or buy-back agreement with partner FCAs/FCA clusters. They can provide co-investment to subprojects, either cash/in-kind such as equipment, facilities, or infrastructure.

Relevant national government agencies such as the Departments of Public Works and Highways, Trade and Industry, Interior and Local Government, Agrarian Reform, and Environment and Natural Resources, and regional administrative bodies such as the Bangsamoro Autonomous Region in Muslim Mindanao, Mindanao Development Authority, and others are considered partners in the project implementation through leveraging and convergence initiatives. Financing institutions (e.g., Landbank of the Philippines, Development Bank of the Philippines, Agricultural Credit Policy Council, etc.) and insurance companies (e.g., Philippine Crop Insurance Corporation) will be tapped to help FCAs/cluster FCAs with their financing requirement and insurance coverage. Within the DA, the Project will forge closer coordination with Bureaus of Agricultural and Fisheries Engineering, and Soils and Water Management, Climate Resilient Agriculture Office, banner programs, Agribusiness and Marketing Assistance Service, Philippine Center for Postharvest Development and Mechanization, and Project Development Service – Public-Private Partnership, among others.

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When will the DA-PRDP Scale-Up be implemented?

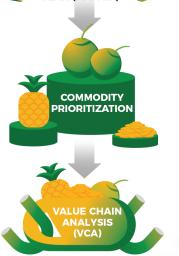
The DA-PRDP Scale-Up will be implemented for six years from 2023 to 2029.

How does the DA-PRDP Scale-Up move towards its Project Development Objectives?

COMPONENT 1: LOCAL AND NATIONAL LEVEL PLANNING





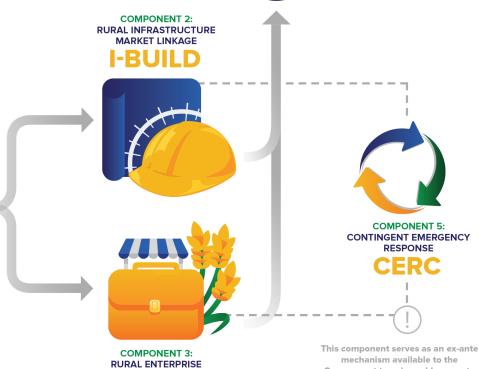




COMPONENT 4:
PROJECT
IMPLEMENTATION
SUPPORT
I-SUPPORT







I-REAF

DEVELOPMENT

This component serves as an ex-ante mechanism available to the Government to gain rapid access to financing to respond to an eligible crisis or emergency.

UNITS:

- Accounting
- Administration
- Budget
- Economics
- Financial Management
- Geomapping and Governance (GGU)
- Information, Advocacy, Communication, and Education (InfoACE)
- Institutional Development
- Monitoring, Evaluation, and Learning (MEL)
- Procurement
- Social and Environmental Safeguards (SES)

What are the components of the DA-PRDP Scale-Up?

The DA-PRDP Scale-Up will be implemented through its five (5) components, namely, (1) I-PLAN or National and Local Level Planning Component, (2) I-BUILD or Rural Infrastructure Market Linkage, (3) I-REAP or Rural Enterprise Development, (4) I-SUPPORT or Project Implementation Support, and (5) CERC or Contingent Emergency Response Component.



What are the key features of the I-PLAN Component?

The I-PLAN Component will lay down the strategic framework in the context of overall project operations and implementation of interventions. This component seeks to enhance the National Agriculture and Fisheries Modernization and Industrialization Plan (NAFMIP) — through the systematic formulation of investment programs using science-based tools and approaches harmonized with national, regional, and provincial plans.

Specifically, it aims to: a) Strengthen the DA's planning, programming and budget execution processes supportive of NAFMIP implementation; and, b) Improve the delivery of support services to provinces implementing agriculture and fishery projects from the commoditiy value chains and subprojects prioritized in the PCIP.

What is the Provincial Commodity Investment Plan (PCIP)?

The PCIP is a three-year rolling plan introduced by DA-PRDP for effective, technically-based planning and for leveraging resources for investments from government agencies and the private sector. Using the PCIP, LGUs can identify specific rural infrastructure or enterprise interventions to address constraints in the value chains of the priority commodities in their provinces. The PCIP, together with the Cluster Development Plans (CDPs), will define the Regional Agri-Fishery Investment Portfolio (RAFIP) and will become the basis for all project interventions.

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What is the Regional Agri-Fishery Investment Portfolio (RAFIP)?

The RAFIP is the outcome document of the planning process underlining a regional perspective on the PCIPs and integrating the CDPs of the DA's clustering and consolidation strategy. It contains the list of interventions with potential for upscaling through clustering and consolidation based on regional analysis. It will serve as the basis for proposals to be submitted to the project for funding, as well as input to the DA regional planning and budgeting process to identify areas of investment for funding by the DA or other funding agencies.

What are the key features of the I-BUILD Component?

The I-BUILD Component will focus on delivering climate-resilient access and value chain infrastructure support to build up food distribution hubs and logistics systems. It aims to provide unhampered mobility, access, and a stable supply of food commodities and other agri-fishery products with reduced transport, handling, and hauling costs, thereby improving product quality and prices in target markets. I-BUILD is in charge of the project's rural infrastructure development portfolio and processing of submitted infrastructure development proposals anchored on the PCIP/RAFIP.



What are the key features of the I-REAP Component?

The I-REAP Component aims to increase productivity, value addition, and improve access to the market of enterprise clusters through efficient cluster-based agricultural and fishery productivity enhancement interventions. The component aims to support small to large-scale, high-impact investments, and enterprise development through common service facilities, capacity-building, and other agriaqua support services for FCAs and FCA clusters. I-REAP is in charge of the project's enterprise development portfolio and processing of submitted rural enterprise development proposals anchored on the PCIP/RAFIP.

What are the key features of the I-SUPPORT Component?

The I-SUPPORT Component provides the backbone of the DA-PRDP Scale-Up implementation. It will ensure coordinated approaches and strategies among the I-PLAN, I-BUILD, and I-REAP components by providing support for effective and efficient project management, oversight, capacity building/strengthening complementary project staffing, technical assistance, and operating costs for the six-year implementation.

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What are the key features of the CERC?

The CERC component serves as an ex-ante mechanism available to the Government to gain rapid access to financing to respond to an eligible crisis or emergency based on the agreed triggers and specific operational guidelines. CERC interventions would be identified through the conduct of a Rapid Needs Assessment (RNA) that will inform the Emergency Action Plan (EAP).

What are the subproject proposals eligible for I-BUILD and I-REAP Components' funding?

Proposals anchored on the PCIPs and RAFIP focused on the following infrastructure subprojects are eligible for I-BUILD funding:

- Farm-to-Market Road (FMR)
- Bridge
- Irrigation
- Potable Water System (PWS)
- Value Chain Rural Infrastructures
 (examples: abbatoir, dressing plant, fish landing, tramlines, feeder ports)

Proposals anchored on the PCIPs and RAFIP focused on the following enterprise development subprojects are eligible for I-REAP funding:

- Input Supply/Sourcing: seedling nurseries and seed banks, tissue culture laboratories/centers, organic fertilizer production/composting centers, fish hatcheries and nurseries, feed milling plants, multiplier farms, breeding centers for livestock and poultry;
- Production: crop, livestock, dairy, and fish production enterprises (communal farming facilities i.e., greenhouse, grow-out houses/pens, cattle feedlots, fishponds, etc.), Common Service Facilities for mechanized farming—farm machinery and equipment service centers (land preparation, direct seeding, transplanting, spraying, harvesting, repair services, etc.) including the local fabrication and manufacturing of agri-fishery machinery and equipment;

- Consolidation: buying, consolidation, and packaging centers for high-value crops with logistics service facilities (hauling trucks, refrigerated vans, etc.);
- Postharvest: establishment and operation of Common Service Facilities for primary postharvest processes (drying facilities, fermentation houses, hot water treatment/ vapor heat treatment facilities, etc.), storage for grain, high-value crops, meat and fish products (cold storage facilities, warehouses with drying and postharvest equipment, silos, etc.);
- Processing: rice and corn processing centers, GMP-compliant crop/meat/dairy/fish processing facilities, non-food products processing facilities (abaca, coco coir, rubber, etc.); and
- Marketing: GMP-compliant food supply hubs, i.e., trading posts/centers and food terminals equipped with cold or dry storage facilities, pre-processing/processing facilities and logistics facilities, the establishment of auction market facilities complete with equipment and holding pens for large animals, including the auction market system.

How much is the budget for the DA-PRDP Scale-Up?

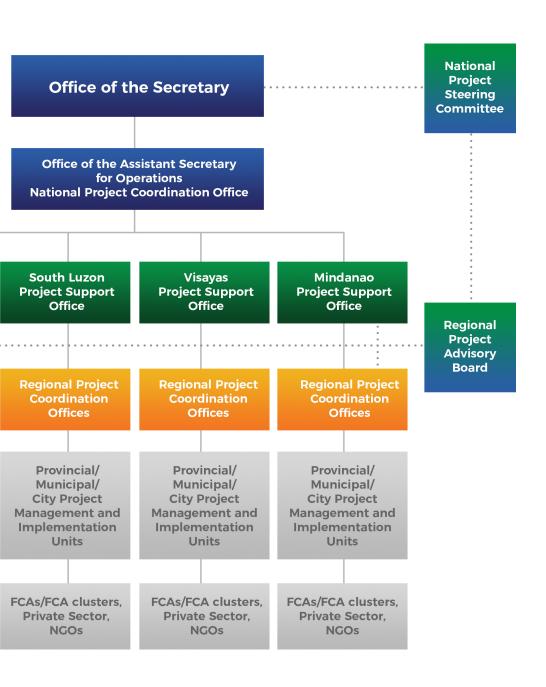
Financially, the project will be supported by a USD 600 million or around PhP33 billion (B) loan from the World Bank with counterpart funds from the national government amounting to PhP5.57-B, and LGUs and/or farmer/fisherfolk cooperatives and associations (FCAs) at PhP6.44-B. Ninety two percent of the total project cost will fund rural infrastructure and enterprise investments.

What is the DA-PRDP Scale-Up implementation structure?

The DA-PRDP Scale-Up will maintain the existing original PRDP implementation structure. At the national level, the National Project Coordination Office (NPCO), under the direct supervision of the Office of the Assistant Secretary for Operations, is in charge of the overall project operations, coordination, and external communication.

The four Project Support Offices (PSOs) will oversee regional cluster operations and support services covering Luzon, Visayas, and Mindanao. At the regional level, the Regional Project Coordination Offices (RPCOs) lodged at the 16 DA Regional Field Offices (RFOs) will provide backstopping work and direct coordination with the proponent LGUs and FCAs/cluster FCAs of the various subprojects.





How can the LGUs participate in the DA-PRDP Scale-Up?

LGUs that are interested to participate in the DA-PRDP Scale-Up must send a Letter of Intent (LOI) to the Project through the concerned RPCO. In most cases, the participating provincial LGU shall identify the interventions for the development of its priority commodities as embodied in the PCIP. Moreover, the municipal/city LGUs identified as critical in strengthening the gaps within the value chain as determined by the Value Chain Analysis (VCA) and included in the PCIP are eligible to participate in the Project. The DA and the LGU shall enter into a Memorandum of Agreement (MOA) to officially commence the partnership of both parties.

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How can FCAs participate in the DA-PRDP Scale-Up?

FCAs can form into an FCA Cluster by proposing similar subprojects or inter-connected/inter-linked subprojects. In which case, a Lead FCA will be selected among the cluster members.

The FCA Cluster that signified interest to implement an enterprise subproject through the submission of an LOI to the LGU shall comply with the following minimum eligibility requirements:

- Must be composed of at least two (2) FCAs
- Must have the following minimum production area:
 Rice 100 hectares; Corn 75 hectares; High Value Crops
 25 hectares; Fruit trees and perennials 100 hectares;
 Fiber Crops 100 hectares; and
- Must have an approved Cluster Development Plan (CDP)

The DA-PRDP shall conduct validation on the eligibility of the Implementing Proponent based on certain criteria and parameters. Upon confirmation of the implementing proponent, the FCA, DA, and the LGU shall sign an Implementation Management Agreement (IMA) to officially commence the enterprise subproject.



How can the private sector participate in the DA-PRDP Scale-up?

Through a strengthened productive alliance, the DA-PRDP Scale-Up will enhance the participation of the private sector as either partners, co-managers, or co-implementers of subproject interventions. These productive alliances could include but are not limited to, the private sector as co-managers of common service facilities such as processing centers, warehouses, cold storage, and others. The private sector could also serve as a marketing conduit for agrifishery produce of FCA or clusters of FCAs. The private sector could be included in the DA-PRDP Scale-Up as a source of needed technologies, parallel financing, capacity building for FCAs/FCA clusters, and markets for agri-fishery products.

What is the general process flow of I-BUILD subprojects in the DA-PRDP Scale-Up?

| Step No. | Step/Activity | Responsible Unit |
|-------------|--|---|
| 1 | Request for Proposal | RPCO to LGU |
| 2 | Prepare Letter of Intent (LOI) | LGU |
| 3 | Subproject Prioritization | Stakeholders/LGU/ RPCO |
| 4 | Submission of LOI | LGU to RPCO |
| 5 | Review of LOI and lists of SPs | RPCO |
| 6 | Conduct of Joint Validation | RPCO and PSO I-BUILD |
| 7 | Prepare Feasibility Study (FS) | Proponent LGU |
| 8 | Conduct Survey and Prepare Detailed Engineering Design, Program of Works (POW), Operations and Maintenance (O&M) Plan, Occupational Health and Safety Program (OHSP), Bid Documents and draft the SP Implementation Management Agreement (IMA) | LGU |
| 9 | Review of FS, DED, POW, O&M Plan, OHSP, bid documents and IMA | RPCO/PSO/NPCO (according to threshold) |
| 10 | Approval of SP | RPAB |
| 11 | Approval of NOL-1 | RPCO/PSO/NPCO (according to threshold) |
| 12 | Issuance of NOL-1 | RPCO/PSO/NPCO (according to threshold) to LGU |

| Step No. | Step/Activity | Responsible Unit |
|-------------|--|---------------------------------|
| 13 | Conduct Pre-Procurement Conference | BAC of Proponent LGU |
| 14 | Publish or Post Advertisement and Issue Bid Documents | Proponent LGU |
| 15 | Conduct Pre-Bid Conference | BAC of Proponent LGU |
| 16 | Submit and Open Bid Proposals | BAC of Proponent LGU |
| 17 | Prepare Bid Evaluation Report (BER) | BAC of Proponent LGU |
| 18 | Review of BER | RPCO |
| 19 | Concur BER for issuance of NOL2 | PSO/NPCO |
| 20 | Award and Contract perfection to the Lowest Calculated and Responsive bidder | BAC of Proponent LGU |
| 21 | Issue Notice to Proceed | Proponent LGU |
| 22 | Supervise, Monitor, Evaluate Contract Progress Billing | RPCO, LGU |
| 23 | Report 100% Completion | Contractor to LGU |
| 24 | Conduct Final Inspection | RPCO, PSO, LGU |
| 25 | Turn-over of Site Possession to LGU | Contractor to LGU |
| 26 | Ensure Proper Operation and Maintenance | LGU, O&M groups/end users |

What is the general process flow of I-REAP subprojects in the DA-PRDP Scale-Up?

| Step No. | Step/Activity | Responsible Unit |
|-------------|---|---|
| 1 | Subproject Identification | P/C/MLGU |
| 2 | Submission of LOI, Eligibility Requirements and Evaluation of Applicants (i.e. FCA, PAE) | P/C/MLGU; FCA/ FCA Cluster; Private Agribusiness Entity (PAE) |
| | Conduct of Validation and | Lead: RPCO |
| 3 | Conduct of Validation and Assessment | Support: P/C/MLGU, PSO/NPCO |
| 4 | Business Modeling | Lead: Implementing Proponent (P/C/ MLGU or FCA/ FCA Cluster or PAE) |
| | | Support: RPCO |
| 5 | Confirmation of the Implementing Proponent | Lead: PSO Support: RPCO |
| 6 | Presentation of the Business Model to the Business Sector | Lead: Implementing Proponent (P/C/ MLGU or FCA/FCA Cluster or PAE) Support: PSO, RPCO |

| Step No. | Step/Activity | Responsible Unit |
|-------------|---|--|
| 7 | Strategic Planning, Preparation of Capacity Development Plan, Business Continuity Plan and Business Planning Workshop | Lead: RPCO Support: PSO, Implementing Proponent |
| 8 | Business Plan Preparation and Packaging | Lead: Implementing Proponent Support: RPCO Components and Units |
| 9 | RPCO Technical Review | Lead: RPCO Technical Review Committee Support: RPCO Components and Units |
| 10 | Conduct of Joint Technical Review (JTR) for Issuance of Clearance for Regional Project Advisory Board (RPAB) Deliberation | Lead: Depends on the JTR threshold of RPCO, PSO, NPCO Support: All NPCO/PSO/ RPCO Components and Units, depending on JTR threshold |
| 11 | Compliance of Technical Findings and Compliance Review | Lead: NPCO/PSO I- REAP Support: All NPCO/PSO/ RPCO Components and Units |

| Step No. | Step/Activity | Responsible Unit |
|-------------|---|---|
| 12 | RPAB Approval | RPCO |
| 13 | NOL 1 Issuance | Lead: Depends on the threshold of RPCO, PSO, NPCO, and WB |
| 14 | Signing of the IMA among PSO, RPCO, P/C/MLGU, and FCA/FCA Cluster | RPCO |
| 15 | Processing and Release of the Enterprise Project Fund (EPF) | PSO and Implementing Proponent |
| 16 | Release of I-REAP fund (EPF) from the PSO to the Implementing proponent | PSO and Implementing Proponent |
| 17 | Procurement of Goods and Civil Works of the Approved I-REAP Subproject | Implementing Proponent |
| 18 | Formulation of Enterprise Operations Manual (EOM) | Implementing Proponent |
| 19 | Submission of Completion Report by the Implementing proponent | Implementing Proponent |
| 20 | Validation of Completed Subproject | Lead: RPCO Support: P/C/MLGU, PSO |
| 21 | Turnover of the Completed Subproject to the Implementing Proponent | Lead: RPCO Support: P/C/MLGU, PSO |

| Step No. | Step/Activity | Responsible Unit |
|-------------|--|---|
| 22 | Conduct of Operations and Maintenance Audit for I-REAP Facilities and Civil Works | Lead: RPCO Support: P/C/MLGU, PSO |
| 23 | Implementation of the CDP | Lead: Implementing Proponent Support: RPCO |
| 24 | Enterprise Operations Monitoring System (EOMS) | Lead: RPCO Support: Implementing Proponent, PSO |
| 25 | Monitoring of Compliance to Social and Environmental Safeguards | Lead: RPCO Support: Implementing Proponent, PSO |
| 26 | Geotagging of Enterprise Operations | Lead: RPCO Support: Implementing Proponent, PSO |

What is the general process flow of the CERC in the DA-PRDP Scale-Up?

| Step No. | Step/Activity | Responsible Unit |
|-------------|--|--|
| 1 | CERC Activation | |
| 1.1 | Submission of proof of emergency | LGU |
| 1.2 | Convening of the CERC Team | PSO/RPCO I-BUILD, I-REAP, GGU, SES in coordination with concerned LGU |
| 1.3 | Conduct of Rapid Needs Assessment (RNA) Preparation of the RNA report Development of the Emergency Action Plan (EAP) Preparation of Procurement Plan Endorsement of RNA & EAP report from RPCO to PSO and then to NPCO | PSO/RPCO I-BUILD, I-REAP, GGU, SES in coordination with concerned LGU |
| 1.4 | Submission of request to DOF to activate CERC | NPCO |
| 1.5 | Request to activate CERC | DOF |
| 1.6 | Approval of CERC activation | World Bank |

| Step No. | Step/Activity | Responsible Unit |
|-------------|---|--|
| 2 | Implementation procedures and protocols | |
| 2.1 | Implementation of the Emergency Action Plan | I-BUILD, I-REAP, GGU, SES in coordination with PSO, NPCO, LGU |
| 2.2 | Withdrawal Application and Downloading of Funds | PSO NPCO LGU |
| 2.3 | Procurement | Procuring entity |
| 2.4 | Monitoring and Evaluation | NPCO PSO RPCO |
| 3 | Closing of CERC Emergency Action Plan | |
| 3.1 | Financial Management | NPCO PSO Finance Team |
| 3.2 | Monitoring and Evaluation | NPCO M&E PSO RPCO |
| 3.3 | Submission of letter of closing and report to DOF | NPCO |
| 3.4 | Submission to World Bank | DOF |

Where can we report grievances related to the DA-PRDP Scale-Up?

The Grievance Redress Mechanism or GRM is an extensive subproject management system of the DA-PRDP that intends to gather concerns from project affected persons (PAPs), with the intention to address and resolve these project-related complaints.

The GRM will not only empower the general population but it will also curb possible corruption, promote transparency and improve the project process, performance, and quality.

It is mandatory for the RPCOs to install GRM posters in the subproject areas which contain hotlines that PAPs can contact locally.

Moreover, the DA-PRDP Scale-Up also employs a webbased GRM, an online platform where you can register your queries, positive or negative feedback, or complaints. You can lodge grievances, complaints, or suspected misconducts through the web-based GRM of the DA-PRDP Scale-Up website:

prdp-grm.da.gov.ph/grm



DIRECTORY

For more information on the DA-PRDP Scale-Up, you may contact the following offices:

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North Luzon Project Support Office

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South Luzon Project Support Office

2nd Floor ICTS Building, Elliptical Road Diliman, Quezon City (02) 8928-8762 loc. 2565 prdpsouthluzonpso@gmail.com

Visayas Project Support Office

2nd Floor, Iloilo Sports Complex Magsaysay Village, La Paz, Iloilo City (33) 323-5442/5495 psovisayas@gmail.com

Mindanao Project Support Office

Alvarez Building, A. Angliangto Sr. Avenue Lanang, Davao City (082) 235-8664/ 235-8665 prdp.psomin4@gmail.com





